Trustpilot

Annual Report & Accounts

2021

Trustpilot

The world is complex but our mission is simple. We're building a universal symbol of trust for consumers and businesses everywhere

In these times of distrust and misinformation online, our mission has never been more important.

Trustpilot came to be in 2007 to give consumers everywhere a powerful voice, and businesses a way to listen, respond, and improve.

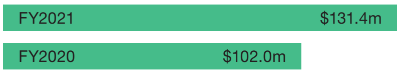
For further information visit **investors.trustpilot.com**

Financial highlights

Revenue

$131m

Revenue grew to $131 million, an increase of 29 per cent over the prior year, or 24 per cent at constant currency.



Annual recurring revenue*

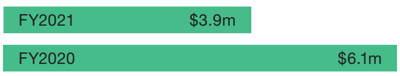
$144m

As of 31 of December 2021, ARR was $144 million, an increase of 26 per cent on a constant currency basis.

Adjusted EBITDA**

$4m

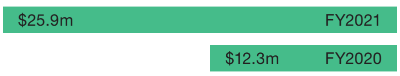
The decline in Adjusted EBITDA and Adjusted EBITDA margin were driven by investments across the Group partially offset by revenue growth.



Loss for the year

$26m

Loss for the year grew from $12 million to $26 million principally due to costs associated with the Company's initial public offering (IPO) and share-based compensation.



* Key performance indicator (KPI) – further detail available on page 39
** Alternative performance measures (APM) – further detail available in note 4

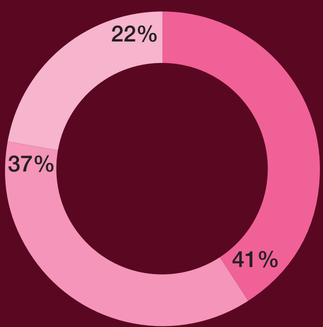
Strategic highlights

- Our strategy is to be the most used and the most trusted global reviews platform.
- The virality between the consumer and business sides of our platform, where one drives and reinforces the other, lies at the heart of Trustpilot's organic growth opportunity.
- As at 31 December 2021, Trustpilot had exceeded 167 million total cumulative reviews*, an increase of 39 per cent over the prior year.
- We closed the year with over 84 thousand businesses active* on the Trustpilot platform, up 34 per cent over the prior year.
- 23 thousand businesses are paying customers*, subscribing to our software tools to help them get, manage, and derive insights from reviews – an increase of 17 per cent over the prior year.

Reported bookings* +32%

$150m

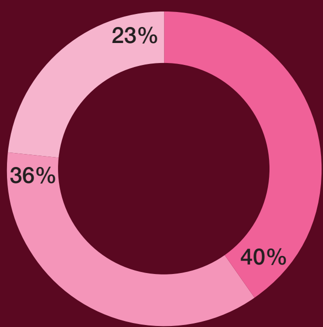
UK	41%
Europe & RoW	37%
North America	22%
Total	100%



Reported revenue +29%

$131m

UK	40%
Europe & RoW	36%
North America	23%
Total	100%



* Growth rates shown are on a year to year basis

At a glance

Who we are

Trustpilot was founded in 2007 with a vision to create an independent currency of trust.

A digital platform that brings businesses and consumers together to foster trust and inspire collaboration. We are free to use, open to everybody and built on transparency.

Trustpilot hosts reviews to help consumers shop with confidence, and deliver rich insights to help businesses improve the experience they offer. The more consumers use our platform and share their own opinions; the richer the insights we offer businesses; and the more opportunities they have to earn the trust of consumers, from all around the world.

Trustpilot has over 850 employees, founded in Copenhagen, with operations in London, Edinburgh, New York, Denver, Melbourne, Vilnius, Berlin, Milan, and Amsterdam.

→ Read more about our business on **page 29**

Service overview

Trustpilot not only facilitates better purchasing decisions, but also gives consumers the opportunity to recommend businesses, products, services, and locations based on their experiences. Businesses use Trustpilot to actively engage with consumers that are reviewing their products and services. Any business can use Trustpilot's basic services for free, where they can view and respond to consumer reviews.

In addition to this free service, Trustpilot also provides paid software modules for businesses, providing increasing levels of functionality and offered on a SaaS basis. These tools generate measurable returns for businesses through raising their profiles, building and demonstrating their trust credentials, and increasing traffic, conversion, marketing efficiency, and ultimately revenues.

→ See our Business Model on **page 26**

167m
reviews

84K
active domains

Milestones

2007
Trustpilot founded by its Chief Executive Officer, Peter Holten Mühlmann, to create an independent currency of trust.

2010
Trustpilot opens its first office in Aarhus, Denmark.

2012
Offices opened in New York and London.

2013
Trustpilot named Danish start-up of the year by NextWeb; Peter Holten Mühlmann was named Danish entrepreneur of the year by Ernst & Young.

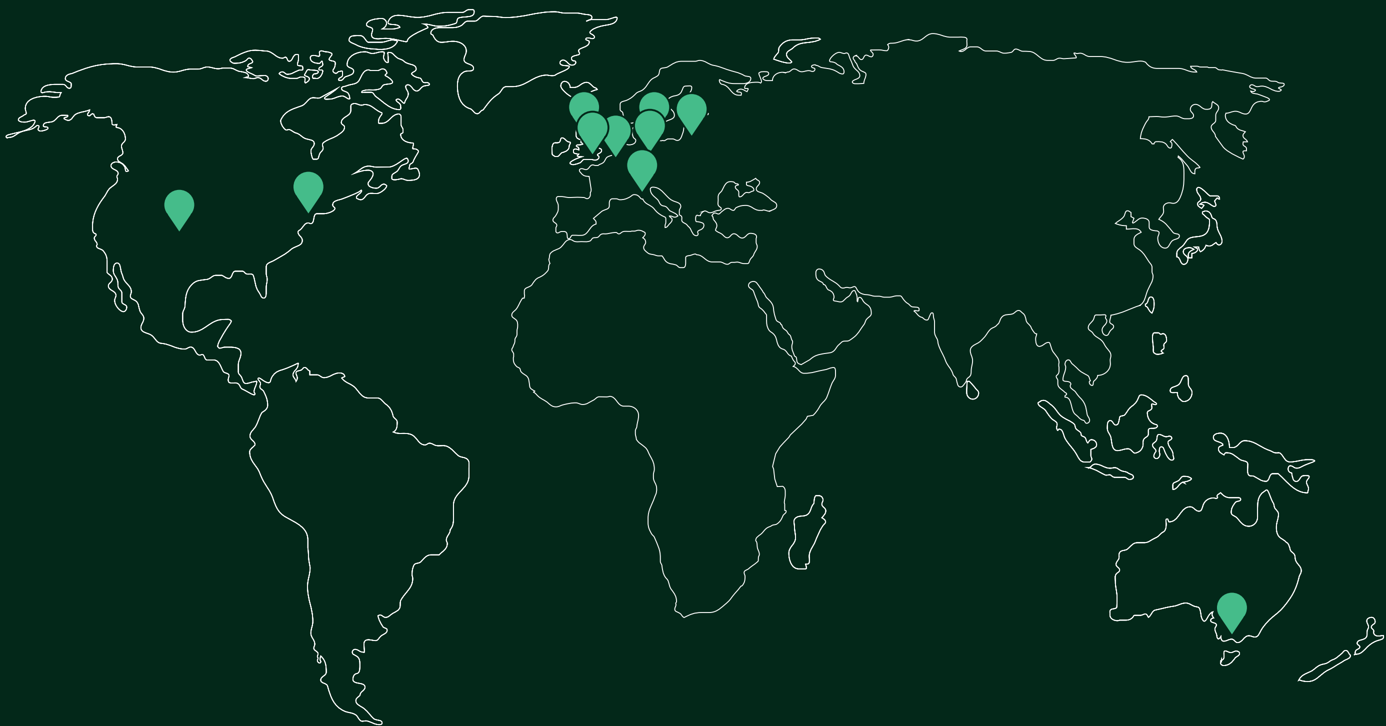
2014
Platform reaches 11 million reviews.

2015
Offices opened in Berlin and Melbourne; Trustpilot becomes an official partner of Google; product reviews launched.

Locations

We're a passionate bunch of people from all around the world.

- Copenhagen
- London
- New York
- Denver
- Vilnius
- Berlin
- Melbourne
- Edinburgh
- Milan
- Amsterdam



2016

Trustpilot expands further into the US with a new office in Denver; platform exceeds 26 million reviews.

2017

Technology Development Centre opens in Vilnius, Lithuania.

2018

Platform exceeds 57 million reviews.

2019

With more than 82 million reviews on the platform, Trustpilot launches 'Review Insights', for sentiment analysis.

2020

Trustpilot achieves over US$100 million in annual recurring revenue for the first time; platform exceeds 120 million reviews; R&D hub established in Edinburgh.

2021

Trustpilot lists on the premium segment of the London Stock Exchange at an enterprise value of US$1.5 billion; publishes first Transparency Report; launches eCommerce integrations; platform exceeds 167m reviews.

Investment case

A symbol of trust

Our vision is to become a universal symbol of trust, empowering consumers to make confident, informed purchasing decisions while allowing businesses to fill the trust gap by demonstrating the quality of their services and to gain actionable insights to improve it.

→ Read more about our mission on **page 10**

A leading open, collaborative platform

We collect trusted experiences from consumers all over the world and gather them on a free-to-use, open and collaborative platform. As more people use the platform, the content becomes increasingly useful to consumers and businesses alike.

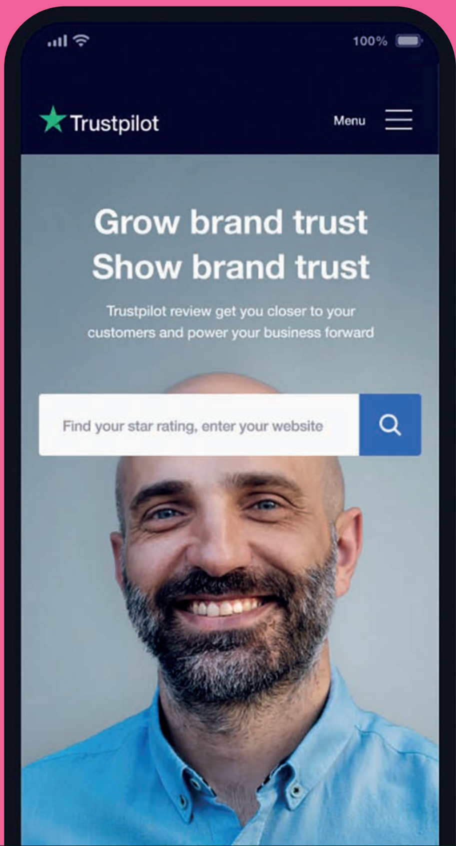
Businesses display their TrustScore (Trustpilot star rating) on their websites and other marketing materials. You may well already have been invited to share your customer experience with a company on Trustpilot.

As a result, we have a highly recognisable consumer brand and Trustpilot is among the most-visited websites in the world.

Trust and transparency

For us to achieve our vision to become the universal symbol of trust, we strive to ensure that the content displayed to consumers and businesses on the Trustpilot platform is reliable. We do this through continued investment in sophisticated systems and technology, combined with our dedicated team of specialist agents and investigators who support Trustpilot's focus on trust and transparency.

In 2021, we took down over 2.7 million fake reviews, with 68 per cent automatically removed by our fraud detection technology, built on a platform of intelligent algorithms and machine-learning systems.



2.7m
fake reviews removed in 2021

68%
fake reviews automatically removed by our technology

21m
First-time reviewers on Trustpilot in 2021

>15K
Businesses added to Trustpilot every month

Strong network effects and differentiation

As more consumers use Trustpilot to review more businesses, more domains and businesses are added to the platform. More businesses claim their profiles, and over time become our customers. In 2021, we saw an average of over 15K domains added to Trustpilot every month, which in turn drives more consumer reviews on Trustpilot. We consider any business active on our platform, through engaging with consumers, displaying their TrustScore, or inviting invitations, to be a brand ambassador for Trustpilot; we ended 2021 with over 84K of these businesses actively promoting our brand, and this is allowing us to reap the benefits of a marketing budget far beyond our own.

This viral network effect is strengthening our brand and position, driving organic growth, and creating high barriers to entry.

Investment case continued

Our technology delivers high-impact intelligence and insight

The strength of our technology and big-data ecosystem enables us to deliver high-impact business intelligence and insight, which our customers can use to increase revenue and reduce costs. Trustpilot provides paid software modules for businesses, providing increasing levels of functionality and which are offered on a subscription basis.

Customers that subscribe to Trustpilot's products and services can showcase reviews from consumers in their own marketing materials, access actionable insights gleaned from Trustpilot's big-data ecosystem, gain insights from Trustpilot's proprietary data analytics software and benefit from automated review invitation capabilities. Combined, these services can help businesses raise their profile, build their own trust credentials, and target potential customers more effectively.

High growth and recurring revenue

Our business has experienced rapid growth over recent years (29 per cent compound annual growth in revenue between 2016-2021), and the high retention rate we achieve on our software subscriptions business mean that most of the current year's revenue is derived from customers who subscribed to the services in previous years. In recent years we have been able to increase our retention rate, which reached 99 per cent in 2021, and we believe we can make further progress.

Despite investing for growth, Trustpilot achieved profitability on an adjusted EBITDA basis in 2021.

Over the long-term, as a high gross margin software business, we expect to demonstrate significant operating leverage within our financial model.

We intend to continue to invest to drive adoption and to scale our platform, and we are committed to delivering against our exciting innovation roadmap in the coming years.

We see multiple avenues for future growth, including accelerating viral network effects, capitalising on the upsell and cross-sell opportunities within our customer base, regional expansion and the introduction of new products and services.

29%

compound annual growth in revenue between 2016-2021 on a constant currency basis

$144m

annual recurring revenue (ARR)

$131m

revenue

A founder-led, purpose-driven business

We are a founder-led, purpose-driven business. Our stakeholders include consumers, businesses, our employees and shareholders. We create value for our stakeholders and, in turn, our stakeholders are fundamental to our success.

Consumers need to be better informed. Trustpilot gives ordinary people a chance to be heard by the businesses that shape their world – and ultimately have better experiences. As a consumer, your voice matters.

Businesses use the insights that Trustpilot provides to learn from their customers, improve, and showcase their rating. This can increase traffic to their sites, increase conversion and revenue, and reduce marketing expenses.

Trustpilot's employees are helping to build a truly purpose-driven business, with the ambition of solving the problem of trust online. We have a shared belief that we are doing something meaningful, that will create a better world.

Shareholders are supporting our investment in sophisticated technology to scale and safeguard our platform, which helps to protect the integrity of its content. Over many years we've established the right infrastructure and team to deliver on our ambitions for trust and transparency.

> "We are fast becoming a universal symbol of trust, inspiring confidence in people and businesses, and thus providing a real benefit to society."

Peter Mühlmann
CEO and Founder

Our purpose-driven approach

Our purpose

Our vision is to become a universal symbol of trust, empowering consumers to make confident, informed purchasing decisions while allowing businesses to fill the trust gap by demonstrating the quality of their services and to gain actionable insights to improve it.

→ Read more about our purpose on **page 7**

Our purpose drives our business model, and shapes our strategic decisions and our unique culture

Our strategy

To be the most used and the most trusted reviews platform.

This virality between the consumer and business sides of our platform, where one drives and reinforces the other, lies at the heart of Trustpilot's organic growth opportunity.

→ See **page 30**

Our business model

Any business can use Trustpilot's basic services for free, under our freemium pricing model.

In addition to this free service, we offer paid software modules with increasing levels of functionality, offered on a SaaS basis.

→ See **page 26**

Our culture

Our purpose is integral to our culture and values.

We continue to focus on enriching the experiences of our employees, both professionally and personally.

→ See **page 19**

We respond to external opportunities and mitigate threats

Markets

Trustpilot is seeking to establish a 'trust layer'.

The global Total Addressable Market opportunity, excluding China, is estimated at $50 billion.

Our platform facilitates better purchasing decisions.

→ See **page 24**

Risks

We face a number of risks and uncertainties.

Successful risk management is critical to our success.

→ See **page 40**

We have strong differentiation

We relentlessly focus on trust and transparency.

Our scale enures depth and breadth.

We deliver proven outcomes with a measurable return on investment for our customers.

→ See **page 21**

Our value proposition

Trustpilot helps consumers to know who they can trust and to help others by sharing their experiences.

Businesses want to win and retain customers. We help them to do both.

Verified, independent reviews enable businesses to build a trusted brand and consumers to make better-informed purchases.

→ See **page 26**

Oversight

Our Board of Directors guides our risk management.

The Board sets expectations in relation to conduct, trust and integrity, and how we deal with risks that may affect our business strategy.

→ See **page 68**

Strategic report

→ Quick navigation

I think it looks great but my dog hates it

A voice from the Trustpilot community

Chair's statement

We are becoming a universal symbol of trust for the internet economy, and providing a real benefit to society.

8bn +29% yr/yr

Monthly TrustBox impressions*

49m +57% yr/yr

Monthly review invitations*

Trust is in our name and trust is at the heart of all we do as a business. Businesses increasingly understand that an ability to demonstrate trust both online and offline is critical to their success. As a result, in 2021 we were pleased to see a 34 per cent increase in the number of business domains active* on our platform each month, with over 84 thousand businesses inviting reviews, engaging with consumers, and displaying their TrustScores.

These businesses are showing leadership in a world where trust online has been eroded and debate is often polarised. They also help to strengthen our brand: sending an average of 49 million monthly review invitations* and generating 7.8 billion monthly TrustBox impressions* in 2021. Our brand is also promoted through the offline marketing undertaken by our business customers: for example, in printed materials, on billboards, in podcasts, and in television advertisements.

In the face of the shift online, consumers are ever more reliant upon Trustpilot reviews. This has been true in areas of the economy which were most affected by the pandemic, for example in education and healthcare, but also across the broad range of other industries where Trustpilot has become a trusted source of information and insight for consumers. This is reflected in the significant growth in consumer activity we have seen across our platform, with a 39 per cent increase in total cumulative reviews* to 167 million during the last twelve months.

This is all to say that during 2021 we saw significantly more businesses engage with Trustpilot to enhance their online reputation, and significantly more consumers chose to post reviews on Trustpilot. Higher levels of activity are typically a good lead indicator of future revenue growth and profitability, and in 2021 we grew our revenue at constant currency by 24 per cent to USD 131.4 million and recorded an operating loss of USD 24.2 million as we prioritised investment in innovation, sales and marketing.

* Key performance indicator (KPI) – further detail available on page 39
** Alternative performance measures (APM) – further detail available in note 4

About Trustpilot

Filling the 'trust gap'

Trustpilot is a leading global reviews platform that provides businesses with the opportunity to build trust. We believe this is critical to their success.

Our solutions are applicable across a diverse range of industries and our global long-term Total Addressable Market opportunity, excluding China, has been estimated at $50 billion.

→ Find out more on page 24

Trust and transparency in action

We are committed to ensuring that the content displayed to consumers and businesses on the Trustpilot platform is reliable.

We are taking industry-leading steps to ensure we efficiently manage reviews that potentially breach our guidelines.

→ Find out more on page 21

People and culture

Behind Trustpilot is a team of amazing people – who we call 'Trusties' – who together deliver on our strategy to be the most used and most trusted consumer reviews platform.

Something special happens when you bring talented people together to solve some really tough problems.

→ Find out more on pages 55-61

“During this transformational year, Trustpilot became a public company, and made significant strategic and operational progress.”

Tim Weller
Chair

It is also encouraging to see that our net dollar retention rate* improved to 99 per cent from 91 per cent a year ago: this reflects our success at retaining a higher proportion of subscription dollars at renewal, as well as expanding within existing customer accounts through a combination of cross-selling and upsell.

We believe our success is founded on trust and that this is a major differentiator for our business. In 2021, we made further strides in our efforts to be the most trusted global reviews platform, publishing our first ever Transparency Report, introducing business transparency pages, and investing further in the skills, tools and technology we deploy to ensure the integrity of the content on Trustpilot. We intend to go further and recently announced a step-up in our enforcement actions against persistent bad actors on our platform.

Notably, we became a public company in 2021, with a premium listing on the London Stock Exchange. Not only was this a major achievement in Trustpilot’s journey from a Danish start-up in 2007, but it also raises our profile and opens our business up to further scrutiny and transparency, which we welcome. As a result of our public listing, we were able to welcome many new investors, supportive of our strategic vision.

We strengthened our Board with several new appointments, including Angela Seymour-Jackson as our Senior Independent Director, and Claire Davenport, Rachel Kentleton and Joe Hurd as independent Non-Executive Directors. We are committed to Board diversity and meet the Hampton Alexander Review recommendation of 33 per cent of the board as female.

We also made key appointments to our Executive Leadership Team, with Tim Hilpert joining as Chief Operating Officer and Alicia Skubick as Chief Marketing Officer. These individuals bring to Trustpilot a wealth of diverse experience, capabilities and knowledge, which will be of great benefit as we pursue the long-term growth opportunity for our business.

We have a clear purpose as an organisation, to promote and protect trust and transparency. Environmental, Social and Governance (ESG) matters are also important to us and our stakeholders and are reflected in our culture. We believe our relationship with our stakeholders has a direct impact on our ability to generate long-term value.

In 2021 we carried out a detailed ESG materiality assessment, engaging with all relevant stakeholders. The material issues were scored and ranked according to the priority stakeholders attach to them, the impact the issues have on our business, and the impact our activities have on society.

I am pleased to say that this work will form the basis of our forthcoming sustainability report, where we shall begin to build our ESG framework into our future strategic business goals.

On behalf of the board, I would like to thank all the ‘Trusties’ on the Trustpilot team for your hard work and dedication in delivering on our vision and purpose; you are helping to make a positive difference to the experiences that people and businesses are having as they interact every day. To the consumers and businesses who use Trustpilot, and our partners and investors, I thank you all for your continued support and confidence.

Tim Weller
Chair

22 March 2022

Chief executive's review

"It's been an exciting year for Trustpilot and we're pleased to share our first annual report as a public company."

Peter Mühlmann
CEO and Founder

The progress we made in 2021 is being rewarded by a significant increase in consumer and business activity on Trustpilot.

$131m
Revenue

+29% yr/yr
Revenue

$144m
Annual recurring revenue

It has been an exciting year for Trustpilot. Our successful initial public offering (IPO) in March 2021 was a highlight as well as a significant milestone for us. Becoming a public company raised our profile as a leading global review platform and enhanced our ability to attract and retain the highest quality talent. We were also pleased to welcome new investors who are able to support the next stages of our development and expansion.

Our platform continues to get better and we have made further operational improvements. This progress is being rewarded by the significant increase in business and consumer activity on Trustpilot. Furthermore, we are pleased to have delivered a financial result ahead of our expectations with a 29 per cent increase in total revenue to $131 million, (24 per cent at constant currency**). Bookings* – typically a good lead-indicator of future revenue – increased by 32 per cent, or 27 per cent at constant currency, to $150 million. We closed the year with $144 million in annual recurring revenue (ARR*), an increase of 22 per cent, or 26 per cent at constant currency.

We are investing for growth and, after including IPO-related expenses, we reported an operating loss of $24 million, a loss before tax of $27 million. Post the receipt of IPO proceeds we closed the year with a significantly strengthened balance sheet with $93 million of net cash.

* Key performance indicator (KPI) – further detail available on page 32

** Alternative performance measures (APM) – further detail available in note 4

Strategy

Our strategy is to be the most used and the most trusted global reviews platform. The more that consumers engage with Trustpilot, through reading and posting trusted reviews, the more that businesses understand their customers the better they become at engaging with them. As more businesses engage with their customers on the Trustpilot platform, the more useful it becomes to consumers and businesses, reinforcing the viral network effects. Hence, trust and transparency lie at the heart of what we do; consumers need to know they can use and rely on our reviews platform for reassurance that they are dealing with trustworthy businesses.

This virality between the consumer and business sides of our platform, where one drives and reinforces the other, lies at the heart of Trustpilot's organic growth opportunity.

Our strategy for the year ahead

To be the most used global reviews platform

We measure our success against this strategic goal through tracking activity levels amongst consumers and businesses, including the total number of cumulative reviews, monthly active domains, monthly review invitations, and the number of monthly TrustBox impressions.

To be the most trusted global reviews platform

This goal is fundamental to our strategy and is a significant competitive advantage for Trustpilot. So we don't just talk about promoting and protecting trust. We invest in the skills, tools and technology to ensure the integrity of the content on Trustpilot, and utilise a range of enforcement actions against bad actors.

The most used global reviews platform

We track several strategic key performance indicators (KPIs) to assess the progress we are making against these two strategic objectives.

The usage of our platform can be assessed by the level of consumer and business activity and engagement with Trustpilot. Across a range of measures our business has continued to expand at pace over the past twelve months.

At 31 December 2021, Trustpilot had exceeded 167 million total cumulative reviews, an increase of 39 per cent over the prior year. We closed 2021 with over 84 thousand monthly active domains on the Trustpilot platform, up 34 per cent over the prior year; these businesses help promote the Trustpilot brand, actively collecting reviews and/or displaying their TrustBox. Of these businesses, 23 thousand are paying customers, subscribing to our software tools to help them get, manage, and derive insights from reviews – an increase of 17 per cent over the prior year.

During the year, our business customers sent 0.6 billion review invitations (2020: 0.4 billion), an average of 49 million per month (2020: 31 million). The Trustpilot brand continued to gain in strength, with 7.8 billion monthly TrustBox impressions, up 29 per cent over the prior year.

These strategic KPIs are a testament to the rapid expansion in consumer and business activity. Over time, this growth in usage among consumers and businesses leads to growth in paying customers, bookings, and ultimately revenue. In 2021, this dynamic helped us to significantly exceed the challenging financial targets we set at the start of the year.

Against our original outlook of constant currency revenue growth in the 'high teens', which we set out at the time of our IPO, we ultimately achieved constant currency growth of 24 per cent year-over-year to revenue of $131 million (2020: $102 million), representing an acceleration on the 23 per cent constant currency increase we delivered in 2020.

Bookings are typically an important lead-indicator of future revenue growth; hence it is encouraging to report that 2021 constant currency bookings grew by 27 per cent to $150 million (2020: $113 million), compared to 18 per cent growth in 2020. This re-acceleration, following the disruption caused by the pandemic, supports our long-term growth aspirations. We closed 2021 with annual recurring revenue (ARR) of $144 million, a constant currency increase of 26 per cent.

As a subscription software business, we were encouraged to see an improvement in our net dollar retention rate, which rose to 99 per cent in the period, compared to 91 per cent a year ago.

This is a measure of our success at retaining existing customers and expanding their use of our modular software tools through cross-sell and upsell. It is also a reflection of the value we deliver to our business customers.

The most trusted global reviews platform

Trust is in our name, is integral to our culture, and lies at the heart of all that we do as a business. With this guiding principle in mind, during 2021 our priorities were to strengthen trust within the review community, tackle fake reviews at source, and improve business validation and transparency.

In contrast to 'closed' review platforms, and in order to place trust and transparency at the centre of our offering, we prevent businesses from choosing which reviews are published on, or removed from, the Trustpilot platform, so that all reviews can be seen by consumers, and any business can use the platform to view and respond to consumer reviews at no cost.

In February 2021, we published our first 'Transparency Report', demonstrating the scale of the measures we deploy to safeguard the integrity of the content on the Trustpilot platform as usage continues to grow rapidly.

The report offers an unobstructed view of the most crucial function of our business: ensuring the authenticity and credibility of Trustpilot reviews.

Chief executive's review continued

Taking action

Stepping up our legal enforcement action

Since the year end we have announced our intention to step up our enforcement action against businesses who continually solicit fake and misleading online reviews. The approach will see litigation filed against 'bad actor' businesses repeatedly abusing online reviews to mislead consumers.

Trustpilot has begun to issue legal proceedings against repeat offenders, seeking orders to block them from soliciting fake reviews and for recovery of damages.

Today, most of the fake and misleading reviews which we encounter are detected and removed automatically using our sophisticated fraud detection software. We have enhanced our ability to detect and remove fake and misleading reviews from the platform, adding to the actions we take to help build consumer and business trust in the platform. Fake reviews are identified through several sources, including automated fraud detection software, flagging tools used by consumers and businesses, and our dedicated team of fraud analysts.

47m

Number of new reviews posted in 2021

We use a sophisticated anomaly detection model which flags suspicious changes in patterns of activity, and cluster analysis to analyse large numbers of reviews on our platform to understand their typical characteristics. These tools help us to quickly identify existing and emerging trends that may suggest fake or misleading reviews.

This ongoing investment in content integrity enabled us to detect and remove 2.7 million fake reviews in 2021 (compared to 2.2 million in 2020), representing 5.8% of reviews posted in 2021. The majority of these fake reviews are detected and removed by our technology. In addition to this, we issued over 121 thousand warnings to consumers and businesses during the year (compared to 39 thousand in 2020), and issued 1,425 cease and desist letters (compared to 1,030 in 2020).

During 2021, we deployed additional automation to ensure consistent enforcement actions are taken when fake reviews linked directly to a business are detected, as well as tools to help us identify and act against the sale of fake and misleading reviews. This latter investment enables us to automatically block user profiles linked to review sellers, remove their reviews, and take appropriate action against businesses that have purchased these reviews.

We also released 'business verification' on Trustpilot, highlighting the steps taken by businesses to verify themselves on Trustpilot, with this information displayed on their transparency pages on the platform. This release underpins our commitment to enhancing the integrity of business verification across the platform, and further increasing trust throughout the Trustpilot community.

Also, in the period, we further automated the identification and removal of bad-fit businesses from Trustpilot, for example by deploying technology to automatically block dark web domains, given the high risk they pose to consumers. Elsewhere, we are implementing automation to detect and assess other potentially harmful and illegal businesses as individuals add them to the platform.

21m

Number of consumers leaving their first review in 2021

As part of our strategy, we continue our efforts to change the conversation around trusted reviews online. In addition to the leadership we have shown in removing fake reviews from our platform, we have stepped up our legal enforcement actions against businesses who persistently seek to manipulate the Trustpilot platform through creating or soliciting fake or misleading reviews, and we are vigilant in protecting our brand integrity. We have also launched an industry-leading consumer verification tool as part of our efforts to promote trust and help consumers shop with confidence.

Regional growth trends

Typically, our markets are at different stages of development, but we see a well-established trajectory between the early stages of our growth in a new market, during which we are measuring success principally through strategic KPIs, and the point at which viral network effects take hold and our unit economics improve and financial KPIs become more meaningful.

As we reach this point in a regional market, we begin to invest into the network effect through consumer engagement, e-commerce integrations, and through building critical mass in targeted industry verticals. In our most advanced markets, we also invest in self-service and in growing our partner network.

United Kingdom: The UK remained the largest contributor at 41 per cent of total bookings, with bookings growth of 27 per cent in the period at constant currency. This performance reflected strong prior-year bookings growth, the strength of our consumer brand, and further improvements in the efficiency of customer acquisition. Reflecting this continued strong bookings performance, UK revenue grew by 27 per cent during the period at constant currency.

The UK remains the most developed of our regional markets, where the viral network effect has taken hold and enabled us to achieve highly attractive unit economics. Despite our success in establishing a powerful UK consumer brand, we see significant room for further market penetration and expansion.

580m

Business profile page views in 2021

Europe & Rest of World: Our bookings growth was notably strong in the Europe & Rest of World (RoW) segment with constant currency growth of 35 per cent; Europe & RoW represents 37 per cent of total bookings and is principally driven by territories in continental Europe. Revenue for the Europe & RoW region increased by 32 per cent during the period at constant currency.

We are particularly encouraged by the growth in Europe and the significant traction we are seeing in the Netherlands and Italy; we recently began to make domestic hires in these local markets for the first time. Some other European countries, whilst on the same trajectory from an activity and usage perspective, have yet to reach an inflection point; however, in a number of these we expect to make good progress over the next twelve months.

Since the year end, Russia has invaded Ukraine. Trustpilot has no material bookings from Russia, Belarus or Ukraine and, as a reaction to these events, as well as the imposed sanctions, we have terminated all customer contracts with Russian and Belarusian customers. Furthermore we are offering our services free of charge to our existing Ukrainian customers. In total, these actions would have amounted to less than $50k in lost revenue in 2021.

North America: In North America, 22 per cent of total bookings, bookings growth was 15 per cent, a material acceleration on a broadly flat performance in 2020, with the region recovering from the effects of cost reduction measures implemented during the initial phases of the Covid-19 pandemic. These measures included a reduction in direct sales headcount in the region. The acceleration in bookings growth in North America is a lead indicator of an acceleration in future revenue growth. During 2021, revenue in North America grew by 9 per cent at constant currency, reflecting the lower bookings growth in FY20 which occurred as a result of Covid-19 and as we transitioned to a product-led go-to-market model and reduced direct sales headcount in the region.

We believe North America represents a significant market opportunity for the company, where we believe our verified, independent reviews are a significant differentiator in the market. In order to capitalise on this opportunity we are focused on optimising our go-to-market and accelerating our growth in North America. To this end, we recently completed a detailed market segmentation exercise, identifying key verticals and subsegments that are currently at an early stage of development, where we have demonstrated a track record of early success in other geographies, and where we believe we can achieve the fastest, most efficient penetration over the near term, for example in online Financial, Consumer Services, Education, and Travel.

We have introduced several additional initiatives to support our growth in the region. For example, we recently introduced more flexible pricing, including free trials, via our e-commerce channels, to prioritise adoption among smaller, more digitally oriented customers.

We are also raising our investment in customer education and targeting; optimizing incentives for our sales and retention teams; improving the customer self-service capabilities on our platform; and embarking upon new brand awareness campaigns.

Investing to drive adoption

During the year we continued to invest in innovation to scale our platform, maintain the integrity of its content, encourage consumers to leave more reviews, attract new business customers, expand further within our existing customer accounts, and to leverage new distribution channels.

Efficiently scaling our distribution channels is central to our ability to capitalise on our market opportunity. As a result, during 2021 we were pleased to launch our UK & Europe e-commerce channel and announced integrations with Shopify, WooCommerce, and PrestaShop.

These integrations are expected to become increasingly important over time, as they empower merchants to deploy Trustpilot's automated review invitations and showcase their reviews without having to leave their chosen e-commerce platform. We also extended the use of our powerful data and insights capabilities into our marketing and sales activities, enabling improved efficiency in our cost of customer acquisition.

We streamlined the ability for business customers to automatically invite consumers for reviews and engage with the power of Trustpilot. We also added our first wave of personalised actionable insights to help business customers increase their return on investment from deploying Trustpilot.

We have further improved the user experience for consumers, helping them to rapidly find relevant businesses on Trustpilot, using automatic categorisation. We also introduced personalised insights for consumers, helping them gain more value from the interaction with Trustpilot.

Chief executive's review continued

Global market opportunity

Trustpilot is a leading global review platform that provides businesses with the opportunity to build trust, which we believe is a key factor for business success. Trustpilot is seeking to establish a 'trust layer' for the open commerce ecosystem, in addition to other 'layers' such as marketing, customer relationship management, payment and e-commerce infrastructure, across a diverse range of industries, as consumers look for ways to establish that businesses are trustworthy. The global long-term Total Addressable Market opportunity, excluding China, has been estimated at approximately $50 billion, with a Current Serviceable Addressable Market opportunity of approximately $6.3 billion (Q4 2020 study commissioned by Trustpilot).

Trustpilot provides an open platform, which creates a place where businesses and consumers can gain actionable insights and collaborate. Consumers can share feedback, at any time, about any business with a website, and review feedback left by other consumers.

The platform not only facilitates better purchasing decisions, but also gives consumers the opportunity to recommend businesses, products, services, and locations based on their experiences. Businesses can use Trustpilot to actively engage with consumers that are reviewing their products and services. Any business can use Trustpilot's basic services for free, where they can view and respond to consumer reviews

In addition to this free service, Trustpilot also provides software modules for businesses, providing increasing levels of functionality and offered on a SaaS basis. These tools enable Trustpilot's paying business customers to invite more reviews, manage those reviews, to derive high-value, actionable insights from them, and to showcase their TrustScores across their marketing channels.

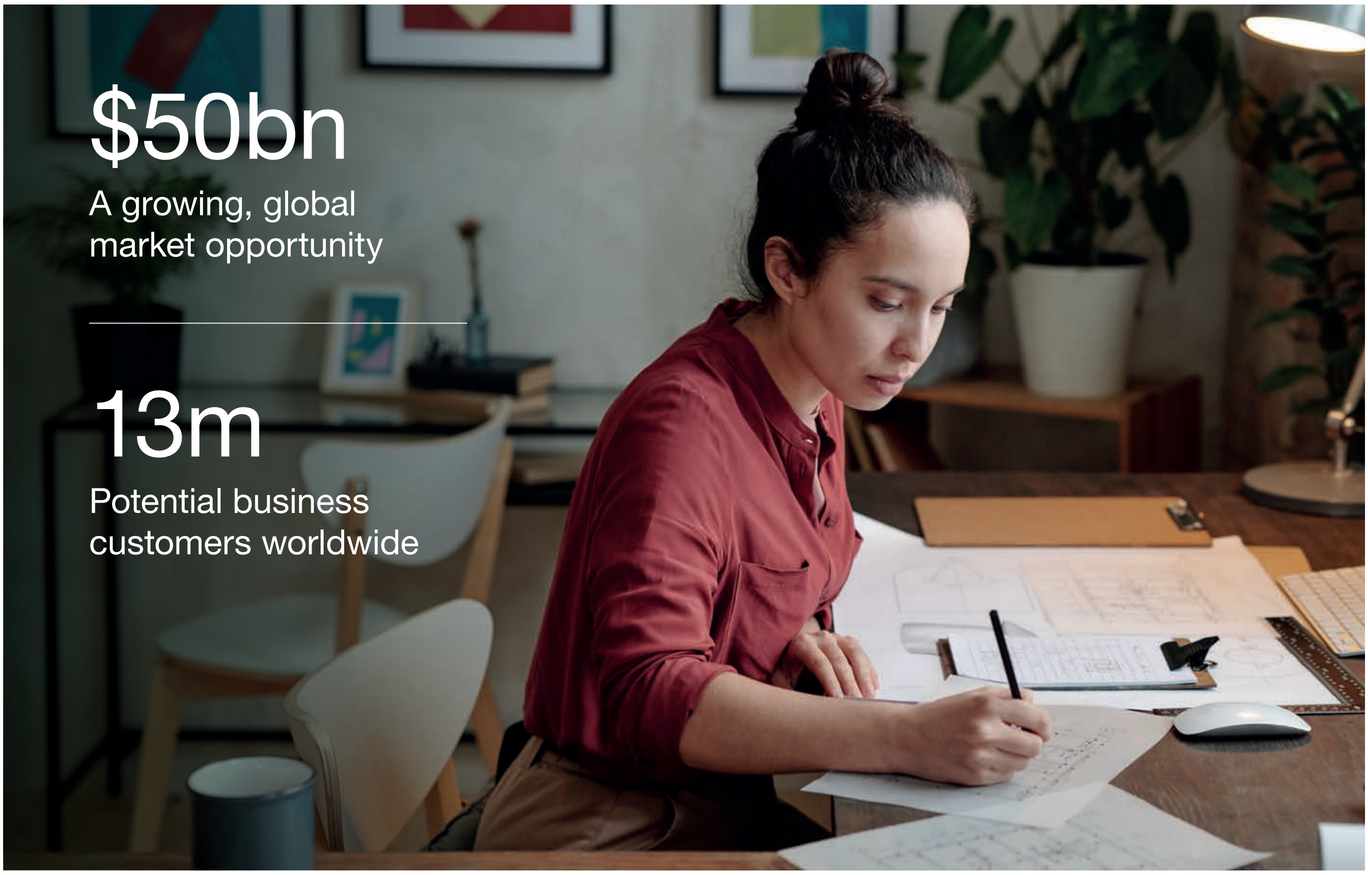
In this way, Trustpilot generates strong returns for businesses in raising their profiles, demonstrating their trust credentials, as well as increasing traffic, conversion, marketing efficiency, and ultimately revenues.

Sustainability and society

Trustpilot plays a key role in the world of online and offline commerce, helping businesses and consumers to engage with each other in an open and collaborative way, fostering trust.

The significant growth in activity on our platform reflects the fact that consumers are increasingly reliant on Trustpilot reviews, and that businesses are more aware than ever that demonstrating they can be trusted is critical to their success.

We recognise our responsibility to engage with all stakeholders and we are committed to operating and promoting sustainable business practices. We believe that there is a correlation between corporate responsibility and our future business success.



During the year, we carried out a detailed materiality assessment across our business to understand the most important Environmental, Social & Governance (ESG) issues for our business, both in how they impact our ability to operate as well as how our activities impact societies, economies and the environment. We engaged with our stakeholders to understand how they prioritise ESG issues and we will use these inputs to inform our future ESG strategy.

Among the most material issues identified, the integrity of the content on our platform, data privacy and security, ethical behaviour, diversity and inclusion, and inclusive growth were considered important to investors, customers, consumers, and our employees.

We are already engaged in a number of key initiatives related to these matters. For example, we prioritise investment in the technology and skills necessary to prevent and remove illegal or harmful content from our platform.

In addition, we deploy sophisticated cybersecurity and data privacy solutions and processes to protect our digital ecosystem from other forms of misuse.

We promote ethical behaviour via our corporate values across our organisation, and recently hired a new Head of Diversity and Inclusion to ensure that we are appropriately diverse in our recruitment and retention practices.

Our culture and values

Trustpilot is a purpose-led business, and this is integral to our culture and values; Trusties are passionate about Trustpilot's vision to become a universal symbol of trust.

We continue to focus on enriching their experiences both professionally and personally. During 2021, we announced that we were permanently moving to a hybrid model of work, embracing the flexibility we are all now looking for, as well as the wonderful magic that happens when we have Trusties collaborating in shared office spaces together.

We also launched several initiatives aimed at improving the mental, physical, and social well-being of our Trusties and continued our investment into professional development. We are focused on building future leadership talent and in accelerating the development of our existing top talent.

We also strengthened our team, building organisational capability and capacity in areas such as engineering, product development, user experience, data science and security.

During the year, we carried out a detailed materiality assessment across our business to understand how our stakeholders prioritise ESG issues and to inform our future ESG strategy. Among the most material issues identified, the integrity of the content on our platform, data privacy and security, ethical behaviour, diversity and inclusion, and inclusive growth were considered important to investors, customers, consumers, and our employees.

The results of this materiality assessment, once finalized along with our detailed ESG strategy and roadmap, will form the basis of our forthcoming sustainability report.

Outlook

We are encouraged by the significant progress we made during 2021 and the Board remains confident in the strategy and outlook for the business.

With the successful financial result and strong bookings performance we achieved in 2021, including a constant currency 26 per cent increase in ARR, we expect to deliver constant currency revenue growth in line with current management expectations in 2022.

Sales and marketing expenses declined as a proportion of revenue in each of the last two years, but, as previously guided, we intend to re-accelerate investment in 2022 to capture the exciting growth opportunities we see for the business and accelerate bookings growth in 2023 and beyond. Our ongoing planned investment in the business saw Tech & Content and G&A increase as a proportion of revenue during the second half of 2021. In addition to planned investment, we are seeing cost inflation and therefore we expect these expenses to remain at broadly similar percentages of revenue throughout the current year, with overhead leverage to come thereafter.

Peter Mühlmann
CEO and Founder

22 March 2022

Trust and transparency in action

Content integrity

For Trustpilot to achieve its vision to become a universal symbol of trust, it must be able to ensure that the content displayed to consumers and businesses on the Trustpilot platform is reliable.

As consumers increasingly utilise reviews as a source of information, the value in using reviews to manipulate consumers increases, and, accordingly, ensuring the reliability of reviews and other content on Trustpilot's platform is a constantly evolving challenge.

In 2021, more than 630 thousand reviews were flagged, approximately 84 per cent of which were flagged by businesses. To provide further reassurance to consumers, Trustpilot's business transparency pages provide information including how long a business has been a Trustpilot customer, if the business has been verified and how this has been checked, whether the business pays to access additional Trustpilot products and services, the sources of reviews, star distribution by review source, and how many reviews a business has flagged and the outcome of those reports.

Trustpilot labels reviews to make it clearer to consumers if a review has been invited to submit a review by a business. Generally, businesses that choose to invite consumers via the Trustpilot platform are required to utilise Trustpilot's automated collection methods to collect verified reviews. Reviews collected using Trustpilot's automated collection methods are automatically triggered after a consumer has an experience with a business. This enables businesses to consistently and fairly invite feedback from consumers, and alongside this, we deploy technologies to detect attempts to collect reviews in a biased or misleading way.

Trustpilot also prohibits the collection of reviews on its platform that involve the use of an incentive such as a discount, voucher, or financial reward.

We recently introduced a consumer verification tool as part of continued efforts to protect and promote trust online and maintain content integrity on the Trustpilot platform. The new function allows consumers to opt in to verify their identity when posting reviews on the platform by uploading a copy of their government-issued photo ID, as well as a selfie. Crucially, consumers still retain the option to keep their identity, and any information used to verify themselves, anonymous to both businesses and the public. Those successfully verified receive a verified badge, reassuring other consumers and businesses that the review is written by a real person.

"We successfully combine sophisticated fraud detection technology with our dedicated content integrity team in order to identify and prevent misuse of our platform."

Carolyn Jameson
Chief Trust Officer

Trustpilot Group plc

Trust and transparency in action

Promoting and protecting trust

Trustpilot continues to review and improve the way in which businesses and consumers can flag reviews, to create efficiency in managing reviews that potentially breach our guidelines.

Most fake reviews are detected using our automated systems, that analyse a variety of data points using machine learning and rules to detect suspicious activity and reviews. We also use data science designed models to identify anomalous and unusual review patterns to give actionable insight into misbehaviour on Trustpilot's platform.

At the end of December 2021, Trustpilot had a team of approximately 88 employees, including agents, investigators, lawyers, technology experts and communications and training specialists, supporting the Group's focus on trust and transparency. In addition, Trustpilot outsourced various content integrity tasks to allow for flexibility in volume of review activity. In 2021, Trustpilot removed over 2.7 million fake or fraudulent reviews from its platform, approximately 68 per cent of which were removed automatically using Trustpilot's automated fraud detection capabilities. More than 54 per cent of the fake or fraudulent reviews that were removed in 2021 were either 5-star or 4-star reviews.

Where continued misbehaviour is detected, Trustpilot applies penalties to the business which include terminating a paid subscription, displaying a prominent consumer warning on an offending business's profile on the Trustpilot platform, and restricting the business's ability to collect reviews through Trustpilot's platform or display the Trustpilot brand on its own domain webpage. In addition, Trustpilot will no longer share reviews of a business with search engines if that business has repeatedly violated Trustpilot's terms of service and platform guidelines and received a consumer warning, which impacts an offending business's visibility and prominence in search results.

In addition, in recent periods, Trustpilot has taken increasing measures to remove businesses, or not accept businesses as customers, where it deems those businesses are not suitable for its platform (for example, because they promote hatred or facilitate criminal activities). This includes displaying consumer warnings on profiles, removing profiles that offer illegal or harmful services and preventing Trustpilot's sales teams from communicating with such businesses.

> "Our Board wholeheartedly supports this new enforcement strategy, which has been developed through our Trust and Transparency Committee, including members of the Board."

Tim Weller
Chairman

Trustpilot Group plc

Market overview

Trust is the foundation upon which commerce is built.

77%

Of UK consumers agree a good TrustScore makes them more likely to buy from a brand

Growing importance of online reviews platforms

As a result of the increase in online penetration, underpinned by large investments in information technology, lower prices, and increased online content, as well as increased digitalisation and use of smartphones, overall time spent online has been rising over recent years. More recently, due in part by measures taken in many jurisdictions in response to the global Covid-19 pandemic that have required large numbers of people to work from home, time spent online has further increased.

Online reviews play an increasingly important role in consumer purchases, with an increasing amount of online research done by consumers before making purchasing decisions, both for online and offline purchases. The combination of people spending more time online, more businesses online, and a continuing increase in e-commerce spending, are among the drivers of growth for the online review industry.

Large and growing global market opportunity

Businesses across a wide range of industry sectors, including those operating online and offline, must not only be able to anticipate changing consumer trends and preferences, but must deliver consistent, high-quality experiences to consumers to gain and maintain their trust. Hence, establishing consumer trust is a key factor for business success, and Trustpilot believes that consumer reviews are one way businesses can establish trust.

According to a Canvas8 report released in 2020, 89 per cent of consumers in France, the UK and the United States checked reviews online before making purchases. As commerce increasingly moves online, businesses are expected increasingly to seek to establish trust online. The adoption of retail e-commerce is accelerating around the world.

Consumers want to know whom they can trust, and to help other consumers make better informed purchases

In an independent analysis of the market opportunity, commissioned by Trustpilot in Q4 2021, the global long-term Total Addressable Market was estimated to be approximately $50 billion, excluding China. The assumptions that underly this assessment of the market include estimating the number of addressable businesses in core and adjacent geographies and industries, penetration and conversion rates for these markets and industries, and estimates for annual contract values for paying customers.

Diverse businesses worldwide are deploying Trustpilot

Trustpilot operates across a wide range of industry verticals, ranging from retail and healthcare to financials and travel, while certain other reviews platforms focus on a smaller number or range of industry verticals or are very location focused. Trustpilot reviews are not tied to location. Trustpilot has a global presence, with reviews generated by consumers in more than 200 countries and territories. This contrasts with other reviews platforms that only have a local presence or a presence only in certain markets.

Demonstrating this wide applicability of the Trustpilot's platform, at the end of December 2021 there were over 714 thousand reviewed domains on Trustpilot (claimed and unclaimed, and including domains subsequently removed from the Trustpilot consumer website) across a wide range of industry sectors had been reviewed by consumers on Trustpilot's platform and 23 thousand paying business customers from more than 100 countries and territories.

Open and independent

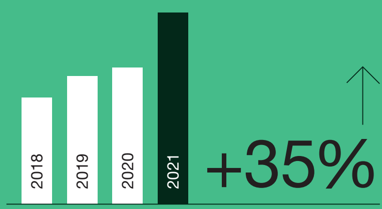
Trustpilot is an open and independent platform where, in general, any consumer can review any business with a website worldwide, whether that business is a Trustpilot customer or not. Large e-commerce platforms generally operate closed review ecosystems where consumers can post reviews to rate products or sellers only on the platform, with the main purpose of creating product feedback between their users only. While there is the ability to rate products and sellers operating on such platforms, and leave that feedback visible for other platform users, users cannot rate the platform itself nor aggregate those reviews with other reviews from customers who acquired the same product elsewhere.

An established consumer brand

Trustpilot has built a consumer facing proposition whereby, in general, anyone can view reviews or add reviews of any business with a website. This differentiates Trustpilot from reviews platforms that collect and aggregate reviews on behalf of business clients, but do not offer consumers the opportunity to view other customers' experiences. According to Alexa, Trustpilot is the 46th most visited website in the UK and amongst the 400 most visited sites globally (source: Alexa Rank as of 21 March 2022, based on internet traffic and engagement over the past 90 days). This strong market penetration and brand awareness results in increased virality and network effects.

714k+

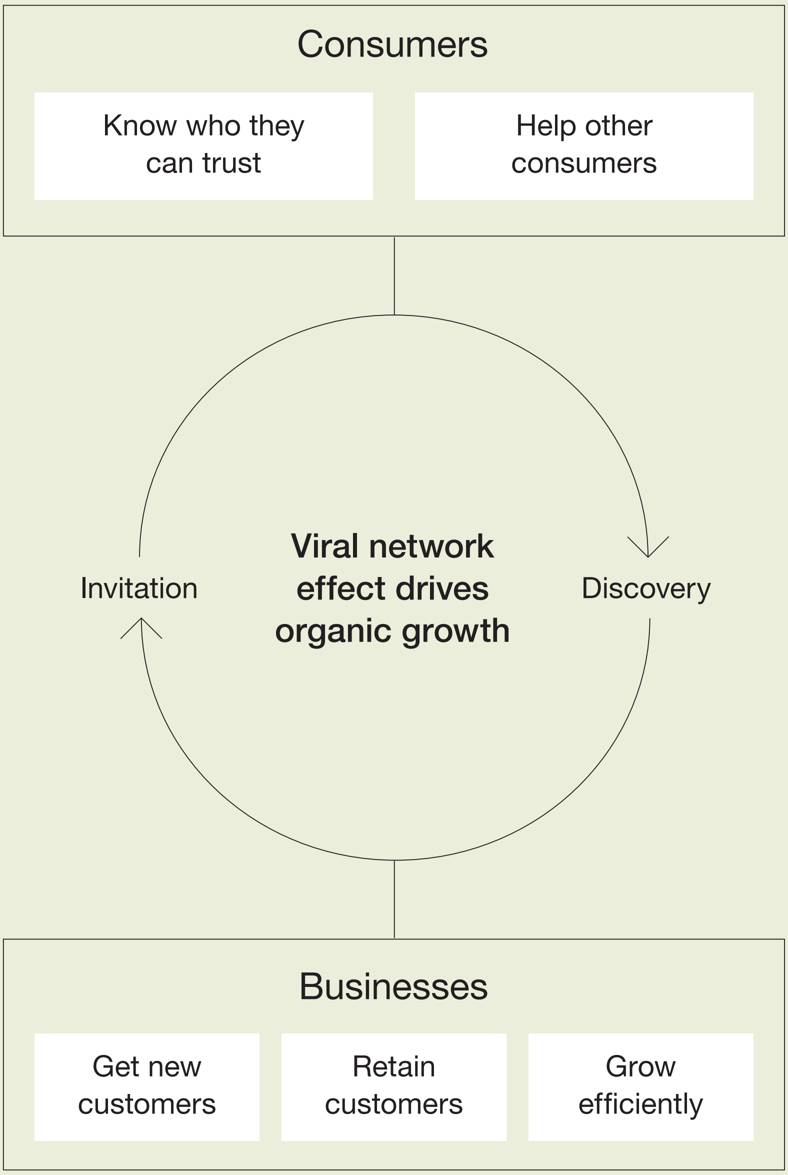
Reviewed domains on Trustpilot since inception



Our business model

Virality helps fuel our growth.

Our value proposition



Our key strengths

Trust

We relentlessly focus on trust and transparency, a key differentiator for Trustpilot.

Technology

We continue to improve our platform making it easier for all businesses to use Trustpilot.

People

Our Trusties are passionate about our purpose, which is integral to our culture.

Brand

The scale of our brand and consumer reviews (167 million globally) is also highly differentiated, ensuring depth and breadth.

Our business model is underpinned by virality.

How we deliver value to our key stakeholders

Consumers

714k
Total reviewed domains
(+35% YoY)

167m
Total reviews by consumers
(+39% YoY)

Read verified, independent reviews to make better-informed purchases. Help other consumers by writing reviews and sharing experiences. Engage with businesses and have their voice heard, helping them to improve services.

Businesses

~15%
Typical average uplift in revenue

Gather verified, independent reviews, showcase their TrustScore, building a trusted brand. Engage with consumers, understand customer feedback and insights to improve their products and services. Grow efficiently.

Our people

850+
employees

50+
nationalities

Behind Trustpilot is a team of amazing people – who we call Trusties – who together deliver on our mission vision to be a universal symbol of trust for the internet economy. We are building a place where they can thrive, follow their passions, and do the best work of their careers.

Our shareholders

24%
YoY revenue growth at constant currency

27%
YoY bookings growth at constant currency

Our purpose and passion matters to investors, and, with their support, we are delivering sustainable growth and a successful financial and operational performance.

How we maximise value

Our clear strategy
→ See **page 15**

Robust risk management
→ See **page 40**

Innovative and inclusive culture
→ See **page 70**

Responsible approach
→ See **page 53**

Sound governance
→ See **page 68**

Our business model continued

A ‘trust layer’ for the open commerce ecosystem

Rooted in the belief that trust has never been more important, Trustpilot seeks to provide a ‘trust layer’ for the open commerce ecosystem by giving consumers confidence to purchase goods and services from a wide range of online and offline businesses across the world. Trust is a source of differentiation for many businesses as consumer demand for openness and transparency grows.

