THE COMPANIES ACT 2006

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

Ascential plc

Company number: 09934451

Adopted by special resolution passed on 6 May 2021 and effective from 7 May 2021

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ARTICLES OF ASSOCIATION

OF ASCENTIAL PLC

(the "Company")

1 PRELIMINARY

Neither the regulations in The Companies (Model Articles) Regulations 2008 nor any other articles or regulations prescribing forms of articles which may apply to companies under the Legislation or any former enactment relating to companies shall apply to the Company.

2 INTERPRETATION

2.1 In these Articles (if not inconsistent with the subject or context):

"**address**" means any address or number (including, in the case of any Uncertificated Proxy, an identification number of a participant in the relevant system) used for the purposes of sending or receiving notices, documents or information by electronic means and/or by means of a website;

"**Annual General Meeting**" means a General Meeting held as the Company's annual general meeting in accordance with Section 336 of the Companies Act 2006;

"**Associate**" has the meaning given to the term "associate" in the Listing Rules made by the UK Listing Authority from time to time, provided that, for the purposes of these Articles the Company and each of its subsidiary undertakings shall be excluded.

"**clear days**" means a period of notice of the specified length excluding the day on which the notice is served or deemed to be served and the day for which the notice is given;

"**Companies Acts**" has the same meaning as in Section 2 of the Companies Act 2006 in so far as they apply to the Company;

"**Company Communications Provisions**" has the same meaning as in Section 1143 of the Companies Act 2006;

"**CREST Regulations**" means The Uncertificated Securities Regulations 2001;

"**Directors**" means the Directors of the Company;

"**electronic form**" has the same meaning as in Section 1168 of the Companies Act 2006;

"**electronic facility**" includes (without limitation) website addresses and conference call systems and any device, system, procedure, method or other facility providing an electronic means of attendance at and/or participation in a general meeting of the company decided by the board under these Articles and available in respect of that meeting;

"**electronic means**" has the same meaning as in Section 1168 of the Companies Act 2006;

"**General Meeting**" means any general meeting of the Company, including any General Meeting held as the Company's Annual General Meeting;

"**hard copy form**" has the same meaning as in Section 1168 of the Companies Act 2006; "**holder**" means, in relation to shares, the person whose name is entered in the register of members as the holder of the shares;

"**in writing**" means written or produced by any substitute for writing (including anything in electronic form) or partly one and partly another;

"**Legislation**" means the Companies Acts, the CREST Regulations, the Financial Services and Markets Act 2000, the Listing Rules and every other enactment for the time being in force concerning companies and affecting the Company;

"**Listing Rules**" means the listing rules made by the UK Listing Authority under Part VI of the Financial Services and Markets Act 2000, as amended;

"**London Stock Exchange**" means London Stock Exchange plc;

"**meeting**" includes a general meeting of the company at which any of those entitled to be present attend and participate by means of an electronic facility and/or attend and participate at a satellite meeting;

"**month**" means calendar month;

"**Office**" means the registered office of the Company for the time being;

"**Operator**" means Euroclear UK and Ireland Limited or such other person as may for the time being be approved by HM Treasury as Operator under the CREST Regulations.

"**paid**" means paid or credited as paid;

"**person entitled**" in relation to a share means a person entitled to that share by reason of the death or bankruptcy of a member or otherwise by operation of law;

"**Register**" means the register of members of the Company;

"**relevant system**" means a computer-based system, and procedures, which enable title to units of a security to be evidenced and transferred without a written instrument pursuant to the CREST Regulations;

"**Seal**" means the common seal of the Company;

"**Secretary**" means the secretary of the Company and any person appointed by the Directors to perform any of the duties of the secretary including a joint, assistant or deputy secretary;

"**Securities Seal**" means an official seal kept by the Company for sealing securities issued by the Company, or for sealing documents creating or evidencing securities so issued, as permitted by the Companies Acts;

"**these Articles**" means these Articles of Association as from time to time altered;

"**Transfer Office**" means the place where the Register is situated for the time being;

"**UK Listing Authority**" means the Financial Conduct Authority in its capacity as competent authority for official listing under Part VI of the Financial Services and Markets Act 2000;

"**Uncertificated Proxy**" means a properly authenticated dematerialised instruction, and/or other instruction or notification, sent by means of a relevant system to a participant in that system acting on behalf of the Company as the Directors may prescribe, in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors (subject always to the facilities and requirements of the relevant system);

"**United Kingdom**" means the United Kingdom of Great Britain and Northern Ireland;

"**Voting Rights**" means the voting rights attaching to any shares which are generally exercisable at General Meetings of the Company; and

"**year**" means calendar year.

2.2 Any reference to issued shares of any class (whether of the Company or of any other company) shall not include any shares of that class held as treasury shares except where the contrary is expressly provided.

2.3 Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include bodies corporate and unincorporated associations.

2.4 References to an Article are to a numbered paragraph of these Articles.

2.5 The words "including" and "include" and words of similar effect shall not be deemed to limit the general effect of the words which precede them.

2.6 References to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force (whether coming into force before or after the adoption of these Articles).

2.7 References to a share (or to a holding of shares) being in certificated or uncertificated form are references, respectively, to that share being a certificated or an uncertificated unit of a security for the purposes of the CREST Regulations.

2.8 Subject to Article 29.2, the provisions of these Articles relating to General Meetings and to the proceedings at such meetings shall apply to separate meetings of a class of shareholders.

2.9 References to a person being present at a General Meeting include a person present by corporate representative.

2.10 Except as provided above, any words or expressions defined in the Companies Acts or the CREST Regulations shall (if not inconsistent with the subject or context) bear the same meanings in these Articles.

2.11 A reference to writing or written includes references to any method of representing or reproducing words in a legible and non-transitory form whether sent or supplied in an electronic form or otherwise.

3 LIABILITY OF MEMBERS

The liability of each member is limited to the amount (if any) for the time being unpaid on the shares held by that member.

4 CHANGE OF NAME

The Company may change its name by resolution of the Directors.

SHARE CAPITAL

5 SHARES AND SPECIAL RIGHTS

5.1 Without prejudice to any rights attached to any existing shares and subject to the Legislation, the Company may issue shares with such rights or restrictions as determined by either the Company by ordinary resolution or, if the Company passes a resolution to so authorise them, the Directors.

5.2 Subject to the Legislation, these Articles and any resolution of the Company, the Directors may offer, allot (with or without conferring a right of renunciation), grant options over, reclassify, or otherwise deal with or dispose of any shares to such persons, at such times and generally on such terms as the Directors may decide.

5.3 The Company may issue any shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, on such terms and in such manner as the Company may determine by ordinary resolution and the Directors may determine the terms, conditions and manner of redemption of any such shares.

6 COMMISSIONS ON ISSUE OF SHARES

The Company may in connection with the issue of any shares or the sale for cash of treasury shares exercise all powers of paying commission and brokerage permitted by the Legislation. Such payment may be in cash, by allotting fully or partly paid shares or other securities, or partly in one way and partly in the other.

7 REDUCTION OF CAPITAL

The Company may by special resolution reduce its share capital, share premium account, capital redemption reserve or redenomination reserve in any way permitted by the Legislation.

8 FRACTIONS ARISING ON CONSOLIDATION OR SUBDIVISION

8.1 If, as the result of consolidation, consolidation and division or sub division of shares, members would become entitled to fractions of a share, the Directors may on behalf of the members deal with the fractions as they think fit. Subject to the Legislation, the Directors may, in effecting divisions and/or consolidations, treat a member's shares held in certificated form and uncertificated form as separate holdings. In particular, the Directors may:

8.1.1 aggregate fractional entitlements and sell any resulting shares to a person or persons (including, subject to the Legislation, to the Company) and distribute the net proceeds of sale in due proportion amongst the persons entitled or, if the Directors decide, some or all of the sum raised on a sale may be retained for the benefit of the Company; or

8.1.2 subject to the Legislation, allot or issue to a member credited as fully paid by way of capitalisation the minimum number of shares required to round up his holding of shares to a number which, following consolidation, consolidation and division or sub division, leaves a whole number of shares (such allotment or issue being deemed to have been effected immediately before consolidation, consolidation and division or sub division, as the case may be).

8.2 To give effect to a sale pursuant to Article 8.1.1 above the Directors may arrange for the shares representing the fractions to be entered in the register as certificated shares. The Directors may also authorise a person to transfer the shares to, or to the direction of, the purchaser. The purchaser is not bound to see to the application of the purchase money and the title of the transferee to the shares is not affected by an irregularity or invalidity in the proceedings connected with the sale.

8.3 If shares are allotted or issued pursuant to Article 8.1.2 above, the amount required to pay up those shares may be capitalised as the Directors think fit out of amounts standing to the credit of reserves (including a share premium account, capital redemption reserve and profit and loss account), whether or not available for distribution, and applied in paying up in full the appropriate number of shares. A resolution of the Directors capitalising part of the reserves has the same effect as if the capitalisation had been declared by ordinary resolution of the Company pursuant to Article 9. In relation to the capitalisation the Directors may exercise all the powers conferred on it by Article 9 without an ordinary resolution of the Company.

9 CAPITALISATION OF PROFITS AND RESERVES

9.1 If so authorised by an ordinary resolution, the Directors may:

9.1.1 capitalise any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve); and

9.1.2 capitalise any sum standing to the credit of the profit and loss account that is not required for payment of any preferential dividend.

9.2 Unless the ordinary resolution passed in accordance with Article 9.1 states otherwise the Directors shall set aside such capitalised sum for the holders of ordinary shares ("entitled members"), in proportion to the number of ordinary shares held by them on the date that the resolution is passed in accordance with Article 9.1 or such other date as set out in or calculated in accordance with such resolution, or in such other proportions as stated, or fixed as stated, in the resolution.

9.3 The Directors may apply such capitalised sum in paying up new ordinary shares (or, subject to any special rights previously conferred on any shares or class of shares, new shares of any other class). The Company shall then allot such shares credited as fully paid to the entitled members or as they may direct. For the purposes of this Article 9.3, unless the ordinary resolution passed in accordance with Article 9.1 provides otherwise,

if the Company holds treasury shares on the date determined in accordance with Article 9.3.2,

9.3.1 it shall be treated as an entitled member; and

9.3.2 all ordinary shares held by it as treasury shares shall be included in determining the proportions in which the capitalised sum is set aside.

9.4 To the extent a capitalised sum is appropriated from profits available for distribution it may also be applied:

9.4.1 in or towards paying up any amounts unpaid on existing shares held by the entitled members; or

9.4.2 in paying up new debentures of the Company which are then allotted credited as fully paid to the entitled members or as they may direct; or

9.4.3 a combination of the two.

9.5 The Directors may:

9.5.1 make such provisions as they think fit for any fractional entitlements which might arise on a capitalisation (including to disregard fractional entitlements or for the benefit of them to accrue to the Company); and

9.5.2 authorise any person to enter into an agreement with the Company on behalf of all of the entitled members in relation to the issue of shares or debentures pursuant to this Article 9. Any agreement made under such authority shall be binding on the entitled members.

10 TRUSTS NOT RECOGNISED

Except as required by law and these Articles, the Company is not obliged to recognise any person as holding any share upon any trust nor any other right in respect of any share, except the holder's absolute right to the share and the rights attaching to it.

SHARE CERTIFICATES

11 ISSUE OF SHARE CERTIFICATES

11.1 The Company shall issue a share certificate to every person whose name is entered in the Register in respect of shares in certificated form, except where the Legislation allows the Company not to issue a certificate.

11.2 Subject to Article 13, the Company shall issue share certificates without charge.

11.3 The Company shall issue certificates within the time limit prescribed by the Legislation or, if earlier, within any time limit specified in the terms of the shares or under which they were issued.

11.4 Where shares are held jointly by several persons, the Company is not required to issue more than one certificate in respect of those shares, and delivery of a certificate to one joint holder shall be sufficient delivery to them all.

11.5 Each certificate must be in respect of one class of shares only. If a member holds more than one class of shares, separate certificates must be issued to that member in respect of each class.

11.6 Every share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate. The company will not be responsible for any share certificate lost or delayed in the course of delivery.

12 FORM OF SHARE CERTIFICATE

12.1 Every share certificate shall be executed by the Company by affixing the Seal or the Securities Seal (or, in the case of shares on a branch register, an official seal for use in the relevant territory) or otherwise in any manner permitted by the Legislation.

12.2 Notwithstanding the foregoing, any signatures on any share certificates need not be autographic but may be applied to the certificates by some electronic, mechanical or other means or may be printed on them.

12.3 Every share certificate shall specify the number and class of shares to which it relates, the nominal value of those shares, the amount paid up on them and any distinguishing numbers assigned to them.

13 REPLACEMENT OF SHARE CERTIFICATES

13.1 A member who has separate certificates in respect of shares of one class may request in writing that it be replaced with a consolidated certificate. The Company may comply with such request at its discretion.

13.2 A member who has a consolidated share certificate may request in writing that it be replaced with two or more separate certificates representing the shares in such proportions as the member may specify. The Company may comply with such request at its discretion.

13.3 If a share certificate is damaged or defaced or alleged to have been lost, stolen or destroyed, the member shall be issued a new certificate representing the same shares upon request.

13.4 No new certificate will be issued pursuant to this Article 13 unless the relevant member has:

13.4.1 first delivered the old certificate or certificates to the Company for cancellation; or

13.4.2 complied with such conditions as to evidence and indemnity as the Directors may think fit; and

13.4.3 paid such reasonable fee as the Directors may decide.

13.5 In the case of shares held jointly by several persons, any request pursuant to this Article 13 may be made by any one of the joint holders.

14 CONSOLIDATED AND BALANCE SHARE CERTIFICATES

14.1 If a member's holding of shares of a particular class increases, the Company must issue that member with either:

14.1.1 a consolidated certificate in respect of all of the shares of that class held by that member; or

14.1.2 a separate certificate in respect of only the number of shares of that class by which that members holding has increased.

14.2 If only some of the shares comprised in a share certificate are transferred, or the member's holding of those shares is otherwise reduced, the Company shall issue a new certificate for the balance of such shares.

14.3 No new certificate will be issued pursuant to this Article 14 unless the relevant member has:

14.3.1 first delivered any old certificate or certificates that represent any of the same shares to the Company for cancellation; or

14.3.2 complied with such conditions as to evidence and indemnity as the Directors may think fit and paid such reasonable fee as the Directors may decide.

SHARES NOT HELD IN CERTIFICATED FORM

15 UNCERTIFICATED SHARES

15.1 In this Article 15, the "relevant rules" means:

15.1.1 any applicable provision of the Legislation about the holding, evidencing of title to, or transfer of shares other than in certificated form; and

15.1.2 any applicable legislation, rules or other arrangements made under or by virtue of such provision.

15.2 The provisions of this Article 15 have effect subject to the relevant rules. To the extent any provision of these Articles is inconsistent with the applicable relevant rules it must be disregarded.

15.3 Any share or class of shares of the Company may be issued or held on such terms, or in such a way, that:

15.3.1 title to it or them is not, or must not be, evidenced by a certificate; or

15.3.2 it or they may or must be transferred wholly or partly without a certificate.

15.4 The Directors have power to take such steps as they think fit in relation to:

15.4.1 the evidencing of and transfer of title to uncertificated shares (including in connection with the issue of such shares);

15.4.2 any records relating to the holding of uncertificated shares;

15.4.3 the conversion of certificated shares into uncertificated shares; or

15.4.4 the conversion of uncertificated shares into certificated shares.

15.5 The Company may by notice in writing to the holder of a share require that share:

15.5.1 if it is uncertificated, to be converted into certificated form; or

15.5.2 if it is certificated, to be converted into uncertificated form, to

enable it to be dealt with in accordance with the Articles.

15.6 If:

15.6.1 the Articles give the Directors power to take action, or require other persons to take action, in order to sell, transfer or otherwise dispose of shares; and

15.6.2 uncertificated shares are subject to that power, but the power is expressed in terms which assume the use of a certificate or other written instrument,

the Directors may take such action as is necessary or expedient to achieve the same results when exercising that power in relation to uncertificated shares.

15.7 The Directors may take such action as they consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it. This may include converting such share to certificated form.

15.8 Unless the Directors resolve otherwise, shares which a member holds in uncertificated form must be treated as separate holdings from any shares which that member holds in certificated form.

15.9 A class of shares must not be treated as two classes simply because some shares of that class are held in certificated form and others are held in uncertificated form.

15.10 The Company may be entitled to assume that entries on any record of securities maintained by it in accordance with the CREST Regulations and regularly reconciled with the relevant Operator register of securities are a complete and accurate reproduction of the particulars entered in the Operator register of securities, and shall accordingly not be liable in respect of any act or thing done or omitted to be done by or on behalf of the Company in reliance on such assumption. Any provision of these Articles which requires or envisages that action will be taken in reliance on information contained in the Register shall be construed to permit that action to be taken in reliance on information contained in any relevant record of securities (as so maintained and reconciled).

CALLS ON SHARES

16 SUMS DUE ON SHARES

16.1 For the purposes of these Articles, any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of allotment of a share becomes payable upon allotment, or at any fixed date, shall be deemed to be a call duly made and payable on the date on which it is payable.

16.2 In case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

17 POWER TO DIFFERENTIATE BETWEEN HOLDERS

On the allotment of shares, the Directors may provide that the amount of calls to be paid on those shares and the times of payment are different for different holders of those shares.

18 CALLS

18.1 Subject to the terms of allotment of the shares, the Directors may make a "call" by requiring a member to pay to the Company any money that is payable on the shares such member holds as at the date of the call.

18.2 A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.

18.3 Notice in writing of a call must be given to the relevant member and may specify the time or times and place where payment is required to be made.

18.4 A call may be made payable by instalments.

18.5 A member must pay to the Company the amount called on such member's shares at the time or times and place specified, but is not required to do so until fourteen days have passed since the notice of call was sent.

18.6 A call may be wholly or partly revoked or postponed at any time before payment of it is made, as the Directors may decide.

19 LIABILITY FOR CALLS

19.1 The joint holders of a share shall be jointly and severally liable to pay all calls in respect of such share.

19.2 A person on whom a call is made remains liable for the call notwithstanding the subsequent transfer of the shares in respect of which the call was made.

20 INTEREST ON OVERDUE AMOUNTS

20.1 If a sum called in respect of a share is not paid by the time it is due for payment, the member from whom the sum is due shall pay interest on the sum from the time payment was due to the time of actual payment at such rate (not exceeding fifteen per cent per annum) as the Directors decide.

20.2 The Directors may waive payment of such interest wholly or in part at their discretion.

21 PAYMENT OF CALLS IN ADVANCE

21.1 Any member may pay to the Company all or any part of the amount (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by such member. The Directors may accept or refuse such payment, as they think fit.

21.2 Any payment in advance of calls shall, to the extent of such payment, extinguish the liability upon the shares in respect of which it is made.

21.3 The Company may pay interest upon the money so received (until the same would but for such advance become payable) at such rate as the member paying such sum and the Directors may agree.

FORFEITURE AND LIEN

22 NOTICE ON FAILURE TO PAY A CALL

22.1 If a member fails to pay in full any call or instalment of a call on or before the due date for payment, the Directors may at any time serve a notice in writing on such member requiring payment of:

22.1.1 so much of the call or instalment as is due but unpaid;

22.1.2 any interest which may have accrued on the unpaid amount; and 22.1.3

any expenses incurred by the Company by reason of such non-payment.

22.2 The notice shall state:

22.2.1 a date (not being less than seven days from the date of service of the notice) on or before which the payment is to be made;

22.2.2 the place where the payment is to be made; and

22.2.3 that in the event of non-payment the shares on which the call has been made will be liable to be forfeited.

23 FORFEITURE FOR NON-COMPLIANCE

23.1 If the requirements of any notice given pursuant to Article 22 are not complied with and all calls and interest and expenses due in respect of such share remain unpaid, any share in respect of which such notice has been given may be forfeited by a resolution of the Directors to that effect.

23.2 Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture.

23.3 The Directors may accept a surrender of any share liable to be forfeited pursuant to this Article 23.

24 DISPOSAL OF FORFEITED SHARES

24.1 A share forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of to any person (including the person who was before such forfeiture or surrender the holder of that share or entitled to it) on such terms and in such manner as the Directors shall think fit.

24.2 At any time before a sale, re-allotment or disposal, the forfeiture or surrender may be cancelled (and any expenses in respect of the share waived) on such terms as the Directors think fit.

24.3 The Directors may authorise any person to transfer a forfeited or surrendered share pursuant to this Article 24.

25 HOLDER TO REMAIN LIABLE DESPITE FORFEITURE

25.1 A person whose shares have been forfeited or surrendered shall:

25.1.1 cease to be a member in respect of those shares;

25.1.2 in the case of shares held in certificated form, surrender to the Company for cancellation the certificate for such shares; and

25.1.3 remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were payable by such person to the Company in respect of the shares together with interest on such sum at a rate of fifteen per cent per annum (or such lower rate as the Directors may decide) from the date of forfeiture or surrender until the date of actual payment.

25.2 The Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal. They may also waive payment in whole or in part.

26 LIEN ON PARTLY-PAID SHARES

26.1 The Company shall have a lien on every share that is not fully-paid for all moneys in respect of the share's nominal value, or any premium at which it was issued, that have not been paid to the Company and are payable immediately or at a fixed time in the future, whether or not a call has been made on such sums.

26.2 The Company's lien over a share takes priority over the rights of any third party and extends to any dividends or other sums payable by the Company in respect of that share (including any sale proceeds if that share is sold by the Company pursuant to these Articles).

26.3 The Directors may waive any lien which has arisen and may resolve that any share shall be exempt wholly or partially from the provisions of this Article 26 for such period as the Directors decide.

27 SALE OF SHARES SUBJECT TO LIEN

27.1 The Company may sell, in such manner as the Directors decide, any share in respect of which an enforcement notice has been given if that notice has not been complied with.

27.2 An enforcement notice:

27.2.1 may only be given if a sum in respect of which the lien exists is due and has not been paid;

27.2.2 must specify the share concerned;

27.2.3 must require payment of the sum due on a date not less than fourteen days from the date of the notice;

27.2.4 must be in writing and addressed to the holder of, or person entitled to, that share; and

27.2.5 must give notice of the Company's intention to sell the share if the notice is not complied with.

27.3 For the purpose of giving effect to any such sale, the Directors may authorise any person to transfer the shares sold to the purchaser or its nominee.

27.4 The net proceeds of such sale (after payment of the costs of the sale and of enforcing the lien) shall be applied:

27.4.1 first, in or towards payment or satisfaction of the amount in respect of which the lien exists, to the extent that amount was due on the date of the enforcement notice; and

27.4.2 secondly, to the person entitled to the shares immediately prior to the sale, provided that:

(i) that person has first delivered the certificate or certificates in respect of the shares sold to the Company for cancellation or complied with such conditions as to evidence and indemnity as the Directors may think fit; and

(ii) the Company shall have a lien over such proceeds (equivalent to that which existed upon the shares prior to the sale) in respect of sums which become or became due after the date of the enforcement notice in respect of the shares sold.

27.5 The transferee of the shares has no obligation to ensure that the purchase money is distributed in accordance with the Articles.

27.6 The transferee's title to the shares shall not be affected by any irregularity in or invalidity of the forfeiture, surrender or sale proceedings.

28 EVIDENCE OF FORFEITURE

A statutory declaration that the declarant is a Director or the Secretary and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. Subject to compliance with any other transfer formalities required by the Articles or by law, such declaration shall constitute a good title to the share.

VARIATION OF RIGHTS

29 MANNER OF VARIATION OF RIGHTS

29.1 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may be varied or abrogated:

29.1.1 with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class, excluding any shares held as treasury shares; or

29.1.2 with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class,

and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up.

29.2 The provisions of these Articles relating to General Meetings and to the proceedings at such meetings shall apply to separate meetings of a class of shareholders (with only such changes as are necessary), except that:

29.2.1 the necessary quorum at a separate meeting shall be at least two persons, holding or representing by proxy at least one-third in nominal value of the issued shares of the class;

29.2.2 at any adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum;

29.2.3 any holder of shares of the class present in person or by proxy may demand a poll;

29.2.4 every such holder shall on a poll have one vote for every share of the class held by the holder; and

29.2.5 if a meeting is adjourned for any reason including a lack of quorum, the adjourned meeting may be held less than ten clear clays after the original meeting notwithstanding Article 43.2.

29.3 The provisions of this Article 29 shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated form a separate class the special rights of which are to be varied.

30 MATTERS NOT CONSTITUTING VARIATION OF RIGHTS

For the avoidance of doubt, the rights attached to a class of shares are not, unless otherwise expressly provided for in the rights attaching to those shares, deemed to be varied by the creation, allotment or issue of further shares ranking in priority to, pari passu with or subsequent to them or by the purchase or redemption by the Company of its own shares in accordance with the Legislation.

TRANSFER OF SHARES

31 FORM OF TRANSFER

31.1 All transfers of shares which are in certificated form may be effected by transfer in writing in any usual or common form or in any other form acceptable to the Directors.

31.2 The instrument of transfer shall be signed by or on behalf of the transferor and, if any of the shares are not fully-paid shares, by or on behalf of the transferee.

31.3 The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register in respect of those shares.

31.4 All instruments of transfer which are registered may be retained by the Company.

31.5 All transfers of shares which are in uncertificated form shall be effected by means of a relevant system unless the CREST Regulations provide otherwise.

32 RIGHT TO REFUSE REGISTRATION

32.1 The Directors may decline to register any transfer of shares in certificated form unless:

32.1.1 the instrument of transfer is in respect of only one class of share;

32.1.2 the instrument of transfer is lodged at the Transfer Office accompanied by the relevant share certificate(s) or such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer or, if the instrument of transfer is executed by some other person on the transferor's behalf, the authority of that person to do so;

32.1.3 it is fully paid;

32.1.4 it is for a share upon which the Company has no lien; and

32.1.5 it is duly stamped or duly certificated or otherwise shown to the satisfaction of the Directors to be exempt from stamp duty (if so required).

32.2 The Directors may also refuse to register an allotment or transfer of shares (whether fully paid or not) in favour of more than four persons jointly.

32.3 When a transfer of shares has been lodged with the Company, the Company must either:

32.3.1 register the transfer, or

32.3.2 give the transferee notice of refusal to register the transfer, together with its reasons for the refusal,

as soon as practicable and in any event within two months after the date on which the transfer is lodged with it.

32.4 If the Company refuses to register the transfer, it must provide the transferee with such further information about the reasons for the refusal as the transferee may reasonably request.

33 NO FEE ON REGISTRATION

No fee will be charged by the Company in respect of the registration of any transfer or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register affecting the title to any shares.

TRANSMISSION OF SHARES

34 PERSONS ENTITLED TO SHARES ON DEATH

34.1 If a member dies the only persons the Company shall recognise as having any title to such member's interest in the shares shall be:

34.1.1 the survivors or survivor where the deceased was a joint holder; and

34.1.2 executors or administrators of the deceased where the deceased was a sole or only surviving holder.

34.2 Nothing in this Article 34 shall release the estate of a deceased member (whether sole or joint) from any liability in respect of any share held by such member.

35 ELECTION BY PERSONS ENTITLED BY TRANSMISSION

35.1 A person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law may either:

35.1.1 be registered as holder of the share upon giving to the Company notice in writing to that effect; or

35.1.2 transfer such share to some other person,

upon supplying to the Company such evidence as the Directors may reasonably require showing such person's title to the share.

35.2 All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall apply to any such notice or transfer as if the notice or transfer were a transfer made by the member registered as the holder of any such share.

36 RIGHTS OF PERSONS ENTITLED BY TRANSMISSION

36.1 A person becoming entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law:

36.1.1 subject to Article 36.1.2, shall be entitled to the same dividends and other advantages as a registered holder of the share upon supplying to the Company such evidence as the Directors may reasonably require to show such person's title to the share; and

36.1.2 shall not be entitled to exercise any right in respect of the share in relation to General Meetings until such person has been registered as a member in respect of the share.

36.2 A person entitled to a share who has elected for that share to be transferred to some other person pursuant to Article 36.1.2 shall cease to be entitled to any rights or advantages in relation to such share upon that other person being registered as the holder of that share.

37 PRIOR NOTICES BINDING

If a notice is given to a member in respect of a share, a person entitled to that share is bound by the notice if it was given to the member before the name of the person entitled was entered into the Register.

UNTRACED SHAREHOLDERS

38 UNTRACED SHAREHOLDERS

38.1 The Company shall be entitled to sell the shares of a member, or a person entitled to those shares, if and provided that:

38.1.1 for a 12-year period, (a) the shares have been in issue either in certificated or uncertificated form, (b) at least three cash dividends have become payable on the shares, and (c) no cash dividend payable on the shares has been cashed or otherwise satisfied by the transfer of funds to a bank account or by means of a relevant system;

38.1.2 after the 12-year period, the company has sent a notice to that person's last known address or the address at which service of notices may be effected under these articles, giving notice of its intention to sell the shares. Before sending such notice, the company must have used such efforts as it considers reasonable to trace the relevant holder or person entitled by transmission.

38.1.3 during the 12-year period and for three months after sending the notice referred to in (ii) above, the company has not received any communication from the holder of, or person entitled by transmission to, the shares.

38.2 If the Company is entitled to sell any shares pursuant to Article 38.1, it shall do so at the best price reasonably obtainable at the time of sale.

38.3 Where a power of sale is exercisable over a share pursuant to this Article (a "Sale Share"), the Company may at the same time also sell any additional share issued in right of such Sale Share or in right of such an additional share previously so issued provided that the requirements of Article 38.1.2 and 38.1.3 are satisfied in relation to the additional shares (but as if the words "after the 12-year period" were omitted from Article 38.1.2 and the words "during the 12 year period and" were omitted from Article 38.1.3) and no dividend has been cashed on these shares or otherwise satisfied by the transfer of funds to a bank account or by means of a relevant system.

38.4 To give effect to any such sale the Company may appoint any person to transfer, as transferor, the said shares and such transfer shall be as effective as if it had been carried out by the registered holder of or person entitled to such shares and the title of the transferee shall not be affected by any irregularity or invalidity in the proceedings relating thereto.

38.5 For the purpose of giving effect to any such sale the Directors may authorise any person to transfer the shares sold to the purchaser or its nominee.

38.6 The transferee's title to the shares shall not be affected by any irregularity in or invalidity of the sale proceedings.

38.7 The transferee of the shares has no obligation to ensure that the purchase money is distributed in accordance with the Articles.

38.8 The net proceeds of such sale (after payment of the costs of the sale) shall belong to the Company. The Company shall be obliged to account to the former member or other person previously entitled for an amount equal to such proceeds and shall enter the name of such former member or other person in the books of the Company as a creditor for such amount. No trust shall be created in respect of the debt and no interest shall be payable in respect of it. The Company shall not be required to account for any money earned on the net proceeds, which may be employed in the business of the Company or invested in such investments as the Directors may from time to time think fit. If no valid claim for the money has been received by the company during a period of two years from the date on which the relevant shares were sold by the company under this article, the money will be forfeited and will belong to the company.

GENERAL MEETINGS

39 ANNUAL GENERAL MEETINGS

The Directors shall convene and the Company shall hold Annual General Meetings in accordance with the Legislation.

40 CONVENING OF GENERAL MEETINGS

The Directors may, whenever they think fit, and shall, on requisition in accordance with the Legislation, proceed to convene a General Meeting.

NOTICE OF GENERAL MEETINGS

41 LENGTH AND FORM OF NOTICE

41.1 Notices of General Meetings shall include all information required to be included by the Legislation.

41.2 An Annual General Meeting shall be called by not less than 21 clear days' notice. Subject to the Legislation, all other General Meetings shall be convened by not less than 14 clear days' notice in writing, subject to compliance with the provisions of Section 307A of the Companies Act 2006. Subject to the Legislation, the notice shall specify the time, date and place of the meeting and the general nature of the business to be dealt with.

41.3 A notice calling an Annual General Meeting shall state that the meeting is an annual general meeting and a notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as such and shall include the text of the resolution.

41.4 Subject to the Legislation, to the provisions of these Articles and to any restrictions imposed on any shares, notice shall be given to every member and every director. The Company may determine that only those persons entered on the Register at the close of business on a day decided by the Company, such day being no more than twenty-one days before the day that notice of the meeting is sent, shall be entitled to receive such a notice. If a member is added to the Register after the day determined by the Company under this Article, this shall not invalidate the service of the notice, nor entitle such member to receive notice of the meeting.

41.5 For the purposes of determining which persons are entitled to attend or vote at a meeting, and how many votes such persons may cast, the Company must specify in the notice of the meeting a time, not more than forty eight hours (excluding any part of a day that is not a working day) before the time fixed for the meeting, by which a person must be entered on the Register in order to have the right to attend or vote at the meeting.

41.6 Subject to the Legislation, if the Directors, in their absolute discretion, consider that it is impractical or unreasonable for any reason to hold a General Meeting at the time or place (or places in the case of a satellite meeting) specified in the notice calling the General Meeting or by means of any electronic facility available for that meeting or if otherwise the board, in its absolute discretion, considers it appropriate to alter any of the other arrangements in relation to a general meeting, they may move and/or postpone the General Meeting or change, cancel or introduce any electronic facility or make other alterations in respect of the general meeting (or do any of these things). Subject to the Legislation, when a meeting is so moved and/or postponed, notice of the time and place (or places in the case of a satellite meeting), or other alterations in respect of the moved and/or postponed meeting shall be given in such manner as the board may, in its absolute discretion, determine. Notice of the business to be transacted at such moved and/or postponed meeting is not required. The Directors must take reasonable steps to ensure that members trying to attend the General Meeting at the original time and/or place (or places in the case of a satellite meeting), are informed of the new arrangements for the General Meeting. Proxy forms can be delivered as specified in Article 57. The board may also postpone or move or make other arrangements in respect of the rearranged meeting under this Article (or do any of these things).

PROCEEDINGS AT GENERAL MEETINGS

42 PARTICIPATION IN GENERAL MEETINGS

42.1 The directors may make any arrangements they decide fit to allow those entitled to do so to attend and participate in any general meeting.

42.2 Unless the notice of meeting says otherwise or the chair of the meeting decides otherwise, a general meeting will be treated as taking place where the chair of the meeting is at the time of the meeting.

42.3 Two or more persons who may not be in the same place as each other attend and participate in a general meeting if they are able to exercise their rights to speak and vote at that meeting. A person is able to exercise the right to speak at a general meeting if that person can communicate to all those attending the meeting while the meeting is taking place. A person is able to exercise the right to vote at a general meeting if that person can vote on resolutions put to the meeting (or, in relation to a poll, can vote within the required time frame) and that person's vote can be taken into account in deciding whether or not such resolutions are passed at the same time as the votes of others attending the meeting.

42.4 When deciding whether a person is attending or participating in a meeting other than at a physical place, it is immaterial where that person is or how that person is able to communicate with others who are attending and participating.

42.5 Where holders of, and persons entitled by transmission to, shares can participate at a general meeting by means of an electronic facility, any document required to be on display or available for inspection will be made available for the required period in electronic form to those persons entitled to inspect it and this will satisfy any such requirement.

43 ELECTRONIC FACILITIES AND SATELLITE MEETINGS

43.1 The board may decide to let persons entitled to attend and participate in a general meeting do so by simultaneous attendance and participation by means of an electronic facility. Shareholders present in person or by proxy by means of such electronic facility will be counted in the quorum for, and entitled to participate in, the general meeting.

43.2 The board may also decide to let persons entitled to attend and participate in a general meeting do so by simultaneous attendance and participation at a satellite meeting place anywhere in the world (referred to in these articles as a satellite meeting). Shareholders present in person or by proxy at satellite meeting places shall be counted in the quorum for, and entitled to participate in, the general meeting. The satellite meeting will be treated as taking place where the chair of the meeting is at the time of the meeting and the powers of the chair will apply to the satellite meeting.

43.3 Any general meeting at which electronic facilities are available and any satellite meeting will be duly constituted and its proceedings valid if the chair is satisfied that adequate facilities are available to enable all members attending the meeting by whatever means and at all the meeting places to participate in the business for which the meeting has been called.

43.4 All persons seeking to attend and participate in a general meeting by way of electronic facility are responsible for having in place the necessary means to enable them to do so. Subject to the right of the chair to adjourn a general meeting under these articles, any inability of a person to attend or participate in a general meeting by means of electronic facility, or any interruption to a person being so able, shall not invalidate the proceedings of that meeting.

43.5 Nothing in these articles authorises or allows a general meeting to be held exclusively on an electronic basis.

44 CHAIR

The Chair of the Directors shall preside as Chair of any General Meeting at which he/she is present (as long as he/she is willing to do so). If he/she is not present or is unwilling, the Senior Independent Director, failing whom any Director present and willing to act and, if more than one, chosen by the Directors present at the meeting, shall preside as Chair. If no Director is present within ten minutes after the time appointed for holding the meeting and willing to act as Chair, a member may be elected to be the Chair by a resolution of the Company passed at the meeting.

45 REQUIREMENT FOR QUORUM

45.1 No business other than the appointment of a Chair shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person or by proxy shall be a quorum.

45.2 If within five minutes from the time appointed for a General Meeting (or such longer interval as the Chair of the meeting may think fit to allow) a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting, if convened on the requisition of members, shall be dissolved or in any other case it shall stand adjourned to such day, time and place or places and/or with such means of attendance and participation as may have been specified for the purpose in the notice convening the meeting or (if not so specified) as the Directors may decide, provided that the adjourned meeting shall be held not less than ten clear days after the original General Meeting.

46 ADJOURNMENT

46.1 The Chair of any General Meeting at which a quorum is present may adjourn the meeting if:

46.1.1 the members consent to an adjournment by passing an ordinary resolution;

46.1.2 the Chair considers it necessary to restore order or to otherwise facilitate the proper conduct of the meeting; or

46.1.3 the Chair considers it necessary for the safety of the people attending the meeting (including if there is insufficient room at the meeting venue to accommodate everyone who wishes to, and is entitled to, attend).

46.1.4 the Chair considers that the facilities or security at the place of the meeting (or places in the case of a satellite meeting) or the electronic facility provided for the meeting have become inadequate or are otherwise not sufficient to allow the meeting to be conducted as intended.

46.2 The Chair of any General Meeting at which a quorum is present must adjourn the meeting if requested to do so by the meeting.

46.3 If the Chair adjourns a meeting the Chair may specify the time and place (or places in the case of a satellite meeting) and/or means of attendance and participation to which it is adjourned. Where a meeting is adjourned without specifying a new time and place (or places in the case of a satellite meeting) and/or means of attendance and participation, the time and place (or places in the case of a satellite meeting) and/or means of attendance and participation for the adjourned meeting shall be fixed by the Directors.

46.4 No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

47 NOTICE OF ADJOURNED MEETING

When a meeting is adjourned for thirty days or more or without specifying a new time, not less than ten clear days' notice of the adjourned meeting shall be given in accordance with Article 43 (making such alterations as necessary). Otherwise it shall not be necessary to give any such notice.

48 AMENDMENTS TO RESOLUTIONS

48.1 A special resolution to be proposed at a General Meeting may be amended by ordinary resolution provided that no amendment may be made other than an amendment to correct a patent, grammatical or clerical error or as may otherwise be permitted by law.

48.2 An ordinary resolution to be proposed at a General Meeting may be amended by ordinary resolution provided that:

48.2.1 in the opinion of the Chair of the meeting the amendment is within the scope of the business of the meeting as described and does not impose further obligations on the Company; and

48.2.2 notice in writing of the proposed amendment is given to the Company by a person entitled to vote at the General Meeting in question at least forty eight hours before the meeting or adjourned meeting (as the case may be) or the Chair in his absolute discretion decides that the amendment may be considered or voted on.

48.3 If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the Chair of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.

49 SECURITY, HEALTH AND SAFETY AND ACCESS ARRANGEMENTS AND ORDERLY CONDUCT

49.1 The Directors may put in place such arrangements or restrictions (including relating to health and safety) and/or any other arrangements as they think fit to ensure the safety and security of the attendees at a General Meeting and the orderly conduct of the meeting, including requiring attendees to submit to searches.

49.2 The Directors may refuse physical or electronic entry to, or remove (physically or electronically), from, a General Meeting any member, proxy or other person who fails to comply with any such arrangements, restrictions or searches.

49.3 The Chair of a General Meeting may take such action as the Chair thinks fit to maintain the proper and orderly conduct of the meeting.

49.4 Where a general meeting is held partly by means of an electronic facility, the board or the secretary may make any arrangement and impose any requirement or restriction that is necessary to ensure the identification of those taking part by this means and the security of the electronic facility.

POLLS

50 DEMAND FOR POLL

50.1 A resolution put to the vote at a general meeting held partly by means of an electronic facility will be decided on a poll, which poll votes may be cast by such electronic or other means as the board decides are appropriate. Any such poll will be treated as having been validly demanded at the time fixed for the holding of the meeting.

50.2 Subject to Article 51.1, the Directors may decide in advance of any General Meeting that some or all of the resolutions to be put to the vote at a General Meeting will be decided on a poll.

50.3 At any General Meeting any resolution put to the vote shall be decided on a show of hands unless it is to be decided on a poll pursuant to Article 51.1 or 51.2, or a poll is (before the resolution is put to the vote on a show of hands, or on the declaration of the result of the show of hands) demanded by:

50.3.1 the Chair of the meeting;

50.3.2 not less than five members present in person or by proxy and entitled to vote;

50.3.3 a member or members present in person or by proxy and representing not less than onetenth of the total voting rights of all the members having the right to vote at the meeting (excluding the rights attaching to any shares held as treasury shares); or

50.3.4 a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right (excluding any such shares held as treasury shares).

50.4 A demand for a poll may be withdrawn before the poll is taken but only with the consent of the Chair. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

50.5 Unless a poll is demanded (and the demand is not duly withdrawn), a declaration by the Chair that the resolution has been carried, or carried by a particular majority, or lost or not carried by a particular majority, or an entry in respect of such a declaration in minutes of the meeting recorded in accordance with the Legislation shall be conclusive evidence of the fact without proof of the number or proportion of the rates recorded in favour of or against the resolution.

51 PROCEDURE ON A POLL

51.1 A poll shall be taken in such manner (including by use of ballot or voting papers or electronic means, or any combination of means) as the Chair of the meeting may direct.

51.2 The Chair of the meeting may appoint scrutineers (who need not be members) and may decide how and when the result of the poll is to be declared.

51.3 The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

51.4 On a poll, votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his/her votes or cast all the votes he/she uses in the same way.

52 TIMING OF POLL

52.1 A poll demanded on the choice of a Chair or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place or places and/or by means of such attendance and participation as the Chair may direct.

52.2 No notice need be given of a poll not taken immediately if the time and place or places and/or means of such attendance and participation at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven days' notice must be given specifying the time and place or places and/or means of such attendance and participation at which the poll is to be taken.

VOTES OF MEMBERS

53 VOTES ATTACHING TO SHARES

53.1 Subject to Article 41.3 and to any special rights or restrictions as to voting attached by or in accordance with these Articles to any shares or any class of shares:

53.1.1 on a show of hands, every member who is present in person and, subject to Article 52.1.2, every proxy present who has been duly appointed shall have one vote;

53.1.2 on a show of hands, a proxy has one vote for and one vote against the resolution if the proxy has been duly appointed by more than one member entitled to vote on the resolution, and the proxy has been instructed:

(i) by one or more of those members to vote for the resolution and by one or more other of those members to vote against it; or

(ii) by one or more of those members to vote either for or against the resolution and by one or more other of those members to use his/her discretion as to how to vote, and

53.1.3 on a poll, every member who is present in person or by proxy shall have one vote for every share of which such member is the holder.

53.2 A proxy shall not be entitled to vote on a show of hands or on a poll where the member appointing the proxy would not have been entitled to vote on the resolution had such member been present in person.

54 VOTES OF JOINT HOLDERS

In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names appear in the Register in respect of the share.

55 VALIDITY AND RESULT OF VOTE

55.1 No objection shall be raised as to the qualification of any voter or the admissibility of any vote except at the meeting or adjourned meeting at which the vote is tendered. Every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the Chair of the meeting, whose decision shall be final and conclusive.

55.2 On a vote on a resolution at a meeting on a show of hands, a declaration by the Chair that the resolution:

55.2.1 has or has not been passed; or

55.2.2 has been passed with a particular majority, or an entry in respect of such declaration in the minutes of the meeting recorded in accordance with the Legislation shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. This Article 55 does not have effect if a poll is demanded in respect of the resolution (and the demand is not subsequently withdrawn).

56 FURTHER PROVISIONS ON VOTING

The company shall not be obliged to ascertain whether a proxy or company representative has voted in accordance with a member's instructions and the failure of a proxy or company representative so to do shall not vitiate the decision of the meeting or adjourned meeting or poll on any resolution.

PROXIES AND CORPORATE REPRESENTATIVES

57 APPOINTMENT OF PROXIES

57.1 A member is entitled to appoint a proxy to exercise all or any of such member's rights to attend and to speak and vote at a General Meeting.

57.2 A proxy need not be a member of the Company.

58 MULTIPLE PROXIES

A member may appoint more than one proxy in relation to a meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such member. If a member appoints more than one proxy and the proxy forms appointing those proxies would give those proxies the apparent right to exercise votes on behalf of the member in a general meeting over more shares than are held by the member, then each of those proxy forms will be invalid and none of the proxies so appointed will be entitled to attend, speak or vote at the relevant general meeting.

59 FORM OF PROXY

59.1 The appointment of a proxy must be in writing in any usual or common form or in any other form which the Directors may approve and:

59.1.1 in the case of an individual must either be signed by the appointer or the appointer's attorney or authenticated in accordance with Article 116; and

59.1.2 in the case of a corporation must be either given under its common seal or be signed on its behalf by an attorney or a duly authorised officer of the corporation or authenticated in accordance with Article 116.

59.2 Any signature on or authentication of such appointment need not be witnessed. Where an appointment of a proxy is signed or authenticated in accordance with Article 116 on behalf of the appointer by an attorney, the Company may treat that appointment as invalid unless the power of attorney or a notarially certified copy of the power of attorney is submitted to the Company.

60 DEPOSIT OF FORM OF PROXY

60.1 The appointment of a proxy must be received in the manner set out in or by way of note to, or in any document accompanying, the notice convening the meeting (or if no address is so specified, at the Transfer Office):

60.1.1 in the case of a meeting or adjourned meeting, not less than forty eight hours (excluding any part of a day that is not a working day) before the commencement of the meeting or adjourned meeting to which it relates;

60.1.2 in the case of a poll taken following the conclusion of a meeting or adjourned meeting, but not more than forty eight hours (excluding any part of a day that is not a working day) after it was demanded, not less than forty eight hours before the commencement of the meeting or adjourned meeting at which the poll was demanded; and

60.1.3 in the case of a poll taken more than forty eight hours (excluding any part of a day that is not a working day) after it was demanded, not less than twenty four hours before the time appointed for the taking of the poll, and in default shall not be treated as valid.

60.2 In relation to any shares in uncertificated form the Directors may permit a proxy to be appointed by electronic means or by means of a website in the form of an Uncertificated Proxy and may permit any supplement to, or amendment or revocation of, any Uncertificated Proxy to be made by a further Uncertificated Proxy. The Directors may prescribe the method of determining the time at which any Uncertificated Proxy is to be treated as received by the Company. The Directors may treat any Uncertificated Proxy purporting or expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending the instruction to send it on behalf of that holder.

60.3 Unless the contrary is stated on the proxy form, the appointment of a proxy shall be as valid for any adjournment of a meeting as it is for the meeting to which it relates.

61 RIGHTS OF PROXY

Subject to the Companies Acts, a proxy shall have the right to exercise all or any of the rights of the proxy's appointor, or (where more than one proxy is appointed by a member) all or any of the rights attached to the shares in respect of which such person is appointed the proxy to attend, and to speak and vote, at a General Meeting.

62 TERMINATION OF PROXY'S AUTHORITY

62.1 Neither the death or insanity of a member who has appointed a proxy, nor the revocation or termination by a member of the appointment of a proxy (or of the authority under which the appointment was made), shall invalidate the proxy or the exercise of any of the rights of the proxy, unless notice of such death, insanity, revocation or termination shall have been received by the Company in accordance with Article 60.2.

62.2 Any such notice of death, insanity, revocation or termination must be in writing and be received at the address or one of the addresses (if any) specified for receipt of proxies in, or by way of note to, or in any document accompanying, the notice convening the meeting to which the appointment of the proxy relates (or if no address is so specified, at the Transfer Office), not later than the last time at which an appointment of proxy should have been delivered or received in order to be valid for use at the relevant meeting or adjourned meeting or (in the case of a poll taken otherwise than at the meeting or on the same day as the meeting or adjourned meeting) for use on the holding of a poll at which the vote is cast.

63 CORPORATIONS ACTING BY REPRESENTATIVES

Subject to the Legislation, any corporation which is a member of the Company may by resolution of its Directors or other governing body authorise a person or persons to act as its representative or representatives at any General Meeting. A Director, the Secretary or another person authorised for the purpose by the Secretary may require a representative to produce a certified copy of the resolution of authorisation before permitting them to exercise their powers.

DEFAULT SHARES

64 RESTRICTION ON VOTING IN PARTICULAR CIRCUMSTANCES

64.1 Unless the Directors resolve otherwise, no member shall be entitled in respect of any share held by such member to vote either personally or by proxy or to exercise any other right conferred by membership in relation to General Meetings if any call or other sum due from such member to the Company in respect of that share remains unpaid.

64.2 If any member, or any other person appearing to be interested in shares (within the meaning of Part 22 of the Companies Act 2006) held by such member, has been duly served with a notice under Section 793 of the Companies Act 2006 and is in default for a

period of fourteen days in supplying to the Company the information required by that notice, then (unless the Directors otherwise determine) in respect of:

64.2.1 the shares comprising the shareholding account in the Register which comprises or includes the shares in relation to which the default occurred (all or the relevant number as appropriate of such shares being the "<u>default shares</u>", which expression shall include any further shares which are issued in respect of such shares); and

64.2.2 any other shares held by the member,

the member shall not (for so long as the default continues) nor shall any transferee to whom any of such shares are transferred (other than pursuant to an approved transfer or pursuant to Article 64.3.2) be entitled to attend or vote either personally or by proxy at a General Meeting or to exercise any other right conferred by membership in relation to General Meetings.

64.3 Where the default shares represent 0.25 per cent or more of the issued shares of the class in question, the Directors may in their absolute discretion by notice in writing (a "<u>direction notice</u>") to such member direct that:

64.3.1 any dividend or part of a dividend (including shares to be issued in lieu of a dividend) or other money which would otherwise be payable in respect of the default shares shall be retained by the Company without any liability to pay interest on it when such dividend or other money is finally paid to the member; and/or

64.3.2 no transfer of any of the shares held by such member shall be registered unless the transfer is an approved transfer or:

(a) the member is not in default as regards supplying the information required; and

(b) the transfer is of part only of the member's holding and, when presented for registration, is accompanied by a certificate by the member in a form satisfactory to the Directors to the effect that after due and careful enquiry the member is satisfied that none of the shares the subject of the transfer are default shares,

provided that, in the case of shares in uncertificated form, the Directors may only exercise their discretion not to register a transfer if permitted to do so by the Companies Acts.

64.4 The Company shall send a copy of the direction notice to each other person appearing to be interested in the shares the subject of that direction notice, but the failure or omission by the Company to do so shall not invalidate such notice.

64.5 Any direction notice shall have effect in accordance with its terms for so long as the default in respect of which the direction notice was issued continues. Any direction notice shall cease to have effect at such time as the Directors decide. Within a period of one week of the default being duly remedied, the Directors shall decide that the relevant direction notice shall cease to have effect and shall give written notice of that fact to the member as soon as reasonably practicable.

64.6 Any direction notice shall cease to have effect in relation to any shares which are transferred by such member by means of an approved transfer or in accordance with Article 64.3.2.

64.7 For the purposes of this Article 64:

64.7.1 a person shall be treated as appearing to be interested in any shares if the member holding such shares has been served with a notice under Section 793 of the Companies Act 2006 and either (i) the member has named such person as being so interested or (ii) (after taking into account the response of the member to the said notice and any other relevant information) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares, and

64.7.2 a transfer of shares is an "approved transfer" if:

(a) it is a transfer of shares to an offeror by way or in pursuance of acceptance of a takeover offer (as defined in Section 974 of the Companies Act 2006); or

(b) the Directors are satisfied that the transfer is made pursuant to a genuine sale of the whole of the beneficial ownership of the shares to a party unconnected with the member, or with any person appearing to be interested in such shares, including any such sale made through an investment exchange that has been granted recognition under the Financial Services and Markets Act 2000 or through a stock exchange outside the United Kingdom on which the Company's shares are normally traded. For the purposes of this Article 62 any associate (as that term is defined in Section 435 of the Insolvency Act 1986) shall be included amongst the persons who are connected with the member or any person appearing to be interested in such shares.

64.8 The provisions of this Article 62 are in addition and without prejudice to the provisions of the Companies Acts.

DIRECTORS

65 NUMBER OF DIRECTORS

The Directors shall not be less than two nor more than twenty in number save that the Company may by ordinary resolution from time to time vary the minimum number and/or maximum number of Directors.

66 SHARE QUALIFICATION

A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at General Meetings.

67 DIRECTORS' FEES

The Directors who do not hold executive office shall be paid out of the funds of the Company by way of fees for their services as Directors such sums (if any) as the Directors may from time to time determine (not exceeding in the aggregate an annual sum (excluding amounts payable under any other provision of these Articles) of £2,000,000 (or such larger amount as the Company may by ordinary resolution determine) and such remuneration shall be divided between the Directors as they shall agree or, failing agreement, equally. Such remuneration shall be deemed to accrue from day to day.

68 OTHER REMUNERATION OF DIRECTORS

Any Director who holds any executive office (including for this purpose the office of Chair or Senior Independent Director whether or not such office is held in an executive capacity), or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise or may receive such other benefits as the Directors may determine.

69 DIRECTORS' EXPENSES

The Directors may repay to any Director all such reasonable expenses as that Director may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or separate meetings of any class of members or debentures or otherwise in connection with the business of the Company.

70 DIRECTORS' PENSIONS AND OTHER BENEFITS

The Directors shall have power to pay and agree to pay remuneration, including gratuities, allowances, pensions or other retirement, superannuation, death, sickness or disability benefits, to, or to any person in respect of, a Director.

71 APPOINTMENT OF EXECUTIVE DIRECTORS AND CHAIR

71.1 The Directors may from time to time appoint one or more of them to be the holder of any executive office (or, where considered appropriate, the office of Chair or Senior Independent Director) on such terms and for such period as they may (subject to the provisions of the Legislation) resolve and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke or vary the terms of any such appointment.

71.2 The appointment of any Director to the office of Chair or Senior Independent Director or Chief Executive Officer or Chief Financial Officer shall automatically terminate if such Director ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between such Director and the Company.

71.3 The appointment of any Director to any other executive office shall not automatically terminate if such Director ceases to be a Director for any reason, unless the contract or resolution under which such Director holds office shall expressly state otherwise, in which event such termination shall be without prejudice to any claim for damages for breach of any contract of service between such Director and the Company.

72 POWERS OF EXECUTIVE DIRECTORS

The Directors may entrust to and confer upon any Director holding any executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers.
They may from time to time revoke, withdraw, alter or vary all or any of such delegated powers.

APPOINTMENT AND RETIREMENT OF DIRECTORS

73 ELECTION OR APPOINTMENT OF ADDITIONAL DIRECTOR

73.1 The Company may by ordinary resolution elect, and the Directors shall have power at any time to appoint, any person to be a Director either to fill a casual vacancy or as an additional Director, but not so that the total number of Directors shall exceed the maximum number fixed by or in accordance with these Articles.

73.2 Any person so appointed by the Directors shall retire at the next Annual General Meeting and shall then be eligible for election.

73.3 No person shall be elected as a Director unless (a) such person is recommended by the Directors or (b) the Company has received from such person confirmation in writing, no later than seven days before the General Meeting at which the relevant resolution is proposed of that person's willingness to be elected as a Director.

74 RETIREMENT AT ANNUAL GENERAL MEETINGS

74.1 At every annual general meeting all the directors at the date of the notice convening the annual general meeting shall retire from office and may offer themselves for re-appointment by the members.

74.2 Subject to the provisions of these articles, at the meeting at which a director retires the company can pass an ordinary resolution to re-appoint the director or to elect some other eligible person in the director's place.

74.3 A director who retires at an annual general meeting may, if willing to continue to act, be re-appointed. A director who is re-appointed is treated as continuing in office throughout. A director who is not re-appointed shall retain office until the end of the meeting or (if earlier) when a resolution is passed to appoint someone as a replacement.

75 TERMINATION OF OFFICE

75.1 The office of a Director is terminated if:

75.1.1 the Director becomes prohibited by law from acting as a Director or ceases to be a Director by virtue of any provision of the Companies Act 2006;

75.1.2 the Company has received notice in writing of the Director's resignation or retirement from office and such resignation or retirement from office has taken effect in accordance with its terms;

75.1.3 the Director has retired at an Annual General Meeting in accordance with Article 74;

75.1.4 the Director has a bankruptcy order made against him/her, compounds with his/her creditors generally or applies to the court for an interim order under Section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act or any analogous event occurs in relation to the Director in another country;

75.1.5 an order is made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for the Director's detention or for the appointment of another person (by whatever name called) to exercise powers with respect to the Director's property or affairs;

75.1.6 the Director is absent from meetings of the Directors for six consecutive months without permission and the Directors have resolved that the Director's office be vacated;

75.1.7 notice in writing of termination is served or deemed served on the Director and that notice is given by all the Director's co-Directors for the time being; or

75.1.8 in the case of a Director other than any Director holding an executive office, if the Directors resolve to require the Director to resign and the Director fails to do so within thirty days of notification of such resolution being served or deemed served on the Director.

75.2 If a Director holds an appointment to an executive office which automatically terminates on termination of the Director's office as Director, the Director's removal from office pursuant to this Article 73 shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between the Director and the Company.

76 REMOVAL OF DIRECTOR BY RESOLUTION OF COMPANY

In accordance with and subject to the provisions of the Legislation, the Company may remove any Director from office by ordinary resolution of which special notice has been given and elect another person in place of a Director so removed from office. Such removal may take place notwithstanding any provision of these Articles or of any agreement between the Company and such Director, but shall be without prejudice to any claim the Director may have for damages for breach of any such agreement.

MEETINGS AND PROCEEDINGS OF DIRECTORS

77 CONVENING OF MEETINGS OF DIRECTORS

77.1 Subject to the provisions of these Articles the Directors may meet together for the despatch of business, adjourn and otherwise regulate their proceedings as they think fit. At any time any Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors by giving notice to the other Directors. Notice need not be in writing and may be given personally or by word of mouth or sent (including by electronic means) to any address provided by the Director.

77.2 Any Director may waive notice of any meeting and any such waiver may be retroactive.

77.3 The Directors shall be deemed to meet together if they are in separate locations, but are linked by conference telephone or other communication equipment which allows those participating to hear and speak to each other. Such a meeting shall be deemed to take place where the largest group of Directors participating is assembled or, if there is no such group, where the Chair of the meeting then is.

78 QUORUM

78.1 The quorum necessary for the transaction of business of the Directors may be fixed from time to time by the Directors and unless so fixed at any other number shall be two Directors present. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors. Any Director taking part by conference telephone or other communication equipment which allows those participating to hear and speak to each other will be treated as being present at the meeting and will be entitled to vote and be counted in the quorum.

78.2 If a quorum is not present within half an hour of the time appointed for the meeting or if a quorum ceases to be present during the course of the meeting, the Director(s) present shall adjourn the meeting to a specified time and place not less than one day after the original date. The quorum necessary for the transaction of business of the Directors at such adjourned meeting may be fixed from time to time by the Directors and unless so fixed at any other number shall be two.

79 CHAIR

The Directors may elect from their number a Chair and a Senior Independent Director, and decide the period for which each is to hold office. If no Senior Independent Director has been appointed or the Senior Independent Director is not present at such time, the Directors present may choose one of their number to be Chair of the meeting.

80 CASTING VOTE

Questions arising at any meeting of the Directors shall be determined by a majority of votes. The Chair of the meeting shall not have a casting vote.

81 NUMBER OF DIRECTORS BELOW MINIMUM

If and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles the continuing Directors or Director may act, including for the purpose of appointing such number of additional Directors as is required to meet the minimum or of summoning General Meetings. If no Directors or Director is able or willing to act, then any two members may summon a General Meeting for the purpose of appointing Directors.

82 DIRECTORS' WRITTEN RESOLUTIONS

82.1 Any Director may, and the Secretary at the request of a Director shall, propose a written resolution by giving written notice to the other Directors.

82.2 A Directors' written resolution is adopted when all the Directors who would have been entitled to vote on such resolution if it had been proposed at a meeting of the Directors have:

82.2.1 signed one or more copies of it; or

82.2.2 otherwise indicated their agreement to it in writing.

82.3 A Directors' written resolution is not adopted if the number of Directors who have signed it is less than the quorum for Directors' meetings.

82.4 Once a Directors' written resolution has been adopted, it must be treated as if it had been a resolution passed at a Directors' meeting in accordance with the Articles.

83 VALIDITY OF PROCEEDINGS

All acts done by any meeting of Directors, or of any committee or sub-committee of the Directors, or by any person acting as a member of any such committee or sub-committee, shall as regards all persons dealing in good faith with the Company be valid, notwithstanding that there was some defect in the appointment of any Director or any such persons, or that any such persons were disqualified or had vacated office, or were not entitled to vote.

DIRECTORS' INTERESTS

84 AUTHORISATION OF DIRECTORS' INTERESTS

84.1 For the purposes of Section 175 of the Companies Act 2006, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director to avoid a situation in which the Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

84.2 Authorisation of a matter under this Article 82 shall be effective only if:

84.2.1 the matter in question shall have been proposed for consideration at a meeting of the Directors, in accordance with the Directors' normal procedures or in such other manner as the Directors may resolve;

84.2.2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the "Interested Directors"); and

84.2.3 the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.

84.3 Any authorisation of a matter under this Article 84 may:

84.3.1 extend to any actual or potential conflict of interest which may arise out of the matter so authorised;

84.3.2 be subject to such conditions or limitations as the Directors may resolve, whether at the time such authorisation is given or subsequently; and

84.3.3 be terminated by the Directors at any time,

and a Director shall comply with any obligations imposed on the Director by the Directors pursuant to any such authorisation.

84.4 A Director shall not, save as otherwise agreed by such Director, be accountable to the Company for any benefit which the Director (or a person connected with the Director) derives from any matter authorised by the Directors under this Article 82 and any contract, transaction or arrangement relating to such a matter shall not be liable to be avoided on the grounds of any such benefit.

85 PERMITTED INTERESTS

85.1 Subject to compliance with Article 85.2, a Director, notwithstanding such Director's office, may have an interest of the following kind:

85.1.1 where a Director (or a person connected with the Director) is a director or other officer of, or employed by, or otherwise interested (including by the holding of shares) in any Relevant Company;

85.1.2 where a Director (or a person connected with the Director) is a party to, or otherwise interested in, any contract, transaction or arrangement with a Relevant Company, or in which the Company is otherwise interested;

85.1.3 where the Director (or a person connected with the Director) acts (or any firm of which the Director is a partner, employee or member acts) in a professional capacity for any Relevant Company (other than as Auditor) whether or not the Director (or such person or firm) is remunerated for such work;

85.1.4 where a Director is or becomes a director or officer of any other body corporate in which the Company does not have an interest if that cannot reasonably be regarded as likely to give rise to a conflict of interest at the time of the Director's appointment as director or officer of that other body corporate;

85.1.5 where a Director has an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest;

85.1.6 where a Director has an interest, or a transaction or arrangement giving rise to an interest, of which the Director is not aware; or

85.1.7 where a Director has any other interest authorised by ordinary resolution.

No authorisation under Article 84 shall be necessary in respect of any such interest.

85.2 A Director shall declare the nature and extent of any interest permitted under Article 85.1, and not falling within Article 85.3, at a meeting of the Directors or in such other manner as the Directors may resolve.

85.3 No declaration of an interest shall be required by a Director in relation to an interest:

85.3.1 falling within Article 85.1.5 or Article 85.1.6;

85.3.2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or

85.3.3 if, or to the extent that, it concerns the terms of the Director service contract (as defined in Section 227 of the Companies Act 2006) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

85.4 A Director shall not, save as otherwise agreed by the Director, be accountable to the Company for any benefit which the Director (or a person connected with the Director) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any Relevant Company or for such remuneration, each as referred to in Article 85.1, and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit.

85.5 For the purposes of this Article 85, "**Relevant Company**" shall mean:

85.5.1 the Company;

85.5.2 a subsidiary undertaking of the Company;

85.5.3 any holding company of the Company or a subsidiary undertaking of any such holding company;

85.5.4 any body corporate promoted by the Company; or

85.5.5 any body corporate in which the Company is otherwise interested.

86 RESTRICTIONS ON QUORUM AND VOTING

86.1 Save as provided in this Article 86, and whether or not the interest is one which is authorised pursuant to Article 82 or permitted under Article 83, a Director shall not be entitled to vote on any resolution in respect of any contract, transaction or arrangement, or any other proposal, in which the Director (or a person connected with the Director) is interested. Any vote of a Director in respect of a matter where the Director is not entitled to vote shall be disregarded.

86.2 A Director shall not be counted in the quorum at a meeting of the Directors in relation to any resolution on which the Director is not entitled to vote.

86.3 Subject to the provisions of the Legislation, a Director shall (in the absence of some other interest than is set out below) be entitled to vote, and be counted in the quorum, in respect of any resolution concerning any contract, transaction or arrangement, or any other proposal:

86.3.1 in which the Director has an interest of which the Director is not aware;

86.3.2 in which the Director has an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest;

86.3.3 in which the Director has an interest only by virtue of interests in shares, debentures or other securities of the Company, or by reason of any other interest in or through the Company;

86.3.4 which involves the giving of any security, guarantee or indemnity to the Director or any other person in respect of (i) money lent or obligations incurred by the Director or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings or (ii) a debt or other obligation of the Company or any of its subsidiary undertakings for which the Director has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

86.3.5 concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings (i) in which offer the Director is or may be entitled to participate as a holder of securities or (ii) in the underwriting or sub-underwriting of which the Director is to participate;

86.3.6 concerning any other body corporate in which the Director is interested, directly or indirectly and whether as an officer, shareholder, creditor, employee or otherwise, provided that the Director (together with persons connected with the Director) is not the holder of, or beneficially interested in, one per cent or more of the issued equity share capital of any class of such body corporate or of the voting rights available to members of the relevant body corporate;

86.3.7 relating to an arrangement for the benefit of the employees or former employees of the Company or any of its subsidiary undertakings which does not award the Director any privilege or benefit not generally awarded to the employees or former employees to whom such arrangement relates;

86.3.8 concerning the purchase or maintenance by the Company of insurance for any liability for the benefit of Directors or for the benefit of persons who include Directors;

86.3.9 concerning the giving of indemnities in favour of Directors where all other Directors are also being offered indemnities on substantially the same terms;

86.3.10 concerning the funding of expenditure by any Director or Directors (i) on defending criminal, civil or regulatory proceedings or action against the Director or Directors, (ii) in connection with an application to the court for relief, or (iii) on defending the Director or Directors in any regulatory investigations, where all other Directors are being offered substantially the same arrangements;

86.3.11 concerning the doing of anything to enable any Director or Directors to avoid incurring expenditure as described in Article 86.3.10, where all other Directors are being offered substantially the same arrangements; and

86.3.12 in respect of which the Director's interest, or the interest of Directors generally, has been authorised by ordinary resolution.

86.4 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested, the proposals may be divided and considered in relation to each Director separately. In such case each of the Directors concerned (if not debarred from voting under Article 86.1) shall be entitled to vote, and be counted in the quorum, in respect of each resolution except that concerning the Director's own appointment or the fixing or variation of the terms of the Director's own appointment.

86.5 If a question arises at any time as to whether any interest of a Director prevents the Director from voting, or being counted in the quorum, under this Article 84, and such question is not resolved by the Director voluntarily agreeing to abstain from voting, such question shall be referred to the Chair of the meeting and the Chair's ruling in relation to any Director other than the Chair shall be final and conclusive except in a case where the nature or extent of the interest of such Director has not been fairly disclosed. If any such question shall arise in respect of the Chair of the meeting, the question shall be decided by resolution of the Directors and the resolution shall be conclusive except in a case where the nature or extent of the interest of the Chair of the meeting (so far as it is known to the Chair) has not been fairly disclosed to the Directors.

87 CONFIDENTIAL INFORMATION

87.1 Subject to Article 87.2, if a Director, otherwise than by virtue of the Director's position as Director, receives information in respect of which the Director owes a duty of confidentiality to a person other than the Company, the Director shall not be required:

87.1.1 to disclose such information to the Company or to the Directors, or to any Director, officer or employee of the Company; or

87.1.2 otherwise to use or apply such confidential information for the purpose of or in connection with the performance of the Director's duties as a Director.

87.2 Where such duty of confidentiality arises out of a situation in which the Director has, or can have a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 87.1 shall apply only if the conflict arises out of a matter which has been authorised under Article 84 or falls within Article 85.

87.3 This Article 87 is without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 85.

88 DIRECTORS' INTERESTS - GENERAL

88.1 For the purposes of Articles 84 to 88 a person is connected with a Director if that person is connected for the purposes of Section 252 of the Companies Act 2006.

88.2 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director may, and shall if so requested by the Chair, take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including:

88.2.1 not attending any meetings of the Directors at which the relevant situation or matter falls to be considered; and

88.2.2 not reviewing documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for the Director concerned to have access to such documents or information.

88.3 The Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of Articles 84 to 88 or suspend or relax the provisions of Articles 84 to 88 to any extent.

POWERS OF DIRECTORS

89 GENERAL POWERS

The Directors shall manage the business and affairs of the Company and may exercise all powers of the Company other than those that are required by the Legislation or by these Articles to be exercised by the Company in General Meeting. No alteration of these Articles and no direction given by the Company shall invalidate a prior act of the Directors which would have been valid if the alteration had not been made or the direction had not been given. The provisions of these Articles giving specific powers to the Directors do not limit the general powers given by this Article.

90 PROVISION FOR EMPLOYEES ON CESSATION OR TRANSFER OF BUSINESS

The Directors may make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director, former Director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

91 BANK MANDATES

The Directors may by resolution authorise such person or persons as they think fit to act as signatories to any bank account of the Company and may amend or remove such authorisation from time to time by resolution.

92 BORROWING

Subject to these Articles and the Legislation, the Directors may exercise all powers of the Company to borrow money, to guarantee, to indemnify, to mortgage or charge its undertaking, property, assets (present and future) and called capital, and to issue debentures and other securities whether outright or as collateral security for any debt, liability or other obligation of the Company or any third party.

DELEGATION OF POWERS

93 APPOINTMENT AND CONSTITUTION OF COMMITTEES

93.1 The Directors may delegate any of their powers or discretions (including all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) to such person (who need not be a Director) or committee (composing any number of persons, who need not be Directors) and in such manner as they think fit. Any such delegation may be either collaterally with or to the exclusion of their own powers and the Directors may revoke or alter the terms of any such delegation. Any such person or committee shall, unless the Directors otherwise resolve, have power to sub-delegate any of the powers or discretions delegated to them.

93.2 Any reference in these Articles to the exercise of a power or discretion by the Directors shall include a reference to the exercise of such power or discretion by any person or committee to whom it has been delegated.

93.3 The Directors may make regulations in relation to the proceedings of committees or subcommittees. Subject to any such regulations, the meetings and proceedings of any committee or sub-committee consisting of two or more persons shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors (with such amendments as are necessary).

94 LOCAL BOARDS AND MANAGERS

94.1 The Directors may establish any local boards or appoint managers or agents to manage any of the affairs of the Company, either in the United Kingdom or elsewhere, and may:

94.1.1 appoint any persons to be managers or agents or members of such local boards, and may fix their remuneration;

94.1.2 delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate;

94.1.3 remove any person so appointed, and may annul or vary any such delegation; and

94.1.4 authorise the members of any local boards, or any of them, to fill any vacancies on such boards, and to act notwithstanding vacancies.

94.2 Any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit.

95 APPOINTMENT OF ATTORNEY

95.1 The Directors may from time to time and at any time appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit.

95.2 Any such appointment may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit.

95.3 The Directors may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in the attorney.

96 ALTERNATE DIRECTORS

A Director shall not be entitled to appoint any person to be the Director's alternate Director.

SECRETARY

97 SECRETARY

The Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between the Secretary and the Company. If thought fit, two or more persons may be appointed as Joint Secretaries. The Directors or the Secretary may also appoint from time to time, on such terms as they or he may think fit, one or more Deputy and/or Assistant Secretaries.

THE SEAL

98 THE SEAL

98.1 The Directors shall provide for the safe custody of the Seal and any Securities Seal and neither shall be used without the authority of the Directors or of a committee authorised by the Directors for that purpose. The Securities Seal shall be used only for sealing securities issued by the Company and documents creating or evidencing securities so issued.

98.2 Every instrument to which the Seal or the Securities Seal shall be affixed (other than a certificate for or evidencing shares, debentures or other securities (including options) issued by the Company) shall be signed autographically by one Director and the Secretary or by two Directors or by a Director or other person authorised for the purpose by the Directors in the presence of a witness unless the Directors decide, either generally or in a particular case, that a signature may be dispensed with or affixed by mechanical means.

98.3 The Company may exercise the powers conferred by the Legislation with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

98.4 Any instrument signed by:

98.4.1 one Director and the Secretary; or

98.4.2 by two Directors; or

98.4.3 by a Director in the presence of a witness who attests the signature,

and expressed to be executed by the Company shall have the same effect as if executed under the Seal.

AUTHENTICATION OF DOCUMENTS

99 AUTHENTICATION OF DOCUMENTS

99.1 Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate:

99.1.1 any document affecting the constitution of the Company;

99.1.2 any resolution passed at a General Meeting or at a meeting of the Directors or any committee; and

99.1.3 any book, record, document or account relating to the business of the Company, and to certify copies or extracts as true copies or extracts.

99.2 Where any book, record, document or account is elsewhere than at the Office the local manager or other officer of the Company having the custody of it shall be deemed to be a person appointed by the Directors for the purpose of Article 99.1.

99.3 A document purporting to be a copy of any such resolution, or an extract from the minutes of any such meeting, which is certified shall be conclusive evidence in favour of all persons dealing with the Company that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

DIVIDENDS

100 DECLARATION OF FINAL DIVIDENDS

100.1 The Company may by ordinary resolution declare final dividends.

100.2 No dividend shall be declared unless it has been recommended by the Directors and does not exceed the amount recommended by the Directors.

101 FIXED AND INTERIM DIVIDENDS

101.1 If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may:

101.1.1 pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the dates prescribed for the payment of such dividends; and

101.1.2 pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.

101.2 Provided the Directors act in good faith they shall not incur any liability to the holders of any shares for any loss they may suffer by the lawful payment of any fixed or interim dividend on any other class of shares having rights ranking after or equal with those shares.

102 DISTRIBUTION IN SPECIE

102.1 Without prejudice to Article 101, the Company may by ordinary resolution direct payment of a dividend in whole or in part by the transfer of specific assets, or by procuring the receipt by shareholders of specific assets, of equivalent value (including paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution.

102.2 Where any difficulty arises in regard to such distribution, the Directors may make such arrangements as they think fit, including:

102.2.1 issuing fractional certificates (or ignoring fractions);

102.2.2 fixing the value of any of the assets to be transferred;

102.2.3 paying cash to any member on the basis of the value fixed for the assets in order to adjust the rights of members; and

102.2.4 vesting any assets in trustees.

103 RANKING OF SHARES FOR DIVIDEND

103.1 Unless and to the extent that the rights attached to any shares or the terms of issue of those shares provide otherwise, all dividends shall be:

103.1.1 declared and paid according to the amounts paid up on the shares on which the dividend is paid; and

103.1.2 apportioned and paid proportionately to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid.

103.2 If the terms of issue of a share provide that it ranks for dividends as from a particular date then that share will rank for dividends as from that date.

103.3 For the purposes of this Article 103, no amount paid on a share in advance of the date on which such payment is due shall be treated as paid on the share.

104 MANNER OF PAYMENT OF DIVIDENDS

104.1 Any dividend or other sum payable on or in respect of a share shall be paid to:

104.1.1 the holder of that share;

104.1.2 if the share is held by more than one person, whichever of the joint holders' names appears first in the Register;

104.1.3 if the member is no longer entitled to the share, the person or persons entitled to it; or

104.1.4 such other person or persons as the member (or, in the case of joint holders of a share, all of them) may direct,

and such person shall be the "payee" for the purpose of this Article 104.

104.2 Such dividend or other sum may be paid:

104.2.1 by cheque sent by post to the payee or, where there is more than one payee, to any one of them at the address shown in the Register or such address as that person notifies the Company in writing;

104.2.2 by bank transfer to such account as the payee or payees shall in writing direct;

104.2.3 (if so authorised by the holder of shares in uncertificated form) using the facilities of a relevant system (subject to the facilities and requirements of the relevant system); or

104.2.4 by such other method of payment as the payee or payees and the Directors may agree.

104.3 Subject to the provisions of these Articles and to the rights attaching to any shares, any dividend or other sum payable on or in respect of a share may be paid in such currency as the Directors may resolve, using such exchange rate for currency conversions as the Directors may reasonably select.

104.4 Every cheque, warrant or money order sent by post is sent at the risk of the person entitled to the payment. If payment is made by bank or other funds transfer, by means of a relevant system or by another method at the direction of the person entitled to payment, the Company is not responsible for amounts lost or delayed in the course of making that payment.

104.5 In respect of the payment of any dividend or other sum, the Directors may decide, and notify the holder (or joint holders), that:

104.5.1 one or more of the means of payment described above will be used for payment and, where more than one means will be used, a holder (or joint holders) may elect to receive the payment by one of the means so notified in the manner prescribed by the Directors;

104.5.2 one or more such means will be used for the payment unless a holder (or joint holders) elects for another means of payment in the manner prescribed by the Directors; or

104.5.3 one or more of such means will be used for the payment and that holders will not be able to elect to receive the payment by any other means.

The Directors may for this purpose decide that different methods of payment may apply to different holders or groups thereof.

104.6 If:

104.6.1 a holder (or joint holders) does not specify an address, or does not specify an account of a type prescribed by the Directors, or does not specify other details, and in each case that information is necessary in order to make a payment of a dividend or other sum by the means by which in accordance with this article the Directors has decided that a payment is to be made, or by which the holder (or joint holders) has validly elected to receive payment; or

104.6.2 payment cannot be made by the company using the details provided by the holder (or joint holders),

the dividend or other sum shall be treated as unclaimed for the purposes of these articles.

105 RECORD DATE FOR DIVIDENDS

Notwithstanding any other provision of these Articles, but subject to the Legislation and rights attached to shares, the Company or the Directors may fix any date as the record date for a dividend, distribution, allotment or issue. The record date may be on or at any time before or after a date on which the dividend, distribution, allotment or issue is declared, made or paid. The power to fix any such record date shall include the power to fix a time on the chosen date.

106 NO INTEREST ON DIVIDENDS

The Company shall not pay interest on any dividend or other sum payable on or in respect of a share unless the terms of issue of that share or the provisions of any agreement between the Company and the holder of that share provide otherwise.

107 RETENTION OF DIVIDENDS

107.1 The Directors may retain all or part of any dividend or other sum payable on or in respect of a share on which the Company has a lien in respect of which the Directors are entitled to issue an enforcement notice.

107.2 The Company shall apply any amounts retained pursuant to Article 107.1 in or towards satisfaction of the moneys payable to the Company in respect of that share.

107.3 The Company shall notify the person otherwise entitled to payment of the sum that it has been retained and how the retained sum has been applied.

107.4 The Directors may retain the dividends payable upon shares:

107.4.1 in respect of which any person is entitled to become a member pursuant to Article 35 until such person shall become a member in respect of such shares; or

107.4.2 which any person is entitled to transfer pursuant to Article 35 until such person has transferred those shares.

108 UNCLAIMED DIVIDEND

108.1 The company can stop sending dividend payments through the post, or cease using any other method of payment (including payment through a relevant system), for any dividend if:-

108.1.1 for two consecutive dividends:-

108.1.1.1 the dividend payments sent through the post have been returned undelivered or remain uncashed during the period for which they are valid; or

108.1.1.2 the payments by any other method have failed; or

108.1.2 for any one dividend:-

108.1.2.1 the dividend payment sent through the post has been returned undelivered or remains uncashed during the period for which it is valid; or

108.1.2.2 the payment by any other method has failed,

and reasonable enquiries have failed to establish any new postal address or account of the registered shareholder.

108.2 Subject to these articles, the company must recommence sending dividend payments if requested in writing by the shareholder, or the person entitled to a share by law.

108.3 Any unclaimed dividends may be invested or otherwise applied for the benefit of the Company until they are claimed.

108.4 The payment by the Directors of any unclaimed dividend or other sum payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect of that amount.

108.5 If a dividend remains unclaimed after a period of six years from the date on which it was declared or became due for payment the person who was otherwise entitled to it shall cease to be entitled and the Company may keep that sum.

109 WAIVER OF DIVIDEND

A shareholder or other person entitled to a dividend may waive it in whole or in part. The waiver of any dividend shall be effective only if such waiver is in writing and signed or authenticated in accordance with Article 116 by the shareholder or the person entitled to the dividend and delivered to the Company.

110 CALLS OR DEBTS MAY BE DEDUCTED

The Directors may deduct from a dividend or other amounts payable to a person in respect of a share amounts due from them to the Company on account of a call or otherwise in relation to a share.

SCRIP DIVIDENDS

111 SCRIP DIVIDENDS

111.1 The Directors may offer to ordinary shareholders the right to elect to receive an allotment of new ordinary shares ("**Scrip Shares**") credited as fully paid in lieu of the whole or part of a dividend.

111.2 The Directors shall not allot Scrip Shares unless so authorised by ordinary resolution. Such a resolution may give authority in relation to particular dividends or may extend to all dividends declared or paid in the period specified in the resolution. Such period may not be longer than three years from the date of the resolution.

111.3 The Directors may, without the need for any further ordinary resolution, offer rights of election in respect of any dividend declared or proposed after the date of the adoption of these Articles and at or prior to the next Annual General Meeting.