Businesses around the world are facing increased challenges and scrutiny, and consumers are actively seeking ways to get reassurance that the businesses they transact with are trustworthy. This is the trust gap that Trustpilot seeks to fill.

Since its establishment in 2007, Trustpilot has built a leading, trusted, and open platform for online reviews. This platform, and the fast expanding big-data ecosystem that underpins it, enables us to offer SaaS-based applications and services that provide high-value intelligence and capabilities to our business customers. Through utilising the Trustpilot platform, businesses can engage with consumers and gain considerable insight from their reviews.

Learning from genuine consumer experiences, both positive and negative, helps Trustpilot’s customers to build a trusted brand over time, and to integrate their Trustpilot score as a part of a trust-based marketing strategy.

Differentiated, open and collaborative

Trustpilot provides an open platform, which creates a place where businesses and consumers can gain actionable insights and collaborate. Consumers can share feedback, at any time, about any business with a website, and review feedback left by other consumers. The platform not only facilitates better purchasing decisions, but also gives consumers the opportunity to recommend businesses, products, services, and locations based on their experiences.

To establish trust and transparency at the centre of its offering, Trustpilot prevents businesses from choosing which reviews are published on, or removed from, Trustpilot’s platform, so that all reviews can be seen by consumers, and any business can use the platform to view and respond to consumer reviews at no cost. This approach contrasts with ‘closed’ reviews platforms, where businesses have control of the reviews they choose to publish.

In 2021, we published our first Transparency Report, opening to scrutiny the workings of our business to demonstrate the scale of the protective, safeguarding measures we deploy as usage of our platform grows.

Go-to-market

Given the diverse range of industry verticals we serve, our customer base consists of small, medium-sized, and large businesses. Our go-to-market strategy includes a combination of organic consumer and business engagement with the Trustpilot platform; direct sales and marketing efforts; and partner channels. Partner channels include solution partners for marketing and referrals, technology partners to simplify customer acquisition and onboarding, and data partners to integrate insights from Trustpilot’s big data ecosystem into third-party technology platforms.

During 2021, we continued to expand and deepen these partner channels and announced new integrations with e-commerce and app stores, including Shopify, WooCommerce, and PrestaShop.

Our sales and marketing efforts benefit from a viral network effect, whereby more consumer reviews lead to more businesses becoming aware of, and claiming their business domain on, the Trustpilot platform, which in turn helps to generate more consumer reviews.

We are also increasingly utilising a product-led marketing strategy and using automated sales processes, particularly in respect of small and medium-sized customers. Our proprietary intelligence platform, Trustlytics, is an important component of our go-to-market strategy: Trustlytics utilises data available from the Trustpilot big data ecosystem to help create marketing content and prepare customer segmentation and other analyses helpful to our sales process.

The Trustpilot merchant network, which included approximately 84 thousand active domains across a range of industry verticals in December 2021, helps to amplify awareness of Trustpilot’s brand and products and services. In addition to this, we are investing in consumer engagement with the Trustpilot platform, raising awareness through targeted brand marketing, social media, and other campaigns.

A scalable SaaS platform

Trustpilot helps businesses to use consumer feedback and insights to improve their products and services.

Gather verified, independent reviews

Grow efficiently, showcasing their reviews and TrustScore

Build a trusted brand, enhancing all marketing channels

Engage with consumers

Value

Proven outcomes with a measurable return on investment

We go to market with a flexible freemium model.

Free

Standard + Add-ons
(Annual subscription model)

Invite	**Product Reviews**
Convert	**Location Reviews**
Enhance	**Integrate**
Connect	**Insights**

Enterprise
(Annual subscription tailored offering)

We are a successful fast-growing SaaS company, with high gross margin and high retention.

$144m
ARR
(29% annual revenue growth since 2016)

81%
Gross Margin

99%
LTM Net Dollar Retention Rate

~$6k
Average Contract Value

* Data shown is as of 31 December 2021

Our strategy

Strategic objective	Progress
Product-led Develop automation of our go-to-market and reduce customer acquisition costs.	– Key areas of investment have been to scale our platform and maintain the integrity of its content. – Streamlined the ability for business customers to automatically invite consumers for reviews and engage with the power of Trustpilot. – Launched UK & Europe e-commerce channel and announced integrations with Shopify, WooCommerce, and PrestaShop.
Grow subscribers Retain and grow revenue from subscribing business customers.	– We leveraged our modular pricing model to upsell additional products and services to our customers. – We were also successful in cross-selling additional products and services. – Our success is reflected in an improvement in the 2021 net dollar retention rate to 99 per cent, up from 91 per cent in 2020.
New markets Enter new industry and product sectors, and new geographic regions.	– During 2021 we opened new offices in the Netherlands and Italy, as a result of the strong growth we hope to achieve in those regions. – We have seen rapid growth in recently entered product categories, for example product and location reviews. – As a result of the Covid-19 pandemic, many industries have shifted online helping us to expand our opportunity in markets like online education and healthcare.
Products and services Use data processing and analytics to improve the experience of consumers and business customers.	– We continued to develop our capabilities in machine learning and AI in order to generate better data processing and analytics, and to improve the experience of consumers and Customers. – We added our first wave of personalised actionable insights to help business customers increase their return on investment from deploying Trustpilot. – We also introduced video in our Product Reviews solution, which allows consumers to upload a visual of the product they have purchased and thus enrich the reviews showcased for a better shopping experience.
Mergers & acquisitions Accelerate growth through selective M&A.	– We may seek to accelerate growth by pursuing selective acquisitions. – We evaluate opportunities from time to time. – We may consider M&A to rapidly enter new geographies, add new products or talent.

Focus for next year	Success measure
– We have recently completed a market segmentation analysis of the North American market, and we will use this to further develop our US go-to-market strategy. – Efficiently scaling our distribution channels is central to our ability to capitalise on our market opportunity. – Further investment in our e-commerce integrations which empower merchants to deploy Trustpilot without having to leave their chosen e-commerce platform.	– We track and compare the customer lifetime value with the customer acquisition cost (LTV/CAC) in each territory and for the Group, as a means of understanding our go-to-market efficiency. – The proportion of new sales that are achieved via our e-commerce channels.
– We will continue to focus on retention in markets where our brand recognition is at an early stage. – First year retention is significantly improved if the product is activated by the customer, and we intend to further align sales incentivisation with activation. – We intend to further develop our upsell and cross-sell opportunity with new products, capabilities and services.	– Net dollar retention rate, gross churn, and net expansion. – Bookings and annual recurring revenue growth.
– Further investment into early stage markets to develop brand recognition. – In developing markets, target industry verticals and sub-segments where we have a track record of success in our more developed regions. – Align innovation strategy with our approach to new industry and product sectors, and new geographies.	– Total cumulative reviews. – Monthly active domains. – Number of monthly review invitations. – Number of monthly TrustBox impressions.
– Personalisation for businesses and consumers remains a key area of focus for us. – Further develop our big-data ecosystem and our ability to derive high-value insights for our customers through new products and services.	– Active innovation pipeline and successful new product delivery. – Net dollar retention rate. – Consumer activity and engagement, for example monthly page views, and the number of reviews posted. – Measurable return on investment for our customers, through increased revenue and increased marketing efficiency.
– We will continue to assess potential M&A opportunities that might help us with regional expansion, add new products or capabilities, or bring us significant new talent.	– M&A activity would be evaluated using a number of financial, strategic and competitive benchmarks.

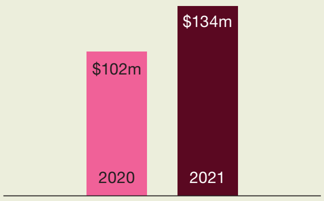
Key performance indicators

We use the following financial and non-financial KPIs to measure the strategic performance of our business.

Financial

Revenue

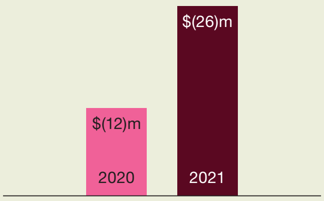
(+/-) actual growth – 29%
(+/-) constant currency growth – 24%



Why we track it
A result of previous bookings, represents the top line of income.

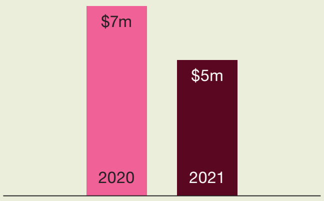
Loss for the period

(+/-) actual growth – 111%
(+/-) constant currency growth – 165%



Why we track it
After expenses, we need to track our path to profitability.

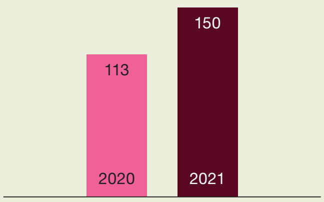
Operating cash flow



Why we track it
Represents our ability to covert operating profit into cash flow.

Total bookings[1] ($m)

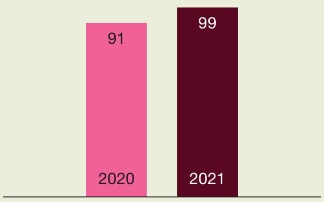
(+/-) % actual – 32%
(+/-) % constant currency – 27%



Why we track it
A lead indicator of future total revenue.

LTM Net Dollar Retention Rate (per cent)[2]

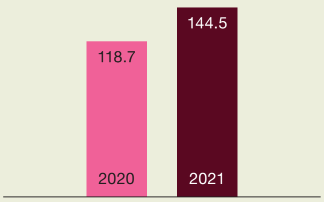
(+/-) % actual – 9%
(+/-) % constant currency – 9%



Why we track it
How successful are we at retaining subscribers and expanding customer contract value.

Annual Recurring Revenue ($m)[3]

(+/-) % actual – 22%
(+/-) % constant currency – 26%



Why we track it
This is a measure of the annual value of subscription contracts on the final reporting day.

1 Bookings is defined as the annual contract value of contracts signed in a given period. Nearly all of Trustpilot's contracts with customers have a duration of 12 months, and in the event a contract length exceeds 12 months the value is adjusted to the 12-month equivalent for the purpose of calculating bookings. Bookings are a leading indicator of future revenue.

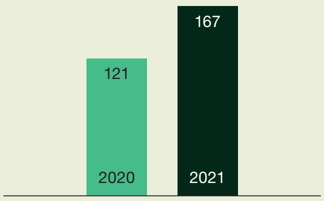
2 LTM Net Dollar Retention Rate is defined as the annual contract value of all subscription renewals in the last twelve months divided by the annual contract value of subscriptions expiring in the last twelve months. LTM Net dollar retention includes the total value of subscriptions with existing Subscribing Customers, and includes any expansion of contract value with existing Subscribing Customers through upsell, cross-sell, price expansion or winback. Twelve months of data is used as nearly all subscriptions are twelve months in duration, ensuring the appropriate alignment of renewal activities.

3 Annual recurring revenue is defined as the annual value of subscription contracts measured on the final day of a reporting period.

Non-Financial

Number of reviews (m)[4]

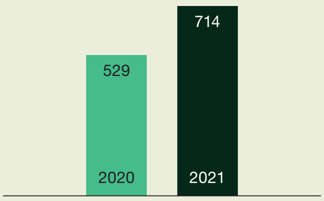
(+/-) % – 39%



Why we track it
A measure of consumer activity and engagement with Trustpilot.

Number of reviewed domains (m)[5]

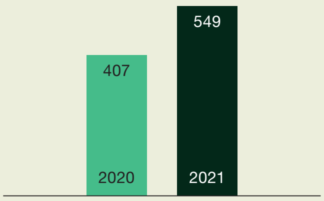
(+/-) % – 35%



Why we track it
A measure of virality, more consumers leaving more reviews on more businesses.

Number of claimed domains[6]

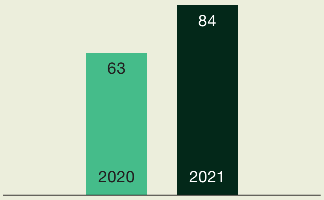
(+/-) % – 35%



Why we track it
A measure of business activity and engagement with Trustpilot.

Number of active domains[7]

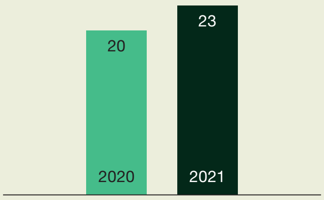
(+/-) % – 34%



Why we track it
These businesses are brand promoters for Trustpilot.

Number of subscribing customers[8]

(+/-) % – 17%



Why we track it
A measure of how successful we are at converting free users to paid accounts.

4 Number of reviews hosted on Trustpilot's platform as at 31 December (including reviews subsequently removed or deleted).

5 Number of reviewed domains that have been reviewed on Trustpilot's platform as at 31 December (including domains subsequently removed from the Trustpilot consumer website).

6 Number of claimed domains that have been reviewed on Trustpilot's platform as at 31 December (including domains subsequently removed from the Trustpilot consumer website) and have been claimed by the domain owner accessing features like inviting customers to write reviews, reply to reviews, and being notified whenever someone writes a review.

7 Number of domains, in the months of December, that received an invited review or were the subject of a TrustBox impression during the month.

8 Number of customers with a paid subscription for services on Trustpilot's platform as at 31 December.

Financial review

Our business grew substantially in 2021

"The growth in bookings was supported by a strong improvement in our Net Dollar Retention rate."

Hanno Damm
Chief Financial Officer

Revenue

$131m

Revenue growth

29%

Bookings

$150m

Finance Review Overview

2021 was an exciting year for Trustpilot, listing via a successful IPO on the London Stock Exchange in March and achieving a re-acceleration of both revenue and bookings* growth. FY21 saw revenue growth of 29 per cent to $131 million, or 24 per cent on a constant currency basis**. Bookings growth lifted from 18 per cent in FY20 to 27 per cent on a constant currency basis, resulting in Annual Recurring Revenue ("ARR")* of $144 million at the period end. Revenue growth was 29 per cent, or 24 per cent on a constant currency basis. The loss for the year grew from $12 million (-12 per cent of revenue) to $26 million (-20 per cent of revenue), principally due to $10 million non-recurring IPO-related costs. Adjusted EBITDA** fell from $6 million (6 per cent of revenue) to $4 million (3 per cent of revenue) driven by investments across the organisation, largely offset by strong revenue growth.

While FY21 was the first set of accounts prepared as Trustpilot Group plc, the IPO Restructuring resulted in the same operating group meaning FY20 figures are still like for like comparatives. Comparative figures were not audited by PwC UK.

Revenue

Revenue grew to $131 million, an increase of 29 per cent over the prior year, or 24 per cent at constant currency. The actual growth rate benefited from a weakening US Dollar relative to sterling and the Euro. Revenue continues to consist of over 99 per cent recurring revenue from software subscriptions, amortised over the subscription term.

ARR and Bookings

ARR and bookings serve as leading indicators of revenue in subsequent periods. ARR is measured at a point in time, while bookings reflect the annual contract value of deals signed within that period. As at 31 December 2021, ARR was $144 million, an increase of 26 per cent at constant currency over the prior year ARR of $119 million. In FY21, bookings of $150 million increased by 27 per cent at constant currency over prior year bookings of $113 million.

* Key performance indicator (KPI) – further detail available on page 39

** Alternative performance measures (APM) – further detail available in note 4

$ 000's	FY21	FY20	(+/-) % actual	(+/-) % constant currency
Bookings:				
UK	61,064	44,884	36	27
North America	33,200	28,826	15	15
Europe & Rest of World	55,300	39,608	40	35
Total bookings	**149,564**	**113,318**	**32**	**27**
Revenue:				
UK	53,136	39,159	36	27
North America	30,503	27,872	9	9
Europe & Rest of World	47,804	34,954	37	32
Total revenue	**131,443**	**101,985**	**29**	**24**

Nominal differences between ARR at the 31 December 2021 and FY21 bookings are partly due to currency translation, as ARR utilises the spot rate on the date of measurement while bookings utilises the monthly average rates over the period when the activity is recorded. The strengthening US Dollar at the end of FY21 contributed to lower translated values of sterling and the Euro contracts, when compared to bookings recorded over the course of FY21. Bookings growth was assisted by improvement in LTM Net Dollar Retention Rate, which increased from 91 per cent in FY20 to 99 per cent in FY21. We are encouraged to see customer retention and expansion grow as it is a testament to the value created by the product and it reflects the increased flexibility that has resulted from the new pricing framework we implemented in FY20.

Regional growth trends

As described above, bookings growth serves as a leading indicator of future revenue growth. For this reason, FY21 regional revenue growth is partly dependent upon the prior year bookings growth. In the UK and Europe & RoW, constant currency revenue growth remained strong with 27 per cent and 32 per cent growth respectively. This was achieved following constant currency bookings growth of 23 per cent in the UK and 24 per cent in Europe & RoW in FY20. In the same way, the 9 per cent revenue growth reported for North America reflects bookings growth of 3 per cent in FY20.

At constant currency, bookings growth accelerated in all regions in FY21, compared with the prior year period. The acceleration in growth was notable in Europe & RoW and North America. Europe & RoW bookings increased by 35 per cent in FY21 (up from 24 per cent in FY20). North America bookings increased by 15 per cent in FY21 (up from 3 per cent in FY20). UK bookings rose by 27 per cent in FY21 (up from 23 per cent in FY20). Our more developed European markets, for example Denmark, are more efficient as we benefit from a strong network effect and a powerful consumer brand. In Italy, Germany and the Netherlands we believe we are approaching a similar critical mass, and we see promising early signs of momentum in Spain.

Cost of sales

Cost of sales, which includes network operating costs and the costs incurred to onboard, support, retain and upsell customers, rose to $25 million (FY20: $18 million), an increase of 32 per cent at constant currency. The increase reflects investments we made during the year into the retention and expansion of existing customers ahead of future revenue recognition. These investments, primarily into additional headcount, have helped us to significantly improve our LTM Net Dollar Retention Rate from 91 per cent in FY20 to 99 per cent in FY21. As a proportion of revenue, the cost of sales grew from 18 per cent in FY20 to 19 per cent in FY21.

Sales and marketing costs

Sales and marketing costs increased to $46 million (FY20: $40 million), an increase of 10 per cent on a constant currency basis compared with the prior year. The increase in the sales and marketing expense was due to additional marketing expenditures, partially offset by a reduction in average headcount which declined to 279 (FY20: 304). As a proportion of revenue, the sales and marketing expense reduced to 35 per cent in FY21 (FY20: 40 per cent).

Technology and content costs

Technology and content costs were $34 million (FY20: $25 million), an increase of 30 per cent at constant currency over the prior year. Technology and content investment continues as we add headcount and purchase software and professional assistance. The average technology and content headcount grew to 220 in FY21 (FY20: 187). Our technology and content investment is focused primarily on product and engineering, as well as securing the integrity of our content and includes the amortisation of capitalised software development. Technology and content costs were 26 per cent as a proportion of revenue in FY21 (FY20: 25 per cent).

Financial review continued

Annual recurring revenue

$144m

LTM Net Dollar Retention Rate

99%

Net cash position at year end

$93m

General and administrative costs

General and administrative costs grew to $52 million (FY20: $28 million), an increase of 81 per cent at constant currency over the prior year period. The growth in general and administrative costs was driven primarily by non-recurring IPO-related costs of $10 million, and share-based compensation of $10 million (FY20: $4 million). IPO costs consisted primarily of accounting, legal and advisory services which were required to enable a listing on the London Stock Exchange in March 2021. The growth in general and administrative expenses also reflects the partial re-opening of many of our offices in 2021, and associated personnel costs. Additionally, 2021 saw the introduction of the annual costs associated with operating as a public company, reflected in additional headcount and professional fees. As a result of these factors, as a proportion of revenue, general and administrative rose to 39 per cent in FY21 (FY20: 27 per cent).

Cash Flow

We saw a cash outflow from operations of $5 million in FY21, compared with a cash inflow from operations of $7 million in the prior year. The shift to a cash outflow from operations was driven in large part by non-recurring IPO costs amounting to $12.4 million, and the annual company bonus payout that moved from a quarterly to an annual frequency in FY20, resulting in the first such annual payout occurring in early 2021.

One-off operating cash items in FY21 included a negative working capital movement relating to the payout of payroll tax deferral of $3 million for Covid-19 relief. One-off operating cash items in FY20 included positive working capital contribution related to a payroll tax deferral of $3 million for Covid-19 relief as well as a negative working capital movement of $2 million relating to a new office lease in London. The net cash outflow from investing activities continues to consist primarily of capitalised development costs, which in FY21 increased to $4 million (FY20: $3 million). The cash inflow from financing activities of $56 million principally comprised inflows from the IPO proceeds following the sale of new shares, and the proceeds from employee warrants exercised at IPO. This inflow was partially offset by a portion of IPO costs recorded against equity and not reflected in operating cash flow, cash outflows from repayment of term debt, and from the principal elements of lease payments.

Balance Sheet

Meaningful movements in the Group balance sheet in the year consisted primarily of the equity capital raise resulting in $93 million of cash and an increase in net equity to $59 million as of 31 December 2021. Non-current liabilities fell to $13 million as of 31 December 2021, following the repayment of outstanding term debt. Current liabilities rose to $57 million as of 31 December 2021, largely due to growth in contract liabilities amounting to $5 million in the period, driven by the growth in bookings.

Foreign exchange

The Group does not hedge foreign currency profit and loss translation exposures and the statutory results are therefore impacted by movements in exchange rates. The use of constant currency translation illustrates underlying activity by neutralising the impact of currency fluctuations. Constant currency translation is applied by utilising the monthly average rate from the most recent period applied to all historical periods being compared.

Going Concern Statement

Based on the going concern assessment described in Note 1 of the Group's financial statements on page 120, having considered multiple downside scenarios and a stress test scenario, the Directors have a reasonable expectation that the Group has adequate resources to continue to operate for at least 12 months from the date of approval of the financial statements. As a result, they continue to adopt the going concern basis in preparing the financial statements.

Viability Statement

In accordance with provision 31 of the Code, the Directors have performed an assessment of the Group's prospects and long-term viability, taking into account its current financial position and principal risks and uncertainties.

The Group's prospects are assessed through an annual strategic planning process. This strategic planning process addresses the expected commercial and financial performance over the subsequent 3 years and the consequential impacts to cash flows and liquidity. The Directors have determined that 3 years is an appropriate period over which to provide the Group's viability statement as it is consistent with the Group's 3 year outlook when preparing its strategic business plan.

The strategic planning process begins with input from the Group's Global Leadership Group (GLG) on macro trends and themes that could be material to the future of the Group. This input is considered and expanded upon by the Executive Leadership Team (ELT) and the Board at a two day off-site. The 1st year of this 3 year forecast serves as the Group's budget, informed by detailed, bottoms-up input based on the strategic plan. The 2nd and 3rd years are built on the same forecast methodology with top-down drivers and trends.

The Group's forecast begins with detailed monthly commercial KPIs that drive new customer acquisition expectations, as well as the renewal and expansion of existing customers, planned regionally. This planning takes place in tandem with corresponding forecasts of operating expenses, consisting primarily of direct labour costs or those indirect costs tied to headcount. The resulting plan covers the key operating KPIs as well as the P&L, balance sheet and cash flow expectations.

While the Group's strategic planning process generates the best estimate for future performance based on the assumptions mentioned above, the Directors also consider additional plausible but severe downside scenarios to assess the long-term prospects of the business. The Directors consider 2 scenarios to quantify the potential impact of multiple key principal risks and uncertainties of the Group (set out on page 43) occurring over the assessment period, in addition to a reverse stress test to demonstrate what would need to occur to see the Group's liquidity exhausted.

Financial review continued

Scenario modelled	Principal risk assessed
Trust degradation	Trust
	Activities of businesses and consumers

The trust degradation scenario is meant to illustrate the impact of an erosion of trust among consumers and businesses in our platform, resulting in an increased churn of existing customers, difficulty in acquiring new customers and increased cost associated with platform integrity. Impacts of this scenario would result in a sales productivity that is over 20 per cent lower than FY21, a net retention rate of 88 per cent and a resulting revenue growth that falls to the single digits by FY23. Trust degradation is assumed to be the consequence of improper use of the platform by businesses and consumers, a failure by the Group to maintain confidence in our commitment to trust and transparency and a public perception that content on our platform is fake or misleading.

Scenario modelled	Principal risk assessed
Regulatory scrutiny and litigation	Changing and varied regulatory landscape Litigation and disputes

The regulatory scrutiny and litigation scenario is meant to illustrate the impact of dramatically increased regulatory and compliance efforts while concurrently dealing with increased litigation and disputes. The financial impact of this scenario is modelled via increased costs across the Group's Content Integrity, Platform Integrity and Legal & Compliance functions, as well as increased external counsel fees, damages, fines and settlements from litigations. It also assumes a c. 50 per cent increase in gross churn in FY22 due to existing customers that aren't willing or able to operate within changes brought by regulators and regulatory fines amounting to 2 per cent of revenue.

The result of the above scenarios indicate that the Group would be able to withstand these plausible but severe downside situations and retain more than sufficient liquidity. The reverse stress test also illustrated that the factors required to exhaust Group liquidity were considered a remote likelihood.

Additionally, the Directors consider the mechanics of the Group's business model and the consequential impact to its long-term viability. The Group operates with high gross margin, recurring subscription software revenue alongside low customer concentration. As of 2021, no single customer accounted for greater than 1 per cent of Group revenue. This software subscription model proved resilient in the uncertainty of 2020 at the onset of Covid-19 lockdowns, giving management and the Directors the ability to meaningfully improve operating cash flows while continuing to grow the business.

Based on the above assessments, the Directors have a reasonable expectation that the Group will continue in operation and meet its liabilities as they fall due over the three year period ending 31 December 2024.

Hanno Damm
Chief Financial Officer

22 March 2022

Operating metrics

Trustpilot utilises a range of key performance indicators ("KPIs") to assess its performance, and this document contains certain operating measures that are not defined or recognised under IFRS. Trustpilot considers bookings, LTM Net Dollar Retention Rate, annual recurring revenue, number of reviewed domains, number of claimed domains, number of active domains, number of subscribing customers and number of reviews to be the KPIs used by Trustpilot to help evaluate growth trends, establish budgets and assess operational performance and efficiencies.

Trustpilot believes that these KPIs provide alternative measures by which to assess the operating performance of the Group and, together with IFRS measures, are useful in evaluating the Group's operating performance. The KPIs used in the Financial Statements should not be considered superior to, or a substitute for, measures calculated in accordance with IFRS. The following table presents Trustpilot's KPIs for FY21 and FY20.

$ 000's except per cent and millions	FY21	FY20	(+/-) % actual	(+/-) % constant currency
Bookings:				
UK	61,064	44,884	36	27
North America	33,200	28,826	15	15
Europe & Rest of World	55,300	39,608	40	35
Total bookings[1]	**149,564**	**113,318**	**32**	**27**
LTM Net Dollar Retention Rate (per cent)[2]	99	91	9	9
KPIs at period end				
Annual Recurring Revenue[3] (millions)	144	119	22	26
Number of reviewed domains[4]	714	529	35	–
Number of claimed domains[5]	549	407	35	–
Number of active domains[6]	84	63	34	–
Number of subscribing customers[7]	23	20	17	–
Number of reviews[8] (millions)	167	121	39	–

1 Bookings is defined as the annual contract value of contracts signed in a given period. Nearly all of Trustpilot's contracts with customers have a duration of 12 months, and in the event a contract length exceeds 12 months the value is adjusted to the 12 month equivalent for the purpose of calculating bookings. Bookings are a leading indicator of future revenue.

2 LTM Net Dollar Retention Rate is defined as the annual contract value of all subscription renewals in the last 12 months divided by the annual contract value of subscriptions expiring in the last 12 months. LTM Net dollar retention includes the total value of subscriptions with existing Subscribing Customers, and includes any expansion of contract value with existing Subscribing Customers through upsell, cross-sell, price expansion or winback. 12 months of data is used as nearly all subscriptions are 12 months in duration, ensuring the appropriate alignment of renewal activities.

3 Annual recurring revenue is defined as the annual value of subscription contracts measured on the final day of a reporting period.

4 Number of reviewed domains that have been reviewed on Trustpilot's platform as at 31 December (including domains subsequently removed from the Trustpilot consumer website).

5 Number of claimed domains that have been reviewed on Trustpilot's platform as at 31 December (including domains subsequently removed from the Trustpilot consumer website) and have been claimed by the domain owner.

6 Number of domains, in the months of December, that received an invited review or were the subject of a TrustBox impression during the month.

7 Number of customers with a paid subscription for services on Trustpilot's platform as at 31 December.

8 Number of reviews hosted on Trustpilot's platform as at 31 December (including reviews subsequently removed or deleted).

Risk management

Successful management of existing and emerging risks is critical to the achievement of our strategic objectives and long-term success.

Like all businesses, we face a number of risks and uncertainties. Successful management of existing and emerging risks is critical to the achievement of our strategic objectives and long-term success. At Trustpilot, we adopt a robust approach to risk to ensure we achieve our mission to be the most trusted and most used online reviews platform, and grow our business in a sustainable way.

We have a dedicated Risk function that is responsible for compliance leadership, promoting a risk conscious culture across all levels of the organisation, and providing the necessary guidance to identify, evaluate and mitigate the risks which could endanger the achievement of Trustpilot's strategic objectives.

Our Risk Framework

The risk framework below illustrates the internal governance structure within Trustpilot. Alongside this framework, the Group's culture, risk process, and internal controls give the Board assurance that risks are being appropriately identified and managed.

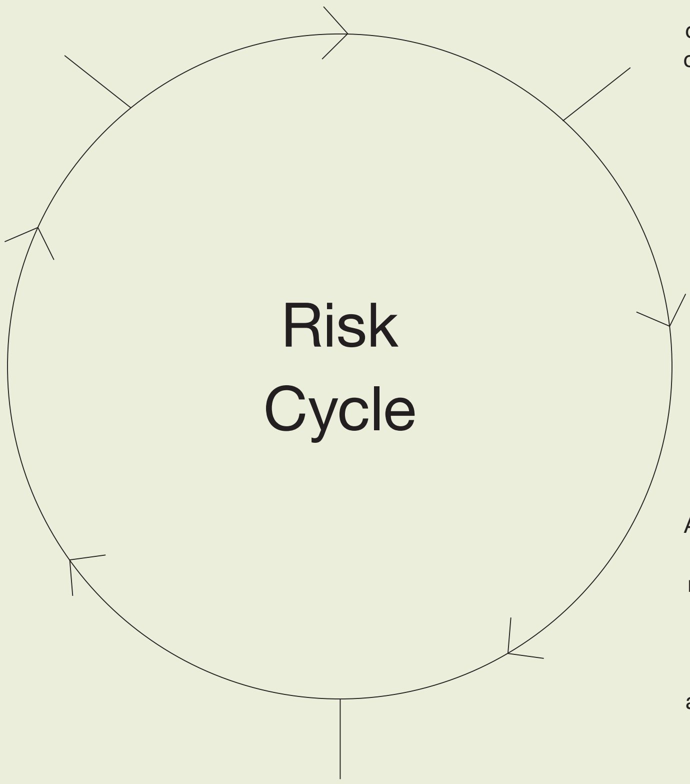
Risk Management Process

5. Monitor & Review

Entity-level controls are monitored and tested by the Risk and Internal Audit teams respectively. Findings are presented to the Audit Committee and form the basis for the Risk and Internal Audit plans.

1. Identify risk landscape

As part of our risk identification, we record both current and emerging risks that could prohibit, hinder or restrict the achievement of our strategic objectives.



4. Manage & Mitigate

A risk treatment strategy is determined based on the risk rating and the effectiveness of any controls. Any changes are then implemented within our governance, risk and compliance system.

2. Assign ownership & prioritise

As part of risk identification, we operate with a common set of risk categories. Each identified risk is categorised, assigned an executive level owner and mapped to our strategic focus areas. This is an important part of our process that ensures effective oversight and accountability.

3. Assess & Evaluate

Partnering with business stakeholders, we assess the likelihood of occurrence and the potential impact if the risk materialises.

Risk management continued

Governance

Our Board of Directors is responsible for setting the tone in relation to our approach to risk and guides our risk behaviours. The Board ultimately sets expectations in relation to conduct, trust and integrity, defines our risk appetite, approves material decisions relating to our risk profile and assesses potential risks which may impact our strategy, reputation, operations or business model.

The Board is supported by our Audit Committee, which is responsible for reviewing, reporting and managing risk. The Audit Committee reviews our internal controls and risk management systems and is accountable for the review, maintenance and updating of our risk register. The Audit Committee reports to our Board on matters within its duties and responsibilities.

Operational management of risk is the responsibility of our ELT who report to the Audit Committee and the Board.

The risk framework at Trustpilot operates a three lines of defence model. We aim to set clear guidelines for managing risks throughout the organisation by using common language and ensuring appropriate ownership, management and control. On a day-to-day basis, we consider all of our Trusties to be risk managers, and take an active role in embedding a risk-conscious culture throughout the organisation.

We use our risk framework to drive an integrated and owned approach to risk through the culture of the entire organisation:

- Our first line of defence, our Trusties, have a responsibility to manage day-to-day risk in their own areas and are guided by Group policies and procedures. Function heads, and ultimately the responsible member of the ELT, ensure that risks are managed, maintained, reviewed and actioned in accordance with the policies that guide them.
- The second line of defence provides an independent review and challenge to the business and control functions to ensure that all aspects of the risk profile are managed in adherence to risk appetite and policies, as well as on the implementation and operation of internal controls. This is managed and overseen by our Risk function. Oversight of the control environment is managed within our governance, risk and compliance system, which fosters an integrated and unified approach to managing risk across the business.
- The third line of defence provides independent assurance on the effectiveness of our internal controls. This is managed by Internal Audit in conjunction with the Audit Committee.

Collaboration

Whilst maintaining the required independence, Internal Audit and Risk work in close collaboration throughout the year in order to provide effective oversight of, and guidance to, first line functions.

Using the Enterprise Risk Assessment, Internal Audit and Risk scope and align their respective Audit and Risk plans to review identified areas of high risk for the business whilst ensuring that the business has the right support and guidance to address any findings. This collaborative approach helps to enhance the profile of Internal Audit and Risk throughout the organisation as well as the risk culture and cooperation in the first line functions.

Some of the engagements completed by Internal Audit and Risk are outlined below.

Our year in review

Our first year as a publicly listed company was one where we further enhanced our risk processes and put in place a governance structure that aligns with our strategic and operational goals. A number of key initiatives were conducted that allowed us to identify our principal risks and also support our internal control environment:

- Internal Audit and Risk conducted an Enterprise Risk Assessment, facilitated through discovery workshops and consulting engagements to identify our current, emerging and principal risks.
- We improved our whistleblowing procedures by onboarding a confidential whistleblowing platform that allows all Trusties or external stakeholders to report concerns anonymously, as well as updating our Speaking Up policy.
- We conducted a fraud assessment and updated response plans for the areas of highest risk.
- We developed our internal controls over financial reporting to ensure that risks and controls were up to date, and established a road map for the monitoring and oversight of these controls within our governance, risk and compliance system.

2022 Focus

Our work will continue to evolve in 2022 with a particular focus on building a culture of compliance through a collaborative approach to managing risk. As part of this effort, Risk will influence decision-making through effective challenge and timely consultation. We are committed to supporting the business to meet its strategic goals. Critical to our success will be our work to continue embedding a risk-conscious culture into our first line of defence. This is in keeping with a commitment to build trust, provide clarity and improve connection throughout the organisation, and a key facet of the People & Culture strategic focus area.

Additionally, the annual review of the effectiveness of the systems of risk management and internal control identified opportunities for improvement in the IT general controls. The Finance team operated compensating controls during the period to mitigate the associated risk. In collaboration with Risk, the IT team presented an action plan for the Audit Committee involving a new model for ownership of IT systems and controls, additional resourcing, and timeline for deliverables during 2022. Risk will continue to work with the IT team and provide oversight of implementation, and report progress to the Audit Committee.

Principal risks and uncertainties

We continually identify, review and manage existing and emerging risks that threaten our business model, performance or liquidity. As part of the risk framework, risk responses are agreed with business stakeholders and reported to the Audit Committee and the Board. Control of each of the principal risks is critical to the ongoing success of the business. As such, responsibility and management of the risks are assigned to an executive sponsor.

Covid-19

The Covid-19 pandemic continues to bring significant change to the global economic, social and political business landscape. In response, we are continually reviewing the actual, emerging and potential impacts on our principal risks as the pandemic continues to evolve around our everyday lives. The pandemic, and the measures taken to mitigate the effects of the pandemic, could continue to cause disruption to our business and have an adverse impact on our financial results. Our Covid-19 taskforce, made up of senior employees across various functions regularly meet to discuss the impact of the pandemic on our business, including our people, our customers, our supply chain and other key stakeholders.

Standing against the invasion of Ukraine

We are deeply concerned and saddened by the acts of violence we are seeing against innocent Ukrainian people and fully condemn the brutality being inflicted by the invasion. We stand with all those suffering and with the many other voices calling for peace at this time.

We have assessed the operational and financial impact of the events in Ukraine, and although we do not anticipate any major impact to our business, we have terminated all paid relationships with Russian and Belarusian businesses with immediate effect and cut all ties with any businesses who are, or are likely to be, subject to sanctions. The total financial impact of these actions at the time of publication of this report is approximately $45,000. At the same time, we have suspended our operations in Russian and Belarus so that no businesses can access their business accounts and no new reviews can be posted in respect of domains in those regions. Any existing paying customers from Ukraine have had their subscription costs waived until further notice. Any fee waivers are not expected to exceed $10,000 per year.

We continue to offer our support to Trusties who have been affected by the events in Ukraine (including counselling and the opportunity to temporarily work remotely from any other country within the European Union) and have also made an initial donation to the humanitarian effort through the Choose Love Charity.

We continue to monitor reviews on our platform closely to ensure that information remains genuine and that any harmful or illegal content is removed swiftly. Internally, we have assembled a taskforce, made up of senior employees across various functions, who are in regular contact to discuss the impact of the invasion on our business as the situation develops.

Having carried out a robust assessment of the company's emerging and principal risks, the Board have identified the following principal risks and uncertainties, grouped by our strategic objectives:

Risk	Strategic Focus Area	Risk Number	Risk Trend	Executive Sponsor (Risk Owner)	Executive Sponsor Role
Trust	Consumer Trust	1	↔	Carolyn Jameson	Chief Trust Officer
Activities of businesses and consumers		2	↔		
Changing and varied regulatory landscape		3	↑		
Litigation and disputes		4	↔		
Privacy & Security		9	↔	Carolyn Jameson Steve Garland	Chief Trust Officer Chief Technology & Product Officer
Failure to innovate	Business Proposition	5	↔	Steve Garland	Chief Technology & Product Officer
Reliance on search engine relationships		7	↔	Steve Garland Alicia Skubick	Chief Technology & Product Officer Chief Marketing Officer
Competitive environment	Markets & Growth	6	↔	Tim Hilpert	Chief Operating Officer
People & Culture	People & Culture	8	↑	Donna Murray Vilhelmsen	Chief People Officer

Risk management continued

For each of the principal risks, further explanation has been provided regarding description of the risk ("Why this matters to us") and mitigation ("How we respond"):

(1) Trust

Strategic Focus Area: Consumer Trust	Executive Lead: Carolyn Jameson, Chief Trust Officer	
Why this matters to us	**How we respond**	**What we have done in 2021**

Our brand and reputation for trust are of paramount importance. Our platform is open to businesses and consumers. Any failure to maintain a consistently high level of confidence in our commitment to trust and transparency, or a public perception that content on our platform is fake or misleading, could adversely affect our reputation with businesses and consumers. We also recognise that a poor consumer experience on the platform can have a negative impact on consumer trust, and our reputation. Any degradation of trust in our platform could lead to a reduction in the number of consumers using our platform, the number of businesses subscribing to our services and, consequently, a decrease in revenue.	– Our Board and ELT are committed to building and maintaining trust. Our company values to be 'open to all' and to act 'always with integrity' are embedded within our culture and our employees are committed to putting trust and transparency at the heart of everything we do.
	– We have comprehensive policies and procedures designed to ensure that we only work with companies that align with our ethical values, including our Code of Ethics and Bad Fit Policy. These ensure that employees, customers, suppliers and consumers are committed to integrity, trust and transparency.
	– We have a dedicated Trust & Transparency team of more than 70 employees, including content and platform integrity agents, legal, privacy and compliance professionals, and fraud analysts and investigators. Our efforts are further supported by cross-functional teams who are all focused on preserving the integrity of our platform.
	– We annually release our Transparency Report to highlight our commitment to trust and transparency and publicly report on our efforts to combat fake reviews and misuse of our platform.
	– We continually monitor, and where appropriate, respond to, press coverage in relation to our business and proactively monitor our platform to protect the integrity of our platform so that reviews reflect genuine consumer experiences.
	– We continue to invest in best-in-class technology and people to further improve the trust and transparency of our platform. This includes fraud detection software that utilises machine learning and artificial intelligence, and the creation of a development team dedicated to trust and transparency.
		– Our goal is to be the most trusted and most used online reviews platform, becoming the global benchmark for trust.
		– We further refined our consumer trust strategy to shift focus on making improvements for our customer experience.
		– As we begin our journey to reach our mission, we have identified four key strategic focus areas:
		  – People & Culture
		  – Consumer Trust
		  – Business Proposition
		  – Markets & Growth
		– In March 2021 we established a Trust & Transparency Committee to oversee the Company's policies, procedures and practices that embed trust and transparency into our operations and ensure that any material decisions relating to the integrity of our platform are aligned with our mission and strategy.
		– We have continued to scale our Content Integrity team, recruiting in key positions that has allowed us to shift focus towards better customer experience. In 2021, we hired several key roles including:
		  – Senior Director, Content Integrity
		  – Workforce, Planning and Analytics Manager
		  – Customer Experience Manager
		  – Service Delivery Manager
		– These changes better equip us to understand and address our customer needs, whilst enabling the team to better detect fraud or misuse of the platform.

(2) Activities of businesses and consumers

Strategic Focus Area: Consumer Trust	Executive Lead: Carolyn Jameson, Chief Trust Officer	
Why this matters to us	**How we respond**	**What we have done in 2021**
Our terms of use and platform guidelines prohibit businesses and consumers from using our platform to post illegal or harmful content, engage in illegal activities or make improper use of the platform. Nevertheless, businesses and consumers may engage in such prohibited activities, create or promote the creation of false or misleading reviews and otherwise attempt to use Trustpilot's platform for fraudulent purposes. Such activities could negatively impact Trustpilot's brand and reputation. Further, in many jurisdictions, laws relating to the liability of providers of online services for activities of third parties on their platforms are being tested by actions based on defamation, invasion of privacy, unfair competition, copyright and trademark infringement and on other bases. Any court ruling or other governmental regulation or action that imposes liability on providers of online services in connection with the activities of such third parties could result in Trustpilot becoming liable for the actions of businesses and consumers on the platform.	– Our terms of use and guidelines clearly prohibit problematic content and misuse of our platform, including reviews which are illegal, harmful, defamatory, misleading or otherwise not based on a genuine experience. Our terms also specifically exclude Trustpilot liability for user generated content on our platform. – As mentioned above, in connection with our efforts to maintain the trust and transparency of our platform (1), we take extensive steps to detect and remove improper content, and take action against those who post such content or engage in any misuse of our platform. – Our automated systems analyse every review submitted to the platform to identify and quickly remove any reviews we deem to be fake. – We include 'transparent flagging' information on every business profile on our platform, which allows consumers to view how often businesses flag reviews and understand what happens to the review while they are being investigated. – We include 'transparent inviting' information on every business profile on our platform, which allows consumers to see how businesses receive and collect reviews on their profile, and whether businesses are actively using automated or manual methods to collect reviews from consumers. Our business transparency pages provide an overview of how businesses have used our platform during the preceding 12 months, including the sources of reviews, whether or not the business pays to access additional Trustpilot products and services and star distribution by review source. – Our platform labels reviews to explain to consumers if a review has been collected by a business and the collection method they have used. Where a business collects reviews using one of our automated collection methods which are automatically triggered following an experience with a business (or a consumer has otherwise given us documentation to prove their buying or service experience), we label the reviews as 'verified'. – We have a dedicated Litigation team that robustly defends any actions seeking to impose liability on Trustpilot for user generated content and activity on the platform, and where appropriate, take proactive enforcement action. We also utilise external specialists where necessary. – We regularly take enforcement action against those who misuse our platform, employing human expertise and automated tools.	– In 2021, we removed over 2.7 million fake reviews from our platform, over 68% of which were detected by our automated software. – We issued 1,425 cease and desist letters (of which 1,260 were through automated methods) to businesses in 2021 and blocked 16,780 user profiles linked to those selling reviews. – We continued to restructure our internal teams by combining our Enforcement and Content Integrity teams, and expanding our fraud & investigations teams dedicated to maintaining the integrity of our platform and taking enforcement action against those who misuse our platform. These teams are supported by our expanding Legal, Engineering and Data Science teams, and together their scope of responsibilities look at improving integrity of the platform and content, improvements to our automated systems, scaling our operations, and detecting and taking action against misuse on the platform. – We have released new automated systems to detect fake reviews based on a variety of behavioural factors. – We introduced an in-product notification on business profile pages to highlight reviews that were historically collected by businesses offering an incentive. This notification was displayed on reviews that were collected using incentives prior to them being prohibited on the platform in August 2020.

Risk management continued

(3) Changing and varied regulatory landscape

Strategic Focus Area:
Consumer Trust

Executive Lead:
Carolyn Jameson, Chief Trust Officer

Why this matters to us

The growth and development of e-commerce, along with negative publicity and allegations of false or misleading information, has led to increasing regulatory scrutiny of such activities particularly in the UK, Europe and the United States.

For example, in May 2020, the UK Competition and Markets Authority (the **"CMA"**) opened an industry investigation into several major websites, including Trustpilot that display online reviews to assess whether those websites are taking sufficient measures to protect consumers from fake and misleading reviews.

Following the investigation, the CMA announced on 25 June 2021 that it has opened a formal probe into Amazon and Google over concerns that they have not been doing enough to combat fake reviews on their sites.

Whilst the CMA chose not to take any enforcement action against Trustpilot, any failure to take appropriate measures to combat fake reviews or other misleading activity on its platform could lead to further or similar regulatory scrutiny from the CMA or other regulatory bodies throughout the world, ultimately leading to reputational damage and financial or criminal penalties.

In addition, as there continues to be political and social pressure to tackle illegal and harmful content online, regulators are introducing new regulations requiring platforms such as Trustpilot to take action to quickly and effectively remove such content, which could lead to increased compliance costs. Any failure to comply with these requirements or respond to regulatory changes may result in reputational damage, fines and other enforcement action.

How we respond

- As a business dedicated to trust and transparency, we are constantly making improvements and enhancements to our platform to ensure compliance with laws and regulations.
- We have a robust notice and take down procedure, which allows consumers and businesses to report reviews they believe to be fake, illegal, harmful or otherwise in breach of our platform terms and guidelines. Once reported, we thoroughly investigate and take prompt enforcement action. This can include:
  - removing the reviews from our platform,
  - issuing warnings to businesses and consumers for repeated breaches,
  - placing consumer alerts on the profile pages of the businesses involved,
  - terminating the paid subscription with businesses who might be misusing our platform.
- Our Policy & Public Affairs team is dedicated to identifying, monitoring, assessing and responding to upcoming changes in laws and regulations and working with regulators, politicians, Governments and other lawmakers to help shape future regulation.
- We proactively and voluntarily work with regulators to identify any compliance risks and build strong, positive relationships.
- We monitor investigations and enforcement action taken by regulators against other digital service providers to identify any changes that may be needed to our platform to ensure regulatory compliance.
- We have dedicated internal legal expertise to implement any changes to our platform and business that are required as a result of new regulations, including product legal, regulatory compliance and privacy professionals. We also engage external counsel where appropriate.
- We employ a comprehensive compliance framework, including policies, guidelines and training to ensure awareness of, and compliance with, new regulations.
- Our dedicated Risk function maintains our risk register, which is updated regularly to take account of new risks that may arise from new regulations and regulatory action.

What we have done in 2021

- The following enforcement actions were taken against businesses and consumers misusing our platform:
  - 2,722,255 reviews were removed from our platform for breaching our terms and guidelines
  - 121,048 warnings were issued to businesses and consumers for repeated breaches
  - 2,637 consumer warnings were placed on the profile pages of the businesses involved
  - 136 agreements with businesses who were misusing our platform were terminated and those customers downgraded to basic functionality of only reporting and replying to reviews.
- As part of our monitoring procedures, we regularly scan regulatory notifications from the FCA. This allows us to compare with domains using Trustpilot and as a result, display consumer alerts on the business's profile page.
- Alongside monitoring and feeding intelligence to the business on regulatory developments, our Policy & Public Affairs team participates regularly in discussions on areas such as platform regulation, competition law, and AI.
- We have improved how we explain to consumers the eligibility for businesses to be ranked as 'best' in our category pages and on business profile pages.
- We have upgraded our infrastructure for automated systems to reduce time to action, and deployed an event streaming pipeline infrastructure to analyse all reviews and apply rules that act in real-time to detect fake reviews immediately after they are submitted.

(4) Litigation and disputes

Strategic Focus Area: Consumer Trust	**Executive Lead:** Carolyn Jameson, Chief Trust Officer	
Why this matters to us	**How we respond**	**What we have done in 2021**
Due to the nature of our business and being a platform that hosts user generated content, we may be subject to litigation and other legal proceedings involving defamation, libel, consumer protection, intellectual property, commercial disputes and other matters. We may also be associated with disputes between businesses and consumers, even where we are not a party to the dispute (for example, disputes relating to the content of a review). Such exposure could cause significant reputational damage and compromise our ability to grow.	– We have a dedicated Litigation team which is responsible for handling any claims, litigation or other proceedings when issued against Trustpilot, using external counsel where necessary for jurisdiction specific advice. – We monitor and track litigation and disputes, and regularly assess likelihood of success, impact to the business and potential legal costs to inform our decision making. – We have robust processes in place to identify and act on claims issued against any Group companies in the locations in which we operate / where we may be subject to proceedings. – Our Litigation team works closely with our Content Integrity teams to deliver training and guidance on identifying problematic cases early to ensure escalation to the Litigation team. – We have processes to maintain privilege, manage documents and information in the context of ongoing and anticipated litigation. For example, preservation of documents, and handling requests for information from authorities, regulators and third parties. – Our Litigation team is empowered to identify pragmatic and commercial resolutions to resolve disputes, and actively avoids the need for unnecessary litigation (where appropriate). – We issue claims against businesses or individuals repeatedly breaching our guidelines, for example by procuring or submitting fake reviews. Our Litigation team works with specialist external barristers who have in-depth knowledge of the platform to draft pleadings, prepare cases and attend hearings.	– As set out in our IPO prospectus in March 2021, a complaint was filed in the United States District Court for the Southern District of New York against Trustpilot Inc and Trustpilot A/S relating to Trustpilot's customer renewal practices. The claim was initially dismissed by the court on 29 June 2021, to which the plaintiffs filed a 'motion to reconsider' the dismissal of the case. This was also denied on 14 October 2021. The plaintiffs have subsequently filed a Notice of Appeal on 15 November 2021 and the case has been transmitted to the Second Circuit Court of Appeals. The case has been placed on the expedited appeals calendar and we anticipate an outcome mid-way through 2022. On 4 January 2022, Trustpilot received the Plaintiffs's appeal brief, and Trustpilot submitted its reply on 8 February 2022. On 22 February 2022, the Plaintiffs submitted their reply brief and we are now awaiting a date to be fixed for an oral hearing. Trustpilot anticipates an outcome within around six months of the date of the Notice of Appeal. Although, in this case, management have no reason to consider that it is probable there will be an unfavourable outcome in respect of the litigation at this stage, if unfavourable, the outcomes of such proceedings could have an adverse impact on our business due to legal costs incurred, diversion of management resources and reputational impact. – We made changes to our platform in order to comply with French consumer law. The changes made provide more transparency to consumers when using our platform. – We increased headcount in our litigation & disputes team. This expanded team has a breadth of litigation and disputes experience and has built dedicated expertise in key markets where we see increased litigation such as the UK, Germany and France. – We have developed litigation playbooks to handle the increasing scale of repeat claims, for example, for claims that content on the platform is defamatory. This ensures that cases are handled consistently across the team and experiences in specific markets are fed back into business as usual processes. – We released a series of more than 60 technical changes in summer 2021 to improve accessibility of the platform, and mitigate risk of litigation for non-compliance with accessibility laws, particularly in the US.

Risk management continued

(5) Failure to innovate

Strategic Focus Area: Business Proposition	Executive Lead: Steve Garland, Chief Technology & Product Officer	
Why this matters to us	**How we respond**	**What we have done in 2021**

Failure to develop new technologies or products and services, or adapt to consumer or market trends, such as an increasing demand for trust, or developments relating to security and authenticity of reviews, could adversely impact our ability to attract businesses and consumers to our platform and/or grow revenue.	– We continuously invest in technology that allows us to adapt to market trends and evolving consumer behaviour.
	– Continued expansion of our R&D team, including at our R&D hub in Edinburgh, which is focused on innovation in data science and consumer trust online.
	– Regular horizon scanning and monitoring of emerging trends, as well as research into consumer behaviour.
	– Peer reviews of similar platforms around the world.
	– We employ an agile and collaborative way of working so that we can innovate and respond to change quickly.
	– We monitor global M&A opportunities to acquire technology, people and businesses which may advance our mission to become a universal symbol of trust.
	– We actively seek out, and enter into, strategic partnerships that will allow us to continue to grow and find new and innovative ways to reach consumers and businesses.
		– In 2021, we invested heavily in our R&D team. We increased our R&D headcount by 29%. This compares to Trustpilot's overall headcount growth of 20%.
		– We've invested heavily in analytics, data science, and data platforms, allowing us to:
		  – Better track and alert on leading and lagging metrics
		  – Build a single source of truth set of metrics, facilitating better business decisions at a leadership level
		  – Build data driven features that improve our customer and consumer offerings, such as sentiment analysis
		  – Ensure data governance across our data
		– In H1 2021 we released technology to automatically block 'dark web domains' from our platform.
		– We released a new fraud engine based on user behaviour to detect and block spammers from the platform. As a result, we have observed both a reduction of spam on the platform and a reduction of businesses reporting reviews as spam.
		– Our integrations with strategic partners are of paramount importance to our continued growth. The integration with Shopify, completed in 2021, gives us access to new leads and increased revenue.

(6) Competitive environment

Strategic Focus Area: Markets & Growth	Executive Lead: Tim Hilpert, Chief Operating Officer	
Why this matters to us	**How we respond**	**What we have done in 2021**

The market for consumer reviews is evolving and highly competitive. Competition could increase in the future from established competitors and new market entrants, including companies that have their own internal ecosystem reviews such as Google and Amazon. This could impact our ability to increase revenue, maintain or increase contract renewals, and maintain or increase prices.	– We monitor competitors and their offerings closely, and our ELT and Board regularly undertake competitor and market analysis.
	– We constantly develop and add new features to our platform to ensure that we continue to remain at the forefront of innovation and provide maximum value to businesses and consumers.
	– We regularly review and adapt our pricing strategies to ensure that we remain competitive in the market.
	– We continue to invest in our brand and our customer-led marketing approach helps amplify awareness of our brand, and our products and services.
	– As an open and independent platform, we have a consumer-facing proposition which allows consumers at any time to write reviews of any business with a website and see feedback left by other consumers. This continues to differentiate us from 'closed' platforms, which generally only let consumers write reviews when the business or platform invites them to do so and/or only enable businesses to interact with consumers when they pay for that capability and/or let businesses choose which reviews are published.
	– Our commitment to trust and transparency continues to be a key differentiator between Trustpilot and competitors.
		– A number of new features were added to our platform during 2021 including:
		  – Business verification
		  – Third party integrations to improve the customer experience
		  – Automated systems focused on consumer protection
		– With the help of external consultants, we launched a market study in the US, from which we will apply learnings to adapt our offering to the region.
		– We're significantly investing in development of capabilities in areas such as Product Reviews & Review Insights that align with what businesses want, modernising features and functionality, including syndication, showcasing abilities, and social sharing.
		– We launched our Flex plan in October 2021, and we're gradually rolling this out globally so that we have a low-priced offering for micro & small businesses, something genuinely affordable at the entry-level.
		– We've deployed better pricing metrics for larger businesses by linking price to web traffic.