111.4 The Directors may offer such rights of election to shareholders either:

111.4.1 in respect of the next dividend proposed to be paid; or

111.4.2 in respect of that dividend and all subsequent dividends, until such time as the election is revoked or the authority given pursuant to Article 111.2 expires without being renewed (whichever is the earlier).

111.5 The number of the Scrip Shares to be allotted in lieu of any amount of dividend shall be decided by the Directors and shall be such whole number of ordinary shares as have a value equal to or as near as possible to but in no event greater than such amount. For such purpose, the value of an ordinary share shall be the average of the middle market quotations of an ordinary share on the London Stock Exchange, as derived from the Official List, on each of the first five dealing days on which the ordinary shares are quoted as being "ex" the relevant dividend. No fraction of an ordinary share shall be allotted.

111.6 If the Directors resolve to offer a right of election they shall give written notice of such right to the ordinary shareholders specifying the procedures to be followed in order to exercise such right. No notice need be given to a shareholder who has previously made, and has not revoked, an earlier election to receive ordinary shares in lieu of all future dividends, but the Directors shall instead send such shareholder a reminder of the election made, indicating how that election may be revoked in time for the next dividend proposed to be paid.

111.7 If a member has elected to receive Scrip Shares in place of a dividend, that dividend (or that part of the dividend in respect of which a right of election has been given) shall not be payable on ordinary shares in respect of which the share election has been duly exercised and has not been revoked (the "**elected Ordinary Shares**"). In place of such dividend, the following provisions shall apply:

111.7.1 such number of Scrip Shares as are calculated in accordance with Article 111.5 shall be allotted to the holders of the elected Ordinary Shares;

111.7.2 unless the CREST Regulations require otherwise, if the elected Ordinary Shares are in uncertificated form on the Record Date then the Scrip Shares shall be issued as uncertificated shares;

111.7.3 if the elected Ordinary Shares are in certificated form on the Record Date then the Scrip Shares shall be issued as certificated shares;

111.7.4 the Directors shall capitalise in accordance with the provisions of Article 9 (without the need for a separate ordinary resolution) a sum equal to the aggregate nominal amount of the Scrip Shares to be allotted and shall apply that sum in paying up in full the appropriate number of new ordinary shares for allotment and distribution to and amongst the holders of the elected Ordinary Shares; and

111.7.5 the Scrip Shares allotted shall rank equally in all respects with the fully paid ordinary shares then in issue save only as regards participation in the relevant dividend.

111.8 No fraction of an ordinary share shall be allotted. The Directors may make such provision as they think fit for any fractional entitlements including that the whole or part of the benefit of those fractions accrues to the Company or that the fractional entitlements are accrued and/or retained on behalf of any ordinary shareholder.

111.9 The Directors may resolve that rights of election shall not be made available to any ordinary shareholders with registered addresses outside the United Kingdom where the Directors think fit in order to comply with, or avoid the requirements of, the laws or regulations of any territory or any regulatory body or stock exchange.

111.10 In relation to any particular proposed dividend, the Directors may in their absolute discretion resolve and shall so resolve if the Company has insufficient reserves or otherwise does not have the necessary authorities or approvals to issue new ordinary shares:

111.10.1 that shareholders shall not be entitled to make any election to receive shares in place of a cash dividend and that any election previously made shall not extend to such dividend; or

111.10.2 at any time prior to the allotment of the ordinary shares which would otherwise be allotted in lieu of that dividend, that all elections to take shares shall be treated as not applying to that dividend, and if so the dividend shall be paid in cash as if no elections had been made in respect of it.

ACCOUNTS

112 ACCOUNTING RECORDS

Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Legislation shall be kept at the Office, or at such place as the Directors think fit. No person shall have any right simply by virtue of being a member to inspect any account or book or document of the Company except as conferred by the Legislation or ordered by a court of competent jurisdiction or authorised by the Directors.

COMMUNICATIONS WITH MEMBERS

113 SERVICE OF NOTICES

113.1 The Company may, subject to and in accordance with the Legislation and these Articles, send or supply all types of notices, documents or information to members by electronic means and/or by making such notices, documents or information available on a website.

113.2 The Company Communications Provisions have effect, subject to the provisions of Articles 113 to 116, for the purposes of any provision of the Companies Acts or these Articles that authorises or requires notices, documents or information to be sent or supplied by or to the Company.

113.3 Any notice, document or information (including a share certificate) which is sent or supplied by the Company in hard copy form, or in electronic form but to be delivered other than by electronic means, and which is sent by pre-paid post and properly addressed shall be deemed to have been received by the intended recipient at the expiration of twenty four hours after the time it was posted (or forty eight hours where first class mail or an equivalent service is not employed for members with a registered address in the UK). In proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed, pre-paid and posted.

113.4 Any notice, document or information which is sent or supplied by the Company by electronic means shall be deemed to have been received by the intended recipient twenty four hours after it was transmitted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed.

113.5 Any notice, document or information which is sent or supplied by the Company by means of a website shall be deemed to have been received when the material was first made available on the website or, if later, when the recipient received (or, in accordance with this Article 113, is deemed to have received) notice of the fact that the material was available on the website.

113.6 An accidental failure to send or late sending of, or non-receipt by any person entitled to, any notice of or other document or information relating to any meeting or other proceeding shall not invalidate the relevant meeting or proceeding.

113.7 The provisions of this Article 113 shall have effect in place of the Company Communications Provisions relating to deemed delivery of notices, documents or information.

113.8 A notice, document or information served or delivered by the Company by any other means authorised in writing by the member concerned is deemed to be served when the Company has taken the action it has been authorised to take for that purpose.

113.9 A member present at a General Meeting of the Company is deemed to have received due notice of the meeting and, where required, of the purposes for which it was called.

113.10 The company may at any time and in its sole discretion choose not to serve, send or supply a notice, document or other information to a particular member where it considers this necessary or appropriate to deal with legal, regulatory or practical problems in, or under the laws of, any territory.

114 COMMUNICATION WITH JOINT HOLDERS

114.1 Anything which needs to be agreed or specified by the joint holders of a share shall for all purposes be taken to be agreed or specified by all the joint holders where it has been agreed or specified by the joint holder whose name stands first in the Register in respect of the share.

114.2 If more than one joint holder gives instructions or notifications to the Company pursuant to these Articles then save where these Articles specifically provide otherwise, the Company shall only recognise the instructions or notifications of whichever of the joint holders' names appears first in the Register.

114.3 Any notice, document or information which is authorised or required to be sent or supplied to joint holders of a share may be sent or supplied to the joint holder whose name stands first in the Register in respect of the share, to the exclusion of the other joint holders.

114.4 The provisions of this Article 114 shall have effect in place of the Company Communications Provisions regarding joint holders of shares.

114.5 If two or more persons are registered as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder or otherwise by operation of law, any one of them may give instructions to the Company and give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.

115 DECEASED AND BANKRUPT MEMBERS

115.1 A person who claims to be entitled to a share in consequence of the death or bankruptcy of a member or otherwise by operation of law shall supply to the Company:

115.1.1 such evidence as the Directors may reasonably require to show such person's title to the share; and

115.1.2 an address at which notices may be sent or supplied to such person.

115.2 Subject to complying with Article 115.1, such a person shall be entitled to:

115.2.1 have sent or supplied to such address any notice, document or information to which the relevant member would have been entitled. Any notice, document or information so sent or supplied shall for all purposes be deemed to be duly sent or supplied to all persons interested in the share (whether jointly with or as claiming through or under such person); and

115.2.2 give instructions or notifications to the Company pursuant to these Articles in relation to the relevant shares and the Company may treat such instruction or notification as duly given by all persons interested in the share (whether jointly with or as claiming through or under such person).

115.3 Unless a person entitled to the share has complied with Article 115.1, any notice, document or information sent or supplied to the address of any member pursuant to these Articles shall be deemed to have been duly sent or supplied in respect of any share registered in the name of such member as sole or first-named joint holder. This Article shall apply notwithstanding even if such member is dead or bankrupt or in liquidation, and whether or not the Company has notice of such member's death or bankruptcy or liquidation.

115.4 The provisions of this Article 115 shall have effect in place of the Company Communications Provisions regarding the death or bankruptcy of a member.

116 FAILURE TO SUPPLY ADDRESS

116.1 The Company shall not be required to send notices, documents or information to a member who (having no registered address within the United Kingdom) has not supplied to the Company either a postal address within the United Kingdom or an electronic address for the service of notices. Any notice that, notwithstanding this Article 116, is sent to a member whose registered address is not within the United Kingdom shall be deemed to have been sent for information purposes only.

116.2 If the Company sends more than one document to a member on separate occasions during a twelve month period and each of them is returned undelivered then that member will not be entitled to receive notices from the Company until the member has supplied a new postal or electronic address for the service of notices.

117 SUSPENSION OF POSTAL SERVICES

If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable to give notice by post in hard copy form of a General Meeting, such notice shall be deemed to have been given to all members entitled to receive such notice in hard copy form if such notice is advertised in at least one national newspaper and such notice shall be deemed to have been given on the day when the advertisement appears. In any such case, the Company shall (i) make such notice available on its website from the date of such advertisement until the conclusion of the meeting or any adjournment thereof and (ii) send confirmatory copies of the notice by post to such members if at least seven days prior to the meeting the posting of notices again becomes practicable.

118 SIGNATURE OR AUTHENTICATION OF DOCUMENTS SENT BY ELECTRONIC MEANS

Where these Articles require a notice or other document to be signed or authenticated by a member or other person, then any notice or other document sent or supplied in electronic form is sufficiently authenticated in any manner authorised by the Company Communications Provisions or in such other manner as may be approved by the Directors. The Directors may designate mechanisms for validating any such notice or other document, and any such notice or other document not so validated by use of such mechanisms shall be deemed not to have been received by the Company.

119 STATUTORY PROVISIONS AS TO NOTICES

Nothing in any of these Articles shall affect any provision of the Legislation that requires or permits any particular notice, document or information to be sent or supplied in any particular manner.

WINDING UP

120 DIRECTORS' POWER TO PETITION

120.1 The Directors shall have power in the name and on behalf of the Company to present a petition to the Court for the Company to be wound up.

120.2 On a voluntary winding up of the Company the liquidator may, on obtaining any sanction required by law, divide among the members in kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of different kinds, and vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as they, with the like sanction, shall determine. For this purpose the liquidator may set the value they deem fair on a class or classes of property, and may determine on the basis of that valuation and in accordance with the then existing rights of members how the division is to be carried out between members or classes of members. The liquidator may not, however, distribute to a member without their consent an asset to which there is attached a liability or potential liability for the owner.

DESTRUCTION OF DOCUMENTS

121 DESTRUCTION OF DOCUMENTS

121.1 The Company may destroy:

121.1.1 all instruments of transfer or other documents which have been registered or on the basis of which registration was made at any time after the expiration of six years from the date of registration;

121.1.2 all dividend mandates and notifications of change of address at any time after the expiration of two years from the date of recording of them;

121.1.3 all share certificates which have been cancelled at any time after the expiration of one year from the date of the cancellation;

121.1.4 all proxy appointments from one year after the end of the meeting to which the appointment relates; and

121.1.5 any other document on the basis of which any entry in the register is made at any time after ten years from the date an entry in the register was first made in respect of it.

121.2 It shall conclusively be presumed in favour of the Company that:

121.2.1 every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made;

121.2.2 every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;

121.2.3 every share certificate so destroyed was a valid and effective certificate duly and properly cancelled; and

121.2.4 every other document mentioned in this Article 121 so destroyed was a valid and effective document in accordance with the recorded particulars in the books or records of the Company.

121.3 The provisions of this Article 121:

121.3.1 shall apply only to the destruction of a document in good faith and without notice of any claim to which the document might be relevant; and

121.3.2 shall not be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than provided by this Article 121 or in any other circumstances, which would not attach to the Company in the absence of this Article 121.

121.4 Any document referred to in this Article 121 may, subject to the Legislation, be destroyed before the end of the relevant period so long as a copy of such document (whether made electronically or by any other means) has been made and is retained until the end of the relevant period.

121.5 References in this Article 121 to the destruction of any document include references to its disposal in any manner.

DIRECTORS' LIABILITIES

122 INDEMNITY

122.1 So far as may be permitted by the Legislation every Relevant Officer may be indemnified by the Company out of its own funds against:

122.1.1 any liability incurred by or attaching to the Relevant Officer in connection with any negligence, default, breach of duty or breach of trust or otherwise by the Relevant Officer in relation to the Company or any Associated Company of the Company other than:

(a) any liability to the Company or any Associated Company;

(b) any liability of the kind referred to in Section 234(3) of the Companies Act 2006 (in the case of a secretary, as if references to "director" in such Section were read as "secretary");

(c) (in respect of directors only) any liability of the kind referred to in Section 661(3) or (4) of the Companies Act 2006; and

(d) any liability of the kind referred to in Section 1157 of the Companies Act 2006; and

122.1.2 any other liability incurred by or attaching to the Relevant Officer in relation to or in connection with the Relevant Officer's duties, powers or office, including in connection with the activities of the Company or an Associated Company in its capacity as a trustee of an occupational pension scheme, subject to the limitations provided for in Section 234(3) or Section 235(3) of the Companies Act 2006.

122.2 Where a Relevant Officer is indemnified against any liability in accordance with this Article 122, such indemnity may extend to all costs, charges, losses, expenses and liabilities incurred by the Relevant Officer in relation thereto.

122.3 In this Article 122:

122.3.1 "**Associated Company**" shall have the same meaning as in Section 256 of the Companies Act 2006, and

122.3.2 "**Relevant Officer**" means a Director, former Director or Secretary of the Company or of an Associated Company of the Company.

123 INSURANCE

123.1 Without prejudice to Article 122, the Directors shall have power to authorise the Company to purchase and maintain insurance for or for the benefit of:

123.1.1 any person who is or was at any time a Director or Secretary of any Relevant Company (as defined in Article 123.2); or

123.1.2 any person who is or was at any time a trustee of any pension fund or employees' share scheme in which employees of any Relevant Company are interested,

including insurance against any liability (including all costs, charges, losses and expenses in relation to such liability) incurred by or attaching to such person in relation to such person's duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme.

123.2 For the purpose of Article 123.1, "**Relevant Company**" shall mean:

123.2.1 the Company;

123.2.2 any holding company of the Company;

123.2.3 any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the Company or of such holding company has or had any interest whether direct or indirect or which is in any way allied to or associated with the Company; or

123.2.4 any subsidiary undertaking of the Company or of such other body.

124 DEFENCE EXPENDITURE

124.1 So far as may be permitted by the Legislation, the Company may:

124.1.1 provide a Relevant Officer with funds to meet expenditure incurred or to be incurred by the Relevant Officer:

(a) in defending any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by the Relevant Officer in relation to the Company or an Associated Company of the Company; or

(b) in connection with any application for relief under the provisions mentioned in Section 205(5) of the Companies Act 2006; and

124.1.2 do anything to enable any such Relevant Officer to avoid incurring such expenditure.

124.2 The terms set out in Section 205(2) of the Companies Act 2006 shall apply to any provision of funds or other things done under Article 124.1.

124.3 So far as may be permitted by the Legislation, the Company:

124.3.1 may provide a Relevant Officer with funds to meet expenditure incurred or to be incurred by the Relevant Officer in defending himself/herself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by the Relevant Officer in relation to the Company or any Associated Company of the Company; and

124.3.2 may do anything to enable any such Relevant Officer to avoid incurring such expenditure.

124.4 In this Article 124:

124.4.1 "**Associated Company**" shall have the same meaning as in Section 256 of the Companies Act 2006; and

124.4.2 "**Relevant Officer**" means a Director, former Director or Secretary of the Company or of an Associated Company of the Company.

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Private & confidential
The Directors
Ascential plc
33 Kingsway
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1 December 2023

Ladies and Gentlemen

Ascential plc

We report on the pro forma income statement and the pro forma statement of net assets (the 'Pro forma financial information') set out in Part 5 of the Class 1 circular dated 1 December 2023. This report is required by paragraph 13.3.3R of the Listing Rules of the Financial Conduct Authority and is given for the purpose of complying with that paragraph and for no other purpose.

Opinion

In our opinion:

- the Pro forma financial information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of Ascential plc.

Responsibilities

It is the responsibility of the directors of Ascential plc to prepare the Pro forma financial information in accordance with paragraph 13.3.3R of the Listing Rules of the Financial Conduct Authority.

It is our responsibility to form an opinion, as required by Section 3 of Annex 20 of the UK version of Commission Delegated Regulation (EU) 2019/980, as to the proper compilation of the Pro forma financial information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to Ordinary shareholders as a result of the inclusion of this report in the Class 1 circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Listing Rule 13.4.1R(6), consenting to its inclusion in the Class 1 circular.

Basis of Preparation

The pro forma financial information has been prepared on the basis described in notes 1 to 3 of the pro forma income statement and notes 1 to 6 of the pro forma statement of net assets, for illustrative purposes only, to provide information about how the Class 1 disposal of Digital Commerce ('DC') and the Class 1 disposal of WGSN might have affected the financial information presented on the basis of the accounting policies adopted by Ascential plc in preparing the financial statements for the period ended 30 June 2023.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom (the 'FRC'). We are independent, and have fulfilled our other ethical responsibilities, in accordance with the relevant ethical requirements of the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the directors of Ascential plc.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of Ascential plc.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Yours faithfully

KPMG LLP.

KPMG LLP

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Deutsche Numis

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The Directors
Ascential plc
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WC2B 6UF

Dear Sir/Madam

1 December 2023

Proposed disposals by Ascential plc (the "Company") of Digital Commerce and WGSN (the "Sales")

We refer to the Class 1 circular to be published by the Company on or around 1 December 2023 (the "**Circular**") in connection with the proposed Sales.

We hereby confirm that we have given and have not withdrawn our consent to the publication of the Circular with the inclusion of the references to our name in the form and context in which each such reference appears.

Sincerely yours,

[redacted]

Jonny Abbot
Deutsche Numis

J.P.Morgan CAZENOVE

Strictly private and confidential

To: The Directors
Ascential plc
33 Kingsway
London
WC2B 6UF
United Kingdom

1 December 2023

Dear Sir/Madam

Proposed disposals by Ascential plc (the "Company") of Digital Commerce and WGSN (the "Sales")

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We hereby confirm that we have given and have not withdrawn our consent to the publication of the Circular with the inclusion of the references to our name in the form and context in which each such reference appears.

Yours faithfully,

[redacted]

Alia Malik, Managing Director, Head of Sponsor Services

For and on behalf of J.P. Morgan Securities plc

J.P. Morgan Securities plc
25 Bank Street, Canary Wharf, London, E14 5JP
Tel: +44 (0)20 7777 2000 • Fax: +44 (0)20 7777 3496

KPMG LLP
Advisory
15 Canada Square
London E14 5GL
United Kingdom

Tel +44 (0) 20 7311 1000
Fax +44 (0) 20 7311 3311

Private & confidential
Ascential plc
33 Kingsway
London
WC2B 6UF

1 December 2023

Ladies and Gentlemen

Ascential plc

We consent to the inclusion in the Class I circular dated 1 December 2023 ('the Circular') of our report dated 1 December 2023 in the form and context in which it appears.

Our consent is required by Listing Rule 13.4.1R(6) and is given for the purpose of complying with that provision and for no other purpose.

Yours faithfully

[redacted]

KPMG LLP

1 December 2023

Strictly private and confidential

The Directors
Ascential plc
33 Kingsway
London
WC2B 6UF
United Kingdom

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Yours faithfully

[redacted]

For and on behalf of

N.M. Rothschild & Sons Limited

Rothschild & Co

N.M. Rothschild & Sons Limited
New Court, St Swithin's Lane
London EC4N 8AL, United Kingdom

Tel: +44 (0)20 7280 5000
Fax: +44 (0)20 7280 5671
rothschildandco.com

Registered in England & Wales
Registered office as shown.
Company number 00925279
Authorised and regulated by the Financial Conduct Authority

ASCENTIAL

Accelerating our strategy, navigating through change

Annual Report 2020

Act today,
win tomorrow.

Ascential delivers specialist information, analytics and eCommerce optimisation platforms to the world's leading consumer brands and their ecosystems

Financial highlights

Revenue[1]
£263.7m

Reported revenue reduction[1]
(31%)

Adjusted EBITDA[1, 2]
£28.5m

Adjusted EBITDA Margin[1, 2]
10.8%

Adjusted Diluted Earnings Per Share
1.9p

Net Debt
£229.3m

1 Reflects results from Continuing Operations
2 Refer to glossary of Alternative Performance Measures on page 47

Operational highlights

- Strong delivery against long-term strategic priorities in a transitional year
- Segemental performance demonstrates resilience in a challenging backdrop
- Paul Harrison, our former Audit Chair and CFO of Just Eat plc and The Sage Group plc, appointed as Chief Operating Officer. New Audit Chair, and two other NEDs appointed to an experienced and diverse Board
- Sale of non-core Built Environment & Policy business, for £257.9m
- Further investment in digital products and capabilities
- Acquisitions of X Target (China) and Intellibrand (Brazil) further extend capabiliites and geographic reach for Digital Commerce; ongoing investment in Hudson MX's pioneering media-buying platform

More information online:
Our website gives you fast, direct access to a wide range of Company information. **ascential.com**

"Our people and their dedication to ensuring we serve our customers, and their flexibility to ensure the Company has not missed a beat, has been remarkable."

"The last year has underlined the importance of our strategic focus: serving brands that operate in digital marketplaces. We were already operating in a highly digital world, and the fundamental shift towards online channels has only accelerated since the pandemic. This further drives demand for our data-driven insights in the three ways we support customers: creating the right products, maximising their marketing impact, and optimising their trading performance on eCommerce platforms."

Duncan Painter
Chief Executive Officer

Company overview

Who we are

Ascential delivers specialist information, analytics and eCommerce optimisation platforms to the world's leading consumer brands and their ecosystems.

Our world-class businesses improve performance and solve problems for our customers by delivering immediately actionable information combined with visionary longer-term thinking across Digital Commerce, Product Design and Marketing. We also serve customers across Retail & Financial Services.

Our purpose

Our world-class businesses across the group solve problems and improve performance for our customers today, informing their strategies for future success.

Our values

Our values guide how we work with each other and with our customers, every day.

- All-in
- Facts
- Focus
- Empathy
- Trust, transparency & openness
- Be creative
- No silos

The Ascential Solution

Digital Commerce

Measurement, optimisation and execution to drive digital commerce growth.

Product Design

Consumer product trend forecasting, data and insight to create world-class products and experiences.

Marketing

Services and tools to measure and optimise marketing creativity, media and platform effectiveness and efficiency.

Retail & Financial Services

Industry-specifc information to drive performance.

Segmental review
Page 24

Revenue by geography

United Kingdom
13%

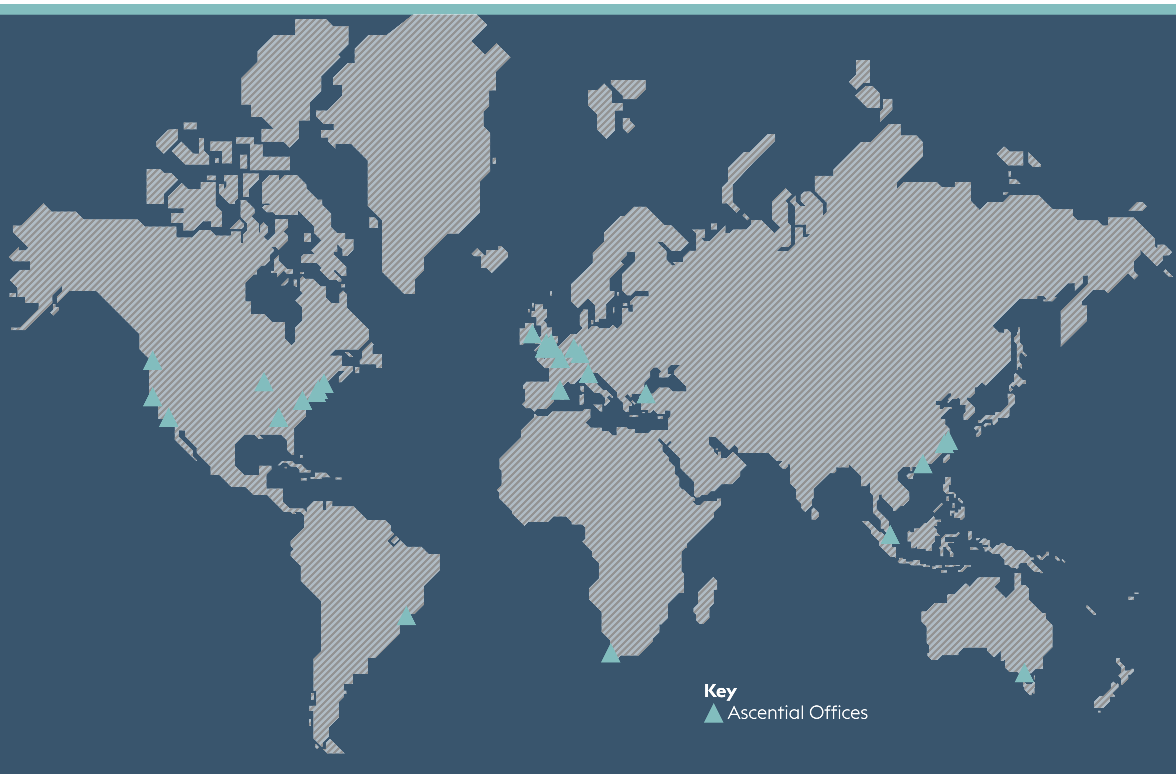
Other Europe
15%

United States and Canada
54%

Asia Pacific
13%

Middle East and Africa
2%

Latin America
3%



Digital Commerce
We deliver data, analytics and industry-specific intelligence to maximise our customers' digital commerce, optimising distribution strategy, product portfolio, and search.

Revenue

£103m

Flywheel
Offers customers marketplace-specific software, tools and expertise to drive sales and brand performance across marketplace platforms by directly actioning solutions for clients.

EDGE
Delivers some of the industry's most accurate and actionable sales-driving data, insights and advisory solutions for global brands looking to win in today's eCommerce-driven world.

Yimian
Helps its customers, predominantly multi-national CPGs, optimise their sales on eCommerce platforms.

Product Design
We deliver trend forecasting and insights, enabling customers to design the right products for tomorrow's consumers.

Revenue

£88m

WGSN
Combines high-end technology and data science with human ingenuity, identifying the future consumers, the influencers and communities and optimal product and packaging design trends essential to brands' success.

Use Fashion
Online platform that empowers small fashion businesses by delivering essential fashion information that informs and inspires.

Coloro
Intuitive and intelligent tools for every colour requirement.

Marketing
We enable customers to create, execute and measure the effectiveness of marketing campaigns, leveraging creativity to create a world-class brand experience.

Revenue

£54m

LIONS
The global benchmark for creativity. Our awards celebrate the industry's best ideas, whilst our digital offerings enable inspiration and measurement around campaign effectiveness.

WARC
A leading advisory firm, sitting at the intersection of media, marketing, advertising, entertainment, technology, and finance. Enables businesses to drive vigorous and sustainable growth, while optimising media strategy.

MediaLink
The global authority on advertising and media effectiveness, offering advertising best practice, evidence and insights from the world's leading brands.

Retail & Financial Services
The world's premier payments and FinTech congress and events, data and tools for retailers.

Revenue

£18m

Money20/20
Money20/20 offers global events enabling payments and financial services innovation for connected commerce at the intersection of mobile, retail, marketing services, data and technology.

Retail Week
Retail Week provides news & analysis, commercial content and events & awards to help retailers understand how to act now to optimise their operations and connect with the right partners to win in the global, digital age.

World Retail Congress
Builds bespoke sponsorship packages for customers including expo stands, branding, commercial content, networking and thought leadership.

Countries we operate in

115

We serve customers in 115 countries, leveraging local knowledge and connections for our global audience.

Employees across five continents

>2,000

We have an experienced and dedicated global workforce which we recognise as a key asset of our business.

Our customers rely on our specialist information, analytics and eCommerce optimisation platforms to make smart strategic decisions that improve performance now and in the future. Our competitive edge comes from:

Access to more data for more clients
Our platforms capture real-time data on what brands are selling, where and in what volumes, so we can offer unrivalled insight into how customers can optimise their performance And our big picture overview of Digital Commerce, Product Design and Marketing means we see opportunities that others miss.

Global scale and local sensibility
We have expert teams across five continents. we understand global shifts and local context, offering our clients a comprehensive world view.

Short and long-term visibility
Customers can make smart strategic moves based on our short-term immediately actionable insights and our visionary longer-term thinking.

Best in class products
Our specialist teams are the best at what they do. Their deep-rooted expertise helps our customers maximise their sales, design better products, and optimise their marketing.

Strategic focus delivering

For almost all businesses and individuals 2020 was a year unlike any other, presenting extreme challenges in how we live our lives, work together and, particularly in the case of live events, how we engage with our customers.

Duncan Painter
Chief Executive Officer

“In a year of considerable turmoil for our society it has been more important than ever that we continue to be as supportive as possible of our own people, and of the communities in which we operate.”

Channel shift supports strategic positioning

The early phase of the pandemic restrictions served both to highlight and to accelerate the migration of consumer purchase behaviour globally onto digital platforms. The acceleration of this underlying trend unquestionably provided some tailwinds to our Digital Commerce business in 2020, particularly those products based on execution. More fundamentally though, it represents a likely permanent shift that will underpin our strategic position in years to come. Indeed, all indications suggest that the addressable market for eCommerce optimisation is substantial and will continue to expand rapidly. We believe we are in an excellent position to continue to capitalise on the competitive advantage that we have established to date and we operate within a total addressable market estimated to be $15.7 billion growing at 14% per annum over the period from 2020 to 2023.

2020 in perspective

In certain respects, many of the changes we have had to make, both culturally and practically, will become part of our lives for the foreseeable future. However, there is also now clear reason to have confidence that vaccine deployment will allow the face-to-face interaction that we value so much to return gradually in the current and future years.

It is against this backdrop that I am pleased to say we have not only shown notable resilience as a business, displaying great examples of innovation in the development of our products, but have pushed further ahead in realising our strategic objectives and reinforcing our competitive position in several key areas.

Our responsibility

In a year of considerable turmoil for our society it has been more important than ever that we continue to be as supportive as possible of our own people, and of the communities in which we operate. Early in the year, we swiftly implemented temporary Executive and Non-Executive pay reductions and made limited use of the UK furlough scheme, with the goal of minimising the prospect of job losses and financial hardship for our people. On a pastoral level, a priority throughout the year has been to provide continued support to ensure our colleagues come through this pandemic secure in their physical and mental health: signposting extra support, creating bespoke Learning & Development content to address new ways of working, and increasing our level of leadership communication. Outside Ascential we made a significant degree of content available free of charge to the business communities that we serve during this period of widespread uncertainty.

Looking ahead, we are excited to have launched a company-wide Diversity and Inclusion report that demonstrates the diversity of our workforce, alongside a set of commitments that will guide us in sustaining a strong and diverse culture. One key objective is to create a workforce that fully reflects, at all levels, the racial and ethnic mix of our major markets within the next ten years. We are encouraged to see that our employee groups including Ascential Pride and Black In Business have flourished throughout the year and we are proud that WGSN and LIONS in particular, continue to lead the way in addressing pressing social and environmental issues with their global audience.

Capital allocation and deployment of resources

We are pleased to have found new owners for each of the Built Environment & Policy businesses that will continue to nurture their strong teams and potential. The sales of these businesses represent a significant moment in the realisation of our strategic goals, meaning we are now wholly focused on our core business areas that serve customers across digital marketplaces.

Throughout 2020 decisive cost actions, particularly in light of the uncertainty over live events revenues, enabled us to continue to invest in our core strategic areas while also protecting the integrity and long-term value of our world-class brands. These actions, combined with the successful sale of the Built Environment & Policy businesses have further reinforced our balance sheet and allow additional scope to selectively add to our capabilities, particularly in the burgeoning Digital Commerce market. This was illustrated by the recent additions of X Target and Intellibrand, and our continued investment in exciting opportunities such as Hudson MX.

Execution against our 2020 objectives

Although much has changed around us since we set these objectives twelve months ago, we have managed to deliver significant results in each area:

1. Increase the rate of Organic revenue growth in the Sales Segment by accelerating Money20/20 and by driving strong billings growth in Edge in the second half of the year: 2020 saw Digital Commerce (formerly a sub-segment of Sales) become our largest and fastest growing segment, with proforma revenue growth of 25%. Edge Digital Shelf billings showed double-digit growth in the year, accelerating in the second half.

2. Focus on our service offering to further reduce customer churn: Our businesses achieved record levels of engagement with their customer bases, particularly through their digital product offerings.

3. Deliver product superiority across the Company allowing for further premium pricing for our highest quality product: We increased our product investment and achieved double-digit growth in our digital subscriptions and platforms products.

4. Deliver greater simplicity and efficiency throughout the business, including new systems and processes in our Finance, Marketing and Sales functions: We have executed the sale of all three Built Environment & Policy businesses, identified previously as non-core, which simplifies our operating and strategic profile. We have also made progress on the transition to a new global streamlined back-office capability, commencing the rollout globally later this year.

Financial Results

The impact of the pandemic-related restrictions in 2020, on both our events and strategic advisory business drove an overall revenue decline of 31%, while Adjusted EBITDA dropped by 73%. We recorded an operating loss of £166.5m in 2020 in part as a result of significant exceptional items from the revaluation of our deferred consideration obligations and the impairment of goodwill and intangibles in our Retail & Financial Services segment. On an underlying basis that excludes the impact of deferred and cancelled events, our revenues were up modestly overall, at 3%. This reflects the very strong performance from our Digital Commerce segment, where revenue grew 25% (on a proforma basis), or, looking at our revenue by type, growth of 11% from our digital subscriptions and platforms business, which represented 79% of our revenue in 2020.

Through Digital Commerce, more so than any other area of our business, we have seen the restrictions brought by the pandemic influence a fundamental shift in how our largest customers go to market. In the key US region, for example, we saw eCommerce penetration advance further in the second quarter of 2020 than in the previous ten years. This dynamic has driven particularly strong continued growth from our platform execution business while subscription-based measurement analytics products have also begun to benefit from the increased need of customers to reach their markets across multiple platforms. Key to meeting this demand was the successful integration of the Edge businesses early in the year which provides a single robust platform and interface for brands to manage their services. For Flywheel Digital, expansion onto burgeoning platforms such as Walmart, Kroger and Instacart has been a significant factor in their ability to track their own customers' growth in the period.

Product Design performed with great resilience in the year, led by a solid revenue performance from its majority subscriptions business tempered by tougher conditions in advisory. While the fashion vertical continued to decline, we saw the successful launch of Food & Drink as the business continues to expand into adjacent design verticals that also complement our expertise within other segments such as Digital Commerce. Highlights in 2020 also included the succession of record net promoter scores achieved by WGSN, testifying to the strength of this business's customer appeal.

The Marketing segment was significantly impacted by the pandemic related government restrictions in 2020, with the cancellation of the Lions festival and economic shock on the customer ecosystem felt keenly in our strategic advisory business. Despite this adversity, subscription revenues performed strongly, and while currently at a relatively small scale, we have a roadmap to growing their contribution through our continuing investment in Hudson MX's media buying solution. Following cancellation of the festival in June we launched Lions Live, a platform for the creative community, which attracted over 80,000 participants. Despite this success we remain convinced that face to face engagement has a unique appeal, particularly for leading global events such as Cannes Lions. We greatly look forward to welcoming the creative community back to the platform this June, where we are planning to deliver a next-generation hybrid event combining a broad and global virtual reach, including fully digital awards, with in-person physical participation if possible.

Retail & Financial Services was another segment significantly affected by the pandemic restrictions prevalent last year, with Money20/20 shows in Europe and the US cancelled, together with the smaller World Retail Congress and Retail Week Live. Looking to this year we are excited about the potential for all four events, set to take place in the second half of the year, with Money20/20, in particular, representing the most significant focal point for a payment technology industry that continues to be a thriving and dynamic end market.

Our discontinued business, Built Environment & Policy returned to strong levels of growth overall in the second half of the year, led by the largest business, Groundsure, where we saw record levels of activity following the revival of the UK property market in May. Glenigan and DeHavilland both demonstrated more even progression in the year underpinned by solid subscription renewals, despite new business being impacted by lower activity in the UK construction industry and broader government policy, respectively.

Management and Board

In January of this year, we were pleased to welcome Paul Harrison, formerly a Non-Executive Director and our Audit Committee Chair, into a new executive role as Chief Operating Officer. This brings further depth to our senior management team as well as Paul's highly relevant experience of driving growth in innovative digital businesses. Chip DiPaula and Patrick Miller, co-founders of Flywheel Digital, have assumed joint leadership of our Digital Commerce business, a segment that in the last year has become our largest and fastest growing and remains at the centre of our ambition to drive the company forward. Within Digital Commerce Deren Baker, formerly CEO of Jumpshot, has been appointed to lead Edge. For Product Design we have appointed Carla Buzasi, formerly Managing Director of WGSN, to lead the business unit.

In terms of our non-executive Board members we have made three appointments in the past twelve months: Charles Song, Suzanne Baxter and Funke Ighodaro. Their addition to the Board widens the diverse experience and skills at our disposal and we look forward to their contributions.

2021 Priorities and Outlook

As we begin to emerge from the pandemic, we will continue to pursue the strategic priorities that we outlined last Summer:

1. Accelerating investments to drive strong organic growth in our Digital Commerce businesses and continued bolt-on investments.

2. Continuing the new customer segment expansion for our Product Design business unit.

3. Making the necessary changes to ensure our marquee events of Cannes Lions and Money20/20 are set up to bounce back strongly, subject to the easing of local restrictions and pandemic recovery.

4. Continue to streamline our operations, enabling accelerated investment and further strengthening our balance sheet.

5. Continue to build on our innovative culture, record level of employee engagement and to empower success for our diverse workforce at all levels of our organisation.

The pandemic has thrown considerable challenges at our business both in terms of the underlying trading conditions in some of our end markets and disrupting the environment in which we engage with the audience of our two major events brands. However, it is also clear that a number of our brands, particularly in our key Digital Commerce and Product Design business units, remain well positioned, even more so than twelve months ago, to benefit from the accelerated shift towards eCommerce that we have seen the past year. In terms of our balance sheet, we continue to maintain substantial liquidity. Additionally, following the sale of the Built Environment & Policy businesses, which further refines our strategic focus, we have flexibility to continue to invest in the development of the high growth areas of our business, whether organically or through targeted acquisition opportunities.

2021 has started well with strong growth in revenue and profits in the first two months of the year. While the speed of vaccine deployment and easing of government restrictions will heavily influence the near-term financial success of our event products, we have high levels of confidence in our digital subscriptions and platforms products and, after double-digit growth in 2020, expect these revenue streams to continue to grow well in the coming year.

The actions we have taken, and the priorities we are executing against, position us well to return to continued strong growth over the coming years.

Duncan Painter
Chief Executive Officer
12 March 2021

The Investment Case

Clear long-term vision

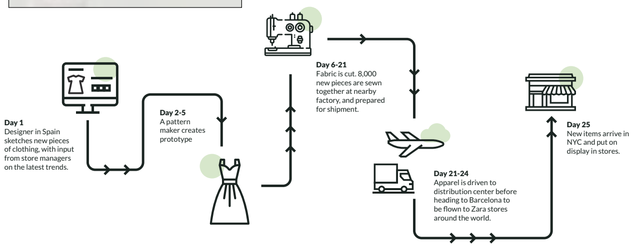
Delivering specialist information, analytics and eCommerce optimisation to the world's leading consumer brands and their ecosystems.

Retail is on the cusp of entering the fifth generation and the next era of its evolution: Retail 5.0. By 2025, online sales are expected to account for around 40% of Consumer Product companies' total sales and eCommerce will be dominated by a handful of major ecosystems. These platforms will increasingly own consumers' loyalty, and brands will require specific strategies, and agility and integration of distribution and product creation models, to compete.

Trusted by leading businesses Ascential has:

– best in class capabilities for the major platforms of Amazon, Alibaba and JD.com

– the widest and most comprehensive platforms for trading, measurement and share across the new entrants



Market leaders

Trusted by leading businesses

flywheel
AN ASCENTIAL COMPANY

Leading provider of Digital Commerce retail and media driven by proprietary, wholly-owned, and built from the ground up software stack.

EDGE
BY ASCENTIAL

Is the world's leading ecommerce performance measurement platform. Monitoring +3.3bn websites per month, we produce data-driven insights for 400 of the largest CPG retailers and manufacturers.

YIMIAN
AN ASCENTIAL COMPANY

We help 8 of the top 10 global FMCG brands to win in China's digital commerce space.

WGSN
AN ASCENTIAL COMPANY

60% of the "Best Global Brands" (Interbrand 2020) are powered by our consumer insight and product design trends.

LIONS
AN ASCENTIAL COMPANY

9/10 of the top 10 agencies of the decade have access to our digital intelligence and learning platform – The Work.

WARC
AN ASCENTIAL COMPANY

80% of the global top 10 brands (Forbes' 2020) and 70% of the world's top 10 most valuable brands (BrandZ 2020) drive marketing effectiveness with our insights and data.

MONEY 20/20
AN ASCENTIAL COMPANY

The top 50 companies in Financial Services attend our global events series each year to hear from over 1,300 fintech visionaries.

Structural Growth

We operate in markets of substantial scale, with clear growth prospects[1].

Total Addressable market by segment (2020)	$15.7bn
Forecast CAGR (2020-2023)	14%

Digital Commerce

$4.7bn	+29%
Analytics & Advisory	+10-20%
Retail Managed Services	+20-30%
Media Managed Services	+40-50%
Managed Services, China	+30-40%
Content Syndication	+10-20%

Product Design

$6.0bn	+5%
Trend Intelligence	+6-10%
Product Design Consultancy	+2-6%
Consumer Sentiment Analytics	+7-13%
Market Research	+2-6%

Marketing

$5.1bn	+6%
Events & Benchmarks	+110-130%
Advisory	+4-10%
Media Management Systems	+3-7%
Measurement	+2-6%

1 Review of Ascential's Markets by PwC, December 2020. The PwC market data quote in this document is sourced from a publicly available market report that can be found on www.ascential.com. PwC owes no duty of care to anyone other than Ascential in relation to this report.

Robust business model

Digital information company

Digital Commerce largest and fastest growing business segment

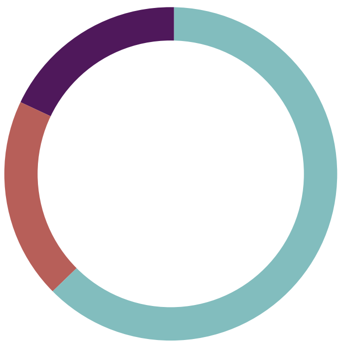
2021*

* Analyst estimate range (March 2021)

Digital Commerce	35%
Product Design	25%
Marketing	26%
Retail & Financial Services	14%

Growing proportion of digital based products provide resilient base

2021*



* Analyst estimate range (March 2021)

Digital Subscriptions & Platforms	63%
Events	19%
Advisory	18%

Stakeholder Engagement and S172

Section 172 of the Companies Act 2006 requires Directors to act in a way that promotes the success of the company for the benefit of shareholders as a whole, whilst having regard to the interests of its other stakeholders.

This section of the report serves as our Section 172 (1) Statement, setting out how Directors have taken into consideration the interests of material stakeholders in their decision-making.

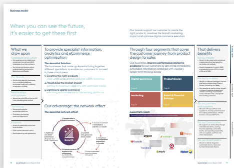
Effective stakeholder engagement helps us gain a better understanding of the impact of our decisions on stakeholder interests as well as understanding their needs and concerns. By understanding our stakeholders, we can factor into Board discussions the potential impact of our decisions on each stakeholder group and consider how best to act fairly between members as a whole.

We consider our key stakeholders to be our customers, our people, our suppliers and business partners, our investors and wider society.

Our methods and outcomes

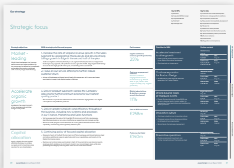
The methods we use to engage with each of these stakeholder groups and the outcomes from that engagement are set out in the following pages. In addition to this information on stakeholder engagement, other sections of this Annual Report are relevant to this statement and should be read in conjunction:

Business model – this identifies and explains the key relationships that our business depends upon (page 18)



Principal risk disclosure – this identifies threats to the relationships which could disrupt the long-term success of the Company (page 50)

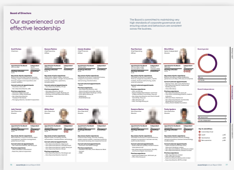
Strategy – this summarises our long-term strategy, and the progress we have made in implementing that strategy (page 20)



Chief Executive's statement – this explains how our key decisions in the year have supported our long-term strategy (page 16)

Market review – this describes the trends in our macro environment that are likely to affect our performance and achievement of our long-term strategy (page 18)

Corporate Governance Report – the section on culture explains how the Directors monitor culture and support the achievement of the desired culture necessary for the achievement of our long-term success (page 76)



1

Our customers

We help our customers to find their focus, create competitive advantage, and significantly improve performance. Each of our brands unlocks data, analytics and insights for customers.

Customer forums & feedback

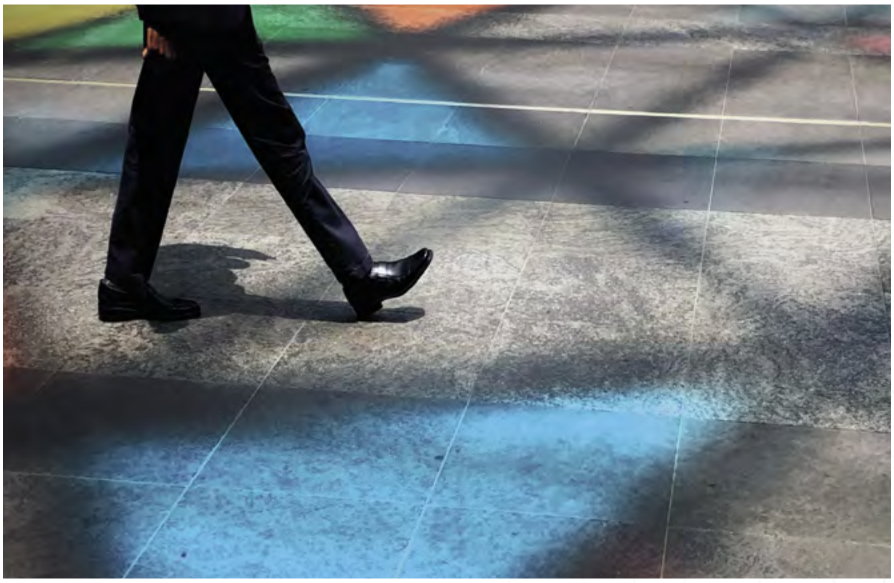
How we engage

- We regularly engage with customers across our product brands and geographies. Our account management and client service functions are in regular contact with customers to ensure they get the best value from our services.
- We run NPS surveys across the majority of our brands.
- We conduct research on a project basis in advance of major product developments.
- Throughout the Covid-19 pandemic we put even more focus on staying close to our customers' needs. For all our brands, that meant digital engagement; with our content becoming even more important, through virtual events such as Digital Commerce Live and LIONS Live, and through content marketing programmes such as Retail 5.0 that targeted our top customers with the best of our content.

Outcomes from engagement

Net Promoter Scores are shared across the business, leading to refined internal policies, processes and procedures on an ongoing basis to take into account customer feedback.

At our events the content topics and themes have been directly informed by qualitative and quantitative research and NPS surveys.



Key accounts

How we engage

- In 2020 our principal focus was on our largest Global CPG Customers and how they engage with us across our Digital Commerce Unit in particular. We had a number of instances where we successfully joined up our capabilities and resources under senior leadership to present a holistic response to our customers' business objectives.
- This programme is being continued through 2021 via quarterly reviews and reports to further reinforce the connected engagement and value to this strategically important cohort.
- In 2021 we are beginning the process of reviewing how we engage with our valuable Agency customer base across our Marketing Division, with a view to broadening and deepening these relationships through a more connected and aligned engagement model.

Outcomes from engagement

We have seen several instances where we were connected into Senior Executives on our client side as a consequence of our focused approach to relationship management. We have also seen a rise in requests to respond to broader scope projects. We have grown our international footprint, rolled out international education programmes and signed multiple year Global Master Services Agreements, all giving us further evidence that building deeper relationships is beneficial to both parties.

2

Our people

We have an experienced and dedicated workforce which we recognise as a key asset of our business. Key tenents of making Ascential a great working environment include an emphasis on personal wellbeing, investment in personal development and career progression, support for flexible working, diversity and inclusion in everything we do, and open and honest leadership communications.

Health & Safety

How we engage

- The Safety Committee meets quarterly and provides continuous oversight throughout the year.
- Safety and Wellbeing Champions, representing every major location and brand have been fully trained and actively involved with the management of local issues.
- Training and awareness have focused on health, safety and wellbeing including production of a bespoke safety video with key safety messages from the CEO and members of the Safety Committee. The safety video was published to all employees in January 2020 and is issued to all new starters as part of their induction process.
- Group-wide communications was a cornerstone of our Covid-19 response strategy to manage expectations and reduce uncertainty for our employees, as well as a strong focus on measures to promote mental health and physical wellbeing.
- We issued an all-employee survey during the year to gain insight into employees' appetite for returning to office locations once permitted under Covid-19 restrictions.

Outcomes from engagement

The presence of Safety Champions in each office location means that there is a direct route for our employees to raise Health & Safety concerns. Safety Champions report to the Safety Committee to ensure that employee Health & Safety issues are addressed appropriately.

Internal communications

How we engage

- Our business-wide internal communications framework ensures that our people are kept up to date with business strategy and performance, People initiatives including managing personal performance, other functional updates such as Technology and Legal, and any organisational changes. This includes fortnightly videos from the Chief Executive, as well as dedicated communications around our financial results, ad hoc communications to support our change programmes and acquisitions, people-focused communications around key moments and topics such as Diversity & Inclusion, and campaigns to support key calendar dates such as Black History Month UK.
- Each area of the business also continues to regularly host virtual all-staff meetings and team briefings to share news and progress against priorities.
- We held our all-company conference in January 2020, bringing together more than 1,400 individuals to hear and engage in the strategy, and the year's plans and goals for the business from the very beginning of the annual business cycle. This January event was followed up with a virtual Leadership Conference in June for our 200-strong global leadership community to learn about our new business priorities in light of Covid-19 and to hear from key customers.
- We made the technology switch to the Google Suite of products during the first half of 2020. This unified set of Google tools is now the default platform across the business and was rolled out worldwide to all employees. This has enabled greater collaboration, communication and document sharing.

Outcomes from engagement

We include surveys in all of our all-staff newsletters to gather regular feedback on content, format and frequency of our communication.

Each year we shape our annual conference based on a post-conference survey that goes to all attendees. This survey informs the format, content agenda and speakers for the next event.

In 2020 we also ran a survey dedicated to understanding how our people were feeling about working from home, and the possible return to offices. This survey included questions on communication, with 91% of our people rating communications through the pandemic as good or excellent.

Building a dialogue with our people

How we engage

- We conduct and act upon our annual employee engagement survey, which, along with face-to-face feedback helps us understand what people think and what they want to achieve in their careers, and to inform the ongoing development of our culture across all brands and geographies. Engagement in 2020 increased by 2% to 81% from 2019.
- For the third year in a row, we ran our 'LearnFest' at the annual conference. This is a highly effective and efficient way of providing critical skills development to our people and topics ranged from personal development subjects to commercial and technical subjects. Feedback from the sessions is used to inform and develop future learning and development content. Having taken all learning virtual, we ran a LearnFest Digital in September reaching approximately 1,500 learners.
- The second Ascential mentoring scheme was rolled out. Previously only available to those at more senior employees, the programme was repurposed to make it accessible to mentees at all levels, with an aim to aid career development across the business. 2020 closed by offering support to over three times as many mentees as we did in 2019.

Outcomes from engagement

In the second half of the year we refocused our HR Business Partnering team to be aligned with our Business Units, ensuring that the people agenda is focused on the unique needs of each of our brands.

We have a set of seven Ascential Behaviours which underpin our culture. We asked our people as part of the 2020 Engagement Survey whether their managers and leaders act in accordance with the Ascential Behaviours. They told us:

- 88% of people believe that "the senior leadership team in my brand/function demonstrate and support these beliefs and behaviours".

- 90% of employees believe that "manager/supervisors in my area behave in accordance with Ascential beliefs and behaviours".
- 90% of people would recommend their line manager to others.
- Learning and Development content was pivoted towards virtual delivery and reached 3.5 times more learners while maintaining quality (88% recommendation score).

Diversity & Inclusion

How we engage

- In 2020 we ran our first Diversity Data Survey, gathering data on the demographics of our people across the globe. 83% of our colleagues completed the survey, and the data gathered, along with previous Diversity and Inclusion benchmarking work was used to write our first Diversity and Inclusion report.
- Our Diversity and Inclusion report, includes a clear vision for our work in this space, along with a set of global commitments and objectives. This report is available both internally and externally and will be updated annually to communicate progress.
- We established Diversity & Inclusion Governance up to Board level, which included establishing a Diversity & Inclusion Committee and Steering Group and appointing our Board level sponsor, Chief Operating Officer, Paul Harrison.
- We were again included in the Bloomberg Gender Equality Index which tracks the performance of public companies committed to disclosing their efforts to support gender equality.
- We contribute to the Hampton-Alexander Review, which aims to drive an improvement in the gender balance in FTSE leadership. The review has a stated target of 33% representation of women on FTSE 350 Boards and Executive Committees, as well as in the direct reports to the Executive Committee, by the end of 2020. The February 2020 review once again showed that Ascential ranks number 2 in the FTSE 350 for women on boards, with 60% women on our plc Board. We also exceed the 33% target for the wide leadership population, with 41.6% women in the combined group of the Executive Committee and their direct reports.

- We commissioned Reggie Butler, a D&I thought leader, to facilitate sessions on 'Conscious Inclusion.' 75% of Ascential attended Reggie's LearnFest session, with a further 57% participating in his Conscious Inclusion Conversations (giving an 88% recommendation score). We also scheduled similar sessions for our APAC colleagues, delivered by a regional diversity & inclusion expert in both English and Mandarin.

Outcomes from engagement

In our most recent global engagement survey (October 2020), we developed our inclusion questions to reflect the work we had done in relation to these priority areas. 90% of our people believe we promote an inclusive work culture where people are valued and respected for what they bring and 81% of our people believe we have a culture that allows people to speak up and challenge the way things are done (up 13% from last year).

Our Diversity & Inclusion report sets out our ambitions in this space: we have work to do in a number of areas of representation with a particular focus being on diversifying our leadership teams and looking at improving racial diversity in North America. The report sets out our specific targets and objectives, you can read more at www.ascential.com/join-us/discover-ascential.

Staff networks & forum

How we engage

- We established the Ascential Employee Forum with nominated representatives from every region around the world. The purpose of this Forum is to further amplify the voice of our people, in particular giving front-line employees the opportunity to share their views and ideas directly with the Board via the designated Non-Executive Director across issues including strategy, performance and culture. The Forum held its first meeting in October 2020 and will continue to meet on a quarterly basis.

Outcomes from engagement

We continue to support our networks and use them as counsel for projects including HR policy review. The output from the Ascential Employee Forum is reported to the Board via a designated Non-Executive Director.

Our people
Page 56

3

Our investors

Our investors value: sustainable growth, responsible capital allocation and investment decisions, and clear communication of strategy, supported by robust financial reports.

How we engage

- We hold a range of Investor meetings throughout the year: post-results roadshows; at investment conferences; and on-demand individual meetings, totalling over 500 individual engagements in 2020, covering over 190 institutions (both holders and non-holders).
- We run product deep dive demonstrations for investors and analysts.
- We deliver twice-yearly analyst results presentations, as well as holding additional meetings and calls throughout the year, totalling over 150 interactions in 2020, across our coverage base of 13 analysts.
- We hold an Annual Capital Markets Day for our coverage analysts and major holders, to provide more granular detail on our progress with strategy, performance and future plans.
- We hold an Annual General Meeting which all shareholders are entitled to attend, and ask questions of the Board.

Outcomes from engagement

We provide the investor community with clear updates on our trading performance and strategic direction.

Analysts and investors have the opportunity to feed back to management on the above and engage in Q&A.

Governance Report
Page 82

4

Our partners and suppliers

Our partners want us to work with them to develop productive and fair working relationships, with fair terms of business and fair payment terms.

How we engage

- We hold Quarterly Business Reviews with all key suppliers to review progress on key activity as well as sharing business updates and strategy.
- We operate and publish a Third-Party Code of Conduct which sets out the key ethical and business principles we look for in all third parties we work with.
- We operate a prompt payment policy and disclose our payment practices and performance via the UK Government payment practices reporting portal.

Outcomes from engagement

We have reviewed our standard contracts over the past 12 months, to ensure they are balanced, fair and compliant to the latest legislative changes.

We listen to feedback from suppliers about any challenges in engaging with us, to constantly improve the way Ascential operates with its supply chain.

We developed a process for monitoring supplier stability and business continuity as a result of the impact of Covid-19.

Business Model
Page 20

5

Wider society

We take our corporate responsibility as an employer and FTSE 250 listed company very seriously. Beyond our charitable fundraising partnerships and local community support, this year we launched a new framework to galvanise the whole business behind a signature activity.

Corporate Responsibility framework

How we engage

- In 2020 we launched a new Corporate Responsibility framework that focuses our efforts on a signature activity: supporting young people to thrive in the digital economy, with two strategic areas of focus: Sustainability and Diversity & Inclusion, and Solid Foundations.
- We launched the framework to the business, and subsequently established a network of Corporate Responsibility regional hubs to focus on priorities and agree and track against targets.

Outcomes from engagement

Each Corporate Responsibility hub is led by a member of the Executive Team, who feed back into the Corporate Responsibility Committee.

This ensures that all colleagues are able to input and participate into our Corporate Responsibility programme.

Volunteering day

How we engage

- Our global policy gives all employees one day per year to volunteer at local community projects. We are always looking for new volunteering organisations to be involved with, now with a focus on our signature activity theme of supporting young people to thrive in the digital economy.

Outcomes from engagement

Re-launching our global Volunteering policy and creating a new opportunities page, where colleagues will be able to discover volunteering opportunities relevant to them, whether virtually, in person, individually or as a team.

Fundraising

How we engage

- We have had a long-standing relationship with The Prince's Trust, fundraising as part of the Million Makers competition, and sponsoring the Educational Achiever award for the third year of the annual Prince's Trust Awards.
- In 2020 we raised over £212,000, four times our target and a triumph in a year in which fundraising took place virtually.
- In addition to our support of The Prince's Trust we have continued our ethos of enabling our brands and regions to support charities in their local communities, providing support where they see a need. Examples include Flywheel, where the brand provides charity donation matching and in 2020 this resulted in Flywheel matching donations of $16,522. The brand also donated another $50,000 directly to charity, of which $20,000 went to the NAACP Baltimore Chapter to buy masks for Black Lives Matter supporters.

Outcomes from engagement

- We continue our focus on The Prince's Trust fundraising in the UK and EMEA and this year have continued to search for complementary partnerships across our other core regions. Our aim is to have charity engagement opportunities available for all our colleagues by the end of 2021.

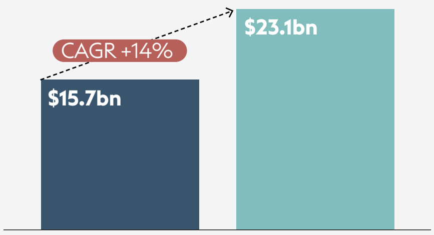
Corporate Responsibility
Page 60

Digital revolution

2020 had a profound impact on all markets. Some benefited, via the acceleration of eCommerce adoption and digital transformation across design, marketing and digital commerce, while others, like live events, had to be put on hold.

The markets in which we operate are generally large and fast growing. Globally, our core markets of eCommerce Optimisation, Product Design and Consumer Insights, and Marketing Optimisation were worth around $16bn in 2020 and forecast to grow by 14% CAGR to 2023[1]. Despite the impact of Covid-19, these markets overall have remained resilient, with a return to rapid growth expected following a hiatus in 2020.

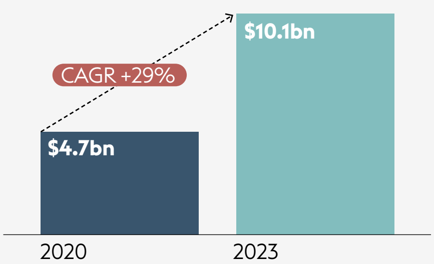
Size of Ascential's Global Markets and Forecast 2020-2023



Market: eCommerce Optimisation | Ascential Segment: Digital Commerce

The global pandemic has accelerated **eCommerce penetration** by as much as three years' worth in a single year. New consumer groups, previously slow to adopt eCommerce have been converted. This acceleration has left some brands unprepared, and we expect both leading Consumer Product Companies to ramp up their investment in eCommerce capabilities, but also the next tier of brands to create more mature eCommerce teams and operations.

Global market for eCommerce Optimisation

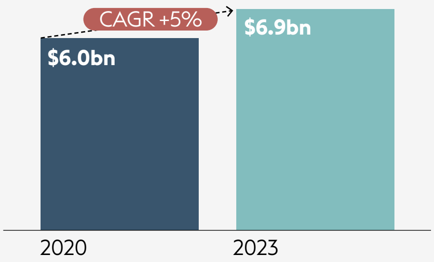


1 Review of Ascential's Markets by PwC, December 2020. The PwC market data quote in this document is sourced from a publicly available market report that can be found on www.ascential.com. PwC owes no duty of care to anyone other than Ascential in relation to this report.

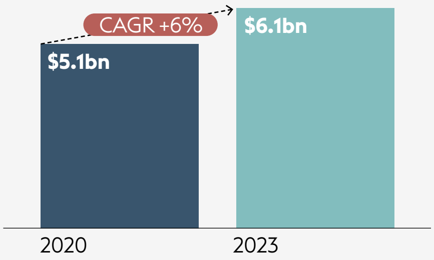
The **dominance of digital marketplaces** has also accelerated, with Tier 1 marketplaces (such as Amazon, Alibaba and JD.com) seeing faster growth in 2020, with record levels of spend and traffic confirming the advances in the underlying channel shift to eCommerce. Major marketplaces continue to invest billions on attracting, understanding and better serving their customers. In order to win, Consumer Product Companies will have to a) focus on and prioritise leading platforms, b) learn how to play and win in each of these, and c) optimise marketing to capture these consumers. Our solutions across digital commerce are focused on helping brands achieve these goals.

The global market for eCommerce Optimisation is estimated to be worth $4.7bn globally in 2020[1], encompassing businesses that provide analytical tools and services to help consumer product manufacturers maximise eCommerce sales. It is forecast to grow by 29% CAGR over the next three years driven by the continued shift to online and increasing complexity in eCommerce value chains, requiring advanced analytics, technology and services. Ascential is well positioned to capitalise on this growth through our diversified offering that spans multiple business models (SaaS platforms, retail and media managed services, advisory) and global and regional capabilities.

Product Design and Consumer Insights market



Marketing Optimisation Market



Market: Product Design and Consumer Insights | Ascential Segment: Product Design

We continue to see growing demand for **data-driven product design and consumer trends** as brands focus on developing the right products for their consumers, at the right time, in the right volumes and on the right consumer platforms. More than ever, this requires access to global eCommerce and consumer data, combining advanced data science capabilities with qualitative analytical techniques to draw out actionable insights. We believe we are in a unique position to help brands solve these challenges from the combination of our digital commerce, product design and marketing assets.

Globally, the Product Design and Consumer Insights market consists of businesses that provide insights, data, analytics, and advisory on consumer trends to help consumer brands design products.

This market is estimated to be worth $6.0bn in 2020 and is forecast to grow at 5% CAGR[1] over the next three years. Ascential is focused on the higher growth parts of this segment through data-driven trend intelligence and consumer insights, which are expected to outpace market growth at the expense of more traditional market research players.

Market: Marketing Optimisation | Ascential Segment: Marketing

In marketing, we saw an accelerated **shift to digital and performance advertising**, and the **move to digital business transformation**. With ad spend set to decline by 9.8% worldwide (WARC) in 2020, marketers' attention has had to increasingly turn to efficiency and quality of customer journey, and also digital experiences. Recovery is now expected across all consumer verticals in 2021 (WARC). Digital channels are set to keep dominating media budgets as markets rebound, thanks to easier measurement and increased video consumption. Brands will seek to build better marketplace expertise, direct-to-consumer options and leverage post-pandemic changes in consumer behaviour to soften the impact of the recession. Our strategy continues to be focused on supporting brands through this digital transformation across creativity, effectiveness and efficiency.

Large scale events in this market, such as the Cannes Lions festival, were not able to be held in 2020 following the emergence of the pandemic, but there is expectation of a strong recovery once vaccines have been successfully rolled out from 2021 onwards. We maintain a positive long-term outlook for large industry tentpole events given changes in working patterns and new value in face to face.

Overall, the Marketing Optimisation market consists of businesses that help brands and agencies optimise the creativity, effectiveness and efficiency of marketing, via events and benchmarking, advisory, and media management & measurement. It is estimated at $5.1bn in 2020 , and forecast to grow at 6% CAGR[1] over the next three years. Increasing demand for data-driven and tech-enabled insights, greater automation in multi-channel buying/selling and pressure to increase efficiency and reduce costs will drive growth in this market for coming years.

Other Specialist Markets | Ascential Segments: Retail & Financial Services

We operate in a number of other specialist markets through our brands in the Retail & Financial Services segment.

In **payments and fintech**, the macrotrends of digital and eCommerce have driven organisations large and small to accelerate efforts and actively participate in fintech. Examples of this include retailers migrating towards cashless payments, central banks accelerating digital currency efforts, and banks of all sizes enabling digital onboarding and engagement.

Beyond the pandemic, fintech and financial Services events, such as Money20/20, are expected to continue to grow, driven by disruption in the payments and financial services industry, the move to cashless payments (further accelerated by Covid-19) and a greater than ever need for collaboration between all players in the ecosystem. It will continue being a critical enabler of digital commerce.

The pandemic continues to drive rapid change in **retail** across the globe. 2020 was a year marked by eCommerce acceleration, market consolidation and the continued demise of weaker legacy players. With the economics of retail upended by the flight to online, the speed at which retailers adapt is key to survival. Innovation, investment, agility and partnerships are all central to their winning strategies. But it is those brands with a clear sense of purpose and proposition that won customer loyalty in 2020. This integrity will continue to elevate the most successful retailers in the world.

Globally, the market for Retail information, technology and price optimisation solutions has suffered in line with sector-wide challenges for retailers, particularly accelerated by Covid-19. We do however, see positive demand for pricing and optimisation technology, particularly in grocery.

Segmental review
Page 26

When you can see the future, it's easier to get there first

What we draw upon

Colleagues and culture

- Our experienced and dedicated global workforce of over 2,000 colleagues cross five continents
- Our strong and diverse culture underpinned by the Ascential Behaviours and Beliefs

Our Brands

- World-class specialist businesses that combine immediately actionable insight with visionary longer-term thinking

Relationships and partners

- We partner with 65% of the top 100 most valuable global brands*

Technology

- Robust and scalable technology platforms
- Proprietary technology stack and algorithms

Financial

- Access to substantial committed bank facilities
- Clear capital allocation policy
- Good operating cash generation

* BrandZ Top 100 Most Valuable Global Brands

To provide specialist information, analytics and eCommerce optimisation

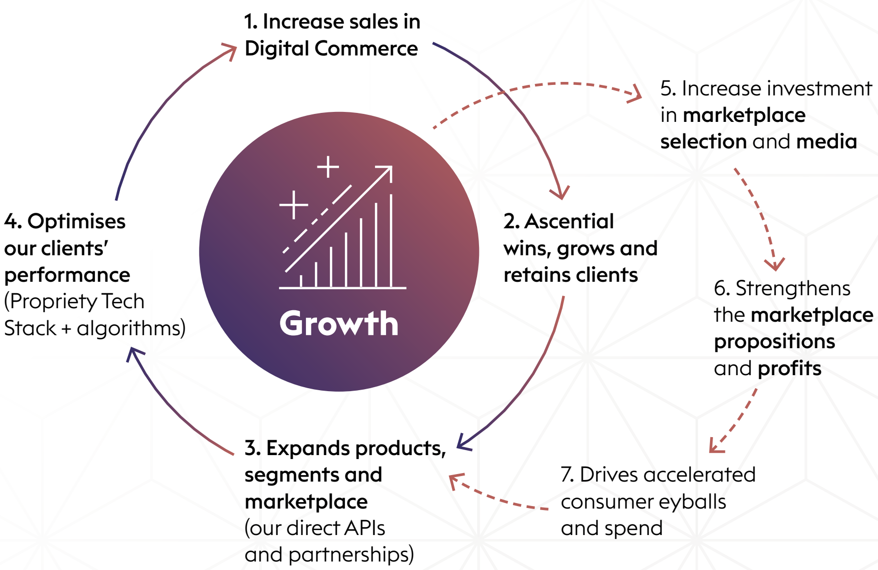
The Ascential Solution

The businesses that make up Ascential bring together different specialisms to enable our customers to succeed in three critical areas:

1. **Creating the right products –** know what products the consumer wants tomorrow.
2. **Maximising the market impact –** getting to maximum creativity with optimised media.
3. **Optimising digital commerce –** executing with excellence on the winning platforms.

Our advantage: the network effect

The Ascential network effect



Our brands support our customer to create the right products, maximise the brand's marketing impact and optimise digital commerce execution

Through four segments that cover the customer journey from product design to sales

Our businesses **improve performance and solve problems** for our customers by delivering immediately actionable information combined with visionary longer-term thinking across:

Digital Commerce
Page 26

Product Design
Page 28

Marketing
Page 30

Retail & Financial Services
Page 32

Ascential's reach

Partnering in over 100 countries with major eCommerce ecosystems

That delivers benefits

For our people

- We aim to be a destination employer in every one of our key operating territories and markets.
- Overall engagement score in 2020 engagement survey of 81 (vs target of 80 out of 100).

For our customers

- We aim to help our customers improve their performance across Product Design, Marketing and Sales.
- We measure our performance through a range of customer engagement statistics including net promoter scores, retention rates, and growth from existing customers.

For our partners and suppliers

- We work with our partners and suppliers to develop productive and fair working relationships, with fair business and payment terms.

For our communities

- We support our communities though charitable donations, working towards operating sustainable events, and operating responsibly with our suppliers, partners and other stakeholders.

For our shareholders

- We aim to deliver long-term sustainable returns, measured by Total Shareholder Return.

Strategic focus

Strategic objectives	2020 strategic priorities and progress
Market - leading World-class businesses that improve performance and solve problems for our customers by delivering immediately actionable information combined with visionary longer-term thinking.	**1. Increase the rate of Organic revenue growth in the Sales Segment by accelerating Money20/20 and driving strong billings growth in Edge in the second half of the year** – 2020 saw Digital Commerce (formerly a sub-segment of Sales) become our largest and fastest growing segment, with proforma revenue growth of 25%. Edge Digital Shelf billings showed double digit growth in the year, accelerating in the second half. **2. Focus on our service offering to further reduce customer churn** – Almost all businesses achieved record levels of engagement with customer bases, particularly through their digital product offerings.
Accelerate organic growth Accelerate the organic growth of our revenues and optimise margins and profits.	**3. Deliver product superiority across the Company allowing for further premium pricing for our highest quality product** – We increased our product investment and achieved double-digit growth in our digital subscriptions and platforms products. **4. Deliver greater simplicity and efficiency throughout the business, including new systems and processes in our Finance, Marketing and Sales functions** – We have executed the sale of all three Built Environment & Policy businesses, identified previously as non-core, simplifying our operating and strategic profile. – We have made progress on the transition to a new global streamlined back-office capability, commencing rollout globally later this year.
Capital allocation Apply a tightly focused capital allocation process, to achieve our goals and to maximise value creation for our shareholders.	**5. Continuing policy of focused capital allocation** – Disposal of each of the Built Environment & Policy businesses reinforced balance sheet and allows additional scope to selectively add to our capabilities, particularly in the Digital Commerce arena. – Decisive cost actions taken, particularly in light of the uncertainty over physical events revenues which enable us to continue to invest in our core strategic areas, while also protecting the integrity and long-term value of our world-class brands.

Key to KPIs

1 / Revenue

2 / Adjusted EBITDA margin

3 / Adjusted EBITDA

4 / Net Debt

Key to risks

1 / Customer end-market development

2 / Economic and geopolitical conditions

3 / Competition/substitution

4 / New product and capability development

5 / Acquisitions and disposals

6 / People risk

7 / Reliance on data providers

8 / Cyber threat and information security

9 / Venue availability, security and access

10 / Business resilience

11 / Financial risk

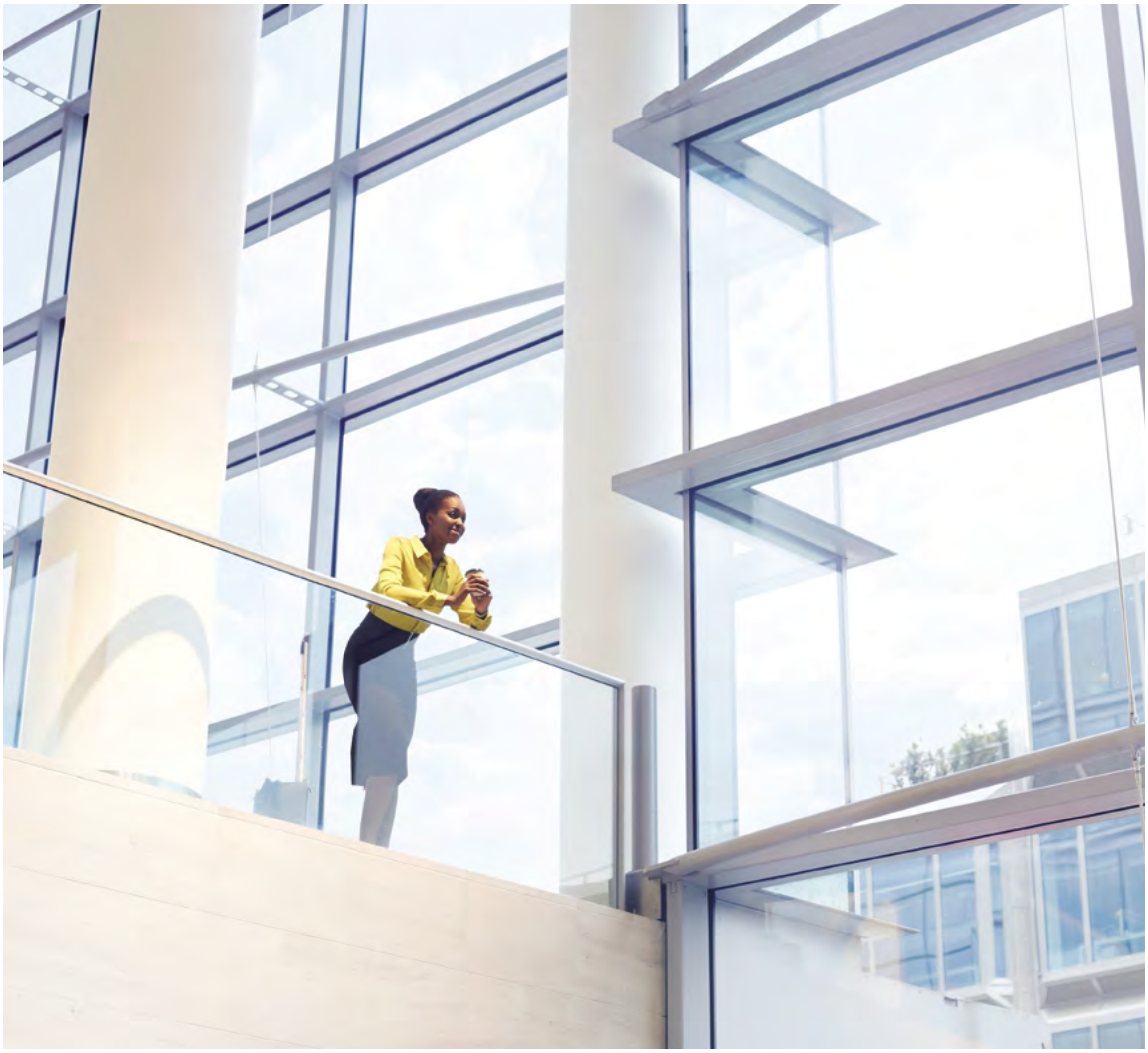
12 / Regulation and compliance

Performance	Priorities for 2021	Further content	
Digital Commerce revenue growth (proforma) 25%	**Accelerate investment to drive growth** – Invest to drive strong organic growth in our Digital Commerce businesses – Continue bolt-on investments	**Market review** Page 16	
		Link to KPIs **1 / 2/3/ 4**	**KPIs** Page 22
		Link to risks **1 / 2 / 4 / 5 / 11**	**Risks** Page 50
Customer engagement statistics Record Customer Engagement (e.g. WGSN NPS +6 pts, WARC NPS +6 pts vs2019)	**Continue expansion for Product Design** – Accelerate our new customer segment expansion for Product Design	**Segmental review** Page 29	
		Link to KPIs **1 / 2 / 3 / 4**	**KPIs** Page 22
		Link to risks **1 / 4**	**Risks** Page 50
Digital subscriptions & platform revenue growth (proforma) 11%	**Strong bounce-back of marquee events** – Ensure Cannes Lions and Money20/20 are set up to bounce back strongly, subject to the easing of local restrictions and stabilisation of the pandemic	**Segmental review** Page 30	
		Link to KPIs **1 / 2 / 3**	**KPIs** Page 22
		Link to risks **1 / 2 / 9 / 12**	**Risks** Page 50
Sale of BEP businesses £258m	**Innovative culture** – Continue to build on our innovative culture – Empower success for our diverse workforce at all levels of our organisation – Record level of employee engagement	**Our People** Page 56	
		Link to KPIs **1 / 2 / 3**	**KPIs** Page 22
		Link to risks **4 / 6 / 10**	**Risks** Page 50
Proforma Net Debt £140m	**Streamline operations** – Enable accelerated investment and further strengthening of the balance sheet	**Chief Executive's Statement** Page 04	
		Link to KPIs **1 / 2 / 3 / 4**	**KPIs** Page 22
		Link to risks **2 / 11**	**Risks** Page 50

Measuring our success

Key Performance Indicators (KPIs) are used to measure both the progress and success of our strategy implementation. The KPIs are set out below, with a measure of our performance to date and an indication of potential challenges to success where applicable.

Adjusted profit measures are used to assist readers in understanding underlying operational performance. These measures exclude income statement items arising from portfolio investment and divestment decisions, and from changes to capital structure.



Financial Review
Page 36

Risks
Page 50

Revenue

£263.7m

2019	380.3
2020	**263.7**

Description Income generated from normal, continuing business operations.

Performance in 2020 Revenue reduction of 31% driven by absence of physical events, however Digital Subscriptions & Platforms revenue grew 11%.

Adjusted EBITDA Margin

10.8%

2019	28.7
2020	**10.8**

Description Adjusted EBITDA as a percentage of revenue. See page 47 for glossary of alternative performance measures.

Performance in 2020 Significant negative impact from absence of c.£130m of revenue lost due to physical events not held in the year.

Adjusted EBITDA

£28.5m

2019	109.0
2020	**28.5**

Description Adjusted operating profit excluding depreciation and software amortisation. See page 47 for glossary of alternative performance measures.

Performance in 2020 Significant reduction in Adjusted EBITDA due to absence of live events, partly mitigated by 13% cost savings.

Net debt

£229.3m

2019	170.6
2020	**229.3**

Description External borrowings net of arrangement fees, cash and cash equivalents and derivative financial instruments and excluding lease liabilities.

Performance in 2020 Adjusting for the 2021 receipt of proceeds from the disposals of Glenigan, Groundsure and DeHavilland, the acquisition of Intellibrand and X Target and the payment of deferred consideration due in the early part of 2021, proforma net debt was £140m.