Risk management continued

(7) Reliance on search engine relationships

Strategic Focus Area: Business Proposition	Executive Lead: Steve Garland, Chief Technology & Product Officer / Alicia Skubick, Chief Marketing Officer	
Why this matters to us	**How we respond**	**What we have done in 2021**
We rely on third party search engines to enhance our products and services and to drive traffic for Trustpilot and our customers. If search engine providers amend or terminate their relationships with us or change the price of their offering, or the algorithms that determine flow of "free traffic", then this could have a material adverse effect on Trustpilot's business, results of operations and financial condition. We also rely on our licensing agreements with search engine providers such as Google to enhance our products and services with key features such as Google Seller ratings. As such, if those providers terminate the licences, or the data we feed to them do not adhere to their guidances or thresholds (or they change those guidances or thresholds), then this could affect our ranking and subsequently have a material adverse effect on Trustpilot's offering, its business, results of operations and financial condition.	– We adapt to changing trends to stay on top of Search Engine Marketing ("SEM") best practices so our campaigns remain competitive and our investment profitable. – By diversifying our channel mix through earned, owned and paid strategies. – We place focus on our consumer experience through brand awareness campaigns, or customised campaigns, each with the goal of translating to direct traffic. – We have invested in paid and owned channels, in addition to paid channels such as content syndication, paid social and programmatic to balance our channel mix. – We "listen" to what our audience is searching for and surface content that matches their intent on our websites. – We're continuously making regular updates to our websites to maximise the consumer experience and increase conversion, such as optimising web pages to load faster. – We're continuously improving our product features with the goal of adding value for our customers, and increasing conversion, thus reducing over reliance on third party enhancements. – Trust continues to be our main differentiator and is central to all of our campaigns and features. – We have dedicated resources to ensure the quality of the data we feed to search engines meets Search Engine Optimisation ("SEO") requirements.	– We launched 2 consumer marketing email campaigns centred around raising brand awareness and reconnecting with our existing consumers. Piloting in the US, we currently send more than 1 million emails per month, encouraging consumers to read and write more reviews and helping them to make better choices. We believe that improving the quality of user-generated content and hosting more trusted content on the platform will help to build independence and brand awareness. – We've invested in making our product features, such as widgets, more valuable on-site. Improved customizability, accessibility, and utility of widgets, as well as features such as video product reviews allow Trustpilot to diversify our offering. – By leveraging the traffic generated from SEO, we have built product features that help increase conversion on the website. – By following ad best practices, we were able to make changes to our paid search strategies and decrease our lead acquisition costs by 8%. – We have simplified our structured data on our consumer site, to increase the value and accuracy of how Google's continually improving engines interpret our content.

(8) People & Culture

Strategic Focus Area: People & Culture	Executive Lead: Donna Murray Vilhelmsen, Chief People Officer	
Why this matters to us	**How we respond**	**What we have done in 2021**
Our continued success depends upon our ability to attract, recruit, retain and develop a highly skilled workforce, particularly in the fields of technology, data, product, systems development, digital marketing and sales. In addition to this, we recognise that preserving our diverse, energetic, collaborative and entrepreneurial culture, in a competitive environment, is very important as we continue to grow the business. Failure to do so could negatively impact our ability to develop new technologies, products and services, execute our strategy and/or increase revenue.	– Trustpilot considers its purpose-led culture and diverse workforce to be vital to its success. This creates an atmosphere that enables Trustpilot to successfully recruit and retain talented and passionate team members. Trustpilot employees are empowered to speak up and drive Trustpilot's extended purpose, which includes social and environmental activities and employee resource groups. – We use long-term incentive plans for management and key employees. We also offer a company bonus based on company performance measures to incentivise employees to share in Trustpilot's success. – We offer competitive, benchmarked remuneration packages to employees at all levels and regularly review the benefits we offer to remain competitive. – We carry out regular employee engagement surveys to monitor employee sentiment. We also monitor and respond to reviews on Glassdoor. – We carry out regular assessments of employee attrition and conduct exit interviews and exit surveys to understand why people are leaving us and what we can do to improve. – We offer resources and a transparent job architecture to support employees in planning their career progression. We further offer an accelerated development programme for top talents. – We are a purpose-led business with strong values around trust, integrity, collaboration and being positively human. – We are significantly increasing the size of our Talent Acquisition function to hire the best talent as we build out our teams. – We have several initiatives aimed at supporting the health and wellbeing of our employees. – Our Board is committed to hiring and retaining the best talent. The Board regularly receives People updates, we have a dedicated NED appointed to oversee workforce engagement and our Nomination Committee is responsible for succession planning for the Board and senior management.	– Our global Talent Acquisition team has more than doubled in size during 2021, with particular focus on showcasing best practice and improving our local labour market knowledge. – We are always reviewing and benchmarking the benefits packages that we offer to Trusties across all markets that we operate in. In 2021, we improved the benefits we offer in a range of areas including, but not limited to, annual leave, fully-subsidised Headspace subscription, and our Future of Work policy. – In mid-2021, we established our Netherlands and Italy entities, based in Amsterdam and Milan to build on our existing efforts in these markets and broaden our talent pool. – As part of Trustpilot developing its approach on hybrid/remote working, we launched our Future of Work policy in November 2021, which is aligned to our culture and values, offering Trusties more flexibility around their work schedule. – Trustpilot continues to take forward strides in providing more support in the health and wellbeing space. All Trusties are offered a fully-subsidised subscription with Headspace and further initiatives have been rolled out in each location that we operate in such as webinars, classes and the launch of a Wellbeing Hub of resources. – We have designed and delivered bespoke leadership learning paths aligned with our leadership capabilities, job architecture and Trustpilot's values and culture. – We have implemented a new and innovative learning management system focused on providing an engaging and collaborative learning experience for all employees to develop and grow.

Risk management continued

(9) Privacy and Security

Strategic Focus Area:
Consumer Trust

Executive Lead:
Carolyn Jameson, Chief Trust Officer / **Steve Garland,** Chief Technology & Product Officer

Why this matters to us	How we respond	What we have done in 2021

Substantial or ongoing security breaches or other failures to comply with data privacy laws on our platform, whether as a result of our own internal failures or an external cyber attack, could significantly harm our reputation amongst consumers and businesses, inhibiting consumers' willingness to provide reviews and/or businesses from providing their customers' personal data to Trustpilot. This could result in a reduced demand for our products and services, and a loss of revenue, as well as potential fines or other regulatory action.	– We have a dedicated Security team, who address areas including platform and product security (which includes our Cloud environments), security operations and infosec risk and compliance. The team regularly carry out penetration testing, external scanning of our web applications and review threats and vulnerabilities. We also have a public Bug Bounty scheme in place (continuous crowdsourced penetration testing).
	– We have a dedicated Privacy team that provides guidance and support on privacy compliance, including with respect to all new regulatory and judicial developments in applicable privacy laws globally. The team is involved in all new tech or product developments involving personal data, helping ensure we are factoring privacy considerations into everything we do from the outset.
	– We have an effective privacy governance structure in place that enables our Data Protection Officer to independently monitor and report on our privacy compliance posture to the highest levels of management, via our Chief Trust Officer.
	– We have a number of policies in place to help prevent, and handle, security breaches and ensure compliance with privacy laws, including an Information Security Policy, Data Incident Policy and a Data Protection Policy. A specific incident policy is followed for security incidents and maintained and tracked.
	– All of our employees receive regular training on information security and data protection. There are continuing awareness schemes.
	– The Security Team works to a specific cyber risk framework adapted for the business, covering cyber attacks, compliance, data loss, phishing & fraud and insider events.
	– We have an Internal Audit team which will regularly review cyber security as part of its annual audit plan.
	– Our Audit Committee regularly receives cyber security updates and is responsible for reviewing our policies and procedures for assessing risk relating to data security, cyber security and disaster recovery under its terms of reference.
	– Continual investment in our infrastructure and IT environment.
		– In H1 2021, we appointed a new Chief Information Security Officer to oversee and expand our Security function. The team has since grown to 4 people, and will have dedicated focus on Cloud Security, Application Security, Security Operations and 3rd party risk through 2022 and beyond.
		– Made further progress in embedding a principle of privacy by design within the organisation by improving our mandatory privacy training to be completed by all employees.
		– We've invested heavily in our infrastructure and IT environment. Some highlights include:
		  – Significant progress in rolling out our new anti-virus protection across the organisation
		  – Major applications have been moved into a new Single Sign On
		  – We've rolled out a new Security Event and Incident Management tool providing us with real-time analysis of security alerts
		– Updated our external user-facing privacy policy to improve transparency with respect to what data we collect, how we use it, and who we share it with.
		– Further enhanced our company-wide data retention policy to enable better compliance with GDPR's data minimisation principle and maintain appropriate personal data footprint.

Sustainability

We are passionate about our vision to become a universal symbol of trust.

> "We intend to harness the positive energy and ideas of our people as we build on our ESG strategy."

As part of this, we recognise our responsibility to contribute to our stakeholders, including broader society and the environment and are committed to operating with and promoting sustainable business practices. We believe that there is a correlation between acting responsibly and Trustpilot's future success.

We are committed to engaging with all our stakeholders

Our corporate culture encourages engagement, which is reflected in the enthusiasm of our employees, and we're doing our best to listen closely and respond meaningfully to feedback from every rung of our organisation. We also work closely with external stakeholders, including investors, business customers, the consumers who use our services, and suppliers.

We have a clear vision for the future

We have built an open and transparent platform where trust is earned: because when there's trust, it benefits us all. At Trustpilot, our strategy is to create trust between the consumers and businesses that shape each other's world where everyone can prosper.

What does this look like day-to-day? Our team may be spread across the globe, but you can find us solving some of the biggest problems in online trust, together.

We are working hard on our vision to become a universal symbol of trust, to bring consumers and businesses together, and to deliver on our Trust Promise.

We keep content integrity at the core of our value proposition, through our ongoing investment in people and technology.

And we are building trust with the world around us when it comes to our environmental impact, diversity, inclusion, and support for local charities.

We care deeply about the environment and future generations

While we're not in the business of manufacturing or distributing physical products that put stress on our natural resources, we do believe that everyone has an important role to play in protecting our environment.

So, we look closely at the environmental impact of our global offices – and carefully consider how and when we travel between them. Though office attendance and global travel reached an all-time low last year, there are plenty of impactful green initiatives to improve the way we do business when we return.

No matter where we're working, Trustpilot is home to individuals who care about the world around them and those who will inherit it. We intend to harness the positive energy and ideas of our people as we build on our ESG strategy.

Sustainability continued

People & culture

Our Trusties have a shared passion for the vision we are pursuing.

This is an ambitious goal, and we know that to achieve it we must continue earning trust by operating responsibly as a global business. We have a set of shared values which guide all that we do and give everyone at Trustpilot a chance to shape our impact on the world around us – across the board we're committed to being Open to All, Always with Integrity, Positively Human, and Collaborative.

With offices in three continents and over 50 nationalities represented, people from many backgrounds call themselves Trusties and call Trustpilot their home. Trusties have deep connections with each other and, more than anything, value the friendship that comes from being a part of our family. This is what makes our culture so special.

Engagement

Just as we ask consumers to review businesses, we encourage our Trusties to review us as a workplace and to openly share their feedback and experiences. By doing this, we can work together on creating even better employee experiences and ensuring we have highly engaged teams.

How do we keep track of our engagement?

Through Peakon, an engagement analytics platform, we can measure and keep track of our employee engagement levels through the e-NPS scoring methodology.

The survey covers 14 different engagement drivers and, in some cases, sub-drivers. Trusties can score and add comments to explain their reasoning or provide qualitative feedback on the topics that matter to them. Additionally, we are measuring drivers for Diversity & Inclusion, Covid Safety Precautions during the ongoing pandemic and return to offices, as well as Health & Wellbeing. As one of our core values is being Positively Human, mental wellbeing is important to us, as we strive to create psychological safety for discussion and support. All feedback that Trusties provide is anonymous and rolls up to leadership levels for action.

Our overall engagement score is stabilizing at 8.1, a strong positioning in the technology sector.

Vault platform

Our focus is enabling Trusties to have a voice and creating a safe environment to speak up. For that purpose, we have launched Vault Platform in November 2021.

Vault Platform puts Trusties in control of recording and reporting any workplace misconduct they experience or witness through a mobile application. At Trustpilot, we generally consider a speaking up report to fall within one of three categories: confidential misconduct, whistleblowing and compliance. Reports can either be submitted directly or anonymously to a case manager and the app works as a secure messaging channel, protecting the Trustie's identity until a resolution is reached.

The app also provides Trusties the chance to "go together", where Trusties can submit a report that is only unlocked by a case manager if another Trustie makes a report against the same person, or a similar report is filed in the future.

Diversity, equity and inclusion at Trustpilot

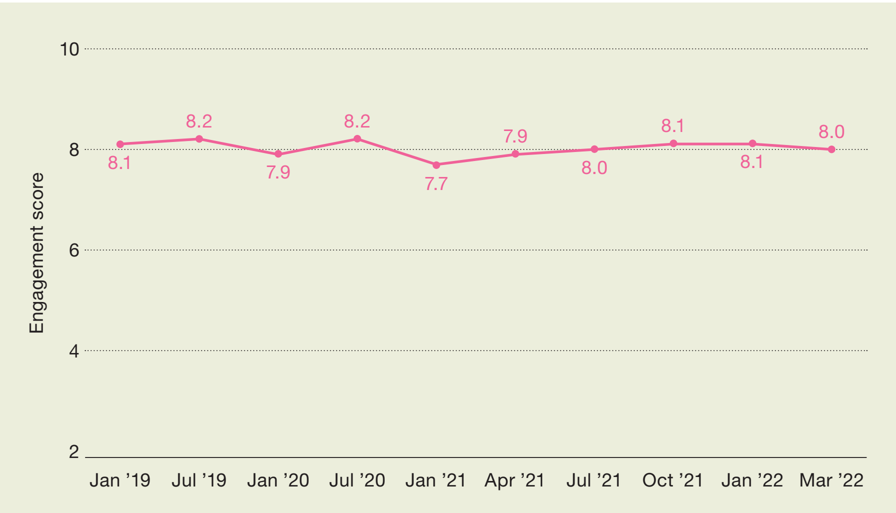
At Trustpilot we care about the people we work with and it's important to us that we feel a sense of community and connection with our fellow Trusties.

By building awareness of people's different lived experiences, we start to see the world differently. We build on our perspectives, we confront our misconceptions, and challenge the way in which we engage with each other. We innovate in new ways and build inclusive products and support all of our customers when we have those additional viewpoints in mind.

At Trustpilot we value diverse voices and experiences and believe that every part of a business can be elevated through the inclusion of everyone.

Our journey so far

In the last year we have focused on expanding our learning to enable us to think more inclusively. This has been achieved through the efforts of our amazing Employee Resource Groups (ERGs) who have proactively invited Trusties to learn and think more inclusively on different topics, for example.



8.1

Our overall engagement score is stabilizing at 8.1, a strong positioning in the tech sector.

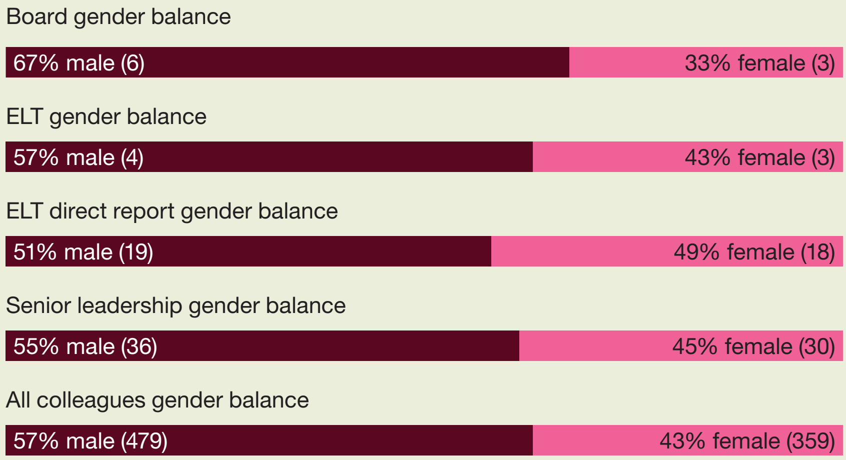
- Trustpilot Women in Leadership started out in 2018, and has run activities across our different office locations, launched a mentoring program, ran skills-based workshops, wellbeing events, local charity initiatives and run a book club. TWIL supports both global and local initiatives to advance the progression of women at Trustpilot, and have regularly participated in International Women's Day since their launch as an established group to ensure important topics around gender equality and bias are discussed.
- Trusties in Color, which formed in 2020, is dedicated to bettering the lives of Black, Asian and Minority Ethnic Trusties and also within local underrepresented communities through education, charity work, volunteering, and networking. Trusties in Color has been fundamental in amplifying the voices across their group and creating meaningful opportunities to make an impact in their local communities. On Juneteenth 2021 they raised $2,500 for Habitat for Humanity and $3,495 for Grow NYC and The Black Feminist Project with Trusties dedicating volunteer time to support. TiC continues to advocate for change and helps Trustpilot understand where there are opportunities to improve equity for minority communities within the company.
- Trustpilot Pride and Allies, our newest ERG, formed in 2021, aims to build a community engaging events, understanding employee experiences and provide educational opportunities to all Trusties. It also aims to support the LGBTQ+ community both in and out of Trustpilot. Events so far have included virtual trivia and Drag Bingo. The group has also created a range of resources for Trusties on the importance of pronouns, diversifying their social media presence and raised awareness of key topics such as Transgender Identities, HIV and AIDs.

Representation at Trustpilot

We believe we are stronger as a business when the people in our workforce represent the diverse communities we serve and reflect the cultures in which we live. Gender diversity and equality remains an important focus for Trustpilot, and we will be reporting on our Gender Pay Gap in the UK for the first time in 2023, as we reached the threshold of more than 250 employees based in the United Kingdom on the snapshot date of 5 April 2022.

We know that diversity does not begin and end with gender and that there are many intersections to our identities. In 2022, we want to be able to gather new insights on the demographic composition of our workforce to ensure equity of pay, progression, recruitment and opportunity across ethnicity, disability, sexual orientation, gender identity, religious belief, and socio-economic background, for example.

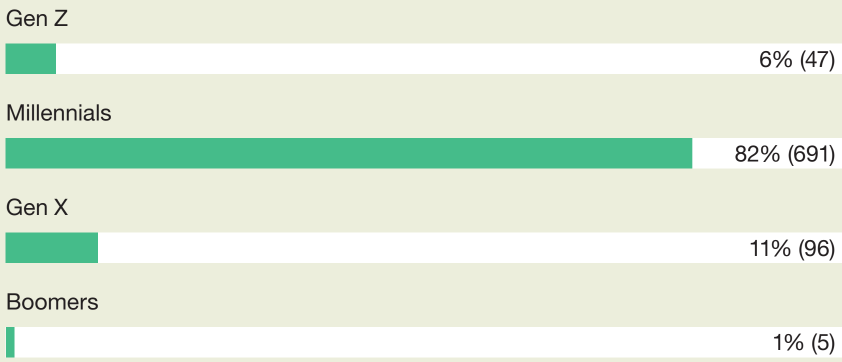
Our gender balance[1,2]



(Data shown as at December 31, 2021)

1 Trustpilot currently collect binary gender data only (male/female), however we are working to ensure this will soon include transgender and non-binary options as well.

Our generational snapshot for 2021



(Data shown as at December 31, 2021)

**Generations are as defined by Beresford Research

Sustainability continued

A future focused on true belonging at Trustpilot

At the core of our Diversity, Equity and Inclusion efforts is to ensure we are creating a workplace where all Trusties feel able to see themselves, be themselves, and celebrate their identities. We are all so different, and that enables great innovation, forward thinking decision making and inspires us to continuously learn and grow.

To achieve sustainable growth, we need to be imagining the impossible, keeping conscious of our blind spots, and getting intentional about creating a Trustpilot that allows us to deliver against our strategic focus areas.

We will continue to listen and learn from our Trusties on what they want to see change, increase transparency over the challenges we face and actions we take. We'll keep building awareness and understanding, enhancing our perspectives and finding new ways to strengthen connections with our fellow Trusties and our communities across the world.

Communications framework

The way we communicate at Trustpilot is a key driver to our culture, engagement, and sense of who we are as a community. We are open to all and encourage Trusties to voice their opinions.

Regular internal events allow Trusties to be connected and engaged with our mission, vision, and strategy. Quarterly global All-Hands, hosted by our executive leadership team (ELT), allows Trusties to hear about initiatives across the business and engage in Q&A, while Strategy Roadshows, typically held twice a year and repeated across all time zones, provide a deeper understanding of different aspects of our strategy and objectives. Where possible, our leadership communications use interactive channels, including video, to share updates and keep Trusties informed.

In addition, our collaborative communication tools give Trusties the power to interact and own their own communication. This includes our use of Slack to collaborate, celebrate achievements, build regional communities and those centered around shared interests. A monthly newsletter summary, incorporating news submissions from across the business, empowers Trusties to stay connected and to share with others. January 2022 saw the launch of a new interactive intranet, Trustnet, a centrally managed hub for all information, driven by Trustie content creators, which saw adoption reach 91% of Trusties within the first month.

Listening to our employees and enabling conversations with leaders continues to be a key focus area as we are further developing our Listening Strategy in 2022, incorporating increased opportunities for employee feedback, and equipping managers with better support and skills to listen to their teams.

Development

We want every Trustie to feel that they can grow, develop and do the best work of their lives. Our Career Development Philosophy puts Trusties in the driver's seat of their career and empowers them to have high impact experiences to grow within their role, or even step into something new.

In 2021, a period of rapid growth, our Talent Development was prioritized around:

- Development of our leaders – Build Great Leaders program
- Development of our high potential Trusties – All Stars program
- Setting up foundations for all Trusties development programs – Trustpilot Academy (our newly implemented Learning Management System)

Trustpilot Academy, not only drives Trusties' development, but also engagement. The platform enables social learning and instant feedback, allowing Trusties to react, comment and share content with their peers, as well as engaging in knowledge-sharing on the platform's forum.

In addition to the above, our leaders participated in interactive workshops and e-learnings sessions covering topics like Mental Health and Well-being, Breaking Bias, or Rewards Management. In line with our business growth ambitions, our commercial teams across the globe went through a series of engaging webinars and workshops focusing on strengthening some of their fundamental commercial skills.

In 2021 our employees invested a significant amount of time into learning and development activities*:

- Trusties: 24 learning hours
- Leaders: 39 learning hours

* Trustpilot academy

Trusties

24

Learning hours

Leaders

39

Learning hours

All Stars

All Stars is our flagship 6 month program for accelerating high potential at Trustpilot. The pilot program launched in 2021 had 19 participants from 5 different locations and 11 different departments, and incorporated the following development activities:

- 5 leadership skill development modules with workshops and action learning sets to bring the learning to life
- Leaders as Coach certification through Circl's Two-Way Leadership Development Programme
- Monthly fireside chats with executive leadership and board members
- High impact strategic challenge set by our CEO, leading to cross-functional and cross-regional groups working on a proposal to shape the future of Trustpilot
- 1 year access to course platform to support personal development plans with specific learning outside the program

The program succeeded in achieving below milestones:

- All participants have graduated from the program (100% retention during program)
- 8.2 engagement on Peakon for the cohort after the program ended (Source: Peakon, data as at January 2022)
- 14 out of 19 have been offered promotions during or after the program (out of which 3 at Director level)

Sustainability continued

Leadership development

In 2021 we've developed impactful leadership development experiences through our Build Great Leaders Program (BGL) to support our leaders across each level.

The programs we offered were aligned with Trustpilot Leadership Capabilities setting out the expectations and characteristics for great leaders at Trustpilot – the expectations are centered around the following three areas:

- Being Open and Aware
- Committing to Growth
- Taking Ownership

Overview of the 2021 BGL programs:

Program Name	Goal	Focus skills/ knowledge	Evaluation
Aspiring Leaders	Providing every Trustie an opportunity to explore what it takes to be a leader at Trustpilot	Workshops focussing on skills including self-awareness, emotional intelligence and influencing, as well as the differences between a leader and manager, in addition to a Predictive Index Assessment.	Average feedback score: **4.2/5**
Leadership Fundamentals	Providing you with solid foundations to get the best from yourself and your team	Workshops and action learning sets covering goal setting, accountability, inclusion and empathy, feedback, situational leadership, and coaching.	Average feedback score: **4.2/5**
Leading Leaders	Build on your existing leadership knowledge to help you get the best from yourself, your team, customers and stakeholders	– Self-awareness – Influencing – (Facet 5 assessment, 360 degree feedback)	Average feedback score: **3.8/5**
Leading the Business	Challenge you to build on your experience to lead the business through strategic initiatives by setting an example for your teams	Workshops, peer coaching and 1:1 coaching developing skills such as creating an inclusive environment, change management, communicating vision and purpose, and collaboration. In addition, leaders benefitted from a Facet 5 assessment and 360 degree feedback.	Average feedback score: **2.8/5**

Objectives of the Build Great Leaders program and how we're trending

Growth

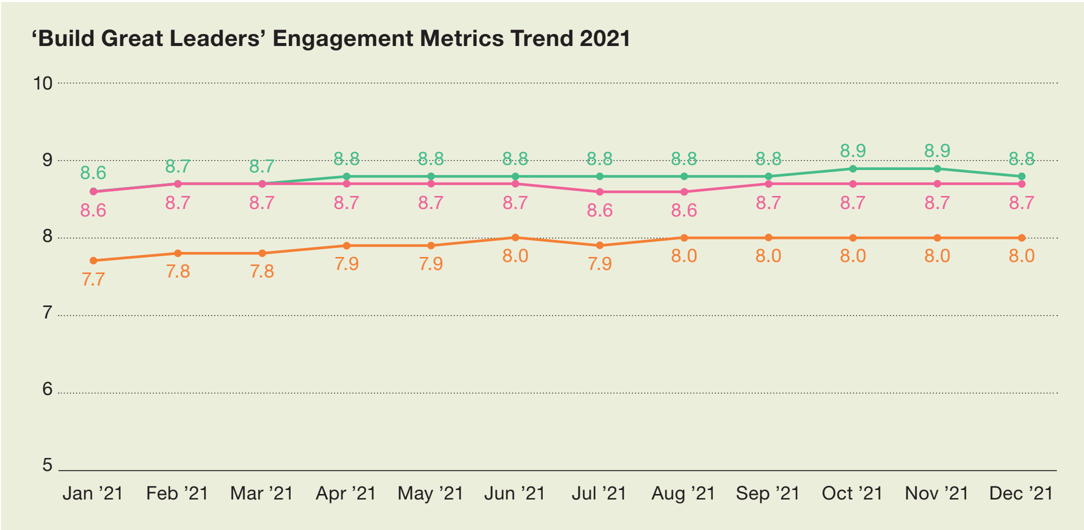
7.7

Management Support

8.7

Goal Setting

8.8



Growing our population

In 2021, we hired a total of 437 new Trusties into the business. Even in a unique and challenging year for recruitment, this was a record high for Trustpilot. During the year we saw an increasingly competitive, candidate-driven market, as post pandemic businesses globally resumed their recruitment efforts.

As part of our focus on enhancing overall employee experience, we invested further in our onboarding experience. With an annual headcount growth of 26%, it's crucial to ensure that the new additions to our company are set up for success and feel part of the company from the beginning. The initiative involved aligning the onboarding globally, making sure that all new hires in all locations had the same wonderful experience. Moreover, we raised the bar by launching an online new hire training that is available to our new hires whenever, wherever. The training provides new hires with all the 'need-to-knows', as well as an overview of our organization and leadership. We made sure our new Trusties feel welcomed and 'one of the team' by introducing new hire swag — welcome packs, including branded items and keepsakes. Lastly, we implemented onboarding surveys that are to be completed at three points in time during the first three months. This way we can track the new hire experience and ensure that the quality remains consistently high. Our overall onboarding score for FY21 was 9.5, which is 5.4% above our benchmark of 9.0 (Data as at March 2, 2022).

Flexible working

In November 2021 we implemented a hybrid work model, to embrace flexibility in today's changing world, as well as the magic that happens when we have Trusties collaborating in shared office spaces together.

To cater for the specific needs of each Trustie due to their role and function, there are three options or working arrangements:

- As an #officetrustie, the Trustie will be working in a Trustpilot office space full-time.
- As a #flextrustie, the Trustie will be in the office on average around half of a regular work week. This can vary depending on their requirements and what they have agreed with their manager.
- As a #hometrustie the Trustie will work the majority of their time from home, only occasionally coming to the office to meet colleagues.

Equipment and support are provided to Trusties to work effectively and safely as possible, however and wherever they work.

Sustainability continued

Wellbeing

Wellbeing has always mattered, but events of the last few years have demonstrated just how important it really is. For that reason, we put an increased focus on this in 2021, to better meet our Trusties' needs. We care about our Trusties and have a genuine desire to support them on both a personal and professional level – this is supported by our Positively Human and Always with Integrity values. We are committed to consistently reviewing and improving our wellbeing offerings. As a company we look at wellbeing under four distinct, but connected, pillars.

Mental health

All Trusties have access to an Employee Assistance Program available 24/7, online e-learning and other mental health resources. Additionally, in March 2021, we launched Headspace, giving all Trusties access to a free subscription.

24/7

Employee Assistance Program

Physical

This is generally managed on a regional level, some examples are the ride to work programs in the UK and Australia, online yoga and nutrition sessions, or the Trustpilot participation in the yearly DHL run in Denmark. Additionally, in 2021 we launched a global physical challenge – the Trustlympics. This initiative aimed to encourage and reward Trusties to move more and develop positive exercise habits. The Trustlympics lasted four weeks, and was divided into two parts: a steps challenge (walking or running) and a cycling challenge (distance). At the end of the challenge, we awarded the top performing Trusties in three different prize categories, reflecting our open to all value: Going the distance, Most consistent, and Most improved.

Social & community

Being an employee at Trustpilot means being part of a family. This is the core of our culture, and we do our utmost to ensure that our Trusties can find meaningful connections and support in everything they do. We also believe it is important for everyone to get involved with our community and we support our Trusties in taking part in volunteering activities. In early 2022, we introduced a global volunteering policy to encourage Trusties to take two additional paid days off each year, to give back to their communities.

Within each market, Trusties are involved with local charities and fundraising activities – including through our employee resource groups (ERGs). All initiatives are tailored to the culture and surrounding community of each location.

Financial

This varies by region, given market, and tax differences. We strive to provide benefits that offer additional financial security for our Trusties. This is an area that we need to develop over time to ensure that we stay aligned and competitive with each location we operate in.

Environment

We care deeply about the environment

At Trustpilot, we understand that we need to play our part in addressing the global climate change crisis. While we're not in the business of manufacturing or distributing physical products that put stress on our natural resources, there are ways in which we can minimise the impact our actions have on the environment.

So, we look closely at the environmental impact of our global offices – and carefully consider how and when we travel between them. Though office attendance and global travel reached an all-time low last year, because of the Covid-19 pandemic, there are plenty of choices we can make to improve the way we do business now that we are returning to our offices and beginning to travel again.

Carbon management and reporting

This is our first year calculating our greenhouse gas emissions. We acknowledge the importance of reporting against Scopes 1, 2, and 3 emissions and, in 2021, we implemented a new carbon reporting platform to streamline our data collection processes and to understand our carbon footprint across our organization and beyond. As a result, we now have the data available to help us to develop our environmental strategy using science-based targets, as part of our broader ESG strategy. In this way, we are taking climate action by seeking ways to avoid unnecessary carbon emissions.

Methodology

We followed the World Resources Institute's GHG Protocol Corporate Accounting and Reporting Standard, which provides a standardised and principles-based approach for presenting a true and fair account of emissions. We believe that the GHG Protocol will aid us in our efforts to build an effective strategy to manage and reduce our carbon emissions, as well as providing consistency and transparency with other carbon accounting and reporting protocols.

Actions we are taking to reduce energy consumption

- In 2021, we moved to a permanent hybrid working model and intend to further minimise emissions from commuting.
- We aim to focus on reducing business travel where possible and are already a cloud-based organization making extensive use of video conferencing.
- We will undertake an assessment of our energy use in each office location.
- We will investigate the use of green energy where this is possible.
- We will consider using appropriate and transparent carbon offsetting programs.
- We are evaluating our options for managing, reducing and offsetting our carbon emissions and intend to publish our science-based roadmap to net zero in 2022.

GHG Category	2021 Emissions (tCO_2e)	2020 Emissions (tCO_2e)	Description
3.01 – Purchased Goods and Services	5,140.5	2,983.0	Consultants (lawyers, auditors, recruiting agencies, etc), IT, insurance, postage, events, employee training, food and beverage, advertising
3.02 – Capital Goods	821.0	744.9	IT equipment
3.11 – Use of sold Products	786.1	583.1	Electricity usage from consumers reading and writing reviews on Trustpilot.com; businesses using our platform (number of sessions x average length per session by country)
3.08 – Upstream Leased Assets	520.5	397.6	Facilities
3.06 – Business Travel	326.3	428.4	Air, Train, Car, Hotel
2.03 – Heating	104.7	94.7	Heating
2.02 – Electricity (Market-Based)	81.0	75.4	Electricity
3.07 – Employee Commuting	68.9	388.2	Assumption for employee commuting
3.03 – Fuel- & Energy-related Activities	25.2	21.8	Emissions stemming from all upstream activities in producing, distributing and transporting the energy in Scope 2
1.03 – Fugitive Emissions	22.3	20.4	Facilities air conditioning cooling liquids
3.05 – Waste generated in Operations	6.0	13.0	Assumption for waste
Total	**7,902.5**	5,750.5	

Environment continued

GHG Category	2021 Emissions (tCO_2e)	2020 Emissions (tCO_2e)
Scope 1	22.3	20.4
Scope 2	185.7	170.1
Scope 3	7,694.5	5,560.0
Total	**7,902.5**	**5,750.5**

Carbon intensity ratio*	
2020 tCO_2e / Revenue	0.56
2021 tCO_2e / Revenue	0.60

* tCO_2e reported per total $100,000 revenue (Scope 1, 2+3) (tCO_2e/revenue)

All relevant scope 1 & 2 activities and scope 3 categories have been considered in our carbon footprint analysis. The operational boundaries were set to include building-related activities such as air-conditioning, heating and electricity, water usage and waste production and business travel by aeroplane and train as well as hotel stays have been analysed. Employee commuting, food, procured goods & services, server and software usage were also within the scope of this analysis.

Greenhouse gas emissions – Streamlined Energy and Carbon Reporting (SECR)

In accordance with the disclosure requirements for listed companies under the Companies Act of 2006, the table below shows the Group's SECR disclosure across Scope 1, 2 and 3 together with our total energy use of gas, electricity and other fuels during the financial year.

		2021		2020	
Energy Consumption	Unit	UK	Global	UK	Global
Purchased grid electricity	mWh	65.9	265.8	26.2	342.8
Heating	mWh	97.9	436.3	64.9	385.9
Transport fuels	mWh	–	–	–	–
Total energy consumption	mWh	**163.9**	**702.1**	**91.0**	**728.7**

Greenhouse gas (GHG) emissions					
Scope 1 emissions (from cooling liquid)	tonnes CO_2e	3.6	22.3	2.4	20.4
Scope 2 emissions (from heating)	tonnes CO_2e	16.7	104.7	11.2	94.7
Scope 3 emissions (from purchased electricity)	tonnes CO_2e	13.7	81.0	5.4	75.4

Task Force on Climate-Related Financial Disclosures (TCFD)

In line with the UK Listing Rule requirement, we confirm that the disclosures included in the Annual Report 2021 are not fully consistent with the TCFD Recommendations and Recommended Disclosures. Where we are not consistent with the disclosures we have indicated, in our responses below, the steps we are taking to be consistent and the associated timeline for when we believe this will be achieved or progress we plan to make in the next year.

We are preparing to comply with the reporting requirements of the TCFD in 2022. The Group has made progress in developing a roadmap for embedding climate-related risks and opportunities into governance, strategy and risk management. In 2021, we carried out our first assessment of our carbon footprint, and a undertook a detailed ESG materiality assessment, in order to understand our current climate impact and the climate-related risks and opportunities our stakeholders prioritise.

TCFD report

	Recommendation	Response
Governance		
Disclose the organization's governance around climate related risks and opportunities.	Describe the board's oversight of climate-related risks and opportunities	The Board and ELT is responsible for ESG matters for the Group, including the management of climate change risks and opportunities. We recognise the importance of good governance as being key to our management of climate change risk for the Group. During 2022, the Board will oversee the development of the Group's ESG governance framework and support management in setting clear ESG goals and targets for the business, including for climate related risks and opportunities.
	Describe the management's role in assessing and managing of climate-related risks and opportunities	The Group relies on our existing risk management process to assess and manage climate-related risks and opportunities, as such operational management of these risks is the responsibility of our ELT. During 2021, the board and the ELT oversaw the development of our ESG strategy, which began with understanding our carbon footprint and the climate-related risks and opportunities the Group should prioritise. The board and the ELT oversaw and participated in working groups and interviews with stakeholders, including employees, consumers, customers and civil society, and employed an independent third-party to assess our current climate impact and help define our future climate strategy, which will be disclosed in 2022.
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long-term	In 2021, as a result of a detailed ESG materiality assessment, overseen by the board and ELT, climate impact was not scored among the most material issues for the Group. Failure to meet ESG requirements, including addressing our climate-related risks, has been logged within our enterprise risk register. In 2022, we intend to conduct a climate risk assessment to align with TCFD requirements, and to embed the TCFD framework into decision making from the board and ELT.
	Describe the impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning	In 2022, the Group will divide climate-related financial risks into transitional risks and physical risks to provide clearer consideration of the impact to the organisation. During 2022, the Group intends to integrate climate considerations into its future planning strategic and financial planning processes.
	Describe the resilience of the organisation's strategy, taking into consideration the different climate-related scenarios, including a 2°C lower scenario	In 2022, the Group intends to model transition risks separate from physical risks, considering short-term and long-term impacts to the organisation, including a 2°C lower scenario.

Task Force on Climate-Related Financial Disclosures (TCFD) continued

	Recommendation	Response
Risk Management		
Disclose how the organization identifies, assesses, and manages climate-related risks.	Describe the organisation's processes for identifying and assessing climate-related risks	The Group relies on our existing risk management process to identify climate-related risks. Risks are identified in the context of ESG or emerging risks and captured in the Enterprise Risk Register. These assessments are a collaborative effort with all business functions, and are an opportunity to identify emerging risk, review existing risks, and provide appropriate mitigation measures to reduce or manage the risk.
	Describe the organisation's processes for managing climate-related risks	We have established a working group that is responsible for assessing our ESG impact and will develop the Group's ESG framework during 2022, overseen by the Board.
	Describe how processes for identifying and managing climate-related risks are integrated into the organisations overall risk management	The Group adopts a holistic approach to risk management. As such, the risk management process covers a number of risk categories that can include climate-related risks. In 2022, we will incorporate climate-related risks into our assessment of our strategic, operational, reputational, regulatory and technology risks.
Metrics and targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Our 2021 assessment of our carbon footprint is one of a range of information sources, including our ESG materiality assessment among other inputs, that will be used for climate-related scenario analysis and to provide Trustpilot with transparency on setting out and implementing specific climate-related measures of risk and opportunity. In 2022, we also intend to begin periodic emissions reporting and to implement reduction efforts like the broad use of renewable electricity.
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	All relevant scope 1 & 2 activities and scope 3 categories have been considered and disclosed. In 2022, we will utilise this data to address climate-related risks and opportunities. For further detail about our GHG methodology and emissions data, please see our Sustainability report on page 62.
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	In 2022, we intend to define and disclose our objectives , including appropriate metrics and targets, for driving progress with respect to climate responsibility and risk.

Section 172(1) statement

Section 172(1) of the Companies Act 2006 requires that the Directors promote the success of the Company for the benefit of its members as a whole, having regard to the interests of stakeholders in their decision making. In performing their duties during 2021, the Directors have had regard to the matters set out in Section 172(1) of the Companies Act 2006. Further information on each of the s.172 matters can be found as follows:

s. 172 matter	Additional information
The likely consequences of any decision in the long term	Strategy, page 30 Business model, page 26 Principal risks and uncertainties, pages 40 to 52
The interests of the Company's employees	People and culture, pages 54 to 60 Our culture and values, pages 54 Diversity, inclusion and equity, page 54
The need to foster the Company's business relationships with suppliers, customers and others	The most trusted global reviews platform, page 15 Trust and transparency, pages 21 to 22 Sustainability and society, page 53 to 64 Stakeholder engagement, page 66
The impact of the Company's operations on the community and the environment	Sustainability and society, pages 53 to 64 Sustainability report, pages 53 to 64 Non-financial information statement, page 69 Stakeholder engagement, page 66
The desirability of the Company maintaining a reputation for high standards of business conduct	Whistleblowing, pages 42, 54, 90 and 97 Internal controls, pages 40- 52, 96 and 97 Non-financial information statement, page 69
The need to act fairly between members of the Company	Stakeholder engagement, page 66 People and culture, pages 54 to 60

Further information about how the Board has had regard to the matters set out under s.172 of the Companies Act 2006 and its compliance with the UK Corporate Governance Code can be found on pages 73 and 79 to 81 of the Governance Report.

Stakeholder engagement

This section sets out our key stakeholders and why they are important to us.

Trustpilot is a purpose-driven organisation and our success depends on engaging with and understanding the priorities of all our stakeholders. Having a trusted relationship with our stakeholders involves listening to and understanding their needs. During 2021 we conducted a detailed environmental, social, and governance (ESG) materiality assessment, which involved detailed stakeholder mapping to identify Trustpilot's most relevant stakeholders. We then conducted detailed stakeholder engagement which included interviews, employee engagement surveys, consumer reviews of Trustpilot, and reviews of the policy platforms of 45 non-governmental organisations (NGOs) and associations specifically focused on technology companies.

Investors

Why they matter to us

Our investors provide us with access to capital which supports the growth and development of Trustpilot.

What are they most concerned about?

Investors are interested in our strategy, and our financial and operational performance. Increasingly, investors are also concerned about broader issues and the impacts, both positive and negative, that our actions might cause.

Investors are happy with how Trustpilot is performing for a business of its size, but Trustpilot will need to focus on some key areas to reach and maintain 'best in class' status. Investors want to see Trustpilot build on its ability to create social value through its business model, while continuing to diversify its human capital and form a carbon reduction strategy.

Investors would also like to see increased disclosure around how Trustpilot manages to keep the credibility of the reviews high and maintain a platform that cannot be manipulated by any party aiming to gain a competitive advantage.

Employees

Why they matter to us

Behind Trustpilot is a team of amazing people – who we call Trusties – who together deliver on our vision to be a universal symbol of trust for the internet economy.

What are they most concerned about?

Employees want to work for a company that values them and offers them the opportunity to do the best work of their careers. Issues that concern them most include health and wellbeing, affinity and loyalty, diversity and inclusion, pay and rewards.

Customers

Why they matter to us

Our customers are the businesses that engage with consumers on the Trustpilot platform. They understand the importance of establishing a trusted relationship with consumers. This lies at the heart of our purpose as an organisation.

What are they most concerned about?

Consumers are most concerned about the trustworthiness of the reviews on our platform. They want us to ensure that there is no bias in favour of our business customers, and they want transparency around how misleading or fake reviews are screened and removed.

Consumers

Why they matter to us

We exist to provide a platform where any consumer can leave a review of any business, whether they have been invited to or not. The consumer's voice matters on Trustpilot, and our business will only succeed if consumers choose to use Trustpilot and trust the reviews they read in order to make better-informed purchases.

What are they most concerned about?

Consumers are most concerned about the trustworthiness of the reviews on our platform. They want us to ensure that there is no bias in favour of our business customers, and they want transparency around how misleading or fake reviews are screened and removed.

Civil society

Why they matter to us

Civil society organisations, including NGOs, labour unions, professional associations, and the media, act as watchdogs on both governments and businesses, holding them accountable on behalf of society at large.

What are they most concerned about?

Civil society groups are working to encourage technology companies to have greater positive impact on society. They expect diversity not only at the leadership level, but also within technology positions. For companies in the Internet Media & Services sector, data security and privacy, and misinformation and platform manipulation are also areas of scrutiny.

Modern Slavery and Human Trafficking

Our approach

Across the Trustpilot Group we strive to work to the highest professional standards and comply with all laws, regulations and rules relevant to our business.

Vendors

Our Modern Slavery Code of Conduct sets out the standard of conduct for customers, contractors, and vendors working with us. It is publicly available on our website and we seek to impose contractual obligations on vendors to comply with this as part of contractual negotiations for supply contracts where possible.

Employees

Our recruitment and employment procedures include appropriate pre-employment screening of all Trustpilot Group employees, such as right to work checks and reference checks. New employees also receive an induction and new hire training which explains Trustpilot Group policies and confirms that employees are able to contact our People team or our report via our speaking up platform confidentially on any matter of concern, throughout their employment.

We are also committed to paying the Real Living Wage to our employees and contractors across all our locations in the UK.

We expect all Trustpilot Group employees to conduct business with honesty and integrity and we have a zero tolerance approach to bribery and corruption, as set out in our Global Anti-Bribery Policy.

Customers

In our Code of Ethics we describe our commitment to conducting our business with the highest ethical standards. Trust, transparency, and integrity are values that are important to the entire Trustpilot Group, which means we expect the people who work for us, and those we do business with, to always act with integrity, build trust and promote transparency, and make decisions that reflect strong ethics.

We avoid doing business with businesses that do cause or create harm, do not align with our ethical standards, or do not share the same values and core beliefs as us. These “bad-fit” businesses may harm Trustpilot’s reputation and undermine the trustworthiness of our platform. Our Action We Take Policy sets out what types of businesses we regard as a “bad-fit” for Trustpilot. We also explain what measures we’ll take to stop any active communication or cooperation with “bad-fit” businesses.

Additionally, we require customers to comply with our Modern Slavery Code of Conduct under our Terms of Use & Sale for Businesses.

Due diligence/Risk assessment

We seek to work with customers, contractors, and vendors who match and complement our ethical standards and organisational values.

To identify sectors and categories with high modern slavery risks, we have used the following indicators that are generally known to increase risk likelihood:

- Reliance on low-skill workforce.
- Reliance on migrant workforce.
- Presence of children.
- Hazardous or undesirable work.
- Based in a country that experiences high levels of corruption, weak governance and poor enforcement of human rights.

Modern Slavery and Human Trafficking continued

As Trustpilot is an online-based business, our main vendors comprise providers of online-based services to facilitate our platform, and general advisory services from reputable businesses. Based on these factors, we consider the risk of modern slavery in our supply chain to be low.

We continue to:

- Undertake due diligence when short-listing our vendors and contractors.
- Review on a regular basis the vendors and contractors we use.
- Enter into business relationships with vendors that reflect our organisational values.
- Seek to ensure that any vendor or contractor has an ethical treatment clause in the vendor contract they provide us especially where we deem them to be medium to high risk based on their geographical location or otherwise. This is to ensure that the work environment and conditions they provide to their employees meet standards under our Modern Slavery Code of Conduct.

If a vendor or contractor fails to live up to our expectations or is unwilling to make any changes, we may end our engagement with them.

Covid-19

We recognise the challenges presented by the Covid-19 pandemic and continue to monitor our risks during this period. We are committed to prioritising the health and safety of our employees. With regard to our supply chain, our assessment is that risks relating to modern slavery have not increased during this period, given the nature of our business and the geographical location of the majority of our vendors.

Non-Financial Information Statement

The table below constitutes the Non-Financial Information Statement of Trustpilot Group plc, produced to comply with sections 414CA(1) and 414CB(1) of the Companies Act 2006. The information listed in the table below is incorporated by cross reference.

Reporting requirement	Policies and standards which govern our approach	Annual Report reference
Environmental matters	We follow the World Resources Institute's GHG Protocol Corporate Accounting and Reporting Standard, which provides a standardized and principles-based approach for presenting a true and fair account of emissions	Environment, page 61
Employees	Diversity, equity and inclusion Health, safety and wellbeing Code of Ethics Speaking Up Policy	People and culture, pages 54 to 60 People and culture, pages 54 to 60
Social matters	Content integrity Stakeholder engagement	Trust and transparency in action, pages 21 to 22
Human rights, anti-corruption and anti-bribery	Anti-Bribery Policy Whistleblowing Policy Data Protection & Privacy Policy Information Security Policy Modern Slavery Statement Code of Ethics	Pages 67 and 97 Pages 42, 54, 90 and 97 Page 52 Page 52 Pages 67 and 68 Pages 44, 67 and 97
Description of business model		Business model, page 26
Description of principal risks and impact of business activity		Principal risks and uncertainties, pages 40 to 52
Non-financial key performance indicators		Financial and non-financial KPIs, pages 32 and 33 Sustainability and society, pages 53 to 64

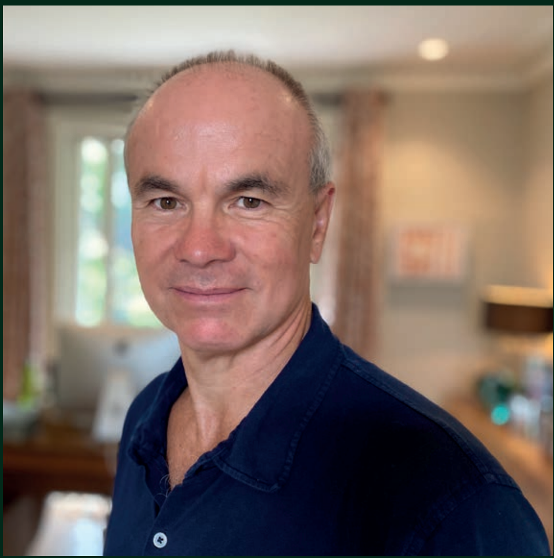
Governance

→ Quick navigation

Trust is something we earn

A voice from the Trustpilot community

Chair's introduction to governance



"The Board's focus on embedding strong governance practices supports our vision to be a universal symbol of trust."

Tim Weller
Chair of the Board

I am pleased to present Trustpilot's first governance report. As a Board, we are committed to high standards of corporate governance and, since the Group's IPO in March 2021, we have continued to develop and embed strong governance practices across the Group. Our focus on strong governance supports our vision to become a universal symbol of trust by facilitating effective decision-making that supports the delivery of our strategy.

This report provides an overview of our governance framework and our plans for further developments and improvements. A summary of our compliance against the provisions of the UK Corporate Governance Code 2018 is provided on page 73.

Purpose, culture and values

Trustpilot's mission is to be the most trusted and most used reviews platform in the world, and our purpose-driven culture is a key driver behind the Board's decision-making. Our four values of being 'Open to All', 'Always with Integrity', 'Collaborative' and 'Positively Human' help to bring our purpose to life and are integral to that culture.

Our employees are crucial to our success and it is vital that they feel engaged in our mission and understand the role that they play in building our business. The Board was pleased to oversee a comprehensive project to identify the ESG issues of most importance to our employees and other stakeholders. This project has helped to shape the Group's ESG strategy and roadmap which will be detailed in our forthcoming sustainability report. Further information on the Board's engagement with our stakeholders, including our workforce can be found in the Sustainability section on pages 53 to 60 and on pages 80 and 81.

Board composition

The composition of the Board has changed during 2021 to increase the number of Non-Executive Directors on the Board, and to enhance the Board's skills, knowledge and experience.

I was delighted to welcome new Directors Rachel Kentleton and Claire Davenport in February 2021, and Joe Hurd in June 2021. Each of our Directors brings to Trustpilot experience across a number of areas that will shape our future success. Further information on the composition of the Board can be found on pages 77 and 86.

Key activities

This first period as a listed company has been busy for the Board, and I am pleased with the progress that we have made. During 2021, most of our Board meetings have been held remotely due to Covid-19 travel restrictions but we were pleased to meet in person at a two-day strategy meeting in October and again at our offices in London in December 2021. A summary of our key activities as a Board is set out on page 85.

Board evaluation

I was pleased to oversee our first Board evaluation in December 2021. This evaluation enabled us to review our progress and identify areas of focus for 2022. The results of our Board evaluation can be found on page 86 and the results of the evaluations undertaken for each of our Board committees can be found in the respective committee reports.

Annual General Meeting

The first AGM of Trustpilot Group plc is due to be held on 25 May 2022 as a digital hybrid meeting. As a Board, we are keen to engage with our shareholders, and a digital hybrid meeting provides all shareholders with the opportunity to engage in the meeting, either in person or online. Further information on the Company's AGM arrangements is provided in the Notice of AGM which is available on the Company's website, investors.trustpilot.com.

I welcome feedback from shareholders and hope that you will join me at the AGM.

Tim Weller
Chair

22 March 2022

Compliance with the Code

Trustpilot Group plc is subject to the UK Corporate Governance Code issued by the Financial Reporting Council (available at www.frc.org.uk), published in July 2018 (the "Code"). The Group has complied with all of the provisions of the Code since its admission to the FCA's Official List and to trading on the London Stock Exchange's Main Market on 26 March 2021, with the exception of the following provisions:

Provision 11 – Director independence

The Code provides that at least half of the Board, excluding the Chair, should be Non-Executive Directors whom the Board considers to be independent. From Admission up to and including 31 May 2021, the Board comprised two Executive Directors, two Non-Executive Directors appointed by shareholders (not considered to be independent) ("Shareholder Directors"), three Independent Non-Executive Directors and the Chair, and therefore the Board did not comprise of at least half Independent Non-Executive Directors, and the Company did not comply with this provision during that period. The Shareholder Directors had previously been members of the board of directors of Trustpilot A/S, and the Board considered it important to retain the skills and knowledge of the Shareholder Directors for continuity purposes after the IPO while acknowledging that the composition of the Board would change over time. Subsequently, Joe Hurd was appointed to the Board as an Independent Non-Executive Director with effect from 1 June 2021, resulting in half the Board comprising Non-Executive Directors, whom the Board considered to be independent. Accordingly, the Group has complied with this provision of the Code since 1 June 2021.

Provision 23 – Board Diversity Policy

The Nomination Committee agreed to delay the adoption of a Board Diversity Policy to 2022 so that it can be prepared alongside a wider Diversity, Equity and Inclusion Policy for the Group. This will ensure consistency and that the policies reflect the culture and values of Trustpilot and our key stakeholders. Further information on the diversity of our Board can be found on page 89.

Provision 25 – Review of effectiveness of the External Auditor

PwC was appointed as our External Auditor in September 2021. The Audit Committee considers that it is too early to assess PwC's effectiveness until after the completion of the first year-end audit. The Committee will therefore undertake its first formal review of PwC's effectiveness in 2022, following the audit of the 2021 financial statements. Further information can be found in the Audit Committee report on pages 90 to 97.

Remuneration

The Code provisions in relation to remuneration apply from the time that the Company's first Remuneration Policy is approved by shareholders. The Remuneration Policy is due to be tabled for shareholder approval at the Company's first AGM in May 2022. Nonetheless, the Company has complied with each of the Code's provisions in relation to remuneration. Further information can be found in the Directors' remuneration report on pages 100 to 119.

The table below shows where additional information can be found on how the Company has applied the principles of the Code.

Board leadership and Company purpose	
Sustainability	53 to 64
Strategy	30 and 31
Purpose, values and culture	79 to 81
Risk management	40 to 52
s.172 statement and stakeholders	65 and 66
Board engagement with stakeholders	80 and 81

Composition, succession and evaluation	
Succession planning	88 and 89
Board composition	74 to 77 and 86 to 89
Board evaluation	86
Nomination Committee report	87 to 89

Division of responsibilities	
Division of responsibilities	82 to 84
Governance framework	82

Audit, risk and internal control	
Audit Committee report	90 to 97
Internal and external audit	94 to 96
Integrity of financial and narrative statements	93
Fair, balanced and understandable assessment	93 and 123
Risk management and internal controls	40 to 52 and 96 and 97
Principal and emerging risks	42 to 52

Remuneration	
Directors' remuneration report	100 to 119
Directors' remuneration policy	104 to 112

Board of Directors

Tim Weller
Non-Executive Chair

Appointed:
February 2021
(joined the Group as Chair in 2013)

Independent:
Yes, on appointment

Nationality:
British

Skills and experience:
Tim joined the Group as Chair in February 2013. Tim has extensive board level experience in leading technology companies. He is the founder and Chair of Incisive Media, which he founded in 1994, and also Chair of Pixomondo Inc., SohoNet, Resi and SalesManago.

Tim's former roles include Chair of Superawesome Limited, a digital technology firm, until its sale to Epic Games, Inc., in October 2020, and Chair of Ti Media Limited, until its sale to Future plc in May 2020. Tim was also Chair of Tremor International PLC, a leader in video advertising technologies, until September 2020. Tim was formerly a member of the Shadow Cabinet New Enterprise Council, which advised the Government on business and enterprise.

Principal external appointments:
- Chair of Incisive Media Group Holdings Limited
- Chair of Pixomondo Inc.

Committee membership:

N T D

Peter Mühlmann
Chief Executive Officer

Appointed:
February 2021
(founded the Group in 2007)

Independent:
No

Nationality:
Danish

Skills and experience:
Peter founded Trustpilot in 2007 and led Trustpilot from a small Danish start-up to an international listed company. In 2013, Peter was named Danish Entrepreneur of the Year by Ernst & Young.

Peter has a Bachelor's degree in Business Administration from Aarhus University School of Business.

Committee membership:

D

Hanno Damm
Chief Financial Officer

Appointed:
February 2021
(joined the Group as CFO in 2016)

Independent:
No

Nationality:
German / American

Skills and experience:
Hanno joined the Group as CFO in January 2016. Hanno was previously a Senior Vice President at Bankrate Inc., where he oversaw corporate finance and mergers and acquisitions. Prior to this, Hanno held positions at Apax Partners, a global private equity firm, and PricewaterhouseCoopers, working on projects across multiple industries.

Hanno holds a Masters in Finance (MFin) from Princeton University and a Diploma in Economics (Dipl.-Vw.) from the University of Bonn.

Committee membership:

D

Committee Membership Key

- **A** Audit Committee
- **R** Remuneration Committee
- **N** Nomination Committee
- **T** Trust and Transparency Committee
- **D** Disclosure Committee
- **C** Chair of Committee

Angela Seymour-Jackson
Senior Independent Director

Appointed:
February 2021
(joined the Group as a Non-Executive Director in March 2019)

Independent:
Yes

Nationality:
British

Skills and experience:
Angela has significant board experience across both public and private sectors. Prior to working as a Non-Executive Director, Angela had over 25 years' experience in financial services, holding senior executive positions at Norwich Union Insurance Limited, Aviva UK Limited and Aegon UK plc. Angela also acted as a senior advisor at Lloyds Banking Group (Insurance) and was Chief Executive Officer of RAC Motoring Services Limited, prior to its sale to a private equity firm.

Angela has held a number of Non-Executive roles, including Non-Executive Director and Chair of the Remuneration Committee of Rentokil Initial plc, Non-Executive Deputy Chair and Senior Independent Director of GoCo Group plc, prior to its acquisition by Future plc, and a Non-Executive Director of esure Group plc.

Principal external appointments:
- Chair-designate and Chair of the Remuneration Committee of Page Group plc
- Non-Executive Director of Future plc
- Non-Executive Director of Janus Henderson Group plc

Committee membership:

A R N T

Mohammed Anjarwala
Non-Executive Director

Appointed:
February 2021
(joined the Group as a Non-Executive Director in March 2019)

Independent:
No

Nationality:
American

Skills and experience:
Mohammed has more than 20 years of public and private equity investing experience. He is a partner at Advent International, where he leads Sunley House, Advent's global crossover fund. Previously, Mohammed worked at SFW Capital and Bain Capital, having started his career as a consultant at Bain & Company.

Mohammed has a BA in Mathematics from Franklin & Marshall College and an MBA from Harvard Business School.

Principal external appointments:
- Managing Director at Advent International Corporation
- Board of Trustees at Franklin & Marshall College

Claire Davenport
Non-Executive Director

Appointed:
February 2021

Independent:
Yes

Nationality:
British

Skills and experience:
Claire has a wealth of e-commerce expertise through her roles in industry leading and disruptive companies, including her current role as Chief Executive Officer of Notonthehighstreet Enterprises Limited, and in her former roles as Chief Executive Officer of HelloFresh UK and Managing Director of VoucherCodes.

Prior to this, Claire held senior level strategic and executive roles in online and media companies, including Skype, RTL Group, and Bigpoint. Claire started her career in investment banking, working on mergers and acquisitions and equity capital markets transactions at Goldman Sachs and J.P. Morgan. Claire has an MA from Cambridge University in Natural Sciences and an MBA from INSEAD.

Principal external appointments:
- Chief Executive Officer of Notonthehighstreet Enterprises Limited

Committee membership:

R

Board of Directors continued

Joe Hurd
Non-Executive Director

Appointed:
June 2021

Independent:
Yes

Nationality:
American

Skills and experience:
Joe has significant global experience in consumer-facing technology businesses. He has a demonstrated track record of revenue growth and value creation at global Fortune 500 and private companies, including Facebook, Gannett, AOL, VideoEgg and Friendster. Joe is an Operating Partner with SOSV LLC, a $1.3B US-based early-stage venture fund. Between 2009 to 2012, Joe served in the Obama Administration liaising between government and businesses.

Joe is also an independent public board director, advising on strategic growth, ESG, workforce engagement, innovation, governance, compensation, board recruitment and diversity.

Joe has previously served as a Non-Executive Director of GoCo Group plc (now Future plc) and as an Independent Director of SilverBox Engaged Merger Corp I.

Principal external appointments:
- Chief Executive Officer at The Katama Group LLC
- Non-Executive Director of Hays plc

Committee membership:
A N T

Ben Johnson
Non-Executive Director

Appointed:
February 2021
(joined the Group as a Non-Executive Director in May 2015)

Independent:
No

Nationality:
British

Skills and experience:
Ben is a partner and member of the founding team at Vitruvian Partners LLP and leads the data and analytics, and consumer technology sector teams. Prior to joining Vitruvian Partners LLP in 2007, Ben was at Cinven and Goldman Sachs International. In addition to the Company, he currently serves on the boards of Sykes Holiday Cottages, Travel Counsellors Ltd and OAG Aviation Ltd.

Ben read Philosophy, Politics and Economics at Magdalen College, Oxford University. He is a member of the Future Fifty, TechNation Advisory Panel.

Principal external appointments:
- Partner at Vitruvian Partners LLP
- Director of Sykes Holiday Cottages
- Director of Travel Counsellors Ltd
- Director of OAG Aviation Ltd

Rachel Kentleton
Non-Executive Director

Appointed:
February 2021

Independent:
Yes

Nationality:
British

Skills and experience:
Rachel is a qualified accountant and is the Chief Financial Officer of St. Modwen Properties Limited. Rachel brings recent and relevant financial experience to the Board and strong leadership to the Audit Committee. Rachel has significant experience in strategy and finance across a range of customer-facing businesses.

Prior to joining St. Modwen, Rachel was the Group Finance Director of PayPoint plc and was previously the Group Director of Strategy & Implementation at easyJet plc. Prior to her role at easyJet plc, Rachel held senior roles at Unilever plc, NatWest Group, Diageo plc and SABMiller plc.

Rachel was a Non-Executive Director and Chair of the Audit Committee at Persimmon Plc until August 2021.

Principal external appointments:
- Chief Financial Officer at St. Modwen Properties Limited

Committee membership:
A R N T

Committee Membership Key

- **A** Audit Committee
- **R** Remuneration Committee
- **N** Nomination Committee
- **T** Trust and Transparency Committee
- **D** Disclosure Committee
- **C** Chair of Committee

Carolyn Jameson

Company Secretary and Chief Trust Officer

Nationality:
British

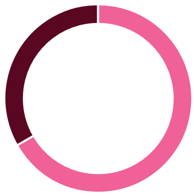
Carolyn joined the Group in August 2019 as Chief Legal and Policy Officer, and was appointed as Chief Trust Officer in January 2021. Prior to joining the Group, Carolyn was the Chief Legal Officer at Skyscanner, where she oversaw corporate development, legal, public affairs and corporate communications. Following the acquisition of Skyscanner by Ctrip.com International Limited, Carolyn assisted with the integration and transformation of Skyscanner to being part of a NASDAQ listed company, and was appointed as head of international M&A and corporate development for Ctrip. Carolyn has held senior business and legal roles across a number of international technology companies, giving her a broad knowledge of the business and legal environment in which Trustpilot operates.

Committee membership:

T D

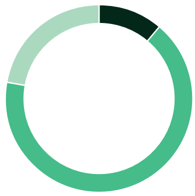
Board composition

The following charts provide a summary of the Board's composition as at 22 March 2022.



Gender

- Male
- Female



Composition

- Chair
- Non-Executive
- Executive

Age

- 35–39
- 40–44
- 45–49
- 50–54
- 55–59
- 60+

Board and committee meeting attendance

Director	Board[1]	Audit Committee[1]	Remuneration Committee[1]	Nomination Committee[1]	Trust and Transparency Committee[1, 6]
Tim Weller – Chair	8/8	–	–	2/2	2/2
Peter Mühlmann – Chief Executive Officer	8/8	–	–	–	
Hanno Damm – Chief Financial Officer	8/8	–	–	–	
Angela Seymour-Jackson – Senior Independent Director	8/8	3/3	4/4	2/2	2/2
Mohammed Anjarwala – Non-Executive Director	8/8	–	–	–	
Claire Davenport – Independent Non-Executive Director[2]	8/8	1/1	4/4	–	
Joe Hurd – Independent Non-Executive Director[3]	6/6	2/2	–	1/1	2/2
Ben Johnson – Non-Executive Director[4]	7/8	–	–	–	
Rachel Kentleton – Independent Non-Executive Director[5]	7/8	3/3	4/4	2/2	2/2

1. Board and Committee meetings from Admission to 31 December 2021.
2. Claire Davenport stepped down as a member of the Audit Committee with effect from 1 July 2021.
3. Joe Hurd was appointed to the Board, Audit Committee, Nomination Committee and Trust and Transparency Committee with effect from 1 June 2021.
4. Ben Johnson was unable to attend the Board meeting in April 2021 due to a prior business engagement.
5. Rachel Kentleton was unable to attend the Board meeting in October 2021 due to a prior business engagement.
6. The Trust and Transparency Committee is chaired by Carolyn Jameson, Company Secretary and Chief Trust Officer. Carolyn has attended and chaired all meetings of the committee.

The Disclosure Committee is chaired by the Chief Financial Officer, and the other members are the Chief Executive Officer, the Chair of the Board and the Company Secretary and Chief Trust Officer. The Committee's principal duty is to oversee the Company's obligations in relation to the disclosure of inside information. Members of the Committee have communicated regularly during the year but there have been no circumstances in existence which have necessitated a formal meeting.

Executive Leadership Team

Peter Mühlmann
Chief Executive Officer

→ Please see page 74 for Peter's biography.

Hanno Damm
Chief Financial Officer

→ Please see page 74 for Hanno's biography.

Carolyn Jameson
Company Secretary and Chief Trust Officer

→ Please see page 77 for Carolyn's biography.

Tim Hilpert
Chief Operating Officer

Tim joined Trustpilot in February 2021 as Chief Operating Officer. Prior to joining Trustpilot, Tim held several senior roles at OLX Group, including Chief Executive Officer for Europe and Central Asia and Chief Executive Officer of OLX Markets.

Prior to this, Tim held various roles from Senior Manager to Senior Director at eBay.

Tim started his career at the Boston Consulting Group and holds a degree in Engineering from TU Berlin, and an MBA from the University of Vermont.

Stephen Garland
Chief Technology and Product Officer

Steve joined Trustpilot in 2018 to oversee and drive Trustpilot's Technology & Data organisations. In late 2020, Steve's remit expanded to include Product, where he leads on data-driven growth and automation while delivering the best possible experience to consumers and businesses.

Prior to joining Trustpilot, Steve served as EVP and CTO for Wood Mackenzie. He's also held SaaS executive and technical roles at start-ups through to FTSE100 companies – bringing over 20 years of experience helping start-ups scale up and transforming enterprises into scalable SaaS organisations both through data and innovation, while developing and building top teams to achieve great things.

Steve holds a BEng in Software Engineering from Edinburgh Napier University.

Donna Murray Vilhelmsen
Chief People Officer

Donna joined Trustpilot in the spring of 2019 to lead Trustpilot's People function. With more than 25 years' experience in the field, Donna has the expertise to build and lead a world class People function to see Trustpilot through the next exciting phase of growth. Her main focus is to make Trustpilot an even better place to work and grow in order to attract and retain the best-in-class talent for Trustpilot.

Prior to Trustpilot, Donna was an HR Vice President at COWI for their international business line. She's also delivered meaningful impact at global organisations like Maersk and AECOM.

Donna holds a Bachelor of Human Resources Management degree from the University of South Australia.

Purpose, values and culture

Alicia Skubick
Chief Marketing Officer

Alicia joined Trustpilot in October 2021 as Chief Marketing Officer to lead the Marketing team responsible for building Trustpilot's brand globally and growing the community of trust between consumers and businesses. Alicia is also responsible for Trustpilot's global partnerships, which includes identifying strategic partners to integrate with Trustpilot's platform to deliver the benefits that matter most to our customers.

Alicia has a proven track record of building technology businesses and brands including Intuit, Sage, Western Union and Symantec. At Intuit, Alicia served as Marketing Director for the UK, responsible for building the brand and growing the customer base. Prior to Intuit, she led European Marketing for Sage Pay and globally for Travelex Business (now Western Union Business Solutions) as well as various global roles at Symantec. Alicia holds a B.A. in Art History from Macalester College.

Trustpilot's purpose is to help people and businesses help each other — because when they do, people benefit, businesses benefit, and tomorrow's society benefits too. This purpose drives our strategy and is integral to the Group's culture and values. The Board leads and oversees the Group's culture, and seeks to ensure that it is aligned with our purpose, values and strategy for the benefit of all stakeholders.

The Board undertook a deep-dive review on people and culture at its strategy meeting in 2021, and regularly assesses and monitors culture by receiving and considering:

- feedback from the Non-Executive Director responsible for workforce engagement on matters of importance to Trusties;
- regular reports and feedback from management, particularly the Chief Executive Officer and the Chief People Officer;
- feedback on internal employee satisfaction surveys; and
- reports on whistleblowing, compliance and confidential misconduct.

The Company's values are a powerful driver of our culture, and guide how we behave, make decisions, and approach all that we do. The Board and senior management embrace the Company's values and lead by example. Further information on the Group's culture and values can be found on page 19 of the Strategic Report.

Board and stakeholder engagement

The Board recognises its responsibility to engage with key stakeholders and their importance to the long-term sustainable success of the business. In accordance with section 172 of the Companies Act 2006 and the UK Corporate Governance Code, the Board considers the potential impact on the Company's key stakeholders and takes their views and interests into account in its decision-making.

The Company's statement on section 172 of the Companies Act 2006 can be found on page 65 of the Strategic Report and the Stakeholder Engagement section on pages 66 sets out why our stakeholders are important to us.

A summary of the Board's engagement with the Company's key stakeholders is set out on the following pages.

Purpose, values and culture continued

The table below provides a summary of the Board's engagement with key stakeholders and how the Board has considered their views when making its decisions. Further information on the Group's stakeholders can be found on page 66, and the Company's statement on section 172 of the Companies Act 2006 can be found on page 65.

Stakeholder	Engagement methods	Effect of engagement on the Board's decision-making
Employees	– The Senior Independent Director, was appointed as the Non-Executive Director responsible for workforce engagement pursuant to the Code. A Non-Executive Director workforce engagement programme is in place and is reviewed annually. The programme includes informal Q&A and feedback sessions, where the Non-Executive Directors meet with employee groups to understand their views. → Further information on our employees can be found on pages 54 to 60. – The Chief People Officer regularly updates the Board on key people metrics, including recruitment, retention, diversity and inclusion, and key People initiatives. – The Chief People Officer presents to the Board on feedback from quarterly employee engagement surveys. – The Audit Committee considers reports on whistleblowing and any incidents of confidential misconduct, and provides feedback to the Board. – The CEO, CFO and other members of the Executive Leadership Team lead "All Hands" meetings to update employees on Company strategy and performance followed by Q&A sessions for employees to pose questions on the business. – The Remuneration Committee considers the Group's total reward philosophy, including the benefits and reward structure for the workforce.	– The workforce engagement programme has provided Board members with the opportunity to deepen their understanding of the Company, and provided opportunities to reinforce key messages on culture, values, mission and strategy. This engagement has also provided an opportunity for the Non-Executive Directors to hear from all levels of the organisation so that they can advise, support and provide constructive challenge to the Executive Leadership Team. By receiving feedback from employees, the Board is better able to take their views into consideration in its decision-making. – Directors have been able to better understand the views, concerns and needs of employees. – The Board supported management in key People initiatives, including increasing recruitment and investment in training. – The Board considered key issues raised from employee feedback and oversaw management's response to the feedback. – The Board undertook a number of deep-dives, including people and culture, succession planning, the talent pipeline and employee trend analysis. – The Audit Committee supported management in the launch of the Group's confidential whistleblowing platform and improvements to the Group's whistleblowing procedures.
Investors	– The Chief Executive Officer and the Chief Financial Officer meet with investors, including following the full and half-year results. – The Board receives monthly investor relations reports from the Company's brokers, including information on changes to the share register. – The Head of Investor Relations engages with analysts and provides the Board with regular feedback in his presentations to the Board. – The Chair and the Non-Executive Directors engaged with shareholders during the IPO process and had contact with a number of key shareholders throughout the year. – The Chief Executive Officer and the Chief Financial Officer attend capital markets days and investor roadshows. – Feedback and guidance from investor bodies is shared with the relevant Board committees. – The Company's first AGM in May 2022 will provide an opportunity for shareholders to engage with the Board. The AGM will be held as a 'hybrid meeting', allowing shareholders to attend either physically or by virtual means using an online meeting platform.	– The Executive Directors met with investors and provided the Board with feedback on the views of investors. Feedback from these meetings helps the Board to better understand the views of shareholders. – The Board renewed its focus on ESG matters and undertook an ESG materiality assessment in 2021. The results of the assessment will feed into Trustpilot's ESG strategy and assist in the setting of ESG targets, including science-based carbon reduction targets. – The Remuneration Committee took into consideration the views of investors when preparing the Directors' Remuneration Policy and in setting remuneration targets for 2022. – The Board has taken into consideration investor sentiment in relation to diversity on the Board and in the talent pipeline. In 2022, the Board will review a Group and Board level Diversity, Equity and Inclusion Policy.

Stakeholder	Engagement methods	Effect of engagement on the Board's decision-making
Customers	– The Board receives updates on customer relationships and feedback through Board reports from the CEO, CFO and COO. The COO presents deep-dives on key customer matters during the year. – The Chief Trust Officer's regular Board reports provide insight into key customer matters, including platform integrity, product and regulatory developments, key customer metrics and privacy. – Regular Board reports are provided by the Chief Technology and Product Officer which provide the Board with information on key metrics, including the number of reviews, progress on automated review invitations, active domains and consumers. The report also provides key insight into content integrity, including analysis on the number of flagged reviews, reporting reasons and customer service metrics. – The Board receives updates on the Company's star rating and feedback received from customers.	– The Board has supported management in its drive to reduce the number of fake or misleading reviews online, and in its efforts to automate processes on the platform to further improve the integrity of the site. – The Board has an increased understanding and awareness of the needs of customers. – The Board oversees the publication of the Group's Transparency Reports which can be found on the Company's website, investors.trustpilot.com. → Further information on the Group's work on content integrity and protecting and promoting trust can be found on pages 21 to 25.
Consumers	– The Chief Technology and Product Officer provides the Board with updates on the Group's consumer product strategy. – The Chief Trust Officer provides the Board with updates on consumer verification processes and procedures, and progress on initiatives to reduce the number of fake or misleading reviews. – The Board receives regular updates on progress with respect to pro-active litigation in relation to fake or misleading reviews.	– The Board has an increased understanding and awareness of the needs of consumers, and has supported management in the development of the platform. – The Board has supported management in its initiatives to take action against businesses who seek to mislead customers with false reviews.
Civil society	– The Board receives updates on management's activities and initiatives including interactions with non-governmental organisations and associations of relevance to the Company.	– The Board has a greater understanding of the focus and interests of the non-governmental organisations and associations and takes these into consideration in its decision-making.
Government and regulators	– A report from Chief Trust Officer is tabled at each Board meeting, this provides an update on upcoming regulation and proposed legislation or legislative changes that might affect the business. The report also provides updates on any relevant government or regulator interaction. – The Board receives updates on the work of the Head of Policy and Public Affairs and their engagement with government bodies and regulators.	– Feedback from the engagement with governments and regulators helps to inform the Board's strategic decision-making. – The Board supports and encourages management in its efforts to increase trust and transparency online.

In 2021, management undertook a detailed ESG materiality assessment, engaging with the Group's key stakeholders. Each ESG key matter was scored and ranked according to its importance to stakeholders, its likely impact on our business and impact on society. The Board reviewed and approved the ESG materiality assessment in February 2022 and will oversee the formation of the Company's ESG framework and its integration into the future strategic goals of the business.

Division of responsibilities

Governance framework

Our governance framework assists the Board in effective decision-making and in its oversight of the Group and its operations.

The Board

Audit Committee	Remuneration Committee	Nomination Committee	Trust and Transparency Committee
→ See **pages 90 to 97**	→ See **pages 100 to 119**	→ See **pages 87 to 89**	→ See **pages 98 and 99**

Disclosure Committee

Responsible for monitoring the existence of inside information and ensuring that the Company complies with its disclosure obligations.

Executive Leadership Team

Responsible for the day-to-day management of the Group.
→ See **pages 78 and 79**

The role of the Board

The Board is responsible for the long-term sustainable success of the Company for the benefit of the shareholders and other stakeholders. The Board has responsibility for the overall leadership of the Company and setting the Company's purpose, values and strategy, and ensuring that these, and the Company's culture, are aligned.

The Board delegates certain responsibilities to the Board committees. The terms of reference of each of the Board committees is available on the Company's website, investors.trustpilot.com, and information on their principal activities is included within the reports of each committee referenced above. A schedule of matters reserved for the Board's consideration and approval is reviewed on an annual basis and is available on the Company's website, investors.trustpilot.com.

The matters include:

- Approval of the Group's strategic aims and objectives.
- Establishing the Company's purpose, values and strategy, and ensuring that they are aligned with the Company's culture.
- Approval of the Group's key financial results and communications.
- Overseeing the Group's systems of internal control and risk management.
- Approval of material capital projects and contracts.
- Changes to the size, structure and composition of the Board and its committees.
- Approval of key policies and procedures.

In 2021, the Board held eight formal meetings and a two-day offsite strategy meeting in October 2021. Details of Directors' attendance at Board meetings can be found on page 77.

To facilitate independent discussion, the Chair meets the Non-Executive Directors without management present. The Company Secretary liaises with the Chair well in advance of Board meetings, to ensure that Board meeting agendas provide sufficient time for key matters to be considered. Board agendas are prepared alongside an annual planner which ensures that key matters are considered at appropriate times during the year whilst providing additional time for ad-hoc items and deep-dives to be provided to the Board. Meeting agendas typically include reports from the Chief Executive Officer on operational performance, the Chief Financial Officer on financial performance and the Chief Trust Officer on Trust matters, in addition to deep-dives on key issues. A summary of the Board's key activities is set out on page 85.

Board papers are released to the Board via a secure online portal well in advance of Board meetings. Management worked with external consultants during the year to further improve the quality of Board papers to ensure that information provided to the Board is clear, concise and provides sufficient detail to support the Board's decision-making.

Senior management and external advisors are regularly invited to Board meetings to present agenda items within their areas of expertise.

Chair

- Leads the Board and is responsible for its overall effectiveness.
- Shapes the culture of the boardroom and promotes a culture of openness and debate while demonstrating objective judgement.
- Sets the Board's agenda and ensures that relevant issues are reserved for the Board's consideration.
- Demonstrates ethical leadership and promotes the highest standards of integrity, probity and corporate governance.
- Sets clear expectations for Board discussions and facilitates the effectiveness of Board Directors and the overall Board.

Chief Executive Officer

- Responsible for the executive management of the Group, with support from the Chief Financial Officer and senior management.
- Develops and implements the Group's strategy, as agreed by the Board.
- Leads communications with shareholders and other stakeholders.
- Sets an example to the Group's workforce and other key stakeholders and communicates expectations in respect of the Company's culture.
- Facilitates and supports strong communication between the business and the Board.

Senior Independent Director

- Acts as a sounding board for the Chair and supports the delivery of his objectives.
- Supports the Chair in the Board evaluation process and leads the evaluation of the Chair on behalf of the other Directors.
- Supports the Nomination Committee in the Chair succession process.
- Serves as an alternative contact for other Directors and shareholders for queries that are not resolved by the Chair, CEO or CFO.

Non-Executive Directors

- Bring experience and expertise to the Board.
- Provide constructive challenge to management.
- Promote high standards of corporate governance.
- Enhance Board debates and decision-making by bringing external perspectives to the table.
- Monitor the delivery of Group's strategy by the Executive Leadership Team.
- Ensure that the Group's systems of risk management and internal control are robust.
- Monitor the integrity of the Group's financial reporting.
- Oversee the performance of the Executive Directors in meeting their agreed goals and objectives.
- Engage with key stakeholders where appropriate and provide feedback to the Board.

Chief Financial Officer

- Responsible for strategic financial leadership.
- Oversees the day-to-day management of the Group's financial affairs.
- Implements the Board's decisions with respect to finance matters.
- Provides support to the Chief Executive Officer with the implementation of the Group's strategy.

Company Secretary

- Ensures that Board procedures are complied with and advises the Board on all governance matters.
- Supports the Chair and helps the Board and its committees to function effectively.
- Assists the Chair in ensuring that the Board is provided with information in a timely manner.
- Facilitates the induction of Board Directors and arranges ongoing training for Board Directors.

Division of responsibilities continued

Director independence and re-election to the Board

Each of the Non-Executive Directors, with the exception of Ben Johnson and Mohammed Anjarwala, is considered to be independent within the meaning of the Code and free from any business or other relationship that could materially interfere with the exercise of their independent judgement. The Board evaluation for each Director and the Company's Conflicts of Interest Register helps to inform the assessment of the independence of the Non-Executive Directors.

A number of additional safeguards are in place to support Director independence, including a formal system to deal with conflicts of interest and the division of responsibilities between the Chair, Senior Independent Director, Chief Executive, Chief Financial Officer and Non-Executive Directors.

The independence of the Non-Executive Directors was reviewed by the Board prior to Admission, and the outcome of that review was disclosed in the Prospectus. When considering the independence of Angela Seymour-Jackson, the Board had regard to the fact that she had been granted warrants in Trustpilot A/S, which were subsequently replaced with warrants over 546,000 ordinary shares in the capital of the Company as part of the IPO Restructuring. Notwithstanding her holding of warrants, the Board was satisfied that she remained independent, taking into account her independence of character, judgement and ability to hold management to account. No matters have since arisen to further impact this assessment, and on 2 February 2022 the Board reconfirmed her independence.

Mohammed Anjarwala and Ben Johnson represent shareholders of Trustpilot Group plc and are not considered to be independent. Ben and Mohammed were each appointed under Board appointment rights agreements in March 2021, having been directors of Trustpilot A/S from 2015 and 2019, respectively. Mohammed represents Sunley House Capital Management and Ben represents Vitruvian Partners.

In respect of the Chair, the Code recommends under provision 9 that, on appointment, they should be independent when assessed against the circumstances set out in provision 10 of the Code. Accordingly, the Board determined prior to Admission that Tim Weller was independent on appointment notwithstanding his holding of ordinary shares and warrants over ordinary shares in the Company, amounting to a total of 1.51% of the Company's issued share capital immediately prior to Admission (and representing 0.95% at the date of publication of this report). In making its determination, the Board took into account the fact that the shares and warrants had been issued to him by Trustpilot A/S in respect of his services to Trustpilot A/S (including preparing and bringing the Group to Admission), which were subsequently replaced with shares and warrants in the Company prior to Admission in connection with the Group's restructure, as well as the value of the shares and warrants not being material when considering his overall net worth and the percentage of the issued share capital involved. The Board also considered factors such as his independent and objective character, the judgement displayed by him since his appointment as Chair of both Trustpilot A/S and the Company, and his general reputation for independence in the market.

Non-Executive Directors are appointed for a fixed term of three years subject to annual re-election by shareholders. The Non-Executive Directors' fixed term can be extended and would not usually be extended beyond nine years other than in exceptional circumstances. The letters of appointment of the Non-Executive Directors, and the service contracts for the Executive Directors are available for inspection at the Company's registered office and will be on display at the AGM.

Each of the Directors will submit themselves for election by shareholders at the AGM. The Board has taken into consideration the results of the Board evaluation, and the experience and skills of each of the Directors, and considers that the election of each of the Directors is in the best interests of the Company.

→ Further information on the tenure, skills and experience of the Directors can be found on pages 74 to 77.

Conflicts of interest and external appointments

A formal system is in place for Directors to declare a conflict, or potential conflict of interest. Conflicts of interest are considered at the start of each Board and Committee meeting, and the Conflicts of Interest Register is updated as soon as the Board is made aware of a situation that could give rise to a conflict or potential conflict of interest. The Conflicts of Interest Register is formally reviewed by the Nomination Committee each year. In addition to monitoring the Directors' conflicts, or potential conflicts of interest, a Related Party Transactions Policy is in place under which the Company maintains a list of related parties for each of the Directors. The Board is satisfied that all conflicts and potential conflicts have been managed appropriately.

The letters of appointment of the Non-Executive Directors recommend a minimum time that each Director is required to commit to their role and, prior to appointment, Directors are required to confirm that, taking into account all of their other commitments, they are able to allocate sufficient time to the Company. Prior to accepting additional commitments that might affect the time that they are able to devote to the Company, Directors are required to seek the agreement of the Chair.

During 2021, Joe Hurd became a Non-Executive Director of Hays plc (from 1 December 2021) and Rachel Kentleton was appointed as the Chief Financial Officer of St. Modwen Limited (from 6 August 2021). Both Joe and Rachel notified the Chair in advance of their appointments. The Board considered and approved these additional commitments, and was confident that each would be able to continue to devote the appropriate time to their roles on the Board of Trustpilot, and that neither role would give rise to a potential conflict of interest.

When assessing other external appointments, the Board considers the number of directorships already held by the individual and the time commitment expected in those roles.

Each of the Directors on the Board has confirmed that they have been able to allocate sufficient time to discharge their responsibilities effectively.

Key Board activities

The key activities of the Board from Admission in March 2021 to 31 December 2021 are set out below.

Strategy

- Reviewed and approved the Group's long-term strategy
- Undertook deep-dives on product strategy and developments
- Undertook deep-dives on UK and US performance
- Reviewed management's reports on competitor analysis
- Approved the Group's M&A strategy and investment plan

→ Further information on the Group's strategy can be found on **pages 30 to 33.**

Performance

- Received updates on the Group's commercial and sales performance
- Approved the Group's internal operating model
- Reviewed reports on the Group's key performance metrics
- Considered reports from the CEO and CFO on the performance of the business

→ Further information on the Group's performance can be found on **pages 2 to 69.**

Financial

- Approved the Group's interim results for the period to 30 June 2021 and the full year results to 31 December 2021
- Approved the Group's trading updates
- Reviewed the going concern basis of accounting for the Group's interim results for the period to 30 June 2021
- Reviewed the Group's financial performance and forecasts

→ Further information on the Group's financial performance can be found on **pages 32 to 39.**

Stakeholders

- Considered the Group's People Plan, including key metrics and trends
- Reviewed the Chief People Officer's report on talent gaps and the Group's future talent requirements
- Considered the Group's People and Culture plans and strategy
- Approved the Group's workforce engagement framework
- Oversaw and approved the ESG materiality assessment which will help to form the Group's ESG framework
- Discussed investor updates from the Head of Investor Relations and the Group's corporate brokers
- Considered feedback from institutional investors and analysts
- Considered feedback on employee surveys

→ Further information on the Group's stakeholders can be found on **pages 54 to 61, 66, 80 and 81.**

Trust

- Reviewed reports on progress against key content integrity objectives
- Considered management's progress on the Group's Consumer Trust strategy
- Considered management's updates on key litigation matters including progress on proactive litigations
- Reviewed management's progress on improving automation in the detection of false and misleading reviews

→ Further information on our work on Trust can be found on **pages 21 to 25.**

Governance

- Approval of the annual board calendar of events
- Consideration of Non-Executive Director independence
- Receiving feedback from the Board committees
- Approval of appointments to the Board
- Endorsed appointments to the Executive Leadership Team
- Review of Contract Approval and Signing Matrix
- Review of Conflicts of Interest
- Review of certain Policies and Procedures
- Oversaw the Board and Chair performance evaluation

Composition, succession and evaluation

Composition

The Board comprises the Chair (who was independent on appointment), four Independent Non-Executive Directors, two shareholder nominated Non-Executive Directors and two Executive Directors. Biographies of each of the Directors, including information on their skills, tenure and committee membership can be found on pages 74 to 76. Further information on the roles of the Chair and other members of the Board can be found on page 83. Joe Hurd joined the Board on 1 June 2021, following the appointment of Claire Davenport and Rachel Kentleton in March 2021. Following Joe's appointment, Claire Davenport stepped down as a member of the Audit Committee with effect from 1 July 2021.

The Nomination Committee reviews the structure, size and composition of the Board, and makes recommendations to the Board on any changes. Further information on the work of the Nomination Committee can be found on pages 87 to 89.

Succession

The Nomination Committee oversees succession planning for the Board and the Executive Leadership Team. Further information on the Committee's work in this regard can be found on pages 88 to 89.

Evaluation

The 2021 Board evaluation was facilitated by the Company Secretary in consultation with the Chair of the Board and the Chairs of the Board committees. The 2021 Board evaluation was conducted internally; a summary of the process is set out below.

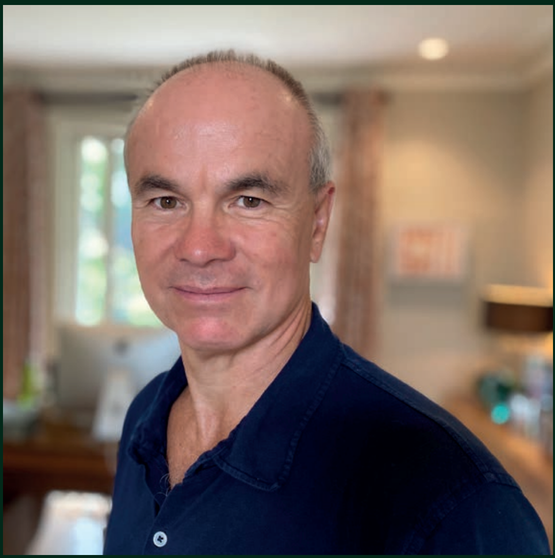
Evaluation	Action
Board and committees	**Questionnaires issued for completion** Board evaluation process approved and online questionnaires circulated.
	Responses evaluated Responses collated and anonymised prior to sharing with the Chair of the Board and Board committee Chairs.
	Actions agreed for 2022 Board and committee evaluation reports and actions tabled at the Board and Board committee meetings for discussion and approval.
Chair	**Feedback gathered** Senior Independent Director requested feedback on the Chair's performance from each of the Directors.
	Results discussed Senior Independent Director met with the Directors to provide an anonymised summary of feedback on the Chair and agreed suggestions for further improvement.
	Feedback provided Senior Independent Director met with the Chair to provide a summary of feedback relating to his performance and agreed actions.
Individual Directors	**Review of performance** Chair met with individual Directors to discuss their performance.

The 2021 Board evaluation confirmed that the Board was effective and functioning well. The results of the Board evaluation were presented to the Board and areas of focus for 2022 were agreed. These areas included:

- a continued focus on US strategy;
- a focus on talent and succession planning;
- a review and deep-dive on people matters and Company culture; and
- increased Non-Executive Director interaction outside of Board meetings.

An externally facilitated Board evaluation will be undertaken in 2023.

Nomination Committee report



"The Nomination Committee oversees the composition of the Board to ensure that it has the correct balance of skills, experience, knowledge and diversity relevant to the Company both now and in the future."

Tim Weller
Nomination Committee Chair

Committee members

Tim Weller (Chair)

Angela Seymour-Jackson

Joe Hurd

Rachel Kentleton

I am pleased to present this report on the work of the Nomination Committee for the period from Admission in March 2021 to 31 December 2021. The Nomination Committee held its first meeting in May 2021, and has met twice in the period and a further two times prior to the publication of this Annual Report.

A key focus for the Committee this year has been building the governance framework and processes in relation to the remit of the Nomination Committee. This has included approving the terms of reference of the Committee and agreeing the Committee's programme of meetings.

In December 2021, the Committee oversaw the evaluation process for the Board and committees and considered its key areas of focus for 2022. Further information on the Board evaluation process is set out on page 86.

My tenure as Chair of the Board has also been considered by the Committee, with discussions being led by the Senior Independent Director. Further information can be found on pages 88 and 89.

The current Board comprises Directors who had previously been on the Board of Trustpilot A/S for a number of years and those who have joined the Company during 2021.

In 2022, the Committee will focus on succession planning and improving the visibility of the talent pipeline for the Executive Leadership Team.

I hope that you find this report helpful in understanding the work of the Committee and I welcome any feedback from shareholders in relation to the Committee and its activities.

Tim Weller
Chair of the Nomination Committee

22 March 2022

Nomination Committee report continued

Committee key duties

The key responsibilities of the Committee include oversight of the following:

- Succession planning for the Board and management
- Board structure, size and composition
- Director induction
- Identification and nomination of candidates for appointment to the Board
- Diversity and inclusion

→ The Committee's terms of reference can be found on the Company's website, **investors.trustpilot.com**

Areas of focus for 2022

- improving the visibility of the talent pipeline and succession planning for the Executive Leadership Team;
- succession planning for the Non-Executive Directors; and
- planning for the 2022 Board evaluation.

Composition of the Committee

The Committee comprises Tim Weller (Chair of the Board and the Committee) and three Independent Non-Executive Directors: Angela Seymour-Jackson, Joe Hurd and Rachel Kentleton. Joe Hurd joined the Board and the Committee on 1 June 2021. The Company Secretary, Carolyn Jameson, is Secretary to the Committee.

Management and other senior leaders in the Group are invited to attend Committee meetings to present on specific areas of interest for the Committee. At the Committee's meeting in February 2022, the Global Head of People and Organisational Growth presented on succession planning for the Executive Leadership Team, a review of which had commenced in 2021. The Global Diversity, Equity and Inclusion Lead will attend the Committee meeting in August 2022 to present the Board Diversity Policy for consideration.

→ Biographies of the Nomination Committee members can be found on **pages 74 to 76.**

Meetings

The Committee meets routinely twice per year, with additional meetings held to discuss matters arising during the year. Details of attendance at the Committee's meetings during 2021 can be found on page 77. The Chair reports any key matters discussed at meetings of the Committee to the Board.

An agenda is prepared in advance of each meeting and is reviewed by the Chair of the Committee.

2021 Committee evaluation

The Committee undertook an internally-led evaluation in December 2021. The evaluation gathered feedback from Committee members on areas including the composition of the Board and its committees, succession planning, diversity, the visibility of the talent pipeline for succession planning and the annual Board evaluation process. The evaluation concluded that the Committee was performing well.

Priorities and activities during the period

The Committee's main activities for the period ended 31 December 2021 are summarised below:

Succession planning

Tim Weller was appointed as Chair of Trustpilot A/S in February 2013 and has served over nine years with the Group. The Committee is mindful of Provision 19 of UK Corporate Governance Code (the "Code") which recommends that the Chair should not remain in post beyond nine years from the date of their first appointment to a board. Although the Committee considers that, for the purposes of the Code, the nine-year time frame runs from the date of the Company's Admission in March 2021, when the Company became subject to the Code, as opposed to Tim's appointment to Trustpilot A/S in 2013, the Committee believes that succession planning for the Chair role is an important area of focus. In December 2021, the

Nomination Committee cycle

The Committee's planned annual cycle is set out below. Additional meetings and items for the Committee's consideration will be added to the annual planner as required through the year.

Month	Committee action
February	– Review of succession planning for the Non-Executive Directors and management, including the talent pipeline – Review of the Nomination Committee report – Review of the Committee's terms of reference – Review of the Register of Conflicts of Interest – Review of the Board's composition – Consider the results of the Chair performance evaluation – Review the results of the Committee evaluation and agree areas of focus – Review the annual time commitment for the Non-Executive Directors
August	– Review and approve the Board Diversity Policy and targets – Agree overboarding principles – Review of the Director induction programme

Committee considered the Chair's tenure and started to engage in a succession planning process, which will continue in 2022.

Notwithstanding the commencement of succession planning, the Committee considered Tim's tenure alongside his extensive knowledge of the Group, his support to both the Executive Directors and the more recently appointed Non-Executive Directors, and the need for continuity in a period of change and growth for the Group.

The Committee considers that Tim continues to demonstrate objective judgement and promotes constructive challenge to management, and agreed that it was important for Tim to remain as Chair in 2022. The positive feedback received from Board members in response to the Chair evaluation undertaken in December 2021 confirmed that Tim continues to perform well as a Chair. The Committee is mindful of the benefit of renewal at all levels of the business, and Tim's tenure will therefore be reviewed again by the Committee during 2022.

As the Committee was formed in May 2021 and the business was undergoing a period of rapid change, succession planning for the other members of the Board and management team commenced in December 2021 and was considered at the Committee's meeting in February 2022. Succession planning was identified by the Board and Committee evaluation as an area focus in 2022, and we will report on this in next year's Nomination Committee report.

Board structure, size and composition

The Committee keeps under regular review the structure, size and composition of the Board, and considered these factors in its discussions on succession planning at its meeting in February 2022. As part of this review, the Committee undertook a review of the areas of skills, knowledge and experience on the Board to identify strengths and weaknesses that will inform succession planning.

→ Further information on the structure, size and composition of the Board can be found on **pages 77 and 86.**

Diversity and inclusion

The Board and the Nomination Committee are committed to promoting diversity, equity and inclusion across the Group, and recognise that a wide range of skills, experience and knowledge contribute towards an effective Board. This is achieved by having diversity of thought, race, gender identity, religious beliefs, age, sexual orientation, disability, socio-economic background and varying lived experiences across our Board members.

The Board and Nomination Committee evaluations identified a need for additional focus on our talent and succession planning, culture and people in 2022.

The Committee is keen that the diversity of our Board and the wider Group reflects the diversity of our society. As a Committee, we made a decision to delay the adoption of a Board Diversity Policy in 2021 until the Group Policy was reviewed, and we could be certain that the Policy truly reflected the culture and values of Trustpilot and those of our key stakeholders. During 2022, Trustpilot's People team will lead a review of the Diversity, Equity and Inclusion Policy for the Group and a Policy for the Board will be prepared in tandem and reviewed by the Committee.

The Board is focused on promoting a diverse and inclusive culture, and is mindful of the recommendations of the Hampton-Alexander Review in relation to gender diversity, and the Parker and McGregor-Smith reviews in relation to ethnic diversity.

We are pleased to report that, as at 31 December 2021, our Board comprised six male and three female Directors, representing 33.3% female representation on the Board. We are satisfied that two of our Board Directors are of non-white ethnicity, exceeding the recommendation of the Parker Review Report to have at least one Director of non-white ethnicity on the Board.

As at 31 December 2021, the diversity statistics for the Board and senior management were as follows:

- 33.3% of our Board Directors are women;
- 47.7% of senior management (comprising the Executive Leadership Team), together with their direct reports, are women; and
- two of our Board Directors are of non-white ethnicity.

→ Further information on Trustpilot's approach to diversity, equity and inclusion, including further information on gender diversity across the Company is set out on **pages 54 and 55** of the Strategic report.

Director induction

On appointment, all Directors receive a comprehensive and tailored induction. Claire Davenport, Rachel Kentleton and Joe Hurd joined the Board during 2021; a summary of their induction plans is set out below:

- Meetings with other Board members, including the Chair, Senior Independent Director, Chief Executive Officer and Chief Financial Officer.
- Meetings with the other Non-Executive Directors on the Board.
- Briefings from the Chief Trust Officer, the Chief People Officer and the Chief Operations Officer.
- Meetings with senior management on product, customers and consumer engagement.

Meetings were also held with the Company's External Auditor, the Remuneration Consultants and the Company's brokers.

Audit Committee report

"The Committee has overseen the establishment of the governance framework to support the Group's financial reporting, systems of internal control and risk management, and internal and external audit."

Rachel Kentleton
Audit Committee Chair

Committee members

Rachel Kentleton (Chair)

Joe Hurd

Angela Seymour-Jackson

I am pleased to present the Group's first Audit Committee report for the period from Admission on 26 March 2021 to 31 December 2021. This report provides a summary of the key activities and areas of focus of the Committee.

The Committee has held three meetings during the period and one meeting prior to the publication of this Annual Report. The Committee's annual cycle of activities is set out in the following pages.

Key areas of focus for the Committee have been as follows:

Governance framework

A key area of focus for the Committee since its formation has been overseeing the establishment of the governance framework to support the Committee in discharging its duties and responsibilities under its terms of reference. This has included overseeing the establishment of the Group's Internal Audit and Risk functions and their respective frameworks (such as the Company's Internal Audit charter, policy and standard operating procedures).

The Committee has reviewed and approved the Group's Internal Audit and Risk plans, and monitored the Group's systems of internal controls and risk management.

The Committee has also considered potential reforms to audit and corporate governance procedures proposed by the UK Government to ensure that the Group is prepared for any changes it may need to make as a result of these reforms.

Financial reporting

Monitoring financial controls and maintaining effective governance and integrity of the Group's financial reporting is a principal duty of the Committee, and the Committee has reviewed both the half-year results and this Annual Report for the financial year ended 31 December 2021. The Committee has also reviewed and challenged the processes proposed by management to support the Board in making the going concern and viability statements set out in the Annual Report.

Whistleblowing

The Committee has overseen improvements to the Group's whistleblowing procedures with the introduction of a new reporting tool (which allows employees of the Group to make confidential reports anonymously) and updates to the Group's Speaking Up policy. These improvements ensure that the Group is compliant with the EU Whistleblowing Directive and continues to maintain a culture of openness, accountability and compliance.

External Audit

The Committee is focused on ensuring that the Group's external audit processes are of a high quality, and has taken a number of steps to maintain the effectiveness of the External Auditor of the Group. During the financial year, the Committee has appointed, and overseen the relationship with, the External Auditor, including engaging with and challenging them on accounting judgements and key areas of audit focus. The Committee has also reviewed progress made against actions identified by the External Auditor at the time of the Group's IPO on Financial Position and Prospects procedures. The Committee recognised the solid progress made in all areas to meet the requirements outlined by the External Auditor, and is overseeing continuing improvements to the Group's IT environment and sustainability strategy.

I hope that you find this report helpful in understanding the work of the Committee, and I welcome any feedback from shareholders in relation to the Committee and its activities.

Rachel Kentleton
Chair of the Audit Committee

22 March 2022

Committee key duties

The key duties of the Committee are to provide review and oversight of the following areas:

- Financial reporting, announcements and significant financial judgements
- External audit oversight
- The work and remit of the Group's Internal Audit function
- Systems of risk management and Internal control
- Risk and compliance, speaking up and fraud

→ The Committee's terms of reference can be found on the Company's website, **investors.trustpilot.com**

Areas of focus for 2022

- Deep-dives on key matters, including areas of accounting judgements.
- Risk appetite and risk strategy.
- Systems of risk management and internal control, including the monitoring and assessment of principal and emerging risks.
- Internal financial and risk controls.

Composition of the Committee

Members

- Rachel Kentleton (Chair)
- Joe Hurd
- Angela Seymour-Jackson

The Committee comprises three Independent Non-Executive Directors. Joe Hurd joined the Board and the Committee on 1 June 2021, and Claire Davenport stepped down as a member of the Committee with effect from 1 July 2021. The Company Secretary, Carolyn Jameson, is Secretary to the Committee.

Members of the Committee have a wide range of relevant skills and experience that enable them to fulfil their duties appropriately.

Rachel Kentleton, Chair of the Committee, is a qualified accountant and is considered by the Board to have recent and relevant financial experience. Rachel is Chief Financial Officer of St. Modwen Properties Limited and was previously the Group Finance Director at PayPoint plc. Rachel has also held various senior positions in Finance, Investor Relations and Strategy, including as Group Director, Strategy & Implementation at easyJet plc, and was Chair of the Audit Committee at Persimmon plc from April 2016 to August 2021.

Angela Seymour-Jackson has significant experience through her former Executive and Non-Executive roles. Angela brings to the Committee experience of technology platforms through her current role as a Non-Executive Director and member of the Audit Committee of Future plc, and experience as an Audit Committee member at Page Group plc.

Joe Hurd brings to the Committee significant US and global experience in consumer-facing technology businesses. As a lawyer, Joe also brings extensive understanding of risk and compliance matters. The Committee further benefits from Joe's experience through his Non-Executive roles, including as a Non-Executive Director and member of the Audit Committee of Hays plc.

→ Biographies of the Audit Committee members can be found on **pages 74 to 76.**

Committee meetings are routinely attended by the Chair of the Board, the Chief Financial Officer, the Company Secretary, the VP, Legal, Risk & Audit, the VP of Global Accounting and Tax, the Director of Risk, the Head of Internal Audit, the Deputy Company Secretary and representatives from the External Auditor. By invitation of the Chair of the Audit Committee, other senior managers have attended meetings to present on specific areas of interest to the Committee.

Meetings

The Committee will ordinarily meet four times per year. In 2021, given the date of Admission on 26 March 2021, the Committee held three meetings during the period; details of attendance at the meetings can be found on page 77. The Committee has also met once since the end of the financial period and prior to the publication of this Annual Report; the Committee expects to hold at least four meetings during 2022. Meetings are scheduled in line with key events in the Company's financial calendar. The Chair of the Committee reports to the Board on any key matters discussed at the Committee meetings.

The Chair of the Committee meets regularly outside of Committee meetings, and without management present, with the Director of Risk, the Head of Internal Audit and the lead partner of the External Auditor.

An agenda is prepared in advance of each Committee meeting and is reviewed by the Chair of the Committee. Prior to each meeting, the Chair of the Committee holds discussions with the Chief Financial Officer, the Director of Risk, the Head of Internal Audit, the VP, Legal, Risk & Audit and/or the lead partner of the External Auditor to consider in advance the agenda and the matters to be discussed at the meeting.

Audit Committee report continued

Audit Committee cycle

The Committee has established an annual cycle to consider matters within its remit, which evolves throughout the year to take into account changes in the performance and priorities of the Group, the business environment and the prior year's audit. The normal cycle of the Committee is set out below. In addition to the items listed below, the Committee receives a report from the Head of Internal Audit and a report from the Director of Risk at each meeting.

Month	Committee action
March	Review of the Annual Report, including disclosures on viability and going concern Review of the effectiveness of risk management and internal controls Assessment of whether the Annual Report is fair, balanced and understandable Review of external audit results and the External Auditor's report, including key financial judgements Review of the independence of the External Auditor Review of management's representation letter
May	Agree the external audit plan for the half-year financial statements. Review of the effectiveness of the previous external audit
September	Review the half-year financial statements, including disclosures on key judgements and going concern and viability Review the External Auditor's interim report on its review of the half-year financial statements Review of the External Auditor's engagement letter, independence and audit fees Review of the Committee's terms of reference
December	Agree the external audit plan for the following year Agree the Group's Internal Audit plan for the next financial year Review of the Group's principal risks and uncertainties and risk register Committee effectiveness review Review of anti-bribery and corruption measures and the Group's Code of Ethics

2021 Committee evaluation

In December 2021, the Committee undertook an internally-led evaluation, where feedback was sought from members of the Committee and regular attendees. The evaluation sought feedback on areas such as the composition of the Committee, financial reporting, internal control and risk management systems, internal and external audit processes, culture, values, whistleblowing, fraud and the administration of the Committee. The results of the evaluation confirmed that the Committee was performing well. Areas identified for additional focus in 2022 are set out on page 91.

Priorities and main activities during the period

The Committee's main activities for the period ended 31 December 2021 are summarised below.

Financial reporting, announcements and significant financial judgements

The Committee is responsible for monitoring the integrity of the Company's financial statements, including any significant financial reporting issues and judgements.

Fair, balanced and understandable

At the request of the Board, the Committee has reviewed the Annual Report and considered whether, taken as a whole, the Annual Report is fair, balanced and understandable.

In undertaking its review, the Committee has reviewed the integrity of the Group's financial statements, including reviewing the financial and non-financial disclosures contained within the Annual Report, and reviewing and challenging the estimates and accounting methodologies applied by management.

A summary of the processes in place to support the Committee's review is set out below:

- Verification of the factual content, financial and non-financial reporting, including non-financial key performance indicators.
- Review of the narrative sections of the Annual Report to ensure key messaging is appropriate.
- Multiple reviews of the Annual Report content by management.
- Reviews by senior management and Directors.
- Feedback from the Company's advisors, including the External Auditor and remuneration advisors.

Following its review, the Committee confirmed to the Board that the Annual Report is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

Significant financial judgements

The Committee discussed with management and the External Auditor each of the key areas of judgement described below, including how management's estimates and judgements were challenged during the audit. It concluded that the accounting treatment adopted in the 2021 financial statements was appropriate.

Group reconstruction for IPO

A restructuring of the Group took place prior to the Company's IPO in March 2021. External consultants, Deloitte Touche Tohmatsu Limited ("Deloitte"), were engaged by management to provide advice and support on accounting for the reconstruction. Deloitte concluded that the restructuring was a Group reconstruction and that the principles of acquisition accounting did not apply. As a result, the Group's accounting is shown on a consistent basis, assets and liabilities have not been revalued, and no goodwill is recognised. The Committee reviewed management's assessments of the accounting for the reconstruction, and considered the advice and analysis provided by Deloitte. The Committee concluded that, taking into consideration the advice received from Deloitte and the views of the External Auditors, the judgements presented by management were appropriate and the accounting for the Group reconstruction as a capital reorganisation was appropriate.

Classification of IPO costs

The estimates and judgements taken by management in accounting for £11m IPO costs were considered by the Committee. Under IAS 32, transaction costs associated with the issue of new shares are recognised within share premium, and those associated with the sale of existing shares are recognised as a general and administrative expense. The Committee reviewed papers provided by management on the apportionment of transaction costs, and took into consideration the challenge provided by the External Auditor in relation to management's estimated split of IPO costs calculated in advance of the IPO, compared to the calculation on the listing date. The Committee agreed that the accounting and classification of IPO costs that had been disclosed within the financial statements was appropriate.

Share-based transactions

The Company has a number of share-based payment schemes in operation including warrants, a LTIP and a RSP. Grants were made under the LTIP and RSP during the year, and warrants that were in existence prior to the Company's IPO were replaced by new warrants in the Company at IPO in the proportion of 1 to 78. The Committee reviewed the assumptions made by management and considered the advice offered by external consultants, Deloitte, on the calculations and assumptions used for fair value adjustments for the warrant grants, and FIT Remuneration Consultants for valuations of awards post-IPO. The Committee considered reports provided by the External Auditor including its challenge on the calculations and assumptions used in the IFRS 2 valuation of the share awards. The Committee also reviewed the External Auditor's report on the accounting for share-based transactions including its confirmation that it is comfortable with management's accounting and valuation of share-based payments. The Committee is satisfied that the Company's accounting and valuation for share-based payments is appropriate and in accordance with required accounting under IFRS 2.