Dashboard

Revenue streams by type | **Growth review**

Revenue

£103m

Digital subs & platforms	93%
Advisory	7%

Reported revenue growth

+32%

	Reported	Organic	Proforma
Revenue	+32%	+23%	+25%
Adjusted EBITDA	+86%	+75%	+85%

Revenue

£88m

Digital subs & platforms	92%
Advisory	8%

Reported revenue growth

+3%

	Reported	Organic	Proforma
Revenue	+3%	+1%	+1%
Adjusted EBITDA	(1%)	(6%)	(4%)

Revenue

£54m

Digital subs & platforms	31%
Advisory	65%
Events	4%

Reported revenue growth

(60%)

	Reported	Organic	Proforma
Revenue	(60%)	(59%)	(59%)
Adjusted EBITDA	(102%)	(101%)	(101%)

Revenue

£18m

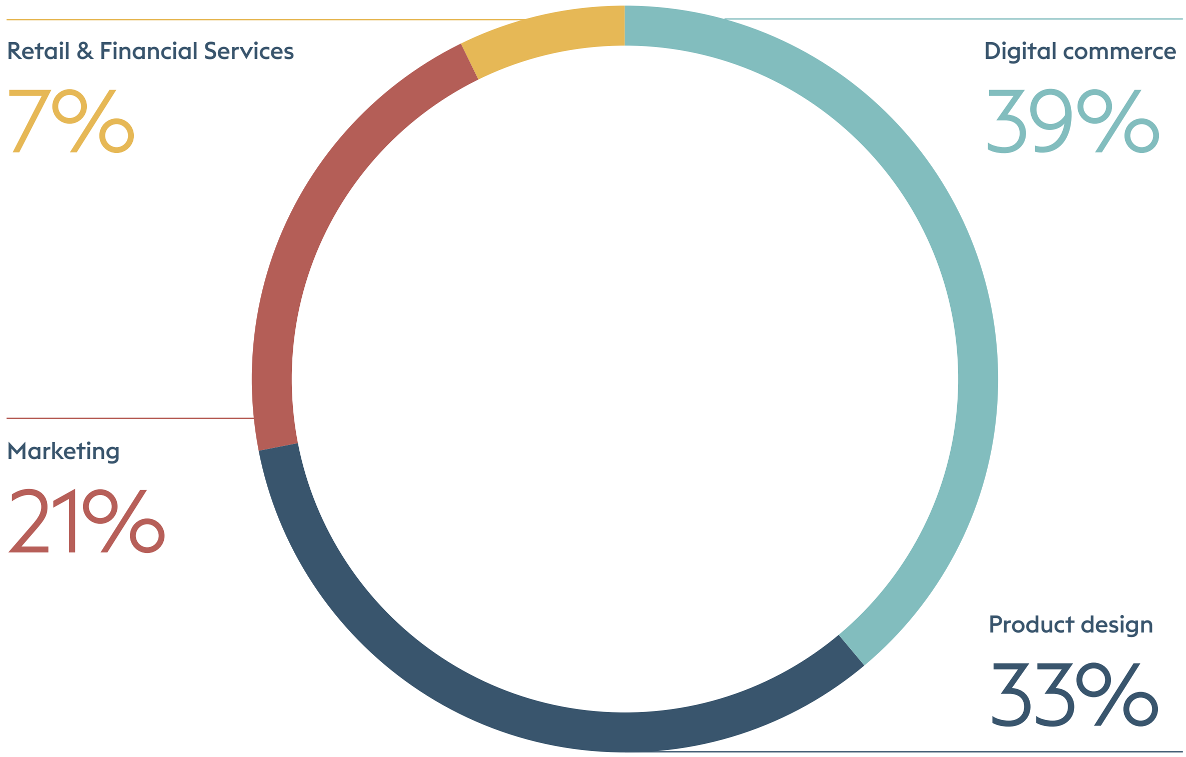
Digital subs & platforms	79%
Advisory	12%
Events	9%

Reported revenue growth

(78%)

	Reported	Organic	Proforma
Revenue	(78%)	(77%)	(77%)
Adjusted EBITDA	(157%)	(157%)	(157%)

Proportion of Ascential Revenue



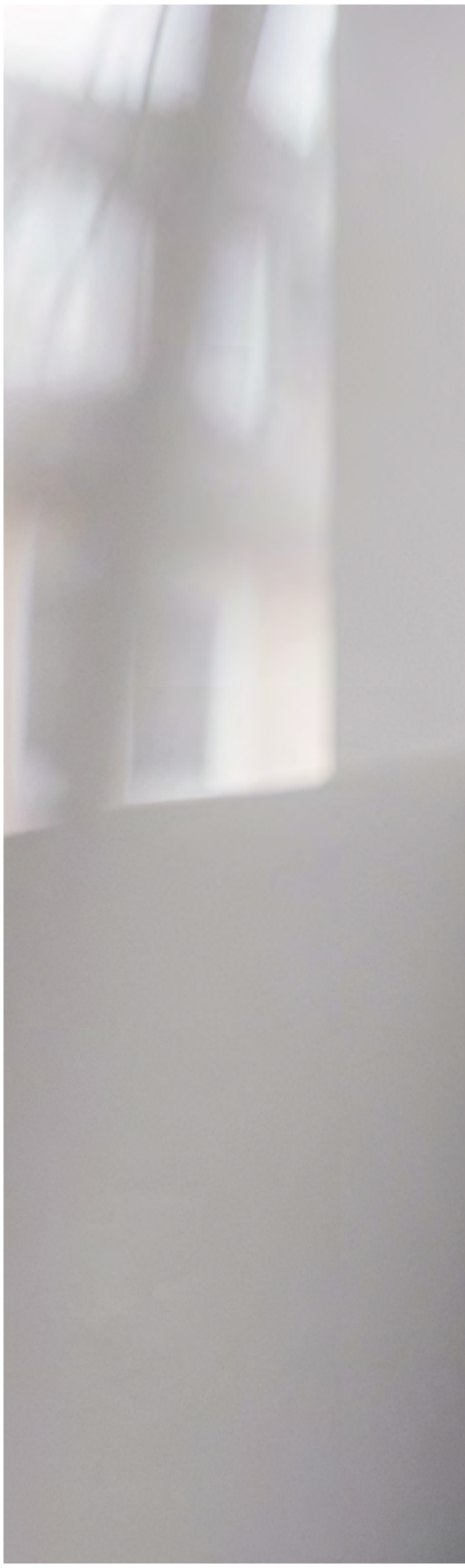
Segmental performance overview

	Year ended 31 December (£'m)	
	2020	2019
Digital Commerce		
Revenue	103.1	78.1
Adjusted EBITDA	22.9	12.3
Adjusted EBITDA Margin	22%	16%
Product Design		
Revenue	88.1	85.7
Adjusted EBITDA	38.0	38.2
Adjusted EBITDA Margin	43%	45%
Marketing		
Revenue	54.3	135.9
Adjusted EBITDA	(0.8)	50.7
Adjusted EBITDA Margin	nm	37%
Retail & Financial Services		
Revenue	18.2	81.1
Adjusted EBITDA	(14.3)	25.1
Adjusted EBITDA Margin	nm	31%

Group financial overview 2020

	2020
Group Total	
Revenue	£264m
Reported revenue reduction	31%
Adjusted EBITDA	£29m
Adjusted EBITDA Margin	11%

Digital Commerce



Digital Commerce grew revenues by 23% on an Organic basis and 25% including Yimian and Indigitous on a Proforma basis. Two-thirds of the growth was from new customers with one-third being expansion of our existing customer base. Profits grew significantly, driven by the high level of revenue growth which more than offset continuing investment in geographic and platform expansion.

During 2020 the Digital Commerce businesses came together under the joint leadership of Chip DiPaula and Patrick Miller (the co-founders of Flywheel Digital). In September Digital Commerce Live was launched, a week-long series of online content sessions exploring the future of the sector aimed at key customers and hosted by staff from across Edge, Flywheel and Yimian. Subsequently, the whitepaper Retail 5.0 was published, which highlighted the key considerations for CPG customers to succeed in eCommerce, in particular the necessity for marketplace-specific trading strategies.

Flywheel saw extremely strong growth over the year, adding 94 new customers, continuing its expansion in Europe, India and Japan and launching services on emerging digital platforms such as Walmart, Kroger and Instacart. Notable customer wins in the year included Kellogg's.

Early in 2020, we extended our coverage into the active lifestyle category, with the acquisition of Indigitous, an Amazon-focused managed service provider based in Seattle. Flywheel's business model is highly leveraged towards customer success. Its revenue model split between variable revenue streams from full-service retail and media only engagements (c.80%) and those with fixed price retainers (c.20%). Therefore, a further driver of growth has been the accelerated shift in consumers' activity to online channels, particularly in the personal health and household categories, which reached record levels in 2020.

In 2020, Edge restructured its Retail Insight business and closed its loss-making retailer Price & Promotion services in the US market, thus focusing solely on serving consumer brands, (with retailers and other service providers now served through the Retail & Financial Services business unit).

Proforma Revenue Growth

25%

Overall, Edge enjoyed solid trading in billings, particularly in the second half after the completion of the integration of its products and services. Digital Shelf, Edge's largest product, achieved double-digit billings growth, while new business overall returned to strong double-digit growth in the second half of the year. The business completed all major customer-facing elements of its integration programme in the first half, with the launches of Market Share 2.0 and Digital Shelf 2.0 to customers early in the year. These achievements have been key in addressing customer needs, arising from the substantial uplift in eCommerce data flows throughout the pandemic period. Overall, Edge acquired 56 new customers in the year, with significant wins including Dyson, Carlsberg and Beiersdorf, as well as global customer agreements with Coca-Cola and Adidas. The partnership with Yimian continues to be a successful channel, providing Market Share insight for our global brand customers and, and, following the acquisition of Intellibrand, we plan to expand Edge services to include coverage of Food Service Aggregators.

Yimian added 22 new customers in the year, including cross sells with Edge customers L'Oréal and Reckitt Benckiser. The business more than doubled its size in 2020 launching market share services in South East Asia as well Offline) coverage in China. It was recognised as one of the 50 leading Retailtech enterprises by KPMG China. In 2021 we plan to consolidate our China platform and expand services into South East Asia.

Digital subscriptions
% of revenue

90%

Product Design

WGSN, a leading global supplier of trend forecasts, market intelligence and consumer insight, helps customers understand the future demands of consumers. Information is delivered principally through digital subscriptions (over 90% of revenue) to around 6,200 customers in over 90 countries.

Product Design had a solid year overall, growing revenue organically by 1%, underpinned by its subscription base, which more than offset the pandemic-influenced 9% decline in its Mindset advisory business. Subscriptions were 92% of 2020 revenue (2019: 91%). The small reduction in profit over the prior year reflected a higher charge for bad debts as a result of the pandemic as well as investment in new products. Our addressable market within Product Design is estimated to be $6.0 billion growing at 5% per annum over the period from 2020 to 2023.

Subscription revenues saw overall growth tempered to 2% as tougher trading conditions from the earlier part of the year weighed on revenues, despite billings recovering materially at the end of the year with Q4 billings growth of 6%. The take-up of non-apparel focused subscriptions, such as Insight and Beauty continues to be the chief engine of growth with the fashion product in continued decline. Subscription renewal rates have remained strong during the pandemic, although overall slightly below historic norms of c. 90%. WGSN also achieved record Net Promoter Scores from its subscribers for the year, up 6 points on 2019, underlining the value of the information we deliver to customers and the strength of the WGSN brand. In terms of the advisory business, there were indications of a recovery in demand towards the end of the year, while the smaller Coloro business grew extremely strongly.

We have continued to develop our product offerings throughout the year adding increasingly authoritative quantitative data to our trend forecasting solutions with investment in decision science and collaboration with Edge underpinning new offerings like the Trend Curve. In June, we successfully launched the new Food & Drink product, continuing our strategy to address adjacent markets, utilising data from other Ascential products (such as Edge) and following the launches of Beauty and Trend Curve in 2019.

Beauty has now exceeded 400 customers, expanding into five languages and growing billings to c.£3m, while Food & Drink has now exceeded 100 customers, providing global trend insights, curated data and industry expertise, for brands to develop the products and services that consumers will eat, drink and experience in the near future. Additionally, in Q4 2020 we launched Start by WGSN, an offering focused on smaller and micro brands.

Looking ahead, we will continue to explore new market segments where our expertise in trend forecasting can be adapted, with a new product covering consumer electronics targeted for launch in 2021, and pursue initiatives to double the rate of new business acquisition.

Marketing

Lions, through both the awards and festival in June and its digital products and advisory business, is the global benchmark for creativity in the branded communications industry while WARC is the global authority on marketing effectiveness for brands, agencies and media platforms. MediaLink is a leading strategic advisory firm that serves the media and marketing ecosystem.

Despite the continuing strong performance of digital subscriptions through WARC and The Work, the Marketing segment was significantly impacted by the government restrictions arising from the Covid-19 pandemic, specifically the cancellation of the 2020 Lions festival. The associated economic conditions, which have been keenly felt by the marketing industry, have also adversely impacted MediaLink's advisory business. As a result, revenue in the Marketing business unit declined by 59% overall and made a small loss at the Adjusted EBITDA level. Our addressable market within Marketing is estimated to be $5.1 billion growing at 6% per annum over the period from 2020 to 2023.

In the absence of the physical edition of the festival in 2020, Lions revenue in 2020 came principally from The Work's subscription-driven revenues together with the Advisory in Creative Excellence practice, where major clients included AB InBev and PepsiCo. Given the absence of both awards and face-to-face events and to drive year-round engagement with the brand, Lions launched LIONS Live: a broadcast programme of interviews with industry leaders, masterclasses and other original digital content that attracted an audience of over 80,000 from the marketing community and generated revenue from sponsorship. The success of this initiative confirms the brand's strength as the focal point for the creative industry and gives us significant audience to build digital revenues from in the future.

Looking to 2021, the Lions awards will cover work created over two years from March 2019 to April 2021. The awards will be fully digital with our global juries operating in a virtual format, a solution that has been successfully applied at Lions' Eurobest awards in December 2020 and those at Spikes Asia and Dubai Lync in early 2021. We are planning for a hybrid virtual and, if possible, physical event to ensure we meet the needs, plans and restrictions of our clients and partners. Our launch of Lions Membership Services is planned to deliver year-round digital engagement with the platform.

WARC recorded strong revenue growth, underpinned by the performance of subscription renewals and supported by the first full year of its advisory offering and expansion into brands and new geographies. In common with other businesses, WARC saw record levels of engagement in its digital content and frew its NPS score by 6 point. Highlights in the year included a programme to educate brand marketers on diversity and activism, with a key initiative in partnership with Cannes Lions (and bodies such as the 4A's Foundation) to bring industry knowledge to Historically Black Colleges and Universities via access to WARC and Lions' The Work platforms at zero cost.

WARC also collaborated with Lions Live, where it launched the Creative Effectiveness Ladder, a universal code to unlock successful marketing strategies, and supported several insight sessions delivered to Edge's customers, including the Digital Commerce Accelerator summit focusing on the development of eCommerce in China. WARC finished the year with the 10th edition of the Marketer's Toolkit: "navigate through uncertainty", including insights from our Digital Commerce businesses, as well as Lions, MediaLink and WGSN, providing an overview of the challenges to consider, opportunities to explore and actions to take in 2021.

MediaLink saw challenging trading conditions associated with the Covid-19 pandemic and specifically economic pressures on its core customer base. This was manifested by lower levels of retainer business, and reduced project and search activity, while the absence of the Cannes Lions festival, a major platform for the industry, reduced the opportunity to drive new business. Nevertheless, June saw the launch of the MediaLink Beach Online delivering tailored activation meetings to clients and a curated series of insights from senior figures engaging the wider industry.

Towards the end of the year the business began to see the return of significant advisory project work, suggesting the disruption the pandemic has brought to the industry is beginning to drive demand for MediaLink's transformation expertise. Most recently, MediaLink was appointed the official C Space partner for the first wholly virtual edition of CES, in January 2021, emphasising the pivotal role it plays in the wider industry.

Retail & Financial Services

The Retail & Financial Services segment comprises Money20/20 and Retail Week World Retail Congress as well as the Alternative Data team (previously reported in the Product Design segment) and the retail customers previously within the Digital Commerce business. Money20/20 is the leading point of reference for digital payments product strategy worldwide.

Money20/20's US and European congresses, which focus on the evolution of consumer payment and financial services across multiple channels, were not able to run in 2020 due to the restrictions arising from the Covid-19 pandemic. In the absence of physical events, customer engagement was channelled through the brand's virtual content, achieving record levels of audience reach. In October, we successfully launched MoneyFest, a week-long virtual series of talks, seminars and networking opportunities for the Fintech community which attracted over 12,000 participants. Additionally, The Money Pot podcast, which addresses the current forces and ideas shaping the future of money, achieved downloads over seven times the level seen at its launch in 2019.

Looking forward to 2021 we are taking the opportunity to relaunch and streamline Money20/20 and will focus our efforts on running the European and US editions with both Asia and China editions on hold for now.

The scale of rebound in 2021 will depend on the removal of restrictions on the hosting of large-scale events, the global economy, the rates of vaccine deployment worldwide and customers' propensity to travel and attend large-scale events this coming Autumn. In this regard, we are fortunate that Money20/20 is the most significant annual event in our industry and that payments technology continues to be an attractive end market.

Retail Week and World Retail Congress (WRC) serve the needs of UK and Global retailers and their ecosystem. The live events WRC Rome and Retail Week Live were cancelled for 2020 as a result of the restrictions arising from Covid-19 pandemic and will run in September 2021 and October 2021 respectively. Following cancellation of the live WRC event in 2020, the digital event WRC Connected was launched attracting over 4,000 attendees. The subscription business of Retail Week continued to experience revenue declines driven by the weak underlying retail environment, which has been further impacted by the pandemic restrictions.

Alternative Data serves our financial services clients information delivered primarily through digital subscriptions. With the financial services industry proving robust in an otherwise turbulent year, this brand achieved over 50% revenue growth, increasing its customer base by c.40% and achieving value renewal rate in excess of 100%.

The businesses serving retail customers previously within the Digital Commerce business (Price & Promotion and Retail Insights products) experienced challenging trading in the year. The focus in 2021 is to leverage the existing strong retail relationships across the Retail & Financial Services business unit, driving growth back into these brands.

Discontinued Operations

Built Environment & Policy Segment

The Built Environment & Policy Segment comprised the Groundsure, Glenigan and DeHavilland digital information products.

The segment returned to good levels of growth overall in the second half of the year, led by the largest business, Groundsure, where we saw record levels of activity following the revival of the UK property market in May. Glenigan and DeHavilland both demonstrated more even progression in the year underpinned by solid subscription renewals, despite new business being impacted by lower activity in the UK construction industry and broader government policy, respectively.

All three brands in the segment were sold in the first quarter of 2021 and we are pleased to have found new owners for each of the Built Environment & Policy businesses who will continue to nurture their strong teams and potential. The sale of these businesses represents a significant moment in the realisation of our strategic goals, meaning we are now wholly focused on our core business areas that serve customers across digital marketplaces.

	Year ended 31 December (£'m)		Growth (%)		
	2020	2019	Reported	Organic	Proforma
Revenue	**37.4**	35.9	+4%	+1%	+1%
Adjusted EBITDA	**19.7**	17.0	+16%	+14%	+14%
Adjusted EBITDA Margin	**53%**	47%	–	–	–
Adjusted EBITDA including stranded costs	**21.5**	19.5	–	–	–

Financial review

Mandy Gradden
Chief Financial Officer

In 2020, we demonstrated delivery against our long-term strategic priorities and resilience against a challenging backdrop. Although revenue and profits declined due to the impact of Covid-19 restrictions on events, the Digital Commerce segment grew very strongly and Product Design was highly resilient.

Overview

The results for the year are set out in the consolidated statement of profit or loss and show, for continuing operations, revenue of £263.7m (2019: £380.3m) and an operating loss of £166.5m (2019: operating profit of £1.8m). The major charges creating the operating loss were revaluation of deferred consideration of £97.6m (2019: £33.1m), impairment of goodwill and intangibles in the retail business of £28.4m (2019: £nil) and annual amortisation of acquired intangibles of £33.7m (2019: £35.6m). These significant items are discussed in detail below.

Adjusted EBITDA was £28.5m (2019: £109.0m) reducing in large part due to the cancellation of our events in the year. We delivered solid cash flow performance in 2020 with free cash outflow from continuing operations after tax and capex of £0.7m (2019: inflow £73.4m), an operating cash flow conversion on continuing activities of 90% (2019: 86%).

A core KPI and strategic goal of the Company is Organic revenue growth rate. We believe that this is the most efficient method of growth, measures the underlying health of the business and is a key driver of shareholder value creation. Organic revenue growth rate eliminates the impact of acquisitions (counting them only once they have been owned for 12 months) and disposals and that element of growth which is driven by changes in foreign exchange rates. It is an Alternative Performance Measure and is discussed in more detail on page 45. Proforma growth rate is measured in a similar way to Organic growth rate but assumes that the Group's acquisitions were all made on 1 January 2019 and is therefore a measure of the rate of growth of the brands owned today.

Adjusted EBITDA is also an Alternative Performance Measure and is used in the day-to-day management of the business to aid comparisons with peer companies, manage banking covenants and provide a reference point for assessing our operational cash generation. It eliminates items arising from portfolio investment and divestment decisions and, from changes to capital structure. Such items arise from events which are non-recurring or intermittent, and while they may generate substantial income statement amounts, do not relate to the ongoing operational performance that underpins long-term value generation.

Continuing operations

The results for the year are summarised in the table below.

£'m	2020	2019*	Growth rate Reported*	Growth rate Organic	Growth rate Proforma
Revenue	**263.7**	380.3	(30.7%)	(32.2%)	(31.1%)
Adjusted EBITDA	**28.5**	109.0	(73.8%)	(75.5%)	(73.0%)
Operating (loss) / profit	**(166.5)**	1.8	nm	nm	nm

* Restated for discontinued operations (see Note 10).

Segmental results

In September 2020, a comprehensive reorganisation of Ascential into five new divisions was announced which resulted in a change in the way our operating results were regularly reported and reviewed. By December 2020, we had created and committed to plans to discontinue and dispose of the Built Environment & Policy segment, which was subsequently achieved in three separate transactions announced in December 2020, January 2021 and February 2021. The Group therefore now has four continuing reportable segments namely Digital Commerce, Product Design, Marketing and Retail & Financial Services. Information regarding the results of each is included below.

£'m 2020	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate costs	Continuing operations
Revenue	**103.1**	**88.1**	**54.3**	**18.2**	**–**	**263.7**
Organic growth	**23%**	**1%**	**(59%)**	**(77%)**		**(32.2%)**
Proforma growth	**25%**	**1%**	**(59%)**	**(77%)**		**(31.1%)**
Adjusted EBITDA	**22.9**	**38.0**	**(0.8)**	**(14.3)**	**(17.3)**	**28.5**
Organic growth	**75%**	**(6%)**	**(101%)**	**(157%)**		**(75.5%)**
Proforma growth	**85%**	**(4%)**	**(101%)**	**(157%)**		**(73.0%)**
Adjusted EBITDA margin	**22%**	**43%**	**nm**	**nm**		**10.8%**
Depreciation and software amortisation	**(6.3)**	**(4.7)**	**(6.1)**	**(2.3)**	**(3.1)**	**(22.5)**
Adjusted operating profit	**16.6**	**33.3**	**(6.9)**	**(16.6)**	**(20.4)**	**6.0**
2019*						
Revenue	78.1	85.7	135.9	81.1	(0.5)	380.3
Adjusted EBITDA	12.3	38.2	50.7	25.1	(17.3)	109.0
Adjusted EBITDA margin	*16%*	*45%*	*37%*	*31%*		*28.7%*
Depreciation and software amortisation	(4.0)	(4.0)	(7.5)	(2.8)	(3.5)	(21.8)
Adjusted operating profit	8.3	34.2	43.2	22.3	(20.8)	87.2

* Restated for new operating segments and discontinued operations (see Note 10).

Revenue

The Company benefits from diverse revenue streams across its segments ranging from digital subscriptions to live events to advisory. Most of these revenue streams have recurring or repeat characteristics and benefit from our focus on customer retention.

	2020 £'m	2019 £'m	Proforma Growth
Digital Subscriptions & Platforms	95.6	72.0	25%
Advisory	7.5	6.1	24%
Digital Commerce	**103.1**	**78.1**	**25%**
Digital Subscriptions & Platforms	81.3	78.4	2%
Advisory	6.8	7.3	(9%)
Product Design	**88.1**	**85.7**	**1%**
Digital Subscriptions & Platforms	17.0	15.8	8%
Advisory	35.0	49.8	(29%)
Benchmarking Awards	1.0	29.2	(97%)
Events	1.3	41.1	(97%)
Marketing	**54.3**	**135.9**	**(59%)**
Digital Subscriptions & Platforms	14.3	14.8	(3%)
Advisory	2.2	2.2	2%
Events	1.7	64.1	(97%)
Retail & Financial Services	**18.2**	**81.1**	**(77%)**
Advisory	–	(0.1)	2%
Events	–	(0.4)	nm
Intersegment Sales	**–**	**(0.5)**	nm
Digital Subscriptions & Platforms	**208.2**	**181.0**	**(11%)**
Advisory	**51.5**	**65.3**	**(21%)**
Benchmarking Awards	**1.0**	**29.2**	**(97%)**
Events	**3.0**	**104.8**	**(97%)**
Total	**263.7**	**380.3**	**(31%)**

* Restated for new operating segments and discontinued operations (see Note 10).

Digital Commerce is now our largest segment and revenues here grew very strongly by 25% with revenue from Product Design also robust. However our overall revenues from continuing operations fell to £263.7m (2019: £380.3m), a decrease of £116.6m or 30.7% with £130.0m of the reduction driven by the impact of Covid-19 on our events in the Marketing and Retail & Financial Services segments. Adjusting for currency impacts and acquisitions, revenue declined by 32.2% and 31.1% on an Organic and Proforma basis respectively.

Adjusted EBITDA

The Covid-19 driven revenue reduction of £116.6m between 2019 and 2020 was accompanied by an intense focus on costs which consequently reduced by £36.1m compared to 2019 and by more than £50m against that planned for 2020. As a result, Adjusted EBITDA decreased by £80.5m to £28.5m (2019: £109.0m).

Adjusted EBITDA margin decreased from the prior year to 10.8% (2019: 28.7%). This reflects the loss of EBITDA in the Marketing and Retail & Financial Services segments while margins in the pure-play digital businesses remained stable and we continue to see the evidence of the superior margin opportunities in scaled, mature, digital subscription businesses like Product Design.

Adjusted EBITDA is reconciled to statutory operating profit as shown in the table below:

£'m	2020	2019
Adjusted EBITDA	28.5	109.0
Depreciation and software amortisation	(22.5)	(21.8)
Adjusted operating profit	**6.0**	87.2
Amortisation	(33.7)	(35.6)
Exceptional items	(140.4)	(41.4)
Share-based payments	1.6	(8.4)
Statutory operating (loss) / profit	**(166.5)**	1.8

* Restated for discontinued operations (See note 10)

Amortisation of acquired intangible assets

The amortisation charge of £33.7m (2019: £35.6m) on acquired intangible assets decreased mainly due to the impact of fully amortised assets. The Company undertakes a periodic review of the carrying value of its intangible assets of £674.1m (2019: £760.7m) and an impairment of £28.4m has been recorded in Exceptional items.

Exceptional items

The charge for exceptional items in 2020 totalled £140.4m (2019: £41.4m) as set out in the table below and further explained in Note 5.

£'m	2020	2019*
Deferred and contingent consideration	97.6	33.1
Impairment of Retail & Financial Services assets	28.4	–
Restructuring costs	7.0	–
Property impairments and onerous contracts	4.8	–
Acquisition and disposal transaction and integration costs	2.6	8.3
Exceptional items relating to continuing operations	**140.4**	41.4

The charge for deferred and contingent consideration of £97.6m (2019: £33.1m) predominantly (£88.2m) represents the revaluation of the earnout liability on the acquisition of Flywheel Digital due to the significantly better than expected performance of this business in 2020 and forecast in 2021. This is in part driven by the accelerated end market for Digital Commerce arising from the Covid-19 pandemic. The remaining £9.4m of the charge relates to revaluation and acquisition-related contingent employment costs on the acquisitions of MediaLink, Yimian and Indigitous.

The Covid-19 pandemic has, on the other hand, exacerbated the long-standing difficulties faced by bricks and mortar retailers. This has impacted our Retail & Financial Services segment where we have recognised impairments of tangible and intangible assets totalling £28.4m (2019: £nil).

Restructuring costs represent the one-off expenses of redundancy programmes in the year to respond to the economic conditions and impacts from the Covid-19 pandemic whereby we reduced our headcount by almost 200 roles.

Property impairments and onerous contracts represent the re-evaluation of our property right of use assets and the provisioning for onerous charges in relation to a change in our employee working strategy. This has been driven primarily by the ability of our workforce to effectively work from home over the pandemic and the consequent lower future expected utilisation of our real estate and relates to offices expected to remain permanently closed.

Acquisition and disposal transaction and integration costs comprise fees and advisory services conducted in 2020 relating to the acquisitions of Indigitous, Intellibrand and X Target, as well as integration costs for Yimian and, in H1, Edge. Additionally, in respect of Discontinued operations, similar costs were incurred relating to the disposal of the Groundsure, Glenigan and DeHavilland businesses and the acquisition of Mining Searches UK.

Share-based payments

The credit for share-based payments of £1.6m (2019: £8.4m charge) incorporates the Share Incentive Plan, the SAYE and the Performance Share Plan. The reduction in the charge reflects revised expectations on the vesting of the Performance Share Plan awards due to the expected performance of the Group versus the non-market based target performance conditions (for example the EPS performance condition for the 2018 and 2019 awards based on EPS growth to 2020 and 2021 respectively has not and is not expected to be met in either case because of the impacts of Covid-19).

As explained in the Alternative Performance Measures section, we treat share-based payments as an adjusting item because they are significant non-cash charges and credits driven by a valuation model that references Ascential's share price and so is subject to volatility rather than referencing current operational performance.

Finance costs

The Adjusted net finance cost for the year was £15.7m (2019: £10.3m) as set out in the table below:

£'m	2020	2019
Interest payable on external borrowings	**(7.4)**	(6.8)
Interest receivable	**0.3**	0.9
Amortisation of loan arrangement fees	**(0.8)**	(1.1)
Discount unwind on deferred and contingent consideration	**(7.9)**	(5.5)
Discount unwind of lease liability	**(1.1)**	(1.3)
Discount unwind of property provisions	**(0.1)**	(0.1)
Fair value loss on derivative financial instruments	**(0.3)**	–
Net foreign exchange gain	**0.2**	2.0
Remeasurement of trade investments to fair value	**1.4**	1.6
Adjusted net finance costs	**(15.7)**	(10.3)

The interest payable on the Group's borrowings was £7.4m (2019: £6.8m) with the increase due to the higher levels of cash and debt held in the first half of the year to assure liquidity in the early days of the Covid-19 pandemic. The increase in the unwind of the discount on deferred and contingent consideration totalling £7.9m (2019: £5.5m) was driven by the significant revaluation adjustment made in respect of Flywheel Digital.

Amortisation of loan arrangement fees relates to the unwind of fees capitalised in respect of the new five-year multi-currency revolving credit facility ("RCF") of £450m which was taken out in January 2020 (see Liquidity section below for further details).

In addition to the Adjusted net finance costs set out and described above, we have also included in Adjusting items a charge of £1.9m in respect of the write-off of unamortised arrangement fees upon early refinancing of our 2016 debt facilities in January 2020 and the subsequent covenant amendments agreed in April 2020.

Taxation

A tax credit of £1.5m (2019: charge of £17.1m) was incurred on continuing Adjusted loss before tax of £9.9m (2019: profit before tax of £77.8m) resulting in an Adjusted effective tax rate for the year of 15.2% (2019: 22.0%) which compares to the effective tax rate of 19.2% on reported losses as can be seen in the table below.

Analysis of tax charge (£'m)	2020	2019
Adjusted (loss) / profit before tax	**(9.9)**	77.8
Tax credit / (charge) on Adjusted (loss) / profit before tax	**1.5**	(17.1)
Effective tax rate (%)	**15.2%**	22.0%
Adjusting items	**(174.4)**	(85.7)
Tax credit on Adjusting items	**33.9**	18.5
Effective tax rate on Adjusting items	**19.4%**	21.6%
Reported loss before tax	**(184.3)**	(7.9)
Tax credit on reported loss before tax	**35.4**	1.4
Effective tax rate on reported loss before tax	**19.2%**	(17.7%)

Cash tax paid was £3.3m (2019: £3.2m) reflecting taxes paid in the UK, where instalment payments were due for the prior year, as well as taxes paid outside of the UK in respect of the current year. Due to current year losses, the Group did not benefit this year (2019: £4.5m) from the utilisation of historic tax losses in the UK and US. However, these are expected to continue to benefit the Group's cash flow over the medium term.

The Group has a total recognised net deferred tax asset of £50.4m (2019: £19.8m) relating to UK and US losses, accelerated capital allowances, US acquired intangibles, and deferred and contingent consideration offset by deferred tax on non-deductible acquired intangibles.

Going forward we expect our effective tax rate to be between 25% and 26% with the potential to increase if US Federal tax rates are increased above 21% and the recently announced increase to UK Corporation tax to 25% in 2023 is enacted.

Discontinued operations

As part of its focus of resources and investment on its strategic priorities, the Group's non-core segment of Built Environment & Policy has been classified as held for sale in accordance with IFRS 5. The sale of Glenigan was announced in December 2020 with the sales of Groundsure and DeHavilland having since been confirmed in early 2021.

The results of the discontinued Built Environment & Policy segment are included as a single line items within Profit After Tax but can be summarised as follows:

£'m	**2020**	2019
Revenue	**37.4**	35.9
Adjusted EBITDA	**21.5**	19.5
Depreciation and amortisation	**(1.1)**	(1.1)
Exceptional items (including disposal costs)	**(3.0)**	(0.2)
Share-based payments	**–**	(0.1)
Profit before tax	**17.4**	18.1
Tax	**(3.9)**	(3.5)
Profit after tax	**13.5**	(14.6)

Foreign currency translation impact

The Group's reported performance is sensitive to movements in both the Euro and US Dollar against pounds Sterling with significant historical acquisitions denominated in US Dollars and events revenues in Euro and US Dollars. For most of 2020, Sterling was in line with the 2019 average Euro and US Dollar exchange rates but strengthened in December as a result of Brexit finalisation as can be seen in the table below:

	Weighted average rate			Year-end rate		
Currency	**2020**	2019	Change	**2020**	2019	Change
Euro	**1.13**	1.12	0.7%	**1.12**	1.18	(5.3%)
US Dollar	**1.29**	1.28	0.8%	**1.36**	1.32	3.2%

For illustrative purposes, the table below provides details of the impact on revenue and Adjusted EBITDA if the reported results were restated for Sterling weakening by 1% against the US Dollar and Euro in isolation.

£'m	**2020 Revenue**	**2020 Adjusted EBITDA**	2019 Revenue	2019 Adjusted EBITDA
Increase in revenue/ Adjusted EBITDA if:				
Sterling weakens by 1% against USD in isolation	**1.6**	**0.5**	1.9	0.8
Sterling weakens by 1% against EUR in isolation	**0.3**	**0.2**	1.2	0.8

Furthermore, each 1% movement in the Euro to pounds Sterling exchange rate has a £1.5m (2019: £1.5m) impact on the carrying value of borrowings. Each 1% movement in the US Dollar has a circa £0.9m impact on the carrying value of borrowings (2019: £0.7m).

Earnings per share

Total diluted loss per share was 34.0p (2019: earnings of 2.0p).

Total Adjusted diluted earnings per share was 1.9p (2019: 18.8p) with the reduction predominantly due to the cancellation of events in light of the Covid-19 pandemic. Continuing Adjusted diluted loss per share was 2.3p per share (2019: earnings of 15.1p per share).

Acquisitions and disposals

We regularly assess opportunities to acquire high-growth products and capabilities to serve our key end markets of Digital Commerce, Product Design and Marketing. In 2020 we incurred initial cash consideration of £19.5m, comprising £16.8m on investments and £2.7m on the acquisition of businesses (net of cash acquired).

Jumpshot

In January 2020, the Group sold its investment in Jumpshot back to Avast plc for cash consideration equivalent to the cost of investment.

Mining Searches UK

In January 2020 the Group acquired 100% of the Cornwall Mining Services Limited ("Mining Searches UK"), a specialist data provider in the mining industry to augment its offering in the Built Environment & Policy segment. The Group paid cash consideration of £1.7m upfront and consolidated £0.5m of cash on acquisition, resulting in a net £1.2m cash outflow. There was, in addition, deferred consideration of £0.9m, of which £0.6m was paid late in 2020 and the remaining £0.3m is due to be paid in 2022. Mining Searches UK, including the deferred consideration outstanding, is presented within the liabilities of the Built Environment & Policy disposal group held for sale as at 31 December 2020 and was subsequently sold as part of the Groundsure disposal in January 2021.

Indigitous

In February 2020, the Group purchased 100% of Indigitous, LLC ("Indigitous") for initial cash consideration of £1.5m. Indigitous is an Amazon-focused managed service provider based in Seattle specialising in the active lifestyle category and has been integrated into Flywheel Digital in our Digital Commerce Segment. Earnout consideration is payable in cash contingent on the performance of the business for the financial years 2020 to 2022, payable in 2021 to 2023, with a minimum consideration of $250,000 per year, with total consideration capped at $10m. Half of the earnout is additionally linked to the ongoing employment of the founders.

Hudson

Hudson MX is a software business providing media buying and media accounting solutions through a cloud-based SaaS platform. In 2019 we invested £8.0m for a minor equity interest and in 2020 we made a further £14.6m investment – £0.5m in further equity and £14.1m advanced as convertible loans. Following an agreement reached in January 2021, we have the right to make further investments in Hudson in 2021 as well as the ability to buy out other shareholders for a specified price up to January 2022. Hudson was accounted for as a trade investment in 2020.

Acquisitions after the year end
In December 2020, the Group announced that it had agreed to acquire Hangzhou Duozhun Data Technology Co. Ltd. ("X Target"). X Target specialises in media trading execution and provides similar capabilities for China as our Flywheel Digital brand does for Western eCommerce platforms. This acquisition is for an initial cash consideration of £11.9m, plus earnout payments payable over three years resulting in an estimated total consideration (including the initial consideration) of between £29m and £35m. The total consideration payable for the company, in the event that maximum targets are reached, is capped at £55m. The acquisition was completed on 26 February 2021.

Also in December 2020, the Group agreed to acquire Intellibrand, based in Brazil, which provides eCommerce analytics solutions for brands across Latin America. The acquisition is for an initial cash consideration of £4.6m with a further £2.4m of earnout payments payable over three years resulting in an estimated total consideration of £7m. The acquisition completed on 15 January 2021.

Disposal of Built Environment & Policy businesses
On 15 December 2020, the Group entered into an agreement to sell Glenigan to Byggfakta Group for £72.9m in cash. Following regulatory clearance required by the buyer, the sale is expected to complete on 17 March 2021. On 20 January 2021, the Group sold Groundsure to a subsidiary of ATI Global Limited for a purchase price of £170m comprising an initial cash consideration of £140m (subject to customary closing adjustments) plus a £30m interest-bearing vendor loan note repayable on or prior to 31 December 2023. On 12 February 2021, the Group sold DeHavilland to the alternative asset management group Bridgepoint for £15m in cash.

Deferred consideration
In order to reduce the risk inherent in acquisitions, the Company's preferred structure for M&A is to enter into long-term earnout arrangements with the founders of acquired companies and to link this to both the post-acquisition performance of the acquired company and the continuing employment of the founders. Accounting for the earnout is complex and requires considerable judgements to be made about the expected future performance of the acquired company at the point of acquisition – this is especially difficult in the type of high growth, early stage companies that Ascential acquires. The earnout is accounted for in three ways:

1. A liability for deferred consideration is established on the balance sheet at the point of acquisition based on that element of the earnout which is not dependent on the continuing employment of the founders. This amounted to £136.2m at December 2020 (2019: £103.2m). Any change in estimate is recorded as an exceptional item and in 2020 we recorded a charge of £64.1m (2019: £13.0m) driven by the outperformance of Flywheel Digital in the year.
2. This liability is discounted to present value with the reversal of this discount being recorded as Other finance costs within the interest charge. This amounted to a charge of £7.9m in 2020 (2019: £5.5m).
3. Finally, that element of the deferred consideration that is contingent on the continuing employment of the founders is charged to the consolidated statement of profit or loss as an exceptional item over the service life of those founders (typically three years). This amounted to a charge of £33.5m in 2020 (2019: £20.1m).

In total, contingent on the future performance of Flywheel, Yimian, MediaLink, Intellibrand and X Target, the Company expects to pay out contingent consideration for acquisitions to date including:

- c.£122m in 2021;
- c.£30m in 2022; and
- c.£20m thereafter.

Cash flow
Continuing operations
The Company generated Adjusted operating cash flow from continuing operations of £25.7m (2019: £94.2m), being a 90% operating cash flow conversion (2019: 86%) with the positive impact of the deferral of pre-booked revenue for Cannes Lions 2020 into 2021 offset by refunds on Money20/20 and the adverse working capital impact of the very high growth of the Flywheel Digital business.

After continued investment in product development in our digital subscription products, internal productivity tools and property in Shenzhen and Shanghai, capex remained broadly consistent with the prior year at £23.1m (2019: £17.6m).

As a result, the Company consumed free cash flow on continuing operations of £0.7m (2019: generated £73.4m) as shown in the table below:

£'m	**2020**	2019
Adjusted EBITDA	**28.5**	109.0
Working capital movements – Flywheel Digital media reimbursables	**(7.3)**	(5.8)
Working capital movements – other	**4.5**	(9.0)
Adjusted operating cash flow from continuing operations	**25.7**	94.2
Operating cash flow conversion (%)	**90%**	86%
Capital expenditure	**(23.1)**	(17.6)
Tax paid	**(3.3)**	(3.2)
Free cash flow from continuing operations	**(0.7)**	73.4
Free cash flow conversion (%)	**(3%)**	67%

Discontinued operations

The Company generated adjusted operating cash flow from discontinued operations of £20.9m (2019: £19.0m).

£'m	2020	2019
Adjusted EBITDA	**21.5**	19.5
Working capital movements	**0.6**	(0.5)
Adjusted operating cash flow from discontinued operations	**20.9**	19.0
Operating cash flow conversion (%)	**97%**	97%
Capital expenditure	**(0.9)**	(0.9)
Tax paid	**–**	–
Free cash flow from discontinued operations	**20.0**	18.1
Free cash flow conversion (%)	**93%**	93%

Total operations

The cash flow statement and net debt position are summarised as follows.

£'m	2020	2019
Free cash flow from continuing operations	**(0.7)**	73.4
Free cash flow from discontinued operations	**20.0**	18.1
Free cash flow from total operations	**19.3**	91.5
Acquisition of investments	**(16.8)**	(64.5)
Disposal of equity-accounted investments	**55.1**	–
Acquisition of businesses net of cash acquired	**(2.7)**	(16.8)
Deferred and contingent consideration paid including contingent employment cost	**(69.1)**	(31.8)
Exceptional costs paid	**(12.4)**	(11.3)
Disposal costs paid	**–**	(2.3)
Cash flow before financing activities	**(26.6)**	(35.2)
Net proceeds from borrowings	**25.7**	–
Net interest paid	**(12.0)**	(6.2)
Dividends paid	**–**	(22.9)
Lease liabilities paid	**(8.9)**	(9.0)
Proceeds of issue or sale of shares	**1.3**	1.2
Share repurchase	**(9.2)**	–
Net cash flow	**(29.7)**	(72.1)
Opening cash balance	**111.7**	182.0
FX movements	**(1.8)**	1.8
Closing cash balance	**80.2**	111.7
Borrowings	**(312.7)**	(283.8)
Capitalised arrangement fees	**3.2**	1.2
Derivative financial instruments	**–**	0.3
Net debt*	**(229.3)**	(170.6)

* Including £2.0m of cash held for sale as part of the discontinued BEP segment.

Returns to shareholders

Dividends

The Board normally targets a dividend pay-out ratio of 30% of Adjusted profit after tax split one-third following interim results and two-thirds following final results. However, as a result of the Covid-19 pandemic, the ensuing cancellation of the Cannes Lions festival and Money20/20 Europe and USA and the consequent impact on profits and debt covenants, as well as the impact of the resultant cost reduction measures, the Board suspended dividends and decided not to declare the previously announced final dividend for 2019. Having considered its capital allocation priorities and the uncertain economic environment, the Board has decided not to pay a dividend in respect of 2020. The Board will keep shareholder cash returns continually under review.

Share repurchase programme

At the start of the year, after consistently strong levels of cash flow conversion, combined with disciplined capital allocation, and following the sale of the Jumpshot investment in January 2020, our leverage was well below historic levels. We recognise that the delivery of shareholder value requires a balanced approach to investing in growth and returning excess capital to shareholders whilst maintaining a strong balance sheet. After a review of our capital allocation policy, the Board decided to utilise part of its authority to make on-market purchases of our ordinary shares. We originally anticipated spending up to £120m in a share repurchase programme but suspended this in March 2020, having repurchased shares worth £9.2m, as the impact of the Covid-19 pandemic on our financial performance became clear.

Strong balance sheet and access to liquidity

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt-to-equity balance. The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent comprising capital, reserves and retained earnings. The Group's policy is to borrow centrally to meet anticipated funding requirements. These borrowings, together with cash generated from the operations, are on-lent at market-based interest rates and on commercial terms and conditions or contributed as equity to subsidiaries.

In January 2020, we entered into a new five-year multi-currency revolving credit facility ("RCF") of £450m with an accordion to raise further debt amounts up to the greater of £120m or 150% of EBITDA. The previous term loan and RCF facilities were repaid and cancelled in January 2020. At 31 December 2020, the borrowings under the new facility were subject to interest at 2.5% over LIBOR and £312.7m of the RCF had been drawn.

The facility covenants include a maximum net leverage of 3.25x with the benefit of an additional 0.5x leverage spikes for relevant acquisitions and a minimum interest cover of 3.00x and are tested semi-annually.

To address the uncertain business environment, deal with temporarily elevated leverage and ensure maximum flexibility in the medium term, across a broad range of business planning scenarios, we agreed the following covenant amendments with our banking group (subject to minimum liquidity of £100m at December 2020 and £125m thereafter):

- At the December 2020 testing point – a full waiver of the leverage and interest cover covenants.
- At the June 2021 testing point – the leverage covenant ratio limit has been relaxed to 4.75x.
- At the December 2021 testing point – the leverage covenant ratio limit has been relaxed to between 3.50x and 4.50x depending on the scale of profits from live events in 2021.
- At the June 2022 testing point – if either Money20/20 Europe or USA do not take place in 2021, the leverage covenant limit at June 2022 will be 3.75x.

At the December 2020 testing point, the minimum liquidity requirements have been met with £217.5m of available liquidity.

Risk management

The Board is responsible for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. Ascential's business activities, performance and position, together with the factors likely to affect its future development, are set out on page 2 to 35. The financial risk management objectives, policies and processes in place for assessment, management and monitoring of risks, including the risks resulting from Brexit and Covid-19, are also described on page 55 and more fully in Note 29 of the consolidated financial statements.

The Group is exposed to risks arising from the international nature of its operations and the financial instruments which fund them. These instruments include cash and borrowing and items such as trade receivables and trade payables which arise directly from operations. External borrowings are denominated 46% in Euros with the balance split between US Dollars (28%) and pounds Sterling (26%). The Company reviews and protects a proportion of its exposure to interest rate rises on the cost of borrowings through use of derivatives such as interest rate caps where appropriate. Principal risks (including strategic, operational, legal and other risks) are shown on pages 50 to 55.

Going concern

There continues to be uncertainty surrounding the resolution of the Covid-19 outbreak and the impact to the wider global economy. The Directors have considered a number of severe but plausible scenarios and taken into account the strong condition of our balance sheet, our 2020 refinancing, the recent disposal of the Built Environment & Policy segment, the diversification and digital nature of many of our business models and proactive steps taken already to provide covenant headroom and adjust our cost base as well as further potential mitigating actions.

The Directors believe that the Company is well placed to manage its business risks successfully and have assessed the Group's prospects and viability over a three-year period.

The Board's assessment of the Group's prospects and stress test scenarios, together with its review of principal risks and the effectiveness of risk management procedures, show that the Group has adequate resources to continue in operational existence for the foreseeable future, including the period exceeding 12 months from the date when the financial statements are approved. Accordingly, the Directors continue to adopt the going concern basis for the preparation of the financial statements.

Mandy Gradden
Chief Financial Officer
12 March 2021

Alternative performance measures

Ascential aims to maximise shareholder value by optimising potential for return on capital through strategic investment and divestment, by ensuring the Company's capital structure is managed to support both strategic and operational requirements, and by delivering returns through a focus on organic growth and operational discipline. The Board considers it helpful to provide, where practicable, performance measures that distinguish between these different factors – these are also the measures that the Board uses to assess the performance of the Company, on which the strategic planning process is founded and on which management incentives are based. Accordingly, this report presents the following non-GAAP measures alongside standard accounting terms as prescribed by IFRS and the Companies Act, in order to provide this useful additional information.

Adjusted profit measures

The Group uses Adjusted profit measures to assist readers in understanding underlying operational performance from continuing operations. These measures exclude income statement items relating to items arising from portfolio investment and divestment decisions, and from changes to capital structure. Such items arise from events which are non-recurring or intermittent, and while they may generate substantial income statement amounts, do not relate to the ongoing operational performance that underpins long-term value generation. The income statement items that are excluded from Adjusted profit measures are referred to as Adjusting items.

Both Adjusted profit measures and Adjusting items are presented together with statutory measures on the face of the profit and loss statement. In addition, the Group presents a non-GAAP profit measure, Adjusted EBITDA, in order to aid comparisons with peer group companies and provide a reference point for assessing the operational cash generation of the Group. Adjusted EBITDA is defined as Adjusted Operating Profit before depreciation and amortisation. The Group measures operational profit margins with reference to Adjusted EBITDA.

Adjusting items are not a defined term under IFRS, so may not be comparable to similar terminology used in other companies' financial statements. Details of the charges and credits presented as Adjusting items are set out in Note 5 to the financial statements. The basis for treating these items as Adjusting is as follows:

Exceptional items
Exceptional items are recorded in accordance with the Group's policy set out in Note 5 to the financial statements. They arise from portfolio investment and divestment decisions, from changes to the Group's capital structure, as well as material events that are expected to be non-recurring and outside the course of ordinary operating activities. They do not reflect underlying operational performance.

Amortisation of intangible assets acquired through business combinations
Charges for amortisation of acquired intangibles arise from the purchase consideration of a number of separate acquisitions. These acquisitions are portfolio investment decisions that took place at different times over many years, so the associated amortisation does not reflect current operational performance.

Share-based payments
Ascential operates several employee share schemes. Income statement charges or credits relating to such schemes are a significant non-cash charge or credit and are driven by a valuation model which references the Ascential share price and future performance expectations. The income statement charge or credit is consequently subject to volatility and does not fully reflect current operational performance.

Gains and losses on disposal
Gains and losses on disposal of businesses arise from divestment decisions that are part of strategic portfolio management and do not reflect current operational performance.

Finance costs
As part of the Group's early refinancing of its 2016 debt facility in 2020, unamortised arrangement fees relating to the previous facility were written off and fees for subsequent covenant amendments were incurred. These one-off items do not reflect the current operational performance of the Group.

Tax related to Adjusting items
The elements of the overall Group tax charge relating to the Adjusting items are also treated as Adjusting. These elements of the tax charge are calculated with reference to the specific tax treatment of each Adjusting item, taking into account its tax deductibility, the tax jurisdiction concerned, and any previously recognised tax assets or liabilities.

Adjusted cash flow measures

The Group uses Adjusted cash flow measures for the same purpose as Adjusted profit measures, in order to assist readers of the accounts in understanding the ongoing operational performance of the Group from continuing operations. The two measures used are Adjusted Cash Generated from operations, and Free Cash Flow. These are reconciled to IFRS measures as follows:

£'m	2020	2019
Cash generated from operations	**11.1**	90.4
Less: cash generated from discontinued operations	**(19.8)**	(19.0)
Add back: acquisition-related contingent consideration cash flow	**23.1**	11.5
Add back: other exceptional cash flow	**11.3**	11.3
Adjusted cash generated from operations	**25.7**	94.2
Net cash generated from operating activities	**7.8**	87.2
Less: cash generated from discontinued operations	**(19.8)**	(19.0)
Less: capital expenditure	**(23.1)**	(17.6)
Add back: acquisition-related contingent consideration cash flow	**23.1**	11.5
Add back: other exceptional cash flow	**11.3**	11.3
Free cash flow	**(0.7)**	73.4

£'m	2020	2019
Adjusted cash generated from operations	**25.7**	94.2
EBITDA	**28.5**	109.0
Operating cash conversion	**90%**	86%

£'m	2020	2019
Free cash flow	**(0.7)**	73.4
Adjusted EBITDA	**28.5**	109.0
Free cash flow conversion %	**(3%)**	67%

The Group monitors its operational efficiency with reference to operational cash conversion, defined as Free Cash Flow as a percentage of Adjusted EBITDA.

Organic growth measures

To assess whether the Company is achieving its strategic goal of driving organic growth, it is helpful to compare like-for-like operational results between periods. Income statement measures, both Adjusted and Reported, can be significantly affected by the following factors which mask like-for-like comparability:

- acquisitions and disposals of businesses lead to a lack of comparability between periods due to consolidation of only part of a year's results for these businesses;
- changes in exchange rates used to record the results of non-sterling businesses result in a lack of comparability between periods as equivalent local currency amounts are recorded at different sterling amounts in different periods; and
- event timing differences between periods.

Ascential therefore defines Organic growth measures, which are calculated with the following adjustments:

- results of acquired and disposed businesses are excluded where the consolidated results include only part-year results in either the current or the prior year;
- prior year and current year consolidated results are restated at constant exchange rates for non-sterling businesses; and
- prior year results are adjusted such that comparative results of events that have been held at different times of year are included in the same period as the current year results.

Organic growth is calculated as follows:

2020 £'m	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate Costs	Total – continuing operations
Revenue						
2020 – reported	**103.1**	**88.1**	**54.3**	**18.2**	**–**	**263.7**
Exclude acquisitions	***(5.0)***	***(3.0)***	**–**	**–**	**–**	***(8.0)***
2020 -Organic basis	**98.1**	**85.1**	**54.3**	**18.2**	**–**	**255.7**
Organic revenue growth	*23%*	*1%*	*(59%)*	*(77%)*	*–*	*(32.2%)*
2019 – *as restated*	78.1	85.7	135.9	81.1	(0.5)	380.3
Include acquisitions	*2.1*	–	–	–	–	*2.1*
Currency adjustment	*(0.5)*	*(1.2)*	*(2.0)*	*(0.7)*	–	*(4.4)*
2019 – Organic basis	79.7	84.5	133.9	80.4	(0.5)	378.0
Adjusted EBITDA						
2020 – reported	**22.9**	**38.0**	**(0.8)**	**(14.3)**	**(17.3)**	**28.5**
Exclude acquisitions	***(1.3)***	***(1.6)***	**–**	**–**	**–**	***(2.9)***
2020 – Organic basis	**21.6**	**36.4**	**(0.8)**	**(14.3)**	**(17.3)**	**25.6**
Organic EBITDA growth	*75%*	*(6%)*	*(101%)*	*(157%)*	*2%*	*(75.5%)*
2019 – as restated	*12.3*	*38.2*	*50.7*	*25.1*	*(17.3)*	*109.0*
Include acquisitions	0.4	–	–	–	–	0.4
Currency adjustment	*(0.3)*	0.3	*(1.3)*	*(0.1)*	0.5	*(0.9)*
2019 – Organic basis	12.4	38.5	49.4	25.0	(16.8)	108.5

Proforma growth measures

Proforma growth is measured in a similar way to Organic growth but assumes that the Company's acquisitions or disposals were all made on the first day of the comparative accounting period and is a measure of the rate of growth of the brands owned today. Proforma growth is calculated as follows:

2020 £'m	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate Costs	Total
Revenue						
2020 – reported	**103.1**	**88.1**	**54.3**	**18.2**	**–**	**263.7**
Include acquisitions	***0.4***	**–**	**–**	**–**	**–**	***0.4***
2020 – Proforma basis	**103.5**	**88.1**	**54.3**	**18.2**	**–**	**264.1**
Proforma revenue growth	***25%***	***1%***	***(59%)***	***(77%)***	**–**	***(31.1%)***
2019 – as restated	*78.1*	*85.7*	*135.9*	*81.1*	*(0.5)*	*380.3*
Include acquisitions	*5.4*	*3.0*	–	–	–	*8.4*
Currency adjustment	*(0.5)*	*(1.3)*	*(2.0)*	*(0.7)*	–	*(4.5)*
2019 – Proforma basis	*83.0*	*87.4*	*133.9*	*80.4*	*(0.5)*	*384.2*
Adjusted EBITDA						
2020 – reported	**22.9**	**38.0**	**(0.8)**	**(14.3)**	**(17.3)**	**28.5**
Include acquisitions	***0.1***	**–**	**–**	**–**	**–**	***0.1***
2020 – Proforma basis	**23.0**	**38.0**	**(0.8)**	**(14.3)**	**(17.3)**	**28.6**
Proforma EBITDA growth	***85%***	***(4%)***	***(101%)***	***(157%)***	***2%***	***(73.0%)***
2019 – as restated	*12.3*	*38.2*	*50.7*	*25.1*	*(17.3)*	*109.0*
Include acquisitions	*0.4*	*1.1*	–	–	–	*1.5*
Currency adjustment	*(0.3)*	*0.4*	*(1.3)*	*(0.1)*	*0.5*	*(0.8)*
2019 – Proforma basis	*12.4*	*39.7*	*49.4*	*25.0*	*(16.8)*	*109.7*

Glossary of alternative performance measures

Term	Description
Organic revenue growth	Revenue growth on a like-for-like basis
Organic EBITDA growth	Adjusted EBITDA growth on a like-for-like basis
Proforma revenue growth	Revenue growth on a like-for-like basis assuming the Company's acquisitions or disposals were all made on the first day of the comparative accounting period
Proforma EBITDA growth	Adjusted EBITDA growth on a like-for-like basis assuming the Company's acquisitions or disposals were all made on the first day of the comparative accounting period
Exceptional items	Items within Operating profit / (loss) separately identified in accordance with Group accounting policies as set out in Note 1
Adjusting items	Exceptional items, Amortisation of intangible assets acquired through business combinations, Share-based payments, Gains and losses on disposal, Write-off of unamortised arrangement fees on re-financing, Covenant amendment fees and Tax related thereto
Adjusted operating profit / (loss)	Operating profit / (loss) excluding Adjusting items
Adjusted EBITDA	Adjusted operating profit / (loss) excluding depreciation and amortisation
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of Revenue
Adjusted profit / (loss) before tax	Profit / (loss) before tax excluding Adjusting items
Adjusted tax charge	Tax charge excluding Adjusting items
Adjusted effective tax rate	Adjusted tax charge expressed as a percentage of Adjusted profit before tax
Adjusted EPS	EPS calculated with reference to Adjusted Profit / (loss) for the period
Adjusted cash generated from operations	Cash generated from operations with cash generated from discontinued operations, acquisition -related contingent consideration and other exceptional cash flows excluded
Operating cash conversion	Adjusted cash generated from operations expressed as a percentage of Adjusted EBITDA
Free cash flow	Net cash generated from operating activities including capital expenditure. Net cash generated from discontinued operations, acquisition-related contingent consideration and other exceptional cash flow are excluded
Leverage	The ratio of Net debt to Adjusted EBITDA before, in both cases, accounting for the impact of IFRS 16
Net debt	Net debt comprises external borrowings net of arrangement fees, cash and cash equivalents and derivative financial instruments. Net debt excludes lease liabilities

Identifying and managing risk

Identifying and managing risk is an integral part of our corporate governance as it helps us deliver long-term shareholder value and protect our business, people, assets, capital and reputation. In order to achieve our strategic objectives, and seize market opportunities, risk must be both accepted to a reasonable degree within our risk appetite and balanced by proportionate reward.

Risk governance

It is the responsibility of all of our colleagues to manage risks within their domain. Ultimately, accountability for risk management resides with the Board, which is responsible for ensuring that there is an adequate and appropriate risk management framework and culture in place.

Our risk governance framework is set out below. At the top of the structure is our Board, which holds overall responsibility for our risk management and internal control systems. The Board sets risk appetite and the tone of risk management, as well as completing assessments of our principal risks.

The Audit Committee assists the Board by monitoring the adequacy and effectiveness of internal control and risk management systems, as well as the effectiveness of the Internal Audit function. Our Operational Risk Committees identify risks and risk owners, controls and mitigations to manage risks, agree action plans to strengthen controls or address deficiencies, review progress with action plans and identify emerging risks.

Risk governance framework

The Board

- Holds overall responsibility for Ascential's risk management and internal control systems
- Defines risk appetite taking into account the Company's strategic objectives
- Sets the tone and influences the culture of risk management
- Assesses the principal risks, including emerging risks

Audit Committee

- Monitors the adequacy and effectiveness of internal control and risk management systems
- Ensures that a robust assessment is undertaken of the principal risks facing the Company
- Monitors and reviews the effectiveness of the Internal Audit function

Operational Risk Committees

- Identify risks and risk owners
- Score impact of risk on a mitigated and unmitigated basis according to consistent risk scoring methodology
- Identify controls and mitigations to manage risk
- Agrees action plans to strengthen controls or address deficiencies
- Reviews progress with action plans and current risks
- Identify emerging risks

Internal controls and compliance

Internal and external audit activities

Risk assurance

The Internal Audit function provides assurance as to the effectiveness of the internal control environment through its primary responsibilities whereby it:

- reviews and assesses the internal control environment with a focus on control effectiveness, quality and continuous improvement;
- determines whether controls are appropriate to provide financial, managerial and operating information that is accurate, reliable and timely;
- determines whether risks are appropriately identified and managed;
- assesses whether assets are appropriately safeguarded; and
- evaluates the systems established to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on Ascential.

The Audit Committee receives and analyses regular reports from management and Internal Audit on matters relating to risk and control and reviews the timeliness and effectiveness of corrective action taken by management. The Audit Committee also considers the findings and recommendations of the External Auditor throughout the year in relation to the design and implementation of effective financial controls. Further detail on these activities is included within the Audit Committee report on page 86.

Long-term viability statement

The Directors have assessed the prospects and viability of the Group in accordance with Provision 31 of the UK Corporate Governance Code. This assessment has been based on a three-year timeframe, covering the period to 31 December 2023, which is considered appropriate because it aligns with the Company's strategic planning and financial forecasting horizon, and because, in relation to viability, it provides a sufficiently long period for stress testing scenarios to be modelled through at least one complete business cycle.

The Company's prospects have been assessed mainly with reference to the Company's strategic planning and associated long-range financial forecast. This incorporates a detailed bottom-up budget for each part of the business. The budgeting and planning process is thorough and includes input from most operational line managers as well as senior management, and forms the basis for most variable compensation targets.

The Board participates in both strategic planning and reviews the detailed bottom-up budgets. The outputs from this process include full financial forecasts of EBITDA, Adjusted and statutory earnings, cash flow, working capital and net debt.

The Directors consider that the planning process and monthly forecast updates provide a sound underpinning to management's expectations of the Group's prospects.

The Directors carried out a robust assessment of the principal risks facing the Group, including those that could threaten its business model, future performance, solvency or liquidity. This assessment was made with reference to the Company's current position and prospects, strategy and principal risks, including how these are managed.

The Directors also assessed the potential impact on the Company's prospects should certain risks to the business materialise.

This was done by considering specific scenarios aligned to the principal risks identified on pages 50 to 55, applied to stress test the long-range financial forecast. Of these, the six scenarios considered to have the most serious impact on the financial viability of the Company were modelled in detail.

The specific scenarios were:

- a global recession, designed to capture the impact of the most serious plausible manifestation of macro-economic risks;
- a serious safety and security incident at a major event;
- the loss of a major customer;
- a substantial breach of cyber security and associated loss of data;
- a significant change in underlying data sources resulting in reduced data availability for our eCommerce services; and
- major events being cancelled at short notice, for instance from disease outbreaks such as a prolonged Covid-19 impact, with no equivalent alternative available.

For each scenario, the modelling captured the impact on key measures of profitability, cash flow, liquidity and debt covenant headroom. Scenarios included the effects of plausible mitigation plans where available. In all cases modelled, the Group was able to continue to fund its operations and to comply with debt covenant requirements. Based on this assessment of prospects and stress test scenarios, together with its review of principal risks and the effectiveness of risk management procedures, the Directors confirm that 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 to 31 December 2023.

Principal risks and uncertainties

We assess our principal risks in terms of their potential impact on our ability to deliver our strategic objectives.

The Board has made a robust assessment of the principal risks facing the business including those related to its business model, future performance, solvency or liquidity, and considered them in the formulation of the Long-Term Viability Statement set out on the previous page.

The following pages summarise our principal risks and uncertainties with mitigating actions, as identified by the Board for the year ended 31 December 2020. The list is not exhaustive and may change during 2021 as the risk landscape evolves.

The Covid-19 pandemic has impacted several of our principal risks and these impacts are discussed in more detail below. In accordance with our crisis management plan, our response to Covid-19 was coordinated across the business at three levels:

Gold – strategic direction by Executive Directors: "This is what we will do"

Silver – operational coordination by the Covid-19 Response Team: "This is how we will do it"

Bronze – tactical delivery by Senior Leaders: "Do it"

A dedicated Silver project team was activated from the early stages of the pandemic, when it first emerged in China in January 2020. Their primary objective was to keep our colleagues safe and to minimise the impact on our business operations.

Some of the key actions taken in response to the pandemic were:

- Provided guidance and support to staff who were working remotely;
- Monitored and followed guidance from government agencies and other health organisations
- Focused on continuing to support our customers and deliver continued excellent service and product
- Reduced management pay on a temporary basis
- Suspended the 2019 final dividend
- Suspended the share buy-back programme
- Obtained debt covenant waivers and amendments for December 2020 and June 2021
- Extensive scenario planning around the impact of no live events in 2020.

The Board also considered an updated impact analysis of the risks associated with Britain exiting the European Union. The assessment was updated to reflect changes in our business model and operations as well as any clarifying new information that had been made public. The conclusion of the updated analysis remained that the most significant threat to Ascential is the increased broader economic uncertainty including risk of recession, exacerbated by the existing Covid-19 related recession. The impact of this threat continues to be mitigated by the diversification of Ascential's business, both geographically and across sectors and industries (see the business model and market review sections for more detail). Additionally, recession planning forms part of Ascential's risk management process and the influence of Brexit on recession risk has been considered and monitored as part of this process. A range of reasonably possible outcomes was also considered when performing sensitivity analysis on long-range financial projections (see the long-term viability statement for more detail).

The Board considers the following to be the Company's principal risks:

Risk	Change since December 2019	
	Unmitigated	**Mitigated**
1. Customer end-market development	Unchanged ↔	Unchanged ↔
2. Economic and geopolitical conditions	Increased ↑	Increased ↑
3. Competition/substitution	Increased ↑	Unchanged ↔
4. Execution of new product and capability development	Increased ↑	Increased ↑
5. Acquisition and disposals	Unchanged ↔	Unchanged ↔
6. People risk	Increased ↑	Increased ↑
7. Reliance on data providers	Unchanged ↔	Unchanged ↔
8. Cyber threat and information security	Increased ↑	Unchanged ↔
9. Venue availability, security and access	Increased ↑	Increased ↑
10. Business resilience	Increased ↑	Unchanged ↔
11. Finance risk	Increased ↑	Increased ↑
12. Regulation and compliance	Unchanged ↔	Unchanged ↔

Business and strategic

1. Customer end-market development

Description of risk
Our customers operate in a variety of end markets, each with their own competitive pressures affecting customer preferences and spend. Growth for our customers is anchored in understanding in great detail the many paths to purchase consumers will take as they watch, buy and communicate online. Achieving an integrated consumer to product view is becoming increasingly critical.

Examples of risks
- Failure to develop an appropriate pipeline of successful products to meet and anticipate the needs of our customers
- Change in how consumers watch, buy and communicate online may necessitate further product development
- Largest consumer brands may in-house ecommerce analytics capabilities

Actions taken to manage risk
- Continued investment in technology, decision science and methodologies to make Ascential brands indispensable partners for our customers
- Extension of the Ascential proposition through product development and bolt-on acquisitions
- Strong account management strategy and direct engagement with customers

Link to strategy
Our strategic objective to be a world-class business that improves performance and solves problems for our customers relies heavily on our ability to anticipate and respond to our customers' changing needs.

Risk movement from 2019
Stable

↔

2. Economic and geopolitical conditions

Description of risk
Across our business we are exposed to the effects of political and economic risks. These include the impact of the Covid-19 pandemic, changes in the regulatory and competitive landscape and the impact of international trade policy.

Examples of risks
- Financial recession in our key markets leading to reduced spending power for customers
- Global political uncertainty regarding trade policy
- Actions by hostile states negatively impacts our people, products or intellectual property
- Change in US Administration's approach to trade policy

Actions taken to manage risk
- Recession modelling and scenario planning is a key part of the Budget process
- Impact of recession is distributed across Ascential brands with some brands' proposition more attractive in a recessive environment
- Brexit impact assessment conducted which concluded Brexit was not a material risk
- Monitor geopolitical landscape to develop plans to respond to specific threats or opportunities

Link to strategy
Our strategic objective to accelerate organic growth requires us to operate effectively within different global political situations which change constantly.

Risk movement from 2019
Increased

↑

3. Competition / substitution

Description of risk
We are exposed to a varied and dynamic competitive landscape, ranging from niche providers and new entrants in eCommerce analytics to data aggregators and consultancy firms.

Examples of risks
- Marketplaces open up full suite of programmatic tools that are comparable to parts of our Digital Commerce proposition with no incremental cost to the end user
- Competitors determine the 'land grab' of eCommerce is worth no profit and offer eCommerce services at no additional charge as part of their broader engagement
- Pricing pressure increases as competitive intensity grows

Actions taken to manage risk
- Continuous improvement of capabilities to demonstrate why specialist proposition provides value
- Development of path to purchase insights acts as a barrier to competitive propositions
- Continued investment in technology and decision science to offer competitive advantage
- Diversification of proposition across multiple marketplaces
- Close monitoring of competitive landscape and emerging technology to identify threats and opportunities

Link to strategy
Our strategic objective to be a world-class business that improves performance and solves problems for our customers relies heavily on our ability to anticipate and respond to our customers' changing needs.

Risk movement from 2019
Stable

↔

Business and strategic continued

4. Execution of new product and capability development

Description of risk
Development of new products and capabilities is a key driver for Organic growth, which is central to our long-term sustainability.

Examples of risks
- Failure to deliver key new product development would negatively impact our ability to provide full eCommerce capabilities to our customers
- New products do not meet customers' needs due to technical or operational weakness
- New products do not generate sufficient financial return
- New product development moves the business into a different area which exposes the Company to greater reputational risk

Actions taken to manage risk
- Experienced and high calibre Chief Product Officer recruited
- Product strategies defined
- Formal project plans for all new product development, with appropriate gating and milestones
- Data Protection Officer involved with new product development to confirm compliance by design

Link to strategy
Our strategic objective to be a world-class business that improves performance and solves problems for our for our customers relies heavily on our ability to anticipate and respond to our customers' changing needs.

Risk movement from 2019
Increased
↑

5. Acquisitions and disposals

Description of risk
We continue to review how best to build out our capabilities to better serve our customers. Whilst we do this primarily through Organic investment, we continue to review potential acquisition opportunities to accelerate our progress or provide further unique information. We may divest brands which are no longer core to our strategy.

Examples of risks
- Failure to identify appropriate acquisitions or to conduct effective pre-acquisition due diligence
- Failure to achieve the expected benefits or synergies
- Failure to preserve sources of competitive advantage
- Failure to integrate acquired businesses effectively

Actions taken to manage risk
- We have a strong and experienced M&A team who take a disciplined approach to identifying and testing acquisitions to ensure they are appropriate, a strategic fit and will be earnings enhancing
- Detailed cross functional due diligence is undertaken prior to acquisition
- Integration of acquired businesses are subject to post-acquisition review programme
- Strong track record of disposal of non-core assets

Link to strategy
Our strategic objective to apply a tightly focussed capital allocation process to achieve our goals and maximise value creation depends on our ability to identify the right acquisitions, to conduct thorough due diligence and to integrate acquisitions effectively.

Risk movement from 2019
Stable
↔

6. People

Description of risk
People management, effective succession planning and the ability to attract and retain talent are critical to our ability to execute our strategy and achieve our objectives.

Examples of risks
- Loss of key talent, high attrition and/or lack of appropriate succession planning could lead to a strategic skills shortage
- Loss of intellectual capital due to poor retention of talent
- Poor corporate responsibility practices may reduce ability to attract and/or retain top talent
- Employee morale impacted by lack of bonus, redundancies, furloughs and pandemic working

Actions taken to manage risk
- Executive Director capacity increased through appointment of a new, board-level COO
- Restructure of senior leadership team into five strong Business Units to reduce CEO span of control and to drive increased clarity and accountability
- Succession planning for senior leadership team
- Corporate Responsibility governance structure approved and a Corporate Responsibility manager recruited to drive progress with strengthening ESG performance
- Increased communication and support for employees throughout pandemic working period

Link to strategy
All of our strategic objectives rely on us attracting and retaining the right talent to execute against our strategy and meet the needs of our customers.

Risk movement from 2019
Increased
↑

Operational

7. Reliance on data providers

Description of risk
Our eCommerce analytics products utilise data from a number of suppliers. A change in availability of this data or the structure of how the data is provided can impact the accuracy or availability of our products and/or increase costs.

Examples of risks
- Increase in blocking technology impacts data collection
- Marketplaces prohibit Ascential brands from data scraping
- Data provider increases utility of the data they provide, reducing the competitive advantage of our eCommerce analytic products

Actions taken to manage risk
- Well-resourced Data Science team
- Development of Sales Engine to reduce dependency on certain data points to deliver a more accurate and stable algorithm
- Additional data sources sourced to augment accuracy of models
- Outsource of data collection to a number of market specialists – providing expertise in different global regions and with different collection requirements.
- Continue to build strategic relationships with data suppliers to gain earlier visibility of changes

Link to strategy
Our strategic objectives to accelerate organic growth and to be a market leader require us to consistently deliver accurate and valuable eCommerce analytic products that are differentiated from competitor products.

Risk movement from 2019
Stable

↔

8. Cyber threat and information security

Description of risk
An external cyber attack, insider threat or supplier breach could cause service interruption or the loss of confidential data. Cyber threats could lead to major customer, financial, reputational and regulatory impact.

Examples of risks
- Loss of intellectual property
- Major data privacy breach
- Significant impact on business operations from malware or ransomware attack
- Targeted cyber attacks by hostile states on international organisations including foreign governments, customers and key suppliers

Actions taken to manage risk
- Maintenance and testing of network security, network resilience and business continuity plans
- Monitoring of emerging threats to ensure our preparations and responses are current
- Regular, comprehensive training programme for our employees on information security practices
- Implementation of Data Loss Prevention software
- Adoption of additional authentication tools to reduce the likelihood of remote attacks
- Regular penetration and vulnerability testing
- Focus on cloud governance and logging

Link to strategy
All of our strategic objectives rely on our ability to operate compliantly and to provide safe and effective products and solutions to our customers.

Risk movement from 2019
Stable

↔

Operational continued

9. Venue availability, security and access

Description of risk
Our events are held at specific locations which may become unavailable for use or available only on uneconomic terms. Travel disruption or safety risks from a variety of causes including natural disasters, communicable diseases, civil disorder, political instability or terrorism may prevent both customers and our employees from reaching the event location or being unwilling to travel.

Examples of risks
- Terrorist attacks during or shortly before events could result in fatalities, injuries, reputational damage and loss of revenue
- Civil disorder or organised protests disrupt an event or make accessing the venue difficult
- Government restrictions prohibit people from attending large scale events in response to a pandemic such as Covid-19.
- A global pandemic means that people are unable or unwilling to travel and attend large-scale events.
- Health & Safety incidents occur during the event

Actions taken to manage risk
- Global threat monitoring throughout the year to identify any significant risks and to inform Safety and Security plan for each event
- Protective intelligence monitoring prior to and during an event with appropriate measures and contingency plans developed and agreed with the venue and local government
- Ascential Secure standard approve and published which reflects industry best practice communicable disease mitigation measures
- Safety Risk Assessment and Event Safety & Security Plan completed prior to each event
- Insurance cover in respect of certain event cancellation risks

Link to strategy
All of our strategic objectives rely on our ability to operate compliantly and to provide safe environments for our events.

Risk movement from 2019
Increased

10. Business resilience

Description of risk
Our operations may be disrupted by an adverse event whether that be IT service interruption, disruption to physical locations or interruption in the provision of service from our key suppliers. We need to build resiliency to reduce the potential impact of such an event and be prepared to respond to any such event effectively.

Examples of risks
- Website receiving payments (e.g. LIONS awards and delegate passes) is inaccessible
- Pandemic leads to enforced extended working from home
- Natural disaster impacts key operational location
- Key supplier failure, for example, insolvency of key supplier, that we had been unprepared for.

Actions taken to manage risk
- Cloud Architectures are built in a resilient fashion and all architectures are documented to identify and understand risk
- Remote working policy in place which enables employees to work effectively from home for extended periods
- Group crisis management plan to manage how the senior leadership team directs the business through any major incident or crisis which may severely disrupt operations, threaten business performance or damage reputation
- Technical incident response process in place
- Long-term contacts in place with key suppliers, professionally procured and with rigorous Service Level Agreements and diligence as part of RFP process
- Operational resilience of our key outsourced partner through deployment of "Secure Borderless Workspaces", which ensures a secure remote environment is ready for them
- Financial security of key suppliers under constant review. Alerting set up for all key suppliers so Ascential Procurement are notified of any change in circumstance

Link to strategy
All of our strategic objectives rely on our ability to operate resiliently and minimise the impact of any significant crisis or event.

Risk movement from 2019
Stable

Financial

11. Financial risk

Description of risk
Insufficient balance sheet strength and liquidity negatively impacts the Company's ability to execute strategy or ability to continue to trade as a going concern. Material exposures to different currencies and fluctuations in these currencies affect the reported financial results. Tax law and administration is complex and tax authorities may challenge our application of tax law, potentially leading to lengthy and costly disputes and material tax changes.

Examples of risks
- Significant loss of revenue and/or profit causes breach of banking covenants or lack of sufficient liquidity to execute strategy
- Uncertain macroeconomic environment could lead to increased complexity in accounting judgements
- Fraudulent financial reporting leads to elevated earnout payments
- Material fluctuations in currency (particularly US Dollar, Sterling and Euro) affect reported profitability
- Challenge by tax authority on application of tax law

Actions taken to manage risk
- Debt facilities have been refinanced to provide additional liquidity through 2025 and covenant amendments at December 2020, June and December 2021 and June 2022 have been agreed
- Robust stress testing and sensitivity analysis when valuations and assessments for financial reporting are reliant on uncertain macroeconomic environment
- The impact of movements in US Dollar and Euro currencies is calculated and reported to investors for transparency
- Approach to foreign exchange risk is set out in Note 28 on page 155
- Experienced tax function supported by professional advisers
- Full, accurate and timely disclosures made in submissions to tax authorities who we work with collaboratively to achieve early agreement and certainty on complex matters wherever possible

Link to strategy
Our strategic objectives to accelerate Organic growth and to be a market leader require us to consistently deliver accurate and valuable eCommerce analytic products that are differentiated from competitor products.

Risk movement from 2019
Increased

↑

Legal and compliance risks

12. Regulation and compliance

Description of risk
As a global business, we are subject to different regulations across multiple jurisdictions. Operating across this increasingly complex and dynamic legal and compliance environment can lead to fines, penalties, reputational risk and competitive disadvantage. The regulatory landscape can change leading to our current business model becoming less profitable or unsustainable.

Examples of risks
- Violation of anti-corruption policy
- Breach of data privacy policy
- Change in regulatory landscape regarding data collection and usage
- Regulatory antitrust / competition law remedies force a significant marketplace to change their practices which negatively impacts a Ascential digital commerce brand
- Evolving sanctions law prohibits transactions with some existing or potential customers

Actions taken to manage risk
- Potential antitrust remedies may benefit other marketplaces to offset negative impact
- Experienced legal team supported by professional advisers monitor changes in regulation and emerging best practice in the sector and in key policy areas
- Strengthened compliance framework including refreshed compliance policies and training
- Group monitoring and auditing programmes in place
- Confidential independent reporting channels for employees to report concerns
- Employee training and awareness programme

Link to strategy
All of our strategic objectives rely on us to comply with applicable laws and regulations and to do the right thing as part of our licence to operate.

Risk movement from 2019
Stable

↔

Our people

We work hard to attract and retain the best people in the industry so we can deliver the best products and services to our customers. We aim to be a destination employer in every one of our key operating territories and markets.

In what has been a difficult year for everyone around the world we are proud of how our employees have responded to the challenges wrought by Covid-19 – both in terms of their adaptation to working from home and their continued dedication and focus on our clients.

Setting Direction and Engagement
Direction and engagement starts with communication. During 2020, our normal communication channels of town halls, newsletters, conferences continued but we increased the frequency of global video communication from our CEO and Senior Leadership Team, to ensure clear direction and inclusion of all employees who are having to work remotely during the Covid-19 pandemic. Each area of the business also continues to regularly host virtual all-staff meetings (known as Town Halls) and team briefings to share news and progress against priorities.

We held our all-company conference in January 2020 and that enabled more than 1,500 individuals to hear and engage in the strategy and the year's plans and goals for the business from the very beginning of the annual business cycle. The company conference aligns objectives and interests, as well as giving our people an exceptional opportunity to network, share learnings and collaborate whilst deepening their understanding of our business goals. Our Conference and Awards have become an important part of our journey to a more informed and connected Ascential.

This January event was followed up with a virtual Leadership Conference in June for our 200 strong global leadership community to learn about our new business priorities in light of Covid-19 and to hear from key customers.

In the second half of the year we refocused our HR Business Partnering team to be aligned with our Business Units ensuring that the people agenda was focused on the unique needs of each of our brands. This has enabled us to provide targeted HR support and build people plans aligned to the strategy of each Business Unit. Alongside these Business Partnering teams, we have ensured that we are leveraging best practice capability, systems and processes provided by our centralised teams of Learning & Development, Reward and Operations.

Our people's opinions matter
We make it a priority to hold regular updates to both inform our people on business progress and answer any questions they may have, as well as to gather their ideas on improving customer and internal engagement.

We conduct and act upon our annual employee engagement survey, which, along with face-to-face feedback, helps us understand what people think, and what they want to achieve in their careers with us, to inform the ongoing development of our culture across all brands and geographies. We ran our global engagement survey in October 2020 and our aggregated engagement score improved again, to 81 (our target being 80 out of 100) with scores around Line Manager Quality, Integrity, Inclusion, Motivation and Loyalty indicators all at 85+.

% of employees proud to work at Ascential

91%

We have a set of seven Ascential Behaviours which underpin our culture, and we scored 85+ when asking our people whether their managers and leaders act in accordance with them. Overall, we are pleased with our year-on-year progress on staff engagement in what has been an unprecedented year and each Business Unit has a clear plan to drive further improvement in 2021 across the relevant areas that will have a positive impact on their employees.

The work we do to maintain a highly engaged workforce contributed to a reduction in voluntary turnover through 2020. It reduced 6% to 11% across Ascential and remains under the 15% benchmark we aimed for. Sadly the impact of Covid-19 necessitated an intensive programme of cost reductions and we regrettably made a limited number of positions redundant in the year.

As agreed with the Board, in October 2020 we established an Employee Voice Forum, the Ascential Forum. The purpose of the Forum is to further amplify the voice of our people, in particular giving front-line employees the opportunity to share their views and ideas directly with a Board member (Rita Clifton) across three issues: strategy, performance and culture. Twenty delegates were chosen by self-nomination based on colleague endorsements and a global jury. They represent our global and diverse workforce, with an emphasis on more junior colleagues and colleagues in areas where we are growing, for example within the digital commerce industry.