Going concern and viability statements

At its meeting in March 2022, the Committee reviewed the work undertaken by management to support the going concern statement, and recommended to the Board that it should adopt the going concern basis in preparing the 2021 financial statements.

A summary of management's work in assessing viability is set out below:

- Going concern and viability were assessed using multiple plausible but severe downside scenarios modelled based on key risks identified by management.

Audit Committee report continued

- A reverse stress test was modelled to illustrate what would need to happen for the Group to exhaust its liquidity.
- Further modelling included 'trust degradation' and 'regulatory scrutiny and litigation' scenarios.

Management's modelling took into consideration the Group's sources of funding, cash flow, future forecast and current liabilities, debt facility covenants and the commercial impacts of the scenarios.

→ The going concern and viability statements can be found on pages 37 and 38.

External Audit

The Committee is responsible for overseeing the relationship with the External Auditor, including assessing audit quality, independence and objectivity, The Committee also reviews the effectiveness of the external audit process.

External Auditor

PwC was appointed as the Company's External Auditor on 13 September 2021. Prior to this, PwC Denmark had provided audit services to the Company's Danish subsidiary, Trustpilot A/S. The PwC lead audit partner is David Teager, who has held the role since 13 September 2021; David will be rotated from this role after the 2025 audit. The year ended 31 December 2021 is the first year for which David Teager will sign the auditors' report as senior statutory auditor.

→ For further information, see the Independent Auditor's Report on pages 124 to 131.

External Auditor Fees

The Committee approved the External Auditor's fees for the audit of the half and full-year financial statements and challenged PwC to consider the application of technology to improve the efficiency of the audit. The external audit fee for the 2021 financial year is £611,000.

Audit quality and effectiveness

The Committee oversees the work of the External Auditor throughout the year to ensure that the quality and rigour of the external audit process is maintained.

PwC's audit plan and strategy was considered by the Committee at its meeting in December 2021. The proposed plan outlined key components of the audit, including PwC's audit approach, materiality, scope, risk and areas of focus and timetable.

The Committee's oversight of the work of the External Auditor included:

- reviewing the external audit strategy, taking into consideration the audit approach, materiality, risk and areas of focus;
- reviewing the scope of the external audit plan;
- taking into consideration the balance of skills and experience on the audit team;
- considering the robustness of challenge on key accounting and audit judgements; and
- feedback from management on the audit process.

External auditor independence and objectivity

The Committee monitors and reviews the independence and objectivity of the External Auditor on an ongoing basis, and undertakes a formal annual review. In reviewing the independence of the External Auditor, the Committee took into consideration:

- confirmation from PwC that they had adhered to their policies and procedures to safeguard independence;
- PwC's policy prohibiting the provision of non-audit services to FTSE350 audit clients other than services closely related to the audit;
- PwC's confirmation that it followed necessary guidance and professional standards in relation to auditor independence;
- the Committee's assessment of PwC's challenge and professional scepticism;
- the absence of any threats to PwC's independence; and
- the Company's oversight of non-audit services and the level of non-audit fees paid.

Taking the above matters into consideration, the Committee concluded that PwC was objective and independent in its role as External Auditor.

Auditor assessment and reappointment

The Committee considers that it is too early to assess PwC's effectiveness until after the completion of first year-end audit. The Committee will therefore undertake its first formal review of PwC's effectiveness following the audit of the 2021 financial statements, and a summary of the findings of that review will be published in the 2022 annual report.

Overall, the Committee is satisfied with PwC's performance as External Auditor and a resolution to appoint PwC will be proposed at the Company's AGM.

The Company has complied with The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014. In line with the provisions of this order, the Company is not required to re-tender its audit provision until the full-year audit for 2030 and currently has no plans to re-tender before this time. The Committee considers this to be in the best interests of all stakeholders given PwC's detailed understanding of the Group, as well as the need to ensure consistency as the Group moves beyond its first full audit as a listed company. Notwithstanding this, the Committee will continue to keep the performance of PwC under review during this period and make recommendations accordingly.

Non-Audit Services Policy

Following the Company's IPO in March 2021, PwC reviewed the services provided to the Company and ceased prohibited non-audit services by 21 June 2021. In March 2022, the Committee formalised a policy on the provision of non-audit services by the External Auditor. The Non-Audit Services Policy reflects the FRC's revised Ethical Standard for Auditors and is in place to ensure that the provision of non-audit services does not impair the PwC's independence.

The Non-Audit Services Policy provides the following limits which provide management with the authority to appoint the External Auditor to undertake permissible services up to a certain value, pre-approved by the Audit Committee. The approval limits are set out below and are reviewed on an annual basis:

One-off fee	Cumulative annual value	Approval required
Up to £25,000	£50,000	Chief Financial Officer
£25,000 – £100,000	£150,000	Chair of the Audit Committee
Over £100,000	70% of three-year average audit fees paid	Audit Committee

PwC's fees for non-audit services provided during the year ended 31 December 2021 were £2.073m, which is approximately 288% of the 2021 audit fee of £721,000. The non-audit fees comprised:

- £1.484m for work undertaken in relation to the IPO which was one-off in nature and will not be repeated;
- £369,559 for tax advisory services procured prior to the IPO. These services were completed and disengaged within the 90 days following the IPO in line with the grandfathering provisions of the FRC ethical standard;
- £130,000 for PwC's review of the interim results; and
- £89,858 for other non-audit related services.

PwC was engaged to provide the non-audit services in each case due to its knowledge of the Group through PwC Denmark's audit of the Company's Danish subsidiary, Trustpilot A/S. The Committee is satisfied that the work was best performed by PwC and that the services provided did not give rise to threats to independence.

The work and remit of Internal Audit

The Audit Committee is responsible for reviewing and approving the role and mandate of the Group's Internal Audit function, including monitoring and reviewing the effectiveness of its work. The Committee reviews and approves the Internal Audit Plan, and monitors the work carried out under the Plan.

Role of Internal Audit

The Internal Audit function assists management, the Audit Committee and the Board in protecting the assets, reputation and sustainability of Trustpilot by providing independent and objective assurance activities relating to Trustpilot's governance, risk management and internal control processes.

In September 2021, the Audit Committee approved the Internal Audit Charter, which details how the Internal Audit function operates and the principles to which it adheres. The Charter was prepared in adherence to the Professional Standards of the Chartered Institute of Internal Auditors (IIA) and the guidelines and standards of the Financial Reporting Council.

At the same meeting, the Committee approved the Internal Audit Policy and Standard Operating Procedure, which support the Internal Audit Charter and define the purpose, authority and responsibility of the Internal Audit function.

The Head of Internal Audit is an experienced chartered accountant who reports functionally to the Audit Committee and administratively to the VP, Legal, Risk & Audit. The Head of Internal Audit attends all meetings of the Committee and presents Internal Audit papers, including the Internal Audit Plan, the results of internal audits and the status of actions resulting from those audits. The Internal Audit function has free and unrestricted access to the Committee and the Chair of the Board, and the Committee keeps the resourcing needs of the function under regular review.

Internal Audit Plan

The Internal Audit function uses an Enterprise Risk Assessment to provide a risk-based audit plan for the approval of the Committee. Engagements are selected to provide coverage across the highest-rated principal risks identified by the Enterprise Risk Assessment and to address requests from management, the Committee and the Board. The Committee reviewed and approved the Internal Audit Plan at the Committee's meeting in September 2021.

During the period under review, Internal Audit reported to the Audit Committee regarding the following engagements:

Internal Audit review	Focus and key outcomes
Strategic partnerships	Review of the process for managing new strategic partnership projects. The recommendations helped shape the frameworks for managing projects and assessing associated risk.
Matters reserved for the Board	Review of the schedule of matters reserved for the Board. The review found that the schedule was substantially in compliance with the relevant guidance and requirements.
Committee terms of reference	Review of the terms of reference of each of the Board Committees. The review found that the terms of reference were substantially in compliance with the relevant guidance and requirements.
Internal controls over financial reporting	Audit of the internal controls over financial reporting, including process-level controls, entity-level controls and IT general controls. The recommendations focused on improvements to IT controls, segregation of duties and control documentation.
Development cost capitalisation	Review of the process to measure and recognise development costs. The recommendations focused on improvements to capitalisation criteria documentation and time-tracking.
Manual review invitations	Review of the processes relating to the restriction of manual review invitations to customers and the approval of any exceptions. The recommendations focused on enforcing relevant training, improving the management of access to relevant administration tools and formalising the exception approval process.

Audit Committee report continued

The Internal Audit function's planned audits for 2022 include:

- continuing audits relating to internal controls over financial reporting, including process, entity-level and IT controls;
- a review of the security, confidentiality and availability of the Trustpilot platform, including a gap analysis against SOC2 trust services criteria and COSO principles;
- a review of the commercial lifecycle and the upstream processes that impact trust and content integrity, including vetting and due diligence, contracting and training; and
- a review of data privacy processes relating to customer and consumer data.

Internal Audit effectiveness

The Internal Audit function was formed in March 2021 and spent a proportion of 2021 establishing the Internal Audit Plan, Charter and Policy. The Audit Committee will review the effectiveness of the Internal Audit function during the first half of 2022.

Systems of risk management and internal control

The Board has overall responsibility for risk management across the Group, and is responsible for determining the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term objectives.

The Committee is responsible for keeping under review the Company's systems of risk management and internal control and provides the Board with an annual report on their effectiveness.

→ Information on the Group's principal and emerging risks and a description of how risk is identified, evaluated and managed at Trustpilot is set out on **pages 40 to 52** of the Strategic report.

The Committee receives regular updates on work undertaken by the Risk and Internal Audit functions to formalise the Group's internal controls.

A third-party consulting firm was engaged to support the Risk function with their work in building and developing the Group's internal controls over financial reporting (ICFR) including establishing a roadmap for the monitoring and oversight of these controls within the Group's governance, risk and compliance solution.

Key controls have been identified and tested in the following processes:

Annual review of the effectiveness of the systems of internal control

The Committee supports the Board in its annual review of the Company's systems of risk management and internal control. The annual assessment was performed in accordance with the FRC's Guidance on Risk Management, Internal Control and related Financial and Business Reporting. In making its recommendation to the Board that the Group's systems of risk management and internal control are effective, the Committee considered:

- the work and reporting of various management representatives providing detail and insight into specific areas of first-line risk management and internal control, including cyber security, IT and commercial;
- the work of the Group's Risk function and risk management framework, including the identification of risks, mitigation measures implemented and risk monitoring processes; and
- the work of the Group's Internal Audit function, including its report on internal controls over financial reporting; and the findings of the Group's External Auditor.

→ Further information on how the Group manages risks, including information on the key elements of the Group's systems of risk management and internal control can be found on pages 40 to 42.

Process	Covering
Purchase to pay	Vendor master data, invoice processing, payment processing, and period-end processing
Record to report	General ledger master data, accruals, period end closing and management reporting activities
Order to cash	Sales, contract management, pricing, invoice issuing, accounts receivables, and collections
Hire to retire	Recruitment, Human Resources, and payroll processes
Development costs	Strategy and delivery, and capitalisation of projects
IT general controls	IT processes supporting key IT systems including change management, access management, backup and recovery, incident management, vendor management and scheduled jobs
Entity-level controls	Processes related to control environment, risk assessment, control activities, information and communication, and monitoring activities

The Committee received updates on this work and on progress made on the ICFR in preparation for the UK Government's proposed reforms to audit and corporate governance.

Risk and compliance, speaking-up and fraud

The Committee is responsible for reviewing and approving the Company's Risk Plan and the policies, systems and controls in relation to the prevention of bribery and detection of fraud. As part of the IPO process, PwC made a number of recommendations in relation to the Financial Position and Prospects Memorandum. The Committee has reviewed progress against the actions arising from PwC's recommendations, and will continue to oversee management's work towards their completion.

In 2020, management commissioned an external third party to undertake an independent fraud risk assessment. The Risk function, working with management, undertook an exercise to determine the Group's top fraud risks, based on impact and likelihood, and developed an action plan to mitigate these risks. As a result, progress against the identified actions were presented to the Audit Committee in December 2021. The Committee was satisfied with management's plan to mitigate the top fraud risks impacting the Group, however it was determined that particular focus was needed in the areas relating to sales compliance and IT general controls during 2022.

Trustpilot has formal policies and measures in place to prevent bribery, corruption and fraud. Employees are further supported by the Group's internal Code of Ethics. In December 2021, the Committee reviewed the Group's anti-bribery and corruption measures, including the Group's Anti-Bribery Policy and Code of Ethics.

Speaking-Up

The Committee is responsible for the review of the adequacy and security of the Company's whistleblowing arrangements.

During the period, the Group's whistleblowing processes were improved by the onboarding of a confidential whistleblowing platform, which enables anonymous reporting by employees. The Group's Speaking Up Policy is supported by the platform, which provides for the reporting of whistleblowing matters, reporting legal and compliance concerns and employee misconduct.

The Committee receives regular updates on any reportable incidents, whistleblowing incidents, and reports on the awareness and use of the whistleblowing platform.

The Company's whistleblowing procedures were updated during the period and are compliant with the EU Whistleblower Directive. No significant whistleblowing incidents were reported during the period.

Data and cyber-security

The Committee received a deep-dive briefing on cyber security from the Chief Information Security Officer, including an update on the Group's main information security risk areas and the mitigations in place for each risk.

The Committee requested a regular cyber security dashboard to monitor trends and mitigating actions from 2022.

→ The Company's Anti-Bribery Policy and Code of Ethics can be found on the Company's website, **investors.trustpilot.com**

Trust and Transparency Committee Report

"The Committee has a crucial role to play in supporting the Board in the Company's vision to be a universal symbol of trust."

Carolyn Jameson
Trust and Transparency Committee Chair and Chief Trust Officer

Committee members

Carolyn Jameson (Chair)

Joe Hurd

Rachel Kentleton

Angela Seymour-Jackson

Tim Weller

I am pleased to present this report on the work of the Trust and Transparency Committee for the period from Admission in March 2021 to 31 December 2021. The Committee has met twice in the period.

The Committee's role is to assist the Board in the Company's mission to be the most trusted and most used reviews platform in the world. The Committee is responsible for establishing the policies and procedures to embed trust and transparency into the Group's operations, and to maintain the integrity of its products and services.

The Committee has supported management in developing the Trust and Transparency function and increasing its focus on customer service and quality assurance. In February 2022, the Committee undertook a deep-dive on how the Company manages complaints about reviews, and the detection and handling of fake and misleading reviews.

The Board approved the Consumer Trust Strategy in 2021, and progress against the objectives of the Strategy is reported to the Committee and in the Chief Trust Officer's reports to the Board.

Management made significant progress against the key objectives of the Strategy during 2021, particularly in the detection of fake and misleading reviews, and the Committee will continue to review progress during 2022.

The Committee has undertaken an evaluation process to assess its effectiveness and to identify areas of focus for 2022.

Additional information on the Company's work in relation to trust and transparency can be found on pages 21 and 22 of the Strategic report.

I hope that you find this report helpful in understanding the work of the Committee, and I welcome any feedback from shareholders in relation to the Committee and its activities.

Carolyn Jameson
Chair of the Trust and Transparency Committee

22 March 2022

Committee key duties

The key responsibilities of the Committee include oversight of the following:

- Policies, procedures and working practices to embed trust and transparency across the Group
- Legislative and regulatory requirements related to digital content and governance, content integrity and safety, privacy and security
- Consumer and customer cases to consider if the decisions taken align to the Company's purpose, values and policies
- Publication of the Annual Transparency Report

→ The Committee's terms of reference can be found on the Company's website, **investors.trustpilot.com**

Areas of focus for 2022

- trust and transparency initiatives;
- deep-dive on consumer cases, including reviewing decisions made and outcomes; and
- reviewing the Committee's terms of reference and remit.

Composition of the Committee

The Committee comprises Carolyn Jameson (Chair of the Committee) and four Non-Executive Directors: Tim Weller, Joe Hurd, Rachel Kentleton and Angela Seymour-Jackson. Joe Hurd joined the Board and the Committee on 1 June 2021. The Deputy Company Secretary is Secretary to the Committee.

→ Biographies of the Trust and Transparency Committee members can be found on **pages 74 to 77.**

Management and other senior leaders in the Group are invited to attend the Committee to present on specific areas of interest for the Committee. The following individuals were invited to the Committee during 2021 to present on their areas of expertise:

- Chief Executive Officer
- VP Legal, Content Integrity & Privacy | Data Protection Officer
- VP, Legal and Platform Integrity
- Senior Director, Content Integrity
- Head of Policy and Public Affairs
- Director of Communications
- Senior Legal Counsel, Platform Integrity

Meetings

The Committee meets routinely twice per year, with additional meetings held to discuss matters arising during the year. Details of attendance at the Committee's meetings during 2021 can be found on page 77. The Chair reports any key matters discussed at meetings of the Committee to the Board.

An agenda is prepared in advance of each meeting and is reviewed by the Chair of the Committee.

Committee evaluation

The Committee undertook an internally-led evaluation which gathered feedback from Committee members and those regularly attending the Committee's meetings. The evaluation concluded that the Committee was performing well.

Priorities and activities during the period

The Committee's main activities for the period ended 31 December 2021 are summarised below.

Policies, procedures and working practices to embed trust and transparency across the Group

One of the key areas of focus for the Committee has been overseeing management's progress in reducing the number of fake or misleading reviews on the platform. The Committee has overseen management's efforts to increase automated review collection methods whereby consumers receive an automatic, rather than a manually triggered, invitation to submit a review.

The Committee has also encouraged management in its use of technology to detect and remove fake and misleading reviews, and has seen good progress in this area. Management reports to the Committee on progress made on initiatives to improve the integrity of the platform, including consumer alerts, investigations and actions taken, including terminations and legal action. Updates on litigations and disputes are provided to the Committee and in the Chief Trust Officer's reports to the Board.

During the period, the Committee received an update from the External Communications function which provided an analysis of sentiment, including feedback on how the 2021 Transparency Report was received by the market.

→ Further information on how we protect the integrity of our platform can be found on **pages 21 and 22** of the Strategic report.

Legislative and regulatory requirements related to digital content and governance, content integrity and safety, privacy and security

The Committee received updates from management on key regulatory and legislative developments in relation to data privacy and technology, and considered the management's planning and readiness for the upcoming changes. The Committee receives updates from management on its engagement with regulators, industry bodies and other stakeholders in relation to content integrity and other consumer facing digital areas, including the UK Online Safety Bill and the Digital Services Act.

Management provides the Committee with updates on key privacy matters, including updates on the wider privacy landscape, processes and procedures in place to prevent data breaches and updates on any regulatory contact.

Consumer and customer cases to consider if decisions taken align to the Company's purpose, values and policies

The Committee receives reports on key content integrity data and trends, including the number of flagged reviews, reasons for flagged reviews and the time taken to respond to customers and consumers. The Committee discussed the reports with management, including key trends and the processes and procedures in place to address any concerns. Management reported to the Committee on key initiatives to improve customer and consumer experience and its focus for 2022.

Annual Transparency Report

The Committee is responsible for the publication of the Company's annual Transparency Report. The Transparency Report provides insight into the actions that the Company is taking to protect and promote trust online. The Committee received updates on the preparation of the Transparency Report, including key trends and data for comparison to the prior year. The Committee reviewed the Transparency Report ahead of its publication.

Directors' remuneration report

"The overarching objective of Trustpilot's Directors' remuneration policy is to promote the long-term success of the Group"

Angela Seymour-Jackson
Remuneration Committee Chair

Committee members

Angela Seymour-Jackson

Claire Davenport

Rachel Kentleton

Annual statement from the Chair of the Remuneration Committee

As the Chair of the Remuneration Committee, I am pleased to present, on behalf of the Board, our first Directors' remuneration report since Admission on 26 March 2021.

In line with the UK reporting regulations, this Directors' remuneration report is split into three sections:

- this annual statement, which summarises the work of the Committee and our approach to remuneration;
- the Directors' remuneration policy for the Company, which provides details of Trustpilot's approach to Directors' remuneration and the parameters within which we will implement our pay arrangements going forward, and how this links to our strategy; and
- the annual report on remuneration, which sets out the remuneration arrangements and incentive outcomes for the year under review, and how the Committee intends to implement the new Directors' remuneration policy in 2022.

As 2022 will be the first full financial year since our IPO, there will be two remuneration-related resolutions at the 25 May 2022 AGM: (i) a binding vote on the Directors' remuneration policy; and (ii) an advisory vote on both this annual statement and the annual report on remuneration.

The work of the Remuneration Committee and our Directors' remuneration policy

The year ended 31 December 2021 was a transformational year for Trustpilot and one which saw the Company complete a successful IPO on the London Stock Exchange. In anticipation of the IPO, a comprehensive review was undertaken of the existing senior executive remuneration structure, including consideration of how best to transition to a post-IPO remuneration model.

In designing Trustpilot's post-IPO Directors' remuneration policy, and in planning for its implementation, we have been careful to consider principles of good governance and have taken account of the provisions of the UK Corporate Governance Code. The Code will continue to be a key touchstone for the Committee going forward. We have also considered the views of institutional shareholders and the guidance of the major shareholder representative bodies.

The overarching objective of Trustpilot's Directors' remuneration policy is to promote the long-term success of the Group. This objective is underpinned by the following guiding principles, which we used to inform the design of the policy:

– arrangements should be clear, simple and aligned with the interests of shareholders and other stakeholders;
– a significant proportion of the package should be linked to performance and the KPIs of the Group;
– remuneration should be competitive but not excessive and should be sufficient to recruit, retain and motivate individuals of the requisite calibre to deliver long-term success; and
– the arrangements should support Trustpilot's culture and values.

A significant proportion of our workforce has share interests acquired through our broadly-based share plans:

– our warrants program, under which market-value warrants held prior to the IPO in the Company's subsidiary, Trustpilot A/S, were replaced by warrants in the Company as part of the IPO Restructuring ("Warrant Program"); and
– our Restricted Share Plan ("RSP") and Long-Term Incentive Plan ("LTIP"), each established at the time of our IPO.

Peter Mühlmann (our CEO) also holds shares in the Company and both Executive Directors hold share interests through the Warrant Program and LTIP (see page 116 for details).

Taking account of these principles and considerations, the proposed Directors' remuneration policy provides a simple and transparent structure comprising salary, modest benefits, pension and, subject to stretching performance conditions, an annual cash bonus and the LTIP. Incentive pay is subject to withholding and recovery provisions, and part of any annual bonus payment for Executive Directors is deferred into shares for a period of time. A post-vesting holding period operates for the LTIP, and significant in-employment and post-cessation share ownership guidelines also apply. These features enhance the alignment of interests between our Executive Directors and shareholders, and contribute to an appropriate level of risk mitigation.

Remuneration in FY21

While the Company was in private ownership, senior executive packages included the following elements: fixed pay comprising a base salary, modest benefits and pension contributions, and a performance-related cash bonus based on targets set at the start of the year and participation in our pre-IPO Warrant Program.

The metrics for the 2021 annual bonus plan operated without amendment for the full year, including the period pre-IPO. The bonus was based both on our main annual recurring revenue ("ARR") metric (50% weighting) and key customer KPIs (active consumers; active domains – 20% weighting each) and our TrustScore measure (10% weighting).

Our year-on-year performance showed positive progress on each of these measures, and accordingly resulted in an annual bonus pay-out of 45.7% of the maximum bonus opportunity for the year. In line with our policy, 25% of bonus outcomes (net of tax) for Executive Directors is required to be deferred in shares for two years. The Committee considered that this was an appropriate outcome having considered the Company's overall performance during the year.

In 2021, we made our first annual awards under our LTIP. The awards to the Executive Directors (as detailed on page 115) were made over shares worth 200% of salary at the time of award. The performance metrics for these LTIP awards were balanced between relative TSR measured vs FTSE 250 constituents (excluding investment trusts) (55% weighting), growth in 3-year ARR (25% weighting) and our TrustScore measure over three years (20% weighting).

Implementation of the Directors' remuneration policy in FY22

Our intention is to continue to operate our Directors' remuneration policy in 2022 in a way that is closely aligned with how our policy was applied in 2021.

The current salaries of the CEO and CFO are DKK 4,159,778 and USD 458,350, respectively. The salaries were set at the time of the IPO and have been increased by 3%, with effect from 1 January 2022, in line with salary increases awarded to the wider workforce.

The maximum annual bonus opportunity for Executive Directors in 2022 will be unchanged at 125% of salary, with payment subject to the achievement of challenging targets based again on ARR, key customer KPIs and our TrustScore measure.

The Executive Directors will also receive further annual awards under the LTIP in 2022 on a similar basis to the awards made in 2021.

As a Committee, each year we intend to undertake a thorough examination of whether our policy as currently structured best supports the long-term development of the business. The forward trajectory for our business at Trustpilot remains dynamic, and if it becomes appropriate in due course to propose changes to remuneration structures to better support the growth being driven by our leadership team, the Committee will do so. However, we would only seek to make any changes in the future which we believe are measured and appropriate, and which align to our wider culture.

Conclusion

We remain committed to a responsible approach to executive pay, as I trust this Directors' remuneration report demonstrates. The Committee recognises the importance of developing a close relationship with shareholders in facilitating its work in developing our pay arrangements. I am happy to meet or speak with shareholders if there are any questions or feedback on our approach to executive remuneration or this report. I will be attending the AGM on 25 May 2022 and would welcome your questions – and you can also contact me through our Company Secretary, Carolyn Jameson.

I look forward to receiving your support at the 2022 AGM.

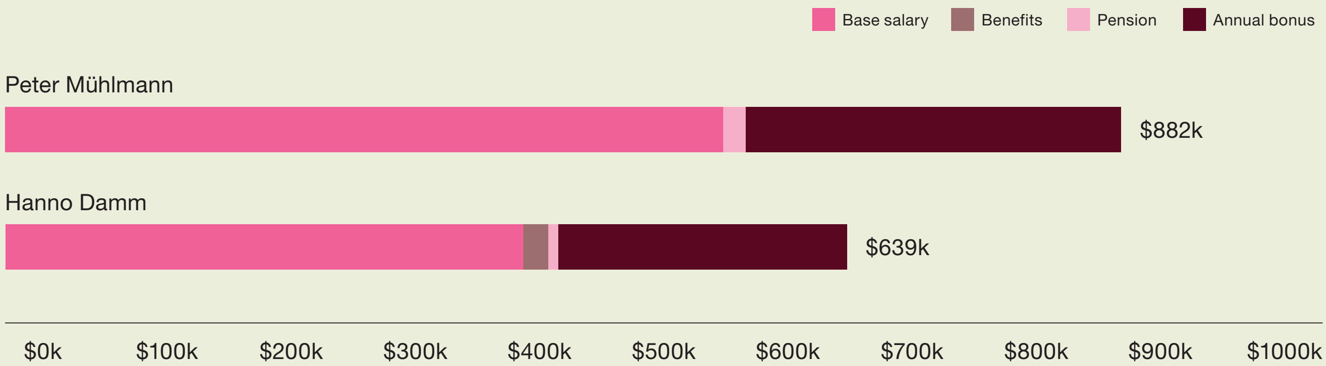
Angela Seymour-Jackson
Chair of the Remuneration Committee

22 March 2022

Directors' remuneration report continued

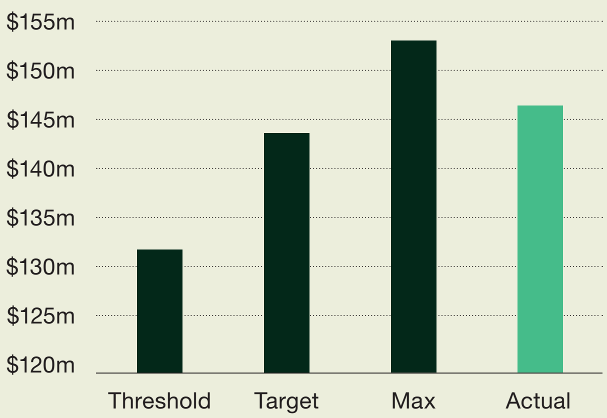
At a glance

Summary of Executive Directors' remuneration in FY21

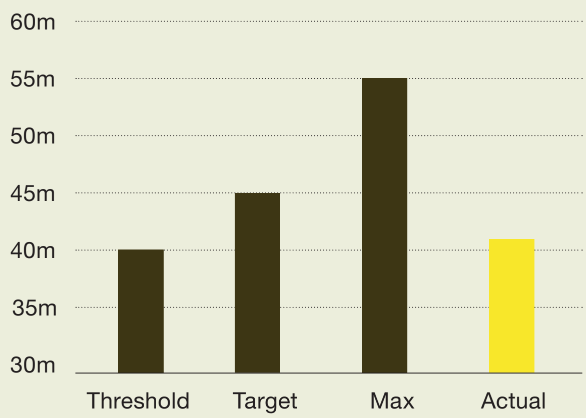


Summary of FY21 annual bonus results

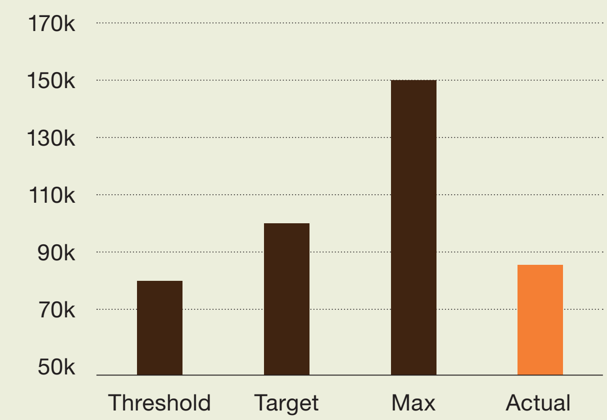
ARR (50% weighting)



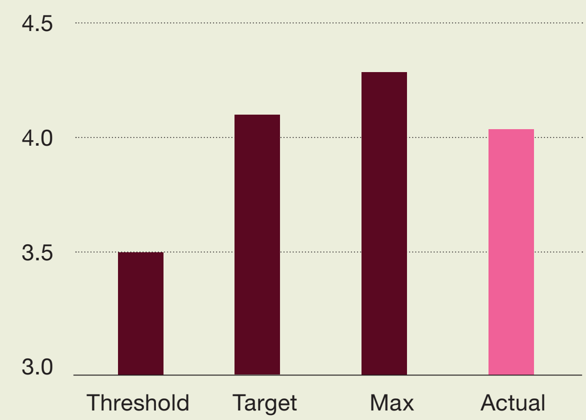
Active consumers (20% weighting)



Active domains (20% weighting)



TrustScore (10% weighting)



Our pay principles

Promotion of the long-term success of the Group

Clear and simple | Aligned with the interests of shareholders and other stakeholders |
Performance related and linked to our KPIs | Competitive but not excessive | Aligned with our culture and values

Implementation of our Directors' remuneration policy in 2022

Fixed pay	Salary	– CEO – DKK 4,159,778 – CFO – USD 458,350
	Pension	– CEO – 3% of salary – CFO – 3% of salary
	Benefits	– Entitlement to private medical insurance, life insurance, and income protection insurance, depending upon location
Annual bonus	Maximum	– CEO – 125% of salary per annum – CFO – 125% of salary per annum
	Performance measures	– ARR (50% weighting); key customer KPIs (active consumers; active domains – 20% weighting each) and TrustScore measure (10% weighting)
	Operation	– 25% (net of tax) deferred into shares for two years – Recovery and withholding provisions operate
Long-Term Incentive Plan	Award level	– CEO – 200% of salary per annum – CFO – 200% of salary per annum
	Performance measures	– Relative TSR (55% weighting); growth in ARR (25% weighting); TrustScore measure (20% weighting)
	Operation	– Performance measured over three years – For Executive Directors, a two-year additional holding period applies to shares acquired pursuant to vested awards (net of shares equal to any tax liability and nominal cost of acquisition) – Recovery and withholding provisions operate
Share ownership guidelines	In-employment guideline	– 200% of salary
	Post-cessation guideline	– 200% of salary to be held for two years post-employment

Directors' remuneration report continued

Directors' remuneration policy

This part of the Directors' remuneration report sets out the Directors' remuneration policy for the Company, which will be put to a binding shareholder vote at the AGM on 25 May 2022 and take formal effect from that date, subject to shareholder approval. The policy will formally apply for three years beginning on the date of approval unless a new policy is presented to shareholders in the interim. Following approval, all payments to Directors will be consistent with the approved policy.

Considerations when determining the Directors' remuneration policy

The overarching objective of the Directors' remuneration policy is to promote the long-term success of the Group. In seeking to achieve this objective, the Remuneration Committee has taken account of the following guiding principles:

- remuneration packages should be clear and simple;
- arrangements should be closely aligned with the interests of shareholders and other key stakeholders;
- remuneration should align with, and support, our values and our culture;
- a significant proportion of remuneration should be based on performance-related components, with potential rewards subject to the achievement of challenging performance targets based on measures linked to the Group's KPIs and to the best interests of stakeholders; and
- salaries and the overall level of potential remuneration should be competitive but not excessive when compared with other companies of a similar size, scale and geographical reach, and should be sufficient to recruit, retain and motivate individuals of the requisite calibre to deliver long-term success.

In designing our policy for the period from IPO, and in planning for its implementation, the UK Corporate Governance Code was a key touchstone and the Remuneration Committee has been careful to take full account of the remuneration-related provisions in our design considerations. With regard to how we have sought to comply with the six factors outlined in Provision 40 of the Code for example, we believe the following are worth noting in particular:

- Clarity – Our remuneration framework is structured to support financial delivery and the achievement of strategic objectives, aligning the interests of Executive Directors with those of our shareholders. Our proposed policy is transparent and has been well communicated to our senior executive team. It will be clearly articulated to our shareholders and representative bodies (both on an ongoing basis and during consultation if any changes are considered necessary).
- Simplicity – Our remuneration framework has been designed to be straightforward to communicate and operate.
- Risk – Our incentives have been structured to ensure that they are aligned with the Board's system of risk management and risk appetite. Inappropriate risk-taking is discouraged and mitigated through, for example:
  - (i) the operation of arrangements that provide an appropriate balance of fixed pay to performance-related incentive pay and through multiple performance measures based on a blend of financial and non-financial targets;
  - (ii) the deferral of a proportion of annual bonus into shares and the operation of a post-vesting holding period for the LTIP;
  - (iii) the operation of significant in-employment and post-employment shareholding guidelines; and
  - (iv) the inclusion of robust recovery and withholding provisions.
- Predictability – Our incentive plans are subject to individual caps, with our share plans also subject to market standard dilution limits. The Committee has full discretion to alter the pay-out level or vesting outcome, to ensure payments are appropriately aligned with the underlying performance of the Company.
- Proportionality – Ensuring Executive Directors are not rewarded for failure underscores our approach to remuneration (e.g. through the extent to which we link the Executive Directors' arrangements to building and maintaining meaningful levels of shareholding; through the link between the measures we set for our incentive arrangements and the KPIs of the Company; through our ability and openness to the use of discretion to ensure appropriate outcomes; and through the structure of our Executive Directors' contracts). There is a clear link between individual awards, delivery of strategy and our long-term performance. As mentioned above, formulaic incentive outcomes are reviewed by the Committee and may be adjusted having consideration to overall Group performance and wider workforce remuneration policies and practices.
- Alignment to culture – Our Directors' remuneration policy is aligned to Trustpilot's culture and values. Specifically, the annual bonus and LTIP currently include performance measures based on Trustpilot's own TrustScore, which supports our focus on living our values – including to act 'Always with Integrity' and be 'Positively Human'. The Committee strives to build a sustainable performance culture at the management level that can cascade down throughout the Company. The Board sets the framework of KPIs against which we monitor the performance of the Company, and the Committee links the performance metrics of our incentive arrangements to those KPIs. We are also keen to foster a culture of share ownership throughout the Company and operate broad participation share arrangements in pursuit of this objective.

Consideration of shareholders' views

The Committee is committed to an ongoing dialogue with shareholders and welcomes feedback on Directors' remuneration. The Committee will seek to engage appropriately with major shareholders and their representative bodies on changes to the policy. The Committee will also consider shareholder feedback received in relation to the remuneration-related resolutions each year following the AGM. This, plus any additional feedback received from time to time (including any updates to shareholders' remuneration guidelines), will then be considered as part of the Committee's annual review of remuneration policy and its implementation.

The Committee also actively monitors developments in the expectations of institutional investors and considers good practice guidelines from institutional shareholders and shareholder bodies.

Consideration of employment conditions elsewhere in the Group

The Committee closely monitors the pay and conditions of the wider workforce, and the design of the Directors' remuneration policy is informed by the policy for employees across the Group. The Chair of the Committee is appointed as the Company's designated Workforce Engagement Director pursuant to the UK Corporate Governance Code, and the Committee receives periodic updates on remuneration arrangements, work culture and employment conditions across the Group from the Chief People Officer. While during the year employees were not directly consulted on the design of the Directors' remuneration policy (including how executive remuneration aligns with wider company pay policy), engagement with all employees on workplace conditions, such as remuneration and job satisfaction, is sought through broad-based internal surveys that are run at least quarterly through a dedicated third-party analytics and benchmarking tool. Workforce engagement sessions between Non-Executive Directors of the Board (including the members of the Remuneration Committee) and selected groups of employees of varying seniority were run during 2021 and beyond, together with regular all-staff sessions held with management. These measures enable management and the Board to understand the views of employees on a variety of subjects and, where requested, to clarify how executive pay aligns to and supports our overall strategy and aligns to remuneration policy for the wider workforce.

Differences in pay policy for Executive Directors in comparison to employees more generally

The overall approach to reward for employees across the workforce is a key reference point when setting the remuneration of the Executive Directors. As for the Executive Directors, general practice across the Group is to recruit employees at competitive market levels of remuneration, incentives and benefits to attract and retain employees, accounting for national and regional talent pools. When reviewing the salaries of the Executive Directors, the Committee pays close attention to pay and employment conditions across the wider workforce, and in normal circumstances any increases in salaries for Executive Directors will be no higher than the average increase for the general workforce. As is the case for our current CEO and CFO, the pension contributions for future Executive Directors will be aligned to those for employees in the locations where the individuals are based. All permanent and certain other employees are eligible to participate in the annual business-wide bonus plan for delivering exceptional performance, and the corporate measures used for that bonus are the same as those that apply to the Executive Directors.

A culture of share ownership exists across the Group and 66% of employees at 31 December 2021 held interests in the Warrant Program, RSP, LTIP and/or shares.

The key difference between the remuneration of Executive Directors and that of our other employees is that, overall, at senior levels, remuneration is increasingly long term, and 'at risk' with an emphasis on performance-related pay linked to business performance and share-based remuneration. This ensures that remuneration at senior levels will increase or decrease in line with business performance and provides alignment between the interests of Executive Directors and shareholders. In particular, performance-based long-term incentives are provided only to the most senior executives as they are reserved for those considered to have the greatest potential to influence overall levels of performance.

Directors’ remuneration report continued

Policy table for Executive Directors

The table below sets out the main components of the proposed Directors’ remuneration policy, together with further information on how these aspects of remuneration operate, subject to approval by shareholders at the 2022 AGM. The Remuneration Committee has discretion to amend remuneration to the extent described in the table and the written sections that follow it.

Component	Purpose and link to strategy	Operation	Maximum opportunity	Performance measures
Base salary	To provide competitive fixed remuneration. To attract and retain Executives of a high calibre.	Salaries are usually reviewed annually. Salaries are typically set after considering: – pay and conditions elsewhere in the Group; – overall Group performance; – individual performance and experience; – progression within the role; and – competitive salary levels in companies of a broadly similar size, scale and complexity.	While there is no prescribed maximum salary or maximum increase, increases will normally be in line with the typical range of salary increases awarded (in percentage of salary terms) to the wider workforce. Larger salary increases may be awarded to take account of individual circumstances, such as: – where an Executive Director has been promoted or has had a change in scope or responsibility; – where the Committee has set the salary of a new hire at a discount to the market level initially, a series of planned increases can be implemented over the following few years to bring the salary to the appropriate market position, subject to individual performance; or – where the Committee considers it appropriate to adjust salaries to reflect the continuing development of the Company. This may be appropriate as the Company develops after IPO but would normally only be considered: (i) where adjustments would be made on a phased basis; and (ii) after appropriate consultation with leading shareholders. Increases may be implemented over such time period as the Committee deems appropriate.	Although there are no formal performance conditions, any increase in base salary is only implemented after careful consideration of individual contribution and performance and having due regard to the factors set out in the Operation column of this table.
Benefits	To provide competitive fixed remuneration. To attract and retain Executives of a high calibre.	Executive Directors are entitled to benefits including medical and life insurance and income protection insurance, depending on location. Executive Directors will be eligible for any other benefits which are introduced for the wider workforce on broadly similar terms, and other benefits might be provided from time to time based on individual circumstances and if the Committee decides payment of such benefits is appropriate. For external and internal appointments or relocations, the Company may pay certain relocation and/or incidental expenses as appropriate (for up to two years from recruitment). Any reasonable business-related expenses can be reimbursed (and any tax thereon met if determined to be a taxable benefit). Executive Directors will also be provided with the opportunity to participate in any all-employee share plan arrangements on the same basis as other employees, should such arrangements be established in the future.	As it is not possible to calculate in advance the cost of all benefits, a maximum is not pre-determined. The maximum level of participation in any future all-employee share plans will be the same limits as are set for all colleagues.	Not applicable.

Component	Purpose and link to strategy	Operation	Maximum opportunity	Performance measures
Pension	To provide employees with long-term savings to allow for retirement planning.	The Group may offer participation in a pension plan for the jurisdiction in which they are based or may permit Executive Directors to take a cash supplement in lieu of pension up to the same value.	The maximum pension contribution or cash allowance in lieu of pension is limited to the contribution level available to colleagues in the jurisdiction in which the Executive Director is based (in percentage of salary terms). The current CEO and CFO are both entitled to contributions of 3% of salary (with CFO pension further capped at US 401k limits).	Not applicable.
Annual bonus	Rewards achievement of annual financial and business targets aligned with the KPIs of the Group. Bonus deferral encourages long-term shareholding and shareholder alignment.	Awards are based on performance typically measured over one year. Any payment is discretionary and pay-out levels are determined by the Committee after the year end based on performance against pre-set targets. Bonus outcomes are normally paid in cash, although 25% of any bonus outcomes (net of tax) must be deferred into shares for a two-year period. Deferral operates by Executive Directors purchasing shares with the after-tax value of 25% of bonus outcomes, and those shares remaining subject to a two year holding restriction. This structure is used to take account of local tax treatments in the countries where the Executive Directors are based. Malus and clawback provisions apply to annual bonus.	Maximum annual bonus opportunity is 180% of base salary p.a. for the period of this Directors' remuneration policy. The current maximum annual bonus opportunity for Executive Directors in operation in respect of financial year 2022 is 125% of base salary p.a.	Targets are set annually with measures linked to the Group's strategy and aligned with key financial, strategic and/or individual targets. The performance measures applied may be financial or non financial, corporate, divisional or individual, and in such proportions as the Remuneration Committee considers appropriate. For 2022, the measures are ARR (50% weighting), key customer KPIs (active consumers; active domains – 20% weighting each) and TrustScore measure (10% weighting). The Remuneration Committee would expect to consult with its major shareholders if it proposed changing materially the current performance measures applied for the annual bonus (or the relative weightings between such measures) in subsequent financial years. A graduated scale of targets is set for each measure, with no pay-out for performance below a threshold level of performance. Amounts ranging from nil to up to 25% may be available at threshold. The Committee has discretion to amend the vesting level should any formulaic outcome not reflect the Committee's assessment of overall business performance, including consideration of shareholder experience.

Directors' remuneration report continued

Policy table for Executive Directors continued

Component	Purpose and link to strategy	Operation	Maximum opportunity	Performance measures
Long-Term Incentive Plan ('LTIP')	To incentivise Executive Directors, and to deliver genuine long-term performance-related pay, with a clear line of sight for Executives and direct alignment with shareholders' interests.	Awards will be in the form of nominal-cost conditional shares or share options, or other such form as has the same economic effect. Awards will be granted with vesting dependent on the achievement of performance conditions set by the Committee, with performance normally measured over at least a three-year performance period. Shares acquired pursuant to the vesting of awards (net of shares equal to any tax liability and nominal cost of acquisition) will be subject to a two-year holding period following the end of the performance period. To the extent awards vest, they may accrue the benefit of dividends or dividend equivalents during the vesting period. Malus and clawback provisions apply to LTIP awards.	The maximum LTIP award is 300% of salary in respect of a financial year. The current annual award level for Executive Directors in operation is 200% of salary in respect of a financial year. The number of shares for awards will be calculated using a three-month average price for the Company's shares preceding the relevant award date (unless the Committee considers this inappropriate for any reason).	LTIP performance measures may include, but are not limited to, financial, TSR, strategic and ESG-related objectives. For 2022, the measures are relative TSR (55% weighting), ARR growth (25% weighting) and TrustScore measure (20% weighting). The Committee retains discretion to set alternative measures and weightings for awards over the life of the Directors' remuneration policy. Targets are set and assessed by the Committee in its discretion. A maximum of 25% of any element vests for achieving the threshold performance target and 100% for maximum performance. The Committee has discretion to amend the vesting level should any formulaic outcome not reflect the Committee's assessment of overall business performance, including consideration of shareholder experience.
Non-Executive Directors' fees	To attract high-calibre individuals and to appropriately reflect knowledge, skills and experience.	Fees are normally reviewed annually taking into account factors such as the time commitment and contribution of the role and market levels in companies of comparable size and complexity. The Chair of the Board is paid an all-inclusive fee for all Board responsibilities. Fees for the other Non-Executive Directors may include a basic fee and additional fees for further responsibilities (for example, chairing of Board committees or holding the office of Senior Independent Director). The Company repays any reasonable expenses that a Non-Executive Director incurs in carrying out their duties as a Director, including travel, hospitality-related and other modest benefits and any tax liabilities thereon, if appropriate. In exceptional circumstances, if there is a temporary yet material increase in the time commitments for Non-Executive Directors, the board may pay extra fees on a pro rata basis to recognise the additional workload. Non-Executive Directors cannot participate in any new awards under the Group's incentive arrangements from IPO.	No prescribed maximum fee or maximum fee increase. Increases will be informed by taking into account internal benchmarks, such as the salary increase for the general workforce, and will have due regard to the factors set out in the 'Operation' column of this table.	Not applicable.

Explanation of performance measures chosen

Performance measures for the annual bonus are selected annually to align with the KPIs and prevailing strategic imperatives of the Group, and the interests of shareholders and other stakeholders.

Financial measures (e.g. ARR) will normally be used for a substantial element of the bonus with any remainder based on key strategic and/or personal objectives designed to ensure that Executive Directors are incentivised to deliver across a range of objectives. 'Target' performance is typically set in line with the business plan for the year, with threshold to stretch targets set around this based on a sliding scale which takes account of relevant commercial factors. Only modest rewards are available for delivering threshold performance levels, with rewards at stretch requiring material outperformance of the business plan. Details of the specific measures used for the annual bonus in 2022 are set out in the policy table above and in the annual report on remuneration.

Performance measures for the LTIP are selected in order to provide a robust and transparent basis on which to measure the Group's performance, to demonstrably link remuneration outcomes to delivery of the business strategy over the longer term, and to provide strong alignment between senior management and shareholders. In achievement of these aims, LTIP awards granted in 2022 will be based on relative TSR (measured vs FTSE 250 constituents (excluding investment trusts)), growth in ARR, and our TrustScore measure. However, the Directors' remuneration policy provides for Committee discretion to alter the LTIP measures and weightings to ensure they can continue to facilitate an appropriate measurement of performance over the life of the policy, taking account of any evolution in the Group's strategic ambitions.

When setting performance targets for the bonus and LTIP, the Committee will take into account a number of different reference points, which may include the Group's business plans and strategy, external forecasts and the wider economic environment.

Flexibility, discretion and judgement

The Committee operates the annual bonus and LTIP according to the rules of each respective plan which, consistent with market practice, include discretion in a number of respects in relation to the operation of each plan.
Discretions include:

- who participates in the plan, the quantum of an award and/or payment and the timing of awards and/or payments;
- determining the extent of vesting;
- treatment of awards and/or payments on a change of control or restructuring of the Group;
- whether an Executive Director or a senior manager is a good/bad leaver for incentive plan purposes and whether the proportion of awards that vest do so at the time of leaving or at the normal vesting date(s);
- how and whether an award may be adjusted in certain circumstances (e.g. for a rights issue, a corporate restructuring or for special dividends);
- what the weighting, measures and targets should be for the annual bonus plan and LTIP awards from year to year;
- the Committee also retains the ability, within the Directors' remuneration policy, if events occur that cause it to determine that the conditions set in relation to an annual bonus plan or a granted LTIP award are no longer appropriate or unable to fulfil their original intended purpose, to adjust targets and/or set different measures or weightings for the applicable annual bonus plan and LTIP awards. Any such changes would be explained in the subsequent Directors' remuneration report and, if appropriate, be the subject of consultation with the Company's major shareholders; and
- the ability to override formulaic outcomes in line with the Directors' remuneration policy.

All assessments of performance are ultimately subject to the Committee's judgement. Any discretion exercised, and the rationale, will be disclosed in the annual remuneration report.

Malus and Clawback

Both the annual bonus plan and the LTIP include provisions which enable the Committee to recover or withhold value from these incentive plans in the event of certain defined circumstances (i.e. a material misstatement of the Company's financial results, an error of calculation (including on account of inaccurate or misleading information) or in the event of serious misconduct, serious reputational damage or corporate failure).

Legacy arrangements

For the avoidance of doubt, in approving this Directors' remuneration policy, authority is given to the Company to honour any previous commitments entered into with current or former Directors (such as the payment of a pension or the unwinding of legacy share schemes or historic share awards granted before the approval of this policy) that remain outstanding.

Shareholding guidelines

In order to further align the Executive Directors' long-term interests with those of shareholders, the Group operates share ownership guidelines. The guidelines provide that the Executive Directors are required to build up and maintain (as relevant) a level of shareholding in the Group equivalent in value to 200% of base salary. This guideline will apply while in the role and for a period of two years post cessation of employment.

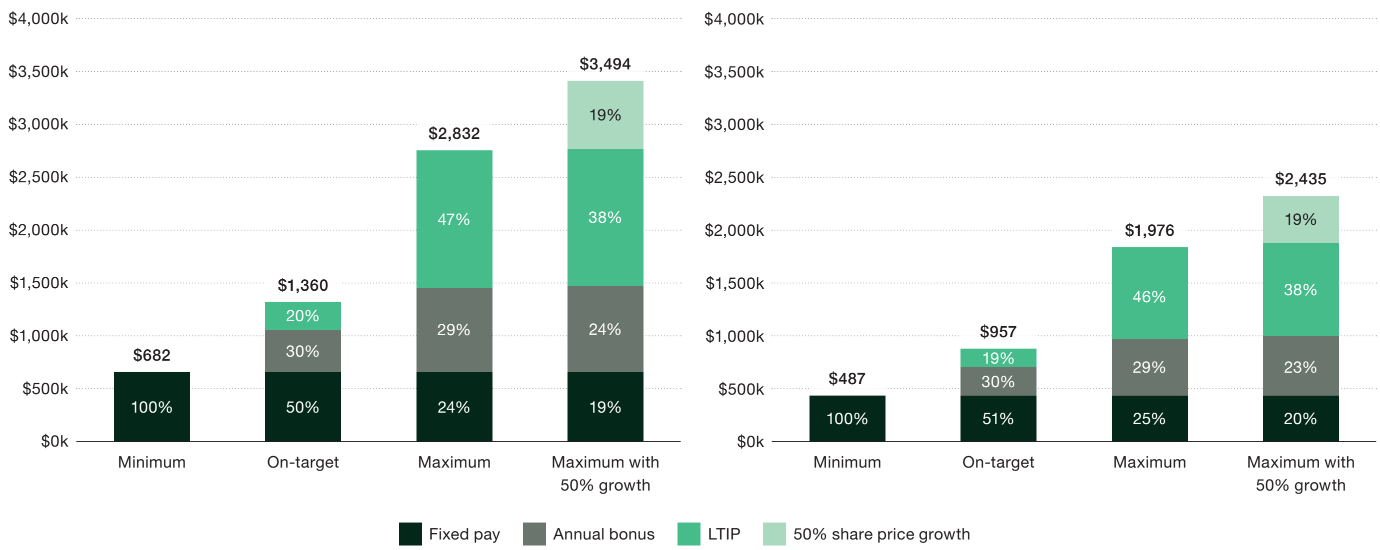
Directors’ remuneration report continued

Illustrations of application of the Directors’ remuneration policy

The charts below set out for the CEO and CFO an illustration of the application of the Directors’ remuneration policy set out above. The chart shows the split of remuneration between fixed pay and annual bonus and LTIP on the basis of minimum remuneration, remuneration receivable for performance in line with the Group’s expectations, maximum remuneration (not allowing for any share price appreciation) and maximum remuneration (assuming 50% share price growth).

Peter Mühlmann Chief Executive Officer

Hanno Damm Chief Financial Officer



In illustrating the potential reward, the following assumptions have been made:

	Fixed pay	Annual bonus (including any amount deferred)[1]	LTIP (annual award level)[2]
Minimum performance	Fixed elements of remuneration only – base salary (being the salary effective from IPO in 2021, estimate of benefits payable for 2022 and pension contributions of 3% of salary for the CEO and CFO (with CFO pension further capped at US 401k limits)).	No annual bonus award.	No vesting.
Performance in line with expectations		62.5% of salary awarded for achieving target performance.	20% of maximum award vesting (equivalent to 40% of salary) for achieving target performance.
Maximum performance		125% of salary awarded for achieving maximum performance.	100% of maximum award vesting (equivalent to 200% of salary) for achieving maximum performance.
Maximum performance plus 50% share price growth			100% of maximum award vesting (equivalent to 200% of salary) for achieving maximum performance, plus hypothetical share price growth of 50%.

1 Annual bonus includes amounts deferred into shares.

2 LTIP is measured at face value, i.e. no assumption for dividends or share price growth (other than in the fourth scenario).

Recruitment remuneration

The Directors' remuneration policy aims to facilitate the appointment of individuals of sufficient calibre to lead the business, to execute the Group's strategy effectively and to promote the long-term success of the Group for the benefit of shareholders and other stakeholders. When appointing a new Executive Director, the Committee seeks to ensure that arrangements are in the best interests of the Group and not to pay more than is appropriate.

The Committee will take into consideration a number of relevant factors, which may include the calibre and experience of the individual, the candidate's existing remuneration package, and the specific circumstances of the individual, including the jurisdiction from which the candidate was recruited.

When hiring a new Executive Director, the Committee will typically align the remuneration package with the above policy. The Committee may include other elements of pay which it considers are appropriate; however, this discretion is capped and is subject to the principles and the limits referred to below.

- New Executive Directors will be offered a basic salary which is appropriate and necessary to secure the candidate, taking into consideration a number of factors, including external market forces, the expertise, experience and calibre of the individual and their current level of pay. Where the Committee has set the salary of a new appointment at a discount to the market level initially until established in the role, they may receive an uplift or a series of planned increases to bring the salary to the appropriate market position over time.
- For external and internal appointments, the Committee may agree that the Company will meet appropriate relocation and/or incidental expenses as appropriate (for up to two years from recruitment).
- Annual bonus awards, LTIP awards and pension contributions would not be in excess of the levels stated in the policy table above.
- Depending on the timing of the appointment, the Committee may deem it appropriate to set different annual bonus performance conditions for the first performance year of appointment. An LTIP award can be made following an appointment (assuming the Company is not in a closed period).
- Where a position is filled internally, any ongoing remuneration obligations or outstanding variable pay elements shall be allowed to continue according to the original terms, adjusted as relevant to take into account the appointment.
- In addition, the Committee may offer additional cash and/or share-based buyout awards when it considers these to be in the best interests of the Company (and therefore shareholders) to take account of remuneration given up at the individual's former employer. This includes the use of buyout awards made under rule 9.4.2 of the Listing Rules and/or buyout awards made under the RSP (which is otherwise closed to Executive Directors). Such awards would represent a reasonable estimate of the value foregone and would reflect, as far as possible, the delivery mechanism, time horizons and whether performance requirements are attached to the remuneration elements considered in formulating the buyout. Shareholders will be informed of any such payments at the time of appointment and/or in the next published annual report. However, for the avoidance of doubt, the value of buy-out awards is not capped.
- For the appointment of a new Chair of the Board or Non-Executive Director, the fee arrangements would be set in accordance with the approved Directors' remuneration policy.