Our values and leadership beliefs

The Ascential Behaviours were fully launched in 2018 and have gathered good momentum since then. They allow us to define how we do things at Ascential, supplementing people's understanding of what we do. These Beliefs are now clearly presented on all key websites as well as being directly incorporated into our people processes such as Performance Appraisal and Development Review. We believe that this framework as well as the regular employee communication and work flexibility offered by management to employees during the Covid-19 pandemic, is an important contributing factor to the continuance of our very high scores for Organisational Integrity (87%) in our annual engagement survey. They give people extra confidence in their leaders, where most agreed our senior leadership teams, across brand and functions, demonstrated and supported these beliefs and behaviours (88%), and why so many of our people are proud to work here (91%).

Valuing the diversity our people bring

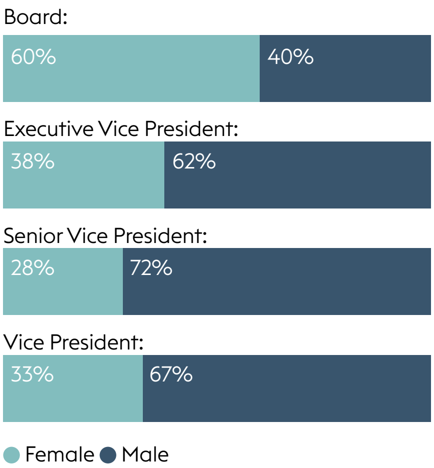
At Ascential, our goal is to help the world's top consumer brands and their ecosystems, understand what's important and how to act on these insights. This year we have applied this approach to Diversity and Inclusion, highlighted in our Corporate Responsibility Strategy as one of our strategic goals. For Ascential, the business case for diversity is clear. Research suggests time and again that diverse teams are more productive, more innovative and ultimately better support customers.

We have a history of acting on insight from our people and we conducted a diversity audit of our people via an employee survey that guaranteed anonymity. Understanding more about who works at Ascential helped us to understand representation – where we are lacking, or doing well. This helped us to set meaningful Diversity and Inclusion ("D&I") targets and goals to tackle real D&I challenges.

83% of employees completed the survey which gave us the opportunity to ensure that we are responding to, not reacting to, recent global events, and the needs of our people and business. We will learn from the rich information our people have shared this year, so that we can adapt our plans and ensure in all areas of our business that we are driving diversity, embracing inclusion and ensuring equitable structures for all. For more information on our Diversity and Inclusion work, please visit page 62 of this report.

In tandem with this Diversity and Inclusion work, we are re-imagining the way we're working at Ascential in response to Covid-19. As well as addressing the evolution of our workplaces and working practices, this work will also support our Diversity and Inclusion objectives, and contribute to building a truly inclusive culture. By removing potential barriers to entry such as location, access to particular offices, traditional working hours, we hope to attract a wider range of talent to Ascential.

In 2020 Ascential's overall gender split was 54% Female, 46% Male, remaining pretty consistent with previous years. As outlined in our Diversity and Inclusion report, we see this gender balance change as we move up the organisation. The figures below show where we need to continue our focus, i.e. within our senior levels of leadership:



For the third year running we have published our UK Gender Pay Gap report, full details can be found on page 16 of our Diversity & Inclusion report. In this report you'll find out more on our approach to understanding any pay gaps, and our proposed actions.

Following the appointment of two new independent Non-Executive Directors in January 2021, our board is further strengthened as one of the most diverse on the London Stock Exchange, enabling us to continue to benefit throughout Ascential from the wealth of experience this group brings together.

Employee development

We are committed to offering our people training in the skills they need to do their jobs and opportunities to develop and grow their skills beyond the here-and-now to have fulfilling careers. Like everything else, Covid-19 also impacted how we deliver on this promise, which we did, seeing a year-on-year increase in engagement with Learning & Development of 7%.

For the third year in a row, we ran our "LearnFest" on the second day of the conference in January, a highly effective, and hugely efficient way of providing critical skills development to our people so they are equipped to work well in the dynamic and fast-moving markets we operate in. Topics ranged from personal development subjects (e.g. "The Psychology of Happiness") to commercial and technical subjects (e.g. "China Briefing", "Retail Wars"). Participants were able to attend up to three sessions; based alongside their Functional and Brand Town Halls. All sessions were received well, with the top-rated session led by colleagues from Edge, which is no surprise as we know Ascential employees like learning from internal experts of varying seniority, from different brands and parts of the world.

After the January in-person LearnFest we pivoted L&D content delivery and reached 3.5 times more learners while maintaining quality (88% recommendation score). The total number of learners attending a training session in 2020 was 5,693. The length of learning sessions ranged from 45 minutes to three hours. By keeping sessions short, we kept our people 'on the shop floor' and allowed the new skills to be immediately applied.

Having taken all learning virtual, we ran a LearnFest Digital in September reaching approximately 1,500 learners, and we plan to repeat this in September 2021 to keep equipping our colleagues with the critical skills they need.

Throughout 2020, development needs changed dramatically along with fundamental changes to the ways of working, and we reacted quickly. Within days of the UK going into lockdown, we ran webinars on topics such as selling in tough conditions and coping with stress and uncertainty so that colleagues could sustain their performance and tackle difficult times with a strong mindset.

When it became apparent that virtual working was here to stay, we responded to requests for training in virtual presentation skills to best serve clients and in emotional intelligence to function well as remote teams. This also became the subject of the second season of our in-house podcast "You're on Mute" offering simple tips and techniques for working virtually with the people we used to sit side by side with. The need for virtual people management skills increased in the autumn, and we ran several webinar series for different brands.

In 2020 the second Ascential mentoring scheme was rolled out. Previously only available to more senior employees, the programme was re-purposed to make it accessible to mentees at all levels, with an aim to aid career development across the business. 2020 closed with 236 mentees, from 31 different locations, matched with 82 mentors – offering support to over three times as many mentees as we did in 2019.

As a result of the accelerated awareness of the Black Lives Matter Movement, we saw an urgent demand from across the business for more Diversity and Inclusion education. We responded swiftly, bringing in a D&I thought leader to facilitate an initial 'reflection and healing' session on Juneteenth which created momentum to hold further webinars on Conscious Inclusion, Allyship and Inclusive Leadership for all employees in the Americas and EMEA.

The momentum didn't stop there and we also offered sessions for our APAC colleagues, delivered by a regional D&I and Communications expert in both English and Mandarin – a first for us as we strive to include all colleagues. This was complemented by a D&I keynote and conversation at Ascential's first digital Learning Live event in September, experienced by 75% of employees globally.

Encouraging collaboration

This year we made the technology switch from primarily Microsoft to the Google Suite of products. This unified set of Google tools is now the default platform across the business, and was rolled out worldwide to all employees – with Google Meet launched two months ahead of schedule to aid remote working. This has enabled greater collaboration, communication and document sharing – which was all the more important in such a virtual year.

Share ownership

One of our business beliefs is that when the Company prospers, we want everyone who has contributed to prosper. We therefore run UK and International Sharesave and US Stock Purchase saving plans for employees wishing to invest in Ascential plc shares. These plans enable our people in most locations around the world to save a set sum each month and in future years buy shares at a discounted purchase price. Approximately 30% of all eligible employees participate. From 2021 we will also be awarding shares to winners of our internal Elite Awards programme.

Benefits

As part of an attractive overall employment package, people are offered a range of benefits. We seek to offer solutions that suit our different generations, so benefits are frequently reviewed and introduced, extended or removed depending on demand and feedback. Our goal is to have all employees in any given country operate on consistent terms and conditions and we have harmonised many of our US employees onto improved benefits during the year.

Employee recognition

We offer regular recognition and rewards based on outstanding work.

The biggest moment of recognition each year is the Ascential Awards, which is open to all employees. Judged by leaders and Ascential experts of varying seniority levels across our Business Units and regions, alongside our Chairman Scott Forbes, the Ascential Awards serve as the ultimate spotlight on the achievements of individuals and teams. Winners are announced in a dedicated awards ceremony during the annual Ascential Conference. Categories include commercial, creative, collaboration and customer service successes, ensuring that every person at Ascential feels they have an opportunity to be represented, with each year seeing a consistent increase in entries. The 2021 Ascential Awards ceremony took place as a virtual event to recognise our employees' outstanding contributions throughout the Covid-19 pandemic.

We also recognise and reward the brilliant work of our people each quarter, through the Elite Awards. A small group of winners is selected based on their exemplary and impactful work that quarter. Elite winners were traditionally rewarded with an in-person experience, but since the move to remote working, each winner in 2020 received £300 in vouchers, or local equivalent. We will move to offering shares for Elite prizes from 2021.

Employee Health, Safety and Wellbeing – how we responded to Covid-19

In line with the Ascential Crisis Management Plan, we activated a dedicated 'Silver' project team when Covid-19 first emerged in China in early 2020 and we moved to home working across the globe several weeks before it was mandated by governments. Our primary objective was to keep our employees safe and to minimise the impact on our business operations. In doing so, our response was guided by the advice issued by international and national public health authorities.

The cornerstone of our response strategy was to provide clear and consistent communications to our people across the world, in order to manage expectations and reduce uncertainty. Our communications plan included weekly video briefings from the CEO, cascading of key messages by senior management, strong focus on measures to promote health and wellbeing, and support for all employees by our Safety Champions and HR Business Partners. Once the immediate threat started to diminish, our focus switched to planning a managed safe return to office working. In 2021 we will continue to monitor all aspects of Covid-19 risk and assess the effectiveness of emerging mitigation measures, including vaccine development and testing.

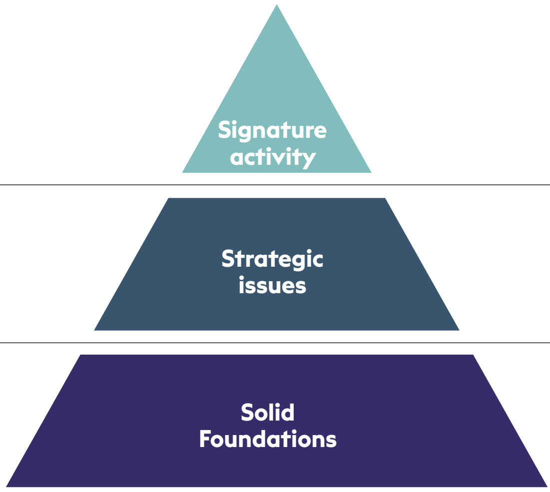
Overall Engagement Score

81%

Corporate and Social Responsibility report

Ascential's Corporate Responsibility approach informs our decisions and assesses the impact our activities have on our customers, employees, suppliers, society and the environment. The outcome is ethical behaviour and transparency which contributes to sustainable business.

Our Corporate Responsibility framework:



3 — A focus which is unique to us based on what we do, how we do it and where we operate.

2 — Things that we believe will provide us with a competitive/brand advantage.

1 — Things that all companies need to do, but done with real commitment.

In 2019 we launched our Corporate Responsibility framework and in 2020 we embedded it across the business. The focus for the past year has been in two key areas. Firstly, putting in place enabling structures and governance, with clear accountability, a shared vision and the right people. Secondly, we have taken the time to ensure we're responding, not reacting, to recent events, including the acceleration of the Black Lives Matter movement. This focus, has rightly, prioritised our Diversity and Inclusion work. Thanks to the Company's history in this area, we have been able to swiftly broaden our approach from gender to also include race and ethnicity and set out clear objectives for the ways in which we'll improve this particular area of diversity. You can read more on page 62 about our approach and ongoing objectives in this area of work.

As events of 2020 unfolded, our partnership with The Prince's Trust remained vitally important. We have for the eighth year taken part in The Prince's Trust Million Makers programme and the necessary virtual fundraising has enabled us to get the entire company involved, raising money for employability programmes for disadvantaged young people in the UK. Thanks to the generosity of our colleagues and partners we have raised over £205,000 for the charity in 2020, vastly exceeding our target for this year. We continue to look for complementary partnerships across all our regions, looking for the right organisations who can support our goal to support young people to thrive in the digital economy.

As our company continues to develop and adapt to the ever-changing global situations in which we operate, we know that our Corporate Responsibility framework sets us up to manage upcoming opportunities. We are able to do more and to manage the impact we have in our local communities and the environments in which we work by minimising our footprint and maximising our impact for good.

Paul Harrison
Chief Operating Officer
12 March 2021

Solid foundations

Headline achievements in 2020:

- Using the Dow Jones Sustainability Index as a framework, we created a prioritised roadmap for our Corporate Responsibility work.
- Hired a full time Corporate Responsibility Manager whose role it is to work across Ascential to drive priorities, share best practice and consolidate action.
- Appointed both a Board and an Executive Sponsor for our Corporate Responsibility work.
- Gained Board sign-off for an Ascential-wide Corporate Responsibility Governance structure.

Activities in detail:

The Corporate Responsibility internal audit identified that our key priorities were developing our environmental management strategy, clarifying the governance structures for our Corporate Responsibility work and broadening our approach to Diversity and Inclusion. You'll see in the Diversity and Inclusion section, the results of that wider approach. In the Sustainability section, you can read more about our developing environment strategy and below you'll see how we've clarified our governance structures.

Following the first Corporate Responsibility board update in November 2020, our Chief Operating Officer Paul Harrison was appointed Board sponsor for this area of work, with our Chief People Officer Tracey Gray appointed as the Executive sponsor. A reporting rhythm has been established, which will keep the Board updated on objectives and progress.

With the appointment of these new sponsors, we have re-aligned our existing Corporate Responsibility Committees and Steering Groups to focus on our key strategic issues. We have established a Diversity and Inclusion Steering Group and Committee; details can be found in our Diversity and Inclusion report. In early 2021 we established a Sustainability Committee and Steering group to replicate the effective work in the Diversity and Inclusion space. These groups are managed by our new Corporate Responsibility Manager, who will ensure alignment and provide overarching reporting, in line with our strategic objectives.

Objectives for 2021:

- Continue to build in-house capacity to embed Corporate Responsibility activities across the business.
- Empower Corporate Responsibility Ambassadors to use central frameworks to deliver local activities.
- Assess existing compliance frameworks and policies to make sure they remain relevant and visible to colleagues and customers.
- Use external benchmarks such as MSCI and Sustainalytics to audit internal activity and help identify key priorities.
- Publish the details and remits of our existing Corporate Responsibility Committees and Steering Groups.
- Publish and implement a new employee Code of Conduct.
- Upgrade our existing whistleblowing tool to ensure compliance with new regulations and offer more efficient case management functionality.

Strategic issue

Diversity & Inclusion

Headline achievements in 2020:

Measurement and reporting:

- Ran our first Diversity Data Survey in August 2020, with an 83% employee completion rate.
- Published our first dedicated Diversity & Inclusion report, which launched our new Diversity and Inclusion objectives and set a clear vision.
- The Hampton-Alexander Review once again showed that Ascential ranks well in the FTSE 250 for women on boards; our board is currently 60% women.

Education:

- Rolled out Conscious Inclusion training for all, delivered by recognised expert Reggie Butler. 75% of Ascential attended Reggie's LearnFest session with more than half of all staff participating in his Conscious Inclusion conversations.
- Inclusive Culture, Leadership & Diversity Business Planning training is underway for our Senior leadership.
- Rolled out Mentoring opportunities across the business, resulting in 226 mentees, with 82 mentors, across 31 locations.

Governance:

- Established our Diversity & Inclusion Governance up to Board level, from our Diversity and Inclusion Committee and Steering Group through to appointing our Board level sponsor, Chief Operating Officer Paul Harrison.
- Supported our existing Employee Resource Networks, Pride and Black in Business to formalise their own governance structures and appoint Executive Sponsors.

Activities in detail:

Our central approach to Diversity & Inclusion has been to focus on Ascential's in-house diversity endeavours under three key headings as outlined above; measurement and reporting, education and governance. This has then allowed Business Units to focus on what's right for their teams and their customers, enabling local activity that makes a tangible difference, supported by a global roadmap.

These activities have been culture and industry specific dependent. They include WGSN's Future Makers programme, an external mentoring programme for diverse talent and Cannes Lions quick action to share powerful and topical Black Lives Matter and Diversity content from Lions Live early in the summer.

Developing our Diversity & Inclusion strategy

To help us understand where we can make a specific impact, we gathered a range of insights to inform our strategy. This included external audits gathered by expert partners, data from our own Diversity Data survey and a number of internal listening conversations. It's with this information that we now know exactly where to focus our attention to support an inclusive culture and meet the needs of our diverse workforce. It's crucial that we took the time to gather the right data to help define our Diversity & Inclusion strategy – it stops the guesswork and allows us to focus on the issues relevant to our business, industry, and communities.

Our new Diversity & Inclusion vision:

For Ascential, diversity is core to us. Our value as an employer and to our customers is greater when we draw on the full range of our collective perspectives and experiences. We continue to be committed to attract, retain, develop and engage a diverse workforce, and we will work constantly to ensure that everyone at Ascential feels comfortable to be themselves. This is the right thing to do to ensure a sustainable future for our organisation and to make a positive impact for our people, customers, and society.

Our new Diversity & Inclusion commitments:

To employees: We will co-create an inclusive culture with equitable systems throughout our workforce, so that people are comfortable in bringing their authentic selves to Ascential, to thrive, and progress their career.

To customers: We will deliver the ideas, perspectives and cultural richness that our customers – and their customers – need to future-proof their products and services.

To society: We will play our part in imagining and developing a brighter, more equal society, starting with our own company and the industries we work in. We will report openly and regularly on our progress to enable others to learn from us and hold us to account.

Objectives for 2021:

- Details of all our Diversity & Inclusion objectives can be found in our Diversity & Inclusion report.
- Our key focus at the start of 2021 will be addressing the need identified in both our Diversity Data, and Engagement Survey for more support with career development. This will see us roll out both a process to proactively forecast, attract and recruit for diverse talent and an equitable process to identify and support internal talent to develop their career
- We commit to publishing a yearly progress review against our Diversity & Inclusion targets. This will enable us to monitor progress and adjust activity and objectives accordingly in order to meet our 2030 goals in a targeted and relevant way.

Case study:
Diversifying our content: Retail Week

2020 brought specific attention to the lack of progress for people of colour in retail. We wanted to use our platform as a catalyst for change in the retail industry and amplify and celebrate the voices of people of colour. In September 2020 we sent an email to our entire database asking everyone to join us in our pledge.

We gave ourselves a target that 20% of our speakers had to come from racially diverse communities. This time last year, 8% of our speakers were from these communities. Following our work we now have 25% of our speakers for our digital event in April – Retail Connected, coming from a racially diverse background.

In order to achieve this, we revised the entire brochure and said we would challenge submissions where the proposed speaker was white. We mentioned this in our marketing communications, and made sure that the speakers we put on our marketing materials represented the communities we were looking to represent.

In addition, we reviewed all the channels we use to gain speakers and focused our efforts. We knew relying solely on the retail sector we would not be able to achieve our goal, so we started to look further afield for people with a great story to tell. We contacted groups like Creative Equals, My G Work, The Barber Shop and Allyship to help introduce us to new speakers, not necessarily in retail. We also looked beyond the C suite – the retail boardroom in the UK is largely non-diverse, so reaching out to more junior speakers has enabled us to access a wider pool of people who are more representative of the world around us.

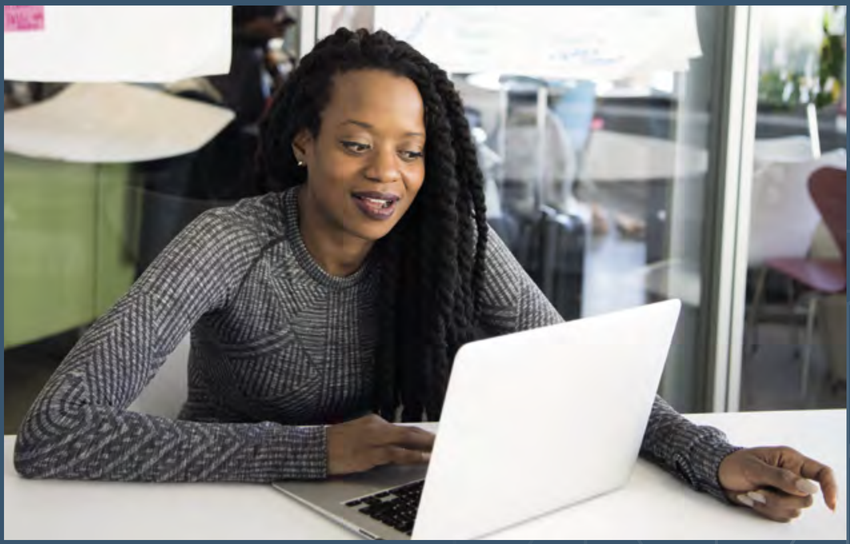
RWRC is committed to using our platform as a catalyst for change in the retail industry, to celebrate and champion individuals from diverse backgrounds.

Case study:
WARC's commitment to Racial Equality

In June 2020 , WARC set up the WARC Change Makers, diversity and inclusion action committee with employee representatives from London, New York and Shanghai. Firstly, the group developed and published WARC's Five Commitments to Racial Equality. These commitments were the first such move by an Ascential brand and were the foundations for action, covering their team, their content, their products, their company and their market influence.

Once the foundations were set, WARC and Lions, along with the Association of National Advertisers Educational Foundation (AEF) and the 4A's Foundation, teamed up to bring industry knowledge to HBCUs (Historically Black Colleges and Universities) by offering WARC and The Work to students for free. This equates to a US$1 million annual commitment, no strings attached and in perpetuity.

Since mid-2020, the brand has made determined progress across five key areas to ensure WARC's content reflects a more diverse range of marketers, both day to day and on major content releases. This includes building a contact book of 100+ diverse marketing leaders to call on as WARC judges and contributors.



"This partnership will provide HBCUs with practical educational tools to assist in enhancing our marketing programs. Our curriculum today requires business case studies and other current marketplace resources for student success. It is my hope that this initiative and others will help improve the access of our students to marketing careers across the industry."

Van B. Sapp
President, HBCU Business Dean's Roundtable

Strategic issue

Sustainability

Headline achievements from 2020:

- In 2019, Cannes Lions and Money20/20 operated our most sustainably conscious events to date. The high ambitions for improving on this in 2020, have been postponed to 2021 when our events will take place again, in person.
- WGSN has continued to provide support to our global client base, enabling them to create sustainable products and services. This year WGSN performed a thorough audit across all content with a view to broadening, deepening and refining our sustainability coverage. Our cross-vertical monthly Sustainability Bulletin has proven to continue to be one of WGSN's most popular reports.
- Groundsure completed an environmental baseline review and is developing its ISO14001 system.
- Gained Board sign-off on our approach to Environment Management including the Governance structure and aligning with TCFD reporting.
- In January, two of our internal specialists ran The Greta Effect: A Beginner's Guide to Big Issues at the annual LearnFest. The session focused on the growing demand for sustainability, and how to drive change.

Activities in detail:

This year, we have identified the support structures we need in place in order to effectively manage our impact on the environment. We therefore designed, and gained Board approval for, a new governance structure for this area of work. The purpose of establishing this structure is: to enable us to implement identified activities; effectively manage our impact on the environment and the impact that climate change may have on our business; and to keep across changes in investor and client demands in order to respond to those requests and manage future requirements.

What we've found has worked well in implementing our Diversity and Inclusion work this year is having both a Steering Committee made up of key senior stakeholders, along with a working group with more junior representation from across the business. We have therefore designed a similar model for this area of work which has been implemented in early 2021.

In addition to establishing the working governance structures, we have also sought to understand our existing position on environmental management. We have completed the Carbon Disclosure Project assessment for the first time, which marks the beginning of more visible reporting in this area and has helped us to understand areas which need improvement.

WGSN's Sustainability Board, established in 2017, continues to be a thought leader for our business. Established in 2017 and continuously evolving, the Board is a dedicated steering group of in-house, cross-industry, sustainability ambassadors. They ensure that WGSN's research and reporting enable clients to improve their environmental contribution and shift to circular design within the industries they service. The Board has this year aligned with UN Sustainability Goal 12, 'Responsible Consumption and Production'. By encouraging a circular design system with their clients, they are embedding sustainability principles at all stages of product design from sourcing and manufacture through to purchase and post purchase.

Objectives for 2021:

- Early in 2021, we have established the Environmental Governance structures outlined to the Board in November 2020.
- Complete climate related disclosures for the 2021 financial year consistent with the approach set out by the Taskforce on Climate-related Financial Disclosures (TCFD).
- We will work to accurately measure the impact of our largest events, allowing us to create a specific plan to make each one more sustainable.
- We will use the learning we have gained from WGSN to support all our brands to further develop the services they can provide their customer base, to enable them to better manage their environmental impact.
- In 2021 the WGSN Sustainability Board will be launching a range of initiatives that will continue to upskill our team; from educational, networking events and workshops to a comprehensive sustainability glossary to enhance the depth of our reporting, plus cross-industry reports to inspire sector transformation. It is our goal to become the global go-to forecasting authority on sustainability strategy for all of the industries we serve.

Signature activity

Supporting young people in a digital world

Headline achievements from 2020:

- Raised over £125,000 for The Prince's Trust entirely virtually, in our eighth year participating in The Million Makers programme.
- Enabled our teams to design and deliver early talent programmes which worked for their Business Units and regions.
- Continued to grow our Apprenticeship programme in the UK .

Activities in detail:

For the eighth year running we entered The Prince's Trust Million Makers fundraising competition and at the time of this publication had raised over £212,000. This takes the total we have raised for the charity over the past eight years over £1,600,000 and we remain a Gold Patron.

Fundraising in a virtual world required the tenacity and innovation the Ascential Million Makers teams are known for. Events this year, for the first time, involved global colleagues and included Movement to Move, a global sponsored fitness challenge which saw our colleagues virtually visit every office, an online Gala night and silent auction. Whilst events remained online, we were still able to involve our partners and clients in supporting our activities through sponsorship and invites to our online events.

Our partnership with the Million Makers programme is developing again in early 2021, as we support the Trust to attain Continuous Professional Development (CDP) accreditation for the programme. This will give Million Makers participants the opportunity to attend a series of Skills Sessions and TED style seminars with top business leaders leading to a professional accreditation at the end of the programme.

Our support for Goals 4 Girls also continued in 2020. Goals 4 Girls is an award-winning development programme, raising the aspirations of young women and girls, through football and education. Founded by Francesca Brown through the support of The Prince's Trust we have continued to partner with both Francesca and Goals4Girls to ensure the work we started through The Prince's Trust becomes sustainable long term. This year Goals 4 Girls provided a powerful online Diversity and Inclusion workshop for our colleagues, with young people speakers from their programmes. The event was donated by Goals 4 Girls, and colleagues donated to attend, raising over £1600 for The Prince's Trust.

In addition to our global support of The Prince's Trust and Goals 4 Girls we have continued our ethos of enabling our brands and regions to support charities in their local communities, providing support where they see a need. Examples include Flywheel, where the brand matches their colleagues, and their under 18 children's charitable giving up to $1,000 per year. In 2020 this resulted in Flywheel matching donations of $16,522, the brand also donated another $50,000 direct to charity, of which $20,000 went to the NAACP Baltimore Chapter to buy masks for Black Lives Matter supporters. In São Paulo, the local Social Responsibility Committee have partnered with local refugee support institutions such as PARR and ACNUR, providing professional training and counselling – which has led to two refugees from these programmes securing roles in our São Paulo office.

Due to the circumstances of 2020, we paused our global roll-out of a work experience programme. While both colleagues and many students are home-based we need to understand how we can best support students in experiencing the world of work. However, we have continued to grow our Apprenticeship programme in the UK and have worked to roll out equivalent employment and education programmes in other regions. An internship programme will be launching in 2021 in a number of brands in the US.

Objectives for 2021:

- Continue to support local roll-out of early talent programmes, providing central frameworks and guidance but enabling local delivery.
- Continue to partner with The Prince's Trust forming a new Million Makers team, to keep up our long history of successful fundraising.
- We will continue our work to find similar organisations to partner with in North America, Brazil and China, aligned to our ethos of improving social mobility and employability of disadvantaged young people in our digital world.
- Colleagues are given one volunteering day each year, to use how they wish. We will grow our own global volunteering opportunities, encouraging our people to support initiatives that closely align to our signature activity.

Streamlined Energy and Carbon Reporting (SECR)

Operating responsibly

Greenhouse gas emissions statement

This carbon report establishes a baseline for Ascential to meet the reporting requirements under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 to implement the UK government's policy on Streamlined Energy and Carbon Reporting (SECR). Also references the global carbon emissions reported from previous years.

In 2019, Ascential completed the mandatory ESOS notification to the Environment Agency, following the completion of site-specific audits to identify potential areas of energy efficiency improvements across the UK operations. These recommendations included LED lighting, A/C temperatures and transport data gathering.

With the impact of Covid-19 in 2020 the implementation of these has been delayed and further carbon reduction initiatives and recommendations are being considered.

Since 2018, we have eliminated our Company vehicle fleet which has led to a significant decrease in our Scope 1 emissions. Since 2019, we have been working to establish clear governance around our sustainability agenda, and strengthen our data collection practices. By gathering raw data from our global real estate, we are confident that the data we have gathered this year provides a solid baseline from which to work to reduce emissions going forward.

Methodology and scope

The adopted methodology used is based on the Greenhouse Gas Protocol Corporate Reporting Standard reporting on equivalent CO_2 emissions from organisational boundary. Information has been gathered in the same format as for compliance with the ESOS Regulations, for Scope 1 & 2 emissions, collated into kWh for all corresponding UK and global based operations, directly owned or operated by Ascential (i.e. the organisational boundary).

These have been converted to equivalent tonnes of carbon dioxide (tCO_2e) using the published UK Government GHG Conversion Factors for Company Reporting for 2020, along with data published for international emissions (GCV). Partial scope 3 emissions relating to UK business travel and global air travel have also been identified.

SECR report

Global Greenhouse Gas (GHG) Emissions Summary:

The table below includes combustion of fuels (Scope 1), purchase of energy including electricity, heat and cooling (Scope 2) and business travel and hotel emissions (Scope 3)

	2018	2019	2020	Unit	% var
Emissions Type					
Scope 1[1]	48.22	12.56	**5.15**	Tonnes of CO_2	-59%
Scope 2[2]	686.73	522.54	**724.9**	Tonnes of CO_2	+39%
Total 1&2	734.95	565.1	**730**	Tonnes of CO_2	+29%
			23.6% from UK		
Intensity Factors					
Total area	24,932	23,023	**22,577**	Square metres	–
Total headcount	1644	1,719	**1,991**	Full time equivalents	–
Carbon intensity 1	29.47	24.55	**32.33**	Total $kgCO_2e/m^2$	+32%
Carbon intensity 2	447.05	328.74	**366.65**	Total $kgCO_2e$/FTE	+12%
Scope 3 emissions					
Global Car travel[3]	–	–	**17.05** **From 98,100km**	Tonnes of CO_2	–
Global Air travel[4]	–	–	**1495** **From 7,801,850km**	Tonnes of CO_2	–
Global Rail travel	–	–	**5.91** **From 190,000km**	Tonnes of CO_2	–
Global Hotel Nights	–	–	**44.57** **From 1,869 nights**	Tonnes of CO_2	–
Total Scope 3	–	–	**1,562**	Tonnes of CO_2	–
Total Scope 1, 2 & 3	–	–	**2,292**	Tonnes of CO_2	

1 Scope 1 emissions from natural gas only.
2 Scope 2 emissions data includes some pro-rata data on landlord supplied energy including an average kWh/m^2 rate for offices without metered billing.
3 Global Business Car Travel is collated from leased company cars as managed assets along with grey fleet expenses returns from staff using their own transport. Appropriate fuel rates applied.
4 Global air travel emissions are based on appropriate carbon conversation factors for the relevant haul classifications of the flights undertaken.

Looking ahead:

Having established our Sustainability Committee and Steering group in early 2021, we will be using the latest Global Greenhouse Gas Emissions Report to build out clear targets for carbon reduction in 2021 and implement the associated action plans.
For full details on our work on Sustainability, please read page 65.

Compliance framework

Our formal compliance framework continues to facilitate a structured and consistent approach to managing compliance throughout Ascential. The framework is structured around 11 Compliance Pillars under which we focus our priorities. Where appropriate we have policies governing each area and further information is provided below.

Third Party Code of Conduct

	People	Acting with integrity	Good operational governance
Code of Conduct	●	○	○
Whistleblowing	●	○	○
Competition Law	○	●	○
Anti-Bribery and Corruption	○	●	○
Financial Crime	○	●	○
Listing Requirements (inc.MAR)	○	●	○
Economic Sanctions	○	●	○
Data Security	○	○	●
Data Privacy	○	○	●
Health and Safety	○	○	●
Physical Security	○	○	●

Third Party Code of Conduct

Our Third Party Code of Conduct outlines our ethical approach to doing business and explains the standards we strive to ensure that all our suppliers should abide by, and we also expect our suppliers' suppliers to adhere to it. The main principles of this Code are:

No forced, involuntary or child labour
- There is no forced, involuntary or debt bonded labour in any form including slavery or trafficking of persons. There are no workers under the age of 15, or where it is higher, the mandatory school leaving age in the local country. The use of legitimate workplace apprenticeship programmes, which comply with all laws and regulations, is supported.

Freedom of association
- Workers, without distinction, have the right to associate freely, join or not join labour unions, seek representation and join workers' councils as well as the right of collective bargaining in accordance with local laws.

Diversity and equality
- There is equality of opportunity and treatment regardless of physical attributes or condition (including pregnancy), gender, religion (or absence of such beliefs), political opinion, nationality, sexual orientation, age or ethnic background. Equal pay for work of equal value is supported. Discrimination or intimidation towards and between employees is opposed, including all forms or threats of physical and psychological abuse.

Read more
The full Third Party Code of Conduct is available on our website: **ascential.com**

Business integrity

- There is no tolerance of any form of corruption, bribery, fraud, extortion or embezzlement and business is conducted in a manner that avoids conflicts of interest.
- Fair competition.
- Fair business, advertising and competition are supported.

Intellectual property, privacy and data security

- There is respect for and protection of intellectual property rights, data and confidential information to safeguard it against and prohibit loss and unauthorised use, disclosure, alteration or access. Our intellectual property and confidential information are handled and data processed on our behalf only for the purposes for which they were made available, received or collected in accordance with the reasonable directions provided by us.

Business continuity

- Any disruptions of business are prepared for (including but not limited to natural disasters, terrorism or cyber attacks). Risks are frequently assessed, and appropriate controls put in place and regularly tested.

Quality, health, safety and environment

- All required quality, health, safety and environment related permits, licences and registrations are obtained, maintained and kept up to date and their operational and reporting requirements are followed. Proper provision is made for the health, safety and welfare of employees, visitors, contractors, the community and the environment. Health, safety and environmental risks are regularly assessed, and appropriate controls are put in place bearing in mind the prevailing knowledge of the industry and of any specific hazards.

Whistleblowing policy

We have a formal whistleblowing policy which encourages all staff to report suspected wrongdoing, in the knowledge that their concerns will be taken seriously and investigated appropriately, and that their confidentiality will be respected. Wrongdoing includes failure to comply with legal obligations or regulations, including bribery and corruption. The policy also aims to reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken. We have in place a confidential helpline operated by an independent third party. All incidents that are reported to us are investigated, managed and tracked to completion. The Audit Committee receives a report of all such incidents, together with the actions taken to investigate and resolve the complaint.

Anti-bribery and corruption

We have a formal anti-bribery and corruption policy which applies to all Ascential companies, Ascential employees and associated third parties. We define a bribe as anything of value given in an attempt to affect a person's actions or decisions in order to gain or retain a business advantage. We define corruption as the misuse of a public office or power for private gain or the misuse of private power in relation to business outside the realm of government.

Our anti-corruption policy prohibits offering, promising or giving a bribe; requesting, agreeing to receive, or accepting a bribe; and bribing a foreign public official to obtain or retain business or a business-related advantage. The policy highlights areas where there is a higher risk of corruption:

- Journalists and editorial staff: specific risks that certain conduct may amount to bribes, for example the use of payments to improperly receive information, influence editorial decisions, write or publish an article with a particular focus not in keeping with journalistic integrity or reveal source information.
- Operations and procurement: employees who contract with associated third parties to supply services are required to be transparent about gifts or free services offered to incentivise staff to pick that supplier or venue over another and must comply with the Gifts and Hospitality policy.
- Facilitation payments: these are unofficial payments made to public officials to secure or expedite the performance of a duty or function. Facilitation payments are specifically prohibited.
- Due diligence and contract terms: all written contracts with third parties should include anti-bribery and corruption representations and warranties allowing for immediate termination of the contract if another contracting party or their agent pays or accepts bribes in connection with our business.
- Gifts and Hospitality: our Gifts and Hospitality policy is communicated to all employees, along with annual and new employee induction training to raise awareness. The policy and training communicates to employees (i) that gifts or entertainment given or received must not give a feeling of an obligation or an incentive to behave in a certain way, (ii) the value limits of gifts and hospitality that employees may give and receive, and (iii) the requirement, prior to giving or receiving above certain limits, to declare on a centrally maintained register and obtain approval.
- The policy also provides details of how employees can ask advice or report any suspected bribery or corruption to an independent third-party helpline, and explicitly confirms that no employee will be penalised for losing business by refusing to accept or offer a bribe.
- The Ascential Board has appointed the Audit Committee to review this policy and the Audit Committee periodically monitors and audits compliance.
- There were no reported breaches of the Bribery Act during 2020.

Modern Slavery

- We have a zero-tolerance approach to Modern Slavery of any kind. Our work to eliminate Modern Slavery is supported by customers, suppliers and Ascential employees. We assess the risk of Modern Slavery in our internal operations and our external supply chain against criteria including: (i) geography (countries where bonded labour is more prevalent); (ii) sectors (the nature of product or service procured or supplied and whether it is typically associated with unfair labour practices); and (iii) the nature of our business operations. Our assessments are informed by sources such as the Walk Free Foundation.
- High and medium risk suppliers are required to adopt our Third Party Code of Conduct and to complete a questionnaire designed to identify any areas of non-compliance with that code, as well as confirm that our supply chain is slavery and human trafficking free. We reserve the right to terminate the business supplier relationship without consequence or liability if a supplier fails to fulfil the minimum standards we expect. Our full Modern Slavery Statement, which has been approved by the Board of Ascential, is available on our website ascential.com/aboutus

Tax strategy

The Board is ultimately responsible for Ascential's tax strategy and we are committed to maintaining full compliance with all relevant laws and regulations in the countries in which we operate.

We take a low-risk approach to tax planning and we have a strategic objective to achieve a low-risk status as determined by HMRC's Business Risk Review process. We seek to obtain this status through:

- Paying the right amount of tax on time
- Submitting all tax returns on a timely basis
- Ensuring that tax returns include sufficient detail to enable the tax authorities to form an accurate view of the affairs of the company filing the return with an adequate supporting audit trail and sign-off process
- Maintaining tax accounting arrangements which are robust and accurate and comply with local regulations and the Senior Accounting Officer provisions in the UK
- Working closely with the tax authorities at all times

We seek to ensure that our tax affairs are transparent and sustainable for the long term. We publish our tax strategy on our website to allow stakeholders, including shareholders, governments, colleagues and the communities in which Ascential operates, to understand our approach to taxation.

We are committed to maintaining a working environment underpinned by decency and fairness and where equality and diversity are recognised, encouraged and valued.

Equal opportunities

We are committed to maintaining a working environment underpinned by decency and fairness and where equality and diversity are recognised, encouraged and valued. We actively encourage equality of opportunity for all employees and job applicants. We have a formal equal opportunities policy which prohibits discrimination against anyone on the basis of the protected characteristics of: disability; gender re-assignment; marriage or civil partnership status; pregnancy or maternity; race, colour, nationality, ethnic or national origin; religion or belief; sex; sexual orientation; and age. The policy defines different forms of discrimination including direct discrimination, indirect discrimination, harassment, victimisation and failure to make reasonable adjustments. We consider diversity and inclusion to be a strategic issue for Ascential and more information on our Diversity & Inclusion initiatives is given on page 62.

Data privacy, personal data and cyber security

Data is integral to Ascential, and our colleagues analyse and share data every day in providing services to customers. It is critical to our business that we protect this data, managing it responsibly, and ensuring we are collecting and storing it in the most compliant, secure and effective way.

Our global cyber security, data privacy and data protection policies are standardised across our brands and apply across our whole technology estate. We keep these policies relevant by undertaking regular audits, the results of which are shared annually with the Audit Committee.

Our suppliers commit to following our data security and privacy controls. We manage this process through our initial supplier due diligence and ongoing through contract management.

Data is integral to Ascential, and our colleagues analyse and share data every day in providing services to customers. It is critical to our business that we protect this data, managing it responsibly, and ensuring we are collecting and storing it in the most compliant, secure and effective way.

Data privacy:
Ascential's group wide data privacy standards and procedures are key to the management and maintenance of data privacy and security and are the foundation to our approach and governance in this area. Our eight commitments to data privacy and protection are:

- Being lawful
- Being fair and transparent
- Respecting individual rights
- Minimising data collection, keeping accurate and up-to-date data, and following retention policies
- Protecting personal data
- Appropriate safeguard for cross-border data transfers
- Good governance
- Accountability

Personal data:
We have in place group-wide privacy policies which apply to all personal data processed by the Ascential group as a data controller for our own purposes.

Ascential takes steps to ensure it only processes personal data for specific and lawful purposes which are defined and explained to individuals when we process their data. Our use of such personal data is limited to those purposes and if this changes, we make sure the new purposes are provided to individuals prior to the commencement of such processing.

We are clear to respect the rights that individuals have in relation to their personal data and have processes in place to recognise and respond to individuals wishing to exercise these rights. We ensure that personal data is kept up to date and not retained for longer than the purposes for which it was collected.

Cyber security:
The last Cyber security audit was completed in 2020 and presented to the Audit Committee in May of the same year, this was part of the regular internal audit programme and cycle of continuous improvement.

All employees are required to undertake data privacy and security training as part of their induction and then cyber security training on a yearly basis thereafter. Our colleagues are kept up to date with new policy changes as required.

We have global information security policies and procedures to manage and maintain data security breaches. We are committed to implementing leading data security safeguards and continue to deploy technical solutions to strengthen the management of data security and data privacy risk. These include multi-factor authentication, data loss prevention, access and controls to systems and regular auditing of account access, and monitoring of compliance with our cloud security framework.

Health & Safety

We continue to maintain our group-wide Health & Safety policies and supporting procedures, both of which are underpinned by clear governance, regular safety risk assessments and a formal incident reporting and investigation process. All employees, and new starters continue to be required to complete Health and Safety training.

The backdrop of the Covid-19 global pandemic provided a clear operational focus throughout the year and demonstrated the strength of both our crisis management organisation and of our robust approach to safety management across all areas of the business.

A particular focus for the year was mental health and wellbeing; supporting the movement to home working with online desk assessments and the provision of suitable office equipment and technology; and the safe reopening of our offices.

More detail on how we protected the Health and Safety of our people throughout the pandemic is included in the 'Our People' section on page 56.

Governance Report

Governance

Chairman's letter

Scott Forbes
Chairman

Strong governance, alongside the Company's values and behaviours, underpins the integrity of our operations, and delivers and preserves shareholder value.

Dear Shareholder,

We have been able to demonstrate our commitment to corporate governance through our full compliance with the UK Corporate Governance Code ("the Code") since our IPO in February 2016 and this has continued throughout 2020, with the exception of a temporary three-month non-compliance with Code Provision 24 relating to the independence of Paul Harrison which is explained at the end of this report. The requirements of the Code are summarised on page 78, along with a reference to where we set out in detail how we have complied with its various provisions.

2020 has of course been overshadowed by the Covid-19 pandemic and its significant impact on so many people and businesses across the world. We last met physically as a full Board in February 2020, when the impact of the pandemic was not yet clear. The Board held an additional meeting on 30 March to fully consider the implications of the developing pandemic and agree what actions should be taken in response. One of the key decisions prompted by Covid-19 was whether it would be necessary to cancel the Cannes Lions event scheduled to be held in June 2020. After consultation with major customers the decision was taken at the beginning of April to cancel the June 2020 Cannes Lions event. In light of the financial implications for the Company of this action, at the same time the Board announced a suspension of the previously announced 2019 final dividend, suspension of previously proposed salary increases for directors and a temporary 25% reduction in the Executive Directors' salaries and Non-Executive fees. Subsequently the Company agreed a cost reduction programme as well as a waiver and relaxation of its banking covenants to deal with the financial implications of event cancellation in 2020.

While still covering all the matters that needed to be covered as part of the Company's governance cycle, the Board has spent time at all subsequent meetings reviewing business performance scenarios and resultant impacts on the Company's financings as the impacts of Covid-19 have unfolded during this unprecedented period of uncertainty.

Against this backdrop and excluding the impact of the cancellation of our live events in 2020, we have delivered well against the priorities we set for the year by increasing the rate of Organic revenue growth in the Sales Segment, focusing on our service offering to further reduce customer churn, delivering product superiority across the Company and delivering greater simplicity and efficiency throughout the business. You can read more about our performance in the Chief Executive's statement on pages 4 to 7.

Leadership

The Directors continue to provide strong leadership, with an effective mix of experience and capabilities. As explained in last year's report, the Nomination Committee had identified that Board composition could be strengthened by adding leading eCommerce knowledge, consumer retail experience and/or significant experience of operating in Asia. Following a formal search process, which is described in more detail on page 88, Charles Song joined the Board on 1 October 2020.

In September 2020, we announced the appointment of Paul Harrison, an existing Non-Executive Director and Chair of the Audit Committee, as Chief Operating Officer and Executive Director with effect from 11 January 2021. Paul has significant experience driving growth in innovative digital businesses and this appointment will add further depth and breadth to the senior management team. As a result of this appointment, the Nomination Committee identified the need to appoint two additional Non-Executive Directors with strong financial acumen and experience to firstly succeed Paul as Chair of the Audit Committee and more generally strengthen the composition of the Audit Committee. Following the search process explained on page 88, Suzanne Baxter and Funke Igdodaro were appointed with effect from 5 January 2021. Details of the newly appointed Directors' skills and experience are set out on page 77.

The Nomination Committee will continue to regularly review the composition, balance, skills and experience of the Board to ensure that we maintain the optimum Board composition for future periods.

We have continued to focus on career development and succession planning to ensure that we have a healthy talent pipeline for senior management and Board roles. The work we have done in this area is explained in the Nomination Committee report on page 89.

Effectiveness

It is a key part of good governance that the Board and its Committees undertake an annual evaluation to ensure that it continues to operate effectively. In accordance with the Code and our three-year performance evaluation cycle, this evaluation was performed internally for 2020 as we engaged Korn Ferry to facilitate the Board performance evaluation for 2019. The Board evaluation process confirmed that the Board has worked effectively during the year, with a committed Board who are very engaged with the Ascential business. All Directors will offer themselves for re-election at the forthcoming Annual General Meeting. Full details of the evaluation methodology and its outcome are set out on page 89.

The Non-Executive Directors devote considerable time to developing their knowledge and understanding of the business. In addition to formal Board meetings, the Directors attend an annual offsite meeting to review strategy and normally hold one of their meetings at an overseas location of the business. These extended meetings also give the Board the opportunity to hear directly from external speakers, including key customers or experts in a particular sector which is relevant to Ascential's growth plans. Details of the Board's engagement with the business are set out on page 81.

Accountability

The Board considers principal and emerging risks throughout the year, as well as formally reviewing principal risks and the risk management framework. The Audit Committee reviews the system of internal controls and reports this work to the Board, which then reviews the effectiveness of internal controls in place throughout the year.

You can read more about our principal risks and risk management framework on pages 48 to 49, and on the work of the Audit Committee on pages 83 to 87.

Diversity

Our practice of conducting periodic internal and externally facilitated Board Strategy reviews has become a proven way of ensuring that our Board is continuously composed of Directors with a diversified range of capabilities as well as business, board and life experience. We believe that Directors with diversified experience best position the Board to assist the Company to achieve its evolving business strategy and success. Our collective view is that diversity, including gender and ethnic diversity, immunises the Board against 'group think' and promotes a culture which keeps business practices current and in tune with wider societal norms. A board that is diversified is an ideal platform for global expansion and recognising and adapting to changing consumer behaviours and is better prepared to respond to evolving industry trends and act upon new business opportunities.

As at 31 December 2020, Board composition was 50% female and 13% ethnic minority. Following our recent appointments in January 2021, Board composition is currently 64% female and 18% ethnic minority. This demonstrates good progress with developing a more diverse Board composition however we are clear that more needs to be done at every level throughout the business. We have taken time to ensure that we are responding, not reacting, to recent events including the acceleration of the Black Lives Matter movement. We conducted a Diversity Data Survey in August 2020 as the first important step in enabling understanding and prioritisation of next steps. You can read more about our Diversity & Inclusion statistics and commitments on page 62.

Relations with shareholders

As Chairman, I am responsible for effective communication with shareholders and for ensuring that the Board understands the views of major shareholders. We run an extensive investor activity programme throughout the year, which is set out on page 14
I have met with major shareholders during the year as part of the consultation on proposed changes to our remuneration policy and the Board receives feedback from me and the Executive Directors and is further informed by the Company's brokers who report feedback from investors on an unattributed basis.

You can read more about how we engage with our investors on page 82.

Conclusion

I hope you find this report useful in understanding the arrangements and processes we have in place, and what we have done to comply with the recommendations of the Code. I believe that your Board remains effective and continues to work well. We have the right balance of skills, expertise and professionalism to continue to deliver strong governance whilst supporting the Executive Directors to execute the strategy we have designed to deliver sustainable long-term performance.

Scott Forbes
Chairman
12 March 2021

Our experienced and effective leadership

Scott Forbes
Chairman

Appointed to the Board	**Independent**
January 2016	Yes (on appointment)
Meetings attended	**Committees**
10/10	N

Key areas of prior experience
Board and committee chairing, business strategy, digital marketplaces, operations, finance, mergers and acquisitions and investor relations.

Current external appointments
- Chairman, Cars.com
- Non-Executive Director, ATG

Previous experience
- Chairman, Rightmove plc
- Chairman, Orbitz Worldwide
- Non-Executive Director, Travelport Worldwide
- Managing Director, Cendant Corporation

Duncan Painter
Chief Executive Officer

Appointed to the Board	**Independent**
October 2011	No
Meetings attended	**Committees**
10/10	–

Key areas of prior experience
eCommerce, digital media, consumer intelligence systems, mergers & acquisitions, business integration, operations, transformation.

Current external appointments
- Non-Executive Director, ITV plc

Previous experience
- Managing Director, Sky plc
- Global Product Leader, Experian plc
- Founder and Chief Executive Officer, Clarity Blue

Mandy Gradden
Chief Financial Officer

Appointed to the Board	**Independent**
January 2013	No
Meetings attended	**Committees**
10/10	–

Key areas of prior experience
Chartered accountant, corporate finance, mergers & acquisitions, financial restructuring, transformation.

Current external appointments
- None

Previous experience
- Non-Executive Director, and Chair of Audit Committee, SDL plc
- CFO, Torex Retail Holdings Limited
- CFO, Detica Group plc
- Dalgety plc
- Price Waterhouse

Judy Vezmar
Non-Executive Director

Appointed to the Board	**Independent**
January 2016	Yes
Meetings attended	**Committees**
10/10	R N

Key areas of prior experience
Remuneration, voice of consumer, talent management, portfolio management, global account sales.

Current external appointments
- Non-Executive Director, SSP Group plc

Previous experience
- CEO, LexisNexis International
- Executive, Xerox Corporation

Gillian Kent
Non-Executive Director

Appointed to the Board	**Independent**
January 2016	Yes
Meetings attended	**Committees**
10/10	A R

Key areas of prior experience
Digital media, marketing, brands, remuneration, transformation, technology.

Current external appointments
- Non-Executive Director, Dignity plc
- Non-Executive Director, Mothercare plc
- Non-Executive Director, NAHL Group plc
- Non-Executive Director, SIG plc

Previous experience
- Non-Executive Director, Pendragon plc
- Non-Executive Director, Coull Ltd

Charles Song
Non-Executive Director

Appointed to the Board	**Independent**
October 2020	Yes
Meetings attended	**Committees**
2/2	–

Key areas of prior experience
Financial technology, business building, global capital markets, investment banking, commercial banking and corporate finance.

Current external appointments
- Chairman and CEO, Linklogis

Previous experience
- President and CEO, China Resources Bank
- Tencent
- HSBC

The Board is committed to maintaining very high standards of corporate governance and ensuring values and behaviours are consistent across the business.

Paul Harrison
Chief Operating Officer

Appointed to the Board
January 2016 as NED
January 2021 as COO

Independent
No (from 1 October 2020)

Meetings attended
10/10

Committees
–

Key areas of prior experience
Chartered accountant, corporate finance, mergers & acquisitions, capital markets, financial restructuring, audit, voice of consumer.

Current external appointments
- None

Previous experience
- CFO, Just Eat plc
- Senior Independent Director and Chair of Remuneration Committee, Hays plc
- Non-Executive Director and Chair of Audit Committee, Hays plc
- CFO, Wandisco plc
- CFO, The Sage Group plc

Rita Clifton
Senior Independent Director

Appointed to the Board
May 2016

Independent
Yes

Meetings attended
10/10

Committees
A N R

Key areas of prior experience
Brands, branding, business leadership, global account sales, CPG voice of consumer.

Current external appointments
- Deputy Chair, John Lewis Partnership
- Non-Executive Director, Nationwide Building Society
- Chair, Brandcap

Previous experience
- Non-Executive Director, Asos plc
- Vice Chair and Strategy Director, Saatchi & Saatchi
- CEO and Chair, Interbrand
- Non-Executive Director, Sustainable Development Commission
- Fellow, World Wildlife Foundation

Suzanne Baxter
Non-Executive Director

Appointed to the Board
January 2021

Independent
Yes

Meetings attended
n/a

Committees
A

Key areas of prior experience
Chartered accountant, corporate finance, mergers & acquisitions, business services, audit, transformation.

Current external appointments
- External Board member, Pinsent Masons International LLP
- Non-Executive Commissioner, Equality and Human Rights Commission

Previous experience
- Audit Committee Chair, WH Smith plc
- CFO, Mitie Group plc

Funke Igodaro
Non-Executive Director

Appointed to the Board
January 2021

Independent
Yes

Meetings attended
n/a

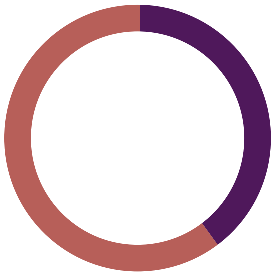
Committees
A

Key areas of prior experience
Chartered accountant, finance, strategy, mergs & acquistions, business and technology transformation.

Current external appointments
- Audit and Risk Committee Chair, Massmart Holdings Limited
- Non-Executive Director, Old Mutual Limited
- Non-Executive Director, Sabvest Limited

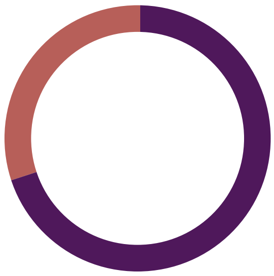
Previous experience
- CFO, Tiger Brands Limited
- CFO, Primedia Limited
- Executive Director, Barloworld Limited
- Executive Director, EMTS Limited

Board gender



Male	4
Female	6

Board independence



Independent	7
Non-Independent	3

Key to committees

Committee Chair

A Audit p.83

N Nomination p.88

R Remuneration p.90

Governance framework

How we comply with the UK Corporate Governance Code

The UK Corporate Governance Code 2018 applied to Ascential for the year ending 31 December 2020. This section of the report explains how we have complied with the Code by summarising the provisions of the Code and linking to where we describe how we have complied in more detail.

Section 1: Board Leadership and Company Purpose

A successful company is led by an effective and entrepreneurial board, whose role it is to promote the long-term sustainable success of the company, generating value for shareholders and contributing to wider society. (See the Directors' biographies on pages 76 to 77 for more information.)

The board should establish the company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All Directors must act with integrity, lead by example and promote the desired culture. (See the governance framework on pages 79 to 82 for more information.)

In order for the company to meet its responsibilities to shareholders and stakeholders, the Board should ensure effective engagement with, and encourage participation from, these parties. (See the stakeholder engagement section on pages 10 to 15 for more information.)

The Board should ensure that workforce policies and practices are consistent with the company's values and support its long-term sustainable success. The workforce should be able to raise any matters of concern. (See the sections on Our People on pages 56 to 59 and the Whistleblowing section of the Audit Committee Report on page 87 for more information.)

Section 2: Division of Responsibilities

The Chair leads the Board and is responsible for its overall effectiveness in directing the Company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the Chair facilitates constructive Board relations and the effective contribution of all Non-Executive Directors, and ensures that Directors receive accurate, timely and clear information (See the governance framework on pages 79 to 82 for more information.)

The Board should include an appropriate combination of Executive and Non-Executive (and in particular, Independent Non-Executive) Directors, such that no one individual or small group of individuals dominates the Board's decision-making. There should be a clear division of responsibilities between the leadership of the Board and the executive leadership of the Company's business. (See the governance framework on pages 79 to 82 for more information.)

Non-Executive Directors should have sufficient time to meet their Board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold management to account. (See the governance framework on pages 79 to 82 for more information.)

The Board, supported by the Company Secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently. (See the governance framework on pages 79 to 82 for more information.)

Section 3: Composition, Succession and Evaluation

Appointments to the Board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan should be maintained for Board and senior management. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths. (See the Chairman's introduction to governance on page 75 and the Nomination Committee report on page 88 for more information.)

The Board and its committees should have a combination of skills, experience and knowledge. Consideration should be given to the length of service of the Board as a whole and membership regularly refreshed. (See the Chairman's introduction to governance on page 74 and the Nomination Committee report on page 88 for more information.)

Annual evaluation of the Board should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each Director continues to contribute effectively. (See the Chairman's introduction to governance on page 74 and the Nomination Committee report on page 89 for more information.)

Section 4: Audit, Risk and Internal Control

The Board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions and satisfy itself on the integrity of financial and narrative statements. (See the Audit Committee Report on pages 83 to 87 for more information.)

The Board should present a fair, balanced and understandable assessment of the Company's position and prospects. (See the Audit Committee Report on pages 86 for more information.)

The Board should establish procedures to manage risk, oversee the internal control framework and determine the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term strategic objectives. (See the Risk Management section on pages 48 to 50 for more information.)

Section 5: Remuneration

Remuneration policies and practices should be designed to support the strategy and promote long-term sustainable success. Executive remuneration should be aligned to company purpose and values, and be clearly linked to the successful delivery of the company's long-term strategy. (See the Annual Statement from the Chair of the Remuneration Committee on page 90 and the Directors' Remuneration Policy on pages 92 to 99 for more information.)

A formal and transparent procedure for developing policy on executive remuneration and determining director and senior management remuneration should be established. No Director should be involved in deciding their own remuneration outcome. (See the Directors' Remuneration Policy on pages 92 to 99 for more information.)

Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances. (See the Remuneration Report on page 102 for more information.)

A strong governance framework

Role and operation of the Board

The Board has ultimate responsibility for the overall leadership of Ascential. It oversees the development of a clear strategy, monitors operational and financial performance against agreed goals and objectives, and ensures that appropriate controls and risk systems exist to manage risk.

The Board has agreed a schedule of matters reserved for its decision or approval:

- Strategy, annual budgets and medium-term plans
- Annual and interim results
- Material acquisitions and disposals and contracts
- Establishment of risk appetite, review of principal risks and approval of both
- Ensuring that a sound system of internal control and risk management is maintained
- Changes relating to the Company's capital structure
- Approval of dividend policy
- Changes to Board composition

At the date of this report, the Board comprises 10 Directors; the Chairman, the Chief Executive, the Chief Financial Officer; the Chief Operating Officer and six independent Non-Executive Directors.

On 28 September 2020, the Board approved the appointment of Paul Harrison as Chief Operating Officer with effect from 11 January 2021. Paul has continued in his role as Non-Executive Director until that date. In light of his forthcoming appointment as COO, the Board has determined that Paul Harrison is not considered to be an independent Non-Executive Director from 1 October 2020 in accordance with the Code, notwithstanding that he has continued to act with an independent mindset throughout the year.

With support from the Company Secretary, the Chairman sets the annual Board calendar and Board meeting agendas. He ensures that enough time is devoted, both during formal meetings and throughout the year, to discuss all material matters including strategic, financial, operational, risk, people and governance.

The Directors indicated as part of the Board evaluation process that the board materials are relevant, clear and well-presented and contribute to a constructive debate and strong Board engagement.

In addition to the schedule of formal Board meetings, the Chairman and the Non-Executive Directors meet periodically without the Executive Directors present, and the Senior Independent Director meets with the other Non-Executive Directors without the Chairman present.

Board roles

Chairman

The Chairman provides leadership to the Board, setting its agenda, style and tone to promote constructive debate and challenge between the Executive and Non-Executive Directors. He ensures that there are good information flows from the Executive to the Board, and from the Board to the Company's key stakeholders.

The Chairman leads an annual Board effectiveness review and is responsible for ensuring all new Directors have an appropriate tailored induction programme.

Chief Executive

The Chief Executive has day-to-day responsibility for the effective management of the business and for ensuring that the Board's decisions are implemented. He leads the development of strategy for approval by the Board, as well as working with the Chief Financial Officer to develop budgets and medium-term plans to deliver the agreed strategy.

The Chief Executive is responsible for providing regular reports to the Board on all matters of significance, to ensure that the Board has accurate, clear and timely information on all key matters.

Chief Financial Officer

The Chief Financial Officer supports the Chief Executive in developing and implementing strategy, as well as overseeing the financial performance of the Group. She leads the development of the finance function to provide insightful financial analysis that informs key decision making.

The Chief Financial Officer works with the Chief Executive to develop budgets and medium-term plans to deliver the agreed strategy.

The Chief Financial Officer also leads investor relations activities and communication with investors alongside the Chief Executive.

Chief Operating Officer

The Chief Operating Officer works in partnership with the CEO and CFO to develop and implement strategy. He has responsibility for leading and driving continuous improvement through the adoption of key technologies and execution of our technology platforms. The Chief Operating Officer also has responsibility for Product Management, People strategy, Marketing, Diversity & Inclusion, ESG and non-organic growth activities.

Senior Independent Director

The Senior Independent Director acts as an adviser for the Chairman and is available to the other Non-Executive Directors, including acting as an intermediary where necessary. She is also available as an intermediary to shareholders if they have concerns which the normal channels through the Chairman or Chief Executive have failed to resolve or would be inappropriate. She is also the nominated Director to engage with the Ascential Employee Form and report feedback directly to the Board.

Independent Non-Executive Directors

The Non-Executive Directors scrutinise and monitor the performance of management, including the constructive challenge of the Executive Directors. They bring independence and a different perspective to the Board and oversee the integrity of financial information, financial controls and systems of risk management.

Company Secretary

The Company Secretary supports the Chairman and is available to all Directors to provide governance advice and assistance. She works with the Chairman and the Chairs of the Board Committees to develop agendas and ensures that the Board receives sufficient, pertinent, timely and clear information. She also ensures compliance with the Board's procedures as well as applicable rules and regulations.

Governance structure

Principal Board Committees

Audit Committee
Chaired by Suzanne Baxter

Roles and responsibilities

- Reviews the Group's financial reporting and recommends to the Board that the Reports and Accounts be approved
- Reviews and reports to the Board on the effectiveness of internal controls
- Assesses the independence and effectiveness of the internal and external auditors

Audit Committee Report
Page 83

Remuneration Committee
Chaired by Judy Vezmar

Roles and responsibilities

- Sets the Remuneration Policy for the Group
- Sets the individual remuneration of the Executive Directors and senior management
- Engages and consults with shareholders on proposed material changes to Remuneration Policy
- Approves awards under the Group's share-based incentive plans

Remuneration Committee Report
Page 90

Nomination Committee
Chaired by Scott Forbes

Roles and responsibilities

- Reviews the composition of the Board and its Committees
- Ensures that appropriate procedures are in place for the nomination, selection, training and evaluation of Directors
- Reviews Executive Directors and Senior Management succession planning.

Nomination Committee Report
Page 88

Reinforcing a Healthy Culture

Established reporting mechanisms within the corporate governance framework are key to Board oversight of cultural matters, which are underpinned by our beliefs and behaviours: focus, facts, all-in, no silos, be creative, transparency, trust & openness, and empathy. Culture is established by leadership and by example but this also needs to be underpinned by clear policies and codes of conduct.

Risk Management

Risk management is an integral component of our corporate governance. We have a formal risk management framework to manage risks in accordance with the Board-set risk appetite. The Audit Committee receives regular updates on risk management and the Board reviews the principal and emerging risks for the Group.

Ethics, Whistleblowing, Fraud, Bribery

There is a full suite of formal compliance and legal policies which all employees are subject to, including Anti Bribery, Privacy, Data Protection and Sanctions. Employees can report incidents of wrongdoing through both internal and external mechanisms, including an independent hotline operated by Protect. The Audit Committee monitors and reviews the Company policies, incidents and trends arising from any such incidents and reports its findings to the Board.

Our People's opinions

We hold regular updates to both inform our employees on business progress and answer any questions they may have. We conduct and act upon our annual employee engagement survey which helps us understand what people think. We have also established the Ascential Employee Forum which is facilitated by the Senior Independent Director to ensure there is a direct route for employee voice in the Boardroom.

How the Board monitors culture

Measuring our culture

We measure compliance with our key policies and procedures, as well as Health & Safety incidents. Our employee engagement survey includes specific questions that help us measure our culture such as 'we see leaders living our values', 'we feel listened to' and 'we feel proud to work here'. We believe that this framework is an important contributing factor to the very high scores for Organisational Integrity (87%) in our engagement survey.

Aligning remuneration and culture

The Ascential Beliefs and Behaviours are directly incorporated into key people processes such as Performance Appraisal (linked to base salary increases) and Development Review. Both of these processes focus not just on what has been achieved, but how our people act and demonstrate alignment to the Ascential Beliefs.

Promoting the success of the Company

The Directors are very aware of their duty to promote the success of the Company for the benefit of the members as a whole, having regard to the interests of employees, the impact of the Company's operations on the community and the environment, and maintaining a reputation for high standards of business conduct. The need to balance the interests of sometimes conflicting stakeholders is an inherent part of the Board's decision-making processes.

The management and day-to-day running of the Group, including the development and implementation of strategy, monitoring the operating and financial performance, and the prioritisation and allocation of resources, has been delegated to executive management. Certain Board responsibilities are delegated to formal Board Committees, which play an important governance role through the work they carry out.

Board activity during the year

The Board spent its time during the formal meetings held in 2020 on the following activities:

Strategy

- Held a two-day offsite meeting to refine strategy and assess capabilities and opportunities, with key focus on the Digital Commerce, Product Design and Marketing segments;
- Approved the 2021 annual budget, capital allocation policy and updated medium-term plans in the context of the agreed strategy;
- Approved the cancellation of Cannes Lions and Money20/20 live events in response to Covid-19 restrictions;
- Approved disposal of investment in Jumpshot Inc;
- Approved the disposal of Glenigan, Groundsure and DeHavilland to allow capital to be allocated to core areas of the Company and in particularly the fast-growing Digital Commerce segment;
- Approved strategic investment in digital commerce businesses X Target and Intellibrand, and further investment in Hudson MX (Marketing Segment);
- Reviewed the Company's progress against its Diversity & Inclusion strategy; and
- Deep dive of Cannes Lions and Money20/20.

For more information on our strategy see page 20.

People

- Received feedback from the Senior Independent Director following Ascential Employee Forum meetings;
- Met with a range of senior management from across the business;
- Our Directors met with a range of senior management from across the business;
- The Chairman participates as a juror for the annual Ascential awards, designed to recognise performance across the organisation and every geography; and
- Received updates from the EVP, People on people strategy, succession planning and engagement.

For more information on Our People see page 56.

Corporate Responsibility

- Approved formal Corporate Responsibility governance structure;
- Received an update on progress against Corporate Responsibility strategy; and
- Agreed approach for complying with Task force for Climate-related Financial Disclosure recommendations in 2021.

Risk

- Detailed review of Cyber Risk appetite and risk management;
- Reviewed and approved the risk management framework and the principal risk register;
- Reviewed the Group's annual insurance programme; and
- Reviewed the effectiveness of internal controls, including but not limited to a report from the Audit Committee.

For more information on risk management see page 48.

Shareholder engagement

- Reviewed reports from the Company's brokers and advisers on shareholder and analyst feedback following results presentations;
- Reviewed regular investor relations reports relating to share price, trading activity and movements in institutional investor shareholdings;
- Received reports from the Executive Directors following meetings with investors;
- Approved notice of 2020 Annual General Meeting.

For more information on our investor relations programme see page 14.

Performance

- Reviewed business performance, stress tests and financing scenarios in light of Covid-19;
- Approved financial outlook and financing strategy based on extensive scenario planning;
- Monitored operating and financial performance against plans;
- Approved the year end and interim results; and
- Approved the 2019 Annual Report.

For more information on our performance, see the Chief Executive's statement on pages 04 to 07 and the KPIs on page 22.

Board attendance during the year

In more usual times, we expect all Directors to attend every meeting in person except where a meeting is called on short notice. Due to Covid-19 restrictions, the majority of Board meetings during the year have been held virtually via video conference. If a Director is unable to attend a meeting, he or she is provided with the same information as the other Directors in advance of the meeting and given the opportunity to express their views before the meeting, usually to the Chairman who will share with the other Directors at the meeting.

There were six scheduled meetings during the year plus an additional four meetings which were called to deal with specific matters arising including actions taken in response to Covid-19. All directors attended all meetings during the year and since their appointment.

Understanding the views of the Company's key stakeholders

The Board recognises the importance of considering the Company's responsibilities to both its shareholders and its wider stakeholder group and this has always been an integral part of our culture and decision-making process. Details of how the Board takes account of stakeholder interests are set out on pages 10 to 15 of the Strategic Report. The ways we engage with our people are explained further in the Our People section on pages 56 to 59. We believe that these methods of engagement were effective at bringing the voice of the employees into the Boardroom throughout the year. The establishment of the Ascential Employee Forum and the appointment of Rita Clifton as the designated Non-Executive Director for employee engagement further strengthened these engagement mechanisms during 2020.

Induction and development

There is a formal induction process for new Directors which is tailored to their personal experience, knowledge and role on the Board. Charles Song, Suzanne Baxter and Funke Ighodaro joined the Board during 2020/early 2021 and subsequently met with senior executives across the Group to develop their understanding of the business, strategy, key risks and challenges. They have also been provided with key company documents such as the schedule of matters reserved for the Board, Committee terms of reference, key obligations and duties of a Director briefings and the Company's compliance policies.

The Board's forward agenda is designed to include deep dive reviews on all material aspects of the Group to develop Directors' understanding of the business and ensure they meet with a range of senior management.

Directors' conflicts of interest
The Board has a procedure in place for Directors to declare conflicts of interest and for such conflicts to be considered for authorisation. A Director may be required to leave a Board meeting if a matter upon which a conflict has been declared is discussed. External appointments or other significant commitments of the Directors require prior approval by the Chairman. The current external appointments of the Directors are set out on page 76.

Internal Control Statement
The Board acknowledges its responsibility for establishing and maintaining the Group's system of internal controls and it receives reports identifying, evaluating and managing significant risks within the business. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against misstatement or loss.

The Board, assisted by the Audit Committee, has carried out a review of the effectiveness of the system of internal controls during the year ended 31 December 2020 and the period up to the date of approval of the consolidated financial statements contained in the Annual Report. The Board confirms that no significant weaknesses or failings were identified as a result of this review.

For more information on the system of internal controls in place please see page 86 of the Audit Committee report.

Investor Relations
In addition to the activities explained on page 14, there is an ongoing investor relations programme of meetings with institutional investors and analysts, and participation in conferences covering a wide range of issues within the constraints of publicly available information including strategy, performance and governance.

Institutional shareholders and analysts have regular contact with the Executive Directors and the Head of Investor Relations. All shareholders are kept informed of significant developments by announcements and other publications on our website ascential.com/investors. There are defined procedures in place to ensure that the requirements of the Market Abuse Regulations are met.

The Board receives regular reports from the Head of Investor Relations, covering movements in the holdings of institutional shareholders and other trading activity. The Board is also provided with current analyst opinions and forecasts, as well as feedback from FTI and from its joint corporate brokers Goldman Sachs International and Numis Securities Limited. This includes direct feedback from investors and analysts on a non-attributed basis. All of the Directors are available to meet with shareholders although contact with the Non-Executive Directors would normally be through the Chairman (Scott Forbes) or the Senior Independent Director (Rita Clifton) in the first instance.

Annual General Meeting ("AGM")
The AGM of the Company will take place at 9am on Thursday 6 May 2021 at 1 Wilder Walk, London W1B 5AP. All shareholders have the opportunity to vote by proxy, at the AGM.

All proxy votes received in respect of each resolution at the AGM are counted and the balance for and against, and any votes withheld, are indicated. At the meeting itself, voting on all the proposed resolutions is conducted on a poll rather than a show of hands, in line with recommended best practice.

All Directors will be in attendance at the AGM and available to answer shareholders' questions. The Notice of the AGM can be found in a separate booklet which is posted to shareholders at the same time as this report and is also available on the Ascential website. The Notice of AGM sets out the business of the meeting and an explanatory note on all resolutions. Separate resolutions are proposed in respect of each substantive issue. Results of resolutions proposed at the AGM will be published on the Ascential website after the meeting.

UK Corporate Governance Code Compliance Statement
We have complied with all principles and provisions of the 2018 UK Corporate Governance Code ("the Code") throughout the financial year ended 31 December 2020 with the exception of Code Provision 24 which requires all members of the Audit Committee to be independent Non-Executive Directors. As explained previously in this report, Paul Harrison was classified by the Board as a non-independent Non-Executive Director on 1 October 2020 following his appointment as COO taking effect in January 2021. Paul remained as Chairman of the Audit Committee during the last quarter of 2020 whilst an Audit chair successor was recruited. There was one Audit Committee meeting during this period and Paul continued to operate with an independent mindset, along with the other two members of the Audit Committee who are both considered to be independent Non-Executive Directors.

This Corporate Governance Statement and the cross-referenced reports within set out our approach to applying the Code.

Louise Meads
Company Secretary
12 March 2021

Report of the Audit Committee

Suzanne Baxter
Chair of the Audit Committee

Dear Shareholder,

I am pleased to introduce the Report of the Audit Committee for 2020 which describes its activities and areas of focus during the year.

The Committee has continued to support the Board in fulfilling its corporate governance responsibilities, including those in the areas of risk management and internal control framework; internal audit; financial reporting practices; the preparation and compliance of the Company's Annual Report and Accounts; and the external audit process.

Paul Harrison was the Chair of the Audit Committee throughout 2020 and until I joined the Board as an Independent Non-Executive Director and Chair of the Audit Committee on 5 January 2021. During 2020, the members of the Committee were Paul Harrison, Gillian Kent and Rita Clifton. Funke Ighodaro and I joined the Audit Committee on 5 January 2021 at which point Paul Harrison stepped down. I would like to thank Paul for his leadership of the Committee and for his support and counsel as part on my induction programme and in taking on the role as Committee Chair.

All current members of the Committee are independent Non-Executive Directors who bring a wide knowledge and significant business experience in financial reporting, risk management, internal control and strategic management. As explained on page 79, Paul Harrison was classified by the Board as a non-independent Non-Executive Director on 1 October 2020 and therefore the Committee did not comprise solely independent Non-Executive Directors during the last quarter of 2020. The Board considers that the Committee members as a whole have competence relevant to Ascential's sector. Paul Harrison fulfilled the requirement to bring recent and relevant financial experience to the Committee during 2020, and both I and Funke Ighodaro fulfil that requirement going forward. You can read more about the experience of the Committee members in their biographies on pages 76 to 77.

All Committee members were present at the five meetings held in 2020. At the invitation of the Committee, the Chief Executive Officer, Chief Financial Officer and senior representatives of the finance and general management teams also attend meetings, as do representatives of both internal and external audit. The Committee holds meetings with the external auditor and the Head of Internal Audit independent of management, and these discussions assist in ensuring that reporting, and risk management processes are subject to rigorous review throughout the year.

The principal and emerging risks facing the Company are robustly assessed by the Board as a whole. More detail on these risks and the risk management framework is set out on page 48. The ongoing monitoring and effectiveness review of the Group's risk management and internal control systems are described on page 86. The assessment of risk and the review of the risk management systems feeds into the process for assessing the longer-term viability of the Company, which is described further on page 49.

The Committee conducts an annual evaluation of its performance as part of the wider Board effectiveness review. The review of performance in 2020 was conducted internally and confirmed that the Committee is working effectively. More detail on the evaluation process can be found in the Corporate Governance Report on page 75.

The Coronavirus pandemic has presented challenges in preparing and auditing financial statements and has created a more uncertain economic backdrop to some of the judgements included in the financial statements. In order to provide flexibility in the year-end timetable to ensure that all necessary work has been undertaken to an appropriate standard, the timelines for preparing the financial statements for the year ended 31 December 2020 was extended by three weeks. This has allowed additional flexibility to consider the acquisitions and disposals made around the year end and to mitigate any potential impact on the timetable arising from Covid-19 -related illness, additional caring responsibilities and/or other inefficiencies that arise from remote working and other Government imposed restrictions.

The key focus areas for the Committee are set out in this report. It is expected that these will remain key areas of focus for the Committee in 2021, as well as oversight of the finance transformation programme as it moves towards its first implementation date.

2020 Key activities

- Considered papers from management on the significant financial judgements made during the year
- Conducted a review of the Annual Report and Accounts to confirm that it was fair, balanced, understandable, and provides the information necessary for stakeholders to assess the Company's position, performance, business model and strategy
- Reviewed the Viability Statement and the key judgements included therein
- Considered the impact of Covid-19 on the Group and reviewed scenario planning prepared in support of the going concern assessment for the interim results in July 2020 and at the year end
- Recommended the approval of the 2019 Annual Report and the 2020 interim results to the Board
- Reviewed the effectiveness of internal controls and risk management framework
- Considered the independence, plans and performance of the external auditor and approved their fees
- Reviewed external and Internal Audit findings and met privately with the internal and external auditors
- Reviewed an update on Compliance
- Reviewed progress and received updates on the finance transformation programme
- Approved the internal audit plan for 2021

Audit Committee focus during 2020

Area of focus	Matters considered	Outcome
Financial Reporting	The appropriateness and disclosures of accounting policies, significant financial judgements and key estimates with a particular focus on: • Going concern and long-term viability; • Carrying value of goodwill and acquired intangible assets; • Recognition and valuation of deferred and contingent consideration; • Accounting for investments in Hudson MX; • Disclosure of discontinued operations; • Alternative performance measures.	The accounting policies, judgements and estimates are appropriate and balanced. The financial statements are prepared on a going concern basis. The Annual Report, taken as a whole, is fair, balanced and understandable and is compliant with relevant accounting standards and other legal or regulatory financial reporting requirements, including the UK Corporate Governance Code.
Risk and control environment	The effectiveness of the Group's systems of internal control. The effectiveness of the risk management framework and the processes for identifying and managing risks. The process and assumptions underlying the preparation of going concern and viability statements.	Reported to the Board that an effective system of risk management and internal control has been in place throughout the year. Reported to the Board that an appropriate process is in place to make the going concern and viability statements.
Internal audit	The effectiveness of the Internal Audit function, its key findings and resolution of those matters. The alignment of the internal audit plan to the key risks of the Group.	An effective culture and process is in place for resolving key findings of internal audit reviews. The internal audit plan is well designed and aligned to the key risks of the Group.
External audit	The approach, scope and risk assessments of external audit and the effectiveness and independence of the external auditor. The extent of the non-audit services provided by the external auditor.	Approved KPMG's audit plan and scope. Compliance with the Group's non-audit services policy.

Significant financial judgements in 2020

The significant reporting judgements considered by the Committee are set out below.

The Committee received and considered detailed papers from management on each of these areas of accounting judgement along with a paper from KPMG setting out the results of their audit work and their comments on the accounting treatment adopted.

Issue	Judgement
Going concern	The Board is required to assess going concern at each reporting period to consider whether the going concern basis of accounting is appropriate and also to report to shareholders if there is any material uncertainty. In response to the impacts of Covid-related restrictions, a much broader range of scenarios was considered to model potential impacts on the Group of continued restrictions around live events as well as realistically possible mitigating responses and material sensitivities to the forecast scenarios. In particular, the Committee reviewed these scenarios in the context of the significant available liquidity from the new banking facilities put in place at the beginning of 2020 and the recently amended covenants thereon. The Committee also considered reasonably plausible severe case scenarios to the projections presented by management and available mitigations at the discretion of management to apply. The Committee agreed with management's conclusion that the accounts should be prepared on a going concern basis.

Issue	Judgement
Carrying value of goodwill and acquired intangible assets	The Committee reviewed the carrying value of goodwill and other intangible assets for impairment, including a detailed review of the assumptions underlying the "value in use" calculations for businesses identified as cash generating units ("CGU") and the identification of those CGUs. The key assumptions underlying the calculations are primarily the achievability of the long-term business plan including anticipated revenue growth rates, CGU specific discount rates, and long-term growth assumptions. For further information, please see Note 13 of the consolidated financial statements on pages 144 and 146. The Committee reviewed management's analysis and underlying assumptions, and was satisfied that the goodwill and acquired intangibles of two elements of the Retail & Financial Services segment were impaired, resulting in a write down of £9.6m in the RWRC CGU and £18.8m in the RFS Price & Promotion CGU. The Committee also reviewed the clarity and adequacy of the impairment disclosure.

Issue	Judgement
Recognition and valuation of deferred and contingent consideration	Where an acquisition agreement provides for an adjustment to the consideration, contingent on future performance over the contractual earn-out period, the Group accrues the fair value, based on the estimated additional consideration payable as a liability at the acquisition date. To the extent that deferred contingent consideration is payable as part of the acquisition cost and is payable after one year from the acquisition date, the deferred consideration is discounted at an appropriate discount rate and carried at net present value in the consolidated balance sheet. The liability is measured against the contractually agreed performance targets at each subsequent reporting date with any adjustments recognised in the consolidated statement of profit or loss. Acquisition-related employment costs are contingent on future performance of the acquired business against the contractually agreed performance targets over the earn-out period but are also dependent on the continued employment of the founders over the contractual earn-out period. Consequently they are treated as a remuneration expense in the consolidated statement of profit or loss. The estimation of the liability requires the Group to make judgements concerning future business performance over the deferred contingent consideration period. In respect of acquisitions in previous years, the Committee reviewed significant calculations in respect of deferred consideration and acquisition-related contingent employment costs in light of changes in forecast performance, in order to ensure these continued to be appropriate. The Committee reviewed the proposed changes to the fair value of the deferred and contingent consideration which is based on a Board approved five Year Plan and is satisfied with its valuation and recognition in the Financial Statements.

Issue	Judgement
Accounting for Investments in Hudson MX	At the year end, the Group had made investments in the equity and debt of Hudson MX and held 19.8% of the voting rights in that company. Further Trade investments in Hudson MX were approved by the Board in February 2021. The investments in Hudson MX were classified as Trade Investments at 31 December 2020 and 2019, reflecting, amongst other factors, management's view that Ascential did not have significant influence over the financial and operating strategy decisions of that business. The Committee discussed the nature of the investments made by the Group and considered the commercial relationship that existed between the two organisations. It challenged management on the key assumptions made and concurred with the treatment adopted.

Issue	Judgement
Discontinued operations	Following a strategic decision made in 2020 to dispose of the Built Environment & Policy (BEP) CGU and the instigation of a formal process, the Committee considered the classifications and disclosure of the results and assets of BEP as discontinued operations and assets held for resale respectively. The Committee was satisfied that the classification and disclosure, including the relevant post balance sheet event disclosure, adopted by management was appropriate.

Issue	Judgement
Alternative performance measures	The Group uses certain non-GAAP measures of performance, as, in the opinion of the Directors, this provides a better understanding of the underlying performance of the business, and provides better comparability with other peer group companies. The use and definition of these measures is a matter of judgement. The Committee ensures that there is equal prominence given to adjusted and statutory performance measures, and that there are full reconciliations between the two. The Committee discussed these measures with both management and advisers, to ensure that the measures were reasonable, and reviewed their use in the context of the overall Annual Report to ensure that this was consistent with the Code requirement to be fair, balanced and understandable.

Viability Statement

We reviewed the process undertaken and conclusions reached to support the Company's Viability Statement which can be found in full on page 49. Our review included:

- challenging management on whether the three-year time period adopted remained appropriate and aligned with the long-term forecasting of the Group;
- challenging whether management's assessment of the principal and emerging risks facing the Group and their potential impact was appropriate;
- considering whether there were any additional risks which could impair solvency or which, whilst not necessarily principal risks in themselves, could become severe if they occur in conjunction with other risks;
- considering the likelihood of the risks occurring in the time period selected and the severity of the impact in the event that they did occur;
- challenging management as to the appropriateness of the assumptions used in stress testing and modelling scenarios; and
- review of the disclosure to ensure it was sufficiently fulsome and transparent.

Fair, balanced and understandable

The Board asked the Committee to consider whether the 2020 Annual Report is fair, balanced and provides the necessary information for shareholders to assess the Company's position and prospects, business model and strategy. In performing this review, the Committee considered the following questions:

- Is the Annual Report open and honest with the whole story being presented?
- Have any sensitive areas been omitted that are material?
- Is there consistency between different sections of the Annual Report, including between the narrative and the financial statements, and does the reader get the same message from reading the two sections independently?
- Is there a clear explanation of key performance indicators and their linkage to strategy?
- Is there a clear and cohesive framework for the Annual Report with key messages drawn out and written in accessible language?

Following this review, and the incorporation of the Committee's comments, we were pleased to advise the Board that, in our view, the Annual Report is fair, balanced and understandable in accordance with the requirements of the UK Corporate Governance Code.

Internal controls

The Board, with the assistance of the Audit Committee, regularly monitors and reviews the policies and procedures making up the Group's internal control and risk management system. To support this monitoring, the Audit Committee reviewed reports from senior management, Internal Audit and KPMG, which included analysis of the impact of Covid-19 on the Group's internal control environment.

The major components of the internal controls systems include:

- clearly defined operational structure, accountabilities and authority limits;
- detailed operational planning and forecasting;
- thorough monitoring of performance and changes in outlook; and
- established risk management processes.

Specific matters considered in relation to controls effectiveness included:

- control self-assessment process and findings;
- regular compliance reports;
- review of tax risks and compliance issues;
- review of treasury controls;
- review of tax controls;
- review of risk in relation to the application of controls to prevent the facilitation of tax evasion.
- review of integration of acquisitions;
- key developments in IT controls;
- fraud, ethical issues and whistleblowing occurrence;
- health and safety governance; and
- management of legal claims.

A formal control self-assessment process was in place during the year in relation to financial controls. This process describes each control objective, the controls required to meet the objective, the frequency of operating the control and the evidence to be retained by management to demonstrate the control exists. Management teams across the Group self-assess their compliance with this framework twice a year and the results are reviewed in detail by Internal Audit.

Progress towards completion of actions identified to improve internal control is regularly monitored by management and the Audit Committee, who provide assurance to the Board. The Board considers that none of the areas of improvement identified constitute a significant weakness.

External audit

The Committee is responsible for ensuring that the external auditor provides an effective source of assurance for the Group's financial reporting and controls, including that the necessary independence and objectivity is maintained. The Committee is also responsible for recommending the appointment, reappointment or removal of the external auditor, and negotiating and agreeing the external audit fees. The Group last undertook a formal tender of external audit services in 2019 after which KPMG were reappointed for a second term. Ian Griffiths was first appointed as the Senior Statutory Auditor with effect from the year ended 31 December 2018.

KPMG attend each scheduled meeting of the Committee and presented their reports on the Group's half-year and full-year financial results, as well as their planning reports in advance of each audit. The Committee meet with KPMG without management present at least once a year. These sessions provide an opportunity for open dialogue and we typically discuss KPMG's relationship with executive management and particular audit risks identified. The Committee also challenge KPMG on the independence of their audit. In addition, the Chair of the Audit Committee meets with the audit engagement partner outside of the formal Committee environment at least once per year and I met with Ian Griffiths, the senior statutory auditor both prior to and subsequent to my appointment. The Committee also meet with management without KPMG present to discuss their view of KPMG's effectiveness and quality of work delivered, as well as reviewing the results of a survey of finance staff throughout the Group.

As part of our work to manage the external auditor relationship, and the annual effectiveness review, we consider whether there are adequate safeguards to protect auditor objectivity and independence. In conducting our annual assessment, we consider feedback from the Chief Financial Officer, the level and nature of non-audit fees accruing to the external auditor, KPMG's formal letter of independence, and the length and tenure of the external auditor and of the audit engagement partner.

The Committee has approved a formal non-audit services policy to mitigate any risks threatening, or appearing to threaten, the external audit firm's independence and objectivity arising through the provision of non-audit services which either create conflicts of interest between the external audit firm and the Group or place the external audit firm in the position of auditing its own work. The non-audit services policy sets out which services are prohibited and cannot be provided by the external auditor. The auditor is generally only engaged for audit and related activities (such as annual covenant compliance audits). However, if there is a case to use the external auditor to provide non-audit services, permission is required prior to the engagement of the external auditor in accordance with the following table:

Value of non-audit services	Approver
<£25,000	Group Financial Controller or Chief Financial Officer
£25,000 – £50,000	Chair of the Audit Committee
>£50,000	Audit Committee

When considering whether permission should be granted, the approver will assess whether the provision of such services impairs the auditor's independence or objectivity, whether the skills and experience make the auditor the most suitable supplier of the non-audit service, the fee to be incurred and the criteria which govern the compensation of the individuals performing the audit.

A breakdown of total audit and non-audit fees paid to KPMG during 2020 is set out in Note 4 to the financial statements. These non-audit services were pre-approved in accordance with the non-audit services policy and principally comprised the review of the half-year interim financial statements of the Group.

Internal Audit

A formal Internal Audit function was in place during the year, utilising a co-sourcing arrangement supported by EY as the Group's externally appointed service partner. The purpose of the Internal Audit function is to consider whether the system of internal control is adequately designed and operating effectively to respond to the Group's principal risks, and to provide independent objective assurance to senior management and to the Board through the Audit Committee. Internal Audit accomplishes its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. In order to provide a greater level of independence for Internal Audit, its personnel as well as the co-sourced party report to the General Counsel, who also acts as Director of Internal Audit and is accountable to the Committee in respect of that role. The General Counsel is invited to attend all Audit Committee meetings and also meet independently with the Chair of the Audit Committee.

The Committee approves the annual Internal Audit Plan and receives a report on Internal Audit activity and progress against that Plan. It monitors the status of internal audit recommendations and management's responsiveness to their implementation. It also challenges management where appropriate to provide assurance that the Group's control environment is robust and effective.

Whistleblowing

The Committee has approved a whistleblowing policy which encourages all staff to report suspected wrongdoing, in the knowledge that their concerns will be taken seriously and investigated appropriately, and that their confidentiality will be respected. The policy also aims to reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken. Ascential operates a confidential helpline operated by an independent third party, as well as providing contact details for the Chair of the Audit Committee within the policy. The Committee receives reports on any whistleblowing incidents that are reported during the year. Any significant issues relating to potential fraud would be escalated to me as the Audit Committee Chair immediately.

Suzanne Baxter
Chair of the Audit Committee
12 March 2020

Report of the Nomination Committee

Scott Forbes
Chair of the Nomination Committee

Dear Shareholder,

I am pleased to introduce the Report of the Nomination Committee for 2020.

The role of the Nomination Committee is primarily to review the Organisation and Succession plans, and the structure, size and composition of the Board and Committees to ensure that resources are appropriate to support achievement of the Company business strategy and meet other governance and organisation objectives.

Board composition

The Committee had previously undertaken an externally facilitated Board Strategy review to consider Board composition and the extent to which the range of Board capabilities and experience were appropriate for the Company's evolving business and business strategy, both currently and for the future. The determination of the more recent Board Strategy reviews was that the Board's balance of skills and experience could be further strengthened by adding directors possessing experience in eCommerce, finance, consumer retail, and operating in mainland China and Asia. Board Services search firms were appointed to recruit appropriate candidates from diverse backgrounds based on a formal role specification including the aforementioned priorities.

Short lists of candidates were interviewed by the Board Chairman, Senior Independent Director, CEO and CFO. The Committee recommended and the Board approved the appointment of Charles Song to the Board in July 2020, with effect from 1 October 2020. Charles has over 25 year's experience in global capital markets, investment banking, commercial banking and corporate finance, having held a number of senior roles in global and local financial institutions across Asia with particular experience in Chinese technology businesses. The Nomination Committee subsequently appointed two other non-executive directors that match the priority qualifications identified in the recent Board Strategy reviews.

In September 2020, the Board approved the appointment of Paul Harrison, an existing Non-Executive Director, as Chief Operating Officer with effect from 11 January 2021. The appointment of a Chief Operating Officer adds further depth and breadth to the senior management team necessary to manage Ascential's evolution to digitally-focused, multi-national business capable of driving long-term growth. In his new role, Paul has taken responsibility for the Company's people strategies, mergers & acquisitions and other Group functions including marketing, content and technology, previously reporting directly to Duncan Painter, Ascential's CEO. Paul has significant experience driving growth in innovative digital business, in senior financial, strategic and non-executive director roles over the past twenty years.

The Nomination Committee recruited additional directors in 2020 leading to two appointments on 5 January 2021. Suzanne Baxter replaced Paul as Chair of the Audit Committee. Suzanne has substantial listed company experience, gained in both executive and non-executive roles and has held a range of commercially focused financial and operational roles in the support services sector where she supported businesses through transformative acquisitions and organic growth. Suzanne has also served as the Audit Committee Chair of WH Smith plc from 2013 to 2021. She is a Fellow of the Institute of Chartered Accountants in England and Wales.

Funke Ighodaro was appointed as Non-Executive Director and will serve as a member of the Audit and Remuneration Committees. She has significant Finance experience and recent, relevant financial expertise that will strengthen the Audit Committee. Funke has previously served as CFO of several listed companies on the

Johannesburg Stock Exchange and has extensive, multi-national experience and expertise in finance, strategy, mergers and acquisitions, and business and technology transformation. She is a Fellow of the Institute of Chartered Accountants in England and Wales.

Organisation and Succession planning

Paul Harrison was appointed as COO, and the senior leadership team was restructured in response to the continued evolution of the Company's business strategy including rapid development of Digital Commerce across the US and other geographies. The senior leadership team was revised to align more closely with our client engagement structure and clear spans of control were maintained throughout the organisation. A thorough succession planning exercise for our senior leaders was undertaken which considered each individual's potential and ability to grow, as well as development plans to maximise an individual's ability to contributed and prepare them for further promotion. Emergency and planned succession options for the Executive Directors and the senior leadership were evaluated and approved.

Board appointments policy

The Committee continues to ensure that the Board consists of directors that collectively possess a relevant and priority range of capabilities, industry knowledge, business and life experience, necessary for the effective oversight of the Group. The Board undertakes an externally facilitated Board Strategy review at least once every three years and continuously considers when gaps in director experience and capabilities arise due to Board rotation, changes in the business strategy and other reasons. The Board Strategy review is the basis for development of director candidate role specifications and provides the basis for recruitment by independent, professional Board Director search firms and platforms. The Committee's recruitment reflects its commitment to maintain and achieve gender and diversity targets appropriate for the multi-national and multi-cultural character of Ascential's business.

Non-Executive Director appointments to the Board are for an initial term of up to three years. Non-Executive Directors are typically expected to serve two three-year terms, although the Board may invite the Director to serve for an additional period on the recommendation of the Committee. Non-Executive Directors are appointed under formal appointment letters which are available for inspection at the registered office of the Company during normal business hours and at the AGM.

External Directorships

The Committee maintains a consent process and monitors the number of external directorships held by each Director and regular performance evaluations are used to assess Non-Executive Directors' performance and whether directors have sufficient available time to fulfil their duties. External appointments or other significant commitments of the Directors require the prior approval of the Chairman, or, in the case of the Chairman, the Senior Independent Director.

All Directors received votes cast in favour of their re-election in excess of 97% at the 2020 AGM.

Board effectiveness

The Board undertakes an externally facilitated evaluation of its Board, Committees and individual Directors at least once every three years and an internal evaluation in all other years. The last performance evaluation led by an external specialist firm was in 2019. Evaluation methodology includes questions that enable the Board and the external firm to assess progress based on recurring performance criteria as well as the introduction of format and new questions that ensure fresh perspective. Directors consistently re-evaluate key strengths of the Board, year over year improvements, suggestions for continued skills and Board development and identification of current and potential future business risks. Feedback is submitted to the external facilitator and/or the Company Secretary and is otherwise anonymous. The Board receives the feedback in an anonymised format and the Chairman leads the Board discussion at which an action plan is agreed to address any areas requiring improvement. The Senior Independent Director Chairs a meeting to discuss the Chairman's performance annually.

The outcome of the 2020 evaluation was that the Board was effective and strategically focussed, with a diverse set of skills, styles and backgrounds, which has been further enhanced by recent recruitments.

Confirmation of Independence

The UK Corporate Governance Code recommends that a majority of the members should be independent Non-Executive Directors and that it is chaired by the Board Chairman or a Non-Executive Director. The Nomination Committee is chaired by the Board Chairman, Scott Forbes, and the other members are Rita Clifton and Judy Vezmar, both independent Non-Executive Directors.

Attendance at Committee meetings

The Committee meets at least annually. During 2020, the Committee met twice formally, and all members were in attendance at both meetings as well as discussions outside of the formal meeting cadence.

In addition to Committee members and the Company Secretary, the Chief Executive and Chief People Officer often attend meetings at the invitation of the Committee.

Scott Forbes
Chairman of the Nomination Committee
12 March 2021

Report of the Remuneration Committee

Judy Vezmar
Chair of the Remuneration Committee

We believe that a very long-term remuneration framework provides a true alignment with shareholders and a long-term business strategy.

Dear Shareholder,

I am pleased to present the Remuneration Committee's report for the year ended 31 December 2020.

What does this report include?

This report includes details of payments made to our Executive and Non-Executive Directors for the 2020 financial year as well as an explanation of how the Remuneration Policy was applied throughout the year. It also includes a proposal for a change to the Remuneration Policy to replace the existing three-year Performance Share Plan for Executive Directors with a Ten-year Equity Plan.

This annual statement and the annual report on remuneration (set out on pages 100 to 106) will be subject to an advisory vote at this year's AGM on 6 May 2021. The Directors' Remuneration Policy will be subject to a binding vote at the AGM as we are proposing a revised policy, which is set out on pages 92 to 99.

Business performance

2020 has presented unprecedented challenges for companies and people across the globe. The cancellation of all of our 2020 live events has significantly impacted our financial results, with reported revenues down 31% compared to 2019 and a reduction in Adjusted EBITDA of 74%. Within these headlines results however, the Company has shown notable resilience and delivered strongly against long-term strategic priorities in a transitional year.

The pandemic restrictions both accelerated and more clearly illuminated the migration in consumer behaviour onto digital platforms. This further underpins our strategic position in the eCommerce market place. Excluding the impact of deferred and cancelled events, revenues were up modestly overall, at 3% reflecting the very strong performance of the Digital Commerce segment, where revenue grew by 25% (on a proforma basis). The acquisitions since the year end of X Target in China and Intellibrand in Brazil has further extended capabilities and geographic reach for Digital Commerce. The disposal of non-core assets in the Built Environment & Policy business unit (Groundsure, Glenigan and DeHavilland) has strengthened the Company's balance sheet and supports ongoing investment in organic growth and targeted acquisitions. We believe that we are in an excellent position to continue to capitalise on the competitive advantage that we have established to date and we operate within a total addressable market estimated to be $15.7 billion growing at 14% per annum over the period from 2020 to 2023.

For more information on the Company's performance, priorities and outlook please see the CEO's statement on pages 4 to 7.

Remuneration Response to Covid-19

As part of a cost reduction programme, the Directors (including Non-Executive Directors) and other senior management volunteered to reduce their salaries by 25% for six months from 1 April 2020 to 30 September 2020. This was at a time when some of our employees were furloughed under the UK government's Coronavirus Job Retention Scheme and equivalent schemes.

The cancellation of our live events in 2020 and the consequent reduction in revenue and profit has resulted in no bonus being payable to Executive Directors in respect of the year ended 31 December 2020. The Remuneration Committee is not proposing to make any adjustments to the bonus targets set for the year. The Annual Incentive Plan that operates for employees more widely in the business was linked to achievement of the same bonus targets as the Executive Directors and therefore these colleagues also received a 0% bonus payout in relation to 2020.

The Performance Share Plan ("PSP") award granted in March 2018 was based on a three-year performance period ended 31 December 2020, with a challenging cumulative adjusted earnings per share target accounting for 75% of the award and the remainder subject to relative Total Shareholder Return ("TSR"). The impact of the live events calculation resulted in none of the EPS part of the award vesting. The Company's relative total shareholder return over the period ranked 73 out of 172 companies, which is a vesting result of 48.68% of the TSR element. This results in an overall vesting level of 12.17% of the original award. More detail on the PSP vesting calculation is given on page 102. The Executive Directors are subject to a two-year holding period for these vested shares, net of any shares sold to meet tax and social security liabilities.

The Committee did not use discretion in relation to FY 2020 remuneration outcomes. The product of our success in delivering this transformation was to achieve above market shareholder returns over the period. Given the impact of Covid-19 was to render both the FY 2020 annual bonus targets and three-year 2018 PSP EPS targets unachievable, the Committee was comfortable that the significantly reduced remuneration earned was appropriate and proportionate in relation to recognising the business progress achieved but also the wider stakeholder experiences during the relevant performance periods

Executive Director Changes

In September, we announced the appointment of Paul Harrison as Chief Operating Officer to bring further depth to our senior management team as well as his value and experience of driving growth in other innovative digital businesses. His remuneration package was set in accordance with the Directors' Remuneration Policy and is explained in more detail on page 106.

Committee membership changes

The Remuneration Committee is chaired by Judy Vezmar, and the other members are Gillian Kent and since October 2020, Rita Clifton, all of whom are independent Non-Executive Directors. Paul Harrison was a member of the Committee during 2020 when he was in the role of Non-Executive Director but did not participate in any discussions in relation to his potential remuneration package in connection with joining Ascential in an executive capacity. Paul ceased to serve on the Committee ahead of his transition to his new role of Chief Operating Officer. The Committee has therefore solely comprised Independent Non-Executive Directors throughout the year.

Directors' Remuneration Policy for 2021

In light of the ongoing strategic transformation of our business since our initial public offering, we considered taking a bespoke approach to remuneration in late 2019. We ultimately decided to further evaluate the correlation between strategic progress and the three-year performance criteria associated with our performance share plan and actual executive director remuneration. This evaluation showed that, despite success being achieved through bold actions led by Executive Directors, the rewards to Executive Directors have not been commensurate with our strategic accomplishments. We are very satisfied with Ascential's progress relative to the ambition of our transformative strategic plan, even more so because we maintained strong discipline, consistently generating strong profits and free cashflow. We are well positioned to expand our global leadership as provider of specialist information, analytics and eCommerce optimisation platforms to the world's leading consumer brands and their ecosystems. In contrast, PSPs are not considered to be generating rewards that are commensurate with the long-term value delivered by the Executive Directors.

We believe that a very long-term remuneration framework provides a true alignment with shareholders and a long-term business strategy, especially a transformational strategy. A ten-year programme is superior to a three-year plan which serves as a proxy indicator of long term shareholder success but is not a substitute for the real thing. We are therefore proposing to adopt the Ten-Year Equity Plan which is a ten-year share programme that aligns executive reward with long-term sustainable company value to replace our current PSP for at least the next five years. More details on the rationale for this programme and the details of its operation are set out on page 92. We conducted an extensive consultation with our investors representing over 70% of our issued share capital. We recognise that our proposed model is innovative compared to the traditional three-year PSP, or even a standard restricted share plan. We appreciate the high levels and quality of engagement we had with our major investors and have taken their feedback, suggestions and support into account in finalising our approach.

We are not proposing any other changes to the Directors Remuneration Policy approved at the AGM in May 2020, which, in other aspects, is well aligned with current corporate governance best practice expectations. Full detail of the revised policy is set out on pages 92 to 97. I hope to receive your support in approving the proposed Directors' Remuneration Policy at the Annual General Meeting on 6 May 2021.

Judy Vezmar
Chair of the Remuneration Committee
12 March 2021

Directors' remuneration policy

Subject to a binding vote at the 2021 AGM

This part of the Remuneration Report sets out Ascential's Remuneration Policy for its Executive and Non-Executive Directors. The policy has been developed taking into account the principles of the 2018 UK Corporate Governance Code, and guidelines from major investors. The Directors' Remuneration Policy will be put to a binding shareholder vote at the AGM in May 2021, and, subject to shareholder approval, will take effect from that date. As explained on page 91, the only change being proposed to the existing policy is to replace future awards of Performance Shares to Executive Directors with awards under the Ten-Year Equity Plan.

Policy Overview

When setting the policy for Directors' remuneration, the Committee takes into account the overall business strategy and risk tolerance, considering the long-term interest of the Company with a view to adequately attracting, retaining and rewarding skilled individuals and delivering rewards to shareholders. The Committee's remuneration principles include designing a policy which will:

- provide a simple remuneration structure which is easily understood by all stakeholders;
- attract, retain and motivate executives and senior management in order to deliver the Company's strategic goals and business outputs;
- promote the long-term success of the business;
- provide an appropriate balance between fixed and performance-related, and immediate and deferred remuneration to support a high-performance culture;
- adhere to the principles of good corporate governance and best practice;
- align executives with the interests of shareholders and other external stakeholders; and
- consider the wider pay environment, both internally and externally.

What is the rationale for the Ten-Year Equity Plan?

The current strategy has been evolving since the Company's IPO in 2016 when management recognised an unsatisfied demand amongst our global Consumer Product Goods clients (CPG) and Retailers for data and know-how that better prepares them to promote, market and sell merchandise across rapidly evolving digital commerce platforms. With the support of the Board, management embarked on an ambitious strategic plan to transform the Company from a portfolio of exhibitions, festivals and information service businesses to the world's leading digital commerce and data analytics platform.

In executing this strategy, the Company divested higher profit, lower growth rate portfolio brands that offered neither digital commerce capabilities nor CPG/Retail customer relationships. Proceeds from divestitures substantially funded acquisitions of businesses engaged in digital commerce. The profile of acquired businesses tends to have lower profit but much higher growth rates and are strategically value-add to Ascential. During this active process when the Company captured global leadership across major geographies, we maintained capital allocation discipline and delivered strong organic growth and cash flow whilst continuing to innovate on behalf of CPG/Retail customers. The Company's strategic plan contemplates further development of the breadth of its digital commerce and data capabilities through both M&A, organic investments and potentially further refinements of its legacy portfolio as we further extend market leadership globally.

The Company targets strong growth over one or three-year periods and has the potential for more substantial growth if execution of its pioneering strategic plan achieves its goals over a longer period of time. The Remuneration Committee believes that delivery of objectives executed over the longer term is particularly relevant to Ascential's business profile. Accordingly, we want to encourage decision-making and rewards that are consistent with value we expect to create on behalf of investors over the long-term as the strategic vision is realised. The Remuneration Committee seeks to align the measurement period for executive performance with investors who invest on the basis of the Company's long-term strategic plan and our Executive Directors are prepared to make an extraordinary long-term commitment.

As we continued to evaluate the correlation between the performance delivered by the Executive Directors and the reward structure the Company has had in place, it was evident that the rewards received by Executive Directors were often not commensurate with the Remuneration Committee and Board's assessment of performance including achievements relative to strategic goals. Furthermore, it became increasingly evident that a three-year performance cycle, which is typical of a traditional long-term equity plan does not align particularly well with Ascential's strategy as described above. Although possible, the Remuneration Committee further considered the complexity of decision-making about the quantum and timing of the various divestitures and acquisitions. The Company's strategy has been to reform the business closer to pure play digital commerce and other activities in support of consumer brands and retail, and that strategy will continue in an effort to extend leadership globally. Therefore, the Remuneration Committee determined that a fair and motivational reward system relevant to Ascential's business is not encumbered or enhanced by interim financial cycles, and the majority of the benefits are available closer to the 10th anniversary of the grant.

In devising the plan, the Remuneration Committee considered that a financial underpin is relevant to a three-year plan because three years is a proxy for long-term value, and because a financial underpin ensures that executive directors are not rewarded undeservedly when share prices rise despite financial performance below expectations. Conversely, rising shareholder value reflects cumulative executive performance and decision-making over many years and over a number of positive and negative cycles, thus being the most true measure of alignment with shareholders. For this reason, the financial underpin for a 10-year program is justifiably the share price, the same as for investors.

The grant under the Ten-Year Equity Plan ("the Award") is intended to be the only equity grant for five years (no further grants under any long-term equity plan including the previous Performance Share Plan. The notional value of award is equivalent to five years' of awards that would have been issued under the previous PSP. Whilst traditional Restricted Share Plans are usually granted at a reduced quantum to reflect the reduction in risk to expected value for the participant, the Committee concluded that it would not be fair to discount the quantum under the Ten-Year Equity Plan because the extraordinary time commitment required of each Executive Director means that the risk to expected value compared to a traditional PSP is not reduced, and in fact, is arguably increased.

Although 15% of the share award grants vest in 15% tranches at each of the first four grant anniversary dates and 40% at the fifth anniversary date, the release date (date hold period ends) is five years after the vesting date. The net effect is that the weighted average release date for vested shares is close to year 9. Vested shares are subject to the full holding period in the event of leaving employment, clawback provisions and subject to strict Bad Leaver provisions (if the Executive leaves to take any job even with a non-competing business.)

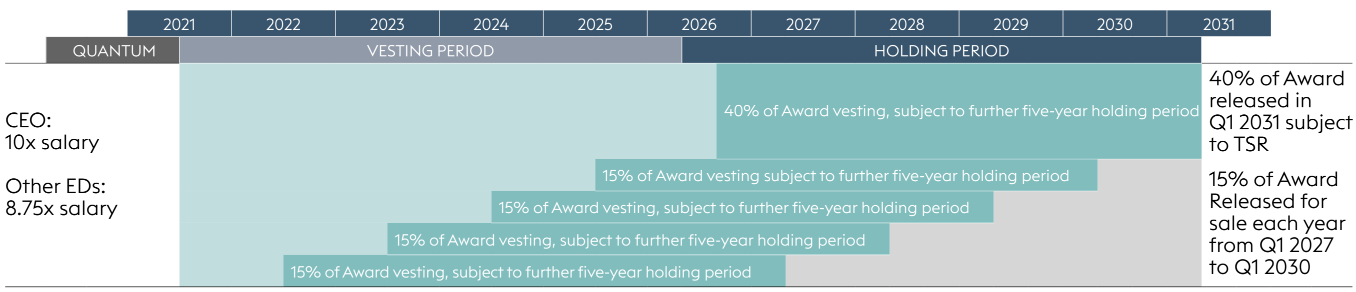
Following investor consultation, the Remuneration Committee agreed that the final 40% of the award that vests at the fifth anniversary of grant (and is subject to a further five-year holding period) is forfeited at the end of the five-year holding period in entirety or in part, to the extent that total shareholder return over the period to 2031 is less than 8% per annum. The forfeiture formula operates on a straight-line basis between 0% per annum and 8% per annum total shareholder return.

There are no proposed changes to any other component of the Executive Directors' remuneration framework; base pay, annual bonus and pension benefits remain set at conservative levels relative to the Company's peer group.

A summary of the Ten-Year Equity Plan is set out below:

In designing the above, the Committee is satisfied that the Remuneration Policy and its application takes due account of the six factors listed in the UK Corporate Governance Code:

- **Clarity** – the new policy has the benefit of simplicity and so is well understood by our management team and has been clearly articulated to our shareholders in consultation.
- **Simplicity** – the allocation of shares that vest based on remaining in employment avoids the complexities of setting long-term targets in the context of executing a long-term strategic transformation programme which as a result of actively managing the portfolio of businesses necessitates complex adjustments to long-term financial targets as businesses are acquired and divested. This reduces the incentive effect (as it is hard to track performance) and so the 10-Year Equity Plan is much better aligned with our long-term goal of sustained value creation and simplifies our incentive structure substantially at the same time.
- **Risk** – our Remuneration Policy is designed to ensure that inappropriate risk-taking is not encouraged and will not be rewarded via (i) the balanced use of both short and long-term incentive plans, (ii) the significant role played by equity in our incentive plans over a 10-year period (together with shareholding guidelines) and (iii) malus/clawback provisions.
- **Predictability** – our incentive plans are subject to individual caps, with our share plans also subject to market standard dilution limits. The scenario charts on page 97 illustrate how the rewards potentially receivable by our Executive Directors vary based on performance delivered and share price growth.
- **Proportionality** – there is a clear link between individual awards, delivery of strategy and our long-term performance. In addition, the significant role played by the value of reward through equity with post-employment holding requirements, together with the structure of the Executive Directors' service contracts, ensures that poor performance is not rewarded.
- **Alignment to culture** – Ascential has a relentless focus on delivering for our clients and this is fully aligned with our Remuneration Policy in that employee personal success is directly linked to the Ascential Beliefs and Behaviours through the short-term incentive plans and targets we operate. This is especially the case at the most senior levels within our business.



What are the elements of Executive Directors' Pay?

Element	Purpose and link to strategy	Operation	Opportunity
Base Salary	Provides a competitive and appropriate level of basic fixed pay appropriate to recruit, retain and reward Directors of a suitable calibre to deliver the Company's strategic goals and business outputs. Reflects an individual's experience, performance and responsibilities within Ascential.	Set at a level which provides a fair reward for the role and which is competitive amongst relevant peers. Normally reviewed annually with any changes taking effect from 1 April each year. Set taking into consideration individual and Company performance, the responsibilities and accountabilities of each role, the experience of each individual, his or her marketability and Ascential's key dependencies on the individual. Reference is also made to salary levels amongst relevant peers and other companies of equivalent size and complexity. The Committee considers the impact of any base salary increase on the total remuneration package.	Increases will normally be in line with the general increase for the broader employee population, taking into account factors such as performance of the Company and external factors such as inflation. More significant increases than standard may be awarded from time to time to recognise, for example, development in role and change in position or responsibility, as are also considered for the wider workforce for the same reasons. Current salary levels are disclosed in the Annual Report on Remuneration.
Benefits	Provides market competitive and appropriate benefits package.	Benefits provided may include private medical insurance, life assurance and income protection insurance. The benefits provided may be subject to minor amendment from time to time by the Committee within this policy. In addition, Executive Directors are eligible for other benefits which are introduced for the wider workforce on broadly similar terms. The Company may reimburse any reasonable business-related expenses incurred in connection with their role (including tax thereon if these are determined to be taxable benefits).	There is no overall maximum level of benefits provided to Executive Directors, and the level of some of these benefits is not pre-determined but may vary from year to year based on the overall cost to the Company. However, the Committee monitors annually the overall cost of the benefits provided to ensure that it remains appropriate.
Pension	Provides a competitive and appropriate pension package.	Each Executive Director has the right to participate in the pension scheme operated by the Company either via a contribution into the Company's defined contribution plan, or via an alternative cash allowance.	Pension contributions and/or cash allowances are set at 9% of base salary for existing Executive Directors taking into account their service in post and the approach to pensions applied to the wider UK workforce. For Executive Directors who join after the 2020 policy is approved, the Company contribution will align with the pension provision to the wider UK workforce with executives eligible to receive a maximum Company contribution to a pension scheme or a cash payment on the following scale: • 5% of salary: less than 5 years' service • 7% of salary: less than 10 years' service; and • 9% of salary: greater than 10 years' service
All-employee share plans	Encourages employee share ownership and therefore increases alignment with shareholders.	Ascential may from time to time operate tax-approved share plans (such as HMRC approved Save As You Earn Option Plan and Share Incentive Plan) for which Executive Directors could be eligible.	The schemes are subject to the limits set by HMRC or appropriate tax authority from time to time.

Element	Purpose and link to strategy	Operation	Opportunity
Annual bonus	Incentivises the execution of key annual goals by rewarding performance against targets aligned to delivery of strategy. Compulsory deferral of a portion of bonus into Ascential shares provides alignment with shareholders.	Paid annually, bonuses will be subject to achievement of stretching financial performance measures. The Committee also has discretion to introduce non-financial and/or strategic measures in future years. It is intended, however, that financial measures will determine the majority of the annual bonus opportunity. 50% of the bonus will normally be deferred into awards over shares under the Deferred Annual Bonus Plan ("DABP"), with awards normally vesting after a three-year period. Executive Directors have the flexibility to voluntarily elect to defer up to 100% of any bonus earned into shares for three years. Recovery and withholding provisions are in operation across the annual bonus and the DABP in certain circumstances, including where there has been a misstatement of accounts, an error in assessing any applicable performance conditions, or in the event of misconduct on the part of the participant. The Committee has discretion to adjust bonus outcomes having had regard to overall corporate performance.	The maximum bonus payable to Executive Directors is 125% of base salary with 50% of maximum payable for on-target performance (62.5% of salary). 0% of salary is paid for threshold performance. Dividends may accrue on DABP awards over the vesting period and be paid out either as cash or as shares on vesting.

Element	Purpose and link to strategy	Operation	Opportunity
Ten-Year Equity Plan	Rewards the achievement of sustained long-term performance that is aligned with shareholder interest. Facilitates share ownership to provide further alignment with shareholders. Retains and motivates Executive Directors over a long-term period.	One-off award of conditional shares with a vesting profile of 15% per year in years 1 to 4, with the remaining 40% vesting at the end of year 5. Following vesting, a further five-year holding period will apply to the awards where by Executive Directors will be restricted from selling the net of tax shares which vest. The 40% tranche vesting at the end of year 5 and releasable at the end of year 10 is subject to a total shareholder-return performance-based clawback. Recovery and withholding provisions operate in certain circumstances, including where there has been a misstatement of accounts, an error in assessing any applicable performance conditions, or in the event of misconduct on the part of the participant. These provisions apply for at least three years from the date on which an award vests.	The maximum opportunity is 10x base salary for the Chief Executive Officer and 8.75x base salary for other Executive Directors Dividends may accrue on the award over the vesting period and be paid out either as cash or as shares on vesting in respect of the number of shares that have vested.

Element	Purpose and link to strategy	Operation	Opportunity
Shareholding guideline	Encourages Executive Directors to build a meaningful shareholding in Ascential so as to further align interests with shareholders.	Each Executive Director must build up and maintain a shareholding in Ascential equivalent to 200% of base salary. If an Executive Director does not meet the guideline, they will be expected to retain at least half of the net shares vesting under the Company's discretionary share-based employee incentive schemes until the guideline is met.	Not applicable

Element	Purpose and link to strategy	Operation	Opportunity
Post-employment share ownership requirements.	Ensures there is an appropriate amount of 'tail risk' for executives' post cessation of employment.	Executives leaving employment as good leavers (e.g. due to retirement) will continue to hold share awards until the later of their original vesting date or the conclusion of a holding period on the vested shares. Deferred share bonus awards and any Performance Share awards granted under prior year Director Remuneration Policies or the Ten-Year Equity Plan will only be eligible to vest at the normal vesting date (i.e. three years from grant and subject to performance in the case of the PSP, and the vesting profile explained above in relation to the Ten-Year Equity Plan). Vested Performance Shares and Ten-Year Equity Plan shares subject to a holding period will remain subject to the holding period (i.e. vesting and release will not be brought forward from year 5 to year 3 in the case of Performance Shares, or from years 6 to year 10 in the case of the Ten-Year Equity Plan). An exceptional circumstances provision will apply so that these provisions could be overridden (e.g. in the event of death). Bad leavers' unvested share awards will lapse on cessation of employment.	Not applicable

What discretion does the Committee retain in operating the incentive plans?

The Committee operates Ascential's various incentive plans according to their respective rules. To ensure the efficient operation and administration of these plans, the Committee retains discretion in relation to a number of areas. Consistent with market practice, these include (but are not limited to) the following:

- Selecting the participants;
- The timing of grant and/or payments;
- The size of grants and/or payments (within the limits set out in the policy table above);
- The extent of vesting based on the assessment of performance;
- Determination of good leaver and, where relevant, the extent of vesting in the case of the share-based plans;
- Treatment in exceptional circumstances such as change of control, in which the Committee would act in the best interests of Ascential and its shareholders;
- Making the appropriate adjustments required in certain circumstances (e.g. rights issues, corporate restructuring events, variation of capital and special dividend);
- Cash settling awards; and
- The annual review of performance measures, weightings and setting targets for the discretionary incentive plans from year to year.

Any performance conditions may be amended or substituted if one or more events occur which cause the Committee to reasonably consider that the performance condition would not without alteration achieve its original purpose. Any varied performance condition would not be materially less difficult to satisfy in the circumstances.

How does the Committee choose performance measures and set targets?

The performance metrics (including underpins) used for the annual bonus plan and the Ten-Year Equity Plan have been selected to reflect Ascential's key performance indicators.

The annual bonus is based on performance against a stretching combination of financial measures, with the flexibility to include non-financial performance measures if considered to be appropriate. The financial measures are set taking account of Ascential's key operational objectives but will typically include a measure of profitability (such as EBITDA which is also closely correlated with the generation of cash) and/or revenue (which reflects the Company's growth focus) as these are key performance indicators. In 2021, the annual bonus will be measured on revenue (50%) and profit (50%) targets.

The performance underpin for the Ten-Year Equity Plan is based on absolute total shareholder return which has been selected as it reflects the output from a successful execution of Ascential's long-term transformation strategy.

A sliding scale of challenging performance targets is set for both of these measures and further details of the targets applied are set out in the Annual Report on Remuneration.

What about pre-existing arrangements?

In approving this Directors' Remuneration Policy, authority is given to the Remuneration Committee to honour any commitments entered into with current Directors that pre-date the approval of the policy. Details of any payments to current or former Directors will be set out in the Annual Report on Remuneration if and when they arise.

Are the view of shareholders taken into account?

The Committee values and is committed to dialogue with shareholders. In preparing the 2021 Directors' Remuneration Policy we have sought feedback from our major shareholders representing over 70% of our issued share capital and the shareholder representative bodies IVIS and ISS and Glass Lewis. We will continue to carefully consider any shareholder feedback received in relation to the AGM this year and in future. In addition, the Committee will continue to engage proactively with shareholders and ensure that shareholders are consulted in advance, where any material changes to the Directors' Remuneration Policy are proposed. Through the process of review this year, the Committee Chair has consulted with shareholders who in aggregate hold a majority of our shares and they were largely supportive of our proposal.

How are wider employment conditions taken into account?

The Committee seeks to ensure that the underlying principles which form the basis for decisions on Executive Directors' pay are consistent with those on which pay decisions for the rest of the workforce are taken. For example, the Committee takes into account the general salary increases for the broader employee population when conducting the salary review for the Executive Directors. During 2020, previously announced Board pay rises were deferred and the Executive and Non-Executive Directors accepted a temporary 25% reduction in base salary/fees at the time that pay rises were frozen for all employees.

The Company operates UK and International Sharesave and US Stock Purchase saving plans for employees wishing to invest in the Company's shares. A formal employee consultation on remuneration is not operated; however, employees are able to provide feedback on the Company's remuneration policies to their managers or the Human Resources department informally, as well as through the employee engagement survey and formal performance review process. The Ascential Employee Forum was established during the year which has provided an additional channel for consulting with employees on issues affecting them, including Remuneration Policy. Fixed ratios between the total remuneration levels of different roles in Ascential are not applied, as this may prevent us from recruiting and retaining the necessary talent in competitive employment markets. We have however adopted a formal job banding framework, which helps to ensure that remuneration is appropriate and consistent across the organisation.

The Executive Directors' Remuneration Policy (as set out on pages 92 to 99) reflects differences compared to the broader employee base that are appropriate to leadership to ensure alignment with shareholder interests. A greater weight is placed on performance-based pay through the quantum and participation levels in incentive schemes.

How does the executive pay policy differ from that for other Ascential employees?

The Remuneration Committee considers the Executive Directors' remuneration in the context of the wider employee population. All of the Company's employees have the opportunity to participate in share-based rewards such as SAYE and the wider leadership team of the Company participate in annual bonus arrangements. The Remuneration Policy for the Executive Directors is more heavily weighted towards variable pay than for other employees, to make a greater part of their pay conditional on the successful delivery of business strategy. This aims to create a clear link between the value created for shareholders and the remuneration received by the Executive Directors.

How much could an Executive Director earn under the Remuneration Policy?

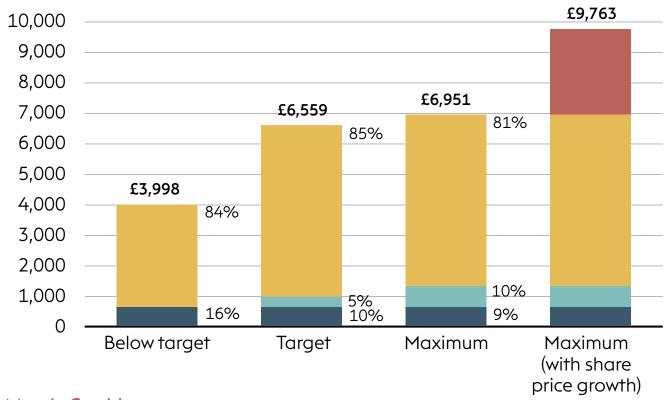
A significant proportion of total remuneration is linked to Company performance, particularly at maximum performance levels.

The chart below illustrates how the Executive Directors' potential reward opportunity varies under three different performance scenarios: fixed pay only, on-target and at maximum. Illustrations are intended to provide further information to shareholders regarding the pay for performance relationship. Actual pay delivered will be influenced by changes in share price and the vesting levels of awards.

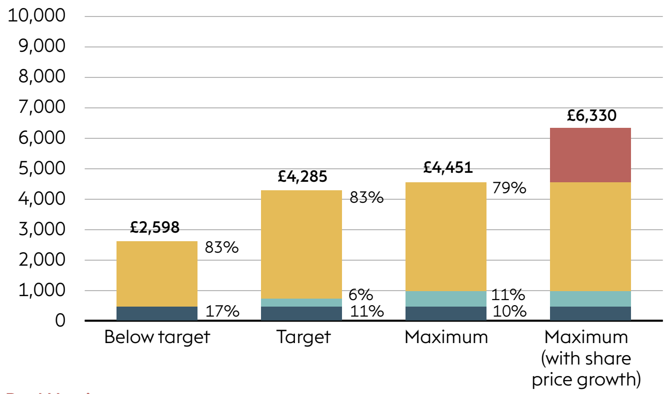
The Executive Directors can participate in the two all-employee share schemes on the same basis as other employees. The value that may be received under these schemes is subject to tax approved limits. For simplicity, the value that may be received from participating in these schemes has been excluded from the below chart.

The below charts are presented in accordance with The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and therefore includes (a) annual figures for salary and bonus and (b) the full 2021 award under the Ten-Year Equity Plan. Awards under the Ten-Year Equity Plan are made once every five years and therefore the chart shows five-years' worth of award value. The rationale for the Ten-Year Equity Plan along with details of the extended vesting profile and holding periods of awards granted thereunder, are set out on pages 93 and 94.

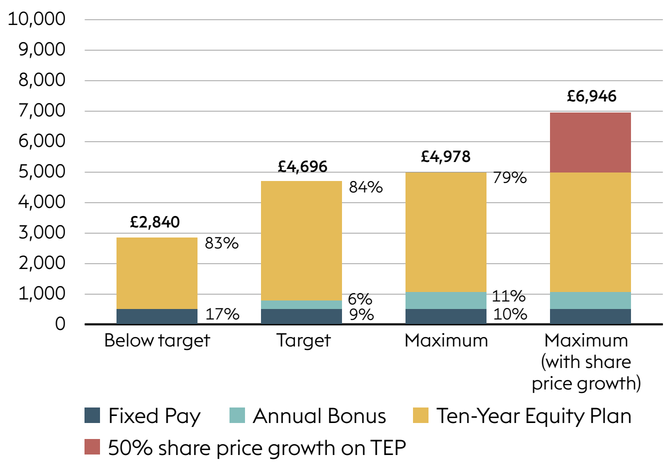
Duncan Painter
CEO £'000



Mandy Gradden
CFO £'000



Paul Harrison
COO £'000



What would a new Executive Director be paid?

The ongoing remuneration package for a new Executive Director would be set in accordance with the terms of Ascential's shareholder-approved Remuneration Policy at the time of appointment and the maximum limits set out therein. It is the Remuneration Committee's policy that no ongoing special arrangements will be made, and in the event that any deviation from standard policy is required to recruit a new hire on an ongoing basis, approval would be sought at the Annual General Meeting.

Base salary levels will be set in accordance with Ascential's Remuneration Policy, taking into account the experience and calibre of the individual. Salaries may be set at a below market level initially with a view to increasing them to the market rate subject to individual performance and developing into the role by making phased above inflation increases.

Benefits will be provided in line with those offered to the other Executive Directors, taking account of local market practice.

What would the ongoing incentive arrangements be for a newly-appointed Executive Director?

Currently, for an Executive Director, annual bonus payments will not exceed 125% of base salary and participation in the Ten-Year Equity Plan would not exceed 10x base salary for the Chief Executive Officer and 8.75X for other Executive Directors (not including any arrangements to replace forfeited entitlements).

Where necessary, specific annual bonus may be used for an individual for the first year of appointment if it is appropriate to do so to reflect the individual's responsibilities and the point in the year in which they joined the Board. A Ten-Year Equity Plan award can be made shortly following an appointment (assuming the Company is not in a close period).

What payments could a newly appointed Executive Director receive beyond the policy?

The Committee retains flexibility to offer additional cash and/or share based awards on appointment to take account of remuneration or benefit arrangements forfeited by an Executive on leaving their previous employer. If shares are used, such awards may be made under the terms of the PSP or as permitted under the Listing Rules.

Such payments would take into account the nature of awards forfeited and would reflect (as far as possible) performance conditions, the values foregone and the time over which they would have vested or been paid. Awards may be made in cash if the Company is in a prohibited period at the time an Executive joins the Company.

The Committee may also agree that the Company will meet certain relocation, legal, tax equalisation and any other incidental expenses as appropriate so as to enable the recruitment of the best people including those who would need to relocate.

What about an internal appointment?

In the case of an internal Executive Director appointment, any variable pay element awarded in respect of the prior role may be allowed to pay out according to its terms, and adjusted as relevant to take into account the appointment. In addition, any other ongoing remuneration obligations existing prior to appointment may continue. Where a temporary internal promotion occurs, base salary may be subject to an adjustment to better reflect the temporary role or an additional allowance may be payable to reflect the additional responsibilities for the period they operate.

Are the Executive Directors allowed to hold external appointments?

Executive Directors are permitted to accept external appointments with the prior approval of the Board and where there is no impact on their role with Ascential. The Board will determine on a case-by-case basis whether the Executive Directors will be permitted to retain any fees arising from such appointments and, where any such fees are retained, they will be disclosed in the Annual Report on Remuneration.

What are the Directors' terms of employment? What are their notice periods?

The Executive Directors have entered into service agreements with an indefinite term that may be terminated by either party on 12 months' written notice. Contracts for new appointments will be terminable by either party on a maximum of 12 months' written notice.

	Date of service contract / appointment	Notice Period	Unexpired term of contract at 31 December 2020
Executive Directors			
Duncan Painter	21 Jan 2016	12 months	Rolling contract
Mandy Gradden	21 Jan 2016	12 months	Rolling contract
Paul Harrison	11 Jan 2021	12 months	Rolling contract

What payments will an Executive Director receive when they leave the Company?

An Executive Director's service contract may be terminated summarily without notice and without any further payment or compensation, except for sums accrued up to the date of termination, if they are deemed to be guilty of gross misconduct or for any other material breach of the obligations under their employment contract.

The Company may suspend the Executive Directors or put them on a period of garden leave during which they will be entitled to salary, benefits and pension only.

If the employment of an Executive Director is terminated in other circumstances, compensation may include base salary due for any unexpired notice period, pro-rata bonus (normally based on performance assessed after the year end), and any amount assessed by the Committee as representing the value of other contractual benefits which would have been received during the period. The Company may choose to continue providing some benefits instead of paying a cash sum, representing their cost. The cash element of any annual bonus paid to a departing Executive Director would normally be paid at the normal payment date, and reduced pro-rata to reflect the actual period worked.

Any statutory entitlements or sums to settle or compromise claims in connection with a termination (including, at the discretion of the Committee, reimbursement for tax or legal advice and provision of outplacement services) would be paid as necessary.

Executive Directors' service contracts are available for inspection at Ascential's registered office during normal business hours and will be available for inspection at the AGM.

How are outstanding share awards treated when an Executive Director leaves Ascential?

Any share-based entitlements granted to an Executive Director under Ascential's share plans will be treated in accordance with the relevant plan rules. Usually, any outstanding awards lapse on cessation of employment. However, in certain prescribed circumstances, such as death, injury, disability, retirement with the consent of the Committee, the sale of the entity that employs him/her out of Ascential or any other circumstances at the discretion of the Committee, "good leaver" status may be applied.

For good leavers under the Ten-Year Equity Plan, awards would be treated as follows:

Circumstance		Between Q1 2021 – Q1 2026	Between Q1 2026 – Q1 2031
"Good leaver" (redundancy, ill-health, genuine retirement to the satisfaction of the Committee, death, any other reason – see below)	15% tranches	15% tranches which have not vested lapse, and usual holding period requirements continue for vested shares (other than death or terminal illness, where shares may be released early)	15% tranches released on normal time-horizons (other than death, where shares may be released early)
	40% tranche	40% tranche lapses	40% tranche released in Q1 2031 (normal time), subject to application of TSR underpin
Resignation	15% tranches	15% tranches which have not vested lapse, and usual holding period requirements continue for vested shares	15% tranches released on normal time-frame
	40% tranche	40% tranche lapses	40% tranche released in Q1 2031 (normal time), subject to application of TSR underpin

For good leavers under the DABP, unvested awards will vest at the original vesting date unless the Committee exercises its discretion and allows the award to vest in full on, or shortly following, the date of cessation. However, in line with the Company "post cessation of employment share ownership guideline" it is envisaged this would only be applied in exceptional circumstances.

In determining whether a departing Executive Director should be treated as a "good leaver", the Committee will take into account the performance of the individual and the reasons for their departure.

What happens to their outstanding share awards if there is a takeover or other corporate event?

Outstanding awards on a takeover or winding up of the Company will vest early to the extent that the performance condition has been satisfied, and would normally be reduced on a pro-rata basis to reflect the period of time which has elapsed between the grant date and the date of the takeover or other corporate event, relative to the normal vesting date of each tranche of the award although the Committee would retain discretion to waive time pro-rating of an award if it regards it as appropriate to do so in the particular circumstances.

In the event of a demerger, special dividend or other event which, in the opinion of the Committee, may affect the current or future value of shares, the Committee may decide that awards will vest on a basis which would apply in the case of takeover. In the event of an internal corporate reorganisation, awards will be replaced by equivalent new awards over shares in a new holding company, unless the Committee decides that awards should vest on a basis which would apply in the case of a takeover.

How are the Non-Executive Directors Paid?

Element	Purpose and link to strategy	Operation	Opportunity
Non-Executive Director fees	To attract and retain a high-calibre Chairman and Non-Executive Directors by offering market competitive fee levels.	The Company Chairman is paid an annual fee. The Non-Executives (including the Senior Independent Director) are paid a basic fee, with the Chairs of the main Board Committees, the Senior Independent Director and the Non-Executive Director designated as the employee representative, paid additional fees to reflect the extra responsibilities and time commitments. 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. The level of fees is reviewed periodically by the Committee and CEO for the Company Chairman, and by the Company Chairman and Executive Directors for the Non-Executive Directors, and is set taking into consideration market levels in comparably sized FTSE companies, the time commitment and responsibilities of the role and to reflect the experience and expertise required. The Company Chairman and the Non-Executive Directors are not eligible to participate in incentive arrangements or to receive benefits, save that they are entitled to reimbursement of reasonable business expenses and any tax thereon.	The fees are subject to maximum aggregate limits as set out in the Company's Articles of Association (£2,000,000). The Committee is guided by the general increase for the broader employee population, but on occasions may need to recognise, for example, changes in responsibility, and/or time commitments. Current fee levels are disclosed in the Annual Report on Remuneration.

What would a new Chairman or Non-Executive Director be paid?

For a new Chairman or Non-Executive Director, the fee arrangement would be set in accordance with the approved Remuneration Policy in force at that time.

What are the terms of appointment for the Chairman and Non-Executive Directors?

All Non-Executive Directors have letters of appointment with the Company for an initial period of three years (save for the Chairman who is appointed for a nine-year term), subject to annual re-election by the Company at a general meeting.

The appointment of each Chairman and Non-Executive Director may be terminated by either party with three months' written notice. The appointment of each may also be terminated at any time if he or she is removed as a Director by resolution at a general meeting or pursuant to the Articles, provided that in such circumstances the Company will (except where the removal is by reason of their misconduct) pay the Chairman or Non-Executive an amount in lieu of his or her fees for the unexpired portion of his or their notice period.

Directors' letters of appointment are available for inspection at the registered office of Ascential during normal business hours and will be available for inspection at the AGM.

Dates of Directors' service contracts/letters of appointment

	Date of service contract / appointment	Notice Period	Unexpired term of contract at 31 December 2020
Non-Executive Directors			
Scott Forbes	11 Jan 2016	3 months	n/a
Rita Clifton	12 May 2016	3 months	n/a
Judy Vezmar	11 Jan 2016	3 months	n/a
Gillian Kent	11 Jan 2016	3 months	n/a
Charles Song	1 Oct 2020	3 months	n/a
Suzanne Baxter	5 Jan 2021	3 months	n/a
Funke Ighodaro	5 Jan 2021	3 months	n/a

Annual report on remuneration

Subject to an advisory vote at the 2021 AGM

This report has been prepared in accordance with the provisions of the Companies Act 2006 and the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). This report has also been prepared in line with the recommendations of the 2018 UK Corporate Governance Code.

This part of the Directors' Remuneration Report sets out a summary of how the Directors' Remuneration Policy was applied during 2020. The policy in place for the year was approved by shareholders at the 2020 AGM. This Annual Report on Remuneration will be subject to an advisory vote at the 2021 AGM. Various disclosures in this report about the Directors' remuneration have been audited by Ascential's independent auditor, KPMG LLP. Where information has been audited, this has been clearly indicated.

What is the composition of the Remuneration Committee?

The Committee is made up of independent Non-Executive Directors and there is cross-membership with the Audit Committee, whose remit includes review of risk management, to ensure that there is alignment between the Group's key risks and its Remuneration Policy. Regular attendees include the external remuneration adviser, Chief Executive and EVP, People. No attendee is present when their own individual remuneration is being discussed.

What is the role of the Remuneration Committee?

The Remuneration Committee ("the Committee") has responsibility for determining the overall pay policy for Ascential. In particular, the Committee is responsible for:

- determining the framework or broad policy for the fair remuneration of Ascential's Executive Directors and Chairman, and certain other senior management including the direct reports of the Chief Executive Officer;
- approving their remuneration packages and service contracts, giving due regard to the UK Corporate Governance Code as well as the Financial Conduct Authority's rules and associated guidance;
- ensuring that the Remuneration Policy is adequate and appropriate to attract, motivate and retain personnel of high calibre and provides, in a fair and responsible manner, reward for their individual contributions;
- reviewing the ongoing appropriateness and relevance of the Remuneration Policy, overseeing any major changes in remuneration and employee benefits structures throughout Ascential;
- consulting with shareholders and their advisory bodies in advance of significant changes to Remuneration Policy;
- approving the design of, and determining targets for, performance-related pay schemes operated by Ascential and approving the total annual payments made under such schemes; and
- reviewing the design of all share incentive plans for approval by the Board and shareholders. For any such plans, the Committee determines each year whether awards will be made and, if so, the overall amount of such awards, the individual awards to Executive Directors and other senior management, and the performance targets to be used.

Committee attendance during the year

The Committee held three formal meetings during the year, and additionally met several times to discuss the remuneration policy proposal and consultation. All members attended all meetings.

Key activities of the Committee

The Committee's key activities during the 2020 financial year were:

- creating a revised remuneration plan that is relevant and appropriate for executives and shareholders, including extensive consultation with major investors;
- reviewing base salaries for Executive Directors and senior management;
- approving the bonus outturn for Executive Directors and senior management;
- setting bonus targets for Executive Directors and approving them for senior management;
- approving awards under the Company's share plans; and
- approving this Remuneration Committee Report.

Total remuneration for the financial year to 31 December 2020 (Audited)

The following table reports the total remuneration receivable in respect of qualifying services by each Director for the year ended 31 December 2020.

£'000		Salary & fees[1]	Taxable benefits[2]	Pension[3]	Total Fixed Pay	Annual Bonus[4]	Long-Term Incentive[5]	Total Variable Pay	Total Remuneration
Executive									
Duncan Painter	2020	483	7	50	540	-	107	107	647
	2019	548	10	49	607	177	897	1,074	1,681
Mandy Gradden	2020	335	5	34	374	-	63	63	438
	2019	370	5	33	408	120	537	657	1,065
Non-Executive									
Scott Forbes	2020	156	–	–	156	–	–	–	156
	2019	178	–	–	178	–	–	–	178
Rita Clifton	2020	50	–	–	50	–	–	–	50
	2019	57	–	–	57	–	–	–	57
Paul Harrison	2020	72	–	–	72	–	–	–	72
	2019	62	–	–	62	–	–	–	62
Gillian Kent	2020	46	–	–	46	–	–	–	46
	2019	52	–	–	52	–	–	–	52
Judy Vezmar	2020	55	–	–	55	–	–	–	55
	2019	62	–	–	62	–	–	–	62
Charles Song	2020	14	–	–	14	–	–	–	14
	2019	–	–	–	–	–	–	–	–
Total	**2020**	**1,211**	**12**	**84**	**1,307**	**–**	**170**	**170**	**1,477**
Total	2019	1,329	15	82	1,426	297	1,434	1,731	3,157

1 Salary & fees includes a temporary reduction in base salary and fees of 25% for 6 months from 1 April 2020 to 30 September 2020 as part of the Board's response to the impact of the Coronavirus pandemic. Fees paid to Paul Harrison include £17,300 consulting fees in relation to consultation on a strategic project in December 2020.
2 Benefits includes private medical insurance, life assurance, income protection insurance and use of a company driver.
3 Pension amounts are the cash allowance paid in lieu of pension contributions which are calculated as 9% of salary.
4 No bonus was payable in respect of 2020 as targets were not met as a result of the impact of the cancellation of live events during the year.
5 The PSP award granted in March 2018 has a performance period ended 31 December 2020 and will vest in March 2021 at a level of 12.17%. As vesting is post the year end, an average share price for Q4 2020 has been used to calculate the long-term incentive value in the above table. See page 102 for details of the performance conditions. The long-term incentive value of the prior year has been restated using the actual share price on the vesting date of 3 March 2020 (£2.97)

Duncan Painter is also a non-executive director of ITV plc and received fees totalling £62,209 in 2019 (2019: £69,997) from that external appointment. Mandy Gradden was also a non-executive director of SDL plc up until 3 November 2020 and received fees totalling £48,700 in 2020 from that external appointment (2019: £57,000).

How was the annual bonus payment determined? (Audited)

The bonus elements with targets for the year, performance against these targets, and the resulting payouts are set out below.

	Weighting	Threshold		Target		Maximum		Actual		
Target	%	Required result (£'m)	Payout as % of maximum	Required result (£'m)	Payout as a % of maximum	Required result (£'m)	Payout as a % of maximum	Actual result (£'m)	Payout as a % of maximum	payout as % of target
Revenue	50	402.7	0	447.4	50	451.9	100	263.7	0	0
EBITA	50	103.9	0	115.4	50	118.3	100	45.6	0	0
Total									**0**	**0**

The Committee confirmed that a zero payout level for the 2020 bonus was appropriate given the reduction in 2020 Revenue and Adjusted EBITA as a result of the impact of Covid-19. At the time of setting the targets the Committee considered the target ranges to provide an appropriate balance between being achievable at the bottom end of the performance ranges and providing a stretch target at the top end of the ranges. At the time they were set the targets were considered similarly demanding to those set for 2019 allowing for changes to the Company's portfolio of businesses and, for any bonuses to become payable, a threshold EBITDA was set at £103.9m which was ahead of the threshold target set in 2019 of £1.2m.

What equity awards have been included in the single figure table? (Audited)

The Executive Directors received an award in 2018 under the Performance Share Plan ("PSP") which vests to the extent performance conditions are met over the period to 31 December 2020. The 2018 award was based on EPS and relative TSR performance. Overall, 87.83% of the award will lapse based on Ascential's performance as summarised in the table below.

Performance measure	Weighting	Threshold performance	Threshold vesting	Maximum performance	Actual performance	Proportion of award to vest
Adjusted EPS growth	75% of award	8% p.a.	25%	12% p.a.	(53%)	0%
Relative TSR vs FTSE 250	25% of award	Median ranking	25%	Upper quartile ranking	Rank: 73 out of 172 companies	48.68%
Total						**12.17%**

With regards to the EPS performance target, the Committee considered whether any adjustments were necessary to ensure that material events during the measurement period had not made the performance conditions materially more or less difficult to satisfy. However, having considered the adjustments that would need to be made to adjust for material M&A activity during the period (e.g. by removing Ascential Exhibitions from the base year EPS, and adding acquisition case EPS for subsequent acquisitions during the performance period) so as to ensure that the targets were no more or less challenging than when they were set having had regard to the M&A activity it was clear that the targets would not be met. As a result, the Committee did not use discretion to adjust the targets and confirmed 0% vesting in relation to the EPS target.

The 2018 PSP awards will therefore vest as follows:

Director	Shares awarded	Percent vesting	Shares due to vest	Value from share price increase	Dividend equivalents	Total value on vesting
	Number / value on award	% of award	Number / value on award	£	Number / value on vest	Number / value on vest
Duncan Painter	263,078	12.17%	32,016	(£20,368)	1,365	33,381
	£1,049,997		£127,785		£4,580	£132,364
Mandy Gradden	155,216		18,889	(£12,017)	805	19,694
	£619,498		£75,393		£2,701	£78,094

1 Value of share price decrease based on a 399.12p share price at the time of grant of the award in March 2018, to the three-month average share price to 31 December 2020 of 335.5p.
2 Value of shares based on a three-month average share price to 31 December 2020 of 335.5p. This value will be restated next year based on the actual share price on the date of vesting.

The vested shares will be subject to the Company's two-year holding requirement.

What equity awards have been granted during the year? (Audited)

The Executive Directors received the following awards under the Performance Share Plan ("PSP") and the Deferred Annual Bonus Plan ("DABP") during the year. The Awards made under the DABP relate to the mandatory deferral of 50% of the bonus payable to Executive Directors in relation to the financial year ended 2019 into shares.

	Type of award	Number of shares	Face value (£)	Face value as a % of salary[1]	Threshold vesting	End of performance period
Duncan Painter	PSP	381,626	1,102899	200%	25%	30 September 2023
	DABP	61,409	177,472	32%	–	–
Mandy Gradden	PSP	225,229	650,912	175%	25%	30 September 2023
	DABP	20,709	59,849	16%	–	–

1 Face value as a percentage of salary has been calculated on the Directors' annual salary on the usual grant date of March 2020, notwithstanding that the DABP and PSP awards were granted in October 2020. Duncan Painter elected to defer 100% of his bonus into deferred shares.

The 2020 PSP and DABP awards were both granted as conditional awards. The average closing share price for the five business days immediately preceding the date of grant for both awards was £2.89. Awards under the DABP are not subject to performance criteria as they are the element of the 2019 performance related to annual bonus paid as deferred shares which will normally vest three years after the date of grant.

The Remuneration Committee deferred its plans to award shares to the Executive Directors under the Company's PSP and DABP plans, normally granted in March 2020, in response to the uncertainty presented by Covid-19 and the consequent challenges with establishing appropriate performance conditions for the PSP award. In light of the continuing challenges with forecasting earnings over a three-year period, the Remuneration Committee concluded that the most appropriate performance criterion for this grant is 100% relative total shareholder return (measured against the constituents of the FTSE 250 Index excluding Investment Trusts) with performance to be measured over the three-year period running from the date of grant (1 October 2020). This is intended to ensure alignment with shareholders during a period of continued uncertainty. The relative total shareholder return performance condition will also be subject to a financial underpin that will require the Remuneration Committee to consider the vesting outcome to be appropriate in light of the underlying financial performance of the Company over the three-year period. If this is not the case, the Remuneration Committee has the ability to reduce vesting.

The 2020 PSP awards are therefore subject to the following performance criteria:

Performance criteria	Weighting	Threshold (25% vesting)	Stretch (100%)	Measurement period
Relative Total Shareholder Return[1]	100%	Median	Upper quartile	Average Net Return Index of Company and each member of the constituent group ("Average Return") during the three-month period ending on 30 September 2020 to the Average Return during the three-month period to 30 September 2023

1 The Comparator Group for the purposes of the TSR performance condition is the constituents of the FTSE 250 Index (excluding investment trusts).

What other interests do the Directors have in Ascential share plans? (Audited)

The Executive Directors both participate in the Ascential Save As You Earn scheme on the same terms as those open to the wider workforce. Share options are granted at an option price which is a 20% discount on the share price on the date of offer. Options normally vest following the conclusion of a three- year savings contract and will ordinarily be exercisable for a period of six months after the vesting date.

The table below summarises the outstanding awards made to the Executive Directors.

Duncan Painter

Scheme	Interests at 1 Jan 2020	Granted in year	Lapsed in year	Exercised in year	Interests at 31 Dec 2020	Date of grant	Exercise price (£)	Vesting date	Expiry date
PSP	415,574	–	–	(415,574)	–	21-Mar-16	nil	21-Mar-19	20-Mar-26
PSP	307,219	10,856	(50,984)	267,091	–	07-Mar-17	nil	07-Mar-20	06-Mar-27
PSP	263,078	–	–	–	263,078	08-Mar-18	nil	08-Mar-21	n/a
PSP	314,693	–	–	–	314,693	29-Mar-19	nil	29-Mar-22	n/a
PSP	–	381,626			381,626	1-Oct-20	nil	1-Oct-23	n/a
DABP	19,201	–	–	–	19,201	07-Mar-17	nil	07-Mar-20	06-Mar-27
DABP	37,842	–	–	–	37,842	08-Mar-18	nil	08-Mar-21	n/a
DABP	19,549	–	–	–	19,549	29-Mar-19	nil	29-Mar-22	n/a
DABP	–	61,409	–	–	61,409	1-Oct-20	nil	1-Oct-23	n/a
SAYE	8,823	–	–	(8,823)	–	30-Sep-16	2.04	01-Nov-19	30-Apr-20
SAYE	5,921	–	–	–	5,921	26-Sep-19	3.04	01-Nov-22	30-Apr-23
Total	**1,391,900**	**453,891**	**(50,984)**	**(691,488)**	**1,103,319**				

Mandy Gradden

Scheme	Interests at 1 Jan 2020	Granted in year	Lapsed in year	Exercised in year	Interests at 31 Dec 2020	Date of grant	Exercise price (£)	Vesting date	Expiry date
PSP	243,924	–	–	–	243,924	21-Mar-16	nil	21-Mar-19	20-Mar-26
PSP	184,081	6,505	(30,549)	–	160,037	07-Mar-17	nil	07-Mar-20	06-Mar-27
PSP	155,216	–	–	–	155,216	08-Mar-18	nil	08-Mar-21	n/a
PSP	185,712	–	–	–	185,712	29-Mar-19	nil	29-Mar-22	n/a
PSP	–	225,229			225,229	1-10-20	nil	1-Oct-23	n/a
DABP	13,099	–	–	–	13,099	07-Mar-17	nil	07-Mar-20	06-Mar-27
DABP	25,606	–	–	–	25,606	08-Mar-18	nil	08-Mar-21	n/a
DABP	13,184	–	–	–	13,184	29-Mar-19	nil	29-Mar-22	n/a
DABP	–	20,709	–	–	20,709	1-Oct-20	nil	1-Oct-23	n/a
SAYE	8,823	–	–	(8,823)	–	30-Sep-16	2.04	01-Nov-19	30-Apr-20
SAYE	5,921	–	–	–	5,921	26-Sep-19	3.04	01-Nov-22	30-Apr-23
Total	**835,566**	**252,443**	**(30,549)**	**(8,823)**	**1,048,637**				

The closing share price of Ascential's ordinary shares at 31 December 2020 was 384.0p and the closing price range from 1 January 2020 to 31 December 2020 was 177p to 421p.

Ordinary shares required to fulfil entitlements under the PSP, DABP, SAYE and SIP may be provided by Ascential's Employee Benefit Trusts ("EBT"). As beneficiaries under the EBT, the Executive Directors are deemed to be interested in the Ordinary Shares held by the EBT which, at 31 December 2020, amounted to 1,219,261 . Assuming that all awards made under Ascential's share plans vest in full, Ascential has utilised 3.9% of the 10% in ten years and 3.1% of the 5% in five years dilution limits.

What pension payments were made in 2020? (Audited)

The table below provides details of the Executive Directors' pension benefits:

	Cash in lieu of contributions to Defined Contribution type pension plan (£'000s)
Duncan Painter	50
Mandy Gradden	34

Each Executive Director has the right to participate in Ascential's defined contribution pension plan or to elect to be paid some or all of their contribution in cash. Pension contributions and/or cash allowances are capped at 9% of salary.

Were there any payments made to past Directors during 2020? (Audited)

There were no payments made to any past Directors during the year.

What are the Directors' shareholdings and is there a guideline? (Audited)

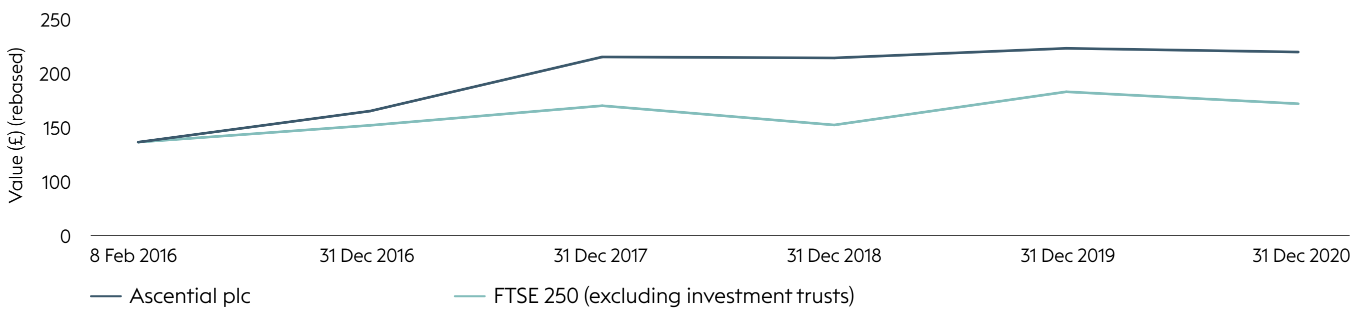
Details of the Directors' interests in shares (including those of their connected persons) are shown in the table below.

				Outstanding awards		
Director	Beneficially owned at 31 Dec 2020	Beneficially owned at 31 Dec 2019	Shareholder guideline achieved?	PSP	DABP	SAYE
Duncan Painter	3,752,346	3,636,081	Yes	959,397	138,001	5,921
Mandy Gradden	781,120	772,294	Yes	970,118	72,598	5,921
Scott Forbes	206,050	206,050	n/a	–	–	–
Rita Clifton	–	–	n/a	–	–	–
Paul Harrison	2,820	2,820	n/a	–	–	–
Judy Vezmar	50,000	50,000	n/a	–	–	–
Gillian Kent	–	–	n/a	–	–	–
Charles Song	–	–	n/a	–		
Total	**4,792,336**	**4,667,245**		**1,929,515**	**210,599**	**11,872**

To align the interests of the Executive Directors with shareholders, each Executive Director must build up and maintain a shareholding in Ascential equivalent to 200% of base salary. Until the guideline is met, Executive Directors are required to retain 50% of any PSP and DABP share awards that vest (or are exercised) net of tax.

How does the CEO's pay compare to Ascential's performance?

This graph shows a comparison of Ascential's total shareholder return (share price growth plus dividends paid) with that of the FTSE 250 (excluding investment trusts) since Admission. This index has been selected as it comprises companies of a comparable size and complexity and provides a good indication of Ascential's relative performance.



This graph shows the value, by 31 December 2020, of £100 invested in Ascential plc at the IPO Offer Price on 08 February 2016, compared with the value of £100 invested in the FTSE 250 (excluding investment trusts). Source: Datastream (Thomson Reuters)

The total remuneration figure for the CEO for each year since IPO is shown below. The total remuneration figure includes the annual bonus which was awarded based on performance in those years. Where that bonus was subject to deferral, it is shown in the year in which it was awarded.

	2016	2017	2018	2019	**2020**
Total Remuneration (£'000)	565	856	2,167	1,681	647
Annual bonus (% of maximum)	20	48	20	26	**0**
Long Term Incentive Plan (% of maximum vesting)	n/a	n/a	100	83	**12**

How does the change in the Directors pay compare to that for Ascential employees?

The movement in the salary and annual bonus for the Directors between the current and previous financial year compared to the change in average salary for all employees is shown below.

	Average percentage change 2019-2020		
	Salary/fee	Taxable benefits	Annual Bonus
Duncan Painter	(11%)	nm	(100%)
Mandy Gradden	(8%)	nm	(100%)
Scott Forbes	(12%)	n/a	n/a
Rita Clifton	(12%)	n/a	n/a
Paul Harrison	16%	n/a	n/a
Judy Vezmar	(12%)	n/a	n/a
Gillian Kent	(12%)	n/a	n/a
Charles Song[2]	n/a	n/a	n/a
All employees	(4%)	nm	nm

What is the ratio of CEO pay to the average UK employee?

The below table sets out the CEO's total remuneration as a ratio to UK employees' total remuneration on the 25th, 50th and 75th percentile.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
1 January to 31 December 2020	Option A	27.64	16.02	9.91

The salary and total pay of the employee on each of the 25th, 50th and 75th percentiles are shown below:

Percentile	Total Salary	Total Pay
25th	22,087	23,275
Median	37,500	40,167
75th	61,823	64,914

We have adopted Method A to calculate the above ratios as it is the most statistically accurate. This means that we have calculated total pay for all UK employees, using the same methodology that is used to calculate the CEO's single figure, using 31 December 2020 as the reference date. We will comment on changes in the median ratio in future years when prior year comparison data is available.

Our principles for pay setting and progression are consistent across the organisation as a whole. Underpinning our principles is a need to provide a competitive total reward so as to enable the attraction and retention of high calibre individuals without over-paying and providing the opportunity for individual development and career progression. The pay ratios reflect the changes in individual accountability which is recognised through our pay structures which include greater variable pay opportunity for more senior positions. This is reflected in the fact that the CEO's variable pay opportunity is higher than those employees noted in the table reflecting the weighting towards long-term value creation and alignment with shareholder interests inherent in his role. We are satisfied that the median pay ratio is consistent with our wider pay, reward and progression policies for employees. All our employees have the opportunity for annual pay increases, career progression and development opportunities.

What changes have there been in the fixed pay of Directors?

£000's Director	2020	%	2019	%	2018	%	2017	%	2016[1]
Chairman									
Scott Forbes	156	(12)	178	3	173	2	170	nm	150
Executive Directors									
Duncan Painter	540	(11)	607	3	591	7	554	nm	449
Mandy Gradden	374	(8)	408	2	398	6	375	nm	304
Non-Executive Directors									
Rita Clifton	50	(12)	57	2	56	2	55	nm	35
Paul Harrison	55	(12)	62	2	61	2	60	nm	53
Judy Vezmar	55	(12)	62	2	61	2	60	nm	53
Gillian Kent	46	(12)	52	2	51	2	50	nm	44
Charles Song[2]	14	n/a	n/a		n/a		n/a		n/a

1 Directors appointed for part of the year
2 Appointed 1 October 2020
3 Fees paid to Paul Harrison include £17,300 consulting fees in relation to consultation on a strategic project in December 2020 which have been excluded from the above table to aid comparability.

How much does Ascential spend on pay and dividends? (Audited)

	2020	2019
Total employee costs	£177.3m	£175.0m
Dividend per ordinary share[1]	-	1.8p

1 The 2019 figure of 1.8p is the interim dividend per ordinary share paid in respect of the 2019 financial year. In March 2020, as part of the Covid-19-related cash preservation measures, the Board decided not to declare the final dividend for the year ended 31 December 2019 of 4.0p that had been previously announced. There was no interim dividend in respect of the year ended 31 December 2020 and the Board are not proposing a final dividend.

What advice did the Committee receive?

Korn Ferry are the appointed advisers to the Remuneration Committee and provide advice and information on market practice, the governance of executive pay and the operation of employee share plans. The total fees paid to Korn Ferry in respect of their services for the 2020 financial year were £63, 364 plus VAT. Korn Ferry provides other consulting services to the Board in relation to its recruitment of Non-Executive Directors which is provided by an entirely separate team independent from the team advising the Committee. As a result, the advice to the Committee is therefore considered independent. Korn Ferry are signatories to the Remuneration Consultant's Code of Conduct, which requires that advice be objective and impartial.

What votes were received in relation to the Directors' Remuneration Policy at the 2019 AGM and the Annual Report on Remuneration at the 2020 AGM?

	Remuneration Policy	%	Annual Report on Remuneration	%
Votes cast in favour	365,711,635	97.1	375,339,447	99.7
Votes cast against	10,790,339	2.9	1,162,527	0.3
Total votes cast	376,501,974	100.0	376,501,974	100.0
Abstentions	537,988		–	

How will the Directors' Remuneration Policy be used in the 2021 financial year?

Base salary

The base salaries of the CEO and CFO will be increased by 0.7% in 2021, below the 2%-3% awarded to the wider workforce. The CEO and CFO's base salary will therefore be £555,310 and £411,863 respectively with effect from 1 April 2021. Paul Harrison, who was appointed as Chief Operating Officer with effect from 11 January 2021, has a base salary of £450,000 per annum. The salary is at a lower rate than the individual received at his former employer taking into account the relative size and complexity of his former employer compared to Ascential.

Annual bonus plan

The annual bonus plan will continue to be subject to a maximum of 125% of base salary and measured against stretching financial targets. 50% of the bonus will be based on Adjusted EBITDA and 50% will be based on revenue. Half of any bonus earned will be deferred into shares which vest after a three-year period.

The Committee has chosen not to disclose, in advance, the performance targets for the forthcoming year as these include items which the Committee considers commercially sensitive. An explanation of bonus payouts and performance achieved, along with the targets set, will be provided in next year's Annual Report on Remuneration.

Ten-Year Equity Plan

Subject to approval at the AGM on 6 May 2021, awards under the Ten-Year Equity Plan will be made to the Executive Directors as described on page 92.

Chief Operating Officer joining arrangements

As a result of his decision to leave Just Eat Takeaway (JET), Paul Harrison forfeited shares that, on joining Ascential, would have had an aggregate value of £1.5m, with 40% of these shares due to vest on 5 September 2021 and 60% on 14 March 2022. No performance conditions had been set in respect of these shares at the point when Paul Harrison left JET and no such conditions have subsequently been conveyed. During his discussions with Ascential at that time, it was agreed in principle that, should he join Ascential as Chief Operating Officer, he would be compensated for any value forfeited on leaving his employer.

As a result, after taking into account the period of time between leaving his former employer and joining Ascential, the Committee agreed to provide compensation for the value forfeit but on a reduced basis. Accordingly, Paul will receive an award over 184,177 shares which will vest on 5 September 2021 and 129,159 Ascential shares that will vest on 14 March 2022. Vesting is contingent on remaining in employment and subject to performing in line with the Board's expectations following appointment. The number of shares which were converted to Ascential shares on his date of joining of 11 January 2021 had a value on that date of circa £1.13m, which is an approximate 25% discount to the value forfeited in recognition of the elapse of time between leaving his former employer and joining Ascential.

The format and structure of the award is consistent with the Company's remuneration policy in that the value forfeited, the timing of receipt of the shares and the structure of the award mirrors what was forfeited and also reflects the timing of the appointment. The awards will be granted under an individual arrangement put in place by the Company in accordance with Listing Rule 9.4.2 to enable the arrangement to mirror the vesting schedule of the awards forfeited and will be settled using market purchase shares. The net of tax number of shares will be retained towards complying with the Company's share ownership guide

What are the current and future Non-Executive Director fees?