Service contracts and letters of appointment

The Company's policy is that Executive Directors should normally be employed under rolling service contracts with notice periods of either 12 months (from each party) or 6 months (from each party).

All Non-Executive Directors have letters of appointment for an initial term of three years which may be terminated earlier by the giving of three months' notice by either party. Chair of the Board and Non-Executive Director appointments are subject to Board approval and re-election by shareholders at each annual general meeting. Mohammed Anjarwala and Ben Johnson are appointed to the Board as shareholder-appointed Directors for Sunley House Capital and Vitruvian Partners, respectively.

Copies of Executive Directors' service contracts and Non-Executive Directors' letters of appointment are available for inspection at the Company's registered office during normal hours of business and at the 2022 AGM.

Directors’ remuneration report continued

Payments for loss of office

The principles on which the determination of payments for loss of office will be approached are set out below:

	Policy
Payment in lieu of notice	The contracts of Executive Directors can be terminated with immediate effect with or without cause by making a payment in lieu of notice of salary and benefits, including pension contributions, private medical insurance and life assurance (or a payment equivalent to the cost of such benefits), but excluding any bonus. For the CEO, if payment in lieu of notice is paid in instalments, such payments will be subject to the principles of mitigation. There are no obligations to make payments beyond those disclosed elsewhere in this report.
Annual bonus	Normally, no annual bonus will be paid to an Executive Director who has either left the business or is under notice at the time of bonus payment. However, for a “good leaver”, some bonus may be payable at the discretion of the Committee on an individual basis dependent on a number of factors, including the circumstances of the individual’s departure and their contribution to the business during the annual bonus period in question. Any annual bonus award amounts paid will normally be pro-rated for time in service during the annual bonus period and will, subject to performance, be paid at the usual time (although the Committee retains discretion to pay the annual bonus award earlier in appropriate circumstances). Any bonus earned for the year of departure and, if relevant, for the prior year may be paid wholly in cash at the discretion of the Committee. On a change of control, annual bonuses will either continue for the full year or a pro-rata bonus may be paid out to the time of completion.
LTIP	The extent to which any unvested award will vest will be determined in accordance with the rules of the LTIP. Any outstanding awards will ordinarily lapse, however in ‘good leaver’ cases the default treatment is that awards will vest subject to the original performance condition and time proration and the holding period will normally continue to apply. For added flexibility, the LTIP rules allow for the Committee to decide not to pro-rate (or pro-rate to a different extent) if it decides it is appropriate to do so, and to allow vesting to be triggered at the point of leaving by reference to performance to that date, rather than waiting until the end of the performance period if the Committee so decides. On a change of control, any vesting of awards will be subject to assessment of performance against the performance conditions and will normally be pro-rated.
Mitigation	The Remuneration Committee strongly endorses the principle of mitigating any loss on early termination and will seek to reduce the amount payable on termination where it is possible and appropriate to do so. The Committee will also take care to ensure that, while meeting its contractual obligations, poor performance is not rewarded.
Buy-out awards	Where a buy-out award is made, then the leaver provisions would be determined at the time of the award.
Other payments	The Group may pay outplacement and professional legal fees incurred by Executives in finalising their termination arrangements, where considered appropriate, and may pay any statutory entitlements or settle compromise claims in connection with a termination of employment, where considered in the best interests of the Company.

Where the Committee retains discretion it will be used to provide flexibility in certain situations, taking into account the particular circumstances of the Director’s departure and performance.

External appointments

The Company recognises that its Executive Directors may be invited to become non-executive directors of other companies and that such external appointments can broaden their experience and knowledge to the potential benefit of Trustpilot. Subject to approval by the Board, Executive Directors are allowed to accept non-executive appointments, provided that these appointments are not likely to lead to conflicts of interest. The Committee will consider its approach to the treatment of any fees received by Executive Directors in respect of external non-executive roles as they arise.

Annual report on remuneration

Role and composition of the Remuneration Committee

The Board is ultimately accountable for executive remuneration and delegates this responsibility to the Remuneration Committee. The Committee is responsible for developing and implementing a remuneration policy that supports the Group's strategy and for determining the Executive Directors' individual packages and terms of service together with those of the other members of senior management (including the Company Secretary). When setting the remuneration terms for Executive Directors, the Committee reviews and has regard to workforce remuneration and related policies, and takes close account of the remuneration-related provisions of the UK Corporate Governance Code, including the requirements relating to clarity, simplicity, risk mitigation, predictability, proportionality and alignment to culture.

The Committee is formally constituted and operates on written terms of reference, which are available on the Company's website at investors.trustpilot.com.

The Committee currently comprises Angela Seymour-Jackson (Chair), Rachel Kentleton and Claire Davenport, who were members throughout the period between the IPO and 31 December 2021. Details of attendance at meetings during the period following Admission are set out on page 77.

Attendance at meetings is also extended by invitation of the Committee to the Chair of the Board, CEO, CFO, Chief People Officer and the Company Secretary, as required, who are consulted on matters discussed by the Committee, unless those matters relate to their own remuneration. The Deputy Company Secretary acts as secretary to the Committee. Advice or information is also sought directly from other employees where the Committee feels that such additional contributions will assist the decision-making process.

The Committee is authorised to take such internal and external advice as it considers appropriate in connection with carrying out its duties, including the appointment of its own external remuneration advisors. During the year, the Committee was assisted in its work by FIT Remuneration Consultants LLP. FIT was appointed in September 2019 following a tender process and has provided advice in relation to general remuneration matters and the design of the Directors' remuneration policy. Fees paid to FIT in relation to advice provided to the Committee during the year to 31 December 2021 and following the IPO were £105,741 (excluding VAT), charged on a time/cost basis. FIT did not provide any other services to the Company. FIT is a member of the Remuneration Consultants Group and, as such, voluntarily operates under the code of conduct in relation to executive remuneration consulting in the UK. The Committee is satisfied that the advice they received from FIT was objective and independent.

The Committee considered the following main items during the period between the IPO and 31 December 2021:

- preparation of the Directors' remuneration policy for approval by shareholders at the 2022 AGM;
- review and approval of the remuneration packages for our current Executive Directors and Executive Committee members;
- setting of annual bonus and long-term incentive plan targets for 2022;
- monitoring of external market practice and developments in the governance expectations of institutional shareholders and shareholder representative bodies; and
- determining the bonus outcomes under the FY21 bonus plan.

The information that follows has been audited (where indicated) by the Company's auditors, PricewaterhouseCoopers LLP.

Directors' remuneration report continued

Single total figure of remuneration for each Director (audited)

The table below reports the total remuneration receivable by those Directors who performed qualifying services during the period from incorporation of the Company on 8 February 2021 to 31 December 2021. No prior year comparison has been provided as the Company was not in existence at that time.

	Base salary/Fees $000	Benefits[1] $000	Annual bonus[2] $000	Long-term incentives[3] $000	Pension[4] $000	Total $000	Total fixed $000	Total variable $000
Executive Directors								
Peter Mühlmann	555	0	310	–	17	882	572	310
Hanno Damm	393	19	219	–	8	639	420	219
Non-Executive Directors								
Tim Weller	226	–	–	–	–	226	226	–
Angela Seymour-Jackson	86	–	–	–	–	86	86	–
Claire Davenport	76	–	–	–	–	76	76	–
Rachel Kentleton	88	–	–	–	–	88	88	–
Joe Hurd	52	–	–	–	–	52	52	–
Mohammed Anjarwala[5]	–	–	–	–	–	–	–	–
Ben Johnson[5]	–	–	–	–	–	–	–	–
Total	1,476	19	529	–	25	2,049	1,520	529

1 Non-salary benefits included the provision of a company-paid telephone and, for Hanno Damm, life and health insurances.

2 The annual bonus pay-out was based on an outcome of 45.7% of the maximum bonus opportunity. Further details on how this pay-out was determined are set out below.

3 No long-term incentives were capable of vesting for performance ending in the period. Tim Weller, Peter Mühlmann, Hanno Damm and Angela Seymour-Jackson were each granted warrants in Trustpilot A/S in February 2021. Details of all awards under the Warrant Program are more fully described on page 116. As the February 2021 awards were market-value warrants, the warrants had no intrinsic value at the time of award which needs to be recognised in the single total figure table.

4 The amount of employer contribution based on a fixed percentage of base salary.

5 Mohammed Anjarwala and Benjamin Johnson are shareholder-appointed Directors and do not receive any fee in respect of their appointment as Non-Executive Directors.

Annual bonus for the year ending 31 December 2021 (audited)

For FY21, Executive Directors were eligible for an annual discretionary cash bonus, whereby performance objectives were established at the beginning of the financial period by reference to suitably challenging corporate goals over the 12-month period. These comprised targets based on a mix of financial and strategic non-financial performance measures. The performance-related outcomes were as follows:

Metric	Weighting (% of max bonus)	Threshold (25% of max)	Target (50% of max)	Max	Actual Performance	Pay-out (% of max)[2]	Outcome (% of weighting for this metric)
ARR (USD m)	50%	131	144	153	145.6[1]	58.8%	29.4%
Active consumers (m)	20%	40	45	55	40.5	27.4%	5.5%
Active domains ('000)	20%	80	100	150	84.4	30.5%	6.1%
TrustScore	10%	3.50	4.10	4.30	4.03	47.5%	4.7%
Total							45.7%

1 For the purposes of measuring the ARR metric and to maintain consistency, the exchange rates used in setting the target were used in measuring the actual performance against that target. Accordingly, the ARR figure reported here differs from ARR reported elsewhere in this annual report.

2 During the year, the maximum bonus opportunity increased from 100% to 125% of salary from the point of IPO. The aggregate annual bonus payout for the Executive Directors shown in the single total figure of remuneration table represents c.56% of their aggregate salaries for the period from incorporation of the Company on 8 February 2021 to 31 December 2021.

LTIP awards with performance periods ending in the year (audited)

There were no long-term incentive awards capable of vesting in relation to performance during the year.

LTIP awards granted in the year (audited)

Executive	Date of grant	Type of award[1]	Face value of award	Number of shares[2]	End of performance period
Peter Mühlmann	31 March 2021	Nominal-cost conditional awards	GBP 935,981 (200% of salary)	353,200	March 2024[3]
Hanno Damm	31 March 2021	Nominal-cost conditional awards	GBP 647,179 (200% of salary)	244,218	March 2024[3]

1 The exercise price of awards granted during the year is GBP 0.01 per share.

2 The number of shares under award was determined using the IPO offer price of GBP 2.65 and rounded down to the nearest whole share.

3 The TSR metric is measured over three years from the date of Admission; the ARR growth and TrustScore metrics are measured over a period of three financial years ending 31 December 2023.

These awards vest based on performance against the following targets. Vesting between threshold and maximum is on a straight-line basis.

Performance measure	Relative TSR	ARR	TrustScore
Basis of measurement	TSR relative to FTSE 250 constituents (excluding investment trusts)	Compound annual growth rate ("CAGR")	Average TrustScore
Threshold (25% vesting)	Median	20%	3.5
Maximum	Upper quartile	30%	4.2

Payments for loss of office and to past Directors (audited)

No such payments were made during the year.

Directors' remuneration report continued

Statement of Directors' shareholding and share interests (audited)

The following table shows the interests of Directors and their connected persons in the Company's ordinary shares as at 31 December 2021.

	Number of shares owned outright (including connected persons)	Unvested LTIP awards subject to performance conditions	Vested warrants, not subject to performance conditions	Unvested warrants, not subject to performance conditions	Shareholding as a % of salary at 31 December 2021[2]	Shareholding guideline as a % of salary	Shareholding guideline met?
Peter Mühlmann	8,624,460[1]	353,200	3,329,820	5,866,458	7,454%	200%	Yes
Hanno Damm	–	244,218	2,671,656	2,953,002	1,194%	200%	Yes
Tim Weller	2,795,364	–	582,426	539,760	N/A	N/A	N/A
Angela Seymour-Jackson	2,980	–	351,000	195,000	N/A	N/A	N/A
Claire Davenport	–	–	–	–	N/A	N/A	N/A
Rachel Kentleton	13,593	–	–	–	N/A	N/A	N/A
Joe Hurd	–	–	–	–	N/A	N/A	N/A
Mohammed Anjarwala[3]	–	–	–	–	N/A	N/A	N/A
Ben Johnson[4]	–	–	–	–	N/A	N/A	N/A

1 Comprising 4,480,632 shares held personally by the CEO and 4,143,828 shares held through a holding company wholly owned by him.

2 Comprising the value of shares owned outright and vested warrants as at 31 December 2021, calculated by multiplying the number of each by the closing share price on 31 December 2021 and, in the case of the vested warrants, deducting the aggregate warrant exercise price (being £635,395 for Peter Mühlmann and £716,252 for Hanno Damm) and the maximum tax and social security liabilities that would have been incurred if the vested warrants had been exercised.

3 Mohammed Anjarwala is a shareholder-appointed Director for Sunley House Capital, which beneficially held 21,593,421 shares in the Company as at 31 December 2021.

4 Ben Johnson is a shareholder-appointed Director for Vitruvian Partners, which beneficially held 37,544,546 shares in the Company as at 31 December 2021.

There have been no changes to the interests shown in the table above between 31 December 2021 and the date of signing of these financial statements and reports, other than time-based vesting of warrants in accordance with their terms as follows:

- Peter Mühlmann – an additional 146,250 warrants have vested;
- Hanno Damm – an additional 82,836 warrants have vested;
- Tim Weller – an additional 116,142 warrants have vested; and
- Angela Seymour-Jackson – an additional 97,500 warrants have vested.

Legacy share schemes

As set out in the Prospectus, the Executive Directors, the Chair and the Senior Independent Director and various employees participated in a reasonably typical warrants program during the period prior to Admission, in which warrants were granted at market value by the Company's subsidiary, Trustpilot A/S (the former parent company of the Trustpilot group prior to the IPO). These arrangements are not part of the post-IPO Directors' remuneration policy. The warrants granted were subject to vesting periods dependent on continued employment with vesting schedules over periods of typically four years from the relevant award date.

On 26 March 2021, immediately prior to Admission, all warrants held in Trustpilot A/S were replaced by warrants in the Company as part of the IPO Restructuring (together with an exchange of the shares in Trustpilot A/S for shares in the Company). The terms of the Warrant Program of the Company preserve the same substantive elements and economic drivers as the replaced warrants in Trustpilot A/S, including vesting dates. Vesting was not accelerated as part of the IPO.

Director	Warrants held at 8 Feb 2021[1]	Warrants granted in the year[1, 2]	Warrants exercised in the year[1]	Total warrants at 31 Dec 2021[1]	Vested warrants at 31 Dec 2021[1]	Unvested warrants at 31 Dec 2021[1]
Tim Weller	2,808,000	234,000	1,919,814[3]	1,122,186	582,426	539,760
Peter Mühlmann	8,456,058	975,000	234,780[4]	9,196,278	3,329,820	5,866,458
Hanno Damm	7,547,670	487,500	2,410,512[5]	5,624,658	2,671,656	2,953,002
Angela Seymour-Jackson	390,000	156,000	0	546,000	351,000	195,000

1 On 26 March 2021, warrants in Trustpilot A/S were replaced by warrants in the Company in the ratio 1:78. In order to provide a consistent basis of calculation of warrant interests since the Company's incorporation on 8 February 2021, the table reflects both warrants in Trustpilot A/S and the Company, and the numbers of warrants granted, held and exercised in Trustpilot A/S prior to 26 March 2021 have been multiplied by 78 accordingly.

2 Comprises warrants in Trustpilot A/S that were granted on 22 February 2021.

3 Comprises 20,780 warrants that were exercised on 3 March 2021 at an aggregate exercise price of DKK 2,035,505, and 3,833 warrants that were exercised on 12 March 2021 at an aggregate exercise price of DKK 1,113,448. The resulting 24,613 shares in Trustpilot A/S were exchanged for 1,919,814 shares in the Company on 26 March 2021 and were not sold in the IPO.

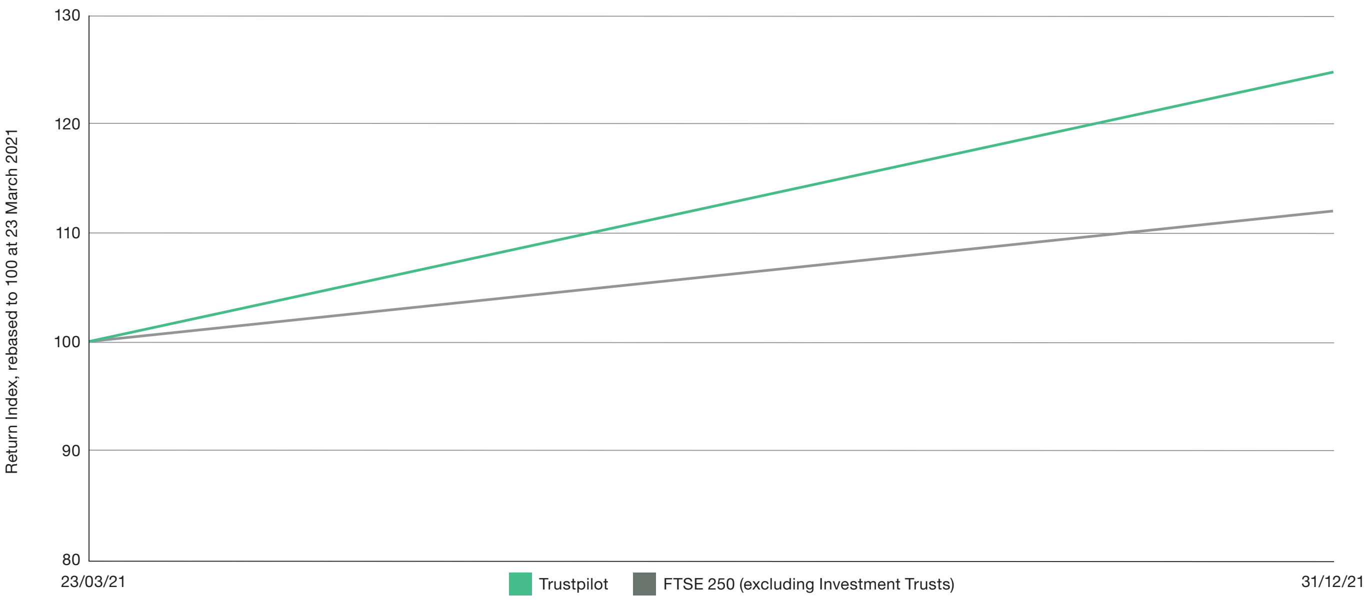
4 Comprises 3,010 warrants in Trustpilot A/S that were exercised on 12 March 2021 at an aggregate exercise price of DKK 606,726. The resulting 3,010 shares in Trustpilot A/S were exchanged for 234,780 shares in the Company on 26 March 2021 and were not sold in the IPO.

5 Comprises 2,410,512 warrants in the Company that were exercised on 26 March 2021. The resulting 2,410,512 shares in the Company were immediately sold in the IPO at the offer price of £2.65 per share, resulting in sale proceeds of £5.8m (after deduction of the aggregate warrant exercise price of £587,040, but before fees, taxes and social security contributions).

Total shareholder return performance graph

The graph below shows the value at 31 December 2021 of £100 invested in the Company on 23 March 2021 (i.e. the date of conditional trading on the London Stock Exchange) compared to the value of £100 invested in the FTSE 250 Index (excluding investment trusts), making the assumption that dividends are reinvested to purchase additional equity.

The FTSE 250 Index (excluding investment trusts) has been selected as a comparator due to the Company being a constituent. This allows comparison of the Company's performance against the performance of the Index as a whole.



CEO's remuneration

The total remuneration figure for the CEO in 2021 is shown in the table below, along with the value of bonuses paid, and LTIP vesting, as a percentage of the maximum opportunity. This table will build up to show ten years' worth of data over time.

Year	CEO	CEO single figure of total remuneration $000	Annual bonus pay-out % of maximum	LTIP vesting % of maximum
2021	Peter Mühlmann	882	45.7%	N/A

Total remuneration is the figure for the period from incorporation of the Company on 8 February 2021 to 31 December 2021, as shown in the single total figure of remuneration table; and no LTIP awards were eligible to vest during the period.

Percentage change in remuneration of Directors in comparison to other employees

As this is the first period reported since listing it is not possible to provide meaningful year-on-year comparative data. However, full disclosure of the movements will be provided in future remuneration reports.

Directors' remuneration report continued

Relative importance of spend on pay

As this is the first period reported since listing there is no disclosure relating to the percentage change in dividend distributions between 2020 and 2021. However, full disclosure of the year-on-year movement will be provided in future remuneration reports.

CEO to employee pay ratio

During 2021, the average number of UK employees of the Company was not more than 250 and accordingly the Company is not required to provide CEO to employee pay ratio information. If in future years the Company meets the qualifying condition then this information will be produced.

Executive Directors' service contracts

The table below summarises key details in respect of the Executive Directors' contracts:

	Date of joining Trustpilot Group	Date of service contract relating to the Company	Notice period (from either party)
Peter Mühlmann	1 April 2007	23 March 2021	12 months
Hanno Damm	1 January 2016	23 March 2021	6 months

Non-Executive Directors' letters of appointment

The table below summarises key details in respect of the Non-Executive Directors' letters of appointment:

	Date of joining Trustpilot Group	Date of appointment to the Board of the Company	Notice period (from either party)
Tim Weller	1 February 2013	23 February 2021	3 months
Angela Seymour-Jackson	1 March 2019	23 February 2021	3 months
Claire Davenport	23 February 2021	23 February 2021	3 months
Rachel Kentleton	23 February 2021	23 February 2021	3 months
Joe Hurd	1 June 2021	1 June 2021	3 months
Mohammed Anjarwala[1]	4 March 2019	23 February 2021	3 months
Ben Johnson[1]	20 May 2015	23 February 2021	3 months

1 Mohammed Anjarwala and Benjamin Johnson are shareholder-appointed Directors. The relevant shareholder may direct that the Company remove its appointed director within 10 business days.

External appointments

Neither Peter Mühlmann nor Hanno Damm are currently appointed as a Non-Executive Director of any company outside the Group other than entities to which they are connected and for which they receive no remuneration.

Implementation of Directors' remuneration policy for 2022

Basic salary

The Committee reviews the Executive Directors' base salaries on an annual basis. Salaries were set at IPO and have been increased by 3% for 2022. Base salaries effective from 1 January 2022 are set out below.

	Base salary from Admission (annual rate)	Base salary 2022	Increase
Peter Mühlmann	DKK 4,038,619	DKK 4,159,778	3%
Hanno Damm	USD 445,000	USD 458,350	3%

Benefits and pension

No changes are proposed to the provision of pension and benefits for 2022. Executive Directors will continue to be entitled to receive benefits that include private medical and life insurance, and will continue to receive pension contributions equal to 3% of salary for the CEO and CFO (with CFO pension further capped at US 401k limits), in line with the Directors' remuneration policy.

Annual bonus

The maximum opportunity under the annual bonus plan will be 125% of base salary for both Executive Directors. 25% of the total bonus payment (net of tax) must be used to acquire shares in the Company which are required to be held for two years.

Bonuses will be based on ARR (50% weighting); key customer KPIs (active consumers; active domains – 20% weighting each) and TrustScore measure (10% weighting). The Committee has chosen not to disclose, in advance, the detailed performance targets for the forthcoming year as these include matters which the Committee considers commercially sensitive. Retrospective disclosure of the performance against the targets will be made in next year's annual report on remuneration to the extent the targets are not considered to be commercially sensitive at that time.

LTIP

Similar to the approach in 2021, it is intended to make LTIP awards in 2022 to the Executive Directors over shares worth 200% of salary at the time of award. The performance metrics for these LTIP awards will again be balanced between relative TSR measured vs FTSE 250 constituents (excluding investment trusts) (55% weighting), growth in 3-year ARR (25% weighting) and our TrustScore measure over three years (20% weighting).

The awards will vest based on performance against the following targets:

Performance measure	Relative TSR	ARR	TrustScore
Basis of measurement	TSR relative to FTSE 250 constituents (excluding investment trusts)	Compound annual growth rate ("CAGR")	Average TrustScore
Threshold	Median (25% vesting)	20% (25% vesting)	3.5 (0% vesting)
Maximum	Upper quartile	30%	4.2

The TSR metric will be measured over three years from the relevant date of award; the ARR growth and TrustScore metrics will be measured over a period of three financial years ending 31 December 2024. The TSR and ARR growth metrics will vest on a straight-line basis between the threshold and maximum targets; and the TrustScore target will be stepped between 3.5 and 3.75 (at which level 50% of the metric can vest), and thereafter it will be measured on a straight-line basis up to the maximum.

The number of ordinary shares in the Company over which the LTIP awards are granted will be based on the average of the closing middle market quotations during the three-month period preceding the relevant date of award (unless the Committee considers this inappropriate for any reason).

Non-Executive Directors' fees

Non-Executive Directors' fees for 2022 remain unchanged since Admission, and are as follows:

	£000
Chair	£200
Base fee[1]	£65
Senior Independent Director fee[2]	£10
Audit Committee chair fee	£10
Remuneration Committee chair fee	£10
Trust and Transparency Committee chair fee[3]	£10

1 Mohammed Anjarwala and Benjamin Johnson are shareholder-appointed Directors and do not receive any fee in respect of their appointment as Non-Executive Directors.

2 Angela Seymour-Jackson will receive £75,000 in aggregate.

3 The fee does not apply to the current chair of the Trust and Transparency Committee, Carolyn Jameson, who is not a Director of the Company.

On behalf of the Board

Angela Seymour-Jackson
Chair of the Remuneration Committee

22 March 2022

Directors' report

The Directors' report for Trustpilot Group plc for the period ended 31 December 2021 is set out on pages 120 to 122. The following additional information is incorporated by reference into this report, including information required in accordance with the Companies Act 2006 and rule 9.8.4R of the Listing Rules. The Governance report comprising pages 70 to 123 is incorporated by reference and should be read as part of this report.

Disclosures required under Listing Rule 9.8.4R

Section	Information required	Page
1	Capitalised interest	n/a
2	Unaudited financial information	137 – prior period comparatives
4	Long-term incentive schemes	100 to 119
5 – 11	Miscellaneous	n/a
12 and 13	Waiver of dividends	n/a
14	Agreements with controlling shareholders	n/a

Information required in accordance with the Companies Act 2006

Information	Page reference
Results and financial position for the period to 31 December 2021	Financial review pages 34 to 38
Principal risks and uncertainties	Risk management pages 42 to 52
Engagement with employees	People and culture pages 54 to 60, 66, 80 and 105
Engagement with suppliers, customers and others	Trust and transparency in action pages 21 and 22 Sustainability pages 53 to 64 Our stakeholders page 66 Board and stakeholder engagement pages 79 to 81
Financial risk management	Financial statements – Note 23 Financial risk management pages 165 to 166
Going concern	Financial review pages 37 and 38
Greenhouse gas emissions	Environment pages 61 and 62
Likely future developments	Chief executive's review pages 14 to 19
Post-balance sheet events	n/a
Research and development	Financial statements, note 2.6 on page 140 and note 12 on pages 156 and 157
Sustainability	Sustainability pages 53 to 64

Directors

Appointment and replacement of Directors

Information on the Directors of the Company can be found on pages 74 to 76. Each of the Directors will offer themselves for election at the Company's AGM. The process for the appointment and replacement of Directors is determined by the Company's Articles of Association, the 2018 UK Corporate Governance Code, the Companies Act 2006 and related legislation.

Directors' service contracts and remuneration

Details of the Directors' service contracts and remuneration can be found in the Directors' Remuneration Report on pages 100 to 119.

Directors' interests

Details of the Directors' interests in the shares of the Company can be found on pages 116 and 117 of the Directors' remuneration report.

Directors' indemnities and insurance

The Company has granted an indemnity to each of its Directors, to the extent permitted under the Companies Act 2006, in respect of liabilities arising out of, or in connection with, their positions with the Group. These indemnities were in force throughout the tenure of each Director and remain in force as at the date of this report. The Company maintains directors' and officers' liability insurance for the Directors and the Company Secretary.

Powers of the Directors

The powers of the Directors are determined by Company's articles of association, the Companies Act 2006 and relevant UK legislation. The Directors manage the day-to-day business of the Group and may exercise all the powers of the Company provided that the articles of association or relevant legislation do not require that any powers must be exercised by the members.

Employees

Information on employees and employee engagement can be found on pages 54 to 60 and 66 of the Strategic report and information on the Board's engagement with employees can be found on page 80 and 105 of the Governance report. We are focused on ensuring equal opportunities for all as well as identifying where inequity exists. This means working with our employees to understand any challenges faced, as well as building more awareness of the different lived experiences of people. This allows Trustpilot as a business to understand where more attention and action is needed to ensure every person who works with us, as well as those who want to work with us have equal opportunities across all elements of the employee and recruitment lifecycle. This is continuous learning and we are early in our journey but we have made good progress in recent years. Additional information on diversity, equity and inclusion at Trustpilot can be found on pages 54 and 55.

When recruiting for roles, Trustpilot welcomes applications from all individuals, regardless of age, disability, gender identity, marital status, race, ethnicity, faith or belief, sexual orientation, socio-economic background, veteran status, or whether you're pregnant or on family leave. For applications made by a person with disabilities, we will make reasonable adjustments to their environment where possible dependent on their needs.

We are also responsive to the needs of our employees. As such, should any employee have a disability or become disabled during their time with us, we will make reasonable adjustments to their environment where possible, supporting them to continue their role effectively.

Dividends

The Company has not paid a dividend for the financial year ended 31 December 2021 and does not recommend the payment of a final dividend. As set out in the Prospectus, the Company intends to retain any earnings to finance the growth and development of its business. The Company may revisit its dividend policy in the future.

Political donations

No political donations were made during 2021.

Change of control

The Group's USD 30m revolving credit facility with Silicon Valley Bank is the one significant agreement which contains provisions under which, in the event of a change of control of the Company, the Company may be required to repay all outstanding amounts borrowed. All of the Company's share plans contain provisions relating to a change of control. Further information is set out in the Directors' remuneration policy.

Articles of association

The Company's articles of association govern how the internal affairs of the Company are run and cover matters including the issue and transfer of shares, the conduct of Board and shareholder meetings and the removal and appointment of Directors. The articles of association may only be amended by special resolution at a general meeting of the shareholders. Copies of the Company's articles of association are available on request and can be found on the Company's website, investors.trustpilot.com

Share capital

The Company has one class of shares in issue which is divided into ordinary shares of £0.01 each ("Shares"). Each Share carries the right to one vote at a general meeting of the Company. As at 22 March 2022, the Company's issued ordinary share capital consisted of 413,922,648 Shares of £0.01 each.

Allotments of Shares

The Company issued 25,663,734 Shares during the period from Admission to 31 December 2021 (inclusive) to satisfy obligations in relation to the Company's share plans and a further 175,292 Shares during the period from 1 January 2022 to 22 March 2022.

Further information on the Company's share capital can be found in note 22 to the Financial statements on page 164.

Rights attaching to Shares

Subject to the Company's articles of association, the Companies Act and other shareholders' rights, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine or, if the Company has not so determined, as the Directors may determine. The rights and obligations attaching to the Company's Shares are set out in the articles of association which are available on the Company's website, investors.trustpilot.com.

Restriction on the transfer of Shares

There are no restrictions on the transfer of Shares in the Company, which is governed by the articles of association and legislation. The articles of association set out the circumstances under which the Directors may refuse to register a transfer of a Share. The Company is not aware of any agreements between shareholders that might result in restrictions on the transfer of Shares or that may result in restrictions on voting rights.

Purchase of own Shares

At a general meeting of the Company held on 22 March 2021, the sole shareholder passed a special resolution in accordance with the Companies Act 2006 to authorise the Company to make market purchases to a maximum of 40,920,477 Shares, representing 10% of the company's issued ordinary share capital immediately following Admission. The Company has not made use of this authority and it will expire at the AGM on 25 May 2022. A resolution to renew this authority will be proposed at this AGM.

AGM

The 2022 AGM will be held at 2.00 p.m. on 25 May 2022 at 5th Floor, The Minster Building, 21 Mincing Lane, London EC3R 7AG and will be broadcast live to enable shareholders to join the meeting online. Further information on the AGM can be found in the notice of meeting which has been circulated to shareholders and is available online at investors.trustpilot.com

Directors' report continued

Auditor

The external auditor of the Company is PwC. PwC has confirmed that it is willing to continue in office and, on the recommendation of the Audit Committee, a resolution for the appointment of PwC as auditor of the Company will be proposed to shareholders at the 2022 AGM. Further information can be found in the Audit Committee report on pages 90 to 97.

Disclosure of information to the auditor

In accordance with section 418 of the Companies Act 2006, the Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Subsidiaries and branches

The Group does not have any overseas branches. A list of the Group's subsidiaries can be found in note 30 on page on page 171.

Additional information

The Company is a public limited company incorporated on 8 February 2021 under the laws of England and Wales. The Company is registered in England and Wales under the name Trustpilot Group plc with company number 13184807.

Disclosure required under Listing Rule 9.8.4R

As at 31 December 2021, the Company had been notified of the following information, in accordance with Rule 5 of the FCA's Disclosure Guidance and Transparency Rules, from holders of notifiable interests in the Company's issued share capital.

Shareholder	Number of Ordinary Shares	% voting rights held
Vitruvian Partners LLP	37,544,546	9.13
SEED Capital Denmark II K/S	30,952,739	7.56
Draper Esprit plc	25,204,514	6.13
Index Venture Associates VI Limited	23,965,241	5.83
Sunley House Capital Master Limited Partnership	21,593,421	5.25
The London & Amsterdam Trust Company Limited	16,900,000	4.11

In the period from 31 December 2021 to 22 March 2022, the Company received three notifications from BlackRock, Inc., the most recent notification disclosing a holding of 21,228,701 voting rights (5.12%) and one notification from Liontrust Investment Partners LLP, disclosing a holding of 22,239,765 voting rights (5.16%).

The Directors' report was approved by the Board and signed on its behalf by

Carolyn Jameson

Company Secretary

22 March 2022

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual report & accounts 2021 and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 102, have been followed for the Parent Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Parent Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Parent Company and enable them to ensure that the financial statements and the Directors' remuneration report comply with the Companies Act 2006.

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

Directors' confirmations

The Directors consider that the Annual report & accounts 2021, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and Parent Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the Governance section confirm that, to the best of their knowledge:

- the Group financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and loss of the Group;
- the Parent Company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 102, give a true and fair view of the assets, liabilities and financial position of the Parent Company; and
- the Strategic report includes a fair review of the development and performance of the business and the position of the Group and Parent Company, together with a description of the principal risks and uncertainties that it faces.

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's and Parent Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Group's and Parent Company's auditors are aware of that information.

By order of the Board

Peter Mühlmann
Chief Executive Officer

Hanno Damm
Chief Financial Officer

22 March 2022

Independent auditors' report to the members of Trustpilot Group plc

Report on the audit of the Group financial statements

Opinion

In our opinion, Trustpilot Group plc's Group financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 December 2021 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report & accounts (the "Annual Report"), which comprise: Consolidated balance sheet as at 31 December 2021; Consolidated statement of profit or loss, Consolidated statement of comprehensive income, Consolidated statement of changes in equity and Consolidated cash flow statement for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 7 to the Consolidated financial statements 'Operating loss', we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

Our audit approach

Context

Trustpilot Group plc was admitted to the Official List of the UK Listing Authority and was admitted to trading on the Main Market of the London Stock Exchange on 26 March 2021.

This is the Group's first Annual Report since admission. The parent entity Trustpilot Group plc was incorporated on 08 February 2021 and became the Parent Company of the Group on 20 February 2021. Prior to this date, the Group headed by Trustpilot Group plc was not in existence in its current form. The basis of preparation of the Group financial statements is as described in note 1.2 to the financial statements. The historical financial information for the year ended 31 December 2020, presented in the Prospectus issued by Trustpilot Group plc as part of the listing process, forms the corresponding figures of the Group financial statements for the year ended 31 December 2021, and have not been subject to a statutory audit in accordance with the United Kingdom Companies Act 2006. However, an accountant's report, undertaken in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom, was issued on the historical financial information included in the Prospectus. The accountant's report, dated 23 March 2021, included an unqualified opinion on the historical financial information presented.

In planning our audit, we have considered the potential impact of climate change on the Group. Given the principal activities of the Group, climate risk is not expected to have a significant impact on the Group's business. As part of our audit, we have evaluated management's climate change risk assessment and the assessment of the impact of those risks on the Group financial statements. We note management's conclusion that there are limited transitional and physical risks, particularly in the short term and therefore they have no current financial statement impact. We have performed procedures to evaluate the appropriateness of management's risk assessment. We considered whether the Group had any externally published environmental targets and we challenged management on any potential additional future costs. We assessed whether there would be any key financial statement line items and estimates which could be more likely to be impacted by climate risks. We have performed our own stress tests for potential climate change impact on the going concern assumption. However, our procedures did not identify any material impact on either the Group financial statements or our key audit matters for the year ended 31 December 2021.

Overview

Audit scope

- The Group operates in eight countries, across nine reporting units.
- A local PwC component team was engaged to perform a full scope audit over the two significant components.
- PwC Group audit team performed audit procedures over specific balances within a further two reporting units.
- In total, this accounted for 100% of Group revenue, 99% of total Group assets and 96% of Group loss before tax.

Key audit matters

- Share based payment transactions.
- Group reconstruction for IPO: related accounting and classification of IPO costs.

Materiality

- Overall materiality: US$1,256,000 based on 1% of revenue.
- Performance materiality: US$942,000.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the 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) identified by the auditors, including 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, and any comments we make on the results of our procedures thereon, 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.

This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
Share based payment transactions Refer to the Directors' Remuneration Report, the share based payment accounting policy in note 2.25 of the financial statements, the critical accounting estimate in note 3.1 and the share based payments in note 8 for details on the share options and related charges. The Group has operated four share schemes which have been made available to certain employees: Employee warrants and Selected employee awards granted under the previous group structure, Restricted Share Plan (RSP) and the Long Term Incentive Plan (LTIP) in respect of the newly listed Group. The total charge is US$6,527,000. The Legacy share schemes were granted under the previous equity ownership and on 26 March 2021, all outstanding warrants were cancelled and replaced by new warrants in Trustpilot Group plc in the proportion 1 to 78. The Employee warrants were modified to allow warrant holders not to exercise their warrants upon IPO but postpone the exercise until the expiry of the grants. The total charge in the period for the legacy share schemes was US$5,537,000. The RSP scheme was established in connection with the IPO for selected employees. Vesting is subject to the condition of continued service rather than performance measures. The total charge in the period for the RSP scheme is US$567,000. Awards have been granted to selected employees under a Long Term Incentive Plan (LTIP) which vest over three years and are subject to a total shareholder return, annual recurring revenue and trust performance condition, resulting in a charge for the period of US$423,000. Management has utilised experts to calculate the fair value of the options and advise on the accounting treatment. Management has applied IFRS 2 (Share Based Payments) recognising a charge in the income statement in line with the vesting conditions. There is a high level of estimation in the valuation and accounting treatment of employee share awards.	The audit procedures we performed in relation to this risk included: – Completed sample testing over awards granted and movements in the number of awards, agreeing to supporting documentation including individual award letters sent to employees and the appropriate Remuneration Committee approval; – Utilised valuation specialists to consider the key assumptions utilised in the option pricing model, and that an appropriate valuation methodology had been applied. For awards issues pre IPO, additional testing was performed to consider the reasonableness of the valuation of the shares and the fair value of the modification to the awards that occurred on IPO. For the current year expense, we have performed a recalculation of the charge based on our independent assessment of the expected level of vesting; – We have tested the social security liability arising by recalculating the amounts arising based on the intrinsic value of the unvested share awards at the balance sheet date and applicable social security rates; and – Evaluated the appropriateness of the disclosures made in the Group financial statements by reference to the audit procedures outlined above. Based on the above procedures we are comfortable that these amounts have been appropriately disclosed and accounted for within the financial statements.

Independent auditors' report to the members of Trustpilot Group plc continued

Key audit matter	How our audit addressed the key audit matter
Group reconstruction for IPO: related accounting and classification of IPO costs Refer to Note 1.5 of the financial statements (Summary of impact of Group restructure and Initial Public Offering) for the summary of the impact of the Group restructuring. Trustpilot Group plc was incorporated on the 8th February 2021 and through a number of mergers, became the ultimate Parent Company of the Group. A transitory merger subsidiary in the form of a new Danish public limited liability company was established, Trustpilot Galaxy A/S. Following this, a horizontal taxable merger was carried out between Trustpilot Galaxy A/S and the previous Parent Company, Trustpilot A/S with Trustpilot A/S as the continuing Company. All shareholders in Trustpilot A/S then received shares in the new Parent Company, Trustpilot Group plc in exchange for their shares in Trustpilot A.S. Structuring experts assisted management with the detailed steps plan for carrying out the above Group reorganisation programme. Management's experts have also assisted management to assess the tax implications of the reorganisation steps. The restructuring has been accounted for as a group reconstruction, where the assets and liabilities of Trustpilot A/S and its subsidiaries are accounted for using predecessor accounting at their carrying values and not revalued to fair value at the transaction date. The results of the Group are shown as a continuation of the former Group structure. Following the restructure, Trustpilot Group plc was admitted for trading on the London Stock Exchange. The transaction costs which were directly associated with the issuance of new shares have been recognised within share premium, equating to US$1,274,000. The key areas of audit focus were: – Compliance of the Group reorganisation steps with the accounting standards, the Companies Act 2006 and UK taxation laws as well as ensuring the disclosures are appropriate based on the nature of the transaction. Based on the substance of the restructure this transaction fell outside the scope of IFRS 3 (Business Combinations). – Compliance with IAS 32 (Financial Instruments) is relevant for the classification of expenses relating to the issuance of shares in Trustpilot Group plc.	The audit procedures we performed in relation to the restructuring and associated IPO costs included: – Obtained and reviewed the detailed step plan in respect of the restructure; – Reviewed the associated legal documents and Companies House filings to ensure that the steps had been executed in line with the step plan; – Ensured the accounting was consistent with the step plan; – Consider whether Trustpilot plc was a business at the time of the restructure to consider if the transaction was a business combination; – Sampled a selection of invoices which were recognised in both share premium and expenses and evaluated the appropriateness of management's categorisation based on the nature of the service received; and – Evaluated the appropriateness of the disclosures made in the Group financial statements by reference to the audit procedures outlined above. The above procedures gave us sufficient comfort that the restructuring programme undertaken during the year was outside the scope of IFRS 3 and predecessor accounting was appropriately followed. Furthermore, IPO costs have been categorised appropriately and sufficient disclosures have been made.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which it operates.

The Group is organised as only one operating segment. Whilst there are customers in many regions around the world, the majority of sales and transactions occur within Trustpilot A/S and Trustpilot Inc, a Danish and US Company respectively. Results are produced through a centralised finance team, who are physically based across Denmark, the US and the UK, utilising common systems with the books and records maintained in Copenhagen, Denmark.

The Group financial statements are a consolidation of nine reporting units, based in eight countries, with the two revenue generating subsidiaries being Trustpilot A/S and Trustpilot Inc. For the purposes of the Group audit we concluded that Trustpilot A/S and Trustpilot, Inc, in our view, required a full audit of their complete financial information in order to ensure that sufficient audit evidence was obtained. Both of these reporting units were considered to be significant components due to their financial significance. These audits were performed by PwC Denmark with oversight exercised by us as the Group team. In addition, we as the Group team, performed specified procedures on two further reporting units. This provided 100% coverage over Group revenue, 99% coverage over Group total assets and 94% over Group loss before tax.

The Group consolidation, financial statements disclosures and a number of centralised functions were audited by the Group engagement team. These included, but were not limited to, audit procedures on share based payment accounting and UK and USA taxation. We also performed Group level analytical procedures on all of the remaining out of scope active reporting units to identify any unusual transactions.

Where work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those reporting units to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the Group Financial Statements. We issued formal written instructions to the component auditors setting out the audit work to be performed by them and maintained regular communication with the component auditors throughout the audit cycle. These interactions included a physical site visit, attending weekly status meetings and holding regular conference calls, as well as reviewing and assessing any matters reported. The Group engagement team also reviewed selected audit working papers for both significant components.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

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

Overall Group materiality	US$1,256,000.
How we determined it	1% of revenue
Rationale for benchmark applied	We consider this to be the quantitative measure given the most attention by the Group's key stakeholders as the business is in a period of growth.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was between US$628,000 and US$1,130,000.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality, amounting to US$942,000 for the Group financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above US$62,500 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Independent auditors' report to the members of Trustpilot Group plc continued

Conclusions relating to going concern

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

- Evaluating management's detailed cash flow forecasts under both base case and downside scenarios. We have also evaluated the reverse stress test scenario prepared by management to assess the likelihood of this scenario occurring.
- Comparison of the going concern base case forecasts to Board approved forecasts. We also considered whether they were reasonable in light of previous performance, future expectations and management's track record of accurate forecasting.
- Reading the key terms of all committed debt facilities to understand any terms, covenants or undertakings that may impact the availability of the facility.
- Assessing the adequacy of disclosures in the going concern statement in the notes to the financial statements in note 1.6 of the Group financial statements.

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 ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information, which includes reporting based on the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

– The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
– The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
– The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
– The directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate; and
– The directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the Group was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Group and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

– The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Group's position, performance, business model and strategy;
– The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
– The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Independent auditors' report to the members of Trustpilot Group plc continued

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 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 to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

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.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, UK Listing rules and taxation legislation applicable to the applicable jurisdiction, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the risk of management posting inappropriate journal entries to increase revenue or reduced expenditure in order to manipulate the financial performance of the Group, and the inclusion of management bias in critical accounting estimates. The Group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the Group engagement team and/or component auditors included:

- Inquiries of management, internal audit and the Group's legal counsel, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of internal audit reports and the legal risk register;
- Inquiries with component auditors;
- Identifying and testing unusual journal entries which increase revenue or reduce expenditure to manipulate the financial performance of the business;
- Consideration of the policy for the recognition of revenue and performed substantive testing to ensure compliance with this policy; and
- Assessing key judgements and estimates made by management for evidence of inappropriate bias, in particular in respect of the key audit matters noted above. Details of our procedures in these areas are included in our key audit matters above.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- certain disclosures of directors' remuneration specified by law are not made.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the directors on 13 September 2021 to audit the financial statements for the year ended 31 December 2021 and subsequent financial periods. This is therefore our first year of uninterrupted engagement.

Other matters

The historical financial information for the year ended 31 December 2020 presented in the prospectus issued by the Company as part of the listing process, forming the corresponding figures of the Group financial statements for the year ended 31 December 2021, was not audited in accordance with the United Kingdom Companies Act 2006, but an accountant's report, undertaken in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom, was issued on this information. The accountant's report, dated 23 March 2021, included an unqualified opinion.

We have reported separately on the Company financial statements of Trustpilot Group plc for the year ended 31 December 2021.

The financial statements for the year ended 31 December 2020, forming the corresponding figures of the financial statements for the year ended 31 December 2021, are unaudited.

As required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.14R, these financial statements form part of the ESEF-prepared annual financial report filed on the National Storage Mechanism of the Financial Conduct Authority in accordance with the ESEF Regulatory Technical Standard ('ESEF RTS'). This auditors' report provides no assurance over whether the annual financial report has been prepared using the single electronic format specified in the ESEF RTS.

David Teager
(Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

East Midlands

22 March 2022

Consolidated statement of profit or loss

	Note	FY21 $'000	FY20 (unaudited) $'000
Revenue	5	131,443	101,985
Cost of sales		(24,654)	(18,067)
Gross profit		106,789	83,918
Sales and marketing		(46,167)	(40,442)
Technology and content		(33,806)	(25,161)
General and administrative		(51,552)	(27,750)
Other operating income		584	352
Operating loss		(24,152)	(9,083)
Finance income	10	8,972	6,611
Finance expenses	11	(11,430)	(10,470)
Loss before tax		(26,610)	(12,942)
Income tax credit for the year	12	716	663
Loss for the year		(25,894)	(12,279)
Earnings per share (cents)			
Basic earnings per share	16	(6.5)	(3.3)
Diluted earnings per share	16	(6.5)	(3.3)
Adjusted earnings per share*	16	(2.1)	(1.1)
Adjusted Diluted earnings per share*	16	(2.1)	(1.1)

* Alternative performance measures (APM) – further detail available in note 4.

Consolidated statement of comprehensive income

	FY21 $ '000	FY20 (unaudited) $ '000
Loss for the year	(25,894)	(12,279)
Other comprehensive (expense)/income		
Items that may be subsequently reclassified to profit or loss		
Exchange rate differences on translation of foreign operations	(1,694)	1,772
Other comprehensive (expense)/income for the period, net of tax	(1,694)	1,772
Total comprehensive expense for the period	(27,588)	(10,507)

Consolidated balance sheet

	Note	As at 31 December 2021 $'000	As at 31 December 2020 (unaudited) $'000
Intangible assets	13	6,338	5,478
Property, plant and equipment	14	1,484	2,021
Right-of-use assets	17	12,312	14,980
Deferred tax assets	15	311	11
Deposits and other receivables	19	2,383	2,970
Total non-current assets		22,828	25,460
Trade receivables	18	6,176	5,227
Income tax receivables		856	926
Prepayments		3,134	2,099
Deposits and other receivables	19	2,870	1,130
Cash and cash equivalents	20	93,177	50,387
Total current assets		106,213	59,769
Total assets		129,041	85,229
Equity and liabilities			
Share capital	22	5,576	773
Share premium	22	70,994	177,842
Foreign currency translation reserve		4,648	(20,304)
Merger reserve	22	148,854	–
Accumulated losses		(170,618)	(151,312)
Total equity		59,454	6,999
Borrowings	27	–	11,323
Lease liabilities	17	9,552	12,172
Provisions	25	517	–
Other payables	26	2,962	3,171
Total non-current liabilities		13,031	26,666
Borrowings	27	–	1,618
Lease liabilities	17	3,504	4,432
Provisions	25	670	–
Income tax payables		69	90
Contract liabilities	21	27,616	22,849
Other payables	26	22,861	21,298
Trade payables		1,836	1,277
Total current liabilities		56,556	51,564
Total liabilities		69,587	78,230
Total equity and liabilities		129,041	85,229

The financial statements were approved and authorised by the Board of Directors and signed on its behalf by:

Peter Holten Mühlmann
Chief Executive Officer
22 March 2022

Hanno Damm
Chief Financial Officer
22 March 2022

Consolidated statement of changes in equity

	Note	Share capital $'000	Share premium $'000	Foreign currency translation reserve $'000	Merger Reserve $'000	Accumulated Losses $'000	Total $'000
Equity at 1 January 2021		773	177,842	(20,304)	–	(151,312)	6,999
Loss for the year		–	–	–	–	(25,894)	(25,894)
Other comprehensive expense		–	–	(1,694)	–	–	(1,694)
Total comprehensive income/(expense) for the period		–	–	(1,694)	–	(25,894)	(27,588)
Transactions with owners							
Warrants (exercised) pre group reconstruction	22	10	596	–	–	–	606
Exchange difference on share capital and premium pre group reconstruction	22	(23)	(6,977)	7,000	–	–	–
Impact of group reconstruction[1]	22	4,345	(171,461)	18,262	148,854	–	–
Warrants financing facility[2]		–	–	–	–	61	61
Exercise of share based payments	22	353	9,424	–	–	–	9,777
Issue of shares	22	244	64,102	–	–	–	64,346
Contribution of equity – Transaction Cost [3]		–	(1,274)	–	–	–	(1,274)
Share-based payments	8	–	–	–	–	6,527	6,527
Exchange difference on items recognised directly in equity post group reconstruction	22	(126)	(1,258)	1,384	–	–	–
Total transactions with owners		4,803	(106,848)	26,646	148,854	6,588	80,043
Equity at 31 December 2021		5,576	70,994	4,648	148,854	(170,618)	59,454

1 We have finalised the presentation of the merger reserve following the group reconstruction which has led to change to the share premium, foreign currency translation reserve and merger reserve. There are no differences to overall equity.

2 Warrants in Trustpilot A/S which are fully vested, have been granted to the lenders for the credit and term debt facility and the value of which is considered to be part of the effective interest rate for that facility.

3 Share premium charges relate to the expenses and commission on the issue of shares on which a sufficient premium arose.

$ '000	Note	Share capital (unaudited) $'000	Share premium (unaudited) $'000	Foreign currency translation reserve (unaudited) $'000	Accumulated losses (unaudited) $'000	Total (unaudited) $'000
Equity at 1 January 2020		709	162,109	(6,315)	(141,975)	14,528
Loss for the year		–	–	–	(12,279)	(12,279)
Other comprehensive income/(expense)		–	–	1,772	–	1,772
Total comprehensive income/(expense) for the period		–	–	1,772	(12,279)	(10,507)
Exchange difference on share capital and premium		68	15,693	(15,761)	–	–
Transactions with owners						
Warrants financing facility[1]		–	–	–	241	241
Warrant exercise		1	40	–	–	41
Reduction of share capital[2]		(5)	–	–	5	–
Share-based payments	8	–	–	–	2,696	2,696
Total transactions with owners		64	15,733	(15,761)	2,942	2,978
Equity at 31 December 2020		773	177,842	(20,304)	(151,312)	6,999

1 Warrants in Trustpilot A/S which are fully vested, have been granted to the lenders for the credit and term debt facility and the value of which is considered to be part of the effective interest rate for that facility.

2 The reduction of share capital, $5 thousand is due to cancellation of treasury shares.

Consolidated cash flow statement

	Note	FY21 $'000	FY20 (unaudited) $'000
Loss for the year		(25,894)	(12,279)
Adjustments to operating cash flows	29	16,435	9,826
Changes in net working capital	29	6,025	11,402
Interest received		10	21
Interest paid		(2,402)	(1,788)
Income tax received		382	–
Net cash (outflow)/inflow from operating activities		(5,444)	7,182
Purchase of property, plant and equipment	14	(431)	(1,793)
Proceeds from lease sublet		–	70
Payments for intangible asset development	13	(3,790)	(3,261)
Net cash (outflow) from investing activities		(4,221)	(4,984)
Principal elements of lease payments		(4,522)	(3,047)
Proceeds from borrowings	27	–	12,144
Repayment of borrowings	27	(13,000)	–
Proceeds from share issue		73,916	41
Net cash inflow from financing activities		56,394	9,138
Net cash flow for the year		46,729	11,336
Cash and cash equivalents, beginning of the year		50,387	35,016
Effects of exchange rate changes on cash and cash equivalents		(3,939)	4,035
Cash and cash equivalents at end of the year		93,177	50,387

Notes forming part of the financial statements

1. General Information

Trustpilot Group plc is a public company limited by shares, incorporated on 8 February 2021, domiciled and registered in England & Wales with company number 13184807, and having its registered office at 5th Floor, The Minster Building, 21 Mincing Lane, London EC3R 7AG, United Kingdom (the “Company”).

The activity of the “Company” and its subsidiaries (together, the “Group”) consists of developing and hosting an online review platform that helps consumers make purchasing decisions and businesses showcase and improve their service. Revenue is generated from selling its software as a service (“SaaS”).

1.2 Basis of preparation

On 31 December 2020, IFRS as adopted by the European Union at that date was brought into UK law and became UK-adopted International Accounting Standards, with future changes being subject to endorsement by the UK Endorsement Board. The Group transitioned to UK-adopted International Accounting Standards in its consolidated financial statements on 1 January 2021. This change constitutes a change in accounting framework. However, there is no impact on recognition, measurement or disclosure in the period reported as a result of the change in framework.