As the fees of the Chairman and Non-Executive Director were reviewed and increased in 2020, there will be no change in fees payable in 2021.

	2021	**2020**	% Change
Board Chairman	220,000	**220,000**	–
NED Basic fee	55,000	**55,000**	–
Additional fee for Senior Independent Director	10,000	**10,000**	–
Additional fee for Committee Chairs	10,000	**10,000**	–

This Directors' Remuneration Report was approved the Board of Directors on 12 March 2021 and signed on its behalf by Judy Vezmar, Chair of the Remuneration Committee.

Directors' report

Index to principal Directors' Report and Listing Rule disclosures

Relevant information required to be disclosed in the Directors' Report may be found in the following sections:

The above information is incorporated by reference and together with the information on pages 107 to 109 forms the Directors' Report in accordance with section 415 of the Companies Act 2006.

Strategic Report

The Strategic Report is set out on pages 2 to 71 and was approved by the Board on 12 March 2021. It is signed on behalf of the Board by Duncan Painter, Chief Executive Officer.

Cautionary statement

The review of the business and its future development in the Annual Report has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for these strategies to succeed. It should not be relied on by any other party for any other purpose. The review contains forward looking statements which are made by the Directors in good faith based on information available to them at the time of the approval of these reports and should be treated with caution due to inherent uncertainties associated with such statements. The Directors, in preparing the Strategic Report, have complied with s417 of the Companies Act 2006.

Directors' indemnities

The Company maintained appropriate insurance to cover Directors' and Officers' liability for itself and its subsidiaries and such insurance was in force for the whole of the year ended 31 December 2020.

The Company also indemnifies the Directors under deeds of indemnity for the purposes of section 236 of the Companies Act 2006. Such indemnities contain provisions that are permitted by the director liability provisions of the Companies Act 2006 and the Company's Articles of Association.

Share capital and rights attaching to shares

Details of the Company's share capital and movements during the year are set out in Note 23 to the financial statements, which is incorporated by reference into this report. This includes the rights and obligations attaching to shares and restrictions on the transfer of shares. The ordinary shares of £0.01 each are listed on the London Stock Exchange (LSE: ASCL.L). The ISIN of the shares is GB00BYM8GJ06.

All ordinary shares (this being the only share class of the Company) have the same rights (including voting and dividend rights and rights on a return of capital) and restrictions as set out in the Articles.

Without prejudice to any rights attached to any existing shares and subject to relevant legislation, the Company may issue shares with such rights or restrictions as determined by either the Company by ordinary resolution or, if the Company passes a resolution to so authorise them, the Directors.

Subject to legislation, the Articles and any resolution of the Company, the Directors may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise deal with or dispose of any shares to such persons, at such times and generally on such terms as the Directors may decide. The Company may issue any shares which are to be redeemed, or are liable to be redeemed, at the option of the Company or the holder, on such terms and in such manner as the Company may determine by ordinary resolution and the Directors may determine the terms, conditions and manner of redemption of any such shares. No such resolutions are currently in effect.

Subject to recommendation of the Board, shareholders may receive a dividend. Shareholders may share in the assets of the Company on liquidation.

Voting rights

Each ordinary share entitles the holder to attend, speak and vote at general meetings of the Company. A resolution put to the vote of the meeting shall be decided on a poll rather than a show of hands in line with recommended best practice.

On a poll, every member who is present in person or by proxy shall have one vote for every share of which they are a holder. The Articles provide a deadline for submission of proxy forms of not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting. No member shall be entitled to vote at any general meeting either in person or by proxy, in respect of any share held by him, unless all amounts presently payable by him in respect of that share have been paid. Save as noted, there are no restrictions on voting rights nor any agreement that may result in such restrictions.

Shares held by the Employee Benefit Trust ("EBT")

The Group has an Employee Benefit Trust which can hold shares to satisfy awards under employee share schemes. At 31 December 2020, the EBT held 1,219,261 shares. Voting rights in relation to any shares held in the EBT are exercisable by the trustee; however, in accordance with best practice guidance, the trustee abstains from voting.

Restrictions on transfers of securities

The Articles do not contain any restrictions on the transfer of ordinary shares in the Company other than the restrictions imposed by laws and regulations.

Interest in voting rights

Details of the share capital of the Company are set out in Note 23 to the Financial Statements.

As at 31 December 2020 and 12 March 2021, the Company received notifications in accordance with the FCA's Disclosure Guidance and Transparency Rule 5.1.2 of the following interests in the voting rights of the Company.

Shareholder	As at 31 December 2020 Percentage of voting rights over ordinary shares of £0.01 each	As at 12 March 2021 Percentage of voting rights over ordinary shares of £0.01 each
Jupiter Fund Management Plc	17.94%	17.94%
Ameriprise Financial, Inc	5.06%	5.06%
Black Rock Inc	5.23%	5.78%
Majedie Asset Management Ltd	n/a	5.11%
T Rowe Price Associates, Inc	5.07%	5.07%
AXA Investment Managers	4.95%	4.95%
Ninety One UK Ltd	4.92%	4.92%
Kayne Anderson Rudnick Investment Management LLC	4.00%	4.00
Franklin Templeton Institutional, LLC	3.91%	3.91%
Norges Bank	3.35%	3.35%

Changes to the Company's Articles

The Company's Articles of Association may only be amended by a special resolution at a general meeting of shareholders. A resolution to approve and adopt amended Articles of Association will be proposed at the AGM on 6 May 2021. Full details of the proposed changes are set out in the notice of AGM dated 12 March 2021.

Authority to allot shares

Under the Companies Act 2006, the Directors may only allot shares if authorised to do so by shareholders in a general meeting. The authority conferred on the Directors at a general meeting of shareholders held on 6 May 2020 expires on the date of the forthcoming AGM, and ordinary resolution 17 seeks a new authority to allow the Directors to allot ordinary shares up to a maximum nominal amount of £2,685,751 (268,575,124) shares, representing approximately two-thirds of the Company's issued share capital at 11 March 2021, of which 134,287,562 shares (representing approximately one-third of the Company's issued ordinary share capital) can only be allotted pursuant to a rights issue.

Political donations

The Company's policy is to not make political donations and it has not done so during 2020, nor has it made any contributions to a non-EU political party during the financial year.

Significant contracts

The only significant contract to which the Company is a party that takes effect, alters or terminates upon a change of control of the Company is the Revolving Credit Facility dated 14 January 2020, which contains customary prepayment, cancellation and default provisions including mandatory repayment of all loans provided on a change of control.

Employment practices

All employment decisions are made irrespective of colour, race, age, nationality, ethnic or national origin, sex, gender identity, mental or physical disabilities, marital status or sexual orientation. For employees who may have a disability, the Group ensures proper procedures and equipment are in place to aid them. When it comes to training, career development and promotion, all employees are treated equally and job applications are always judged on aptitude. Further details on the Group's policies on engagement and employment practices are set out on pages 56 to 59.

Auditor

Each of the Directors has confirmed that:

a. so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and

b. the Director has taken all reasonable steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with section 418 of the Companies Act 2006.

Post balance sheet events

There were four events after the reporting date: the acquisition of Hangzhou DuozhunData Technology Co. Ltd and Intellibrand, the disposal of Groundsure and the completion of the disposal of Glenigan. Please see Note 30 for more detail.

Annual General Meeting

The AGM of the Company will take place at 9am on 6 May 2021 at The Prow, 1 Wilder Walk, London W1B 5AP, United Kingdom.

The Notice of AGM can be found in a separate booklet which is being mailed out at the same time as this report. It is also available at ascential.com. The Notice sets out the resolutions to be proposed at the AGM and an explanation of each resolution. The Directors consider that all of the resolutions set out in the Notice of AGM are in the best interests of the Company and its shareholders as a whole. To that end, the Directors unanimously recommend that shareholders vote in favour of each of them.

Directors' Responsibilities Statement

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

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law and have elected to prepare the parent Company financial statements in accordance with UK accounting standards and applicable law, including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. In addition, the Group financial statements are required under the UK Disclosure Guidance and Transparency Rules to be prepared in accordance with International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union ("IFRSs as adopted by the EU").

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of their profit or loss for that period. In preparing each of the Group and parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union ("IFRSs as adopted by the EU");
- for the parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the parent Company financial statements;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

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

Responsibility Statement of the Directors in respect of the annual financial report

We confirm to the best of our knowledge:

- The financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- The Strategic Report includes a fair review of the development and performance of the issuer and the undertakings included in the consolidation taken as a whole, together with description of the principal risks and uncertainties that they face.

We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

The Directors' Report of Ascential plc was approved by the Board and signed on its behalf by

Louise Meads
Company Secretary
12 March 2021

Financial statements

Financial statements

Independent auditor's report

to the members of Ascential plc

1. Our opinion is unmodified

We have audited the financial statements of Ascential plc ("the Company") for the year ended 31 December 2020 which comprise the Consolidated Statement of Profit or Loss, Consolidated Statement of Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows, Parent Company Balance Sheet, Parent Company Statement of Changes in Equity and the related notes, including the accounting policies in note 1 to the Group financial statements and note 2 to the parent Company financial statements.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2020 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union;
- the parent Company financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of, and as applied in accordance with the provisions of, the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation to the extent applicable.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were first appointed as auditor by the directors on 16 July 2016. The period of total uninterrupted engagement is for the five financial years ended 31 December 2020. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview	
Materiality: Group financial statements as a whole	£2.5m (2019:£2.0m) 0.9% (2019: 4.6%) of revenue from continuing operations (2019: normalised profit before tax from continuing operations)
Coverage	74% (2019:86%) of revenue from continuing operations 74% (2019:89%) of normalised profit before tax from continuing operations

Key audit matters vs 2019		
Event driven	**New:** Going concern – impact of uncertainties due to Covid-19 pandemic	↑
	Valuation of contingent consideration for Flywheel and Yimian acquisitions	↔
	New: Impairment of goodwill and other assets relating to Retail Week & WRC and RFS Price & Promotion	↑
Recurring risk	Flywheel Digital revenue recognition	↓
Parent Company recurring risk	Recoverability of cost of investment in subsidiary and intra-group debtors	↔

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, 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. We summarise below the key audit matters, in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
Going concern – impact of uncertainties due to COVID-19 pandemic *Refer to page 85 (Audit Committee Report) and page 125 (accounting policy).*	**Disclosure quality** The financial statements explain how the directors have formed a judgement that it is appropriate to adopt the going concern basis of preparation for the Group and the parent Company. The judgement is based on an evaluation of the inherent risks to the Group and parent Company's business model and how those risks might affect the Group and parent Company's financial resources or ability to continue operations over a period of at least a year from the date of approval of the financial statements. The risks most likely to adversely affect the Group and parent Company's available financial resources over this period are: • the length of time that the impact of COVID-19 will significantly disrupt the Group's events businesses including the barriers to running these events, and the size and success of these events; • the financial and operational resilience of the Group's other businesses during a significant global downturn; and • the impact on the Group's ability to meet the Group bank debt covenants during the directors' forecast period which is not less than twelve months from the date of approval of the financial statements. This could threaten the availability of existing facilities in the absence of agreement of changes to facility terms and existing covenants. The risk for our audit was whether or not those risks were such that they amounted to a material uncertainty that may cast significant doubt about the ability to continue as a going concern. Had they been such, then that fact would have been required to have been disclosed. Clear and full disclosure of the assessment undertaken by the directors and the rationale for the use of the going concern assumption, represents a key financial statement disclosure requirement. There is a risk that insufficient details are disclosed to allow a full understanding of the assessment undertaken by the directors.	Our procedures included: • **Funding assessment:** We considered the directors' assessment of COVID-19 related sources of risk to the Group's financial and operational resilience compared with our own understanding of these risks and knowledge of the business. Our procedures included: – We agreed the Group's committed level of financing, the availability of facilities and related covenant requirements to signed agreements. – We critically assessed the ability of the Group to meet the revised terms and financial covenants within existing facility agreements in reasonably foreseeable downside scenarios brought about by the COVID-19 pandemic. These included challenging and assessing the ability of the Group to withstand an extended and prolonged period of economic downturn with no events taking place. – Through enquiry and inspection of recent management information, our evaluation included challenge of the assumptions and an evaluation of the ability of the directors to take any assumed mitigation actions based on our own expectations based on our knowledge of the entity and experience of the industry in which it operates. – Through enquiry and inspection of the latest banking agreements and the changes to the terms of both the facility agreements and the related covenants, we considered the intent of the Group's lenders to continue to support the Group with existing facilities. • **Key dependency assessment:** The continued operation of the Group business is a critical factor in assessing the risk of failure; as is the continued availability of the Group's £450m Revolving Credit Facility (refer above) throughout the assessment period. Our procedures included: – We gained an understanding of and assessed the Group's plans and progress to try to ensure the continued operation of the Group in the face of the disruption caused by COVID-19; and – Using our industry experience, we challenged and evaluated the degree to which reasonably foreseeable downside scenarios that may impact the Group were factored into the financial resilience modelling that the Group has performed. • **Historical comparisons:** We assessed the directors' actual forecasts to date versus actual cashflows during the COVID-19 pandemic. • **Benchmarking assumptions and our sector experience:** We evaluated and challenged the assumptions used in cash flow forecasts using our knowledge of the business and our sector experience and assessing the potential risk of management bias. • **Sensitivity analysis:** We considered sensitivities over the level of available financial resources indicated by the Group's financial forecasts taking account of reasonably possible (but not unrealistic) adverse effects that could arise from these risks individually and collectively. This included an assessment of the Group's ability to continue to meet its debt covenants through considering a more severe downside to stress test the modelling. • **Evaluating directors' intent:** Through enquiry we evaluated the achievability of the actions the directors may consider they would take to improve the position as risks materialise. • **Assessing transparency:** We critically assessed the completeness and accuracy of the matters covered in the going concern disclosure by agreeing to supporting evidence and performing inquiries of the directors, which included challenging the transparency of assumptions in the severe but plausible downside stress scenarios performed in making this assessment. We performed the tests above rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Our findings** • We found the going concern disclosure without any material uncertainty to be acceptable (2019 result: acceptable).

	The risk	Our response
Valuation of contingent consideration for the Flywheel and Yimian acquisitions *Refer to page 85 (Audit Committee Report), page 127 (accounting policy) and page 150 (financial disclosures).*	**Forecast-based valuation** The Group has recognised significant contingent consideration liabilities in respect of the Flywheel and Yimian acquisitions which are substantially all of the Level 3 total deferred and contingent consideration liability of £96.5m (2019: £68.4m) disclosed in note 20. There is inherent uncertainty involved in forecasting revenue of an acquired business, which determines the fair value of the liability as at the balance sheet date. The effect of these matters is that, as part of our risk assessment, we determined that the fair value of the contingent consideration liability has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The financial statements (note 20) disclose the range of outcomes estimated by the Group.	Our procedures included: • **Assessing forecasts:** We challenged the changes in the forecast revenue growth compared to the forecasts used as the basis for the initial contingent consideration calculation, current forecasts, and assessed against the recent performance of the business. • **Assessing the discount rate:** We challenged the reasonability of the discount rate used by conducting sensitivity analyses based on our independently developed rate and the Group's impairment discount rate. • **Test of details:** We agreed the basis of the earn out calculation and values of key inputs such as potential consideration values to signed agreements, taking into account changes in the agreements made in the year. • **Assessing transparency:** We assessed the adequacy of the Group's disclosures about the potential range of overall future payments, and the estimates and judgements made by the Group in this regard. We performed the tests above rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Our results** • As a result of our work we found the carrying amount of contingent consideration recognised to be acceptable (2019: acceptable)

	The risk	Our response
Flywheel Digital revenue recognition *Refer to page 126 (accounting policy).*	**Flywheel Digital revenue** Professional standards require us to make a rebuttable presumption that the fraud risk from revenue recognition is a significant risk. We consider the risk to be in respect of overstatement of current year revenues for the Flywheel Digital business which is subject to a higher level of management pressure given the focus on the year on year growth of this newly acquired and high growth business. The risk has been heighted as the Ascential Group's other revenue streams being impacted by COVID-19 economic downturn comparative to the Digital Commerce segment. Revenue is the largest driver of the Flywheel Digital earnout payment to be made by the Group and thus increases the incentive of those who will receive that payment to overstate the revenue. We continue to perform procedures over the recognition of other revenue streams of the Group. However, given the nature of revenue recognition, we have not assessed the other revenue streams as one of the most significant risks in our current year audit and, therefore, we have not separately identified that revenue in our report this year.	Our procedures included: • **Test of details:** We selected a sample of sales invoices during the period to assess whether revenue has been recognised in the correct financial period, by checking the date, amount, description and quantity to relevant documentation, such as contract, proof of payment or other third-party acknowledgement of receipt. • **Test of details:** We select a substantive sample of revenue related accounts such as accounts receivable, deferred income and accrued revenue to assess whether revenue has been recognised or deferred in the appropriate financial year, by checking the date, amount, description and quantity to relevant documentation, such as contract, proof of payment or other third-party proof of delivery of the service. We performed the tests above rather than seeking to rely on any of Flywheel's controls because of the nature of the control environment. The Group anticipates transferring Flywheel's accounting processes and systems to a new group-wide platform in 2021/22. Accordingly, it was more appropriate to obtain audit evidence through the procedures described above. **Our results** • As a result of our work we found the amount of revenue recognised for Flywheel Digital in the current financial year to be acceptable (2019: acceptable)

	The risk	Our response
Impairment of goodwill and other assets relating to Retail Week & WRC and RFS Price & Promotion (£28.4 million; 2019: Nil) Refer to page 85 (Audit Committee Report), page 127 (accounting policy) and pages 144 to 146 (financial disclosures).	**Forecast-based assessment** The recoverability of goodwill and other assets relating to the Retail Week & WRC and RFS Price & Promotion cash generating units ("CGUs") is assessed using forecast financial information within a discounted cash flow model ("the model"). The model is highly sensitive to changes in key assumptions, relating to forecast financial performance, in particular revenue growth and operating margins, as well as external factors such as future growth of the category as a whole (including how strongly, or otherwise, the businesses recover from the COVID-19 pandemic), discount rates and terminal growth rates. In the current year the Group has recognised an impairment loss of £28.4 million against the goodwill and other assets. This primarily reflects global restrictions arising from the COVID-19 pandemic impacting the wider retail and events industries. The valuation of the CGUs – and consequent impairment loss – is subject to a high degree of estimation uncertainty. Where a substantial impairment must be recognised, there may be incentive for the Group to use assumptions that are excessively cautious, leading to an overstatement of the impairment. Conversely, if assumptions are over-optimistic, the impairment loss may be understated. The effect of these matters is that, as part of our risk assessment, we determined that there exists a reasonably possible set of changes in these key assumptions that would result in a change to the valuation and associated impairment loss well in excess of our materiality for the financial statements as a whole and possibly many times that amount. The financial statements (note 13) disclose the sensitivity estimated by the Group. It is also important that disclosures give relevant information and reflect uncertainties inherent in the impairment assessment and its outcome.	Our procedures included: • **Methodology implementation:** We assessed the principles and integrity of the model are in accordance with the relevant accounting standards. • **Methodology implementation:** Following the restructuring of the Group and the redetermination of the RFS Price & Promotion CGU, we challenged the composition of assets that are allocated to the CGU by our own expectations based on our knowledge of the entity and experience of the industry in which it operates. • **Sensitivity analysis:** We considered the sensitivity of each assumption, identified changes to these assumptions since previous forecasts, and focused our attention on those assumptions we considered to be most sensitive, judgemental or otherwise prone to management bias. • **Historical comparisons:** we evaluated the track record of historical assumptions used against actual results achieved, such as the performance of various CGUs prior to and during the COVID-19 pandemic, against the historical results and budgets. – We compared the recent performance of these CGUs against plan and evaluated this in relation to forecast growth. – We challenged the operating margin projections by reference to those achieved historically both and during the COVID-19 pandemic. • **Personnel interviews:** We compared judgements made centrally to direct discussion with local Finance Directors. We considered and challenged the Group's assumptions with reference to alternative views provided locally. • **Our valuation expertise:** We independently derived a reasonable range of appropriate discount rates with the assistance of our valuation specialists, compared these to those calculated by the Group and identified any differences in assumptions between the calculations. • **Assessing transparency:** We assessed whether the Group's disclosures reflected the risks inherent in the assessment of the recoverable amount of goodwill and other assets. We performed the tests above rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Our results** • We found the goodwill and other assets balances, and the related impairment charge, to be acceptable (2019: we found the Group's conclusion that there is no impairment of goodwill and other assets to be acceptable).

	The risk	Our response
Recoverability of cost of investment in subsidiary and intra-group debtors Investment (£452.8 million; 2019 £452.8 million) Intra-group debtors (£223.4 million; 2019: £208.4 million) Refer to page 162 (accounting policy) and pages 163 and 164 (financial disclosures).	**Low risk, high value** The amount of the parent Company's investment in its subsidiary, which acts as an intermediate holding company for the rest of the parent Company's subsidiaries, represents 67% (2019: 68%) of the parent Company's assets. The carrying amount of the intra-group debtors balance comprises the remaining 33% (2019: 32%). Their recoverability is not at a high risk of significant misstatement or subject to significant level of judgement. However, due to their materiality in the context of the parent Company financial statements, this is considered to be the area that had the greatest effect on our overall parent Company audit.	Our procedures included: • **Tests of detail:** We compared the carrying amount of parent Company's only investment with the subsidiary's draft balance sheet and whether its net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount and assessing whether the Group headed by the subsidiary has historically been profit-making. • **Tests of detail:** We assessed a sample of the highest value intra-group debtors representing 100%(2019: 99%) of the Group debtor balance to identify, with reference to the relevant debtors' draft balance sheet, whether they have a positive net asset value and therefore coverage of the debt owed, as well as assessing whether those debtor companies have historically been profit-making. • **Comparing valuations:** We compared the carrying amount of the investment in the subsidiary to the Group's market capitalisation as adjusted to exclude the liabilities of the parent Company, being an approximation of the recoverable amount of the investment. We performed the tests above rather than seeking to rely on any of the parent Company's controls because of the nature of the balance meant that detailed testing is inherently the most effective means of obtaining audit evidence. **Our results** • We found the directors' conclusion that there is no impairment to the carrying amounts of the investment in the subsidiary and the intra-group debtors to be acceptable (2019: acceptable).

Following a reorganisation in the Group, as the Edge goodwill is now monitored as part of the Digital Commerce businesses, we therefore we have no longer assessed this goodwill as a key audit matter in our current year audit and, therefore, it is not separately identified in our report this year. We continue to perform procedures over impairment risk of goodwill and other non-current assets and in particular this year have identified the impairment of goodwill and other assets relating to Retail Week & WRC and RFS Price & Promotion as a key audit matter (see above).

3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £2.5m (2019: £2.0m), determined with reference to a benchmark of Group revenue, of which it represents 0.9% (2019: 4.6% of Group profit before tax, normalised to exclude acquisition related contingent employment costs and capital costs). We now consider Group revenue to be the most appropriate benchmark as it provides a more stable measure than Group profit before tax given the fall in profits of the non digital commerce businesses and the high growth of the digital commerce businesses.

The parent Company is a component of the Group audit. Materiality of £125,000 (2019: £1,000,000), has been applied to the audit of the parent Company. This is lower than the materiality we would otherwise have determined by reference to total assets, and represents 0.02% of the parent Company's total assets (2019: 0.2%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 75% (2019: 75%) of materiality for the financial statements as a whole, which equates to £1.9 m (2019: £1.5m) for the group and £93,750 (2019: £750,000) for the parent Company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

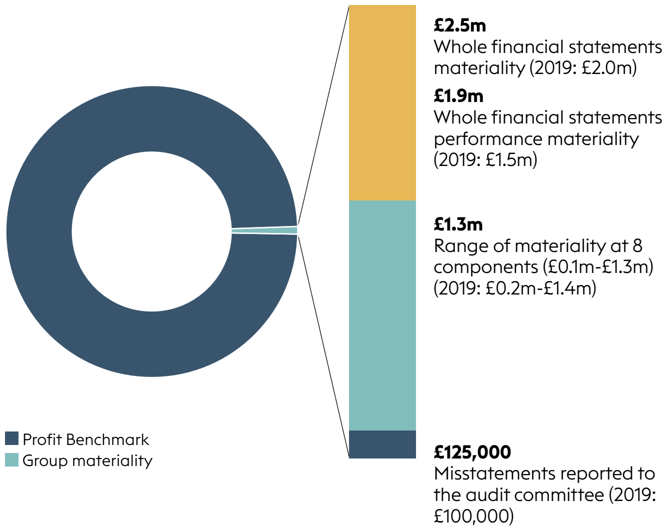
We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £125,000 (2019: £100,000), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Of the Group's 82 (2019: 81) reporting components, we subjected 7 (2019: 10) to full scope audits for group purposes and 1 (2019: 5) to specified risk-focused audit procedures. The latter was not individually financially significant enough to require a full scope audit for group purposes, but did present specific individual risks that needed to be addressed.

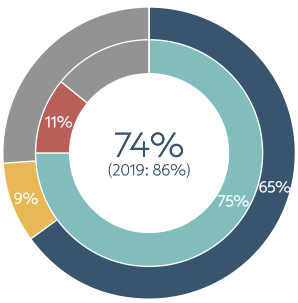
The components within the scope of our work accounted for the percentages illustrated below.

Profit benchmark
£263.7m (2019: Normalised profit of £43.3m)

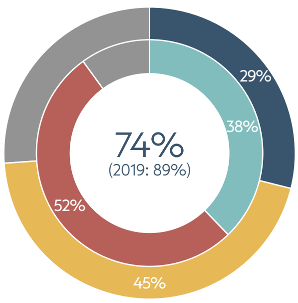
Group Materiality
£2.0m (2018: £2.0m)



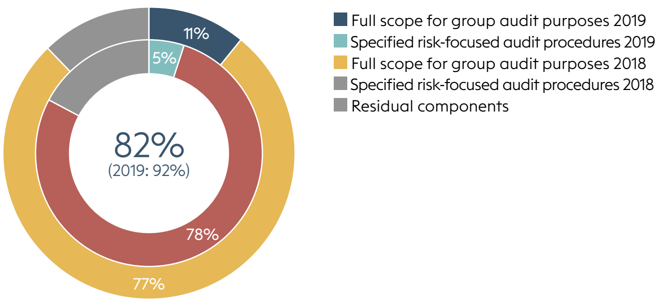
Group revenue



Group profit before tax on continuing operations



Group total assets



The remaining 26% (2019: 14%) of total Group revenue, 26% (2019: 11%) of Group profit before tax and 18% (2019: 13%) of total Group assets is represented by 74 (2019: 66) reporting components, none of which individually represented more than 3% (2019: 5%) of any of total Group revenue, Group profit before tax or total Group assets. For the residual components, we performed analysis at an aggregated Group level to re-examine our assessment that there were no significant risks of material misstatement within these.

The work on all components including the parent Company was performed by the Group team (2019: all). All audit procedures were performed remotely including using video and telephone conference meetings on account of travel restrictions (2019: none).

4. Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the parent Company or to cease their operations, and as they have concluded that the Group's and the parent Company' financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

An explanation of how we evaluated management's assessment of going concern is set out in the related key audit matter in section 2 of this report.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or parent Company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the directors' statement in note 1 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and
- parent Company's use of that basis for the going concern period, and we found the going concern disclosure in note 1 to be acceptable; and
- the related statement under the Listing Rules set out on page 43 is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the parent Company will continue in operation.

5. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee and internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board, audit committee and nomination committee minutes.
- Considering remuneration incentive schemes and performance targets for management, directors and sales staff including the adjusted earnings per share target for management remuneration.
- Using analytical procedures to identify any usual or unexpected relationships.
- Using our own forensic specialists to assist us in identifying fraud risks based on discussions of the circumstances of the Group and parent Company.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that Flywheel Digital revenue is recorded in an inappropriate financial year and the risk that Group and component management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as the related accrued revenue.

We also identified a fraud risk related to contingent consideration in response to possible pressures to understate contingent consideration liabilities.

Further detail in respect of the valuation of contingent consideration for the Flywheel and Yimian acquisitions is set out in the key audit matter disclosures in section 2 of this report.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the Group-wide fraud risk management controls

We also performed procedures including:

- Identifying journal entries to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.
- Assessing significant accounting estimates for bias.

We discussed with the audit committee matters related to actual or suspected fraud, for which disclosure is not necessary, and considered any implications for our audit.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law and certain aspects of company legislation recognising the nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

We discussed with the audit committee other matters related to actual or suspected breaches of laws or regulations, for which disclosure is not necessary, and considered any implications for our audit

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

6. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the directors' Long-term viability statement on page 49 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the Principal Risks disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the directors' explanation in the directors' Long-term viability statement of how they have assessed the prospects of the Group,

over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the directors' Long-term viability statement set out on page 49 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and parent Company's longer-term viability.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the annual report describing the work of the Audit Committee, including the significant issues that the audit committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review.

We have nothing to report in this respect.

7. We have nothing to report on the other matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

8. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 109, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; 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; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

9. The purpose of our audit work and to whom we owe our responsibilities

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

Ian Griffiths (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

15 Canada Square
London E14 5GL
United Kingdom

12 March 2021

Consolidated statement of profit or loss

For the year ended 31 December 2020

(£ million)	Note	2020 Adjusted results	2020 Adjusting items	2020 Total	Restated* 2019 Adjusted results	Restated* 2019 Adjusting items	Restated* 2019 Total
Continuing operations							
Revenue	3	**263.7**	**–**	**263.7**	380.3	–	380.3
Cost of sales		**(106.6)**	**–**	**(106.6)**	(143.4)	–	(143.4)
Sales, marketing and administrative expenses		**(151.1)**	**(172.5)**	**(323.6)**	(149.7)	(85.4)	(235.1)
Operating profit / (loss)		**6.0**	**(172.5)**	**(166.5)**	87.2	(85.4)	1.8
Adjusted EBITDA	3	**28.5**	**–**	**28.5**	109.0	–	109.0
Depreciation and amortisation	3	**(22.5)**	**(33.7)**	**(56.2)**	(21.8)	(35.6)	(57.4)
Exceptional items	5	**–**	**(140.4)**	**(140.4)**	–	(41.4)	(41.4)
Share-based payments	7	**–**	**1.6**	**1.6**	–	(8.4)	(8.4)
Operating profit / (loss)		**6.0**	**(172.5)**	**(166.5)**	87.2	(85.4)	1.8
Share of the (loss) / profit of joint ventures and associates	15	**(0.2)**	**–**	**(0.2)**	0.9	(0.3)	0.6
Finance costs	8	**(17.6)**	**(1.9)**	**(19.5)**	(14.8)	–	(14.8)
Finance income	8	**1.9**	**–**	**1.9**	4.5	–	4.5
(Loss) / profit before taxation		**(9.9)**	**(174.4)**	**(184.3)**	77.8	(85.7)	(7.9)
Taxation	9	**1.5**	**33.9**	**35.4**	(17.1)	18.5	1.4
(Loss) / profit from continuing operations		**(8.4)**	**(140.5)**	**(148.9)**	60.7	(67.2)	(6.5)
Discontinued operations							
Profit / (loss) from discontinued operations, net of tax	10	**16.7**	**(3.2)**	**13.5**	15.1	(0.5)	14.6
Profit / (loss) for the year		**8.3**	**(143.7)**	**(135.4)**	75.8	(67.7)	8.1
Profit / (loss) attributable to:							
Owners of the Company		**7.6**	**(143.7)**	**(136.1)**	75.6	(67.7)	7.9
Non-controlling interest		**0.7**	**–**	**0.7**	0.2	–	0.2
Earnings / (loss) per share (pence)							
Continuing operations							
– Basic	11	**(2.3)**	**(35.0)**	**(37.3)**	15.1	(16.7)	(1.6)
– Diluted	11	**(2.3)**	**(35.0)**	**(37.3)**	15.1	(16.7)	(1.6)
Discontinued operations							
– Basic	11	**4.2**	**(0.9)**	**3.3**	3.7	(0.1)	3.6
– Diluted	11	**4.2**	**(0.9)**	**3.3**	3.7	(0.1)	3.6
Total							
– Basic	11	**1.9**	**(35.9)**	**(34.0)**	18.8	(16.8)	2.0
– Diluted	11	**1.9**	**(35.9)**	**(34.0)**	18.8	(16.8)	2.0

*Restated for discontinued operations (see Note 10).

The accompanying notes on pages 125 to 159 are an integral part of these consolidated financial statements. Adjusting items are detailed in Note 5.

Consolidated statement of other comprehensive income

For the year ended 31 December 2020

	2020			2019		
(£ million)	Adjusted results	Adjusting items	Total	Adjusted results	Adjusting items	Total
(Loss) / profit for the year from continuing operations	(8.4)	(140.5)	(148.9)	60.7	(67.2)	(6.5)
Profit / (loss) for the year from discontinued operations	16.7	(3.2)	13.5	15.1	(0.5)	14.6
Profit / (loss) for the year	8.3	(143.7)	(135.4)	75.8	(67.7)	8.1
Other comprehensive expense						
Items that may be reclassified subsequently to profit or loss:						
Foreign exchange translation differences recognised in equity from continuing operations	(10.5)	–	(10.5)	(8.2)	–	(8.2)
Total other comprehensive expense, net of tax	(10.5)	–	(10.5)	(8.2)	–	(8.2)
Total comprehensive (expense) / income for the year	(2.2)	(143.7)	(145.9)	67.6	(67.7)	(0.1)
Total comprehensive (expense) / income attributable to:						
Owners of the Company	(2.9)	(143.7)	(146.6)	67.4	(67.7)	(0.3)
Non-controlling interest	0.7	–	0.7	0.2	–	0.2

The accompanying notes on pages 125 to 159 are an integral part of these consolidated financial statements.

Consolidated statement of financial position

As at 31 December 2020

(£ million)	Note	2020	2019
Assets			
Non-current assets			
Goodwill	13	**467.4**	512.9
Intangible assets	13	**206.7**	247.8
Property, plant and equipment	14	**5.5**	8.4
Right of use assets	27	**15.4**	21.6
Investments	15	**32.4**	67.9
Investment property	27	**0.8**	2.1
Deferred tax assets	9	**55.0**	42.7
Other receivables		**0.7**	–
		783.9	903.4
Current assets			
Inventories	16	**2.1**	4.1
Trade and other receivables	17	**197.9**	141.4
Assets classified as held for sale	10	**40.2**	–
Other investments, including derivatives		**–**	1.4
Cash and cash equivalents	18	**78.2**	111.7
		318.4	258.6
Total assets		**1,102.3**	1,162.0
Liabilities			
Current liabilities			
Trade and other payables	19	**137.3**	85.7
Deferred income		**91.2**	98.5
Deferred and contingent consideration	20	**113.5**	63.1
Lease liabilities		**6.7**	9.4
Liabilities classified as held for sale	10	**13.3**	–
Current tax liabilities		**2.4**	6.1
Provisions	22	**7.4**	1.0
		371.8	263.8
Non-current liabilities			
Deferred income		**0.6**	0.7
Deferred and contingent consideration	20	**22.7**	40.1
Lease liabilities		**13.7**	17.4
External borrowings	21	**309.5**	282.6
Deferred tax liabilities	9	**4.6**	22.9
Provisions	22	**1.6**	2.4
		352.7	366.1
Total liabilities		**724.5**	629.9
Net assets		**377.8**	532.1
Equity			
Share capital	23	**4.0**	4.0
Share premium	23	**3.0**	1.7
Merger reserve		**9.2**	9.2
Group restructure reserve		**157.9**	157.9
Translation reserve		**(45.7)**	(35.2)
Treasury share reserve		**(0.1)**	(0.1)
Retained earnings		**248.2**	394.0
Non-controlling interest		**1.3**	0.6
Total equity		**377.8**	532.1

The accompanying notes on pages 125 to 159 are an integral part of these consolidated financial statements. The consolidated financial statements on pages 120 to 159 were approved by the Board of Directors on 12 March 2021 and were signed on its behalf by Directors: Duncan Painter and Mandy Gradden.

Consolidated statement of changes in equity

For the year ended 31 December 2019

	Attributable to owners of the Company								
(£ million)	Share capital	Share premium	Merger reserve	Group restructure reserve	Translation reserve	Treasury share reserve	Retained earnings	Non-controlling interest	Total equity
At 1 January 2019	**4.0**	**0.5**	**9.2**	**157.9**	**(27.0)**	**(0.1)**	**401.0**	**–**	**545.5**
Profit / (loss) for the year	–	–	–	–	–	–	7.9	0.2	8.1
Other comprehensive expense	–	–	–	–	(8.2)	–	–	–	(8.2)
Total comprehensive (expense) / income	–	–	–	–	(8.2)	–	7.9	0.2	(0.1)
Issue of shares	–	1.2	–	–	–	–	–	–	1.2
Acquisition of subsidiary with non-controlling interest	–	–	–	–	–	–	–	0.4	0.4
Share-based payments	–	–	–	–	–	–	7.7	–	7.7
Taxation on share-based payments	–	–	–	–	–	–	0.3	–	0.3
Dividends paid	–	–	–	–	–	–	(22.9)	–	(22.9)
At 31 December 2019	**4.0**	**1.7**	**9.2**	**157.9**	**(35.2)**	**(0.1)**	**394.0**	**0.6**	**532.1**
(Loss) / profit for the year	–	–	–	–	–	–	(136.1)	0.7	(135.4)
Other comprehensive expense	–	–	–	–	(10.5)	–	–	–	(10.5)
Total comprehensive (expense) / income	–	–	–	–	(10.5)	–	(136.1)	0.7	(145.9)
Issue of shares	–	0.7	–	–	–	–	–	–	0.7
Share repurchase	–	–	–	–	–	–	(9.2)	–	(9.2)
Treasury shares sold	–	0.6	–	–	–	–	–	–	0.6
Share-based payments	–	–	–	–	–	–	(1.4)	–	(1.4)
Taxation on share-based payments	–	–	–	–	–	–	0.9	–	0.9
At 31 December 2020	**4.0**	**3.0**	**9.2**	**157.9**	**(45.7)**	**(0.1)**	**248.2**	**1.3**	**377.8**

The accompanying notes on pages 125 to 159 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2020

(£ million)	Note	2020	Restated* 2019
Cash flow from operating activities			
Loss before taxation on continuing operations		**(184.3)**	(7.9)
Profit before taxation on discontinued operations	10	**17.4**	18.1
Adjustments for:			
Amortisation of acquired intangible assets	13	**33.9**	35.8
Amortisation of software intangible assets	13	**11.4**	11.6
Amortisation of right of use assets	27	**7.6**	7.3
Depreciation of property, plant and equipment	14	**4.4**	3.8
Impairment of assets	13, 14, 27	**31.9**	–
Deferred and contingent consideration: revaluation and contingent employment costs	20	**97.6**	33.1
Share-based payments	7	**(1.6)**	8.5
Share of the loss / (profit) in equity-accounted investees, net of tax		**0.2**	(0.6)
Net finance costs	8	**17.6**	10.3
Cash generated from / (used in) operations before changes in working capital, provisions and deferred and contingent consideration		**36.1**	120.0
Deferred and contingent consideration paid	20	**(23.1)**	(11.5)
Changes in:			
Inventories		**2.2**	(0.3)
Trade and other receivables		**(70.8)**	(25.2)
Trade and other payables**		**61.0**	10.2
Provisions		**5.7**	(2.8)
Cash generated from operations		**11.1**	90.4
Cash generated from operations before exceptional operating items		**25.7**	94.2
Cash inflows for discontinued operations		**19.8**	19.0
Cash outflows for acquisition-related contingent employment costs	20	**(23.1)**	(11.5)
Cash outflows for other exceptional operating items from continuing operations		**(11.3)**	(11.3)
Cash generated from operations		**11.1**	90.4
Tax paid		**(3.3)**	(3.2)
Net cash generated from operating activities		**7.8**	87.2
Cash flow from investing activities			
Acquisition of businesses, net of cash acquired	12	**(2.7)**	(16.8)
Deferred and contingent consideration paid	20	**(46.0)**	(20.3)
Acquisition of investments	15	**(16.8)**	(64.5)
Disposal of equity-accounted investments	15	**55.1**	–
Acquisition of software intangibles and property, plant and equipment		**(24.0)**	(18.5)
Disposal of businesses net of cash disposed of		**–**	(2.3)
Net cash used in investing activities		**(34.4)**	(122.4)
Cash flow from financing activities			
Proceeds from external borrowings	21	**311.5**	–
Repayment of external borrowings	21	**(285.8)**	–
Proceeds from issue of shares		**0.7**	1.2
Proceeds from sale of SIP shares		**0.6**	–
Share repurchase		**(9.2)**	–
Interest and arrangement fees paid		**(12.0)**	(6.2)
Lease liabilities paid		**(8.9)**	(9.0)
Dividends paid to shareholders	24	**–**	(22.9)
Net cash used in financing activities		**(3.1)**	(36.9)
Net decrease in cash and cash equivalents		**(29.7)**	(72.1)
Cash and cash equivalents at 1 January		**111.7**	182.0
Effect of exchange rate changes		**(1.8)**	1.8
Cash and cash equivalents at 31 December* **		**80.2**	111.7

* Restated for discontinued operations (see Note 10).
** Net of interest payable and inclusive of deferred income.
*** Includes £2.0m of cash and cash equivalents classified as held for sale.

The accompanying notes on pages 125 to 159 are an integral part of these consolidated financial statements.

Notes to the financial statements

For the year ended 31 December 2020

1. Basis of preparation and accounting policies

Basis of preparation

These consolidated financial statements have been prepared in accordance with applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRS") and prepared in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union ("IFRSs as adopted by the EU").

Ascential plc (the "Company") is a public company, which is listed on the London Stock Exchange and incorporated in the United Kingdom. The registered office is located at The Prow, 1 Wilder Walk, London W1B 5AP. The Company principally provides information services which provide industry-specific business intelligence, insights and forecasting through data and digital subscription tools. The principal activities are information services for product design, marketing, digital commerce, and retail & financial services.

The consolidated financial statements are presented in pounds sterling ("GBP"), which is the Company's functional currency, and have been rounded to millions to the nearest one decimal place except where otherwise indicated.

The consolidated financial statements have been prepared on a going concern basis (see further details below) and under the historical cost convention, with the exception of items that are required by IFRS to be measured at fair value, principally certain financial instruments.

Going concern

After considering the current financial projections and facilities available and severe but plausible sensitivities, the Directors of the Company are satisfied that the Group has sufficient resources for its operational needs and will remain in compliance with the financial covenants in its bank facilities for at least the next 12 months from the date of approving these financial statements. The process and key judgements in coming to this conclusion are set out below. Further to this, the Directors have assessed the Group's prospects and viability over a three-year period and the viability statement can be found on page 49.

The Board is required to assess going concern at each reporting period. These assessments are significantly more difficult currently given the uncertainties about the impact of Covid-19, the extent and duration of social distancing measures and the impact on the economies in which we operate. The level of judgement to be applied has therefore increased considerably. The Directors have considered three main factors in reaching their conclusions on going concern – liquidity, covenants and scenario planning – as set out below.

Liquidity

In January 2020, the Group entered into a new 5-year multi-currency revolving credit facility ("RCF") of £450m plus an accordion to raise further debt amounts, at the option of the lenders, of up to the greater of £120m or 150% of EBITDA. The maturity of the facility may be extended for a further one or two year term on the second anniversary of the facility, subject to individual lender approval. At 31 December 2020 the borrowings were subject to interest at a margin of 2.50% over LIBOR. These facilities provide ample liquidity when judged against the net debt of the Company of £229.3m at 31 December 2020.

Covenants

The more sensitive aspects of the Company's financing are the application by the lenders of covenant tests to these facilities and the most sensitive covenant is Net Debt Leverage (broadly, the ratio of Net Debt to Adjusted EBITDA). This is primarily because Adjusted EBITDA in 2020 has reduced considerably, largely as a result of event cancellation. The facility covenants include a maximum net leverage of 3.25x with the benefit of additional 0.5x leverage spikes for relevant acquisitions and a minimum interest cover of 3.00x and are tested semi-annually. To address the uncertain business environment and ensure maximum flexibility in the medium term, across a broad range of business planning scenarios, the Group agreed the following covenant amendments with its banking group (subject to minimum liquidity of £100m at December 2020 and £125m thereafter):

- At the December 2020 testing point – a full waiver of the leverage and interest cover covenants.
- At the June 2021 testing point – the leverage covenant ratio limit has been relaxed to 4.75x.
- At the December 2021 testing point – the leverage covenant ratio limit has been relaxed to between 3.50x and 4.50x depending on the scale of profits from live events in 2021.
- At the June 2022 testing point – if either Money20/20 Europe or USA do not take place in 2021, the leverage covenant limit at June 2022 will be 3.75x.

At the December 2020 testing point, the minimum liquidity requirements have been met with £217.5m of available liquidity.

Scenario planning

In assessing going concern, the Directors consider a variety of plausible scenarios in the context of the Covid-19 pandemic. These scenarios are not the forecasts of the Company and are designed to stress test liquidity and covenant compliance. The two most relevant scenarios reviewed to test going concern are as follows:

- **Successful vaccine rollout 2021** – the scenario envisages a robust recovery in global economic activity from the Summer of 2021. The scenario assumes that Cannes Lions takes place in June 2021 and that Money20/20 takes place in Europe in September 2021 and in the US in October 2021.
- **Severe case: slow rollout and recovery** – the most severe modelled scenario that the directors currently see as plausible for going concern stress testing assumes that Covid-19 continues to impact 2021 resulting in the cancellation of all events in 2021 and most economies not returning to pre-crisis levels until 2023. The normal events roster recommences June 2022.

In their review of the downside scenarios, the Directors have considered a number of mitigations that are at their discretion, including but not limited to: future dividend cancellation, the option of the Company to pay a significant portion of the Flywheel Digital deferred consideration in its own shares, the use of debt factoring arrangements, and further restructuring and cost cutting measures. In these downside scenarios there is still sufficient headroom with regards to these covenants.

Accordingly, the Directors continue to believe that the preparation of these consolidated financial statements should be on the basis of a going concern.

Accounting policies

The principal accounting policies in the preparation of the consolidated financial statements have been applied consistently to both periods presented.

Notes to the financial statements Continued

1. Basis of preparation and accounting policies Continued

Basis of consolidation
The consolidated financial statements comprise the financial statements of the parent Company, its subsidiaries and share of the results of its associates and joint ventures drawn up to 31 December 2020 using consistent accounting policies throughout the current and preceding years.

The trading results of business operations are included in profit from continuing operations from the date of acquisition or up to the date of disposal. Intra-group balances and transactions are eliminated in full on consolidation.

Foreign currency translation
The functional currency of subsidiaries, associates and joint ventures is the currency of the primary economic environment in which they operate. The consolidated financial statements are presented in sterling, which is the presentational currency of the Group and the functional currency of the parent Company.

Foreign currency transactions are recorded at the exchange rate ruling at the date of transaction. Foreign currency monetary assets and liabilities are translated at the rates of exchange ruling at the balance sheet date. All differences are taken to the consolidated income statement except for those on foreign currency borrowings that provide a hedge against an investment in a foreign entity. These are taken directly to equity until the disposal of the investment, at which time they are recognised in the consolidated income statement. Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in equity. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate in force at the date of the initial transaction.

As at the reporting date, the assets and liabilities of overseas subsidiaries are translated into pounds sterling at the rate of exchange applicable at the reporting date and their consolidated income statements are translated at the average exchange rates for the period. The exchange differences arising from the retranslation of foreign operations are taken directly to a separate component of equity. On disposal of a foreign operation, the cumulative amount recognised in equity relating to that operation is recognised in the consolidated income statement as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate at the reporting date.

Changes in fair value of derivative financial instruments entered into to hedge foreign currency net assets, and that satisfy the hedging conditions of IFRS 9, are recognised in the currency translation reserve.

Discontinued operations
The Group classifies an operation as discontinued when it has disposed of or intends to dispose of a business component that represents a separate major line of business or geographical area of operations. The post-tax profit or loss of the discontinued operations is shown as a single line on the face of the consolidated income statement, separate from the continuing operating results of the Group. When an operation is classified as a discontinued operation, the comparative consolidated income statement is represented as if the operation had been discontinued from the start of the comparative year.

Assets and liabilities held for sale
Where the Group expects to recover the carrying amount of a group of assets through a sale transaction rather than through continuing use, and a sale is considered to be highly probable at the reporting date, the assets are classified as held for sale and measured at the lower of cost and fair value less costs to sell. No depreciation or amortisation is charged in respect of non-current assets classified as held for sale once the classification has been made.

Revenue
Revenue is measured based on the consideration specified in a contract with a customer. If multiple performance obligations exist within a contract, the revenue is allocated to the obligations based on the stand alone selling price, with any discounts allocated evenly across the obligations. For contracts with rebates and therefore variable consideration, revenue is recognised based on the best estimate of the revenue net of the rebated amount. Revenue is recognised when the Group satisfies the performance obligations, the timing of which is set out in Note 3. Digital Subscriptions & Platforms revenue is recognised evenly over the time period for which the subscription services are provided. Advisory revenue is recognised over time where we have the right to payment for performance completed to date, based on an input method of measurement. Events and benchmarking awards revenue is recognised at the point in time that the events and awards take place. Pre-paid subscription and event revenues are shown as deferred income and released to the income statement in accordance with the revenue recognition criteria above.

Barter transactions are those where goods and services, rather than cash, are exchanged between two third parties and revenue is recognised at fair value for the goods or services provided. Where goods or services are provided at a discount and dissimilar to the goods or services received, the discounted price is recorded as revenue with the corresponding amount included in operating costs.

Alternative Performance Measures
The consolidated financial statements include Alternative Performance Measures, including Adjusted EBITDA, as another measure of profitability of the trading performance of the continuing operations of the Group. Adjusted EBITDA is a non-IFRS measure, defined as the Group's operating profit before expensing depreciation of tangible fixed assets and amortisation of software, exceptional items, amortisation of acquired intangible assets, impairment of tangible fixed assets and software intangibles, share-based payments and one-off finance costs. Refer to pages 44 to 47 for further details on Alternative Performance Measures.

Exceptional items
Exceptional items are those which are considered significant by virtue of their nature, size or incidence. These items are presented as exceptional within their relevant income statement category to assist in the understanding of the performance and financial results of the Group as these types of cost do not form part of the underlying business. Examples of items that are considered by the Directors for designation as exceptional items include, but are not limited to:

- significant capital structuring costs as these can be material and are not a reflection of the underlying business;
- costs incurred as part of the acquisition and integration of acquired businesses as these can be material. Acquisition-related employment costs, which, absent the link to continued employment, would have been treated as consideration are designated as exceptional items;
- gains or losses on disposals of businesses are considered to be exceptional in nature as these do not reflect the performance of the group;

- material restructuring and separation costs within a segment incurred as part of a significant change in strategy as these are not expected to be repeated on a regular basis; and
- significant one-off items such as the impairment of intangible assets and the recognition of provisions for onerous contracts that do not reflect underlying performance.

If provisions have been made for exceptional items in previous years, then any reversal of these provisions is treated as exceptional.

Finance costs and income
Finance cost or income is recognised using the effective interest method. The 'effective interest rate' is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset, or the amortised cost of the financial liability.

Income tax
The Group is primarily subject to corporation tax in the UK, the US, Brazil and China and judgement and estimates of future profitability are required to determine the Group's deferred tax position. If the final tax outcome is different to that assumed, resulting changes will be reflected in the consolidated income statement, unless the tax relates to an item charged to equity, in which case the changes in tax estimates on those items will be reflected in equity.

Income tax on the profit or loss for the period comprises current tax and deferred tax. Income tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is tax payable based on taxable profits for the period, using tax rates that have been enacted or substantively enacted at the reporting date, along with any adjustment relating to tax payable in previous years. Taxable profit differs from net profit in the consolidated income statement in that income or expense items that are taxable or deductible in other years are excluded, as are items that are never taxable or deductible.

Using the liability method, deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except for certain temporary differences, such as goodwill that is not deductible for tax purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year in which the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

The deferred tax assets and liabilities are only offset where they relate to the same taxing authority and the Group has a legal right to offset.

Business combinations
In accordance with IFRS 3 "Business Combinations", the fair value of consideration paid for a business combination is measured as the aggregate of the fair values at the date of exchange of assets given and liabilities incurred or assumed in exchange for control. The assets, liabilities and contingent liabilities of the acquired entity are measured at fair value as at the acquisition date. When the initial accounting for a business combination is determined, it is done so on a provisional basis with any adjustments to these provisional values made within 12 months of the acquisition date and are effective as at the acquisition date. To the extent that deferred consideration is payable as part of the acquisition cost and is payable after one year from the acquisition date, the deferred consideration is discounted at an appropriate interest rate and, accordingly, carried at net present value in the consolidated balance sheet. The discount component is then unwound as an interest charge in the consolidated income statement over the life of the obligation. Where a business combination agreement provides for an adjustment to the cost of a business acquired contingent on future events, the Group accrues the fair value of the additional consideration payable as a liability at acquisition date. This amount is reassessed at each subsequent reporting date with any adjustments recognised in the consolidated income statement. If the business combination is achieved in stages, the fair value of the acquirer's previously held equity interest in the acquiree is re-measured at the acquisition date through the consolidated income statement. Transaction costs are expensed to the consolidated income statement as incurred.

Acquisition-related expenses include contingent consideration payments agreed as part of the acquisition and contractually linked to ongoing employment as well as business performance (acquisition-related employment costs). Acquisition-related employment costs are accrued over the period in which the related services are received and are recorded as exceptional costs. Payments related to this type of contingent consideration are reported within operating activites within the consolidated statement of cash flows and other consideration payments are reported within investing activities.

The non-controlling interest at acquisition date is measured at the percentage of the identifiable assets purchased and liabilities assumed.

Intangible assets

Goodwill

Goodwill arises where the fair value of the consideration given for a business exceeds the fair value of net identifiable assets of the business at the date of acquisition. Goodwill is allocated or grouped at the lowest levels, for which there are identifiable cash flows, known as cash generating units or CGUs.

Goodwill arising on acquisition is capitalised and subject to impairment review, both annually and when there are indications that the carrying value may not be recoverable. For goodwill impairment purposes, no CGU is larger than the reporting segments determined in accordance with IFRS 8 "Operating Segments". The recoverable amount of goodwill is assessed on the basis of the value-in-use estimate for CGUs to which the goodwill relates. Where the carrying value exceeds the recoverable amount the goodwill is considered impaired. Any impairment is recognised in the consolidated income statement.

Other intangibles

Intangible assets other than goodwill are those that are distinct and can be sold separately or arise from legal rights. Intangible assets acquired as part of a business combination are capitalised at fair value at the date of acquisition. Intangible assets purchased separately are capitalised at cost.

The cost of intangible assets is amortised and charged to the consolidated income statement on a straight-line basis over their estimated useful lives as follows:

Brands	1-30 years
Customer relationships	8-10 years
Content	3-10 years
Technology	3-10 years
Software	2-5 years

Notes to the financial statements Continued

1. Basis of preparation and accounting policies Continued

Useful lives are examined every year and adjustments are made, where applicable, on a prospective basis.

Website development costs (included under content and technology) relating to websites which are revenue generating are capitalised and amortised over three to five years. Development costs relating to websites which are not revenue generating are taken immediately to the consolidated income statement.

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises expenditure directly attributable to the purchase of the asset. Assets are depreciated to their estimated residual value, on a straight-line basis, over their estimated useful life as follows:

Short leasehold property	over the period of the lease
Office equipment	2-5 years

Estimated useful lives and residual values are reviewed at each reporting date.

An item of property, plant or equipment is written off either on disposal or when there is no expected future economic benefit from its continued use. Any gain or loss on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in the consolidated income statement in the year the item is derecognised.

Investments in associates and joint ventures
Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Joint ventures are arrangements in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, until the date on which significant influence or joint control ceases. Where the Group's share of losses in an associate or joint venture exceeds its investment, the Group ceases to recognise further losses unless an obligation exists for the Group to fund those losses.

Trade investments
Investments in equity instruments are measured at fair value through profit or loss unless or until such time as we are deemed to have significant influence or control over the investee.

Inventories
Inventories are stated at the lower of cost and net realisable value. Cost represents purchase cost, including attributable overheads, and is determined using a first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs necessary to make the sale.

Trade and other receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less loss allowances.

Loss allowances are calculated for lifetime expected credit losses. Expected credit losses are a probability weighted estimate of credit losses and are calculated based on actual historical credit losses over the past three years and adjusted to reflect differences between the historical credit losses and the Group's view of the economic conditions over the expected lives of the receivables. The amount of the loss is recognised in the consolidated income statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited to the consolidated income statement.

Other receivables include amounts due from customers for pass-through costs principally in relation to the purchase of media. These costs comprise amounts paid to external suppliers which are charged directly to clients. The amounts due to external suppliers in these relationships are recognised in other payables. The Group acts as principal in these transactions and therefore recognises the gross amounts in other receivables and other payables.

Cash and cash equivalents
Cash and cash equivalents include cash, cash in transit, short-term deposits and other short-term highly liquid investments with an original maturity of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents are as defined, net of outstanding bank overdrafts.

Borrowings
Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method, with the exception of debt repurchases which are recognised in the consolidated income statement in the year of the repurchase.

Provisions
Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised only when it is virtually certain. The expense relating to any provision is presented in the consolidated income statement net of any reimbursement. If the time value of money has a material effect on quantifying the provision, the provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance charge.

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

Share-based payments
Certain employees of the Group receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares. The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards with market-related vesting conditions is determined by an external consultant and the fair value at the grant date is expensed on a straight-line basis over the vesting period based on the Group's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet reporting date up to the vesting date, at which point the estimate is

adjusted to reflect the actual outcome of awards which have vested. No adjustment is made to the fair value after the vesting date even if the awards are forfeited or not exercised.

Shares held by the Employee Benefit Trust
The Employee Benefit Trust ("EBT") provides for the issue of shares to Group employees under share incentive schemes. The Company controls the EBT and accounts for the EBT as an extension to the Company in the consolidated financial statements. Accordingly, shares in the Company held by the EBT are included in the consolidated balance sheet at cost as a deduction from equity.

Leases

Definition of a lease

Under IFRS 16 a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group leases commercial office space and photocopiers. The Group has elected not to recognise right of use assets and lease liabilities for some leases of low-value assets (including photocopiers). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Group presents right of use assets that do not meet the definition of investment property as a separate line item on the statement of financial position.

The Group recognises a right of use asset and lease liability at the lease commencement date. The right of use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. Right of use assets are impaired when there is no expected future economic benefit from its continued use due to the property being vacant, or where the anticipated sublease income is less than the contractual lease payments. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Group has applied judgement to determine the lease term for some lease contracts that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right of use assets recognised.

The Group has applied the exemption not to recognise right of use assets and liabilities for leases with less than twelve months of lease term.

As a lessor

The Group sub-leases some of its properties. The right of use assets recognised from the head lease are presented in investment property and measured at fair value. The sub-lease contracts are classified as operating leases under IFRS 16. No depreciation is recognised for the right of use assets that meet the definition of investment property.

New and amended accounting standards effective during the year
The following amended standards and interpretations were also effective during the year, however, they have not had a significant impact on our consolidated financial statements.

- Amendments to References to Conceptual Framework in IFRS Standards
- Definition of a Business (Amendment to IFRS 3)
- Definition of Material (Amendments to IAS 1 and IAS 8)
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)

New and amended accounting standards that have been issued but are not yet effective
The following new or amended standards and interpretations are applicable in future periods but are not expected to have a significant impact on the consolidated financial statements.

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- Interest Rate Benchmark Reform Phase 2 (Amendments to IFRS 9, IAS 39 and IFRS 7)
- Covid-19 Related Rent Concessions (Amendments to IFRS 16)
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Reference to Conceptual Framework (Amendments to IFRS 3)
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
- IFRS 14 Regulatory Deferral Accounts

2. Critical accounting judgements and estimates

The preparation of these financial statements requires management to exercise judgement in applying the Group's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The actual future outcomes may differ from these estimates and give rise to material adjustments to the reported results and financial position of the Group. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the year in which the estimates are revised and in any future periods affected.

The areas involving a higher degree of judgement or complexity and assumptions or estimation are set out below and in more detail in the related notes. Significant updates to these judgements and estimations, in particular in light of Covid-19, are detailed where relevant in the related notes and in Note 1 above on going concern.

Critical accounting judgements

Alternative Performance Measures

The Group uses alternative performance measures which are not defined or specified under IFRS and removes adjusting items to present an adjusted result. Adjusting items include amortisation and impairment of acquired intangibles, share-based payments, one-off financing costs and exceptional items. The classification of exceptional items requires significant management judgement to determine the nature and presentation of such transactions. Exceptional items are those which are considered significant by virtue of their nature, size or incidence. These items are presented as a separate column on the face of the income statement but within their relevant income statement caption. The Board view this as a relevant analysis to assist the reader

Notes to the financial statements Continued

2. Critical accounting judgements and estimates Continued

in their understanding of the underlying performance and financial results of the Group. Note 5 provides an analysis of exceptional items.

Operating segments

In September 2020, a comprehensive reorganisation of Ascential into five new divisions was announced which resulted in a change in the way the operating results were regularly reviewed by the Group's Chief Operating Decision Maker ("CODM"). Accordingly, the business now presents five operating segments for which judgement was required to ensure that the new operating segments are appropriate and that the component parts presented historically are consistent with the future structure (see Note 3 for further details).

Cash Generating Units ("CGUs") for impairment testing

A cash generating unit is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A CGU is identified consistently from period to period for the same asset or types of assets, unless a change is justified. In September 2020 there was a comprehensive reorganisation of Ascential into five operating segments which required a review of CGUs and the allocation of goodwill. Management judged that the level at which goodwill historically relating to the business units in the Digital Commerce segment is now monitored at a segment level. Accordingly, the goodwill was allocated to the groups of CGUs within Digital Commerce (see Note 13 for future details).

Trade investments

The Group has made a series of investments where it holds less than 20% of the voting rights. Even though these rights are below the level at which significant influence is presumed to exist, management have reviewed all relevant interactions and judged that these investments should not be accounted for as associates as the Group does not have the power to participate in the financial and operating policy decisions of the business and so does not have significant influence (see Note 15 for further details).

Key sources of estimation

Valuation of contingent consideration and acquisition-related employment costs (Note 20)

Where a business combination agreement provides for an adjustment to the consideration, contingent on future performance over the contractual earn-out period, the Group accrues the fair value, based on the estimated additional consideration payable as a liability at acquisition date. To the extent that deferred contingent consideration is payable as part of the acquisition cost and is payable after one year from the acquisition date, the deferred consideration is discounted at an appropriate discount rate and carried at net present value in the consolidated balance sheet. The liability is measured against the contractually agreed performance targets at each subsequent reporting date with any adjustments recognised in the consolidated income statement.

Acquisition-related employment costs are contingent on both the future performance of the acquired business and also linked to continued employment of the founders over the contractual agreed period. They are treated as an expense and recognised as such in the consolidated income statement.

The estimation of the likely liability requires the Group to make judgements concerning the future performance of related business over both the deferred contingent consideration period and the period of employment.

Deferred tax (Note 9)

Deferred tax assets are recognised to the extent that their utilisation is probable. The utilisation of deferred tax assets will depend on the judgement whether it is more likely than not that the Group will generate sufficient and suitable taxable income of the correct type and jurisdiction in the future, taking into account any restrictions on the length of the loss-carry forward period. Various factors are used to assess the probability of the future utilisation of deferred tax assets, including past operating results, operational plans, including the potential impact Covid-19 may have on future profitability, and loss-carry forward periods.

Goodwill and acquired intangibles recoverable amount (Note 13)

Recoverable amount is the higher of value-in-use or fair value less costs of disposal. Determination of these amounts is based upon multiple estimates, including a forecast of future cash flows and judgements surrounding the appropriate discount rates to apply and terminal growth rates.

3. Operating Segments

The Group's reportable segments changed during the year to reflect the growing importance of Digital Commerce to the Group's strategy and operations and to provide greater focus on brand customers and synergy. The Sales segment disclosed in the 2019 Annual Report has been split into two new separate reporting segments: Digital Commerce and Retail & Financial Services. The Retail and Financial Services segment comprises Money20/20 and RWRC as well as the Alternative Data team (previously reported in the Product Design segment) who solely serve Financial Services clients. Additionally, the retail clients of our Digital Commerce business will now be managed and reported as part of the Retail and Financial Services segment allowing our Digital Commerce team to focus exclusively on brand customers.

The Group has five reportable segments that are used to present information to the Board (Chief Operating Decision Maker) on a monthly basis. End market risks and opportunities vary and capital allocation decisions are made on the basis of five reportable segments. The five reportable segments are Digital Commerce, Product Design, Marketing, Retail & Financial Services and Built Environment & Policy, which is now treated as a discontinued operation. The reportable segments offer different products and services and are managed separately as a result of different capabilities, technology, marketing strategies and end market risks and opportunities. The following summary describes the continuing operations in each of the Group's reportable segments:

- Digital Commerce: measurement, optimisation and execution for digital commerce growth
- Product Design: consumer product trend forecasting, data and insight to create world-class products and experiences
- Marketing: services and tools to measure and optimise marketing creativity, media and platform effectiveness and efficiency
- Retail & Financial Services: events, data and tools to improve performance and drive innovation in retail and financial services

Information regarding the results of each continuing reportable segment is included below and restated for prior periods to enhance comparability. The results of the Built Environment & Policy segment are presented within discontinued operations (refer to Note 10). Reportable segment profits are measured at an Adjusted operating profit level, representing reportable segment Adjusted EBITDA, less depreciation costs and amortisation in respect of software intangibles, without allocation of Corporate costs as reported in the internal management reports that are reviewed by the Board. Reportable segment Adjusted EBITDA and reportable segment Adjusted operating profit are used to measure performance as management believes that such information is the most relevant in evaluating the results of the reportable segments relative to other comparable entities. Total assets and liabilities for each reportable segment are not disclosed because they are not provided to the Board on a regular basis. Total assets and liabilities are internally reviewed on a Group basis.

Year ended 31 December 2020

(£ million)	**Digital Commerce**	**Product Design**	**Marketing**	**Retail & Financial Services**	**Corporate costs**	**Continuing operations total**	**Discontinued operations**	**Total**
Revenue	**103.1**	**88.1**	**54.3**	**18.2**	**–**	**263.7**	**37.4**	**301.1**
Adjusted EBITDA	**22.9**	**38.0**	**(0.8)**	**(14.3)**	**(17.3)**	**28.5**	**21.5**	**50.0**
Depreciation and software amortisation	**(6.3)**	**(4.7)**	**(6.1)**	**(2.3)**	**(3.1)**	**(22.5)**	**(0.9)**	**(23.4)**
Adjusted operating profit / (loss)	**16.6**	**33.3**	**(6.9)**	**(16.6)**	**(20.4)**	**6.0**	**20.6**	**26.6**
Amortisation of acquired intangible assets						**(33.7)**	**(0.2)**	**(33.9)**
Exceptional items						**(140.4)**	**(3.0)**	**(143.4)**
Share-based payments						**1.6**	**–**	**1.6**
Operating loss						**(166.5)**	**17.4**	**(149.1)**
Share of net profit in equity-accounted investee						**(0.2)**	**–**	**(0.2)**
Finance costs						**(19.5)**	**–**	**(19.5)**
Finance income						**1.9**	**–**	**1.9**
Loss before tax						**(184.3)**	**17.4**	**(166.9)**

Year ended 31 December 2019 (Restated*)

(£ million)	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate costs**	Continuing operations total	Discontinued operations	Total
Revenue	78.1	85.7	135.9	81.1	(0.5)	380.3	35.9	416.2
Adjusted EBITDA	12.3	38.2	50.7	25.1	(17.3)	109.0	19.5	128.5
Depreciation and software amortisation	(4.0)	(4.0)	(7.5)	(2.8)	(3.5)	(21.8)	(0.9)	(22.7)
Adjusted operating profit	**8.3**	**34.2**	**43.2**	**22.3**	**(20.8)**	**87.2**	**18.6**	**105.8**
Amortisation of acquired intangible assets						(35.6)	(0.2)	(35.8)
Exceptional items						(41.4)	(0.2)	(41.6)
Share-based payments						(8.4)	(0.1)	(8.5)
Operating profit						**1.8**	**18.1**	**19.9**
Share of net profit in equity-accounted investee						0.6	–	0.6
Finance costs						(14.8)	–	(14.8)
Finance income						4.5	–	4.5
Profit before tax						**(7.9)**	**18.1**	**10.2**

* Restated for new operating segments and discontinued operations (see Note 10).
** Corporate costs include a £0.5m elimination for intercompany trading.

Exceptional items within continuing operations of £140.4m (2019: £41.4m) include £98.5m (Restated* 2019: £37.3), £1.2m (2019: £nil), £4.9m (Restated* 2019: £3.5m), £29.3m (Restated* 2019: £nil) and £6.5m (2019: £0.6m) which are attributable to Digital Commerce, Product Design, Marketing, Retail & Financial Services and Corporate costs respectively. Finance costs, finance income, share of net profit in equity accounted investees and share-based payments are not allocated to segments, as these types of activity are driven by the Group corporate function.

Notes to the financial statements Continued

3. Operating Segments Continued

Revenue and non-current assets by location
The revenue analysis is based on the location of customers. Non-current assets analysis (excluding deferred tax and financial instruments) is based on geographical location of the business.

The Group does not have any customers from whom revenue exceeds 10% of total revenue. Included in revenue is barter revenue arising from the exchange of goods or services of £0.3m for the year ended 31 December 2020 (2019: £2.6m).

	Revenue		Non-current assets**	
(£ million)	**2020**	Restated* 2019	**2020**	2019
United Kingdom	**33.1**	55.6	**344.4**	413.9
Other Europe	**39.5**	64.5	**88.5**	95.9
United States and Canada	**143.8**	191.6	**265.1**	320.8
Asia Pacific	**33.5**	44.3	**29.3**	27.9
Middle East and Africa	**5.2**	8.8	**–**	–
Latin America	**8.6**	15.5	**1.6**	2.2
Total	**263.7**	380.3	**728.9**	860.7

* Restated for discontinued operations (see Note 10).
** Non-current assets exclude deferred tax assets of £55.0m (2019: £42.7m).

Additional segmental information on revenue
The Group's revenue is derived from contracts with customers.

Disaggregation of revenue
The following table shows revenue disaggregated by major service lines, and the timing of revenue recognition:

(£ million)	Timing of revenue recognition	**2020**	Restated* 2019
Digital Subscriptions & Platforms	Over time	**95.6**	72.0
Advisory	Over time	**7.5**	6.1
Digital Commerce		**103.1**	**78.1**
Digital Subscriptions & Platforms	Over time	**81.3**	78.4
Advisory	Over time	**6.8**	7.3
Product Design		**88.1**	**85.7**
Digital Subscriptions & Platforms	Over time	**17.0**	15.8
Advisory	Over time	**35.0**	49.8
Benchmarking Awards	Point in time	**1.0**	29.2
Events	Point in time	**1.3**	41.1
Marketing		**54.3**	**135.9**
Digital Subscriptions & Platforms	Over time	**14.3**	14.8
Advisory	Over time	**2.2**	2.2
Events	Point in time	**1.7**	64.1
Retail & Financial Services		**18.2**	**81.1**
Intercompany sales		**–**	(0.5)
Revenue from continuing operations		**263.7**	**380.3**

* Restated for new operating segments and discontinued operations (see Note 10).

Contract balances
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

(£ million)	Note	**2020**	2019
Receivables, which are included in trade and other receivables	17	**70.5**	74.3
Receivables, which are included in assets held for sale		**9.3**	–
Contract assets – accrued income	17	**6.2**	4.7
Contract liabilities – deferred income		**91.8**	99.2
Contract liabilities, which are included in liabilities held for sale	10	**8.0**	–

Out of the amount of the £99.2m included in Contract liabilities at 31 December 2019, £81.5m has been recognised as revenue in 2020.

4. Operating profit

Amounts charged in arriving at continuing operating profit include:

(£ million)	Note	2020	Restated* 2019
Employee costs	6	**168.7**	166.4
Depreciation and software amortisation	13, 14, 27	**22.5**	21.8
Amortisation of acquired intangible assets	13	**33.7**	35.6
Impairment losses on trade receivables and contract assets	17	**5.5**	4.6

* Restated for discontinued operations (see Note 10).

Fees paid to the auditor were as follows:

(£ million)	2020	2019
Fees paid to auditor for audit of the consolidated financial statements	**0.6**	0.6
Fees paid to auditor for audit of the Group's subsidiaries	**0.2**	0.1
Fees paid to auditor for audit-related assurance services*	**0.1**	–
Total	**0.9**	0.7

* Audit-related assurance services relate to the review of the half-year interim statements £87,620 (2019: £39,620) and covenant reviews £nil (2019: £5,200).

Details of the Company's policy on the use of the auditor for non-audit related services, the reason why the auditor was used and how the auditor's independence was safeguarded are set out on page 86.

5. Adjusting items

Adjusting items are those which are considered significant by virtue of their nature, size or incidence and are presented separately in the consolidated statement of profit and loss to enable a full understanding of the Group's financial performance. Adjusting items is not a defined term under IFRS and include share-based payment charges, amortisation of intangibles acquired through business combinations and exceptional items such as costs incurred for acquisitions and disposals, integration, non-recurring business restructuring and capital restructuring. The tax effect of Adjusting items is also included within Adjusting items (see Note 9).

Adjusting items included in operating profit / (loss) are:

(£ million)	Note	2020	Restated* 2019
Revaluation of contingent consideration	20	**64.1**	13.0
Acquisition–related employment costs accrued in the period	20	**33.5**	20.1
Total deferred consideration costs		**97.6**	33.1
Impairment of Retail & Financial Services assets		**28.4**	–
Restructuring costs		**7.0**	–
Property impairments and onerous contracts		**4.8**	–
Acquisition transaction and integration costs		**2.6**	8.3
Exceptional items		**140.4**	41.4
Amortisation of acquired intangible assets	13	**33.7**	35.6
Share-based payments	7	**(1.6)**	8.4
Adjusting items in operating profit / (loss)		**172.5**	85.4
Finance costs	8	**1.9**	–
Share of the (profit) / loss of joint ventures	15	**–**	0.3
Adjusting items in profit / (loss) before tax from continuing operations		**174.4**	85.7

* Restated for discontinued operations (see Note 10).

The revaluation of contingent consideration in the year reflects the significant outperformance of Flywheel Digital in 2020 and its expected outperformance 2021 driven in part by consumer purchasing trends moving further towards eCommerce channels as a result of the Covid-19 pandemic. This significant outperformance results in a material increase in deferred consideration payable over the next 2 years and Flywheel Digital accounts for £88.2m of the total charge of which £26.5m is attributable to a founder service condition and therefore disclosed as employment costs in the year.

Notes to the financial statements Continued

5. Adjusting items Continued

Acquisition-related employment costs incurred in the year include £26.5m, £3.8m and £1.8m, relating primarily to that element of the purchase consideration the acquisitions of Flywheel Digital, Yimian and MediaLink which, absent the link to continued employment, would have been treated as consideration. Under the sale and purchase agreements, between 25% and 50% of deferred payments are contingent on not only the results of the business in the post-acquisition period but also the continued employment of the founders.

Impairment of Retail & Financial Services assets of £28.4m relates to impairments of assets in the Retail Week & WRC and RFS Price & Promotion cash generating units as a result of global restrictions arising from the Covid-19 pandemic which have exacerbated long-standing issues faced by the wider retail industry (see Note 13 for further details).

Restructuring costs of £7.0m represent the one-off material expenses of a redundancy programme, eliminating approximately 200 roles, in order to right-size our cost base in light of the post-Covid-19 economic outlook.

Property impairments and onerous contracts of £4.8m (2019: £nil) reflect impairments of right of use assets and leasehold improvements and the creation of provisions for operating expenses that are now onerous following a reassessment of the Group's property requirements.

As part of the overall strategy of managing the Group's portfolio, we consider the costs incurred as part of the acquisition and integration of acquired businesses to be Adjusting items. Acquisition transaction costs include directly linked transaction costs such as legal and diligence fees as well as stamp duty where applicable. Integration spend is in relation to transferring acquired businesses onto the Group's IT and revenue platforms, merging of products and rebranding.

The share-based payments credit of £1.6m (2019: charge £8.4m) reflects revised expectations on the vesting of Performance Share Plan awards due to the expected performance of the Group versus the target performance conditions (see Note 7).

Finance costs of £1.9m relate to the write-off of unamortised arrangement fees upon early refinancing of the previous debt facility and subsequent covenant amendments (see Note 8).

6. Employee information and Directors' remuneration

(a) Employee costs including Directors

(£ million)	Note	**2020**	Restated* 2019
Wages and salaries		**151.4**	147.1
Social security costs		**14.6**	14.2
Defined contribution pension cost		**4.4**	4.1
Redundancy costs		**8.5**	1.1
Share-based payments and associated employment taxes	7	**(1.6)**	8.5
Total		**177.3**	175.0

* Restated for discontinued operations.

The total employee costs for continuing operations amounted to £168.7m (2019: £166.4m). Average employee costs per employee including discontinued operations is £81,847 (2019: £87,645).

Included within redundancy costs of £8.5m (2019: £1.1m) are £7.1m (2019: nil) of costs that have been treated as exceptional, of which £7.0m relates to continuing operations (see Note 5).

(b) Retirement benefits

The Group operates a defined contribution pension scheme in the United Kingdom and in certain other countries. The assets of the scheme are held by independent custodians and are kept entirely separate from the assets of the Group. The pension charge represents contributions due from the employer. During 2020 the total Group charge amounted to £4.4m (2019: £4.1m). At 31 December 2020 there were £0.8m of contributions outstanding (2019: £0.9m).

(c) Average monthly number of employees including Directors

(i) By geographical region

	2020 Continuing	**2020 Discontinued**	2019 Continuing	2019 Discontinued
United Kingdom	**856**	**176**	837	179
United States and Canada	**618**	**–**	615	–
Asia Pacific	**279**	**–**	145	–
Rest of the world	**238**	**–**	221	–
Total	**1,991**	**176**	1,818	179

(ii) By job function

	2020 Continuing	2020 Discontinued	2019 Continuing	2019 Discontinued
Cost of sales	**1,121**	**97**	990	95
Sales and marketing	**483**	**65**	474	73
Other administrative functions	**387**	**14**	354	11
Total	**1,991**	**176**	1,818	179

(d) Remuneration of Directors and key management personnel
Further details of the Directors' remuneration and share options are set out in the Remuneration Report on pages 100 to 106. Key management personnel comprised the Chief Executive Officer, Chief Financial Officer and Non-Executive Directors of the Group. The aggregate emoluments for key management are set out below:

(£ million)	2020	2019
Salaries, bonus and other short-term employee benefits	**1.3**	1.8
Share-based payments	**0.2**	2.4
Total	**1.5**	4.2

During the years ended 31 December 2020 and 2019, no Directors were members of the Group's defined contribution pension scheme. Retirement benefits were not accrued for any Director at 31 December 2020 or 2019.

The total gains on the exercise of share options by the Directors amounted to £2.1m (2019: nil).

7. Share-based payments

Analysis of (credit) / charge to the consolidated income statement

(£ million)	2020	Restated* 2019
Share Incentive Plans ("SIP")	**0.1**	0.2
Deferred Annual Bonus Plan ("DABP")	**0.2**	0.2
Performance Share Plans ("PSP")	**(2.4)**	7.6
Sharesave Scheme ("Sharesave")	**0.5**	0.4
Total (credit) / charge from continuing operations	**(1.6)**	8.4

* Restated for discontinued operations (see Note 10).

The total share-based payment credit including discontinued operations was £1.6m (2019: £8.5m charge) including a £0.2m credit for employment taxes (2019: £0.8m charge). As a result, the amount reversed from equity was £1.4m (2019: £7.7m credited to equity).

The number and weighted average exercise price of outstanding and exercisable share options and share awards are detailed below:

	2020		2019	
	Number of shares / options 000s	Weighted average exercise price £	Number of shares / options 000s	Weighted average exercise price £
Outstanding at 1 January	**11,457**	**0.52**	8,998	0.57
Granted	**5,091**	**0.62**	4,909	0.61
Options exercised or shares vested	**(2,039)**	**0.31**	(1,744)	0.71
Surrendered or expired	**(2,379)**	**1.40**	(706)	1.31
At 31 December	**12,130**	**0.47**	11,457	0.52

	2020	2019
Weighted average fair value per share / option granted during the year (£)	**2.37**	2.79

At 31 December 2020 and 31 December 2019, all of the outstanding share awards and options had either no exercise cost or an exercise price which was below the market price. At 31 December 2020 the market price was £3.84 (2019: £3.92) and the average share price for 2020 was £3.03 (2019: £3.67). For the Sharesave, the range of exercise prices for shares and options outstanding at 31 December 2020 was £2.30 to £3.44 (2019: £2.04 to £3.58). For the DABP and the PSP, all share options and share awards outstanding at 31 December 2020 had an exercise price of £nil (2019: £nil) or were conditional share awards which do not require payment from the participant to vest. The free shares awarded under the SIP do not require payment from the participant to vest.

For share awards and options outstanding at 31 December 2020, the weighted average remaining contractual life was 1.59 years (2019: 1.45 years).

Notes to the financial statements Continued

7. Share-based paymentss Continued

Measurement of fair values

The SIP, PSP, Sharesave and DABP are equity-settled plans, the fair value of which is determined at the date of grant and is not subsequently remeasured unless conditions on which the award was granted are modified.

The fair values of the SIP and Sharesave awards have been measured using the Black-Scholes model, while the PSP has been measured using Monte Carlo simulations. Non-market performance conditions were not taken into account in measuring fair values. Expected volatility is usually calculated over the period of time commensurate with the remainder of the performance period immediately prior to the date of the grant. The principal assumptions required by these methodologies for 2020 awards were:

	SIP	PSP	Sharesave	Sharesave (US)
Expected life	3 years	3 years	3 years	2 years
Risk free interest rate	n/a	(0.09%)	(0.11%)	(0.06%)
Expected volatility	n/a	38.7%	38.7%	38.7%
Expected dividend yield	0%	0%	0%	0%

Additional information about share-based payments

a) Share Incentive Plan

In 2016, the Group established the Employee Share Incentive Plan and International Employee Free Share Plan (collectively known as the "SIP") which enables employees to acquire shares of the Company, subject to service conditions. Free shares awarded to UK employees are held by an Employee Benefit Trust for the maturity period of three years. Conditional awards and cash equivalent awards granted to international employees also have a three year maturity period.

In 2020, the Group made no conditional awards (2019: 25,480) under the SIP.

b) Performance Share Plan

In 2016, the Group established the Executive Performance Share Plan ("PSP"), under which key management personnel and other senior employees are granted conditional awards, share options or a cash alternative. Awards can be granted with or without performance conditions. Where performance conditions have been set, they are either subject to a Total Shareholder Return ("TSR") market performance condition only or a combination of a TSR market performance condition and a profit related market performance condition. Executive Directors are required to hold their shares for a further two year period (net of taxes) after vesting.

During the year ended 31 December 2020, the Group granted conditional share awards over 3,695,602 (2019: 3,402,442) shares under the PSP. Of the share awards granted during the year, 606,856 are subject to a TSR market performance condition at 100%. The remaining share awards of 3,088,746 are not subject to additional performance criteria beyond service conditions (2019: 470,298). During the year ended 31 December 2019 2,932,144 were subject to a TSR market performance condition and an Earnings Per Share non-market performance condition at a weighting of 25% and 75% respectively.

c) Sharesave scheme

In 2016, the Group established the Employee Savings Related Share Option Plan, the International Savings Related Share Option Plan and the US Stock Purchase Plan (collectively known as the "Sharesave") under which employees enter into a savings contract and are granted options to acquire shares of the Company, subject to service conditions.

In 2020, the Group granted 1,312,804 (2019: 968,456) options under the Sharesave to qualifying employees. Under the UK and International plans, the options vest after three years and are exercisable within a six-month period. Under the US plan, they vest after two years and are exercisable for a three-month period.

d) Deferred Annual Bonus Plan ("DABP")

Under the DABP a portion of Executive Directors' annual bonus earned is deferred mandatorily into a share award, vesting after a three-year period. Awards are structured either as a nil-cost option or a conditional share award. During the year ended 31 December 2020, the Group granted conditional share awards over 82,118 (2019: 32,733) shares under the DABP.

8. Finance costs and finance income

(£ million)	Note	2020	2019
Interest on bank deposits		**0.3**	0.9
Remeasurement of trade investments to fair value		**1.4**	1.6
Foreign exchange gain		**0.2**	2.0
Finance income		**1.9**	4.5
Interest payable on external borrowings		**(7.4)**	(6.8)
Amortisation of arrangement fees		**(0.8)**	(1.1)
Fair value loss on derivative financial instruments		**(0.3)**	–
Discount unwind on contingent and deferred consideration	20	**(7.9)**	(5.5)
Discount unwind of lease liability		**(1.1)**	(1.3)
Discount unwind of property provisions	22	**(0.1)**	(0.1)
Adjusted finance costs		**(17.6)**	(14.8)
Adjusting items in relation to refinancing	21	**(1.9)**	–
Net finance costs from continuing operations		**(17.6)**	(10.3)

9. Taxation

The tax credit has been calculated by applying the full year rate to the results for the year, with specific tax adjustments for Adjusting items (amortisation of acquired intangible assets, share-based payments and exceptional items). The tax charge for the year comprises:

(£ million)	2020	2019
Current tax		
UK current tax (credit) / charge on income for the year at 19.0%	**(3.8)**	3.2
Overseas current tax charge on income for the year	**0.7**	2.3
Adjustments in respect of prior years	**(0.9)**	(2.6)
Total current tax (credit) / charge	**(4.0)**	2.9
Deferred tax		
Current year	**(32.1)**	(3.2)
Adjustments in respect of prior years	**0.2**	(1.1)
Impact of rate changes on opening balances	**0.5**	–
Total deferred tax credit	**(31.4)**	(4.3)
Total tax credit from continuing operations	**(35.4)**	(1.4)
Total effective tax rate	**19.0%**	17.7%

The effective tax rate on adjusted profit before tax for the year ended 31 December 2020 was 19% (2019: 18%). A tax credit of £33.9m is recorded in relation to Adjusting items for the year ended 31 December 2020 (2019: £18.5m).

During 2020 the following was recognised in equity relating to share-based payments:

(£ million)	2020	2019
Current tax credit	**–**	0.5
Deferred tax credit / (charge)	**0.9**	(0.2)
Total credit recognised in equity	**0.9**	0.3

Notes to the financial statements Continued

9. Taxation Continued

The difference between the tax as credited in the consolidated income statement and tax at the UK standard rate is reconciled below:

(£ million)	2020 Adjusted profit / tax	2020 Adjusting items / tax	2020 Total profit / tax from continuing operations*	2019 Adjusted profit / tax	2019 Adjusting items / tax	2019 Total profit / tax from continuing operations*
(Loss) / profit before tax	(9.9)	(174.4)	(184.3)	77.8	(85.7)	(7.9)
Expected tax (credit) / charge at the UK standard rate of 19.0%	(1.9)	(33.1)	(35.0)	14.8	(16.3)	(1.5)
Principal differences due to:						
Impact of higher overseas tax rates	1.6	(7.0)	(5.4)	3.4	(3.2)	0.2
Trading losses not recognised for deferred tax purposes	0.6	–	0.6	5.2	–	5.2
Non-deductible impairment to goodwill	–	2.8	2.8	–	–	–
Non-deductible legal, professional and M&A costs	0.5	1.5	2.0	–	0.3	0.3
Non-deductible share-based payments expense	–	(0.3)	(0.3)	0.1	0.7	0.8
Non-taxable / deductible exchange (gains) / losses	–	–	–	(2.7)	–	(2.7)
Impact of rates changes	(1.3)	1.8	0.5	–	–	–
Adjustments in respect of prior years	(1.0)	0.4	(0.6)	(3.7)	–	(3.7)
Total tax (credit) / charge for the year	(1.5)	(33.9)	(35.4)	17.1	(18.5)	(1.4)
Effective tax rate	(15.2%)	19.4%	19.2%	22.0%	21.6%	17.7%

* Tax on discontinued operations is set out in Note 10.

The Group's effective tax rate is higher than the UK's statutory tax rate mainly due to its mix of profits coming from the US.

The Group is subject to many different forms of taxation including, but not limited to, income and corporation tax, withholding tax and value added and sales taxes. The Group has operations in 15 countries and multiple states in the US and sells its products and services into more than 100 countries. Furthermore, the Group renders and receives cross-border supplies and services in respect of affiliated entities which exposes the Group to tax risk due to transfer pricing rules that apply in many jurisdictions.

Tax law and administration is complex and often requires subjective determinations. In addition, tax audits by their nature, can take a significant period of time to be agreed with the tax authorities. Therefore, management is required to apply judgement to determine the level of provisions required in respect of its tax liabilities. The Directors' estimates of the level of risk arising from tax audit may change in the next year as a result of changes in legislation or tax authority practice or correspondence with tax authorities during specific tax audits. It is not possible to quantify the impact that such future developments may have on the Group's tax positions. Actual outcomes and settlements may differ from the estimates recorded in these consolidated financial statements. The Group currently anticipates that the outcome of these uncertainties will only be resolved after more than one year. However even where uncertainties may not be resolved within one year, material adjustments may arise as a result of a reappraisal of the assets or liabilities within the next year.

The deferred tax balances shown in the consolidated balance sheet are analysed as follows:

(£ million)	2020	2019
Deferred tax assets	55.0	42.7
Deferred tax liabilities	(4.6)	(22.9)
Total	50.4	19.8

The major deferred tax assets and liabilities recognised by the Group, and the movements in the year, are set out below:

(£ million)	Non-deductible intangible assets	US deductible intangible assets	Share-based payments	Property, plant and equipment	Tax losses	Other	Total
At 1 January 2019	**(24.8)**	**11.0**	**2.1**	**7.2**	**21.4**	**1.4**	**18.3**
Credit / (charge) to the consolidated income statement for the year	3.0	6.6	0.5	(0.6)	(7.0)	0.7	3.2
Credit to equity	–	–	(0.2)	–	–	(0.3)	(0.5)
Adjustments in respect of prior years	–	–	–	(0.1)	0.4	0.8	1.1
Acquisitions	(1.2)	–	–	–	–	–	(1.2)
Foreign exchange movements	0.1	(0.3)	(0.1)	–	(0.5)	(0.3)	(1.1)
At 1 January 2020	**(22.9)**	**17.3**	**2.3**	**6.5**	**14.3**	**2.3**	**19.8**
Credit / (charge) to the consolidated income statement for the year	**5.4**	**12.3**	**(1.1)**	**(0.2)**	**14.0**	**1.8**	**32.2**
Credit / (charge) to equity	**–**	**–**	**0.9**	**–**	**–**	**–**	**0.9**
Impact of rate changes	**(2.1)**	**–**	**0.3**	**0.7**	**0.6**	**–**	**(0.5)**
Adjustments in respect of prior years	**–**	**(0.5)**	**–**	**–**	**0.3**	**–**	**(0.2)**
Transfer to balance sheet	**–**	**–**	**–**	**–**	**–**	**(0.4)**	**(0.4)**
Foreign exchange movements	**0.1**	**(0.5)**	**–**	**–**	**(0.3)**	**(0.2)**	**(0.9)**
Discontinued operations	**–**	**–**	**(0.1)**	**(0.4)**	**–**	**–**	**(0.5)**
At 31 December 2020	**(19.5)**	**28.6**	**2.3**	**6.6**	**28.9**	**3.5**	**50.4**

The above deferred tax balances are expected to reverse as follows:

(£ million)	Non-deductible intangible assets	US deductible intangible assets	Share-based payments	Property plant and equipment	Tax losses	Other	Total
Within 12 months	(2.9)	2.0	(0.4)	1.7	6.9	–	7.3
After 12 months	(16.6)	26.6	2.7	4.9	22.0	3.5	43.1
Total	**(19.5)**	**28.6**	**2.3**	**6.6**	**28.9**	**3.5**	**50.4**

In presenting its deferred tax balances, the Group does not offset assets and liabilities as the Group has no legally enforceable right to set off the arising current tax liabilities and assets when those deferred tax balances reverse.

No deferred tax liability has been recognised in respect of temporary differences associated with investments in subsidiaries and joint ventures as, where tax would arise on the realisation of those temporary differences, the Group is in a position to control the timing of their reversal and it is probably that such differences will not reverse in the foreseeable future.

The UK Government enacted changes to the UK tax rate this year, resulting in the rate remaining at 19% (instead of the previously intended reduction from 19% to 17% from 1 April 2020). We have revalued our UK deferred tax assets and liabilities accordingly. This has resulted in a charge to P&L of £0.5m, comprising an increase in the value of the deferred tax liability on consolidated intangibles of £2.1m offset by a reduction in the value of deferred tax assets of £1.6m.

Following the inauguration of a new US president, it is possible we may see an increase in Federal tax rates above the current 21% rate. Whilst there is no proposed legislation at this time, it is possible that the rate could be increased to as high as 28%, although a more modest increase is more likely. Any increase in the US Federal rate could have a material impact on our US deferred tax balances. Each 1% increase in the rate of Federal tax would increase our US deferred tax assets by £2.1m.

In his UK Budget speech on 3 March 2021, the Chancellor announced his intention to raise the UK corporation tax rate to 25% from 1 April 2023. As this change has not yet been substantively enacted, the above deferred tax assets and liabilities remain valued using the enacted rate of 19%. If these assets were revalued to 25%, for amounts which will unwind after 1 April 2023, this would increase the net asset by approximately £1.2m.

Non-deductible intangibles represent the value of the deferred tax liability which arises on the fair value of acquired intangibles which are not deductible for tax purposes. The liability is valued at the tax rate applicable to the jurisdiction where the intangibles are located.

US deductible intangible assets represent the value of deferred tax assets on US tax deductible intangibles and deferred consideration. These deferred tax assets are recognised at a US Federal and State tax rate averaging 26%.

Deferred tax assets have been recognised on the basis that sufficient taxable profits are forecast to be available in the future to enable them to be utilised.

Notes to the financial statements Continued

9. Taxation Continued

At 31 December 2020, the Group has the following tax losses:

(£ million)	**Recognised 2020**	Recognised 2019	**Unrecognised 2020**	Unrecognised 2019	**Total 2020**	Total 2019
US net operating losses	**95.5**	49.9	**53.4**	102.5	**148.9**	152.4
UK non-trading losses	**30.0**	22.7	**–**	–	**30.0**	22.7
Irish trading losses	**–**	–	**46.6**	44.5	**46.6**	44.5
UK capital losses	**–**	–	**114.9**	114.9	**114.9**	114.9
Other Rest of World losses	**–**	–	**9.5**	6.2	**9.5**	6.2
Total	**125.5**	72.6	**224.4**	268.1	**349.9**	340.7

The above losses represent the following value at tax rates applicable at the balance sheet date:

(£ million)	**Recognised 2020**	Recognised 2019	**Unrecognised 2020**	Unrecognised 2019	**Total 2020**	Total 2019
US net operating losses	**23.3**	10.5	**11.2**	25.6	**34.5**	36.1
UK non-trading losses	**5.7**	3.7	**–**	–	**5.7**	3.7
Irish trading losses	**–**	–	**5.8**	5.6	**5.8**	5.6
UK capital losses	**–**	–	**21.8**	19.5	**21.8**	19.5
Other Rest of World losses	**–**	–	**2.6**	–	**2.6**	–
Total	**29.0**	14.2	**41.4**	50.7	**70.4**	64.9

The Group has tax losses in the US totalling £148.9m (2019: £152.4m). These comprise £50.7m losses arising in the current year and £98.2m of losses brought forward from earlier years. The movement on brought forward losses from prior year arises as a result of expiry of losses which can be carried forward for only 20 years. It has been agreed with the US tax authorities that these brought forward losses are available to offset against taxable profits subject to a restriction following the change of ownership that was deemed to have occurred upon listing of Ascential plc in 2016. In line with the US tax rules, the restriction of losses is, to a large extent, based on the valuation of the US group at the change of control date and this will be agreed with the US tax authorities in due course. In prior years, our forecasting of the future available losses, and so value of the associated deferred tax asset, had been driven by this limitation and so the valuation was a key source of estimation. Following additional earnout payments in the US, and a change to mix of profits, this is no longer the case. Our ability to utilise losses in future years is now driven by the level of taxable profits arising in the US as the increased earnout payments give rise to tax deductions which displace the loss utilisation. As a result, we have revised downwards our estimate of future utilised losses which accounts for £0.7m (2019: £2.6m) of the prior year adjustment to the deferred tax asset in respect of losses.

10. Discontinued operations and assets held for sale

As part of its growth strategy to focus resources and investment on its strategic priorities, the Group's non-core segment of Built Environment & Policy has been classified as held for sale in accordance with IFRS 5 as at 31 December 2020. This follows the Group's announcement that it had entered into an agreement to sell Glenigan on 15 December 2020 and its intention to sell the remaining segment businesses within the next twelve months from the balance sheet date. The sales of Groundsure and DeHavilland were subsequently confirmed on 20 January 2020 and 12 February 2021 respectively (see Note 30).

For operations that are classified as held for sale, management are required to determine whether the carrying value of the disposal groups can be supported by the fair value less costs to sell. For each of the transactions which have been agreed or completed, the selling price agreed with the purchasers exceeds the carrying value of the assets.

At 31 December 2020, the disposal group was stated at carrying amount and comprised of the following assets and liabilities:

(£ million)	2020
Goodwill	**24.9**
Intangible assets	**2.2**
Property, plant and equipment	**0.4**
Right of use assets	**0.4**
Deferred tax assets	**0.5**
Trade and other receivables	**9.8**
Cash and cash equivalents	**2.0**
Total assets held for sale	**40.2**
Trade and other payables	**4.5**
Deferred income	**8.0**
Deferred and contingent consideration	**0.3**
Lease liabilities	**0.5**
Total liabilities held for sale	**13.3**

The results of the Built Environment & Policy segment have been presented as discontinued operations within the consolidated income statement.

	2020			2019		
(£ million)	Adjusted results	Adjusting items	Total	Adjusted results	Adjusting items	Total
Revenue	**37.4**	**–**	**37.4**	35.9	–	35.9
Cost of sales	**(9.3)**	**–**	**(9.3)**	(8.6)	–	(8.6)
Sales, marketing and administrative expenses	**(7.5)**	**(3.2)**	**(10.7)**	(8.7)	(0.5)	(9.2)
Operating profit / (loss)	**20.6**	**(3.2)**	**17.4**	18.6	(0.5)	18.1
Adjusted EBITDA	**21.5**	**–**	**21.5**	19.5	–	19.5
Depreciation and amortisation	**(0.9)**	**(0.2)**	**(1.1)**	(0.9)	(0.2)	(1.1)
Exceptional items	**–**	**(3.0)**	**(3.0)**	–	(0.2)	(0.2)
Share-based payments	**–**	**–**	**–**	–	(0.1)	(0.1)
Operating profit / (loss)	**20.6**	**(3.2)**	**17.4**	18.6	(0.5)	18.1
Finance costs	**–**	**–**	**–**	–	–	–
Finance income	**–**	**–**	**–**	–	–	–
Profit / (loss) from discontinued operations	**20.6**	**(3.2)**	**17.4**	18.6	(0.5)	18.1
Taxation	**(3.9)**	**–**	**(3.9)**	(3.5)	–	(3.5)
Profit from discontinued operations, net of tax	**16.7**	**(3.2)**	**13.5**	15.1	(0.5)	14.6
Earning per share (pence)						
– Basic	**4.2**	**(0.9)**	**3.3**	3.7	(0.1)	3.6
– Diluted	**4.2**	**(0.9)**	**3.3**	3.7	(0.1)	3.6

Exceptional items in discontinued operations include costs of disposal totalling £3.0m. These include financial and commercial diligence and legal costs.

During the year discontinued operations generated cash of £19.8m (2019: £19.0m) in respect of operating activities, used £2.6m (2019: £0.9m) in respect of investing activities, primarily the acqusition of Mining Searches UK (see Note 12), and used £0.2m (2019: £0.2m) in respect of financing activities.

Notes to the financial statements Continued

11. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares. Earnings per share has been calculated with respect to total net profit or loss for the year for the Group, continuing operations and discontinued operations (see Note 10).

The weighted average number of ordinary shares in issue during the year, excluding those held by Employee Benefit Trusts, was 400.8m (2019: 401.4m). There is no dilutive impact from potentially ordinary shares as potentially ordinary shares can only be considered dilutive when their inclusion would decrease earnings or increase loss per share.

	2020			Restated* 2019		
	Adjusted results	**Adjusting items**	**Total**	Adjusted results	Adjusting items	Total
Profit / (loss) for the year attributable to owners of the Company (£ million)						
Profit / (loss) for the year – continuing operations	**(9.1)**	**(140.5)**	**(149.6)**	60.5	(67.2)	(6.7)
Profit / (loss) for the year – discontinued operations	**16.7**	**(3.2)**	**13.5**	15.1	(0.5)	14.6
Profit / (loss) for the year	**7.6**	**(143.7)**	**(136.1)**	75.6	(67.7)	7.9
Share number (million)						
Basic weighted average number of shares	**400.8**	**400.8**	**400.8**	401.4	401.4	401.4
Diluted weighted average number of shares	**400.8**	**400.8**	**400.8**	401.4	401.4	401.4
Earnings per share (pence)						
Basic earnings per share	**1.9**	**(35.9)**	**(34.0)**	18.8	(16.8)	2.0
Diluted earnings per share	**1.9**	**(35.9)**	**(34.0)**	18.8	(16.8)	2.0
Continuing operations						
Basic earnings per share	**(2.3)**	**(35.0)**	**(37.3)**	15.1	(16.7)	(1.6)
Diluted earnings per share	**(2.3)**	**(35.0)**	**(37.3)**	15.1	(16.7)	(1.6)
Discontinued operations						
Basic earnings per share	**4.2**	**(0.9)**	**3.3**	3.7	(0.1)	3.6
Diluted earnings per share	**4.2**	**(0.9)**	**3.3**	3.7	(0.1)	3.6

* Restated for discontinued operations (see Note 10)

12. Business combinations

Mining Searches UK

On 2 January 2020 the Group acquired 100% of Cornwall Mining Services Limited ("Mining Searches UK"), a specialist data provider in the mining industry. The Group paid cash consideration of £1.7m upfront and consolidated £0.5m of cash on acquisition, resulting in a net £1.2m cash outflow on acquisition. There is, in addition, deferred consideration of £0.9m, of which £0.6m has been paid in 2020 with the remaining £0.3m due to be paid in 2022. Mining Searches UK is part of the Built Environment & Policy segment and is presented within the disposal group held for sale at 31 December 2020. At the time of acquisition, the business was not intended to be held with a view to resale.

Indigitous

On 28 February 2020, the Group purchased 100% of Indigitous, LLC ("Indigitous") for initial cash consideration of £1.5m. Indigitous is an Amazon-focused managed service provider based in Seattle specialising in the active lifestyle category. Indigitous has been integrated into Flywheel Digital in our Digital Commerce Segment. Earn out consideration is contingent on the performance of the business for the financial years 2020 to 2022, payable in cash in 2021 to 2023, with a minimum consideration of £0.2m per year and with total consideration capped at £7.7m. Half of the earn out is additionally linked to the ongoing employment of the founders and therefore recognised in the income statement over the life of the earn out. This acquisition-related employment cost is being accrued over the period in which the related services are being received, recorded as exceptional costs. To determine the estimated contingent consideration and the acquisition-related employment cost figures, the Directors are required to make an estimate regarding the future results. Any subsequent revaluations to contingent consideration as a result of changes in such estimations are recognised in the consolidated income statement and disclosed in Note 20.

The fair values of the identifiable assets purchased and liabilities assumed of the two acquired companies as at the date of acquisition were as follows:

(£ million)	Total
Customer relationships, database costs and other intangibles	1.8
Other net assets acquired	0.8
Cash	0.5
Total identifiable net assets at fair value	**3.1**
Initial cash consideration	3.2
Contingent consideration payable in 2021 – 2023	1.6
Total consideration	**4.8**
Goodwill on acquisition	**1.7**
Acquisition of businesses (net of cash acquired)	**2.7**

Of the £1.7m (2019: £16.0m) of goodwill acquired during the period, £0.2m of goodwill (2019: £nil) is expected to be deductible for tax purposes.

The goodwill of £1.7m arising on acquisitions is attributable to workforce in place and know-how within the business.

From the date of acquisition, Mining Searches UK contributed £2.8m of revenue and £1.3m of Adjusted EBITDA. The results of Mining Searches UK are presented within discontinued operations. From the date of acquisition, Indigitous contributed £3.1m of revenue and would have contributed £3.5m of revenue if the acquisition had taken place at the beginning of the year. Indigitous has been fully integrated into the Group during 2020 and so it is not possible to determine its standalone profit performance for the year.

Since the year end, Ascential has completed further acquisitions as disclosed in Note 30. Due to the proximity of these acquisitions to the year end, no review of the purchase price allocation per IFRS 3 has yet been completed, as the information for such disclosure is not yet available and therefore not required. The details of the prior year acquisitions are set out in the 2019 Annual Report.

Notes to the financial statements Continued

13. Intangible assets and goodwill

(£ million)	Goodwill	Acquired Intangibles: Brands	Acquired Intangibles: Customer relationships	Acquired Intangibles: Content	Acquired Intangibles: Technology	Software	Total
Cost							
At 1 January 2019	744.1	169.7	132.0	60.8	40.8	74.3	1,221.7
Additions	–	–	–	–	–	12.7	12.7
Acquisitions of businesses	16.0	–	2.8	–	2.2	–	21.0
Disposals	–	–	–	–	–	(18.9)	(18.9)
Effect of movements in exchange rates	(8.2)	(2.1)	(3.2)	(0.9)	(0.8)	(1.2)	(16.4)
At 1 January 2020	751.9	167.6	131.6	59.9	42.2	66.9	1,220.1
Additions	**–**	**–**	**–**	**–**	**–**	**20.6**	**20.6**
Acquisitions of businesses	**1.7**	**–**	**1.3**	**–**	**–**	**0.5**	**3.5**
Disposals	**–**	**–**	**–**	**–**	**–**	**(4.9)**	**(4.9)**
Reclassification to assets held for sale	**(38.1)**	**(26.0)**	**–**	**–**	**–**	**(4.8)**	**(68.9)**
Effect of movements in exchange rates	**(7.4)**	**(2.4)**	**(2.7)**	**(0.9)**	**(3.0)**	**0.5**	**(15.9)**
At 31 December 2020	**708.1**	**139.2**	**130.2**	**59.0**	**39.2**	**78.8**	**1,154.5**
Accumulated amortisation & impairment							
At 1 January 2019	(239.0)	(44.1)	(33.9)	(45.2)	(20.6)	(52.9)	(435.7)
Disposals	–	–	–	–	–	20.2	20.2
Amortisation	–	(14.9)	(11.0)	(5.7)	(4.2)	(11.6)	(47.4)
Effect of movements in exchange rates	–	0.9	0.7	0.9	0.4	0.6	3.5
At 1 January 2020	(239.0)	(58.1)	(44.2)	(50.0)	(24.4)	(43.7)	(459.4)
Disposals	**–**	**–**	**–**	**–**	**–**	**4.4**	**4.4**
Amortisation	**–**	**(13.6)**	**(12.1)**	**(3.8)**	**(4.4)**	**(11.4)**	**(45.3)**
Impairment	**(14.9)**	**(5.0)**	**(4.0)**	**–**	**(3.6)**	**(0.9)**	**(28.4)**
Reclassification to assets held for sale	**13.2**	**25.6**	**–**	**–**	**–**	**3.0**	**41.8**
Effect of movements in exchange rates	**–**	**1.7**	**1.1**	**0.9**	**2.9**	**(0.1)**	**6.5**
At 31 December 2020	**(240.7)**	**(49.4)**	**(59.2)**	**(52.9)**	**(29.5)**	**(48.7)**	**(480.4)**
Net book value							
At 31 December 2020	**467.4**	**89.8**	**71.0**	**6.1**	**9.7**	**30.1**	**674.1**
At 31 December 2019	**512.9**	**109.5**	**87.4**	**9.9**	**17.8**	**23.2**	**760.7**

Included within software intangible assets at 31 December 2020 is £13.6m (2019: £10.9m) of assets under construction which were not being amortised at 31 December 2020.

Goodwill and acquired intangibles

At 31 December 2020, the Group had £644.0m of goodwill and intangible assets acquired through acquisitions (2019: £737.5m). The goodwill attributed to each of the Group's cash generating units (CGUs) is assessed for impairment annually and more frequently where there are indicators of impairment. In assessing for impairment, an estimate of the CGU's recoverable amount is determined. The recoverable amount is the higher of value-in-use and fair value less costs of disposal.

Impairment of CGUs

Impairment losses of £28.4m have been recognised for the below CGUs for the year ended 31 December 2020 (2019: £nil).

(£ million)	**2020**
Retail Week & WRC	**(9.6)**
RFS Price & Promotion	**(18.8)**
Total	**(28.4)**

Covid-19

Global restrictions arising from the Covid-19 pandemic have exacerbated long-standing issues faced by the wider retail industry. This has led to impairments for certain cash generating units in the Retail & Financial Service segment, namely Retail Week & WRC and RFS Price & Promotion.

For the other CGUs, it is expected that the adverse impact of Covid-19 will not be long-term and they have the platforms and capabilities to bounce back strongly. Moreover for Cannes Lions and Money20/20, intangibles are a small multiple of normal annual profits. Furthermore, whilst Covid-19 has impacted significant elements of the world's economy, it has accelerated the Group's strategically important Digital Commerce business.

CGUs

The Group's CGUs have been assessed based on largely independently managed cash flows. Due to the growing interdependencies of the business units within Digital Commerce, goodwill previously attributable to the individual CGUs has been allocated as a whole to the group of CGUs that form Digital Commerce and are assessed for impairment at that level. This represents the lowest level at which management monitor goodwill for internal management purposes. In addition to this, prior to 31 December 2020, the Built Environment & Policy CGU was classified as held for sale and therefore does not fall within the scope of IAS36. Nevertheless the value has been supported by the sale of these businesses units at a profit post year end.

Upon the restructure of the previous Edge CGU, £10.8m of goodwill and £7.7m of acquired intangibles assets have been allocated to the new RFS Price & Promotion CGU. The allocation of these assets has been based on the relative fair values. Management believe this is the most appropriate method of allocating these assets given the nature of these goodwill and acquired intangible assets.

At the point of the allocating goodwill to the Digital Commerce group of CGUs, management assessed that no impairments would be recorded in any of the affected CGUs under the former structure.

The below table sets out the CGUs year on year and how they align to reportable segments:

2019 CGU	2020 CGU	2020 Reportable segment
Product Design	Product Design	Product Design
Built Environment & Policy	N/A	N/A
Edge	Edge	Digital Commerce
Flywheel	Flywheel	
Yimian	Yimian	
Money20/20	Money20/20	Retail & Financial Services
Retail Week & WRC	Retail Week & WRC	
	RFS Price & Promotion	
Lions	Lions	Marketing
WARC	WARC	
MediaLink	MediaLink	

When testing for impairment, recoverable amounts for all of the Group's CGUs are measured at their value-in-use by discounting the future expected cash flows from the assets in the CGUs. These calculations use cash flow projections based on Board-approved budgets and approved plans. Fair value less costs of disposal (FVLCD) is also considered as an alternative measure of recoverable amount based on revenue or EBITDA multiples compared to recent market transactions. This is a Level 3 measurement, based on inputs which are normally unobservable to market participants. Costs of disposal have been assumed to be 10% of expected disposal proceeds.

The key assumptions and estimates used for value-in-use calculations are as follows:

Future expected cash flows

Cash flow forecasts over a five-year horizon have been prepared after considering the current economic environment in the relevant markets and the length and shape of the end market recovery from Covid-19. Cash flow forecasts were derived from the most recent Board approved plans, which have been prepared after considering the current economic environment in each of our markets. In calculating the terminal value, cash flows beyond the plan period were extrapolated using a long-term growth rate of 3% for Digital Commerce and 2.5% across remaining CGUs (2019: 3% for Digital Commerce and 2.5% across remaining CGUs). This is in line with the IMF World Economic Outlook published in October 2020, which represents the long-term rates of inflation expected in the economies in which we operate and the Company's best estimate of cash flow growth beyond the relevant plan period. The estimates of future cash flows are consistent with experience adjusted for the Group's estimate of future performance.

Notes to the financial statements Continued

13. Intangible assets and goodwill Continued

Discount rates

Inputs include risk-adjusted, pre-tax discount rates, calculated by reference to the weighted average cost of capital for each CGU, weighted to the country, or countries, in which the CGU operates. Movements in the pre-tax discount rates for CGUs since the year ended 31 December 2019 are driven by changes in market-based inputs and the company specific risk which is assessed based on economic outlook. Any unsystematic risk relating to the impact of Covid-19 on the CGUs has been inherently built in to the cash flows of each of the CGUs and therefore no additional element of risk has been included in the discount rates used at 31 December 2020.

The pre-tax discount rates applied to the risk-adjusted cash flow forecasts and the carrying values of goodwill and other acquired intangible assets allocated to the CGUs tested for impairment at 31 December 2020 are set out below:

	2020			2019		
CGU	Pre-tax discount rate %	Goodwill	Acquired Intangibles	Pre-tax discount rate %	Goodwill	Acquired Intangibles
Product Design	**9.5**	**151.2**	**2.5**	9.5	152.8	2.8
Marketing						
Lions	**9.5**	**81.1**	**60.7**	9.9	81.1	64.0
WARC	**9.6**	**10.6**	**13.3**	10.2	10.6	16.5
MediaLink	**11.5**	**32.4**	**16.4**	12.5	33.4	19.8
Digital Commerce	**9.7**	**156.9**	**–**	n/a	n/a	n/a
Edge	**n/a**	**–**	**45.6**	11.0	118.4	69.6
Yimian	**n/a**	**–**	**4.5**	n/a	16.1	5.0
Flywheel	**n/a**	**–**	**26.5**	11.7	36.6	31.3
Retail & Financial Services						
Money20/20	**11.1**	**35.2**	**7.2**	10.9	36.3	9.5
Retail Week &WRC	**9.2**	**–**	**–**	6.4	4.0	5.4
RFS Price & Promotion	**8.9**	**–**	**–**	n/a	n/a	n/a
Built Environment & Policy	**n/a**	**n/a**	**n/a**	9.9	23.6	0.7
Total		**467.4**	**176.7**		512.9	224.6

Sensitivity to changes in assumptions

The calculation of value in use is most sensitive to the discount rate and long-term growth rates used. The Group has performed sensitivity analyses across all CGUs which have goodwill and acquired intangible assets, using reasonably possible changes in the already conservative long-term growth rates and pre-tax discount rates arising from reasonably possible trading and economic scenarios.

The Product Design CGU and Digital Commerce group of CGUs make up over 64% of the Group's total carrying value of goodwill. The estimated recoverable amount of the units exceeds their carrying amount by approximately £289.9m and £574.3m respectively. Given both units have significant headroom, there is no realistic change of assumption that would cause the units carrying amount to exceed its recoverable amount.

The carrying amount of the Retail Week & WRC and the RFS Price & Promotion CGUs were reduced to nil from impairment. Management has identified that a reasonable possible change of 11% forecast Adjusted EBITDA growth rate each year within the RFS Price & Promotion CGU would result in a reversal of impairment. A stronger than expected recovery in end markets of the Retail Week & WRC CGU could also result in an impairment reversal.

14. Property, plant and equipment

(£ million)	Note	Fixtures & fittings	Office equipment	Total
Cost				
At 1 January 2019		10.2	14.2	24.4
Additions		2.4	2.8	5.2
Acquisitions of businesses		–	0.2	0.2
Disposals		(1.3)	(3.8)	(5.1)
Effect of movements in exchange rates		(0.1)	(0.3)	(0.4)
At 1 January 2020		11.2	13.1	24.3
Additions		**1.6**	**1.5**	**3.1**
Acquisitions of businesses		**0.3**	**–**	**0.3**
Disposals		**(2.2)**	**(2.2)**	**(4.4)**
Reclassification to assets held for sale	10	**(1.0)**	**(0.7)**	**(1.7)**
Effect of movements in exchange rates		**0.1**	**–**	**0.1**
At 31 December 2020		**10.0**	**11.7**	**21.7**
Depreciation				
At 1 January 2019		(5.1)	(10.1)	(15.2)
Depreciation		(1.5)	(2.3)	(3.8)
Disposals		(0.4)	3.1	2.7
Effect of movements in exchange rates		0.1	0.3	0.4
At 1 January 2020		(6.9)	(9.0)	(15.9)
Depreciation		**(2.1)**	**(2.3)**	**(4.4)**
Disposals		**2.1**	**2.1**	**4.2**
Reclassification to assets held for sale	10	**0.7**	**0.6**	**1.3**
Impairment		**(0.9)**	**–**	**(0.9)**
Effect of movements in exchange rates		**(0.3)**	**(0.2)**	**(0.5)**
At 31 December 2020		**(7.4)**	**(8.8)**	**(16.2)**
Net book value				
At 31 December 2020		**2.6**	**2.9**	**5.5**
At 31 December 2019		4.3	4.1	8.4

Notes to the financial statements Continued

15. Investments

(£ million)	2020	2019
At 1 January	**67.9**	6.1
Acquisition of investments	**16.8**	64.8
Remeasurement of trade investments to fair value	**1.4**	1.6
Share of the profit / (loss) of joint ventures and associates	**(0.2)**	0.6
Transaction costs capitalised	**–**	1.8
Dividends received from joint ventures	**–**	(0.5)
Disposal of investments	**(56.7)**	(1.6)
Effect of movements in exchange rates	**3.2**	(4.9)
At 31 December	**32.4**	67.9

Investments as at 31 December 2020 were made up as follows:

(£ million)	2020	2019
Trade investments measured at fair value through profit or loss	**28.5**	12.6
Associates and joint ventures accounted for using the equity method	**3.9**	53.3
Convertible loan*	**–**	2.0
At 31 December 2020	**32.4**	67.9

* The option to convert the loan into equity in a new associated company was exercised in part in the second half of 2019. The remaining balance of the loan was exercised in the first half of 2020.

On 30 August 2019, the Group acquired a 35% ownership interest in Jumpshot Inc., the former marketing analytics subsidiary of Avast plc. On 30 January 2020, the Group sold that 35% ownership interest in Jumpshot back to Avast plc for cash consideration equivalent to the cost of investment and ceased to hold an option to take up a majority ownership in Jumpshot.

The Group also made a further £14.6m investment in Hudson MX. £0.5m was invested in equity and £14.1m was advanced as convertible loans.

16. Inventories

(£ million)	2020	2019
Deferred event costs	**0.3**	2.1
Physical stock	**1.8**	2.0
Total	**2.1**	4.1

17. Trade and other receivables

(£ million)	2020	2019
Current		
Trade receivables, net of the allowance for doubtful debts	**70.5**	74.3
Prepayments	**11.7**	12.4
Contract assets	**6.2**	4.7
Other receivables	**109.5**	50.0
Total	**197.9**	141.4

The carrying amounts of trade and other receivables are denominated primarily in pounds sterling and US dollars. The Directors consider that the carrying amount of receivables and prepayments approximates their fair value.

Other receivables include amounts due from customers for pass-through costs of £105.3m (2019: £43.3m). Pass-through costs comprise amounts paid to external suppliers principally in relation to the purchase of media which are charged directly to clients. The amounts due to external suppliers in these relationships are recognised in other payables (see Note 19).

Trade receivables are non-interest bearing, generally on 30 day terms and shown net of an allowance for doubtful debts. As at 31 December 2020, the allowance for doubtful debts was £6.5m (2019: £5.0m). Movements in the allowance for doubtful debts were as follows:

(£ million)	2020	2019
At 1 January	**5.0**	3.5
Provided in the year	**6.1**	5.1
Released in the year	**(0.3)**	–
Utilised in the year	**(3.9)**	(3.5)
Reclassification to assets held for sale	**(0.4)**	(0.1)
At 31 December	**6.5**	5.0

Trade receivables and contract assets of the continuing operations, net of the allowance for doubtful debts, are aged as follows:

2020 (£ million)	Loss rate	Gross carrying amount	Loss Allowance	Credit note allowance	Net trade receivables and contract assets
Current (not past due)	**0.4%**	**58.3**	**(0.2)**	**(0.6)**	**57.5**
1 – 30 days past due	**1.0%**	**8.6**	**(0.1)**	**–**	**8.5**
31 – 90 days overdue	**11.9%**	**6.1**	**(0.7)**	**–**	**5.4**
More than 90 days past due	**50.4%**	**10.8**	**(5.5)**	**–**	**5.3**
At 31 December		**83.8**	**(6.5)**	**(0.6)**	**76.7**

2019 (£ million)	Loss rate	Gross carrying amount	Loss Allowance	Credit note allowance	Net trade receivables and contract assets
Current (not past due)	0.2%	58.3	(0.1)	(0.2)	58.0
1 – 30 days past due	0.9%	12.2	(0.1)	–	12.1
31 – 90 days overdue	10.3%	6.2	(0.6)	–	5.6
More than 90 days past due	55.8%	7.5	(4.2)	–	3.3
At 31 December		**84.2**	**(5.0)**	**(0.2)**	**79.0**

Loss rates are calculated based on actual credit losses over the past three years and adjusted to reflect differences between the historical credit losses and the Group's view of the economic conditions over the expected lives of the receivables. In addition to the loss allowance, there is a credit note allowance of £0.6m (2019: £0.2m) in the net trade receivables balance.

The maximum exposure to credit risk for trade receivables and contract assets by geographical region was:

(£ million)	2020	2019
United Kingdom	**9.2**	18.4
Other Europe	**11.1**	12.6
United States and Canada	**42.5**	34.7
Asia Pacific	**9.8**	7.2
Middle East and Africa	**1.0**	2.5
Latin America	**3.1**	3.6
Total	**76.7**	**79.0**

Other receivables of the continuing operations, net of the allowance for doubtful debts, are aged as follows:

(£ million)	2020	2019
Current (not past due)	97.1	43.4
1 – 30 days past due	9.0	1.4
31 – 90 days overdue	1.7	1.4
More than 90 days past due	1.7	3.8
Total	109.5	**50.0**

There are no material expected credit losses for other receivables.

18. Cash and cash equivalents

Cash and cash equivalents at 31 December 2020 of £78.2m (2019: £111.7m) relate to bank balances, including short-term deposits with an original maturity date of less than three months and cash in transit.

Notes to the financial statements Continued

19. Trade and other payables

(£ million)	2020	2019
Current		
Trade payables	**6.9**	10.6
Other payables	**98.7**	42.8
Accruals	**24.3**	24.2
Interest accruals	**0.2**	0.4
Taxes and social security costs	**7.2**	7.7
Total	**137.3**	85.7

Other payables include amounts due to external suppliers in relation to pass-through costs of £93.4m (2019: £38.9m). Pass-through costs comprise amounts paid to external suppliers which are charged directly to clients. The amounts due from customers in these relationships are recognised in other receivables (see Note 17).

20. Deferred and contingent consideration

The Group has liabilities in respect of deferred and contingent consideration payments under various business acquisition contracts as set out in the table below:

(£ million)	Note	Total	Restated* Level 3
At 1 January 2019		**96.7**	**59.7**
Additions		3.3	3.3
Acquisition-related employment costs accrued in the year	5	20.1	–
Revaluation of contingent consideration recognised in the consolidated income statement	5	13.0	16.8
Discount unwind on contingent and deferred consideration	8	5.5	5.5
Acquisition-related employment cash paid in year		(11.5)	–
Deferred and contingent consideration cash paid in the year		(20.3)	(10.6)
Effect of movements in exchange rates		(3.6)	(2.3)
At 1 January 2020		**103.2**	**72.4**
Additions	12	**1.6**	**0.7**
Acquisition-related employment costs accrued in the year	5	**33.5**	**–**
Revaluation of contingent consideration recognised in the consolidated income statement	5	**64.1**	**64.1**
Discount unwind on contingent and deferred consideration	8	**7.9**	**7.9**
Acquisition-related employment cash paid in year		**(23.1)**	**–**
Deferred and contingent consideration cash paid in the year		**(46.0)**	**(44.8)**
Effect of movements in exchange rates		**(4.7)**	**(3.8)**
Transfer to liabilities held for sale		**(0.3)**	**–**
At 31 December 2020		**136.2**	**96.5**

* Restated to reclassify £4.0m of revaluation of contingent consideration as level 3.

(£ million)	2020	2019
Current	**113.5**	63.1
Non-current	**22.7**	40.1
Total	**136.2**	103.2

The total deferred and contingent consideration balance of £136.2m (2019: £103.2m) includes £96.5m (2019: £72.4m) which is categorised as Level 3 in the fair value hierarchy of financial instruments. Covid-19 has increased the level of uncertainty in the Group's projections with a consequent impact on the potential range of these Level 3 valuations. However, the majority of this balance relates to payments contingent on results of 2020 due to be paid out in 2021, for which there is much a greater degree of certainty.

The significant unobservable inputs used in the fair value measurements are the determined weighted average cost of capital and the forecast future profits, billings or revenue of the acquired businesses. The Group plan used to forecast future profits is approved by the board and assessed against market consensus on a regular basis. For details of deferred and contingent consideration on current and comparative year acquisitions within the year refer to Note 12.

The Directors consider that the carrying amount of deferred and contingent consideration of £136.2m (2019: £103.2m) approximates its fair value.

Both contingent consideration and acquisition-related employment costs are based on the future performance of the acquired business to which they relate. Performance is assessed using forecast profits and the current five-year plan which is updated annually. Forecasts are inherently a source of management estimation, resulting in a range of outcomes. The Flywheel Digital earnout is the largest payment and therefore most relevant when considering the sensitivity to fluctuations in performance. The payment due in 2021 is based on 2020 results and hence is no longer subject to such uncertainty, and a 10% increase in results in 2021 would result in an additional payment of around £8.8m in 2022 for the final Flywheel Digital payment.

21. Borrowings

In January 2020, the Group entered into a new 5-year multi-currency revolving credit facility ("RCF") of £450m plus an accordion to raise further debt amounts, at the option of the lenders, of up to the greater of £120m or 150% of EBITDA. The maturity of the facility may be extended for a further one or two year term on the second anniversary of the facility, subject to individual lender approval. At 31 December 2020 the borrowings were subject to interest at a margin of 2.50% over LIBOR.

The facility covenants include a maximum net leverage of 3.25x with the benefit of additional 0.5x leverage spikes for relevant acquisitions and a minimum interest cover of 3.00x and are tested semi-annually. To address the uncertain business environment and ensure maximum flexibility in the medium term, across a broad range of business planning scenarios, the Group agreed the following covenant amendments with its banking group (subject to minimum liquidity of £100m at December 2020 and £125m thereafter):

- At the December 2020 testing point – a full waiver of the leverage and interest cover covenants.
- At the June 2021 testing point – the leverage covenant ratio limit has been relaxed to 4.75x.
- At the December 2021 testing point – the leverage covenant ratio limit has been relaxed to between 3.50x and 4.50x depending on the scale of profits from live events in 2021.
- At the June 2022 testing point – if either Money20/20 Europe or USA do not take place in 2021, the leverage covenant limit at June 2022 will be 3.75x.

At the December 2020 testing point, the minimum liquidity requirements have been met with £217.5m of available liquidity.

The maturity profile of the Group's borrowings, consisting entirely of drawdowns from the RCF for the year ended 31 December 2020, was as follows:

(£ million)	**2020**	2019
Non-current		
Two to five years	**309.5**	282.6
Total borrowings	**309.5**	282.6

Borrowings are shown net of unamortised issue costs of £3.2m (2019: £1.2m). The carrying amounts of borrowings approximate their fair value. The Group's borrowings at 31 December 2020 were £82.5m, $117.0m and €161.0m.

Reconciliation of movement in net debt

(£ million)	Cash*	Cash in transit	Short-term deposits	Interest rate cap	Borrowings	Net debt**
At 1 January 2019	**49.4**	**7.2**	**125.4**	**–**	**(291.8)**	**(109.8)**
Exchange differences	1.7	–	0.1	–	10.4	12.2
Non-cash movements	–	–	–	0.3	(1.2)	(0.9)
Net cash movement	27.9	(6.0)	(94.0)	–	–	(72.1)
At 1 January 2020	**79.0**	**1.2**	**31.5**	**0.3**	**(282.6)**	**(170.6)**
Exchange differences	**(1.8)**	**–**	**–**	**–**	**(3.1)**	**(4.9)**
Term loan debt repayment	**–**	**–**	**–**	**–**	**285.8**	**285.8**
Net RCF debt cash flow drawdown	**–**	**–**	**–**	**–**	**(311.5)**	**(311.5)**
Fair value movement	**–**	**–**	**–**	**(0.3)**	**–**	**(0.3)**
Write off, capitalisation and amortisation of debt arrangement fees	**–**	**–**	**–**	**–**	**1.9**	**1.9**
Net cash movement	**(26.2)**	**(0.7)**	**(2.8)**	**–**	**–**	**(29.7)**
At 31 December 2020	**51.0**	**0.5**	**28.7**	**–**	**(309.5)**	**(229.3)**

* Includes £2.0m of cash classified as held for sale as at 31 December 2020.
** Refer to the Glossary of Alternative Performance Measures for the definition of Net Debt.

In addition to the net debt amount of £229.3m above, the Group has lease liabilities of £20.4m (2019: £26.8m) with movements comprising cash payments of £10.4m (2019: £9.0m), derecognition of leases of £1.2m (2019: £0.9m), additions of £5.7m (2019: £6.8m) and reclassification to liabilities held for sale of £0.5m (2019: £nil).

Notes to the financial statements Continued

22. Provisions

(£ million)	Property provisions	Other	Total provisions
At 1 January 2019	**1.7**	**4.3**	**6.0**
Provided in the year	–	0.5	0.5
Released in the year	(0.3)	(1.7)	(2.0)
Utilised in the year	–	(1.1)	(1.1)
Discounting of provisions	0.1	–	0.1
Effect of movements in exchange rates	–	(0.1)	(0.1)
At 1 January 2020	**1.5**	**1.9**	**3.4**
Transfer to liabilities held for sale	**(0.1)**	**–**	**(0.1)**
Provided in the year	**3.4**	**2.7**	**6.1**
Released in the year	**0.2**	**(0.2)**	**–**
Utilised in the year	**–**	**(0.5)**	**(0.5)**
Discounting of provisions	**0.1**	**–**	**0.1**
Effect of movements in exchange rates	**–**	**–**	**–**
At 31 December 2020	**5.1**	**3.9**	**9.0**

Provisions have been analysed between current and non-current as follows:

2020 (£ million)	Property provisions	Other	Total provisions
Current	**3.5**	**3.9**	**7.4**
Non-current	**1.6**	**–**	**1.6**
Total	**5.1**	**3.9**	**9.0**

2019 (£ million)	Property provisions	Other	Total provisions
Current	–	1.0	1.0
Non-current	1.5	0.9	2.4
Total	**1.5**	**1.9**	**3.4**

The property provisions relate to dilapidation costs on properties in the United Kingdom and onerous property costs in the United Kingdom and United States. The weighted average maturity of these obligations is approximately five years. Other provisions relate to onerous contracts and warranty costs relating to businesses disposed of, legal provisions, and redundancy provisions. The average weighted maturity of these obligations is approximately one year.

23. Share capital and reserves

Share capital

(£ million)	**2020**	2019
402,794,150 Ordinary shares of £0.01 each (2019: 403,274,977)	**4.0**	4.0
Total	**4.0**	4.0

During the year, 1,738,939 (2019: 1,876,652) and 283,526 (2019: 579,730) ordinary £0.01 shares were issued to employees under the PSP and Sharesave schemes respectively, for which cash proceeds of £0.7m (2019: £1.2m) were received. In addition, cash proceeds of £0.6m were received for the sale of SIP shares. This results in an increase in share premium by £1.3m (2019: £1.2m).

During the year ended 31 December 2020, 3.0m ordinary shares (2019: nil) were repurchased for cash consideration of £9.2m (2019: £nil) and subsequently cancelled.

Treasury share reserve
Free shares awarded under the Share Incentive Plan are held by an Employee Benefit Trust ("EBT") on behalf of UK employees for a holding period of three years. As at 31 December 2020, 129,760 shares (2019: 368,634) were held in the EBT at a cost of £0.1m (2019: £0.1m). The market value of these shares was £0.5m (2019: £1.4m).

Other reserves
The share premium account comprises the premium on allotment of shares. The group restructure reserve arose from the IPO restructure of the Group between 8 and 12 February 2016. A merger reserve was recognised, reflecting the difference between the share capital and share premium of the Company on 8 February 2016, and the share capital, share premium and non-distributable reserves of the previous Parent of the Group at the same date. The translation reserve arises on the translation into pounds sterling of the net assets of the Group's foreign operations.

24. Dividends

Amounts recognised and paid as distributions to ordinary shareholders in the year comprise:

	2020		2019	
	£ million	**Pence per share**	£ million	Pence per share
Amounts recognised as distributions to equity shareholders				
Final dividend for the year ended 31 December 2018	–	–	15.7	3.9
Interim dividend for the year ended 31 December 2019	–	–	7.2	1.8
Dividend paid	–	–	22.9	5.7

In March 2020, as part of Covid-19 related cash preservation measures, the Board decided not to declare the final dividend for the year ended 31 December 2019 of 4.0 pence per share that it had previously announced. Having considered its capital allocation priorities and the uncertain economic environment, the Board has decided not to pay a dividend in respect of 2020. The Board will keep shareholder cash returns continually under review.

25. Subsidiary and related undertakings

Full details of the subsidiaries and joint ventures of Ascential plc at 31 December 2020 are set out in Note 6 to the parent financial statements.

26. Related party transactions

The aggregate value of transactions and outstanding balances with related party entities are as follows:

	Transaction value		Balance outstanding at 31 December	
(£ million)	**2020**	2019	**2020**	2019
Asian Advertising Festival (Spikes Asia) Pte Limited				
Dividends received	–	0.5	–	–
Recharged costs	–	0.1	–	–
Profit share	–	0.1	–	0.1
Cash received on its behalf	**0.1**	–	**0.1**	–
Motivate Publishing FZ LLC				
Profit share	**(0.1)**	0.1	**(0.1)**	0.1
Recharged costs	**0.2**	–	**0.2**	–
Huajia Textile Product Development (Shanghai) Co Ltd				
Convertible loan	**(2.0)**	(2.1)	–	2.0
CTIC WGSN China Limited*				
Dividends received	–	0.5	–	–
Profit share	–	0.4	–	–
Shanghai Coloro Technology Co. Limited				
Share of losses	**(0.2)**	(0.2)	–	–
Jumpshot Inc				
Share of losses	**0.1**	(0.5)	–	–
Licencing revenue	–	0.8	–	–
Purchases of data	–	(0.2)	–	–

* CTIC WGSN China Limited became a subsidiary of the Group in 2019. Accordingly, no related party transactions are disclosed in 2020 as they are eliminated on consolidation.

Other than the compensation of key management personnel, set out in Note 6, there are no other related party transactions requiring disclosure under IAS 24 Related Party Disclosures.

Notes to the financial statements Continued

27. Leases

Leases as lessee
The Group leases commercial office space and photocopiers.

Right of use assets
Right of use assets are presented as a separate line item on the statement of financial position and tabulated below.

(£ million)	Right of use assets
Cost	
At 1 January 2019	43.1
Additions	6.8
De-recognition of right of use assets	(0.9)
Effect of movements in exchange rates	(1.0)
At 1 January 2020	**48.0**
Additions	**5.8**
De-recognition of right of use assets	**(3.9)**
Impairment	**(2.6)**
Reclassification to assets held for sale	**(1.3)**
Effect of movements in exchange rates	**(0.5)**
At 31 December 2020	**45.5**
Depreciation	
At 1 January 2019	(19.9)
Depreciation	(7.3)
De-recognition of right of use assets	0.3
Effect of movements in exchange rates	0.5
At 1 January 2020	**(26.4)**
Depreciation	**(7.6)**
De-recognition of right of use assets	**2.4**
Reclassification to assets held for sale	**0.9**
Effect of movements in exchange rates	**0.6**
At 31 December 2020	**(30.1)**
Net book value	
At 31 December 2020	**15.4**
At 31 December 2019	**21.6**

Extension options
Some property leases contain extension options after the non-cancellable contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise these options, and if so, the optional period is included within the lease term and therefore the calculation of the lease liability. The Group reassesses whether is it reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control. The Group has estimated that the potential future lease payments, should it exercise all the extension options, would result in an increase in lease liability of £5.1m (2019: £5.0m).

Leases as lessor
The Group recognises the net investment in the sub-lease within investment property. The following table sets out a maturity analysis of the lease receivables, showing the undiscounted lease payments to be received after the reporting date:

(£ million)	**2020**	2019
Less than one year	**0.8**	1.1
One to two years	**0.1**	1.0
Two to three years	**–**	0.2
Total undiscounted leases receivable	**0.9**	2.3
Unearned finance income	**(0.1)**	(0.2)
Net investment in the leases	**0.8**	2.1

The net investment in the lease is presented within Investment property in the statement of financial position. The following presents the reconciliation of the investment property:

(£ million)	2020	2019
Balance at 1 January	2.1	2.7
Payments	(1.4)	(0.7)
Interest	0.1	0.1
Balance at 31 December	0.8	2.1

28. Commitments and contingencies

Contracted commitments for assets under construction including software at 31 December 2020 totalled £0.9m (2019: £0.4m).

29. Financial instruments and financial risk management

Information about the Group's objectives, policies and processes for measuring and managing risk, the Group's exposure to the risks arising from financial instruments, and the Group's management of capital is disclosed below.

A. Market risk

a) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and the euro. Foreign exchange risk arises from future commercial transactions to which the Group is already committed, recognised assets and liabilities and net investments in foreign operations.

Foreign currency movements impact on the consolidated income statement together with its cash flow profile and leverage ratio position. The impact depends on whether there is a surplus or deficit in each currency from operating activities together with the interest and finance charge in those currencies. The Group's policy is to protect its cash flow and leverage ratio position by maintaining a proportion of currency debt in proportion to its currency earnings to obtain natural offsets.

Net debt by currency was as follows:

	2020			2019		
	Interest rate caps	Cash and borrowings	Total	Interest rate caps	Cash and borrowings	Total
Pounds sterling	–	(64.0)	(64.0)	–	(45.8)	(45.8)
US dollars	–	(44.7)	(44.7)	0.2	(38.2)	(38.0)
Euros	–	(135.3)	(135.3)	0.1	(97.7)	(97.6)
Other currencies	–	14.7	14.7	–	10.8	10.8
Total	–	(229.3)	(229.3)	0.3	(170.9)	(170.6)

For each 1% movement in the euro to pounds sterling exchange rate has a circa £1.5m (2019: £1.5m) impact on the carrying value of borrowings. Each 1% movement in the US dollar to pounds sterling exchange rate has a circa £0.9m (2019: £0.7m) impact on the carrying value of borrowings.

For illustrative purposes, the table below provides details of the impact on revenue and Adjusted EBITDA if the actual reported results were restated for sterling weakening by 1% against the US dollar and euro rates in isolation:

(£ million)	2020 Revenue	2020 Adjusted EBITDA	2019 Revenue	2019 Adjusted EBITDA
Increase in revenue / Adjusted EBITDA if:				
Sterling weakens by 1% against US dollar in isolation	1.6	0.5	1.9	0.8
Sterling weakens by 1% against euro in isolation	0.3	0.2	1.2	0.8

b) Cash flow and interest rate risk

Interest rate risk arises from medium and long-term borrowings to the extent that the underlying debt instruments are not at fixed rates of interest.

The Group has entered into interest rate caps to convert a portion of its bank borrowings from fully floating to capped rates to mitigate this risk. As at 31 December 2020, the total notional amount of outstanding interest rate caps to which the Group is committed is £207.8m (2019: £165.2m). The fair value of the interest rate caps as at 31 December 2020 was £nil (2019: £0.3m).

These interest rate caps are measured at fair value through profit or loss and are Level 2 financial instruments. These derivative instruments were not traded in an active market and the fair value is determined by using third party valuations based on forward yield curves. This technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates. All significant inputs required to fair value an instrument are observable.

In the year ended 31 December 2020, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's finance costs for the year ended 31 December 2020 would have increased or decreased by £1.6m (2019: £1.4m).

The effective annual interest rate for year ended 31 December 2020 was 2.5% (2019: 1.9%).

Notes to the financial statements Continued

29. Financial instruments and financial risk management Continued

B. Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. The maximum exposure to credit risk at the reporting date is the fair value of the financial assets in the consolidated balance sheet as disclosed below.

a) Treasury-related credit risk

The Group has treasury policies in place which manage the concentration of risk with individual bank counterparties. Each counterparty has an individual limit determined by their long-term and short-term ratings by Standard & Poor's and Moody's as well as their individual five year Credit Default Swap price. As at 31 December 2020, cash and cash equivalents totalled £78.2m (2019: £111.7m), of which 83% (2019: 87%) was held with banks or financial institutions with long-term ratings of A-/A3 or better or short-term ratings of A-1/P-1.

In accordance with the Group's treasury policies and exposure management practices, counterparty credit exposure limits are monitored and no individual exposure is considered significant in the ordinary course of treasury management activity. The company does not expect any significant losses from non-performance by these counterparties.

b) Trading risk

Risk arises principally from payment default by customers. The general policy of the Group is not to risk assess all new customers and so retail credit risk information has not been included in these consolidated financial statements. The company does not, however, expect any significant losses in respect of receivables that have not been provided for as shown in Note 17.

C. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity in the form of sufficient cash or funding from adequate credit facilities to meet such liabilities under both normal and stressed conditions.

Following the refinancing detailed in Note 21, the Group's major banking facilities in place as of 31 December 2020 consist entirely of the £450m 5-year multi-currency revolving credit facility and are detailed below:

	Facility		Drawn			
(£ million)	Local currency	£	Local currency	£	Final maturity	Interest
As at 31 December 2020						
RCF – GBP tranche			**£82.5**	**82.5**		
RCF – EUR tranche	**£450.0**	**450.0**	**€161.0**	**144.4**	**Jan-25**	**LIBOR + 2.5%**
RCF – USD tranche			**$117.0**	**85.8**		
Total facilities		**450.0**		**312.7**		
As at 31 December 2019						
Facility A	£66.0	66.0	£66.0	66.0	Feb-21	LIBOR plus 1.50%
Facility B	$96.0	72.7	$96.0	72.7	Feb-21	LIBOR plus 1.50%
Facility C	€171.0	145.1	€171.0	145.1	Feb-21	LIBOR plus 1.50%
Revolving credit facility	£95.0	95.0	–	–	Feb-21	LIBOR plus 1.25%
Total facilities		**378.8**		**283.8**		

The Group's external borrowings presented in Note 21 of £309.5m (2019: £282.6m) are shown net of unamortised issue costs of £3.2m (2019: £1.2m).

The Group's undrawn borrowings total £137.3 million (2019: £95.0 million) and represent the unutilised balance on the revolving credit facility which matures in 2025.

The facility covenants include a maximum net leverage of 3.25x with the benefit of additional 0.5x leverage spikes for relevant acquisitions and a minimum interest cover of 3.00x and are tested semi-annually. To address the uncertain business environment and ensure maximum flexibility in the medium term, across a broad range of business planning scenarios, the Group agreed the following covenant amendments with its banking group (subject to minimum liquidity of £100m at December 2020 and £125m thereafter):

- At the December 2020 testing point – a full waiver of the leverage and interest cover covenants.
- At the June 2021 testing point – the leverage covenant ratio limit has been relaxed to 4.75x.
- At the December 2021 testing point – the leverage covenant ratio limit has been relaxed to between 3.50x and 4.50x depending on the scale of profits from live events in 2021.
- At the June 2022 testing point – if either Money20/20 Europe or USA do not take place in 2021, the leverage covenant limit at June 2022 will be 3.75x.

At the December 2020 testing point, the minimum liquidity requirements have been met with £217.5m of available liquidity.

The following is an analysis of the contractual undiscounted cash flows from continuing operations payable under financial and derivative liabilities:

(£ million)	Less than one month	Between one and three months	Between three and twelve months	In one to two years	In two to five years	In more than five years	Total
At 31 December 2020							
Non-derivative financial liabilities							
Borrowings	**–**	**–**	**–**	**–**	**312.7**	**–**	**312.7**
Interest payments on borrowings	**1.0**	**3.2**	**11.5**	**12.2**	**19.8**	**–**	**47.7**
Trade payables, accruals and other payables	**137.3**	**–**	**–**	**–**	**–**	**–**	**137.3**
Lease liabilities	**0.2**	**1.5**	**5.4**	**6.2**	**6.7**	**5.9**	**25.9**
Deferred and contingent consideration	**0.1**	**114.5**	**5.1**	**21.9**	**4.4**	**–**	**146.0**
Derivative financial liabilities							
Derivative contracts – receipts	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total	**138.6**	**119.2**	**22.0**	**40.3**	**343.6**	**5.9**	**669.6**
At 31 December 2019							
Non-derivative financial liabilities							
Borrowings	–	–	–	283.8	–	–	283.8
Interest payments on borrowings	0.5	0.9	4.0	0.8	–	–	6.2
Trade payables, accruals and other payables	77.6	–	–	–	–	–	77.6
Lease liabilities	0.5	2.2	7.4	7.3	9.4	6.3	33.1
Deferred and contingent consideration	0.1	22.1	44.2	36.6	11.1	–	114.1
Derivative financial liabilities							
Derivative contracts – receipts	–	–	(0.3)	–	–		(0.3)
Total	78.7	25.2	55.3	328.5	20.5	6.3	514.5

The financial and derivative liabilities are shown in the period in which they are due to be repaid. The interest payments on borrowings due in less than one month represents the actual interest due, while the interest due greater than one month is an estimate based on current interest rates and exchange rates. Cash flows in respect of borrowings represent contractual payments under the Group's lending facilities in place as at 31 December 2020. Borrowings as disclosed in Note 21 are stated net of unamortised arrangement fees of £3.2m as at 31 December 2020 (2019: £1.2m).

Both contingent consideration and acquisition-related employment costs are based on the future performance of the acquired business to which they relate. Performance is assessed using forecast profits and the current three-year plan which is updated annually. Forecasts are inherently a source of management estimation, resulting in a range of outcomes. The Flywheel Digital earnout is the largest payment and therefore most relevant when considering the sensitivity to fluctuations in performance. The payment due in 2021 is based on 2020 results and hence is no longer subject to such uncertainty, and a 10% increase in results in 2021 would result in an additional payment of around £8.8m in 2022 for the final Flywheel Digital payment.

Undiscounted future payments (£ million)	2020	2019
Contingent consideration	**107.7**	82.6
Acquisition related employment costs to the extent to which they are accrued at 31 December	**38.1**	30.8
Deferred consideration which is not impacted by performance	**0.2**	0.7
Deferred and contingent consideration	**146.0**	114.1
Anticipated future payments on acquisition-related employment costs	**6.6**	14.2
Deferred and contingent consideration including anticipated future payments on acquisition-related employment costs	**152.6**	128.3

Notes to the financial statements Continued

29. Financial instruments and financial risk management Continued

D. Capital risk management
The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt to equity balance. The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent comprising capital, reserves and retained earnings. The Group's policy is to borrow centrally to meet anticipated funding requirements. These borrowings, together with cash generated from the operations, are on-lent or contributed as equity to subsidiaries at market-based interest rates and on commercial terms and conditions.

The Group took decisions during the year to cancel dividend payments, halt the share repurchase program and utilise its external debt from the Revolving Credit Facility it entered into in January 2020 for cash preservation measures in order to manage its capital effectively.

Financial instruments by measurement basis

The carrying amount of financial instruments by category is as follows:

(£ million)	Note	2020	2019
Financial assets			
Financial assets at fair value through profit or loss			
Other investments, including derivatives		–	1.7
Interest in trade investments designated at fair value through profit or loss on initial recognition	15	28.5	12.6
Financial assets not measured at fair value			
Trade receivables	17	70.5	74.3
Other receivables	17	109.5	50.0
Contract assets	17	6.2	4.7
Cash and cash equivalents	18	78.2	111.7
Total		292.9	255.0
Financial liabilities			
Financial liabilities at fair value through profit or loss			
Contingent consideration	20	96.5	68.4
Financial liabilities at amortised cost			
Trade payables	19	6.9	10.6
Accruals	19	24.3	24.2
Interest accruals	19	0.2	0.4
Other payables	19	98.7	42.8
Deferred and contingent consideration	20	39.7	34.0
Lease liabilities	27	20.8	9.4
Borrowings	21	312.7	283.8
Total		599.8	473.6

The fair value of each category of the Group's financial instruments approximates their carrying value in the Group's consolidated balance sheet. Financial instruments in the category "fair value through profit or loss" are measured in the consolidated balance sheet at fair value. Fair value measurements can be classified in the following hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2020:

	2020				2019			
(£ million)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Other investments, including derivatives	–	–	–	–	–	1.7	–	1.7
Trade investments	–	–	28.5	28.5	–	–	12.3	12.3
Contingent consideration (Note 20)	–	–	96.5	96.5	–	–	68.4	68.4

There were no movements between different levels of the fair value hierarchy in the year.

30. Events after the reporting date

Acquisition of Digital Commerce businesses

On 15 December 2020, the Group entered into an agreement to acquire Hangzhou Duozhun Data Technology Co. Ltd. ("X Target"). X Target specialises in media trading execution and provides similar capabilities for China as our Flywheel brand does for Western eCommerce platforms. This acquisition is for an initial cash consideration of £11.9m, plus earn out payments payable over three years resulting in an estimated total consideration (including the initial consideration) of between £29m and £35m. The total consideration payable for the company, in the event that maximum targets are reached, is capped at £55m.

Also in December 2020, the Group agreed to acquire Intellibrand, based in Brazil, which provides eCommerce analytics solutions for brands across Latin America. The acquisition is for an initial cash consideration of £4.6m with a further £2.4m of earn out payments payable over three years resulting in an estimated total consideration of £7m.

The acquisition of Intellibrand completed on 15 January 2021 and the acquisition of X Target completed on 26 February 2021. Due to insufficient time since the completion date, it has not been practical to prepare the additional disclosures required by IFRS 3 Business Combinations regarding the fair values of the identifiable assets purchased and liabilities assumed.

Disposal of Built Environment & Policy businesses

On 15 December 2020, the Group entered into an agreement to sell Glenigan to Byggfakta Group for £72.9m in cash. Following regulatory clearance required by the buyer, the sale is expected to complete on 17 March 2021. On 20 January 2021, the Group sold Groundsure to a subsidiary of ATI Global Limited for a purchase price of £170m comprising an initial cash consideration of £140m (subject to customary closing adjustments) plus a £30m interest-bearing vendor loan note repayable on or prior to 31 December 2023. On 12 February 2021, the Group sold DeHavilland to the alternative asset management group Bridgepoint for £15m in cash.

The profit on the disposal of these subsidiaries will be determined on finalisation of the completion balance sheets.

Hudson

Subsequent to the year end and as part of an investment agreement signed in January, the Group invested a further £21.8m in Hudson MX. The Group has the option to invest further amounts in 2021.

Parent company balance sheet

As at 31 December

(£ million)	Note	2020	2019
Assets			
Non-current assets			
Investments	6	**452.8**	452.8
Debtors – due after more than one year	7	**0.8**	0.9
		453.6	453.7
Current assets			
Debtors – due within one year	7	**223.6**	208.6
		223.6	208.6
Liabilities			
Current liabilities			
Creditors – due within one year	8	**93.3**	70.7
		93.3	70.7
Net assets		**583.9**	591.6
Equity			
Called-up share capital	9	**4.0**	4.0
Share premium		**3.0**	1.7
Group restructure reserve		**157.9**	157.9
Reserves		**419.0**	428.0
Total equity		**583.9**	591.6

The accompanying notes on pages 162 to 165 are an integral part of these financial statements. The financial statements on pages 160 to 165 were approved by the Board of Directors on 12 March 2021 and were signed on its behalf by Directors: Duncan Painter and Mandy Gradden.

Parent company statement of changes in equity

For the year ended 31 December 2020

(£ million)	Share capital	Share premium	Reserves Group restructure reserve	Reserves Retained earnings	Total equity
At 1 January 2019	**4.0**	**0.5**	**157.9**	**437.6**	**600.0**
Profit for the year	–	–	–	5.5	5.5
Issue of new shares	–	1.2	–	–	1.2
Share-based payments	–	–	–	7.7	7.7
Taxation on share-based payments	–	–	–	0.1	0.1
Dividends	–	–	–	(22.9)	(22.9)
At 1 January 2020	**4.0**	**1.7**	**157.9**	**428.0**	**591.6**
Profit for the year	**–**	**–**	**–**	**1.5**	**1.5**
Issue of shares	**–**	**0.7**	**–**	**–**	**0.7**
Share repurchase	**–**	**–**	**–**	**(9.2)**	**(9.2)**
Treasury shares sold	**–**	**0.6**	**–**	**–**	**0.6**
Share-based payments	**–**	**–**	**–**	**(1.4)**	**(1.4)**
Taxation on share-based payments	**–**	**–**	**–**	**0.1**	**0.1**
Dividends	**–**	**–**	**–**	**–**	**–**
At 31 December 2020	**4.0**	**3.0**	**157.9**	**419.0**	**583.9**

The accompanying notes on pages 162 to 165 are an integral part of these financial statements.

Notes to the company financial statements

For the year ended 31 December 2020

1. Corporate information

Ascential plc (the "Company") is a company incorporated in the United Kingdom under the Companies Act 2006 and listed on the London Stock Exchange. The registered office is located at The Prow, 1 Wilder Walk, London W1B 5AP. The registered company number is 09934451. Ascential plc is the parent Company of the Ascential Group (the "Group") and its principal activity is to act as the ultimate holding company of the Group.

2. Company accounting policies

Basis of accounting

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 ("FRS 100") issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the UK and Republic of Ireland as issued by the Financial Reporting Council.

The Company presents its financial statements under FRS 102 issued by the Financial Reporting Council. As permitted by FRS 102, the Company has taken advantage of the following disclosure exemptions:

- Presentation of a statement of cash flows;
- Disclosure of key management personnel compensation;
- Disclosure of related party transactions between wholly-owned subsidiaries and parents within a group;
- Disclosures required under IFRS 2 "Share-Based Payments" in respect of Group settled share-based payments;
- Disclosures required by IFRS 7 "Financial Instruments: Disclosures";
- Certain disclosures required under IFRS 13 "Fair Value Measurement"; and
- Disclosure of information in relation to new standards not yet applied.

The financial statements have been prepared on a historical cost basis and on the going concern basis.

The Company's financial statements are presented in pounds sterling being the Company's functional currency.

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.

3. 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 profit for the year ended 31 December 2020 was £1.5m (2019: £5.5m).

Fees paid to the auditor during the year for the audit of the Company accounts were £20,000 (2019: £20,000). Fees paid by the Company to the auditor for other services was £nil (2019: £nil).

4. Principal accounting policies

Investments in subsidiaries

Subsidiaries are entities that are directly or indirectly controlled by the Company. Control exists where the Company has the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. The investment in the Company's subsidiaries is recorded at cost less provisions for impairment. Carrying values are reviewed for impairment either annually, or more frequently if events or changes in circumstances indicate a possible decline in carrying values. The Company uses forecast cash flow information and estimates of future growth to assess whether investments are impaired. If the results of operations in a future period are adverse to the estimates used for impairment testing, an impairment may be triggered at that point.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Timing differences are not provided for differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Share-based payments

Certain employees of the Company receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares. The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards with market-related vesting conditions is determined by an external consultant and the fair value at the grant date is expensed on a straight-line basis over the vesting period based on the Company's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet reporting date up to the vesting date, at which point the estimate is adjusted to reflect the actual outcome of awards which have vested. No adjustment is made to the fair value after the vesting date even if the awards are forfeited or not exercised.

4. Principal accounting policies Continued

Where the Company grants options over its own shares to the employees of its subsidiaries, it recognises an increase in the cost of investment in its subsidiaries equivalent to the equity-settled share-based payment charge recognised in the subsidiary's financial statements with the corresponding credit being recognised directly in equity. In cases where a subsidiary is recharged for the share-based payment expense, no such increase in investment is recognised.

Shares held by the Employee Benefit Trust ("EBT")
The EBT provides for the issue of shares to Group employees under share incentive schemes. The Company has control of the EBT and accounts for the EBT as an extension to the Company in the financial statements. Accordingly, shares in the Company held by the EBT are included in the balance sheet at cost as a deduction from equity.

5. Directors' emoluments

The Company has two employees other than the Directors. Full details of the Directors' remuneration and interests are set out in the Directors' Remuneration Report on pages 100 to 106.

6. Investments

(£ million)	**2020**	2019
At 1 January and 31 December 2020	**452.8**	452.8

The Company's subsidiaries and joint ventures are listed below. All subsidiaries are indirectly wholly owned by Ascential plc, with the exceptions of CITC WGSN China Limited which is indirectly 51% owned and Ascential Financing Limited which is directly owned.

Name	**Key**
United Kingdom	
4C Information Limited[1]	UK1
Ascential America (Holdings) Limited	UK1
Ascential Events (Europe) Limited	UK1
Ascential Financing Limited	UK1
Ascential Group Limited	UK1
Ascential Information Services Limited	UK1
Ascential Operations Limited	UK1
Ascential Prefco Limited[1]	UK1
Ascential Radio Financing Limited	UK1
Ascential UK Holdings Limited	UK1
Brandview Limited[1]	UK1
BEP Holdco Limited (formerly Plexus Network Limited)	UK1
Clavis Insight Limited[1]	UK1
CLR Code Limited	UK1
Cornwall Mining Services Limited[2]	UK1
De Havilland Information Services Limited[7]	UK1
Edge by Ascential Limited	UK1
ePossibilities USA Limited[1]	UK1
ePossibilities Global Holdings Limited[1]	UK1
Flywheel Digital Limited	UK1
Glenigan Limited[3]	UK1
Groundsure Limited[4]	UK1
Spotlight by Ascential Limited	UK1
Rembrandt Technology Limited	UK1
Siberia Europe Limited	UK1
The Gunn Report Limited[1]	UK1
WARC Limited	UK1
World Advertising Research Center Limited[1]	UK1
Worth Global Style Network Limited	UK1
WGSN Group Limited	UK1
WGSN Limited	UK1
United States	
Ascential Inc.	US1
CLR Code LLC	US1
Edge by Ascential, LLC	US1
Flywheel Digital, LLC	US2
Flywheel Digital, LLC	US3
HMX Merger Sub, Inc.	US1
MediaLink, LLC	US4
Siberia LLC	US1
Brazil	
Ascential Serviços de Informação Ltda	BR1
Era Serviços de Inteligência em Software S.A.[5]	BR2
Sistema Use Fashion Comércio de Informações Ltda	BR3
China	
Ascential Events (Hangzhou) Company Limited	CH1
Clavis Information Technology (Shanghai) Limited	CH2
Hangzhou Duozhun Data Technology Co., Limited[6]	CH6
Hangzhou Yincang Danmu Data Technology Co., Limited[6]	CH7
Shenzhen Yimian Network Technology Co. Limited	CH3
Stylesight Information Technology (Shanghai) Company Limited	CH4
WGSN Business Information Consulting (Shanghai) Company Limited	CH5
CTIC WGSN China Limited (51% owned)	CH8
France	
Ascential Events France SAS	FR1
Germany	
Planet Retail GmbH	GE1
WGSN GmbH	GE2
Hong Kong	
Stylesight Limited	HK1
WGSN (Asia Pacific) Limited	HK2
Ireland	
Clavis Technology Limited	IR1
India	
Top Right Group India Knowledge Services Private Limited	IN1
Jersey	
Ascential Jersey Financing Limited	JE1
Singapore	
Ascential (Singapore) Pte. Limited	SG1
South Africa	
WGSN (Pty) Limited	SA1
Spain	
WGSN Intelligence España SL	SP1
Turkey	
WGSN Group Trend Forecasting Moda Danişmanlik Hizmetleri Limited Şirketi	TR1
Joint ventures	
Shanghai Coloro Technology Co., Limited (30% owned)	JV3
Asian Advertising Festival (Spikes Asia) Pte Limited (50% owned)	JV1

Notes to the company financial statements Continued

Key	Address
UK1	The Prow, 1 Wilder Walk, London W1B 5AP, United Kingdom
US1	251 Little Falls Drive, Wilmington, New Castle, Delaware, DE19808, United States
US2	St. Paul Street, Suite 820, Baltimore, Maryland MD 21202, United States
US3	300 Deschutes Way SW, Suite 304, Tumwater, Washington WA 98501, United States
US4	2710 Gateway Oaks Drive, Suite 150N Sacramento, California, CA 95833, United States
BR1	Rua Tabapuã 841, Conjunto 15, 1° Andar, São Paulo, Brazil 04533-013
BR2	Alameda Jaú, 1754 – 10° andar – Jardim Paulista, São Paulo – SP, Brazil
BR3	Av. Unisomos, no. 950, Condomínio Padre Rick – 410, São João Batista, City of São Leopoldo, State of Rio Grande do Sul, 93022-970, Brazil
CH1	Room 601, 603, 6/F, Building 2, Jiang Ning Tower, 27 Ningtai Road, Ningwei Town, Xiaoshan, Hangzhou, Zhejiang, People's Republic of China
CH2	Room 3301, No. 10 Yu Tong Road, Jing An District, Shanghai, People's Republic of China
CH3	47/F China Energy Storage Building, 3099 KeYuan South Road, Nanshan District, Shenzhen, Guangdong, People's Republic of China
CH4	Room 617, 28 Tan Jia Du Road, Putuo District, Shanghai,People's Republic of China
CH5	Unit 39 of 7/F, No.2, Building 2, 999 Middle Huaihai Road, Xuhui District, Shanghai, People's Republic of China
CH6	Building 9, 998 Wenyi West Road, Wuchang Avenue, Yuhang District, Hangzhou, Zhejiang, People's Republic of China
CH7	Building 6, 16 Zhuantang Science and Technology Economic Zone, Xihu District, Hangzhou, Zhejiang, People's Republic of China
CH8	Floor 2-4, Building 4, 300 Dingyuan Road, Songjian District, Shanghai, People's Republic of China
FR1	6 Place du Commandant Maria, Cannes 06400, France
GE1	Eschersheimer Landstraße 42, 60322 Frankfurt, Germany
GE2	Venloer Strasse 310-316, 50823 Cologne, Germany
HK1	23rd Floor, Lee Garden Six, 111 Leighton Road, Causeway Bay, Hong Kong
IR1	9th floor, O'Connell Bridge House, D'Olier Street, Dublin 2, Ireland
IN1	Options Primo, Unit No. 501/502, 5 Floor, Vijay Nagar Flyover Bridge Cross Road, No. 21 MIDC, Andheri (E) Mumbai-400093, Maharashtra, India
JE1	44 Esplanade, St Helier, Jersey, Channel Islands JE4 9WG
SG1	63 Market Street #09-01, The Bank of Singapore Centre, Singapore 048942
SA1	Workshop17, 32 Kloof Street Gardens, Cape Town 8000, South Africa
SP1	C/ San Elías 29-35, 5°, 08006 Barcelona, Spain
TR1	Cevdetpasa Caddesi, No. 31/7 Bebek, 34342 Istanbul, Turkey
JV1	Floor 5, Building 29, No.1 Lane 618, Dingyuan Road, Songjiang District, Shanghai, People's Republic of China
JV2	182 Cecil Street, Level 17 Frasers Tower, Singapore 069547

1) Application to dissolve the company has been submitted and is pending.
2) Cornwall Mining Services was acquired on 2 January 2020 and was sold on 20 January 2021
3) An agreement to dispose of Glenigan Limited was agreed on 15 December 2020 and is expected to complete on 17 March 2021. Refer to Note 30 of the consolidated financial statements.
4) On 20 January 2021, the Group sold Groundsure Limited to a subsidiary of ATI Global Limited.
5) Era Serviços de Inteligência em Software S.A was acquired on 15 January 2021.
6) On 15 December 2020, the Group entered into an agreement to acquire Hangzhou Duozhun Data Technology Co. Ltd. ("X Target").
7) On 12 February 2021, the Group sold DeHavilland to the alternative asset management group Bridgepoint. Refer to Note 30 of the consolidated financial statements.