The consolidated financial statements of the Group have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The consolidated financial statements have been prepared on the going concern basis and under the historical cost convention.

The consolidated financial statements are presented in US Dollars (“USD”).

The consolidated financial statements have been rounded to the nearest thousand.

1.3 Prior period comparatives

The Group financial statements for the year ended 31 December 2020, forming the comparative figures of the Group financial statements for the year ended 31 December 2021, are referenced as unaudited. Prior to the IPO Restructuring (defined below), the Group was not in existence in its current form, as described in this note.

The comparatives relate to the previous Group parent entity Trustpilot A/S, which was audited by PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab, the member firm of the PricewaterhouseCoopers network in Denmark, under the Danish Financial Statements Act. A statutory audit performed in accordance with the UK Companies Act 2006 was not performed and hence no audit opinion was issued in respect of the year ended 31 December 2020. However, in connection with the Admission of the Company’s entire issued ordinary share capital to the premium listing segment of the Official List of the UK Financial Conduct Authority and to trading on the London Stock Exchange’s main market for listed securities on 26 March 2021 (“Admission”), an accountant’s report, undertaken by PricewaterhouseCoopers LLP, in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom, was issued on the historical information included in the prospectus relating to the Company issued on 23 March 2021 (the “Prospectus”). The accountant’s report, dated 23 March 2021, included an unqualified opinion on the historical information presented.

1.4 Basis of consolidation

The consolidated financial statements include the Company and the Group. Subsidiaries are all entities over which the Group has control. The Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

1.5 Summary of impact of Group restructure and Initial Public Offering

On 26 March 2021, in connection with the initial public offering of the Company’s shares (the “IPO”), a restructuring of the corporate structure of the Group was completed immediately prior to Admission (the “IPO Restructuring”). The IPO Restructuring included: (i) a horizontal merger of Trustpilot A/S and Trustpilot Galaxy A/S (with Trustpilot A/S as the continuing company), (ii) a share for share exchange whereby each shareholder in Trustpilot A/S exchanged their shares for newly issued ordinary shares in the Company (resulting in Trustpilot A/S becoming wholly owned by the Company, and the Company becoming the parent company of the Group); and (iii) the replacement of warrants in Trustpilot A/S by warrants in the Company (and consequent cancellation of warrants in Trustpilot A/S).

The IPO Restructuring is accounted for as a group restructuring, where the assets and liabilities of Trustpilot A/S and its subsidiaries are accounted for using predecessor accounting at their carrying values and not revalued to fair value at the transaction date. The results of the Group are shown as a continuation of the former corporate group structure (under Trustpilot A/S as the former parent company), and the consolidated financial statements for the Group are presented in the name of the Company.

The consolidated financial statements for FY20 were presented in the name of Trustpilot A/S as it was formerly the parent company of the corporate group. The comparative figures in FY20 relate to the corporate group which existed before the IPO Restructuring.

Notes forming part of the financial statements continued

1. General Information continued
1.6 Going concern

The directors of the Company (the "Directors"), in their detailed consideration of going concern, have reviewed the Group's revenue projections and cash requirements for the 12 months following the date of approval of the financial statements, which they believe are based on prudent interpretations of market data and past experience.

As at 31 December 2021, the Group has a cash balance of $93 million with zero debt on the balance sheet. In addition to cash on the balance sheet, the Group has access to a revolving credit facility for up to $30 million, available in multiple currencies. The revolving credit facility is subject to both balance sheet and revenue to plan covenants, both of which are considered in the course of scenario planning.

The Directors have carried out a robust assessment over the going concern period of multiple scenarios involving severe but plausible downside implications tied to specific risks identified in the principal risk and uncertainty sections outlined on pages 43. Additionally, the Directors have evaluated the impact of a reverse stress test over the going concern period meant to illustrate what would need to happen commercially for the Group to exhaust its liquidity. Further detail for the severe but plausible scenarios can be found in the viability statement within the strategic report on pages 37.

Having considered the downside scenarios and reverse stress test, the Directors have a reasonable expectation that the Group has adequate resources to continue to operate for at least 12 months from the date of signing these financial statements. As a result, they continue to adopt the going concern basis in preparing the consolidated financial statements, in accordance with the Companies Act 2006 applicable to companies reporting under IFRS.

1.7 New standards and interpretations

Certain new accounting standards and amendments are effective for annual reporting periods beginning after 1 January 2021, though not mandatory for annual reporting periods ending on 31 December 2021. Earlier application is permitted, however, the new or amended standards have not been early adopted by the Group.

The amended standards are as follows:

- Amendments to IAS 1 classification of liabilities as current or non-current to be effective for the annual period beginning on or after 1 January 2023.

  The narrow-scope amendments to IAS 1 presentation of financial statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of waver of breach of covenants). The amendments also clarify what IAS1 means when it refers to the 'settlement' of a liability.

- Amendments to IAS 8 accounting estimates, IAS 12 deferred tax related to assets and liabilities arising from a single transaction to be effective for the annual period beginning on or after 1 January 2023.

  The amendment to IAS 8 accounting policies, changes in accounting estimates and error clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

  The amendments to IAS 12 income taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

- Amendments to IFRS 3, IAS 16, IAS 37 to be effective for the annual period beginning on or after 1 January 2022.

  Minor amendments were made to IFRS 3 business combinations to update the references to the conceptual framework for financial reporting and add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 provisions, contingent liabilities and contingent assets and interpretation 21 levies. The amendment also confirm that the contingent assets should not be recognised at the acquisition date.

  The amendment to IAS 16 property, plant and equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing assets for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset.

  The amendment to IAS 37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract.

- Annual improvements on IFRS 1, IFRS 9, IAS 41, and IFRS 16 to be effective for the annual period beginning on or after 1 January 2022.

  IFRS1 First-time adoption of international financial reporting standards – allows entities that have measured their assets and liabilities at carrying amounts recorded in their parent's books to also measure any cumulative translation differences using the amounts reported by the parent.

  IFRS 9 Financial instruments clarifies which fees should be included in the 10 per cent test of derecognition of financial liabilities.

IFRS 16 Leases amendments of illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives. The Group has not utilised the practical expedience Covid-19 rent concessions amendments made in March 2021.

- IFRS 17 insurance contracts to be effective for the annual period beginning on or after 1 January 2023.

  IFRS 17 was issued in May 2017 as replacement for IFRS 4 insurance contracts. It requires a current measurement model where estimates are re-measured in each reporting period. Contracts are measured using the building blocks of:

  - discounted probability weighted cash flows
  - an explicit risk adjustment, and
  - a contractual service margin (CSM) representing the unearned profit of the contract which is recognised as revenue over the coverage period.

The other amended standards and improvements are not mandatory for 31 December 2021 reporting period. The Group expects to adopt the new standards, improvements, and amendments when they become mandatory.

1.8 Use of alternative performance measures (“APMs”)

The Group utilises a range of alternative performance measures (“APMs”) to assess its performance and this document contains certain measures that are not defined or recognised under IFRS. The Group considers EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted profit, Adjusted EPS and constant currency basis to be APMs that provide meaningful, additional measures of Group performance.

The Group believes these APMs provide alternative measures by which to assess the operating performance of the Group and, together with IFRS measures, are useful in evaluating the Group’s operating performance. The APMs used in this Financial Statements should not be considered superior to, or a substitute for, measures calculated in accordance with IFRS.

Definitions of the Group’s alternative performance measures along with reconciliation to their IFRS equivalent measure are included in note 4.

1.9 Functional and presentation currency

The consolidated financial statements are presented in the United States Dollars (“USD”).

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the individual entity operates (the “functional currency”).

2. Summary of significant accounting policies

The principal accounting policies are set out below. Policies have been applied consistently, other than where new policies have been applied.

2.1 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group considers the Executive Leadership Team (ELT) to be the operating decision making body, as the ELT examines the Group’s performance and makes all significant decisions regarding business development and allocation of resources.

For that purpose, a single business segment has been identified as an operating segment which is consistent with the internal reporting to the chief operating decision making body. Further information about the composition of the ELT has been provided in note 5.

There is also considered to be only one reporting segment, the results of which are shown in these consolidated statements of comprehensive income.

2.2 Revenue

The group generates revenue from the sale of company subscription plans, generally for a period of 12 months, where the invoicing varies from monthly to yearly. The revenue is shown net of local sales tax and customer discounts.

Revenue recognition requires an agreement with the customer, which creates enforceable rights and obligations between the parties, has commercial substance and identifies payment terms. The Group recognises revenue when it is probable that the Group will collect the consideration to which it will be entitled in exchange for the services that will be transferred to the customer.

Revenue is measured at the transaction price to which the Group expects to be entitled. The contracts are based on a single performance obligation and the transaction price is allocated to this performance obligation based on a stand-alone selling price. Revenue from subscriptions is recognised over time as software service is delivered to customers. Contracts primarily utilise quarterly or annual billing frequency with payment terms typically between 8 and 30 days.

The Group contracts with its customers to provide access to, and use of, its “software-as-a-service” product over the term defined in the contract. Specific product features accessible by customers are determined on a customer by customer basis and are specified in customers’ contracts. The subscription plan is considered to be a single performance obligation which is satisfied over time and revenue is recognised on a straight-line basis over the subscription period.

No significant judgements are made which effect the determination of the amount or timing of the revenue from contracts with customers.

Notes forming part of the financial statements continued

2. Summary of significant accounting policies continued

Incremental costs of obtaining contracts with customers are recognised as an expense in the year where the contract is signed. The Group pays sales commission to its employees for the sale of contracts, commissions are recognised as expense in the period that the contract is finalised.

There is no variable consideration included in the transaction price for the company subscription plans.

If amounts received or receivable from a customer exceed revenue recognised for a contract, a contract liability is recognised. Contract liabilities primarily reflect invoices due or payments received in advance of revenue recognition. Contract liabilities are unwound as related performance obligations are satisfied over the related subscription period.

The significant majority of contract liabilities that arise are expected to be recognised as revenue within a year of the balance sheet date.

Provisions and accruals for refunds are made to the full value of the refund in the period to which the refund is identified.

2.3 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions. Income from grants is recognised on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. A grant that becomes receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the entity with no future related costs, shall be recognised in income in the period in which it becomes receivable. Government grants are recorded as Other operating income in the statement of profit and loss.

2.4 Cost of sales

Cost of sales consists of the cost to deliver the Group's software service. Cost of sales includes the hosting and related technologies to deliver the software service as well as the ongoing customer success and customer support efforts that continue to be aligned with customers over the term of their subscription.

Cost of sales primarily consists of the labour costs associated with customer success and customer support efforts. Cost of sales are recognised when incurred.

2.5 Sales and marketing

Sales and marketing costs consists of the efforts primarily directed at new customer acquisition. Sales costs include direct sales support functions such as sales operations and partnerships while marketing costs consist of both marketing staff labour costs as well as marketing program expenditures.

2.6 Technology and content

Technology and content include research and development costs incurred by the work of the product and engineering teams directly on the platform. Also included are the content costs critical to securing the integrity and trust in our product.

Amortisation of development costs is included in technology and content due to the nature of the asset on which the amortisation is charged. The period where there is consumption of the benefits of the asset is not impacted by the period over which revenue is recognised or the level of revenue that is generated by the asset. Therefore this is considered a more appropriate presentation than to show within cost of sales.

2.7 General and administrative

General and administrative expenses comprise costs incurred by the back-office functions such as finance, legal and human resources, including wages, costs under share-based programmes and other office costs. General and administrative expenses include a proportion of depreciation, primarily consisting of right-of-use asset depreciation.

2.8 Other operating income

Other operating income includes income of a secondary nature to the Group's primary activities, including gains or losses on the sale of tangible assets as well as government grants recognised as income for the year.

Trustpilot Group plc launched a new global R&D and Innovation Hub in Edinburgh, Scotland, in 2020, with the aim of developing cutting-edge technology that proactively tackles the behaviour that threatens trust online. The Hub is being supported through a R&D grant from Scottish Enterprise. Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all conditions.

2.9 Financial income and expenses

Financial income and expenses are recognised in the statements of profit or loss at the amounts that concern the financial year. Financial income and expenses include interest income and expenses calculated in accordance with the effective interest method.

2.10 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries in which the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. It is assessed at each reporting date whether it is likely that in the future there will be sufficient taxable profits against which the deferred tax assets can be utilised.

Changes in deferred tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.11 Earnings per share

Earnings per share ("EPS") for the Group are calculated in accordance with IAS 33. The following types of EPS are reported:

(i) – Basic earnings per share

Group earnings or losses after taxes, divided by the weighted average number of ordinary shares outstanding for the period.

(ii) – Diluted earnings per share

Group earnings or losses after taxes, divided by the weighted average number of ordinary shares outstanding for the period as well as all potentially convertible securities. The impact of potentially dilutive ordinary shares is excluded when they would be anti-dilutive.

2.12 Intangible assets

Intangible assets include in progress and completed development projects.

Intangible assets have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Costs associated with maintaining IT-platforms are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique projects controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use;
- Management intends to complete the software and use or sell it;
- There is an ability to use or sell the software;
- It can be demonstrated how the software will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available;
- The expenditure attributable to the software during its development can be reliably measured, and;
- Directly attributable costs that are capitalised as part of the projects include employee costs. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Research expenditure and development expenditure that do not meet the criteria above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Development projects – In progress	None
Development projects – Completed	3 years

Completed development projects are reviewed annually to determine whether there are indications of impairment. If such indication exists, the asset's recoverable amount is calculated.

If the recoverable amount is lower than the carrying value, the development projects are impaired to this value. Development projects in-progress are tested at least annually for impairment.

2.13 Property, plant and equipment

Property, plant and equipment is measured at historical cost less accumulated depreciation. The cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit or loss during the reporting period in which they are incurred.

Depreciations are calculated using the straight-line method, net of their residual values over their estimated useful lives, as follows:

Other fixtures and fittings	3 – 5 years
Tools and equipment	3 – 5 years
Leasehold improvements	Term of lease (3 – 5 years)

Notes forming part of the financial statements continued

2. Summary of significant accounting policies continued
2.14 Leases

Leases are recognised as a right of use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit or loss 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 right of use asset is depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term of the asset.

The leases of the Group consist of property rentals.

The assets and liabilities arising from the property leases are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments included in the property leases:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate, and;
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right of use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made. Right of use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received, and;
- Any initial direct costs.

Variable lease payments and payments associated with short-term leases are recognised on a straight-line basis as an expense in the statement of profit or loss under the line item administrative costs.

Short-term leases are leases with a lease term of 12 months or less. The Group has no leases of low-value assets.

The lease term is defined as the non-cancellable period of a lease together with periods covered by options to extend the lease if it is reasonable certain that the options will be exercised and periods covered by options to terminate the lease if it is reasonably certain that the options will not be exercised.

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

The Group classifies leases of 12 months or below as short-term leases. Those are not treated under IFRS 16 but expensed to the profit and loss account on a straight line basis over the term of the lease.

2.15 Deposits

Deposits relate to leasehold premises, which are included in the consolidated balance sheet as either non- current assets or current assets depending on the length of time to maturity of the leased premises with the exception of the lease in Denmark where there is on-going current lease liability with the assumption that Trustpilot group plc will not leave the premises within the next 12 months and therefore the deposit is non-current, due back after the 12 months.

2.16 Impairment of non-current assets

Non-current assets are tested 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 development projects in progress are tested for impairment annually. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.17 Financial assets

Financial assets include Trade and other receivables, prepayments and cash and cash equivalents. All financial assets are recognised when the Group becomes party to the contractual provisions of the instrument.

2.18 Trade and other receivables

Trade receivables and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

The Group holds the trade receivables and other receivables with the objective to collect the contractual cash flows and then measures them subsequently at amortised cost.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

See note 18 for a description of the Group's impairment policies for trade receivables.

2.19 Prepayments

Prepayments recognised as an asset comprise prepaid expenses regarding subsequent financial reporting years.

2.20 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand. Cash and cash equivalents are measured at amortised cost. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and net of outstanding bank overdrafts as they are considered an integral part of the Group's capital management.

2.21 Equity

Share capital

Ordinary shares are classified as equity. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Share premium

The share premium account is used to record the aggregate amount or value of premiums paid in excess of the nominal value of these new ordinary shares issued. Costs that directly relate to the issue of ordinary shares are deducted from share premium net of corporation tax.

Merger reserve

The merger reserve represents the difference between the carrying value of the assets and liabilities acquired under merger accounting to the cost of investment (the fair value).

Accumulated losses

Accumulated losses comprise all current and prior period retained losses.

Foreign currency translation reserve

Exchange differences arising on translation of the parent company and of foreign controlled entities into the presentation currency, USD, are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

2.22 Financial liabilities

Borrowings are initially recognised at fair value which is generally proceeds received, and net of transaction costs incurred. Subsequently, borrowings are measured at amortised cost.

Borrowings are classified according to the length and terms, which means that settlement of liability more than 12 months after the reporting period is classified as non-current, the settlement less than 12 months is classified as current.

Other financial liabilities, including trade and other payables, are on initial recognition measured at fair value. The liabilities are subsequently measured at amortised cost.

2.23 Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

2.24 Trade payables and other payables

Trade payables are initially measured at fair value, less any transaction costs. In subsequent periods, trade payables are measured at amortised cost using the effective interest method so that the difference between the proceeds and the nominal value is recognised in the income statement under financial expenses over the loan period.

Other payables are measured at amortised cost.

2.25 Share-based payments

Share-based compensation benefits are provided to employees and board members under two separate warrant programs and two restricted share schemes.

The warrant programs and restricted share schemes are classified as equity arrangements. As such, the fair value of the warrants and restricted shares granted under the programs are recognised as an expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the warrants and restricted shares granted including the impact of any non-vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of options or restricted shares that are expected to vest based on the respective market vesting, non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Further information about the warrant and restricted share programs, including models used to calculate the fair value are disclosed in note 22.

Notes forming part of the financial statements continued

2. Summary of significant accounting policies continued

2.26 Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate ruling at the date of the transaction. Foreign currency monetary items are translated at the rates of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlements of monetary items and on the retranslation of monetary items are included in profit or loss for the year, except for foreign currency movements on intercompany balances, where settlement is not planned or likely in the foreseeable future, in which case they are recognised in other comprehensive income. Foreign exchange movements on external borrowings which are designated as a hedge of the net investment in its related subsidiaries are recognised in the translation reserve.

The assets and liabilities of the Group's subsidiaries are translated into USD using period-end exchange rates. Income and expenses items are translated at the average exchange rates for the period. Where the differences arise between these rates, they are recognised in other comprehensive income and the translation reserve.

Translation of share capital and share premium

Share capital and share premium denominated in a currency that differs from the groups presentational currency is translated at each year end using the closing rate. All resulting exchange differences noted on retranslating equity items are recognised directly in equity as part of the foreign currency translation reserve and does not form part of other comprehensive income.

2.27 Cash flow statement

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as share-based payment expenses, depreciation, amortisation and impairment losses. Working capital comprises current assets less short-term debt, excluding items included in cash and cash equivalents.

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt and principal element on lease payments as well as payments to and from shareholders.

3. Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

The judgements, estimates as well as the related assumptions made are based on historical experience and other factors that Management considers to be reliable, but which by their very nature are associated with uncertainty and unpredictability. Actual results may differ from these estimates.

3.1 Critical accounting estimates

Critical accounting estimates are expectations of the future based on assumptions, that to the extent possible are supported by historical trends or reasonable expectations. The assumptions may change to adapt to the market conditions and changes in economic factors etc. The Group believe that the estimates are the most likely outcome of future events.

Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about these. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 8.

Estimates are also undertaken regarding expected forfeiture rates of unvested shares as well as performance estimates under LTIP program. Estimates only impact phasing of expenses as all actual forfeitures and performance is ultimately trued-up in reporting.

A number of significant awards were issued whilst the Group was not a public listed company, and therefore there was a greater level of estimation required over key inputs such as the business valuation and associated equity value. Therefore the charge associated with these private company awards would be directly impacted by any sensitivity to increase or decrease the estimate of business valuation.

3.2 Critical accounting judgements

Key accounting judgements are made when applying accounting policies. Key accounting judgements are the judgements made by the Group that can have a significant impact in the financial results.

Unrecognised deferred tax asset

As of 31 December 2021, the Group has unrecognised tax assets of $151 million (tax value of $32 million), that relates to tax loss carry-forward amounts primarily to Trustpilot A/S and its immediate subsidiary Trustpilot, Inc. Trustpilot A/S and the US subsidiary have incurred the losses over the previous years as a consequence of expanding the Group and its operations. $110 million of the unrecognised tax assets can be carried forward indefinitely with no expiration date while $41 million is subject to a finite utilisation period with expirations beginning as soon as 2033.

Recognition of deferred tax assets requires that it is probable that future taxable profits are available against which the unused tax losses can be utilised. As the Group has a history of making taxable losses, IAS 12 Income Taxes further requires that convincing evidence is available to support Management's assessment that sufficient taxable profits will be available in the future. Even though the Group's approved budgets shows that Trustpilot should be able to generate taxable profits in the foreseeable future, Management has concluded that it will not be able to meet the strict criteria in IAS 12 to provide 'convincing evidence', as the budget are sensitive to the timing and level of investments in the Trustpilot-platform and similar factors. Consequently, no deferred tax assets have been recognised for the Group's tax loss carry-forwards. Additional detail can be found in note 15.

Determining the lease term

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Extension and termination options are included in a number of property leases across the Group. Management applies judgement in evaluating whether it is reasonably certain or not to exercise the options to extend and/or terminate the leases. When determining the lease term, Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Group considers factors including historical lease durations; and the costs and business disruption required to replace the asset. Most extension options have not been included in the lease liability, because the Group could replace the asset (the offices) without significant cost or business disruption.

The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. A judgement is taken to account for the lease in Denmark considered at 12 months, although there exists a right to terminate the lease at 6 months. If the judgement was taken to terminate the lease, the current lease liability would be lower by USD 439 thousands. Information on potential future rental payments related to periods following the exercise date of termination options that are not included in the lease term is disclosed in note 17 (leases).

Notes forming part of the financial statements continued

4. Alternative performance measures

The Group utilises a range of alternative performance measures (“APMs”) to assess its performance and this document contains certain measures that are not defined or recognised under IFRS. The Group considers EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted profit, Adjusted EPS and constant currency basis to be APMs that provide meaningful, additional measures of Group performance.

The Group believes these APMs provide alternative measures by which to assess the operating performance of the Group and, together with IFRS measures, are useful in evaluating the Group’s operating performance. The APMs used in this Financial Statements should not be considered superior to, or a substitute for, measures calculated in accordance with IFRS.

EBITDA

EBITDA is defined as earnings before interest, tax, depreciation, amortisation. Depreciation and amortisation includes any non-cash impairment charges functioning as accelerated depreciation or amortisation. Trustpilot believes EBITDA is meaningful as a profitability measure before non-cash activity, financing and tax impacts.

	FY21 $ ‘000	FY20 (unaudited) $ ‘000
Operating loss	(24,152)	(9,083)
Depreciation and amortisation	8,232	5,738
EBITDA	(15,920)	(3,345)

Adjusted EBITDA

The Group measures the overall performance by reference to Adjusted EBITDA which is a non-IFRS measure. The Group believes Adjusted EBITDA is a meaningful representation of core operating profit as it adjusts for certain non-recurring or non-cash items with associated taxes. While some non-cash items such as depreciation, amortisation and share-based compensation are recurring, management finds the exclusion of these costs from Adjusted EBITDA to be meaningful given their non-cash nature, consistent with similar firms within our sector. The following definition of Adjusted EBITDA was also determined based on what management believes provides the best comparability to the same metric provided by similar firms in our sector.

Adjusted EBITDA is defined as EBITDA (earnings before interest, tax, depreciation, amortisation) adjusted to exclude share-based compensation, including associated cash settled social security costs, non-recurring transaction costs such as those related to IPO preparation and restructuring costs, which relate to one-time costs associated with a material organisational change such as severance payments.

Adjusted EBITDA

$ ‘000 other than per cent	FY21	FY20 (unaudited)
Operating loss	(24,152)	(9,083)
Depreciation and amortisation	8,232	5,738
EBITDA	(15,920)	(3,345)
Non-recurring transaction costs	9,785	4,263
Restructuring costs	–	1,580
Share-based compensation, including associated social security costs	10,012	3,619
Adjusted EBITDA	3,877	6,117
Adjusted EBITDA margin (per cent)	3	6

Adjusted EBITDA fell from $6,117 thousand in FY20 to $3,877 thousand in FY21. Adjusted EBITDA margin fell from 6 per cent in FY20 to 3 per cent in FY21. The decline in Adjusted EBITDA and Adjusted EBITDA margin were driven by investments across the Group partially offset by revenue growth. Included in the FY21 share-based payments is a non-cash charge of $6,527 thousand (FY20 of $2,696 thousand) and associated social security costs of $3,485 thousand (FY20 of $923 thousand).

Non-recurring transaction costs relate to professional and legal fees associated with corporate financing activities, in FY21 this consisted exclusively of IPO related costs. IPO costs consisted primarily of accounting, legal and advisory services that were expensed as the services were provided, largely between the fourth quarter of 2020 and the first quarter of 2021. FY20 non-recurring transaction costs consisted of early preparation costs for the IPO before the efforts accelerated in the fourth quarter of 2020. Restructuring costs relate to redundancies and cost reduction measures undertaken in FY20 as a response to the uncertainty caused by the Covid-19 pandemic.

Functional distribution of adjustments

FY21

$ '000	Group	Sales and marketing	Technology and content	General and administrative
Operating loss	(24,152)			
Depreciation and amortisation	8,232	–	2,655	5,577
Non-recurring transaction costs	9,785	–	–	9,785
Restructuring costs	–	–	–	–
Share-based compensation, including associated social security costs	10,012	–	–	10,012
Adjusted EBITDA	3,877			

FY20

$ '000	Group (unaudited)	Sales and marketing (unaudited)	Technology and content (unaudited)	General and administrative (unaudited)
Operating loss	(9,083)			
Depreciation and amortisation	5,738	–	1,100	4,638
Non-recurring transaction costs	4,263	–	–	4,263
Restructuring costs	1,580	1,219	132	229
Share-based compensation, including associated social security costs	3,619	–	–	3,619
Adjusted EBITDA	6,117			

Adjusted profit/(loss)

Trustpilot introduced a new APM for adjusted profit/(loss) since filing the IPO prospectus. Adjusted profit/(loss) was introduced to enable an adjusted earnings per share (adjusted EPS) figure to be reported.

Adjusted profit/(loss) and adjusted EPS serve to illustrate performance without the impact of certain non- recurring or non-cash items with associated taxes. Additional detail for adjusted EPS can be found in note 16.

	FY21 $ '000	FY20 (unaudited) $ '000
Loss for the year	(25,894)	(12,279)
Non-recurring transaction costs	9,785	4,263
Restructuring costs	–	1,580
Share-based compensation	10,012	3,619
Tax impact of above adjustments[1]	(2,153)	(1,110)
Adjusted loss	(8,250)	(3,927)

1 Tax impact doesn't factor share-based compensation, reflects 22 per cent tax rate assumption in FY21 and 19 per cent in FY20.

Notes forming part of the financial statements continued

4. Alternative performance measures continued

Adjusted EPS

Adjusted earnings per share (adjusted EPS) was introduced to illustrate earnings per share adjusted for certain non-recurring or non-cash items with associated taxes.

Adjusted basic earnings per share is defined as earnings or losses after taxes adjusted to exclude share-based compensation, including associated social security costs, non-recurring transaction costs related to the one- time IPO preparation costs and restructuring costs, divided by the weighted average number of ordinary shares outstanding for the period.

Adjusted diluted earnings per share is defined as earnings or losses after taxes adjusted to exclude share- based compensation, including associated social security costs, non-recurring transaction costs related to the one- time IPO preparation costs and restructuring costs, divided by the weighted average number of ordinary shares outstanding for the period as well as all potentially convertible securities. The impact of potentially dilutive ordinary shares is excluded when they would be anti-dilutive.

$ ‘000, except per share	FY21	FY20 (unaudited)
Weighted average number of ordinary shares	401,445	367,727
Adjusted loss	(8,250)	(3,927)
Adjusted loss per share (cents)[1]		
Basic	(2.1)	(1.1)
Diluted	(2.1)	(1.1)

1 Given the Group incurred losses in FY21 and FY20, the impact of potentially dilutive ordinary shares have been excluded as they would otherwise be anti-dilutive in accordance with IAS 33.

Constant currency basis

Given the Group operates in multiple currencies, Trustpilot believes illustrating period-to-period comparisons on a constant currency basis is meaningful to see differences before the impact of currency fluctuations. The Group’s constant currency calculations are performed by applying the monthly average exchange rates from the last month in the most recent period to prior periods, which provides a like-for-like comparison excluding the effect of exchange rate fluctuations. Figures shown in these alternative performance measures notes are shown at reported rates.

5. Operating segments

For management purposes and based on internal reporting information, the Group is organised in only one operating segment, as the information reported includes operating results at a consolidated group level only. The costs related to the main nature of the business, being the Group´s online review platform which serves the Group customers, are not attributable to any specific revenue stream or customer type and are therefore borne centrally. The results of the single reporting segment, comprising the entire Group, are shown in the consolidated statement of comprehensive income.

The Executive Leadership Team is the Chief Operating Decision Maker (CODM), which is made up of the senior leadership across the respective functional areas, responsible for the strategic decision making and for the monitoring of the operating results of the single operating segment for the purpose of performance assessment.

Whilst Group operations are distributed globally with a large presence in Denmark and shares are listed on the London Stock Exchange, the UK and North America are the Group's primary markets where revenue generated consists of approximately 40 per cent and 23 per cent (FY20: UK: approx. 38 per cent and North America: approx. 27 per cent), respectively. Other geographical locations besides the UK and North America are defined as 'Europe and Rest of World' where no individual country exceeded more than 6 per cent of the consolidated revenue in FY21 (FY20: 7 per cent).

Trustpilot has customers in many regions around the world but is organised globally from an operation perspective. For this reason, while operating assets may be recorded in Denmark for example, they will be supporting customers around the world. Therefore, a single operating segment is reported with revenue disclosed by region based on the location of the customer. Non-current operating assets are similarly based on geographic location. The measurement of liabilities by geographic location is not included in this disclosure as this information is not regularly reviewed by the CODM for decision making purposes.

The following table displays external revenue and non-current operating assets by geographic area:

	FY21 $ '000	FY20 (unaudited) $ '000
Revenue		
UK	53,136	39,159
North America	30,503	27,872
Europe and Rest of the World	47,804	34,954
Total revenue	131,443	101,985
Non-current operating assets		
UK	13,112	14,952
North America	1,526	3,308
Europe and Rest of the World	7,880	7,189
Total	22,518	25,449

Non-current assets consist of intangible assets, property, plant and equipment, right-of-use assets and deposits.

6. Staff cost

The monthly average number of persons employed by the Group (including Directors) by function was:

	FY21	FY20 (unaudited)
Customer Success and Support	178	152
General & Administrative	109	95
Sales & Marketing	279	304
Technology & Content	220	187
Total	786	738

Notes forming part of the financial statements continued

6. Staff cost continued

Group employee costs comprise:

	FY21 $ '000	FY20 (unaudited) $ '000
Wages and salaries	86,271	72,752
Social security costs	10,603	6,271
Other pension costs	1,620	1,359
Share-based payment	6,527	2,696
	105,021	83,078

Key Management Compensation

Key Management consists of executive and non-executive Directors, further disclosure of Directors' emoluments is available in the Directors' Remuneration Report on page 114. The compensation paid or payable to key management for employee services and director duties is shown below:

	FY21 $ '000	FY20 (unaudited) $ '000
Directors:		
Short-term employee benefits	2,024	926
Post-employment benefits	25	20
Share-based payment	2,019	1,019
Total compensation of key management personnel	4,068	1,965

7. Operating loss

	FY21 $ '000	FY20 (unaudited) $ '000
Operating loss is stated after charging:		
Fees payable to the company's auditor and its associates for:		
Audit of parent company and consolidated financial statements	762	119
Audit of financial statements of subsidiaries of the Group	233	–
Tax compliance and advisory service[1]	492	218
Other audit related assurance services[2]	179	–
Other assurance services[3]	1,974	1,026
Non-audit services[4]	120	249
Depreciation on property, plant and equipment	936	528
Depreciation on right-of-use assets	4,855	3,924
Impairment loss on right-of-use assets	–	339
Amortisation on intangible assets	2,321	862
Impairment loss on intangible assets	120	85

1 Tax compliance and advisory services consist primarily of income tax preparation, reporting and filing for members of the Group. Tax compliance and advisory services also consists of work undertaken before the IPO to determine the IPO impacts to employee share schemes as well as impacts from IPO restructuring.

2 Other audit related assurance services consist of fees associated with the review of interim financials.

3 Other assurance services consist primarily of IPO related assurance services and other matters related to IFRS provided prior to the IPO.

4 Non-audit services costs of consultancy provided, prior to the IPO, related primarily to restructuring and transfer pricing.

8. Share-based payment plans

Prior to Admission, Trustpilot A/S (the former parent company of the corporate group) operated a long-term incentive warrant program under which warrants in Trustpilot A/S were granted at market value, free of charge. Each warrant conferred a right to subscribe for 1 common share in Trustpilot A/S. The warrants were granted to two categories of recipients: (i) to employees of varying seniority throughout the Group; and (ii) to selected senior employees of the Group and certain board members of Trustpilot A/S. The vesting and exercise conditions for each category are summarised below:

– “Employee” category: Vesting was time-based, dependent on continued service, and typically in 4 tranches vesting annually. Unvested warrants were capable of being forfeited if the individual’s employment ended. Both vested and unvested warrants were capable of being forfeited if the individual’s employment was terminated by the employer for cause. Vested warrants could only be exercised in the event of an exit (including a sale or initial public offering of Trustpilot A/S’s shares) during the exercise period. Upon an exit event, the board of Trustpilot A/S could decide to continue or replace the unvested warrants (or accelerate vesting). Any vested warrants not exercised at the exit event would lapse, unless otherwise decided by the board. The exercise price for the warrants was equal to the market value at the time of grant, as determined by an independent valuation. The exercise period would typically expire 7 years after the grant date.
– “Selected employees and board members” category: Vesting was time-based, dependent on continued service, and typically in 16 tranches vesting quarterly. Unvested warrants were capable of being forfeited if the individual’s employment ended. Both vested and unvested warrants were capable of being forfeited if the individual’s employment was terminated by the employer for cause. Vested warrants could be exercised at any time during the exercise period. Unless otherwise decided by the board, any vested warrants that are not exercised at an exit event would lapse. On an IPO of Trustpilot A/S, vested warrants would not lapse (unless a replacement award had been issued to replace the vested warrants). Any unvested warrants which had not been accelerated or replaced at an exit, would continue to vest as normal. The exercise price for the warrants was equal to the market value at the time of grant, as determined by an independent valuation. The exercise period would typically expire 10 years after the grant date.

In connection with the IPO, Trustpilot A/S restructured its warrant program:

A. On 26 March 2021, all outstanding warrants in Trustpilot A/S (as of 26 March 2021: 818,784) were cancelled and replaced by new warrants in the Company in the proportion 1 to 78. The terms of the warrants granted in the Company preserve the same substantive elements and economic drivers as the replaced warrants in Trustpilot A/S, including vesting dates, and are intended to operate as the previous warrants in Trustpilot A/S would have done if an initial public offering of Trustpilot A/S’s shares had occurred.

   As permitted under the previous warrant terms, the warrant holders under the ‘employee’ category (or ‘selected employees and board members’ category) were not required to exercise their vested warrants upon the Company’s IPO, but could retain their vested warrants and exercise them (and any unvested warrants that subsequently vest) at any time until the expiry of the exercise period.

   The increase in fair value of warrants under the ‘employee’ category right after the modification compared to the fair value just before the modification has been accounted for as follows:

– For vested warrants, the increase in the fair value is recognised as an expense immediately as a one-off adjustment, when the modification has been agreed.
– For unvested warrants, the increase in the fair value is expensed over the remaining vesting period together with the remaining unrecognised original fair value of the outstanding warrants prior to the adjustment.

The impact of the fair value adjustment on 26 March 2021 is summarised below:

	Total $ ‘000
Total fair value adjustment	1,750
Of which immediately expensed	126
Of which will be expensed over remaining vesting period	1,624

Notes forming part of the financial statements continued

8. Share-based payment plans continued

Total movement in employee warrants:

	FY21		FY20	
	Number of warrants #'000	Weighted average exercise price $'000	Number of warrants (unaudited) #'000	Weighted average exercise price (unaudited) $'000
Opening Balance	60,013	0.49	47,716	0.36
Granted	6,603	1.81	17,793	0.81
Exercised/Released	(27,817)	0.37	(287)	0.13
Forfeited	(3,758)	1.03	(5,209)	0.51
Closing Balance	35,041	0.78	60,013	0.49

As at 31 December 2021, employee warrants had exercise prices ranging from $0.13 to $1.81 with a weighted average of $0.78. The weighted average remaining contractual life of warrants outstanding as at 31 December 2021 was 7.05 years. As at 31 December 2021, 13,319 thousand warrants were exercisable.

The fair value at grant date is determined using a Black-Scholes model that takes into account the share price at grant date, the exercise price, the risk free interest rate for the term of the warrants, the expected volatility and the term of the warrant (the expected maturity).

Black-Scholes model	Input
Employee program – interest	(0.46)%
Selected employees and board members – interest	(0.31)%
Volatility	55.00%

The fair value of the share price at grant date is based on an external valuation report of the Group, which takes illiquidity discount into account for warrants granted pre-IPO. The expected price volatility is estimated by an external expert and is based upon an analysis of the historical volatility of peer-group public companies and factors specific to Trustpilot A/S. For selected employees and board members, the expected maturity is measured as a weighted average, considering the probability of the occurrence/non-occurrence of certain exit events. For employees, the expected maturity corresponds to the expected number of years until the occurrence of an exit event. The expected likelihood of the occurrence of an exit event is taking into account in determining the fair values of the grants. No additional features of the warrant grant are incorporated into the fair value assessment.

For the purpose of illustrating sensitivity to these assumptions, in FY21 if the actual forfeiture rate is 10 per cent lower than anticipated, it would result in 0.8 per cent or $45 thousand higher expense. Conversely, if the non-market performance criteria attainment is 10 per cent lower than anticipated, the expense in FY21 would be 0.4 per cent or $23 thousand lower.

The Company implemented two new restricted share schemes in connection with the IPO, a Long Term Incentive Plan and Restricted Share Plan:

Long Term Incentive Plan

A Long Term Incentive Plan ("LTIP") was established in connection with the IPO to ensure the alignment of incentives for management and the performance of the Group. Incentives are established across three complementary measures of shareholder return performance, revenue growth and trust to ensure balanced priorities for management for the long term advancement of the Group. The Board of Directors of the Company (the "Board") resolved to adopt the LTIP on 5 March 2021.

In FY21, conditional awards over 1,215,246 ordinary shares in the Company were granted to management under the LTIP. The market value of the ordinary shares over which the awards were granted was deemed to be £2.65 per ordinary share (the price at which ordinary shares were offered in respect of Admission).The cost of acquisition of the awards when vested is 1 pence per each share, equal to the nominal share value. The LTIP is administered at the discretion of the remuneration committee of the Board (the "Remuneration Committee") and no individual has a contractual right to participate. These LTIP awards will ordinarily vest on 1 April 2024, subject to the award recipient's continued service and the Remuneration Committee's assessment of the extent to which the award's performance measures are satisfied. Settlement of any vested portion of the awards is expected to be satisfied by the issue of new ordinary shares in the Company upon the vesting date. Executive directors of the Company are subject to a two year post-vesting holding period for the shares they receive (net of shares equal to any tax liability and nominal cost of acquisition). Targets for each of the three performance measures are set with a lower bound and upper bound. If performance falls below the lower bound there will be no vesting. If performance meets or exceeds the upper bound it will result in 100 per cent vesting.

Performance between the lower and upper bounds will result in vesting between 25 per cent and 100 per cent on a straight-line basis, as further detailed below.

Total shareholder return ("TSR") performance measure

The vesting of 55 per cent of such LTIP awards (the "TSR Part") is subject to the Company's TSR performance over a three year period that commenced on 26 March 2021 (the date of Admission) relative to the TSR performance over the same period of the constituents of the FTSE 250 Index (excluding investment trusts and the Company) as at 26 March 2021. 25 per cent of the TSR Part will vest for median ranking performance, rising on a straight-line basis up to 100 per cent vesting of the TSR Part for upper quartile ranking (or better) relative TSR performance.

Annual recurring revenue ("ARR") performance measure

The vesting of 25 per cent of such LTIP awards (the "ARR Part") is subject to the compound annual growth rate ("CAGR") in the Group's ARR over the period 1 January 2021 to 31 December 2023. 25 per cent of the ARR Part will vest for CAGR in ARR over the measurement period of 20 per cent, rising on a straight-line basis up to 100 per cent vesting of the ARR Part for CAGR in ARR over the measurement period of 30 per cent (or better).

Trust performance measure

The vesting of 20 per cent of such LTIP awards (the "Trust Measure Part") is subject to targets set for the average of the trust performance measures taken at the end of 2021, 2022 and 2023 respectively. The trust performance measure takes into account the average star rating of reviews gathered in the respective periods for Trustpilot on the Trustpilot platform. 25 per cent of the Trust Measure Part shall vest for threshold performance, rising on a straight-line basis up to 100 per cent vesting for stretch performance or better. As an additional condition, no part of such LTIP awards will vest unless the Remuneration Committee is satisfied as to overall Company performance over the period until vesting – and, as required by the UK Corporate Governance Code, the Remuneration Committee will retain a power to moderate the vesting levels from awards if this is appropriate in all of the circumstances, including consideration of shareholder experience.

Settlement of vested awards is expected to be satisfied by the issue of new ordinary shares in the Company. LTIP awards contributed $423 thousand to the share-based compensation expense in the FY21 financials. Targets and fair value treatment are summarised as follows:

Measure	Fair Value Method	Weighted Avg Fair Value	Lower Bound	Upper Bound
TSR	Stochastic Model	1.57	Equal to Median	Upper Quartile or Greater
ARR	Black-Scholes	2.53	CAGR of 20%	CAGR of 30% or Greater
Trust	Black-Scholes	2.53	Average Trust Measure of 3.5	Average Trust Measure of 4.2 or Greater

Fair Value Factors	Input	Additional Chaffe Input (Executive Director)
Closing share price on date of grant (pence)	265.00	N/A
Price (pence)	1.00	265.00
Expected term	3.01yrs	+2.00 yrs holding period
Risk-free interest rate	0.21%	0.40%
Expected dividend yield	–%	–%
Expected volatility	34.34%	34.93%

Note: Chaffe model used to fair value the impact of the two year holding period for Executive Directors.

Notes forming part of the financial statements continued

8. Share-based payment plans continued

Total movement in LTIP

# '000	FY21 # '000	FY20 (unaudited) # '000
Opening Balance	0	0
Granted	1,215	0
Exercised/Released	0	0
Forfeited	(114)	0
Closing Balance	1,101	0

Restricted Share Plan

In addition to the LTIP established for management, a Restricted Share Plan ("RSP") was established in connection with the IPO for selected employees. Though vesting is subject to the condition of continued service only rather than performance measures, the RSP aligns the interest of award recipients with shareholders and serves to help retain employees over the vesting periods. The Board resolved to adopt the RSP on 5 March 2021.

In FY21, conditional awards over 829,753 ordinary shares in the Company were issued to employees under the RSP. Vesting typically takes place over a four year period with settlement of each vested portion of the awards expected to be satisfied by the issue of new ordinary shares in the Company upon the vesting date. The RSP is administered at the discretion of the Remuneration Committee and no individual has a contractual right to participate. The cost of acquisition of the awards when vested is 1 pence per each share, equal to the nominal share value, and the fair value is determined using a Black-Scholes model. RSP awards contributed $567 thousand to the share-based compensation expense in the FY21 financials.

Fair Value Factors	April 2021 Grant	October 2021 Grant
Closing share price on date of grant (pence)	322.60	353.00
Price (pence)	1.00	1.00
Weighted average contractual life	3.92 years	3.47 years
Risk-free interest rate	0.21%	0.15%
Expected dividend yield	–%	–%
Expected volatility	34.34%	35.24%

Total movement in RSP

	FY21 # '000	FY20 (unaudited) # '000
Opening Balance	0	0
Granted	830	0
Exercised/Released	(1)	0
Forfeited	(15)	0
Closing Balance	814	0

Expense by equity plan type

	FY21 $ '000	FY20 (unaudited) $ '000
Warrants	5,537	2,696
Restricted Share Plan	567	0
Long Term Incentive Plan	423	0
	6,527	2,696

9. Amortisation, depreciation and impairment losses

	FY21 $ '000	FY20 (unaudited) $ '000
Depreciation on property, plant and equipment	936	528
Depreciation on right-of-use assets	4,855	3,924
Impairment loss on right-of-use assets	–	339
Amortisation on intangible assets	2,321	862
Impairment loss on intangible assets	120	85
	8,232	5,738

Amortisation and impairment on intangible assets are included in the statement of profit or loss under the line item Technology and Content.

Amortisation, depreciation and impairment losses are allocated in profit or loss in the following manner:

	FY21 $ '000	FY20 (unaudited) $ '000
Technology and Content	2,655	1,100
General and administrative	5,577	4,638
	8,232	5,738

Notes forming part of the financial statements continued

10. Finance income

	FY21 $ '000	FY20 (unaudited) $ '000
Foreign exchange rate gains	8,962	6,590
Interest income	10	21
	8,972	6,611

11. Finance expenses

	FY21 $ '000	FY20 (unaudited) $ '000
Foreign exchange rate losses	(9,028)	(8,439)
Financing costs	(61)	(243)
Interest expense	(1,347)	(1,179)
Lease interest expense[1]	(994)	(609)
	(11,430)	(10,470)

1 The comparative information has been expanded to separately present the lease interest expense.

12. Income tax

	FY21 $ '000	FY20 (unaudited) $ '000
Current tax		
Current tax on UK profit for the year	(26)	(52)
Current tax credit on overseas profits for the year	814	786
Adjustments in respect of prior periods	(365)	(78)
Total current tax credit	423	656
Deferred tax		
Origination and reversal of temporary differences	259	7
Derecognition of deductible temporary differences	52	–
Change in tax rate	(18)	–
Total deferred tax credit	293	7
Total tax credit in the statement of profit or loss	716	663

	FY21 $ '000	FY20 (unaudited) $ '000
Reconciliation of effective tax rate		
Factors affecting the tax credit for the year:		
Loss before tax	(26,610)	(12,942)
Current tax credit using the Danish corporation tax rate of 22% (2020: 22%)	5,853	2,847
Effects of:		
Items not deductible	(747)	(1,596)
IPO expenses	(2,197)	(705)
Share options	(1,897)	–
Research and development tax credit	1,201	653
Adjustment to tax charge in respect of prior periods	(418)	(78)
Differences between overseas tax rates	(101)	(74)
Movements in temporary differences not recognised	(960)	(384)
Effect of deferred tax rate changes	(18)	–
Total tax credit	716	663

The Danish corporate income tax rate of 22 per cent is used in the tax reconciliation for the Trustpilot Group as the majority of recognised tax arises in Denmark. Taxation for other jurisdictions is calculated at the rates prevailing in each jurisdiction.

Certain losses arising in the year have been sold to the Danish tax authorities allowing a realisation of an associated tax credit of $875,268 (FY20: $842,000).

13. Intangible assets

	Development projects in progress $ '000	Completed development projects $ '000	Total $ '000
Cost:			
At 1 January 2021	720	5,872	6,592
Additions during the year	3,790	–	3,790
Transfer – In progress to placed in service	(2,621)	2,621	–
Exchange difference	(55)	(613)	(668)
At 31 December 2021	1,834	7,880	9,714
Accumulated amortisation and impairment:			
At 1 January 2021	–	(1,114)	(1,114)
Amortisation for the year	–	(2,321)	(2,321)
Impairment for the year	(63)	(57)	(120)
Exchange difference	–	179	179
At 31 December 2021	(63)	(3,313)	(3,376)
Carrying amount as at 31 December 2021	1,771	4,567	6,338

Notes forming part of the financial statements continued

13. Intangible assets continued

	Development projects in progress (unaudited) $ '000	Completed development projects (unaudited) $ '000	Total (unaudited) $ '000
Cost:			
At 1 January 2020	1,959	824	2,783
Additions during the year	3,261	–	3,261
Transfer – In progress to placed in service	(4,690)	4,690	–
Exchange difference	190	358	548
At 31 December 2020	720	5,872	6,592
Accumulated amortisation and impairment:			
At 1 January 2020	–	(108)	(108)
Amortisation for the year	–	(862)	(862)
Impairment for the year	–	(85)	(85)
Exchange difference	–	(59)	(59)
At 31 December 2020	–	(1,114)	(1,114)
Carrying amount as at 31 December 2020	720	4,758	5,478

Research and development costs that are not eligible for capitalisation have been expensed in the period incurred and are included in the income statement within Technology and Content. In 2021, this amounted to $33.7 million (2020: $24.1 million).

Intangible assets consist of capitalised salaries undertaken for software development with some future economic benefit. Salaries are capitalised then amortised to better align expenses with benefits received to the organisation. Development projects in progress are tested for impairment annually.

14. Property, plant and equipment

	Leasehold improvements $ '000	Other fixtures and fittings, tools and equipment $ '000	Total $ '000
Cost:			
At 1 January 2021	1,883	1,351	3,234
Additions during the year	38	393	431
Disposals	(191)	(188)	(379)
Exchange adjustment	(30)	(73)	(103)
At 31 December 2021	1,700	1,483	3,183
Accumulated depreciation and impairment:			
1 January 2021	(445)	(768)	(1,213)
Depreciation for the year	(565)	(371)	(936)
Disposals	191	176	367
Exchange adjustment	21	62	83
At 31 December 2021	(798)	(901)	(1,699)
Carrying amount as at 31 December 2021	902	582	1,484

	Leasehold improvements (unaudited) $ '000	Other fixtures and fittings, tools and equipment (unaudited) $ '000	Total (unaudited) $ '000
Cost:			
At 1 January 2020	518	1,031	1,549
Additions during the year	1,424	451	1,875
Disposals	(75)	(190)	(265)
Exchange adjustment	16	59	75
At 31 December 2020	1,883	1,351	3,234
Accumulated depreciation and impairment:			
At 1 January 2020	(267)	(625)	(892)
Depreciation for the year	(242)	(286)	(528)
Disposals	75	181	256
Exchange adjustment	(11)	(38)	(49)
At 31 December 2020	(445)	(768)	(1,213)
Carrying amount as at 31 December 2020	1,438	583	2,021

15. Deferred tax

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	FY21 $ '000	FY20 $ '000	FY21 $ '000	FY20 $ '000	FY21 $ '000	FY20 $ '000
Intangible assets	–	–	(1,348)	(1,128)	(1,348)	(1,128)
Property, plant & equipment	362	1,022	–	–	362	1,022
Short term temporary differences	653	–	–	–	653	–
Share based payments	381	–	–	–	381	–
Tax losses	263	117	–	–	263	117
Deferred tax assets/(liabilities)	1,659	1,139	(1,348)	(1,128)	311	11

Deferred income tax assets and liabilities disclosed in the balance sheet are offset when there is a legally enforceable right to set off assets against liabilities and when they relate to the same fiscal authority.

Movement in deferred tax during the year:

	1 January 2021 $ '000	Recognised in income $ '000	Exchange differences $ '000	Recognised in equity $ '000	Acquisition/ Disposal $ '000	31 December 2021 $ '000
Intangible assets	(1,128)	(320)	100	–	–	(1,348)
Property, plant & equipment	1,022	(606)	(54)	–	–	362
Short term temporary differences	–	682	(29)	–	–	653
Share based payments	–	382	(16)	15	–	381
Tax losses	117	155	(9)	–	–	263
Deferred tax assets/(liabilities)	11	293	(8)	15	–	311

Notes forming part of the financial statements continued

15. Deferred tax continued

Movement in deferred tax during the prior year:

	1 January 2020 (unaudited) $ '000	Recognised in income (unaudited) $ '000	Exchange differences (unaudited) $ '000	Recognised in equity (unaudited) $ '000	Acquisition/ Disposal (unaudited) $ '000	31 December 2020 (unaudited) $ '000
Intangible assets	(530)	(508)	(90)	–	–	(1,128)
Property, plant & equipment	534	403	85	–	–	1,022
Short term temporary differences	–	–	–	–	–	–
Share based payments	–	–	–	–	–	–
Tax losses		112	5	–	–	117
Deferred tax assets	4	7	–	–	–	11

The deferred tax asset recoverable within 12 months and after 12 months as follows:

	2021 $'000	2020 (unaudited) $'000
Deferred tax:		
Recoverable within 12 months	140	11
Recoverable after 12 months	171	–
	311	11

Out of the total deferred tax $311 thousand, $140 thousand is expected to reverse within the next 12 months. $171 thousand is expected to reverse after 12 months.

The Group have not recognised $151 million (2020: $147 million) of gross tax losses carried forward due to uncertainties over recovery.

There is no expiration date on $110 million of the losses. The remaining losses of $41 million will begin to expire in 2033. ($1 million in 2033, $6 million in 2034, $12 million in 2035, $12 million in 2036 and $10 million in 2037).

The recent IPO may result in a restriction on the Group's ability to use tax losses in certain jurisdictions, due to changes in ownership, though based on current analysis management expects this impact to be limited.

No deferred tax liability is recognised on temporary differences of $nil (2020 $nil) relating to the unremitted earnings of overseas subsidiaries as the Group is able to control the timing of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future.

16. Earnings per share

	FY21	FY20[1] (unaudited)
Weighted average number of shares (000s):		
Ordinary shares	401,445	367,727

1 As part of the IPO Restructuring, all outstanding common and preference shares in Trustpilot A/S were exchanged in the proportion 1 to 78 for ordinary shares in the Company. Accordingly, in accordance with IAS 33, the pre-IPO share count has been recalculated using a multiplier of 78 illustrate a comparable total share count.

In addition to the ordinary shares above, Trustpilot Group plc had potential shares outstanding that would be dilutive if the Group generated net income for the period. As of 31 December 2021, total potential shares was 29,719 thousand, of which 27,804 thousand relate to employee warrants and 1,915 thousand relate to restricted shares. As of 31 December 2021 vested potential shares amounted to 11,981 thousand employee warrants.

	FY21 $ '000	FY20[1] (unaudited) $ '000
Loss for the year	(25,894)	(12,279)
Adjusted loss[1]	(8,250)	(3,927)
Loss per share (cents)[2]		
Basic	(6.5)	(3.3)
Diluted	(6.5)	(3.3)
Adjusted loss per share (cents)[1 2]		
Basic	(2.1)	(1.1)
Diluted	(2.1)	(1.1)

1 Alternative performance measures (APM) – further detail available in note 4.

2 Given the Group incurred losses in FY21 and FY20, the impact of potentially dilutive ordinary shares have been excluded as they would otherwise be anti-dilutive in accordance with IAS 33.

17. Leases

The Group solely leases properties, which are mostly made for fixed periods between 2-10 years 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 agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Extension and termination options are included in a number of property leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations.

The Group bases the lease liability on the contractual end date of the lease or the first possible date to terminate a contract. For the leases located in Denmark, the Group has made a judgement of 12 months exceeding the termination terms of 6 months due to the current rolling lease terms.

The Group has recognised the following amounts relating to leases:

	FY21 $ '000	FY20 (unaudited) $ '000
Right-of-use assets		
Properties	12,312	14,980

	FY21 $ '000	FY20 (unaudited) $ '000
Lease liabilities		
Current	3,504	4,432
Non-current	9,552	12,172
	13,056	16,604
Additions to the right-of-use assets were	318	13,385

The statement of profit or loss shows the following amounts relating to leases:

	FY21 $ '000	FY20 (unaudited) $ '000
Depreciation charge of right-of-use assets		
Properties (included in general and administrative costs)	4,855	3,924
Interest expense (included in finance expenses)	994	609
Expense relating to short-term leases (included in general and administrative costs)*	105	246
The total cash outflow for leases	5,621	3,867

* The Group classifies leases of 12 months or below as short-term leases. These are not treated under IFRS16 but expensed to the statement of profit and loss account over the period of the lease on a straight line basis. The Group has no lease contracts with variable payments.

Notes forming part of the financial statements continued

18. Trade receivables

	FY21 $ '000	FY20 (unaudited) $ '000
Trade receivables at 31 December	8,348	7,207
Less provision for impairment of trade receivables	(2,172)	(1,980)
Trade receivables net	6,176	5,227

Trade receivables are amounts due from customers for subscriptions sold in the ordinary course of business. They are generally due for settlement within 30 – 90 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value.

Due to the short-term nature of the current receivables, their carrying amount is considered to approximate their fair value.

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 12 month before 31 December respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information affecting the ability of the customers to settle the receivables. The maximum exposure to credit risk for the Group at 31 December 2021 relates to trade receivables.

	Not due or 0-60 days past due $ '000	More than 60 days past due $ '000	More than 90 days past due $ '000	Total $ '000
2021				
Expected loss rate coverage	8%	64%	51%	
Gross carrying amount, trade receivables	5,104	829	2,415	8,348
Loss allowance	415	531	1,226	2,172

	Not due or 0-60 days past due (unaudited) $ '000	More than 60 days past due (unaudited) $ '000	More than 90 days past due (unaudited) $ '000	Total (unaudited) $ '000
2020				
Expected loss rate coverage	8%	63%	75%	
Gross carrying amount, trade receivables	5,030	299	1,878	7,207
Loss allowance	383	189	1,408	1,980

Given that credit losses are evaluated on both specific credit risk characteristics and days past due, some expected loss rates may appear higher than expected for certain days past due buckets. In 2021 the "More than 60 days past due" group contained a higher amount of specific credit risk characteristics, resulting in a higher expected loss rate coverage.

Movement on the Group's provision for impairment of trade receivables

	FY21 $ '000	FY20 (unaudited) $ '000
Opening balances	1,980	1,319
Net increase in loss allowance recognised in profit or loss during the year	783	2,183
Receivables written off during the year as uncollectible	(591)	(1,522)
Provision for impairment of trade receivables	2,172	1,980

The Group defines a customer balance to be in default when there is no reasonable expectation of recovery, at which point the trade receivable is written off. Indicators that there is no reasonable expectation of recovery include, amongst others, failed external collection, confirmed bankruptcy or liquidation.

19. Deposits and other receivables

	FY21 $ '000	FY20 (unaudited) $ '000
Non-current deposits		
Deposits	2,383	2,970
Total non-current deposits	2,383	2,970
Current deposits and other receivables		
Other receivables	2,251	1,130
Deposits	619	–
Total current deposits and other receivables	2,870	1,130

20. Cash and cash equivalents

	FY21 $ '000	FY20 (unaudited) $ '000
Cash at bank and in hand	93,177	50,387

21. Contract balances

The Group has recognised the following assets and liabilities related to contracts with customers:

	FY21 $ '000	FY20 (unaudited) $ '000
Trade receivables[1]	6,176	5,227
Contract liabilities	(27,616)	(22,849)

The movement in contract liabilities and trade receivables are in line with the increase in the Group's activities and the related sales.

All revenue from subscriptions are recognised monthly over time on a straight-line basis, unrelated to payment terms upon issuing of invoices. General payment terms are between 8 and 30 days. All subscriptions are prepaid, pro-rated to the billing terms, leading to the recognition of contract liabilities.

The aggregated amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied as of 31 December 2021, and will be satisfied in the second and third years beyond the reporting date, is $1,276 thousand (2020: $795 thousand).

The aggregated amount of the transaction price allocated to performance obligations that are satisfied or partially satisfied in FY21 from the prior year is $521 thousand (FY20: $594 thousand).

The aggregated amount of recognised revenue in FY21, which was included in the contract liabilities at 31 December 2020 was $22,574 thousand. (FY20: $18,731 thousand).

Management expects that 68 percent of the transaction price allocated to unsatisfied contracts as of 31 December 2021, amounting to $877 thousand (2020: $521 thousand), will be recognised as revenue during the next reporting period. Of the remaining 32 percent, $381 thousand will be recognised in FY23 and $18 thousand in FY24.

1 Trade receivables is a financial asset not a contract asset, further disclosure is available in note 18.

Notes forming part of the financial statements continued

22. Share capital

Shares issued and fully paid:	31 December 2021 Number of shares	31 December 2021 Nominal value ($ '000)	31 December 2020 Number of shares (unaudited)	31 December 2020 Nominal value ($ '000) (unaudited)
Ordinary shares	413,747,356	5,576	802,605	132
A Preference shares	–	–	1,109,129	183
B Preference shares	–	–	670,752	111
C Preference shares	–	–	514,561	85
D Preference shares	–	–	1,052,307	174
E Preference shares	–	–	535,020	88
Total shares issued (authorised and fully paid)	413,747,356	5,576	4,684,374	773

The opening nominal value of Trustpilot A/S at 1 January 2021 was DKK 1 per share.

As further detailed below, completion of the IPO Restructuring on 26 March 2021 resulted in common and preference shares in Trustpilot A/S (each having a nominal value of DKK 1) being exchanged for ordinary shares in the Company (each having a nominal value of GBP 0.01). A multiplier was applied resulting in 78 ordinary shares in the Company being issued for each share held by existing shareholders in Trustpilot A/S (minus the 1 ordinary share already held by the incorporating shareholder of the Company).

All classes of preference share in Trustpilot A/S were converted to common shares on 26 March 2021 on a one-for-one basis. Accordingly, the share capital of Trustpilot A/S as of 31 December 2021 consists of a single class of common shares.

The share capital of the Company as of 31 December 2021 consists of a single class of ordinary shares, each share having a nominal value of GBP 0.01. The ordinary shares carry no right to fixed income. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

There are no special rights attached to the common shares in Trustpilot A/S.

	Number of Shares	Share capital ($'000)	Nominal value ($ '000)
Changes in share capital			
Opening balance at 01 January 2021	4,684,374	773	177,842
Employee share scheme issues[1]	27,623	4	238
Lender warrants exercised[2]	37,525	6	358
Exchange difference on items recognised directly in equity prior to group reconstruction	–	(23)	(6,977)
Share Capital pre-public offering	4,749,522	760	171,461
Share Capital post public offering			
Conversion of basic shares[3]	370,462,716	5,105	–
Issue of shares[4]	17,620,906	244	64,102
Exercise of share based payments[5]	25,663,734	353	9,424
Contribution of equity – Transaction cost	–	–	(1,274)
Exchange difference on items recognised directly in equity post group reconstruction	–	(126)	(1,258)
Ending Balance 31 December 2021	413,747,356	5,576	70,994

1 On 3 March 2021, 20,780 warrants were exercised into 20,780 common shares in Trustpilot A/S, followed on 12 March 2021 by a further 6,843 warrants exercised into 6,843 common shares in Trustpilot A/S. The total of 27,623 new common shares with a nominal value of $4 thousand resulted in share capital increasing by $4 thousand and share premium by $238 thousand.

2 Shortly prior to Admission on 26th March 2021, three lender-related entities exercised a total of 37,525 warrants into 37,525 common shares, with a nominal value of $6 thousand resulting in share capital increasing by $6 thousand and share premium by $358 thousand.

3 As part of the IPO Restructuring, on 26 March 2021 all 4,749,522 outstanding common and preference shares in Trustpilot A/S were exchanged in the proportion 1 to 78 for 370,462,715 ordinary shares in the Company (the incorporating shareholder of the Company already held 1 ordinary share prior to the exchange). The result was 370,462,716 ordinary shares being held in the Company and increase of share capital by $5,105 thousand. Further as part of the IPO Restructuring and basic share exchange, the difference between the share capital and share premium recognised in Trustpilot A/S and the new Trustpilot Group plc was taken to a merger reserve on consolidation.

4 On 26 March 2021, 17,620,906 ordinary shares in the Company were issued as a result of the Company's primary offering for a net consideration of $64,346 thousand, resulting in a share capital increase by $244 thousand and share premium increase by $64,102 thousand.

5 From 26 March 2021 to 31 December 2021 (inclusive), 25,663,734 ordinary shares were issued in the Company to satisfy the exercise of warrants and vesting of restricted stock units in the Company, resulting in a share capital increase by $353 thousand and share premium increase of $9,424 thousand. Further detail related to these schemes is disclosed in note 8, share-based payment plans.

Specification of merger reserve

	Share capital $ '000	Share premium $ '000	Foreign currency translation reserve $'000	Merger reserve $ '000
Balances at 1 January 2021	773	177,842	(20,304)	–
Exchange difference on share capital and premium	(23)	(6,977)	—	–
Warrants (Exercised)[1]	10	596	—	–
Balance pre group reconstruction	760	171,461	(20,304)	–
Elimination of ordinary shares as part of:				
Group restructure[2]	(760)	—	—	760
Conversion of basic shares[2]	5,105	(171,461)	18,262	148,094
Reclass to merger reserve FY21	4,345	(171,461)	18,262	148,854
Merger balance as at 31 December 2021	–	–		148,854

1 In March 2021, 65,148 warrants were exercised into common shares in Trustpilot A/S with a nominal value of $10 thousand resulted in a share capital increasing by $10 thousand in Trustpilot A/S.

2 As part of the IPO Restructuring, all 4,749,522 outstanding common and preference shares in Trustpilot A/S (nominal value $760 thousand) were exchanged in the proportion 1 to 78 for 370,462,715 ordinary shares in the Company (nominal value $5,105 thousand) (the incorporating shareholder of the Company already held 1 ordinary share prior to the exchange), which together with share premium of $171,461 thousand and $18,262 thousand of foreign currency translation reserves in Trustpilot A/S was converted into net $148,854 thousand merger reserve in the Group.

23. Financial risk management

Outlined below are the ways in which the Group addresses interest rate risk, foreign currency risk, credit risk, liquidity risk and capital risk.

Market risk

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in reference interest rates. Long-term borrowings with variable interest rates could therefore expose the Group to cash flow interest rate risk.

The Group repaid and refinanced a credit facility with Silicon Valley Bank in 2021, this revolving credit facility includes a variable interest rate that exposes the Group to interest rate risk. Credit facility funds are available in either USD, EUR or GBP with interest rates determined on a base plus margin basis with an interest rate floor. For the calculation of the interest base rate, USD borrowings will utilise a Wall Street Prime Rate, EUR borrowings will utilise a European Central Bank base rate and GBP borrowings will utilise a Bank of England base rate. In addition to this base rate, a margin will be applied based on the Group EBITDA* in the most recently completed relevant period. Interest rate risk is concentrated across 3 reference rates for USD, EUR and GBP borrowings.

* Group EBITDA in this context is the same as Adjusted EBITDA illustrated in note 4 with the following additional adjustments:

– after deducting the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests.

– after deducting the amount of any profit of any Non-Group Entity to the extent that the amount of the profit included in the financial statements of the Group exceeds the amount actually received in cash by members of the Group through distributions by the Non-Group Entity.

Sensitivity from changes in interest rates has been deemed immaterial given actual interest rates were below reference rate floors for the duration credit was drawn in March 2020 to May 2021. The Group continues to monitor changes in interest rates and considers the associated cost of borrowing.

Notes forming part of the financial statements continued

23. Financial risk management continued

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a balance sheet exposure will fluctuate because of changes in foreign exchange rates.

In general, purchases are made in the functional currencies of the individual group entity. The currency risk therefore primarily arises from sale in foreign currencies compared to the functional currency of each of the Group entities. Sales made in foreign currencies are primarily made by the Trustpilot A/S denominated in EUR and GBP.

In addition, the borrowings obtained by Trustpilot A/S (with DKK functional currency) in 2020 was denominated in USD and GBP. As the borrowings were denominated in foreign currencies, this also exposed the Group to currency risk at the end of 2020.

The sensitivity analysis shows the gain/loss on net loss for the year and equity of a 10 per cent increase/decrease in the specified currencies towards their functional currencies (presented in US Dollars). The gain/loss is associated with the changing value of financial instruments on the balance sheet due to the underlying currency fluctuations for those instruments held in something other than the functional currency.

	Impact on post tax loss and equity	
	FY21 $ '000	FY20 (unaudited) $ '000
EUR/USD – increase 10%	4,901	3,208
EUR/USD – decrease 10%	(4,901)	(3,208)
GBP/USD – increase 10%	3,872	3,609
GBP/USD – decrease 10%	(3,872)	(3,609)

The sensitivity analysis is based on the assumption that all other variables and exposures remains constant on the financial instruments recognised at 31 December.

The carrying amounts of the Group foreign currency denominated financial assets and liabilities at the reporting date are as follows:

FY21	USD $ '000	GBP $ '000	EUR $ '000	Other $ '000	Total $ '000
Cash and cash equivalents	25,246	19,349	47,686	896	93,177
Trade receivables	1,135	2,068	1,027	1,946	6,176
Deposits	30	2,051	—	302	2,383
Other receivables	24	842	42	537	1,445
Trade payables	278	785	40	733	1,836
Other payables	2,742	3,244	539	6,115	12,640
Lease liabilities	1,708	10,408	63	877	13,056
Borrowings	–	–	–	–	–

FY20	USD (unaudited) $ '000	GBP (unaudited) $ '000	EUR (unaudited) $ '000	Other (unaudited) $ '000	Total (unaudited) $ '000
Cash and cash equivalents	10,951	7,265	31,124	1,047	50,387
Trade receivables	1,389	1,472	795	1,571	5,227
Deposits	30	2,560	40	340	2,970
Other receivables	3	191	24	572	790
Trade payables	57	93	15	1,112	1,277
Other payables	2,112	3,461	371	7,975	13,919
Lease liabilities	3,666	11,881	123	934	16,604
Borrowings	4,000	8,941	–	–	12,941

Comparative information has been expanded to include the whole of the Group.

The impact on post tax loss for the year includes financial instruments that are currency adjusted through the statement of profit and loss and is based on those financial instruments that were recognised at the respective balance sheet dates.

Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

The Group's primary credit exposure is related to trade receivables and cash positions. The Group determines whether a financial asset is credit-impaired based on the asset's cash flow expectations. The Group has no major exposure relating to one single customer or business partner. The Group has no significant credit risk concentrations as the Group has many small customers, a total of 23 thousand paying customers at 31 December 2021. Given the historical collection rate, the Group has determined that it will not forgo commercial agreements with customers due to their credit rating.

For further information about the Group's credit loss allowance on trade receivables, refer to note 18. The most significant counterparty risk is related to deposit with banks, as the Group's balance at 31 December 2021 amounts to $93,177 thousand (2020: $50,387 thousand). To mitigate this risk, it is the Group's policy only to use banks of high quality and with low credit risk in the countries the Group operates in, whose credit ratings are "A" or higher by Moody´s Investors Services. Given the Group's treasury policy regarding deposits, the Group does not incorporate further forward looking information into its understanding of credit risk and has an expected credit loss for cash deposits of $nil. Deposits are reviewed on a monthly basis and write-offs are considered if expectation of recovery falls meaningfully. There were no write-offs in FY21 and all deposits are a considered a low credit risk, held in institutions with credit ratings of "A" or higher. The Group has not established a credit loss provision on cash deposits due to the low credit risk associated with institutions of an "A" rating or higher.

The carrying amounts of trade receivables in note 18 and cash and cash equivalents in note 20 represents the Group's maximum exposure to credit risk. The Group's credit risk has not increased significantly since initial recognition of any financial assets.

Liquidity risk

Prudent liquidity risk management involves maintaining sufficient cash or access to credit to meet Group obligations.

Management monitors rolling forecasts of the Group's liquidity, which as of 31 December 2021 consists of $93 million cash and a $30 million revolving credit facility. As of 31 December 2021 the revolving credit facility remains undrawn.

Capital Management

The Group's objective when managing capital is to safeguard the ability to continue as a going concern, in a manner that optimises the capital structure.

The Group's strategy is to finance the operations of the business with the cash on the balance sheet and only access the credit facility if additional opportunities present themselves. There has been no change in the policies for managing capital when compared with the prior year. The Group remains in compliance with the covenants associated with the credit facility.

The Group's key management personnel monitors as capital the net cash position, defined as the cash on the balance sheet less any outstanding debt.

Maturity analysis

The amounts disclosed in the table are the contractual undiscounted cash flows (including interest payments). Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year $ '000	Between 1 and 3 years $ '000	More than 3 years $ '000	Total $ '000
Non-derivatives				
As at 31 December 2021				
Trade payables	(1,836)	–	–	(1,836)
Lease liabilities	(4,104)	(4,192)	(7,364)	(15,660)
Other payables	(12,640)	–	–	(12,640)
	(18,580)	(4,192)	(7,364)	(30,136)

Notes forming part of the financial statements continued

23. Financial risk management continued

	Less than 1 year (unaudited) $ '000	Between 1 and 3 years (unaudited) $ '000	More than 3 years (unaudited) $ '000	Total (unaudited) $ '000
As at 31 December 2020				
Trade payables	(1,277)	—	—	(1,277)
Borrowings	(2,775)	(12,262)	—	(15,037)
Lease liabilities	(4,799)	(5,244)	(9,944)	(19,987)
Other payables	(13,919)	—	—	(13,919)
	(22,770)	(17,506)	(9,944)	(50,220)

	FY21 $ '000	FY20 (unaudited) $ '000
Financial assets and liabilities per measurement category		
Financial assets at amortised cost:		
Trade receivables, current	6,176	5,227
Deposits, non-current	2,383	2,970
Other receivables	1,445	790
Cash and cash equivalents, current	93,177	50,387
	103,181	59,374

	FY21 $ '000	FY20 (unaudited) $ '000
Financial liabilities at amortised cost:		
Trade payables, current	(1,836)	(1,277)
Borrowings, non-current	—	(11,323)
Borrowings, current	—	(1,618)
Other payables	(12,640)	(13,919)
Lease liabilities, non-current	(9,552)	(12,172)
Lease liabilities, current	(3,504)	(4,432)
	(27,532)	(44,741)

Due to the short-term nature of the Group's financial instruments, the fair value approximates the carrying amount.

24. Commitment and contingent liabilities

Pledges and security

	31 December 2021 $ '000	31 December 2020 (unaudited) $ '000
The carrying amounts of the secured assets are as follows		
Intangible assets	6,338	5,478
Trade receivables	6,176	5,227
	12,514	10,705

In connection with a revolving credit facility of $30 million, the Company, Trustpilot A/S, Trustpilot, Inc. and Trustpilot Ltd have granted security over all of their property and undertaking, including bank accounts, trademarks and shares (excluding the Company).

No security has been provided for the Group's leaseholds in 2021.

Capital commitments

As at 31 December 2021, the Group had capital commitments of $494 thousand (FY20: $6 thousand) in relation to property, plant and equipment.

Contingent liabilities

Subsidiaries of Trustpilot Group plc are parties to various litigation claims from time to time. Other than the claim below, the outcome of claims pending are not expected to constitute risk for economic outflow of material importance to the Group's financial position.

In January 2021, a complaint was filed in the United States District Court for the Southern District of New York against Trustpilot Inc. and Trustpilot A/S (the Plaintiffs later dropped the claim against Trustpilot A/S).

The Plaintiffs allege that Trustpilot designed its email systems so that a reminder email about renewal of Trustpilot subscriptions would be sent from a Trustpilot.net email address and go directly to the recipient's junk email folder and that, as a result, Trustpilot customers paid for Trustpilot subscriptions that they would not have renewed had they received the reminder email.

The claim was dismissed in its entirety by the Court on 29 June 2021. On 14 July the Plaintiffs filed a 'motion to reconsider' the dismissal of the case. Trustpilot filed its opposition to this 'motion to reconsider' on 28 July 2021. On 14 October 2021, the Plaintiffs' 'motion to reconsider' was denied. The Plaintiffs filed a Notice of Appeal on 15 November 2021 and the case has been transmitted to the Second Circuit Court of Appeals. The case has been placed on the expedited appeals calendar and we anticipate an outcome mid-way through 2022. On 4 January 2022, Trustpilot received the Plaintiffs' appeal brief, and Trustpilot submitted its reply on 8 February 2022. The Plaintiffs reply brief was submitted on 22 February 2022. The court will now schedule oral arguments.

Based on the facts and circumstances known at this time, the fact the claim was dismissed in its entirety, and the Plaintiffs' 'motion to reconsider' was also denied by the court, group management has no reason to consider that it is probable there will be an unfavourable outcome in respect of the litigation at this stage and therefore no provision has been recognised. Should developments cause a change in Trustpilot's determination as to an unfavourable outcome, or result in a final adverse judgement or settlement, there could be a material adverse effect on Trustpilot's results of operations and cash flows. The material adverse financial effect of the contingent liability can not be quantified reliably.

25. Provisions

	FY21 Dilapidation provision Non-current $ '000	FY20 Dilapidation provision Non-current (unaudited) $ '000
Non-current		
At 1 January	–	–
Utilised in the year	–	–
Charged in the year	517	–
At 31 December 2021	517	–

	FY21 Dilapidation provision Current $ '000	FY20 Dilapidation provision Current (unaudited) $ '000
Current		
At 1 January	–	–
Utilised in the year	–	–
Charged in the year	670	–
At 31 December 2021	670	670

The Group established dilapidation provisions during 2021 for leases where Trustpilot will have an obligation to restore the leases according to the contractual requirements when the leases come to an end. The provisions are based on internal assessments, estimates from the landlords and on the lifetime of each lease. There will be uncertainty to the actual outflow for dilapidation until leases in question have concluded and the space is formally assessed. The group has dilapidation obligations in the UK entity and the Danish Entity where $670 thousand is due within 12 months from balance sheet date and $517 thousand is due after more than 5 years.

Notes forming part of the financial statements continued

26. Other payables

	FY21 $ '000	FY20 $ '000
Non-current		
Holiday – other liability	2,962	3,171
Total non-current other payables	2,962	3,171
Current		
Other taxes and social security	10,221	7,379
Accruals	12,640	13,919
Total current other payables	22,861	21,298

Non-current holiday liability is the result of a shift in the timing of accruing holiday liability in Denmark to better align with treatment in EU countries. The balance consists of the holiday accrual rolled into employee pension savings to be paid upon retirement.

27. Changes in liabilities arising from financing activities

This section sets out an analysis of liabilities arising from borrowings and the movements in each of the periods presented.

	1 January 2021 $ '000	Cash flows $ '000	Foreign exchange movement $ '000	New leases* $ '000	31 December 2021 $ '000
Borrowings	12,941	(13,000)	59	–	–
Lease liabilities	16,604	(5,516)	(192)	2,160	13,056
Total liabilities from financing activities	29,545	(18,516)	(133)	2,160	13,056

	1 January 2020 (unaudited) $ '000	Cash flows (unaudited) $ '000	Foreign exchange movement (unaudited) $ '000	New leases* (unaudited) $ '000	31 December 2020 (unaudited) $ '000
Borrowings	–	12,144	797	–	12,941
Lease liabilities	4,582	(3,047)	764	14,305	16,604
Total liabilities from financing activities	4,582	9,097	1,561	14,305	29,545

* Including lease modifications.

The Group accessed the credit facility in FY20 to strengthen the cash position through the uncertainty of the Covid-19 pandemic. As of 31 December 2020, a combination of £6.6 million and $4.0 million term debt was outstanding, reported as a non-current borrowing on the balance sheet. In FY21 the credit facility was repaid and refinanced shortly following the IPO.

28. Related parties

The key management compensation is disclosed in note 6.

On 26 March 2021, the IPO Restructuring described in note 1 was completed immediately prior to Admission.

50,000 redeemable preference shares of £1 nominal value each in Trustpilot Group plc were issued to Peter Mühlmann Holding ApS (the incorporating shareholder of Trustpilot Group plc) on 16 Feb 2021 for the purposes of Trustpilot Group plc having sufficient capital to obtain a trading certificate. Pursuant to a resolution by the board of directors of Trustpilot Group plc on 22 March 2021, the shares were redeemed and cancelled on 14 April 2021 by the repayment to Peter Mühlmann Holding ApS of £50,000.

In the comparative period FY20, there were no transactions with related parties.

29. Reconciliation to operating cash flows

	FY21 $ '000	FY20 (unaudited) $ '000
Changes to net working capital		
(Increase) in trade receivables	(1,325)	(989)
(Increase) in other assets	(1,260)	(1,227)
(Increase)/decrease in prepayments	(1,191)	158
Increase/(decrease) in trade payables	595	(295)
Increase in other liabilities	2,805	11,931
Increase in contract liabilities	6,401	1,824
	6,025	11,402

	FY21 $ '000	FY20 (unaudited) $ '000
Adjustments to operating cash flows		
Income tax	(716)	(663)
Amortisation and impairment of intangible assets	2,441	947
Depreciation and impairment of tangible assets and right-of-use assets	5,791	4,791
Finance income	(10)	(21)
Finance expenses	2,402	2,076
Share-based compensation	6,527	2,696
	16,435	9,826

30. List of group companies

	Legal entity registered office	Status	Type	Place of incorporation	Ownership interest
Trustpilot A/S	Pilestræde 58, 5, 1112 København K	Trading	Subsidiary	Denmark	100%
Trustpilot Galaxy A/S[1]		Dissolved	Subsidiary	Denmark	100%
Trustpilot, Inc.	c/o The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801, USA	Trading	Subsidiary	US	100%
Trustpilot Ltd	5th Floor, The Minster Building, 21 Mincing Lane, London EC3R 7AG, United Kingdom	Trading	Subsidiary	England & Wales	100%
Trustpilot GmbH	c/o Dantax Steuerberatungs GmbH, Am Oxer 7, 24955 Harrislee, Germany	Trading	Subsidiary	Germany	100%
Trpilot Pty Limited	Suite 3, 61 Porter Street, Prahran, 3181 VIC, Australia	Trading	Subsidiary	Australia	100%
Trustpilot UAB	Vito Gerulaičio g. 1, 3rd floor, Vilnius, Lithuania	Trading	Subsidiary	Lithuania	100%
Trustpilot S.r.l.	Corso Vercelli 40, Milan, CAP 20145, Italy	Trading	Subsidiary	Italy	100%
Trustpilot B.V.	Herikerbergweg 238, Luna ArenA, 1101 CM Amsterdam, The Netherlands	Trading	Subsidiary	Netherlands	100%

1 Trustpilot Galaxy A/S was a wholly owned subsidiary of Trustpilot Group plc, incorporated on 18 February 2021. It was dissolved on 26 March 2021 by reason of a merger with Trustpilot A/S, in which Trustpilot A/S was the surviving company.

Following the IPO restructuring (including the merger of Trustpilot A/S and Trustpilot Galaxy A/S) on 26 March 2021, Trustpilot A/S is a wholly owned subsidiary of Trustpilot Group plc. All other group companies are wholly owned subsidiaries of Trustpilot A/S.

Trustpilot Group plc balance sheet

	Note	As at 31 December 2021 £ '000
Fixed assets		
Investments	5	9,221
Total fixed assets		9,221
Current Assets		
Trade and other receivables: amounts falling due after one year	6	5,866
Trade and other receivables: amounts falling due within one year	6	874
Cash and cash equivalents		39,879
Total current assets		46,619
Creditors: amounts falling due within one year	8	(2,432)
Net current assets		44,187
Total assets less current liabilities		53,408
Net assets		53,408
Capital and reserves		
Share capital	7	4,137
Share premium	7	52,670
Foreign currency translation reserve	7	73
Other reserves		4,017
Accumulated Losses		(7,489)
Total equity		53,408

As permitted by Section 408 of the Companies Act 2006, the Company's Statement of Profit or Loss has not been included in these financial statements.

The Company incurred a loss of £7,489 thousand for the period covering 8th February 2021 to 31st December 2021. Losses primarily due to IPO and other public company related costs, consisting of consultancy, bank and similar fees.

At the balance sheet date the Company has unused tax losses of £1.06 m (2020: £nil) available for offset against future profits. No deferred tax asset has been recognised as it is not considered probable that there will be future taxable profits available for the company. These losses may be carried forward indefinitely.

The notes on pages 174 to 175 are an integral part of these financial statements.

The financial statements on pages 172 to 175 were approved and authorised by the Board of Directors and signed on its behalf by:

Hanno Damm
Chief Financial Officer

Trustpilot Group plc statement of changes in equity

	Called-up share capital £ '000	Share premium account £ '000	Foreign currency translation reserve £ '000	Other reserves £ '000	Accumulated Losses £ '000	Total £ '000
Equity at Opening balance as at 8th February 2021*	–	–	–	–	–	–
Loss for the period	–	–	–	–	(7,489)	(7,489)
Other comprehensive income	–	–	73	–	–	73
Total comprehensive income/(expense) for the period	–	–	73	–	(7,489)	(7,416)
Conversion of basic shares	3,705	–	–	–	–	3,705
Employee share scheme issues	256	6,863	–	–	–	7,119
Issue of shares	176	46,519	–	–	–	46,695
Transaction costs	–	(712)	–	–	–	(712)
Share-based payments	–	–	–	4,017	–	4,017
Total transactions with owners	4,137	52,670	–	4,017	–	60,824
Equity at 31 December 2021	4,137	52,670	73	4,017	(7,489)	53,408

* Opening balance as at incorporation date of 8th February 2021.

Notes to the Parent Company Financial Statements

1. General Information

Trustpilot Group plc is a public company limited by shares, incorporated in England & Wales on 8 February 2021 with company number 13184807, and having its registered office at 5th Floor, The Minster Building, 21 Mincing Lane, London EC3R 7AG, United Kingdom (the "Company"). The Company, together with its subsidiaries, comprise the "Group".

The Company is the parent company of the Group and its principal activity is to act as the ultimate holding company of the Group. These financial statements are the separate financial statements for the Company covering the period from incorporation on 8 February 2021 to 31 December 2021.

The Company's financial statements are presented in British Pound Sterling ("GBP") being the Company's functional currency. All figures presented are rounded to the nearest thousand (£000), unless otherwise stated.

2. Company Accounting Policies

Basis of Preparation

These financial statements are prepared on a going concern basis under the historical cost convention and in compliance with the United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

A summary of the principal accounting policies of the company, which have been consistently applied, is set out below. These accounting policies have been consistently applied to period ending 31st December 2021.

The Company is deemed a qualifying entity under FRS 102, and so may take advantage of the reduced disclosures permitted under the standard. As a result, the following disclosure exemptions have been taken:

- The company has taken advantage of the exemption, under paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Trustpilot Group plc, includes the company's cash flows in its consolidated financial statements.'
- Disclosures about financial instruments under Section 11 Basic Financial Instruments and Section 12 Other Financial Instruments Issues paragraphs 12.26 (in relation to those cross-referenced paragraphs from which a disclosure exemption is available), 12.27, 12.29(a), 12.29(b), and 12.29A; this exemption is permitted as equivalent disclosures are included in the consolidated financial statements of the Trustpilot Group plc;
- Disclosures about share-based payments under Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23; this exemption is permitted as the Company is an ultimate parent, the share-based payment arrangements concern its own equity instruments, its separate financial statements are presented alongside the consolidated financial statements of the Trustpilot Group plc. and equivalent disclosures are included in those consolidated financial statements;
- A reconciliation of the number of shares outstanding at the beginning and end of the period. 4.12(a)(iv) and
- Disclosure of related party transactions between wholly owned subsidiaries and parents within a group under section 33.

Going Concern

A principal objective of the Group (of which the Company is the holding company), is to manage cash and debt to safeguard the Group's ability to continue as a going concern for the foreseeable future. The Group retains sufficient resources to remain in compliance with the financial covenants of its bank facilities. The Directors have also assessed the Group's prospects and viability over a three-year period. The Directors therefore consider it appropriate to adopt the going concern basis in preparing the financial statements.

Refer to Note 1 of the consolidated financial statements.

Income Statement

The Company has taken advantage of the exemption offered by Section 408 of the Companies Act 2006 not to present its income statement. The loss for the period covering 8th February 2021 to 31st December 2021 was £7,489 thousand.

Principal Accounting Policies

Investment in Subsidiaries

The investment in subsidiaries is held at cost (being the nominal value of the shares issued, plus the value of the liability component) less accumulated impairment losses. Where share awards and associated social security costs relating to employee services in subsidiary companies are settled by the Company through issue of share or cash payments, the associated charge incurred is deemed to be a capital contribution and included in cost of investment.

Dividends from Subsidiaries

Dividends on investments in subsidiaries are recognised in the income statement of the Company in the financial year in which the dividend is declared.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds net of tax.

Intercompany

Intercompany balances are shown gross unless a right of set off exists. Balances are valued at fair value at inception and are repayable on demand.

Significant accounting estimates and judgements

During the reporting period there were no significant accounting judgements or estimates.

3. Staff costs

The Company has no employees. Full details of the Directors' remuneration and interests are set out in the Directors' remuneration report on pages 100 to 119.

4. Auditors' remuneration

Fees paid to the auditors during the year for the audit of the Group and company financial statements were £553 thousand. Fees paid by the Company to the auditors for other audit related assurance services was £130 thousand. Further detail regarding auditors' remuneration for controlled undertaking is available in note 7 of the consolidated financial statements.

5. Investments

	FY21 £ '000
Acquisitions at 26 March 2021	3,675
Additions during the period	5,546
At 31 December 2021	9,221

On 26 March 2021, all 4,749,522 outstanding common and preference shares in Trustpilot A/S were exchanged in the proportion 1 to 78 for 370,462,715 ordinary shares in the Company (the incorporating shareholder of the Company already held 1 ordinary share prior to the exchange). Consequently, Trustpilot Group plc holds 100 per cent of the shares in Trustpilot A/S.

Further details of the transaction can be found in the note 22 of the group's consolidated financial statements.

As the Company is reporting under FRS 102, under Section 615 of the Companies Act 2006, the Company opted to record its investment in the shares acquired at an amount equal to the aggregate share capital and share premium.

During the period capital contributions of £5,546 thousand were made to its subsidiaries in relation to share-based payments.

A list of the Company's investments in subsidiary undertakings can be found in note 27 of the consolidated financial statements.

6. Trade and other receivables

	FY21 £ '000
Trade and other receivables: amount falling due after one year	
Amounts owed by group undertakings	5,866
	5,866

	FY21 £ '000
Trade and other receivables: amount falling due within one year	
Other debtors	797
Prepayments and accrued income	77
	874

Amounts due from group undertakings comprised of non-current loans incur and interest charge of 5%. The total value of trade and other receivables figures amounts to £6,740 thousand.

7. Share capital

As at 31st December 2021	Number of Shares	Nominal value (£ '000)
The share capital comprise:		
Ordinary shares	413,747,356	4,137
Share capital (authorised and fully paid)	413,747,356	4,137

All shares have nominal value of £0.01.

Share premium

Share premium represents the amount over the par value which was received by the Company upon the sale of the ordinary shares. Upon the date of listing the par value of the shares was £0.01 but the initial offering price was £2.65. Share premium is stated net of direct costs relating to the issue of the shares.

Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of loan dominated in USD, further details can be found in amounts due from group undertakings in note 6.

Accumulated losses

Accumulated losses represent cumulative profit or losses, net of other adjustments.

Other reserves

Other reserves contain equity settled share based employee remuneration.

8. Creditors: amounts falling due within one year

	FY21 £ '000
Trade creditors	2
Amounts owed to group undertakings	191
Other creditors including taxation and social security	1,794
Accruals and deferred income	445
Creditors: amounts falling due within one year total	2,432

Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

9. Related parties

Details on related parties can be found in note 28 of the consolidated financial statements.

Independent auditors' report to the members of Trustpilot Group plc

Report on the audit of the Company financial statements

Opinion

In our opinion, Trustpilot Group plc's Company financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report & accounts (the "Annual Report"), which comprise: Trustpilot Group plc balance sheet as at 31 December 2021; Trustpilot Group plc statement of changes in equity for the period then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 4 to the financial statements 'Auditors' Remuneration', we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

Our audit approach

Context

Trustpilot Group plc was admitted to the Official List of the UK Listing Authority and was admitted to trading on the Main Market of the London Stock Exchange on 26 March 2021. This is the first Annual Report since admission. The Company was incorporated on 08 February 2021 and became the Parent Company of the Group on 20 February 2021.

In planning our audit, we have considered the potential impact of climate change. Given the principal activities of the Company, climate risk is not expected to have a significant impact. As part of our audit, we have evaluated management's climate change risk assessment and the assessment of the impact of those risks on the financial statements. We have performed procedures to evaluate the appropriateness of management's risk assessment. We considered whether the Company had any externally published environmental targets and we challenged management on any potential additional future costs. We assessed whether there would be any key financial statement line items and estimates which could be more likely to be impacted by climate risks. Our procedures did not identify any material impact on the financial statements or our key audit matters for the year ended 31 December 2021. We have reviewed management's financial statement disclosures relating to climate change to confirm they are consistent with the results of management's risk assessment and our audit procedures.

Overview

Audit scope

- The audit included substantive procedures over all material balances, transactions and disclosures.
- Key audit matters
- Share based payment transactions
- Materiality
- Overall materiality: £550,000 based on 1% of total assets.
- Performance materiality: £412,000.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the 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) identified by the auditors, including 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, and any comments we make on the results of our procedures thereon, 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.

This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
Share based payment transactions Refer to the Principal Accounting Policies 'Investment in Subsidiaries' for details on the capital contribution accounting for the share based payment entries. Employee share awards and associated social security costs are settled by the Company either through issue of shares or cash payments, and therefore where these relate to employee services provided to subsidiary companies they are accounted for as capital contribution and added to cost of investments in subsidiaries. The valuation of share based payment requires a level of estimation and use of option pricing models. Detailed calculations are produced to calculate the allocation of the charges related to the subsidiaries, and the valuation of the unsettled social security costs based on the intrinsic value of unvested awards at the year end. There is a high level of estimation in the valuation and accounting treatment of employee share awards.	The audit procedures we performed in relation to this risk included: – Completed sample testing over awards granted and movements in the number of awards, agreeing to supporting documentation including individual award letters sent to employees and the appropriate Remuneration Committee approval; – Utilised valuation specialists to consider the key assumptions in the option pricing model, and that an appropriate valuation methodology had been applied; – For awards issues pre IPO, additional testing was performed to consider the reasonableness of the valuation of the shares and the fair value of the modification to the awards that occurred on IPO; – For the current year expense, we have performed a recalculation of the charge based on our independent assessment of the expected level of vesting; – We have tested the social security liability arising by recalculating the amounts arising based on the intrinsic value of the unvested share awards at the balance sheet date and applicable social security rates; and – We have tested the allocation of the associated charges arising between the Company and subsidiaries to consider the appropriateness of the additions made to cost of investment. Based on the above procedures we are comfortable that these amounts have been appropriately disclosed and accounted for within the financial statements.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

The Company consists of one reporting unit which was subject to a full scope audit.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

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

Overall Company materiality	£550,000.
How we determined it	1% of total assets
Rationale for benchmark applied	The Company does not trade and therefore total assets is considered to be the most appropriate benchmark.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality, amounting to £412,000 for the Company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

Independent auditors' report to the members of Trustpilot Group plc continued

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £27,500 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- The assessment of going concern has been completed for the Group that the Company heads.
- Evaluating management's detailed cash flow forecasts under both base case and downside scenarios. We have also evaluated the reverse stress test scenario prepared by management to assess the likelihood of the scenarios within this occurring;
- Comparison of the going concern base case forecasts to Board approved forecasts. We also considered whether they were reasonable in light of previous performance, future expectations and management's track record of accurate forecasting;
- Reading the key terms of all committed debt facilities to understand any terms, covenants or undertakings that may impact the availability of the facility; and
- Assessing the adequacy of disclosures in note 2 of the Company financial statements.

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 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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information, which includes reporting based on the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the period ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the Group was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Company and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

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.

Independent auditors' report to the members of Trustpilot Group plc continued

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, UK Listing rules and Corporation Taxes, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to reduce expenditure to manipulate the financial performance of the Company, and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, internal audit and legal counsel, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of internal audit reports and the legal risk register;
- Identifying and testing unusual journal entries which reduce expenditure to manipulate the financial performance of the Company; and
- Assessing key judgements and estimates made by management for evidence of inappropriate bias, in particular in respect of the key audit matter noted above. Details of our procedures in these areas are included in our key audit matter above.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the directors on 13 September 2021 to audit the financial statements for the year ended 31 December 2021 and subsequent financial periods. This is therefore our first year of uninterrupted engagement.

Other matters

We have reported separately on the Group financial statements of Trustpilot Group plc for the period ended 31 December 2021.

As required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.14R, these financial statements form part of the ESEF-prepared annual financial report filed on the National Storage Mechanism of the Financial Conduct Authority in accordance with the ESEF Regulatory Technical Standard ('ESEF RTS'). This auditors' report provides no assurance over whether the annual financial report has been prepared using the single electronic format specified in the ESEF RTS.

David Teager
(Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

East Midlands

22 March 2022

Annual Report – important information

This Annual Report has been prepared by the Company for the purpose of providing certain required information about the Group to members of the Company only and should not be relied upon by any other person or for any other purpose. To the maximum extent permitted by law, no responsibility or liability is accepted or assumed to any other person to whom this Annual Report is shown or into whose hands it may come and any such responsibility or liability is expressly disclaimed.

The information in this Annual Report does not constitute an offer to sell or an invitation to buy shares in the Company or an invitation or inducement to engage in any other investment activities. You are recommended to seek independent advice from an appropriately authorised financial adviser before engaging in any investment activity. Any decision you make in reliance on this information is solely your responsibility.

Where this Annual Report contains forward-looking statements (including ‘forward-looking statements’ within the meaning of the United States Private Securities Litigation Reform Act of 1995), such statements are based on current expectations and assumptions, and speak only as of the date they are made. Forward-looking statements should be treated with caution due to the inherent risks, uncertainties and assumptions underlying them. The Group cautions investors that a number of factors, including matters referred to in this Annual Report, could cause actual results to differ materially from those expressed or implied in any forward-looking statement. Such factors include, but are not limited to, those factors discussed in the section of this Annual Report titled ‘Principal risks and uncertainties’ on pages 42 to 52.

Forward-looking statements can be identified by the use of relevant terminology including the words: ‘may’, ‘will’, ‘seek’, ‘aim’, ‘anticipate’, ‘target’, ‘projected’, ‘expect’, ‘estimate’, ‘intend’, ‘plan’, ‘goal’, ‘believe’ or other words of similar meaning and include all matters that are not historical facts. They appear in a number of places throughout this Annual Report and include statements regarding the intentions, beliefs or current expectations of our officers, directors and employees concerning, among other things, the Group’s results of operations, financial condition, liquidity, prospects, growth, strategies and the business.

Neither the Group, nor any of its officers, directors or employees, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement in this Annual Report will actually occur. Undue reliance should not be placed on these forward-looking statements. Other than in accordance with our legal and regulatory obligations, the Group undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Past performance cannot be relied upon as a guide to future performance. Nothing in this Annual Report should be construed as a profit forecast.

Where this Annual Report contains statements referring to Trustpilot’s competitive position, such statements are based on the Group’s belief and, in some cases, rely on a range of sources, including investment analysts’ reports, independent market surveys, and the Group’s own internal assessments of market share.

Where this Annual Report contains references to the Group’s websites or separate reports not contained in this document, such references are included for convenience only. Information on, or accessible through, such websites or reports does not form part of, and is not incorporated into, this Annual Report. In addition, information on, or accessible through, any third party or external website does not form part of, and is not incorporated into, this Annual Report.

The Company is the parent company of the Group. The Company and each of its subsidiaries are separate legal entities. In this Annual Report, unless otherwise stated or the context requires otherwise, references to ‘the Company’ and ‘the Group’ have the meanings set out in the Glossary overleaf — and references to ‘Trustpilot’ and terms such as ‘we’, ‘us’ and ‘our’ are used for convenience to refer to one or more of the members of the Group instead of identifying a particular entity or entities.

Glossary

The following definitions apply throughout this Annual Report unless otherwise stated or the context requires otherwise.

Term	Definition
Active consumer	A consumer that has visited Trustpilot's consumer site in a given month
Active domain	A domain that has received an invited review or is the subject of a TrustBox impression during a given month
ACV	Annual contract value
Adjusted EBITDA	EBITDA (earnings before interest, tax, depreciation and amortisation) adjusted to exclude share-based compensation, including associated cash settled social security costs, non-recurring transaction costs, such as those related to IPO preparation, and restructuring costs, which relate to one-time costs associated with a material organisational change such as severance payments
Admission	The admission of the Company's entire issued ordinary share capital to the premium listing segment of the Official List of the FCA and to trading on the London Stock Exchange's main market for listed securities under the ticker "TRST" on 26 March 2021
AGM	The annual general meeting of the Company to be held on Wednesday, 25 May 2022 at 2.00 p.m. from 5th Floor, The Minster Building, 21 Mincing Lane, London, EC3R 7AG
AI	Artificial intelligence
Alexa Rank	Alexa Traffic Rank, published by Alexa Internet analytics as a measure of website popularity
APM	Alternative performance measure
ARR	Annual recurring revenue, representing the annual value of subscription contracts measured on the final day of a reporting period
Board	The board of Directors
Bookings	The annual contract value of subscription contracts entered into by Trustpilot with customers in a given period. Nearly all of Trustpilot's subscription contracts are 12 months in duration — and, in the event a contract exceeds a 12 month term, the value is adjusted to the 12-month equivalent for the purpose of calculating bookings
Business transparency page	Part of a business's profile page, the business transparency page provides an overview of how businesses have used the Trustpilot platform during the preceding 12 months — including the sources of reviews, whether or not the business pays to access additional Trustpilot products and services, and star distribution by review source
CAC	Customer acquisition cost. Includes sales and marketing costs in a given period
CAGR	Compound annual growth rate
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Claimed domain	A domain whose business profile page on Trustpilot's platform has been claimed, enabling access to features like inviting customers to write reviews, replying to reviews, and being notified whenever someone writes a review
CMA	The UK Competition and Markets Authority
Code	The UK Corporate Governance Code published by the FRC in July 2018
Company	Trustpilot Group plc, a company incorporated in England and Wales with registered number 13184807, whose registered office is at 5th Floor, The Minster Building, 21 Mincing Lane, London EC3R 7AG, United Kingdom
Constant currency	The use of constant currency translation illustrates underlying activity by neutralising the impact of currency fluctuations. Constant currency translation is applied by utilising the monthly average rate from the most recent period applied to all historical periods being compared
COO	Chief Operating Officer
Covid-19	Coronavirus disease 2019 – an infectious disease caused by a new strain of coronavirus identified in 2019
Current serviceable addressable market / Current SAM	The realisable market opportunity for the Group existing within its core industries, products and geographies. Current SAM was estimated in a Trustpilot-commissioned study in Q4 2020 to be approximately USD 6.3 billion in the UK, the United States and rest of Europe, assuming maximum penetration rates of 48% and maximum conversion rates to paying customers of 38%
Directors	The directors of the Company
DKK or kr.	Danish kroner

Term	Definition
e-NPS	Employer net promoter score methodology
ELT	Executive Leadership Team
ERG	Employee Resource Group
ESG	Environmental, Social & Governance
Executive Directors	Executive Directors of the Company, being Peter Mühlmann and Hanno Damm – see page 74
FCA	The UK Financial Conduct Authority
First year retention	Net dollar retention rate of those customers whose subscription is due for renewal for their first time
FRC	The Financial Reporting Council
FTSE	Financial Times Stock Exchange Group
FY20, FY21, FY22	The years ended or ending 31 December 2020, 31 December 2021 and 31 December 2022, respectively
GBP or £	British pound sterling
GDPR	General Data Protection Regulation
GLG	Global Leadership Group
Google Seller Ratings	Google Ads' automated extension that displays a rating between one and five stars in the relevant business's Google search ad
Gross churn	ACV lost in a renewal period as a result of customers that do not renew
Gross dollar retention rate	ACV of all subscription renewals in a given period divided by the ACV of subscriptions expiring in that period, based on USD amounts rather than customer count, and excluding any expansion of contract value of subscriptions with existing customers (such as up-selling and cross-selling).
Group	The Company and its subsidiaries or, where referring or relating to periods prior to the IPO Restructuring, Trustpilot A/S and its subsidiaries.
ICFR	Internal Control over Financial Reporting
IFRS	International Financial Reporting Standards
IPO	The initial public offering of the Company's ordinary shares
IPO Restructuring	The reorganisation of the corporate structure of the Group, completed immediately prior to Admission and involving: a horizontal merger of Trustpilot A/S and Trustpilot Galaxy A/S (with Trustpilot A/S as the continuing company); each shareholder in Trustpilot A/S exchanging their shares for newly-issued ordinary shares in the Company, resulting in the Company becoming the Parent Company; and (iii) the cancellation of warrants in Trustpilot A/S and replacement with warrants in the Company.
IT	Information Technology
KPI	Key performance indicator
Lifetime Value	Average new customer ACV multiplied by gross margin, divided by Gross churn. Excludes any expansion of contract value of subscriptions with existing customers (such as up-selling and cross-selling)
Listing Rules	The listing rules of the FCA made under section 73A(2) of the Financial Services and Markets Act 2000, as amended
LTIP	The Company's Long-Term Incentive Plan
LTM	Last twelve months
LTM Net Dollar Retention Rate	Annual contract value of all subscription renewals in the last twelve months divided by the annual contract value of subscriptions expiring in the last twelve months. LTM Net dollar retention includes the total value of subscriptions with existing Subscribing Customers, and includes any expansion of contract value with existing Subscribing Customers through upsell, cross-sell, price expansion or winback. Twelve months of data is used as nearly all subscriptions are twelve months in duration, ensuring the appropriate alignment of renewal activities.
LTV/CAC	Lifetime Value divided by CAC. Excludes any expansion of contract value of subscriptions with existing customers (such as up-selling and cross-selling)
M&A	Mergers & acquisitions
NED	Non-Executive Director of the Company

Glossary continued

Term	Definition
Net dollar retention rate	ACV of all subscription renewals in a given period divided by the ACV of subscriptions expiring in that period, based on USD amounts rather than customer count, and includes any expansion of contract value of subscriptions with existing customers (such as up-selling and cross-selling).
Net expansion	Calculated as Net dollar retention rate minus Gross dollar retention rate
Parent Company	The ultimate holding company of the Group, being the Company
Prospectus	The prospectus relating to the Company's IPO, issued on 23 March 2021
R&D	Research & development
Revenue	Recognised revenue. Software subscriptions are amortised over the term of the contract
Review invitations	A product feature that enables Trustpilot's customers to invite their own customers to write a review about them on Trustpilot's platform.
Reviewed domains	Domains reviewed on Trustpilot's platform (inclusive of domains subsequently removed from Trustpilot consumer site)
RoW	Rest of World
RSP	The Company's Restricted Share Plan
SaaS	Software-as-a-Service
SEM	Search engine marketing
SEO	Search engine optimisation
Subscribing Customers	Number of customers with a paid subscription for services on Trustpilot's platform
Sunley House Capital	Sunley House Capital Master Limited Partnership
TCFD	Task Force on Climate-Related Financial Disclosures
Total addressable market / TAM	The total future long-term market opportunity that exists for the Group, including expansion into adjacent industries, products and geographies. Global TAM (excluding China) was estimated by a Trustpilot-commissioned study in Q4 2020 to be approximately USD 50 billion
Total cumulative reviews	All reviews submitted to Trustpilot's platform since its inception (including reviews subsequently removed or deleted)
TrustBox	Embedded widgets that allow Trustpilot's business users to display customer feedback, including reviews and TrustScore, on their website or within their marketing
TrustBox Impressions	The number of customer webpage loads with an embedded TrustBox, but the consumer does not necessarily see the TrustBox
Trusties	Trustpilot employees
Trustlytics	Trustpilot's proprietary intelligence platform that utilises data from Trustpilot's big data ecosystem to deliver internal data insights, assess new product features and identify commercial opportunities
TrustScore	Also known as Trustpilot's star rating — an overall measurement of reviewer satisfaction based on all consumer reviews a business receives on Trustpilot. The TrustScore is represented numerically from 1 to 5
TSR	Total shareholder return
USD or $	US dollars
Vitruvian Partners	Trafalgar Acquisition S.à r.l.
VP	Vice President
Warrant Program	Warrants to subscribe for ordinary shares in the capital of the Company

Shareholder information

Registered office

Trustpilot Group plc
5th Floor The Minster Building
21 Mincing Lane
London
EC3R 7AG

Trustpilot A/S
Pilestraede 58
5th Floor
1112 Copenhagen K
Denmark

Registered number: 13184807

Website: investors.trustpilot.com

Shareholders as at 31 December 2021

Number of ordinary shares held	Number of shareholder accounts	% of shareholders	Number of shares	% of total issued share capital
1 – 1,000	24	7.14	7,221	0.00
1,001 – 5,000	44	13.10	120,932	0.03
5,001 – 50,000	88	26.19	1,926,413	0.47
0,001 – 100,000	35	10.42	2,432,906	0.59
100,001 – 500,000	54	16.07	12,754,816	3.08
More than 500,000	91	27.08	396,505,068	95.83

Share price – period from IPO to 31 December 2021

Share price as at 31 December 2021	327.40p
Lowest share price during the period	255.00p
Highest share price during the period	460.00p

The share prices quoted above are closing prices from the Stock Exchange Daily Official List.

Financial calendar 2022

Annual General Meeting – 25 May 2022
Trading update – July 2022
Announcement of 2022 Half-year results – September 2022

Directors

Timothy Weller – Chair
Peter Mühlmann – CEO and Founder
Hanno Damm – CFO
Angela Seymour-Jackson – Senior Independent Director
Mohammed Anjarwala – Non-Executive Director
Claire Davenport – Non-Executive Director
Joe Hurd – Non-Executive Director
Ben Johnson – Non-Executive Director
Rachel Kentleton – Non-Executive Director

Company Secretary

Carolyn Jameson

Shareholder information continued

Independent auditor
PricewaterhouseCoopers LLP
Donington Court
Pegasus Business Park
Castle Donington
East Midlands
DE74 2UZ

Principal bankers
Silicon Valley Bank
Danske Bank
J.P. Morgan Chase Bank

Financial PR consultants
Tulchan Communications
2nd Floor
85 Fleet Street
London
EC4Y 1AE

Financial advisers
J.P. Morgan Securities plc
25 Bank Street
Canary Wharf
London
W14 5JP

Morgan Stanley & Co. International plc
25 Cabot Square
Canary Wharf
London
E14 4QA

Website
The Company's website, investors.trustpilot.com, provides information for shareholders including the 2021 half-year report, results announcements and share price information.

Registrar and shareholder enquiries
Enquiries in relation to shareholdings in Trustpilot Group plc should be addressed to Trustpilot's registrar, Equiniti. Contact details for Equiniti are provided below:

- Online: www.shareview.co.uk
- By telephone: 0371 384 2063 (for UK calls) or +44 (0)121 415 0235 (for calls from outside the UK). Lines are open from 8.30 a.m. to 5.30 p.m. (UK time), Monday to Friday (excluding public holidays in England and Wales).
- By post: Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA

Equiniti's website provides information about how you can manage your shareholdings and answers to commonly asked shareholder questions.

Annual General Meeting
Trustpilot Group plc's first Annual General Meeting ("AGM") will be held on Wednesday, 25 May 2022 at 2.00 p.m. from 5th Floor, The Minster Building, 21 Mincing Lane, London, EC3R 7AG. The Company is offering facilities for shareholders to vote electronically and attend by conference call to ask questions in real time, should they wish to do so. Further information is available in the notice of AGM which is available to download from our website, uk.trustpilot.com. If there are any changes to the Company's AGM arrangements from those set out in the notice of AGM, an update will be provided on our website, investors.trustpilot.com.

Notes

Notes

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Trustpilot

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investors.trustpilot.com

Incorporated and registered in England and
Wales with registered number 13184807