For the year ended 31 December 2020, the below companies were exempt from the requirement for audit of individual financial statements in accordance with section 479A of the Companies Act 2006. Ascential plc has indirect holdings in these subsidiary undertakings, with the exception of Ascential Financing Limited which is directly owned:

- WGSN Group Limited, registration number 8256689
- Rembrandt Technology Limited, registration number 11120186
- Ascential UK Holdings Limited, registration number 537204
- BEP Holdco Limited, registration number 8256709
- Ascential Financing Limited, registration number 9938180

7. Trade and other receivables

(£ million)	2020	2019
Debtors – due within one year		
Amounts due from Group undertakings	**223.4**	208.4
Prepayments	**0.2**	0.2
	223.6	208.6
Debtors – due after more than one year		
Deferred tax asset	**0.8**	0.9
	0.8	0.9
Total	**224.4**	209.5

Amounts due from Group undertakings accrue interest at various rates, are unsecured and are repayable on demand. There are no material expected credit loss provisions.

Deferred tax asset

(£ million)	2020	2019
At 1 January	**0.9**	0.6
Deferred tax credit in equity	**0.1**	(0.1)
Deferred tax credit in income statement for the year	**(0.2)**	0.4
At 31 December	**0.8**	0.9

The Directors consider that it is more likely than not that there will be sufficient taxable profits in the Group in the future such as to realise the deferred tax asset of the Company and therefore the asset has been recognised in these financial statements.

8. Creditors – due within one year

(£ million)	2020	2019
Amounts due to Group undertakings	**91.2**	67.6
Trade payables	**–**	0.2
Accruals	**0.6**	0.5
Other taxation and social security	**1.5**	2.4
Total	**93.3**	70.7

Amounts due to Group undertakings accrue interest at various rates, are unsecured and are repayable on demand.

9. Share capital
Refer to Note 23 of the consolidated Group financial statements.

10. Dividends
Refer to Note 24 of the consolidated Group financial statements.

11. Related party transactions
The Company has taken advantage of the exemption under FRS 102 and therefore has not disclosed related party transactions with wholly owned subsidiaries. The Company has no other related party transactions.

12. Commitments and contingencies
The Company is a guarantor to the facility described in Note 21.

During the year the Company was a member of the Group cash pooling arrangement. This allows the Group to combine the liquidity of companies within the Group in order to distribute such cash centrally as required.

The Company is registered with H.M. Revenue & Customs as a member of the Ascential Group Limited group for Value Added Tax and Pay As You Earn purposes and is therefore jointly and severally liable on a continuing basis for amounts owing by other members of the Group in respect of their value added tax, income tax and national insurance contributions liabilities.

13. Events after the reporting date
Refer to Note 30 of the consolidated Group financial statements, for details on non-adjusting reportable events since the year end of 31 December 2020. There were no other reportable events after 31 December 2020

Notes

Notes

Notes

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ASCENTIAL

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London W1B 5AP
UK

ascential.com

ASCENTIAL

Accelerating our strategy. Focusing on growth.

Annual Report 2021

Act today,
win tomorrow.

Ascential delivers specialist information, analytics and eCommerce optimisation platforms to the world's leading consumer brands and their ecosystems.

Financial highlights

Revenue[1]

£349.3m

Adjusted EBITDA Margin[1, 2]

25.5%

Adjusted EBITDA[1, 2]

£88.9m

Net Debt

£73.8m

Adjusted Diluted Earnings Per Share[1, 2]

9.5p

Statutory Operating Loss[1]

(£26.7m)

Reported revenue growth[1]

52%

1 Reflects results from Continuing Operations
2 Refer to glossary of Alternative Performance Measures on page 47

Operational highlights

- Strong delivery against our plans and expectations reflecting successful strategic positioning, boosted by the first year of a cyclical recovery.
- Structural digital growth trends, market-leading positions and strong operational execution drove progress in both Digital Commerce (revenue up 33% on a Proforma basis) and Product Design (up 7% on an organic basis, with subscription billings up 10%).
- Robust return of Lions awards benchmark, held fully digitally in response to prior Covid-related travel restrictions, with the physical Cannes Lions festival scheduled to return in 2022.
- Strong return of Money20/20 particularly the US edition in October 2021, which delivered 98% of the 2019 revenue level, with further upside expected as more major clients return.
- Continued execution of M&A strategy: seven acquisitions added to our Digital Commerce capabilities and their expanded relevance to the total addressable market. Funded through disciplined portfolio management, such as the disposal of Built Environment & Policy and MediaLink, supplemented by a successful equity placing.
- Commitment to diversity and governance reflected in our Board composition: 64% women and 18% of Board members ethnically diverse, exceeding targets set by Hampton-Alexander review (on gender) and Parker review (on ethnic diversity).

More information online:
Our website gives you fast, direct access to a wide range of Company information.
ascential.com

" 2021 was a successful year driven by market-leading products, structural digital growth trends, and strong operational execution. As we look forward, our top priority remains the acceleration of our Digital Commerce strategy; our largest structural growth engine that has a rare and significant growth opportunity."

Duncan Painter
Chief Executive Officer

Strategic report

Company overview

Who we are

Ascential is a dynamic, innovative company that provides specialist information, analytics, events and Ecommerce optimisation to the world's leading consumer brands and their ecosystems. With more than 2,800 employees across five continents, we combine local expertise with a global perspective for clients in over 120 countries.

What we do
We help our customers design the right products, market them creatively and sell them better online. We balance providing immediate actionable information with visionary longer-term thinking, improving our customers' commercial performance both now and for the long term.

Why we do it
The shift to digital commerce continues to accelerate. Fast. To survive and thrive our customers need the right technology, information and insight to help seize the opportunity to stay ahead, as more and more of the world moves to digital first.

How we do it
Through our technology solutions, subject matter expertise and data-driven insights we help our customers make smart strategic decisions that improve performance now and in the future, enabling them to outperform their competitors.

Countries we operate in

>120

Employees across five continents

>2,800

Our customers

We are a trusted partner to many of the worlds' leading consumer product companies including 90% of the top 20 most valuable global brands.

Our capabilities

We have four business segments, each providing capabilities and expertise that help the world's leading consumer brands and their ecosystems design the right products, market them creatively and sell them better online.

Group revenue

Digital Commerce	42%
Product Design	26%
Marketing	16%
R&FS	16%

Digital commerce

Helping brands and digital marketplaces win by optimising and accelerating their digital commerce performance.

Execution

- Proprietary, marketplace-specific software, tools and expertise to drive sales and brand performance across geographies, including North America, Europe, Japan and China and on marketplaces such as Amazon, Walmart and Alibaba.
- Media execution, content optimisation and management technology for the world's smartest digital commerce players, from enterprise level to challenger brands.

Measurement and benchmarking

- Predictive retail intelligence, digital shelf monitoring insights and market share performance analytics to help customers to plan, optimise, and measure sales performance across online retailers.
- Commercial data analytics solutions devoted to unleashing the value of data, enabling customers to make smarter decisions.

Product Design

Consumer product trend forecasting, data and insight to create world-class products and experiences.

Analytics

- Subscription based, digitally delivered insights, providing brand manufacturers globally with the key design trends to meet their consumers' demands over the next 12-24 months.

Advisory

- Brand-specific consumer insights, delivering solutions tailored to individual customer requirements.

Marketing

Services and tools to measure and optimise marketing creativity, media and platform effectiveness and efficiency.

Creativity Benchmark

- Global platform for the measurement of creative excellence in the marketing industry, delivered through a hybrid digital and physical environment.

Effectiveness

- Subscription based, digitally delivered, evidence, expertise and guidance to optimise brands' marketing effectiveness.

Retail & Financial Services

Events, data and tools to improve performance and drive innovation in retail and financial services.

Fintech's Home

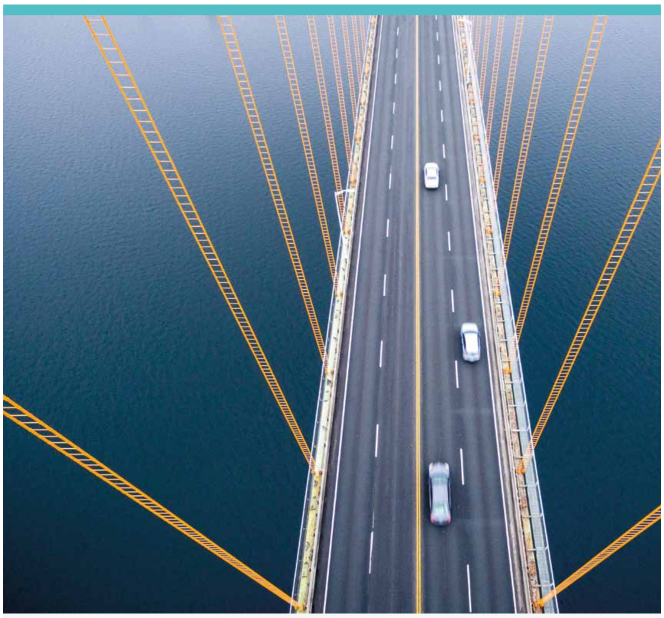
- The global, in-person, meeting place for the Fintech industry, to share ideas, do business and drive partnerships.

Retail Analytics

- Subscription based, digitally delivered, retail insight and business intelligence to help customers stay ahead of the market.

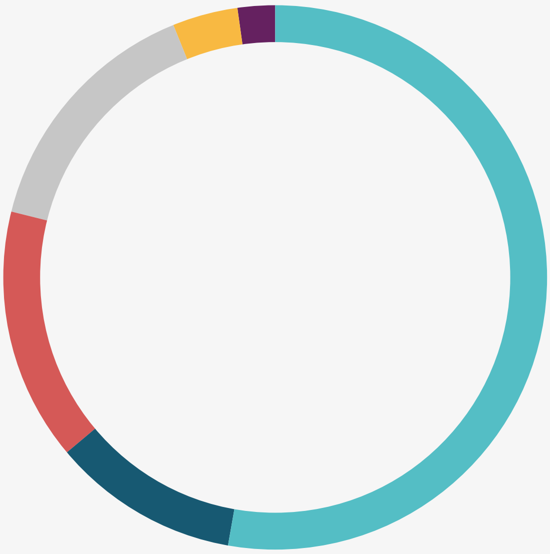
of our products and services is cemented by our deep knowledge of consumer behaviour and our global perspective. Our comprehensive view of current trends and longer-term forecasts inform strategic decisions for immediate and long-term sustainable performance.

For further information
Segmental review
Page 26



Revenue by geography*

North America	53%
United Kingdom	11%
Rest of Europe	15%
Asia Pacific	15%
South America	4%
Middle East and Africa	2%



* 2021 revenue by customer location (continuing basis, proforma for acquisitions)

Our competitive edge

Access to more data:

Our digital platforms capture real-time data about which brands are selling where and in what volume – to give unrivalled insights into how brands can optimise performance. These vast, global data sets are immensely difficult to replicate.

Global scale and local sensibility:

We have expert teams across five continents. We understand global shifts and local context, offering our clients a comprehensive world view.

Short and long-term visibility:

We deliver data and smart insights that you can act on immediately, as well as far-sighted vision and strategies to stay out front.

Best-in-class technology, products and people:

Our specialist digital teams are the best at what they do. Their deep-rooted, subject matter expertise helps our customers design the right products, market them creatively and sell them better online. Our Digital Commerce software platform has the broadest set of services available.

Our values

Our unique set of company values and behaviours are deeply ingrained in our people, culture, ways of working, acting as a guiding star for our people around the world.

All in

Once we commit we deliver, with a clear focus on outcome.

Facts

We always use data and insight to inform our work.

Focus

We ruthlessly prioritise and always keep things simple.

Empathy

We can be relied upon for fairness and consideration.

Be creative

We are smart, proactive innovators.

No silos

One team, one face, one reputation.

Trust, transparency, openness

Transparency inspires trust and empowers.

Our people

We aim to be a destination employer in every one of our key operating territories and markets.

Our people
Page 56

Our responsibilities

The role of business in society continues to evolve and we have given much thought to how we best deploy our resources and expertise to have the most significant impact. Consequently, we are concentrating on ensuring Ascential is a diverse and inclusive company to work for and do business with, and on equipping young people to thrive in a digital world.

More information
ESG report
Page 66

Brandz Top 100 Most Valuable Global Brands*

We partner with:

Source: Kantar BrandZ Most Valuable Global Brands 2021

Dashboard

Revenue streams by type

Growth review

Revenue

£147m

Digital subs & platforms	92%
Advisory	8%

Reported revenue growth

+43%

	Reported	Organic	Proforma
Revenue	+43%	+19%	+33%
Adjusted EBITDA	+37%	+17%	+32%

Revenue

£91m

Digital subs & platforms	90%
Advisory	10%

Reported revenue growth

+4%

	Reported	Organic	Proforma
Revenue	+4%	+7%	+7%
Adjusted EBITDA	+9%	+13%	+13%

Revenue

£56m

Digital subs & platforms	32%
Advisory	7%
Benchmarking Awards	52%
Events	9%

Reported revenue growth

175%

	Reported	Organic	Proforma
Revenue	+175%	+188%	+188%
Adjusted EBITDA	nm	nm	nm

Revenue

£54m

Digital subs & platforms	20%
Advisory	5%
Events	75%

Reported revenue growth

198%

	Reported	Organic	Proforma
Revenue	+198%	+205%	+205%
Adjusted EBITDA	nm	nm	nm

Segmental performance overview

	2021	2020
Digital Commerce		
Revenue	147.3	103.1
Adjusted EBITDA	31.1	22.6
Adjusted EBITDA Margin	21%	22%

Segmental review
Page 26

	2021	2020
Product Design		
Revenue	91.3	88.1
Adjusted EBITDA	41.3	38.0
Adjusted EBITDA Margin	45%	43%

Segmental review
Page 29

	2021	2020
Marketing		
Revenue	56.5	20.5
Adjusted EBITDA	25.6	(6.5)
Adjusted EBITDA Margin	45%	nm

Segmental review
Page 30

	2021	2020
Retail & Financial Services		
Revenue	54.2	18.2
Adjusted EBITDA	10.9	(14.3)
Adjusted EBITDA Margin	20%	nm

Segmental review
Page 32

Proportion of Ascential Revenues

Digital Commerce	42%
Product Design	26%
Marketing	16%
Retail & Financial Services	16%

Segmental performance overview

	2021
Group Total	
Revenue	£349m
Reported revenue growth	52%
Adjusted EBITDA	£89m
Adjusted EBITDA Margin	25%

Strategic focus delivering growth

"Our top priority remains the acceleration of our Digital Commerce strategy; our largest structural growth engine that has a rare and significant growth opportunity."

Duncan Painter
Chief Executive

All four segments grew revenue strongly in the year, not only compared to 2020, (+48% overall on a Proforma basis) but also growing 9% Proforma compared to 2019 (pre-pandemic) levels. Digital Commerce continued its extremely strong growth trajectory with its underlying momentum accelerated further by several capability enhancing acquisitions over the course of the year. Both Marketing and Retail & Financial Services recovered positively from 2020 when the performance of Lions and Money20/20 had been severely limited by restrictions imposed by the pandemic, positioning them well for further recovery. Lastly, Product Design, following the difficult trading conditions of 2020, returned to strong levels of growth, in addition to launching coverage of the consumer technology sector.

2021 highlights

2021 was a successful year – one of recovery and growth despite the continued backdrop of the pandemic. This would not have been possible without the resilience, creativity and flexibility of our people, to whom I owe a debt of gratitude and who, I'm certain, all shareholders would like to thank. As a mark of appreciation, the Board agreed to award all employees who were with the business at the end of July 2021 with 700 shares and a company-wide additional holiday – the "Ascential long weekend".

We have continued to drive strong growth in our Digital Commerce segment, which grew by 33% on a Proforma basis, pushing through the global supply chain uncertainty and stretching comparison to record lockdown-driven growth levels in 2020, maintaining our first-mover advantage in this space. We have significantly expanded our digital commerce capabilities, completing seven acquisitions that have extended our geographic reach and addressable market, including the number of digital marketplaces we cover, and brought on board some exceptional talent. Combined with the outstanding growth and scale achieved across Flywheel and Yimian, plus the significant product achievements in Edge, these are the cornerstones that will propel our Digital Commerce business into 2022 and beyond.

Our Product Design segment had an outstanding year, not only returning strongly in 2021 with record growth levels across their non-fashion orientated products, but also starting to drive a recovery into the fashion-based product lines. All of the investment made in our customer relationships through 2020 at the height of the pandemic paid back in 2021 through continued high-quality product delivery, new product innovation (for example the launch of a Consumer Tech trend forecast service), excellent service delivery, and value-added consulting services. Overall, Product Design grew at 7%, with subscription billings up a very pleasing 10%.

Marketing saw a strong recovery in 2021. This was led by the impressive return of the Lions benchmark awards in a 100% digital format and with revenue that exceeded that of 2019, despite the absence of a physical festival. Moreover, I am incredibly proud of how we – both as a business and as individuals – adapted to the challenges of the pandemic and were creative in solving problems. Great examples from Marketing were how Lions created its membership offering and digitised both the Cannes Lions awards and event, and how WARC has maintained its incredible growth, developing everything from the WARC Awards for Effectiveness to an advisory offering, as well as the new WARC Data product.

The second half of 2021 saw the successful return of our market-leading events. In our Retail & Financial Services segment, whilst Money20/20 was our most prominent and highest-profile in-person event that returned in 2021, our retail teams were also successful in the second half with their major London-based events. Putting on our live events was a real embodiment of our value of "All In" – many of our people went above and beyond expectations to ensure these events took place in a safe, secure and successful manner. More than 12,000 people attended our live events in 2021, thanks to the incredible efforts of all those involved.

We continued to streamline our operations, simplifying the focus of the Group overall and enabling accelerated investment in areas of the business with strong recurring, data-driven, revenue characteristics, such as Digital Commerce. This year, following completion of the disposal of the Built Environment & Policy businesses for £257m, we sold MediaLink, a brand within our Marketing segment, to United Talent Agency: a leading global talent, entertainment and sports company, for $125m in cash.

Finally, the results of our annual staff engagement survey showed the impact of our efforts to empower success for our diverse workforce with improved and record scores. For example, 94% of our people feel proud to work at Ascential (up 3% from 2020) and 90% feel motivated (up 5% from 2020). There is always more to do to build an innovative culture and to ensure our people are engaged and motivated, but I am pleased to report this progress.

Revenue

£349.3m

Adjusted EBITDA

£88.9m

Acceleration of Digital Commerce strategy

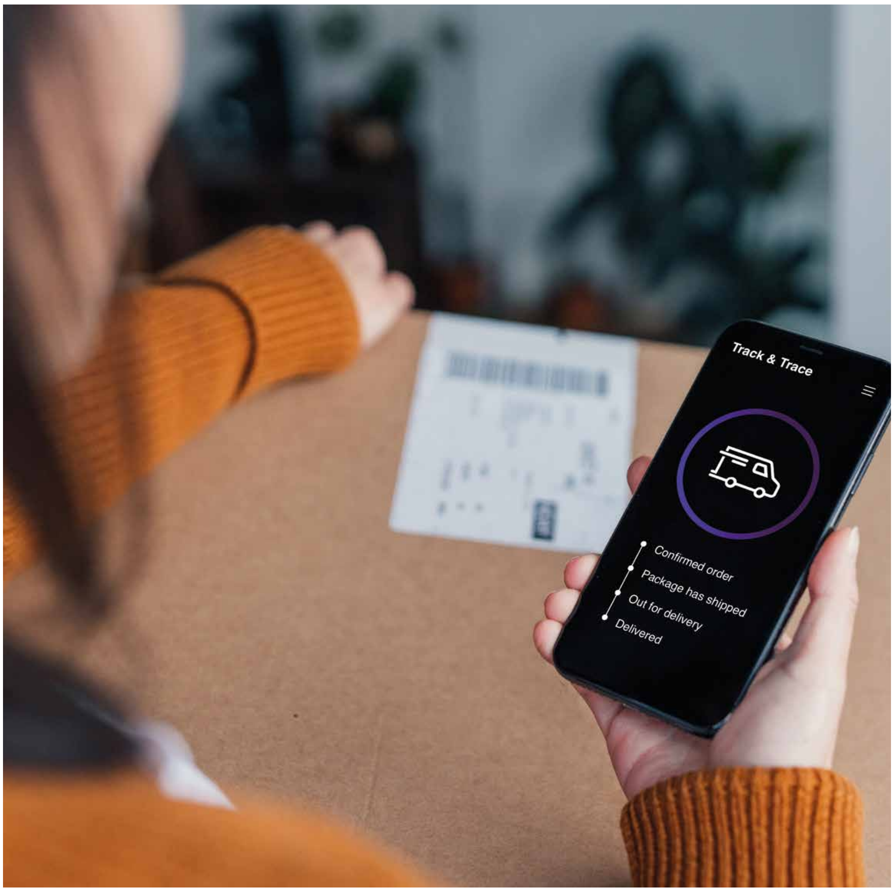
In the early stages of the pandemic we saw an accelerated migration of consumer purchase behaviour globally onto digital marketplaces. Digital commerce is fast becoming the primary channel of consumer choice.

Consumer brand companies now have no choice but to engage with digital marketplaces, changing their go-to-market approach to satisfy customer demand and compete successfully. These digital marketplaces have grown exponentially during Covid – and this will continue for many years as they become the key driver of sales growth. This presents our Digital Commerce business with a rare and significant growth opportunity and our top priority is to accelerate this part of our business. And the prize is significant. Our experts forecast global digital commerce end-market sales to reach $6 trillion and to account for approximately 40% of total retail sales by 2026.

However, the business of digital commerce is extremely complex, with highly sophisticated marketplaces, each developing in their own way, at an unprecedented pace. Brands cannot manage this complexity, change and pace alone. They need technology solutions and digital experts to help them do this and to solve their global digital commerce challenges. Therefore, we have set out a simple mission for Digital Commerce: to provide consumer brand manufacturing companies and their agency partners with the leading technology platform and intellectual capital to drive optimised sales growth on the leading eCommerce marketplaces globally.

We are making significant progress towards achieving this mission, acquiring and building the capabilities and expertise our customers need and extending our geographical reach. If we continue to get this right, the size of the prize is significant. We moved first and we know the market better than anybody; our data sets mean we can enable brands to act and win based on insight and intelligence and we have many other competitive advantages resulting in loyal and valued customers. And when you blend this with our high-quality business models and revenue streams and the network effects that we have demonstrated, the opportunity to scale is exceptional.

However, what is most exciting is that we are only just getting started. There is room for expansion in many areas – for example products, marketplaces and geographic coverage. Nevertheless, we will remain disciplined, focussing our resources on the greatest opportunities both in terms of organic innovation and product development to increase share of wallet with customers and further monetise the platform, as well as continue to pursue M&A where it expands our capabilities.



Capital Allocation and Equity Raise

In July 2021 we successfully completed a £150m (9%) equity placing which, together with the earlier disposal of the Built Environment & Policy business, raised almost £400m net.

We have used the proceeds of these transactions to further invest in our Digital Commerce capabilities, acquiring Intellibrand, DZ, Perpetua, ASR, OneSpace, WhyteSpyder and 4K Miles, all of which continue to extend our capabilities and addressable market for Digital Commerce. In December, we also sold MediaLink to United Talent Agency for $125m in cash, which we intend to use to drive further expansion of our Digital Commerce offering, with our modest leverage (0.9x EBITDA at December 2021) providing scope to continue to execute on these opportunities.

We will also continue investing in our teams so that they have the best tools available to deliver excellence. Whether this is through large scale projects such as the roll-out of the Ascential Customer Management Platform and new financial systems, which will give us a single view of the customer for sales, marketing and service across the brands, or taking individual, day-to-day actions, we all have a responsibility to provide high-quality service to our customers.

Board and Management

We extended our Board in 2021 with the appointments of Suzanne Baxter, Funke Ighodaro and Joanne Harris as Independent Non-Executive Directors. These appointments complemented the existing Board composition by bringing experience of leading digital commerce and consumer retail experience (Joanne Harris), and further financial expertise (Suzanne Baxter and Funke Ighodaro) to our Board. Paul Harrison moved from non-executive Audit Committee chair to his new role as Chief Operating Officer in January 2021.

Our responsibility

We have carefully considered where Ascential has and can have the greatest impact in environmental, social and governance matters. The role of business in society continues to evolve and we have given much consideration to where there is the greatest need for our particular expertise and resources and where deploying them can have the most significant impact. Consequently, we are concentrating on the twin goals of equipping young people to thrive in a digital world and ensuring that Ascential is a diverse and inclusive company to work for and do business with.

As a digital business, we believe we are well placed to use our expertise to support opportunities for organisations and individuals to develop critical digital skills. To help achieve this we now have specific charity partnerships in all our core regions and are growing our Early Talent offering to increase the number of apprenticeships, internships and work experience we offer.

We also remain committed to ensuring Ascential is a diverse and inclusive company. In January 2021 we published our 10-year Diversity and Inclusion commitments and the nine actions required this year to make progress against those commitments. These actions have set the foundations for progress to our 2030 targets, improving diversity data collection and equipping colleagues across Ascential with relevant training. There is always more to do; however we are making progress, and we were included in the Bloomberg Gender Equality Index, with a 9% increase in our 2021 score (compared to 2020), again ranked number two in FTSE 250 companies for Women on Boards and in Leadership in the Hampton Alexander Review and met and exceeded the targets for ethnic diversity on boards set by the Parker Review.

We also reviewed and reinforced our sustainability goals in 2021 and completed our first report in compliance with the requirements of the Taskforce on Climate-Related Financial Disclosures as you can see on page 75.

2022 Priorities and Outlook

Our top priority for growth continues to be to expand our Digital Commerce business. We remain laser focused on the following priorities:

1. Continuing our strong growth and expanding our global leadership position in Digital Commerce
2. Continuing to build and expand on our quality partnerships with the eCommerce marketplaces.
3. Accelerating the revenue growth of our Product Design business while maintaining operating margins.
4. Maximising the opportunities from the return of our live event products.

Our performance in 2021 reflects the success of our strategic positioning boosted by the first year of a cyclical recovery as we successfully navigated the ongoing challenges of Covid, strongly positioning us for future success.

While Covid will continue to present challenges to our events products, the return of Money20/20 US has shown that we can fully recover the financial results of events while also delivering market success for our clients in a safe and secure environment. The digital awards success has proved the continued strength of the Cannes Lions proposition.

2022 has started well. Digital Commerce and Product Design look set to deliver excellent levels of growth in the coming year, with Digital Commerce expected to make strong progress against its medium-term financial goals.

We expect to see a recovery in Marketing and Retail & Financial Services over the coming years as we continue to successfully navigate the ongoing impacts of the pandemic. Although Covid-19 is likely to continue to present challenges to our event products, the return of Money20/20 US has demonstrated that we can swiftly achieve full financial recovery.

Duncan Painter
Chief Executive
2 March 2022

Strategic priorities

1

Continuing our strong growth and expanding our global leadership position in Digital Commerce

We will aim to cover the critical marketplaces globally and enable execution for our customers to the highest standards, being the partner of choice for both customers and marketplaces. As we advance our market share of customers in each category, strengthen the depth and breadth of information we gather, build out across more marketplaces and get access to advanced features from marketplace partners, we will continue to add new features to our software platforms and enhance our execution ability in order to drive further the performance optimisation for our customers.

As a result, our unique benefits and moats grow deeper as we continue to extend our network effect. We will continue to focus on addressing the needs of the world's most demanding and advanced First Party Seller companies, and continue to extend to cover the fastest growing Third Party Seller companies.

Link to KPIs
1, 2, 3, 4

Link to Risks
1, 2, 3, 4, 5, 6, 7, 8, 11, 12

Market review
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Page 26

2

Continuing to build and expand on our quality partnerships with the eCommerce marketplaces.

By building on the strong partnerships we hold today with the marketplaces we can further optimise our customers' performance, and at the same time we are also enhancing the performance of the marketplaces for the benefit of all players. Today we are both generating significant financial income for the platforms from our customers as well as getting early access to new capabilities the marketplaces are offering – continuing to be their trusted testing partner is a critical relationship differentiator.

Link to KPIs
1, 2, 3, 4

Link to Risks
1, 4, 5, 6, 7,

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Key to KPIs:
1. Revenue
2. Growth (Proforma)
3. Adjusted EBITDA
4. Adjusted EBITDA Margin
5. Net debt
6. Leverage ratio

Key to Risks:
1. Customer end-market development
2. Economic and geopolitical conditions
3. Competition and substitution
4. New product and capability development
5. Acquisition and disposals (including integration)
6. People risk
7. Reliance on data providers
8. Cyber threat and information security
9. Live events
10. Business resilience
11. Finance Risk
12. Regulation and compliance

3

Accelerating the revenue growth of our Product Design business while maintaining operating margins

This will enable us to provide a joined-up information solution across all mainstream product categories and across each of our Business Units' service lines. Our journey with our customers starts with our ability to guide them on what categories and what countries they must win in and the products they need to create to achieve this. The Product Design business has now hit a sweet spot of being able to drive expansion and growth while also maintaining high profit margins. With the introduction of new quantitative analysis products like Trend Curve+ and the expansion into new sectors such as Consumer Tech, we aim to drive strong growth in both customer volumes and the value of customer subscriptions.

Link to KPIs
1, 2, 3, 4

Link to Risks
1, 3, 4, 6

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4

Maximising the opportunities from the return of our live event products

As demonstrated by the successful return of our Money20/20 events in 2021, despite COVID challenges, there is substantial demand to attend live events. Our aim is to maximise this pent-up demand throughout 2022, where we aim to be able to run the first live edition of Cannes Lions for nearly three years.

Link to KPIs
1, 2, 3, 4

Link to Risks
1, 2, 3, 9

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KPIs
Page 24

Risks
Page 50

The investment case

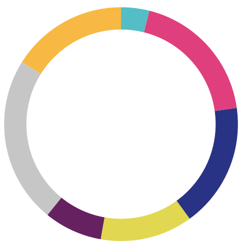
Clear long-term vision

We deliver specialist information, analytics and eCommerce optimisation platforms to the world's leading consumer brands and their ecosystems. We focus on growth markets that are aligned with consumers' rapid adoption of digital commerce.

Strategic transformation of the company since IPO:

2016

Digital Commerce	4%
Product Design	19%
Marketing	17%
R&FS	13%
BEP	8%
Exhibitions	23%
Heritage Brands	16%



2019

Digital Commerce	19%
Product Design	20%
Marketing	21%
R&FS	19%
MediaLink	12%
BEP	9%

2021

Digital Commerce	42%
Product Design	26%
Marketing	16%
R&FS	16%

Transformation delivered through:

- **Consistent focus** on our strategic objectives
- **Rigorous approach** to capital allocation
- **Successful execution** of M&A targets

Market leaders

We are the market leaders in our fields, partnering with two thirds of the world's 100 most valuable brands.

Several factors deliver this clear competitive advantage:

Access to more data:

We have comprehensive, automated, best-in-class capabilities driven by scaled data-driven platforms that are hard to replicate, in terms of depth and geographical coverage.

We have developed a proprietary data lake (enabling predictive outputs) leveraged across the business, tracking over 1.6Bn products, across more than 1,200 digital commerce marketplaces.

Global scale:

We have expert teams across five continents. We understand global shifts and local context, offering our customers a comprehensive world view.

Short and long-term visibility:

We deliver immediately actionable data and insights, as well as far-sighted vision and strategies to stay ahead of the pack.

Best-in-class products:

Our products are the benchmark in their fields, delivering market-leading customer retention rates. Deep-rooted expertise helps our customers maximise their sales, design better products, and optimise their marketing.

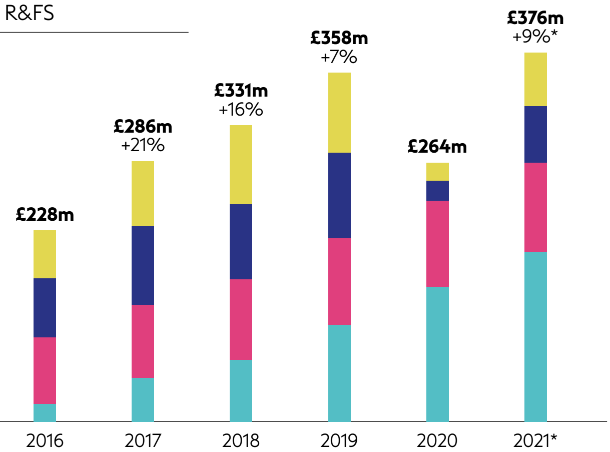
Structural growth and cyclical recovery

Large, fast-growing addressable markets, plus recovery in pandemic impacted segments.

We operate in markets of substantial scale, with multiple levers, delivering demonstrable growth:

Proforma revenue and growth by segment (£m/%)

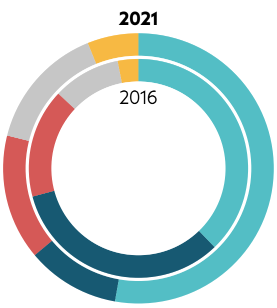
- Digital Commerce
- Product Design
- Marketing
- R&FS



*2021 vs 2019

Geographic diversification*

	2021	2016
North America	53%	38%
UK	11%	33%
Europe	15%	16%
APAC	15%	10%
Rest of World	6%	3%



*2016 Reported basis, 2021 Proforma basis

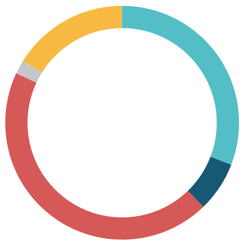
Robust business model

We have a high proportion of subscription-driven/recurring revenues, underpinned by strong network effects, with very low churn rates, good profitability and strong cash generation.

Increasingly robust revenue streams:

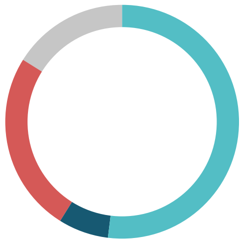
2016

Digital subs & platforms	31%
Benchmarking awards	7%
Events	44%
Advisory	2%
Publishing	16%



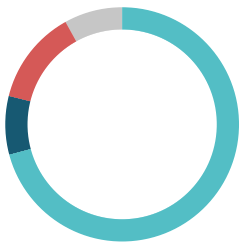
2019

Digital subs & platforms	52%
Benchmarking awards	7%
Events	25%
Advisory	16%



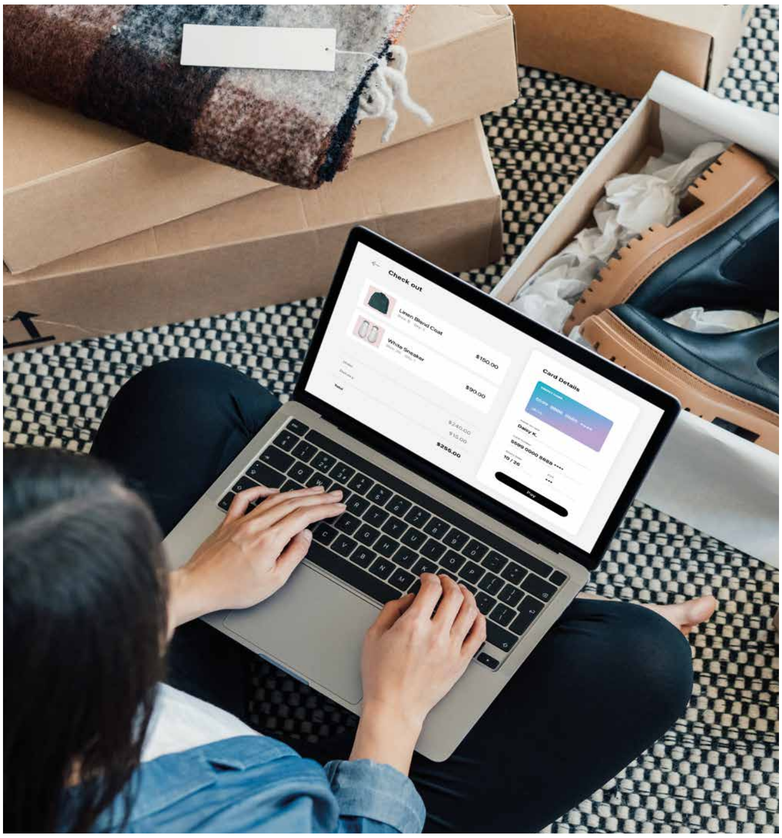
2021

Digital subs & platforms	71%
Benchmarking awards	8%
Events	13%
Advisory	8%



Market Insights

Digital Commerce is our structural growth engine that has a rare and significant future growth opportunity. Our top priority is to accelerate our Digital Commerce strategy.



The future of digital marketplaces

Digital commerce – the primary channel of consumer choice

Consumer brand companies now have no choice but to engage with digital commerce marketplaces. These marketplaces have grown exponentially during COVID – and this will continue for many years as they become the key driver of sales growth. Indeed, it won't be long before digital commerce is the primary channel for brands. And the prize is significant – our experts forecast global digital commerce sales to total $6tn and to account for approximately 40% of total retail sales by 2026.

Complexity – the challenge facing consumer product companies

While Amazon is widely recognised as a global digital marketplace, there are only a handful of marketplaces that can claim this status. Digital commerce is, in its nature, both fragmented and local – and over time it will become more local and more fragmented, particularly in its execution and management by brands.

This "localness" might be a surprising claim to make, with the assumption being that the most well-known marketplaces will dominate globally. However, digital commerce is inherently local due to the need for local fulfilment, and consumers, when given a real choice, will choose different platforms for different reasons. A strong example is the trade-off between delivery, convenience and price – price-sensitive shoppers are more willing to collect products themselves if it is made convenient and reflected in the price they pay. Additionally, legacy retailers plus last-mile delivery firms are getting into the marketplace game, along with the specialist marketplaces. This brings complexity for brands, with many highly sophisticated marketplaces, each developing in their own way, at an unprecedented pace.

Brands, however, are global and we are seeing that their digital commerce teams are moving to a local execution model. This is because they wish to trade across these very local marketplaces but in a consistent way globally. Their competitive advantage comes from scale and consistency of execution. They cannot manage this complexity, change and pace alone.

To succeed in digital commerce a global brand needs to have the right content, description, image, price, page position, media placement, stock availability with rapid stock replacement etc. in the right place at the right time.

Furthermore, the brand has to do that for every one of its hundreds or thousands of products and their variants. Additionally, to make matters even more complex, the parameters, rules and conditions are different on every marketplace site and they change constantly (effectively with every single transaction made). This leaves a brand with more than 1 million optimisation actions every day or, in some cases, every hour.

What's needed to win

To win, brands need to master unique variables in each marketplace and figure out how each variable affects every other element of the brand's offering. On top of this, brands need to manage exponential complexity at scale, efficiently. They also need to master first-party data (first-party data is information a company collects directly from its customers).

However, it is no longer feasible for any consumer product company to do this alone. It is not practical or economically sensible for them to maintain a solution to meet this constantly changing world. It is a classic industry-wide technology platform opportunity.

To survive and thrive, they need technology solutions capable of executing at machine speed and subject matter digital experts to help manage and optimise both their advertising and media AND their retail content and inventory, to solve their global digital commerce challenges.

The critical battleground – trusted, first-party data relationships

Retail is no longer a "build it, and they will come" business. It is now all about knowing your customer and having the rights to use their first-party data. Those brands who understand the importance of – and crucially have learned to win – on the digital marketplaces with the most extensive direct first-party data relationships with consumers will have a significant competitive advantage. Today's battleground is about having large scale, first-party data relationships that consumers trust.

Impact of privacy legislation

This world is changing fast – new privacy legislation and the end of third party cookies will significantly impact how brands target consumers. This change is only set to amplify considerably over the next three years as the privacy changes kick in and the cookieless world becomes a harsh reality.

The much-vaunted open internet where anyone could contact anyone about anything is no longer a reality. Consequently, Retailer and Entertainment digital marketplaces are establishing walled gardens. The future of connection to consumers will be leveraging these ecosystems' connectivity.

Retail digital marketplaces will establish sizeable first-party data relationships with their customers. If a consumer wants a product delivered or an item available for collection, they will share crucial first-party information. Even the world's largest consumer brands will need to invest many multiples of their current total marketing expense to reach the volumes and depth of relationships in first-party data that the retail digital marketplaces will achieve by simply providing their core service. For brands, today's priority should be to learn to win within these new retail marketing ecosystems rather than build an island outside of them.

Digital marketplaces that trade off the more generic cookie or third party information will add less value in the future, in comparison to those that can establish first-party relationships. We are already heading into the next evolution in the digital relationship with the consumer.

Evolution of digital customer relationships

First, we had mass media broadcasting with little visibility of the consumer audience.

Next came the open internet with mass traffic style connection and a degree of information enabling consumer targeting – but, crucially, without any reliable attribution to actual sales achieved; a fundamental limitation. The most successful companies in this phase are, of course, Facebook and Google.

The third generation is now leveraging mass first-party marketplace ecosystems that provide the deepest knowledge of the consumer a marketer has ever been able to use. Today the winners in this capability are Amazon, Alibaba, Walmart and Instacart.

Taking Amazon as an example – they are now the world's third biggest media company because they know their customers intimately, who have permitted them to have insight into their needs and wants but, most importantly, their purchases. Using this system removes any mystery around what you spend on marketing and what you achieve in sales. With 200m Amazon Prime customers globally, of which approximately 75% are in the United States, this gives you a sense of the scale of first-party data they own.

What does this mean for Brand eCommerce Teams?

For a brand to win in this world, eCommerce teams need to rapidly adapt their skill sets, tools, platforms and partners to ensure they are leveraging these new walled garden marketplaces' targeting capabilities. They need new tools to become winners in this new environment.

It means eCommerce teams need to implement strategies to operate online competitively, using cost-effective branding and marketplace-centric performance marketing to win consumers' loyalty.

Firstly, they need to prioritise digital marketplaces, no two of which are the same. This will help determine, from a resource allocation perspective, which are 'must wins' versus 'nice to haves'. A crucial part of this prioritisation will assess which marketplaces leverage customer relationships most effectively, with a critical challenge being the fact that this view can change hourly/daily.

Secondly, they need to learn the marketplaces' individual ecosystems and play to win on each one. This requires marketplace visibility and insight into digital shelf positioning, product content optimisation and performance measurement. Implementing a marketplace-specific shopper engagement strategy is crucial, and it is critical to have the right tools and partners to enable it.

Thirdly, they need to optimise their marketing to capture digital marketplace customers. Specifically, they need to optimise their spending, allocating it to their priority digital marketplaces whilst also delivering more targeted marketing messages around product benefits and value.

Marketers need to increasingly regard the physical store as part of the marketing mix. These stores will become either collection points or showrooms – where the display, viewing, trial and collection – rather than buying – are essential and will impact the customer experience and relationship.

The great leveller

Yet, these digital marketplaces are not only relevant for big brands – they have also become great equalisers for smaller brands by enabling these businesses to outperform in the categories they've chosen to compete in.

This next wave of digital marketing will be an exciting and defining part of the digital journey we are all taking. The pace of change is already high but will only further accelerate in the next three years.

To be a market winner, brands need to engage with the digital retail and marketplace ecosystems rapidly. The critical first step for brands is to find expert partners who can provide them with the state-of-the-art platforms and skills to win in the next-generation digital world.

Product Design industry changes

The $1.5 trillion fashion industry is forecast to rise to $2.25tr by 2025 and, whilst 2019/20 saw a 20% decline, it is forecast to be back to growth this year led by China and the US, presenting many growth opportunities.

As Fast Fashion becomes superseded by Ultra Fast Fashion, brands are having to take a more socially responsible approach to people and the planet, as well as anticipate and adhere to upcoming sustainability legislation that will impact how businesses operate, especially around transparency and circularity. These societal pressures combined with shorter lead times are driving the need for better, data-driven forecasting which can avoid overproduction and overstocking, improve efficiencies and reduce waste whilst on-shore and near-shore production can help reduce carbon emissions and the costs of manufacturing and shipping.

The same applies to Fast Interiors. The Interiors Industry has seen accelerated growth since the pandemic and subsequent lockdowns, when consumers focused on improving their homes through DIY and decor. Shorter lead times and supply chain disruption combined with increased demand are driving an acceleration in our clients' workflows. The global home decor market is set to reach $838.6 billion by 2027, with a CAGR of 3.9% from 2020 to 2027. One significant area driving growth is the e-commerce home decor market, projected to see a CAGR of 13% between 2020 and 2024.

The disruptive effects of Covid-19 have brought on new behaviours that are rapidly changing the landscape of tech consumerism. Driven by the necessity to adapt, consumers' reliance on technology and willingness to try new digital experiences massively accelerated during the pandemic. This dramatic shift in tech adoption has transformed the way we live, work and play.

Design is increasingly digital and product design is moving into virtual space. Technological innovations such as on-demand and automated production, Internet-of-things, block chain traceability and 3D design for virtual sampling have great potential to address some of the challenges the sector faces and are all reasons to be optimistic about the future of the industries we serve. For example, digital design has the opportunity to reduce return levels through better, data-driven fit accuracy.

Gender inclusivity is a critical issue for the fashion industry with current gendered fashion assortments creating barriers to entry for consumers who increasingly do not see gender as binary. This requires a cultural reset with a more inclusive approach not only to imagery and models, but also to design considerations. As the boundaries around cultural IP are being redrawn, brands will need to be aware of when they are infringing on cultural identities and designs and a reset will see brands having to work collaboratively and sensitively to recognise and compensate for the use of cultural IP. This requires true reform as opposed to token gestures.

The interlocking of the marketing, brand and digital commerce worlds

COVID's impact on global ad trade has proved to be short-lived: headline losses were fully recovered during the first three months of 2021 and advertising investment for the year as a whole saw record growth of 23.8%, the strongest seen in WARC's four decades of market monitoring.

Online formats have led the charge once again, and now account for two thirds of all spend. The market is on course to top $1trn by 2025, with further growth of 12.5% and 8.3% expected in 2022 and 2023, as e-commerce takes over to become the fastest growing channel globally. By the end of 2023, we expect retail media to be worth $137bn – double its 2020 take (WARC).

This will no doubt shape new thinking behind industry practices for years to come. Marketers will seek to seize the opportunities emerging in the space between brand building and digital commerce, and adapt as platforms like Amazon broaden their ad offers beyond their traditional performance-dominated approach. By leveraging these new tools to close the loop between longer-term, brand-building advertising and purchase, marketers can drive a new phase of growth and as integrated models start to emerge, this new degree of insight will help shape more effective and efficient customer experiences.

For Cannes Lions, the anticipated return of the in-person festival platform is expected to deliver significant growth on 2021 and 2020, the former proving that even without the festival itself the digital platform and benchmark is a profitable and growing revenue stream. The significant growth of the other revenues, including advisory, membership and the digital platform The Work is anticipated to continue.

The heart of financial services

Our Money20/20 brand sits at the heart of the financial services industry for which we provide a platform where the Fintech communities love to do business. The Fintech industry is currently projected to grow over the next five years at around 25% CAGR* and is an industry segment which has been accelerated by the take-up of digital commerce and, indeed, benefited from COVID. We currently deliver our proposition through two shows; one in Las Vegas, the other in Amsterdam.

* i. 23.5% CAGR 2022-2026, MarketDataForecast.com, Global Fintech Market Research Report, publ. Apr 2021

ii. 24% CAGR 2021-2025, Valuates, Fintech Market Size Status & Forecast 2021-2027

iii. 27% CAGR 2022-2026, ResearchandMarkets.com, Global Fintech Market Report 2021

Business model

The company we keep

Global players

Ascential is a trusted partner for blue-chip companies around the world.

Local experts

We have teams on the ground in key markets to provide customers with dedicated local support.

Agency networks

Our insight is integrated into the work of agencies around the world.

Technology and ecosystem giants

We empower technology and ecosystem innovators to keep innovating.

Our competitive edge

Access to more data

Our digital platforms capture real-time data about which brands are selling where and in what volume – to give unrivalled insights into how brands can optimise performance. These vast, global data sets are immensely difficult to replicate.

Global scale and local sensibility

We have expert teams across five continents. We understand global shifts and local context, offering our clients a comprehensive world view.

Short and long-term visibility

We deliver data and smart insights that you can act on immediately, as well as far-sighted vision and strategies to stay out front.

Best-in-class technology, products and people

Our specialist digital teams are the best at what they do. Their deep-rooted, subject matter expertise helps our customers design the right products, market them creatively and sell them better online. Our Digital Commerce software platform has the broadest set of services available.

Growth levers

We have multiple growth levers to pull on:

Digital Commerce
- Further penetration of Enterprise and Challenger brand customer base
- Expansion into new geographies and onto new marketplaces
- Development of nascent propositions (eg. Content Optimisation)
- Underlying growth in customer transactions and spend (online vs offline)

Product Design
- Continued expansion within adjacent industry verticals (e.g. Beauty, Food & Drink, Consumer Electronics)
- Cyclical recovery of Fashion as pandemic restrictions are lifted
- Further investment in quantitative data to extend the product

ASCENTIAL
Act today, win tomorrow.

Marketing
- Recovery of events as pandemic restrictions continue to be lifted
- Develop new analytics and data-led products to augment our current solutions
- Continued penetration of agency and marketing customers

Retail and Financial Services
- Recovery of events as pandemic restrictions continue to be lifted
- Continued structural growth in Fintech, attracting more customers to our events
- Development of new propositions
- Cyclical recovery in retail

Measuring our success

Key Performance Indicators (KPIs) are used to measure both the progress and success of our strategy implementation. The KPIs are set out below, with a measure of our performance to date and an indication of potential challenges to success where applicable. Adjusted profit measures are used to assist readers in understanding underlying operational performance. These measures exclude income statement items arising from portfolio investment and divestment decisions, and from changes to capital structure.

Revenue

£349.3m

2020	229.9m
2021	**349.3m**

Description
Revenue generated from continuing business operations.

Performance in 2021
Growth of +48% reflects sharp bounce back of segments impacted by pandemic in 2020, plus strong continued growth of Digital Commerce.

Growth (Proforma)[1]

+48% (+9% vs 2019)

2020	-31%
2021	48%

Description
Revenue growth on a like-for-like basis assuming the Company's acquisitions or disposals were all made on the first day of the comparative accounting period.

Performance in 2021
See Revenue.

Financial review
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Risks
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Adjusted EBITDA[1]

£88.9m

2020	21.7m
2021	**88.9m**

Description	Adjusted operating profit excluding depreciation and software amortisation. See page 47 for glossary of alternative performance measures.
Performance in 2021	Growth of +248% reflects high levels of revenue growth drop-through, combined with underlying operational leverage.

Adjusted EBITDA Margin[1]

25.5%

2020	9.4%
2021	**25.5%**

Description	Adjusted EBITDA as a percentage of Revenue.
Performance in 2021	Sharp improvement vs 2020, but below 2019 with Money20/20 and Lions still to return to 2019 revenue levels.

Net debt[1]

£73.8m

2020	229.3m
2021	**73.8m**

Description	External borrowings net of arrangement fees, cash and cash equivalents and derivative financial instruments and excluding lease liabilities.
Performance in 2021	Significant reduction reflects £151m proceeds from equity raise, with acquisition and investments funded by proceeds from disposals.

Leverage ratio[1]

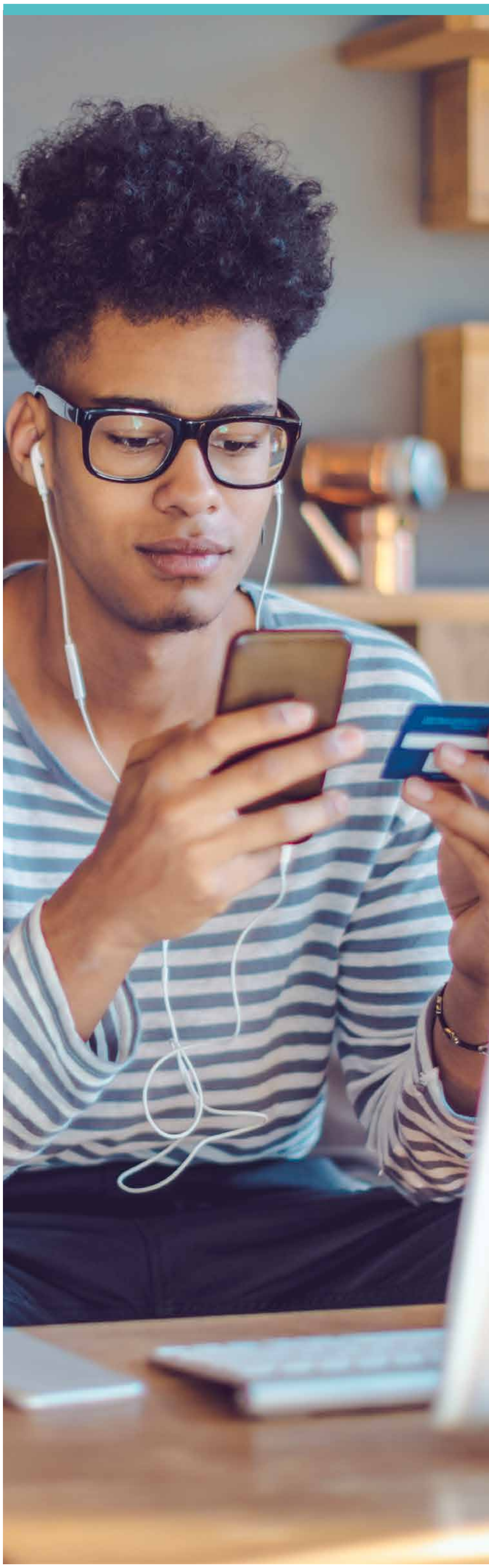
0.9x

2020	5.6x
2021	**0.9x**

Description	The ratio of Net debt to Adjusted EBITDA before, in both cases, accounting for the impact of IFRS 16
Performance in 2021	Improvement driven by growth of EBITDA combined with reduction in net debt.

[1] Refer to the glossary of Alternative Performance Measures (page 47)

Digital Commerce



A comprehensive, global set of technologies and services helping brand manufacturer customers optimise and accelerate their digital commerce performance.

Execution
Flywheel Digital, DZ and WhyteSpyder provide managed execution services to global brands across the world's leading marketplaces. Perpetua and 4K Miles provide self-service execution to challenger brands, while ASR and OneSpace offer content optimisation.

Measurement & Benchmarking
Edge and Yimian offer, primarily, digital shelf optimisation and market share insight across the key global marketplaces, while Intellibrand specialises in digital shelf services in the fast-growing Latam region.

	Year ended 31 December (£'m)		Growth (%)		
	2021	2020	Reported	Organic	Proforma
Revenue	**147.3**	103.1	+43%	+19%	+33%
Adjusted EBITDA	**31.1**	22.6	+37%	+17%	+32%
Adjusted EBITDA Margin	**21%**	22%			

Digital Commerce has continued to grow strongly, with revenues up 19% on an Organic basis and up 33% on a Proforma basis including the organic growth performance of the businesses acquired in the year (Intellibrand, DZ, Perpetua, ASR, OneSpace, 4K Miles and WhyteSpyder) which together now account for c.30% of proforma Digital Commerce revenues. The strong underlying performance continues to come from a mix of new customer acquisition, individual customer growth, coverage expanding across the major digital marketplaces, new geographies, and additional market segments.

Profits also grew strongly, driven by the high level of revenue growth, offsetting investment in sales, product engineering, data collection and operations efficiency programmes. Adjusted EBITDA margin of 21% (2020: 22%) reflected ongoing investment in sales as well as transition costs for the data collection and operations efficiency programmes, the impact of the acquisition of several early-stage businesses which have higher growth but lower current levels of profitability, and currency movements.

Overall, in the year over 200 enterprise customers and more than 1,600 challenger brands were added to the customer base, while globally, customers are now served through active engagements in more than 70 countries.

Digital Commerce Proforma Revenue Growth

33%

Execution (70% of Digital Commerce revenue)
We now cover most of the world's major digital commerce marketplaces such as Amazon, Walmart, Instacart, Target, Kroger, Home Depot, Alibaba and JD. In addition, we now have access to cover over 130 individual retailer marketplaces through the major retail media networks.

Execution, which made up 70% of Digital Commerce revenues in 2021, grew extremely strongly, through a combination of new customers and expanding services for existing customers, with many now taking services across multiple major eCommerce platforms. Revenues from subscription and retainer contracts grew to 32% (2020: 20%) of revenue while variable revenues (based on either retail sales achieved, media spend or advisory) represented 68% (2020: 80%) of total revenue while media spend under management has doubled.

Across our Execution businesses we acquired 140 major new customers in the year with notable wins of several industry leaders in the Food & Beverage and Consumer Tech sectors. As an example, 2021 saw the beginning of a particularly successful engagement with a leading global toy manufacturer, where Flywheel's media execution services delivered a 433% increase in the brand's share of voice, growing their market share in the extremely competitive Toys category.

A key point in the calendar, Amazon's Prime Day held this year in June, saw a more modest growth in terms of the marketplace's overall eCommerce transactions, although Flywheel's customers have generally outperformed the market. Beyond Amazon, we have invested significantly in integrating Flywheel into Walmart and Instacart's APIs for overall improved functionality. Revenue from these non-Amazon marketplaces is now more than 20% of revenue.

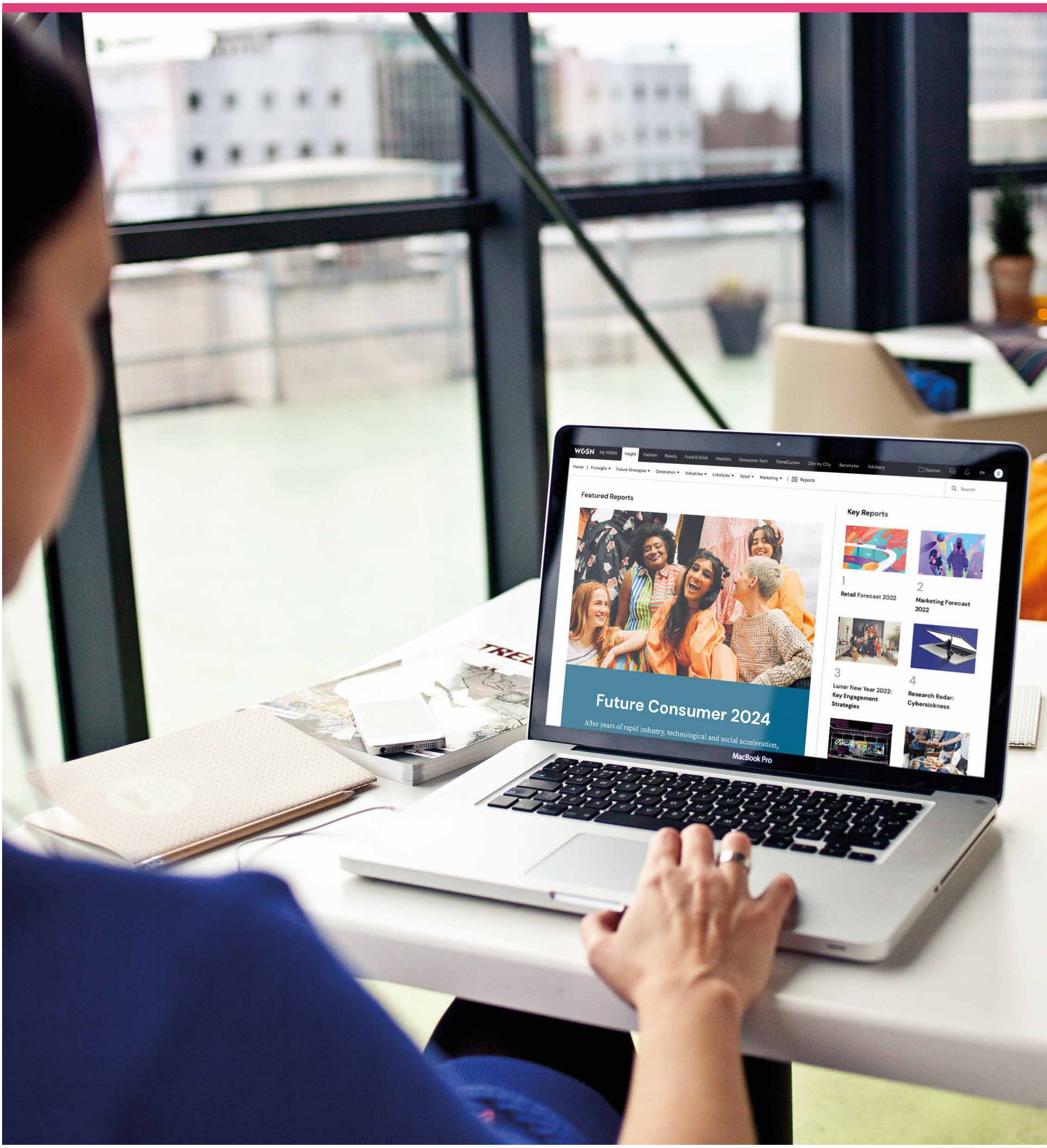
Our services to enterprise customers were enhanced in 2021 by the addition of DZ in China (Alibaba's number one awarded Independent Service Vendor), of OneSpace (which curates product-specific content across multiple marketplaces) and of WhyteSpyder (adding specialism in Walmart to our Execution managed services).

We also acquired three execution businesses giving us access to the challenger brand segment namely Perpetua which focuses on the fast-growing US challenger brand segment, 4K Miles which brings a focus on Chinese challenger brands trading on Amazon and ASR which, specialises in connecting professional independent content to marketplace transactions.

Measurement & Benchmarking (30% of Digital Commerce revenue)
Overall, we acquired more than 60 new customers across Measurement & Benchmarking in the year, with notable wins including Boehringer, LG and Sony.

Continued investment in the year has improved the scalability and performance of the Digital Shelf and Market Share platforms, enhancing data operations and upgrading collection capabilities. Our strong relationships with platforms continue to develop, with Edge becoming the first measurement provider accepted to the Amazon Advertising Partner Network. This relationship allows the opportunity for API access, collaborative R&D and ultimately results in a more precise and timelier product for our customers. Through Yimian, we expanded services to brands trading on South East Asian platforms, such as Shopee and Lazada.

The addition of Intellibrand in January 2021, provides Digital Shelf services for brands on Latin American marketplaces, such as Mercado Libre, in addition to the cross-selling across Digital Commerce of its Food Service Aggregator product, that recently expanded its reach to seven new countries beyond Latam including the US market.



Product Design
Proforma Revenue Growth

7%

Product Design

WGSN, a leading global supplier of trend forecasts, market intelligence and consumer insight, helps customers understand the future demands of consumers. Information is delivered principally through digital subscriptions to over 6,300 customers in more than 90 countries. The Product Design segment also includes trend products for SMEs in the fashion market (WGSN Start and Use Fashion) and the innovative colour system Coloro.

	Year ended 31 December (£'m)		Growth (%)		
	2021	2020	Reported	Organic	Proforma
Revenue	**91.3**	88.1	+4%	+7%	+7%
Adjusted EBITDA	**41.3**	38.0	+9%	+13%	+13%
Adjusted EBITDA Margin	**45%**	43%			

Product Design has seen a strong return to 7% revenue growth in the year, driven by an excellent performance from its subscription base, where billings grew 10%, in addition to a significant recovery in the Mindset advisory business and expansion from Coloro. Margins remained strong and EBITDA grew by 13% as a result.

Increasing take-up of non-fashion products, such as Consumer Insight and Beauty, where billings have grown by 30% in 2021, continues to be the main driver of growth. Subscription renewal rates, which remained robust throughout the pandemic period have now returned to pre-pandemic levels, at well above 90%, with 90% of revenue overall coming from subscriptions (and the balance from advisory and Coloro). The business has also maintained the record high levels of NPS recorded in 2020, emphasising the value customers derive from its information and the persistent strength of its brand. In terms of advisory, the recovery observed at the end of 2020 has continued throughout 2021, while the smaller Coloro business grew extremely strongly, doubling revenues and seeing significant acceleration in the second half of the year.

The second half of the year has seen a number of product upgrades for WGSN customers including personalised homepages and interactive platforms that allow users to collaborate with their in-company peers, sharing ideas, data and reports. WGSN also launched its campaign "Create Better: Innovating Towards a More Sustainable Future", providing practical solutions and advice for five key industries grappling with the challenges of sustainable product design and creation.

Product Design has continued to build out its product range, bringing together comprehensive quantitative data with its trend forecasting solutions, while continued investment in decision science capabilities and collaboration with Digital Commerce underpins new offerings such as TrendCurve.

August saw the launch of the Consumer Tech product, continuing the strategy to address adjacent markets and building on recent launches such as Insight, Beauty, Food & Drink and TrendCurve. At the same time, Lifestyle & Interiors was relaunched as WGSN Interiors to more deeply support this rapidly growing market segment. The Beauty product (launched in 2019) has now exceeded 500 customers, expanding into 5 languages and growing billings above £4m. Food & Drink (launched in 2020) has now surpassed 180 customers, providing global trend insights for brands to develop the products and services that consumers will eat, drink and experience in the near future.

Marketing

Lions, through its awards and festival, as well as its subscription and advisory products, is the global benchmark for creativity in the branded communications industry, while WARC is the global authority on marketing effectiveness for brands, agencies and media platforms.

	Year ended 31 December (£'m)		Growth (%)		
	2021	2020	Reported	Organic	Proforma
Revenue	**56.5**	20.5	+175%	+188%	+188%
Adjusted EBITDA	**25.6**	(6.5)	nm	nm	nm
Adjusted EBITDA Margin	**45%**	nm			

Marketing saw a strong recovery in 2021. This was led by the return of the Lions benchmark awards, where revenue exceeded that of 2019, despite the absence of a physical festival. Digital revenue performance was robust, with strong growth across the Lions and WARC subscription platforms, while Cannes Lions Live in June again brought the industry's global talent together through the power of digital connectivity, in both live and on-demand formats. The segment returned to strong levels of profitability following the losses incurred in 2020.

Marketing Proforma Revenue Growth

188%

For Lions, despite a physical Cannes event not being possible in 2021, the awards benchmark successfully returned in 2021 in a purely digital format. The awards saw over 29,000 entries from 90 countries, with trends confirming that brands continue to invest in creativity, and growth in entries driven by independent agencies and production companies. In the absence of a physical event, the Cannes Lions Live digital platform also returned in June, including live broadcasting of daily Lions award shows. Access to the digital platform was delivered through the Lions Membership subscription, launched in June. In addition, the platform attracted strong sponsorship and Lions Curated revenues, confirming the brand's strength in a digital format. Lions Membership complements The Work's subscription business which saw strong growth in the year, while the Creative Transformation Advisory practice saw further strong performance, through major clients such as AB InBev and PepsiCo. Overall, Lions revenues in 2021 amounted to £40m compared to £76m in 2019.

WARC achieved strong 16% revenue growth, with renewal rates in the year in excess of 90%. June saw the launch of the WARC Awards for Effectiveness, with over 700 entries and the Grand Prix winners announced via the Cannes Lions Live platform. Development of the WARC China platform in H1, was followed by the launch of WARC Data Premium in H2, offering deeper and broader analysis and improved data visualisation for customers' insights into product advertising effectiveness. Growth in advisory, from customers such as TikTok, Spotify and Google, demonstrated engagement with the business from customers beyond its traditional agency constituency.

Retail & Financial Services

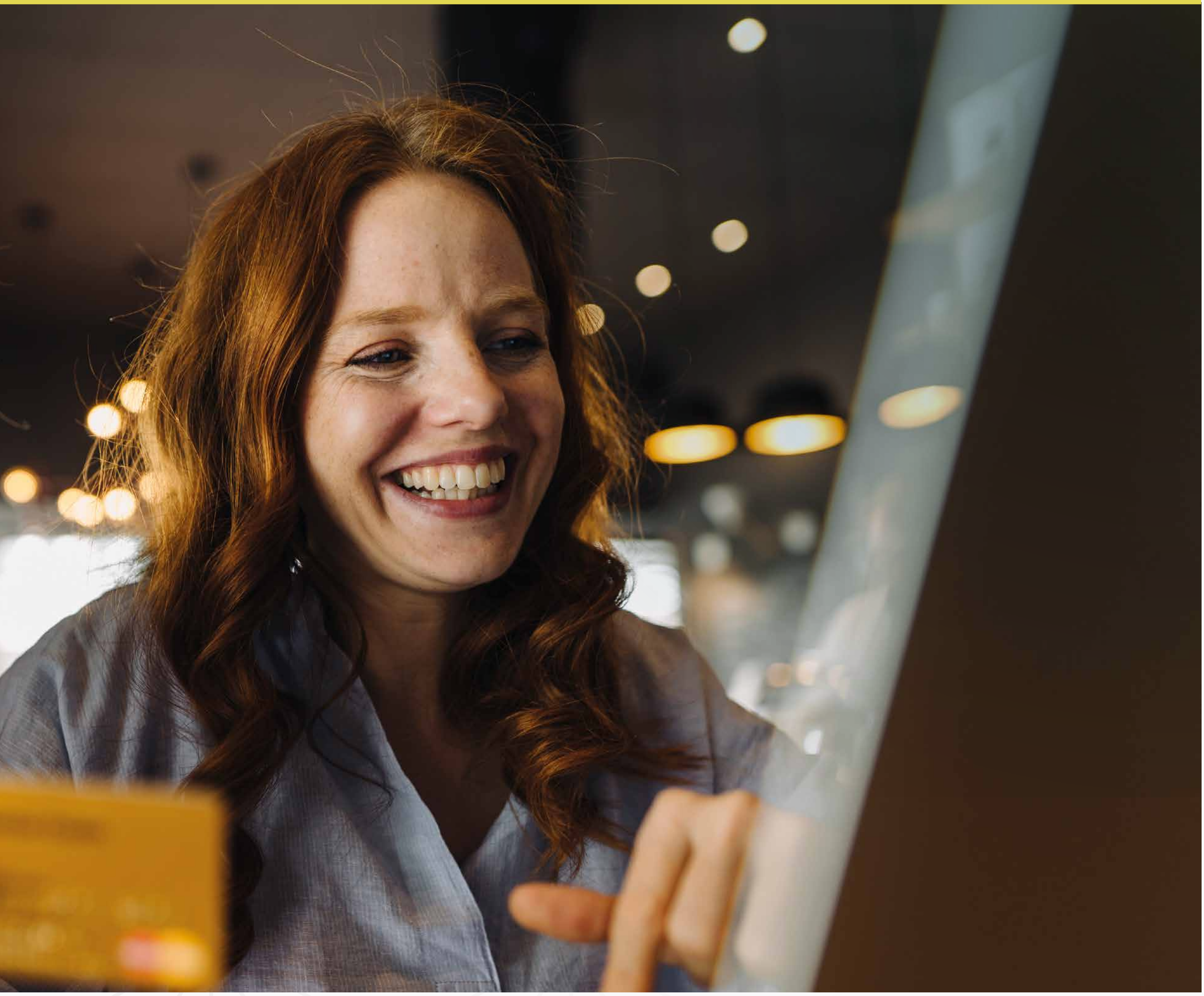
Money20/20 is the world's leading, premium content, sales and networking platform for the fintech industry. The Retail and Financial Services segment also comprises Retail Week World Retail Congress ("RWRC"), the retail customers previously served by the Digital Commerce business and the Alternative Data team.

	Year ended 31 December (£'m)		Growth (%)		
	2021	2020	Reported	Organic	Proforma
Revenue	**54.2**	18.2	+198%	+205%	+205%
Adjusted EBITDA	**10.9**	(14.3)	nm	nm	nm
Adjusted EBITDA Margin	**20%**	nm	–	–	–

Retail & Financial Services Proforma Revenue Growth

205%

The fintech end market and the broader payments ecosystem which Money20/20 serves has traded robustly throughout the pandemic and remains a long-term growth sector globally with recent conditions having accelerated some key drivers, such as the migration to digital banking and growth of digital commerce transactions. Furthermore, the Fintech 2.0 report we published in June 2021 expects the end market to continue to be dynamic and fast-growing as it moves from the digital distribution of existing products and services to digitally native financial services. The underlying buoyancy of the market, and Money 20/20's leading role within it, was illustrated by the successful return of both the European and US editions of the event, in September and October 2021 respectively.



Money20/20 Europe attracted more than 4,000 attendees, from 1,500 companies and more than 70 countries to Amsterdam. Money20/20 US brought in more than 8,000 attendees, from 2,800 companies to Las Vegas, with the latter achieving revenues at 98% of its 2019 level. The events were showcases for the fastest growing and most innovative fintech companies with a quarter of all attendees at C-Suite level and more than 14,000 physical meetings booked, digitally via the Money20/20 app, across the two events.

For RWRC, Retail Week Awards and Retail Week Live both ran in October 2021 while the global platform of World Retail Congress ran a series of virtual connection events across the second half with the physical event due to return in Rome in April 2022. The subscription business of Retail Week continued to experience lower revenue driven by the weak underlying UK retail environment.

Our Alternative Data business, serving the financial services industry with information delivered chiefly through digital subscriptions, grew strongly in the period, seeing over 60% revenue growth and renewal rates of over 90%. We track hundreds of digital commerce retailers and thousands of brands and products to provide data feeds of trends in pricing, discounting and product availability for uses including inflation model inputs and research on individual stocks and categories.

Price & Promotion and Retail Insights performed well with renewal rates in excess of 90% (after accounting for the sunsetting of certain unprofitable market segments). Improvements were led by new product development with a focus on retailers utilising the relationships and expertise across the Retail & Financial Services segment.

Financial review

Mandy Gradden
Chief Financial Officer

"In 2021 we demonstrated strong delivery against our strategic priorities as well as robust recovery from the challenging backdrop of 2020. Revenue and profits grew strongly due to the excellent structural growth demonstrated by the Digital Commerce and Product Design segments as well as the first year of what we expect to be a multi-year post-Covid recovery of the Marketing and Retail & Financial Services segments."

Overview

Following the disposal of the Built Environment & Policy segment and the MediaLink business in the year, the results have been restated to classify these businesses as discontinued and the commentary within this report is focused on our continuing operations.

The results for the year are set out in the consolidated statement of profit or loss and show, for continuing operations, revenue of £349.3m (2020: £229.9m) and an operating loss of £26.7m (2020: £171.3m). Adjusted EBITDA was £88.9m (2020: £21.7m) driven in large part by the return of the Lions benchmarking awards and Money20/20 in the year. We also delivered solid cash flow performance in 2021 with free cash flow from continuing operations after tax and capex of £57.7m (2020: outflow of £2.6m), an operating cash flow conversion of 95% and a free cash flow conversion of 65%.

A core KPI and strategic goal of the Company is Organic revenue growth rate. We believe that this is the most efficient method of growth, measures the underlying health of the business and is a key driver of shareholder value creation. Organic revenue growth rate eliminates the impact of acquisitions (counting them only once they have been owned for 12 months) and disposals and that element of growth which is driven by changes in foreign exchange rates. It is an Alternative Performance Measure and is discussed in more detail on page 43. Proforma growth rate is measured in a similar way to Organic growth rate but assumes that the Group's acquisitions were all made on 1 January 2020 and is therefore a measure of the rate of growth of the brands owned today.

Adjusted EBITDA is also an Alternative Performance Measure and is used in the day-to-day management of the business to aid comparisons with peer companies, manage banking covenants and provide a reference point for assessing our operational cash generation. It eliminates items arising from portfolio investment and divestment decisions, and from changes to capital structure. Such items arise from events which are non-recurring or intermittent, and while they may generate substantial income statement amounts, do not relate to the ongoing operational performance that underpins long-term value generation.

Continuing operations

The results for the year ended 31 December 2021 are set out in the consolidated statement of profit or loss and summarised in the table below.

£'m	2021	2020*	Growth rate Reported*	Growth rate Organic	Growth rate Proforma
Revenue	**349.3**	229.9	52%	44%	48%
Adjusted EBITDA	**88.9**	21.7	311%	323%	248%
Operating loss	**(26.7)**	(171.3)	nm	nm	nm

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2).

Segmental results

Following the sale of the Built Environment & Policy businesses in early 2021, the Group has four continuing reportable segments. These are Digital Commerce, Product Design, Marketing and Retail & Financial Services. Information regarding the results of each is included below and described in the Segmental review on pages 26 to 33.

£'m 2021	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate costs	Continuing operations
Revenue	**147.3**	**91.3**	**56.5**	**54.2**	**–**	**349.3**
Organic growth	**19%**	**7%**	**188%**	**205%**	**–**	**44%**
Proforma growth	**33%**	**7%**	**188%**	**205%**	**–**	**48%**
Adjusted EBITDA	**31.1**	**41.3**	**25.6**	**10.9**	**(20.0)**	**88.9**
Organic growth	**17%**	**13%**	**nm**	**nm**	**(5%)**	**323%**
Proforma growth	**32%**	**13%**	**nm**	**nm**	**(5%)**	**248%**
Adjusted EBITDA margin	**21%**	**45%**	**45%**	**20%**	**–**	**25.5%**
Depreciation and software amortisation	**(10.0)**	**(2.9)**	**(3.0)**	**(1.8)**	**(1.8)**	**(19.5)**
Adjusted operating profit	**21.1**	**38.4**	**22.6**	**9.1**	**(21.8)**	**69.4**
2020*						
Revenue	103.1	88.1	20.5	18.2	–	229.9
Adjusted EBITDA	22.6	38.0	(6.5)	(14.3)	(18.1)	21.7
Adjusted EBITDA margin	*22%*	*43%*	*nm*	*nm*	–	*9.4%*
Depreciation and software amortisation	(6.7)	(4.7)	(3.7)	(2.3)	(3.1)	(20.5)
Adjusted operating profit	15.9	33.3	(10.2)	(16.6)	(21.2)	1.2

* Restated for discontinued operations (see Note 11)

Financial review
continued

Revenue
The Company benefits from diverse revenue streams across its segments ranging from digital subscriptions to live events to advisory. Most of these revenue streams have recurring or repeat characteristics and benefit from our focus on customer retention.

(£ million)	Timing of revenue recognition	2021	Restated* 2020
Digital Subscriptions & Platforms	Over time	**136.2**	**95.6**
Advisory	Over time	**11.1**	**7.5**
Digital Commerce		**147.3**	**103.1**
Digital Subscriptions & Platforms	Over time	**81.9**	**81.3**
Advisory	Over time	**9.4**	**6.8**
Product Design		**91.3**	**88.1**
Digital Subscriptions & Platforms	Over time	**18.2**	**17.0**
Advisory	Over time	**3.7**	**1.2**
Benchmarking Awards	Point in time	**29.3**	**1.0**
Events	Point in time	**5.3**	**1.3**
Marketing		**56.5**	**20.5**
Digital Subscriptions & Platforms	Over time	**10.8**	**14.3**
Advisory	Over time	**2.7**	**2.2**
Events	Point in time	**40.7**	**1.7**
Retail & Financial Services		**54.2**	**18.2**
Digital Subscriptions & Platforms	Over time	**247.1**	**208.2**
Advisory	Over time	**26.9**	**17.7**
Benchmarking Awards	Point in time	**29.3**	**1.0**
Events	Point in time	**46.0**	**3.0**
Revenue from continuing operations		**349.3**	**229.9**

* Restated for discontinued operations

Revenues from continuing operations grew to £349.3m (2020: £229.9m), an increase of £119.4m or 52%. Adjusting for currency impacts and acquisitions, revenue increased by 44% and 48% on an Organic and Proforma basis respectively. This was driven by the continued strong growth in our Digital Commerce and Product Design segments and the post-Covid recovery in the Marketing and Retail & Financial Services segments. When comparing our 2021 revenues with the 2019 pre-pandemic period on a Proforma basis, we were pleased to be able to deliver a 9% growth rate driven by the performance of our Digital Commerce business.

Adjusted EBITDA
Adjusted EBITDA from continuing operations increased by £67.2m to £88.9m (2020: £21.7m) representing growth of 248% on a Proforma basis with profits growing by double digits in all four of our segments.

Adjusted EBITDA margin from continuing operations increased from the prior year to 25.5% (2020: 9.4%). This reflects the return of EBITDA in the Marketing and Retail & Financial Services segments while margins in the pure-play digital businesses remained stable and where, in Product Design, we continue to see the evidence of the superior margin opportunities in scaled, mature, digital subscription businesses.

Reconciliation between Adjusted EBITDA and statutory operating profit/(loss)
Adjusted EBITDA from continuing operations is reconciled to statutory operating profit as shown in the table below:

£'m	2021	Restated* 2020
Adjusted EBITDA	**88.9**	21.7
Depreciation and software amortisation	**(19.5)**	(20.5)
Adjusted operating profit	**69.4**	1.2
Amortisation of acquired intangibles	**(31.9)**	(30.8)
Exceptional items	**(55.8)**	(142.8)
Share-based payments	**(8.4)**	1.1
Statutory operating loss	**(26.7)**	171.3

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2).

Amortisation of acquired intangible assets
The amortisation charge of £31.9m (2020: £30.8m) on acquired intangible assets remained in line with the prior year as additional amortisation of newly acquired intangibles offset the impact of fully amortised assets. The Company undertakes a periodic review of the carrying value of its intangible assets of £878.9m (2020: £665.1m). No impairments were identified in the current year (2020: £31.9m).

Exceptional items

The charge for exceptional items from continuing operations in 2021 totalled £55.8m (2020: £142.8m) as set out in the table below and further explained in Note 6.

£'m	2021	Restated* 2020
Deferred contingent consideration	**29.9**	95.5
M&A transaction and integration costs	**9.0**	2.6
Implementation of new ERP and Salesforce systems	**16.9**	6.6
Impairment of Retail & Financial Services assets	**–**	28.4
Restructuring costs	**–**	5.1
Property impairments and onerous contracts	**–**	4.6
Exceptional items relating to continuing operations	**55.8**	142.8

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2).

The charge for deferred contingent consideration of £29.9m (2020: £95.5m) predominantly relates to acquisition-related contingent employment costs on the acquisitions of DZ, OneSpace and Yimian.

M&A transaction and integration costs comprise professional fees and advisory services and integration costs incurred in 2021 relating primarily to the seven acquisitions made during the year.

In April 2021, the IFRIC published an agenda decision on the design and implementation costs for business systems built upon software that is contracted on a "software as a service" (SaaS) basis and hosted in a public cloud. This resulted in an amendment to the treatment of costs incurred on the Company's new ERP and Salesforce systems under IAS 38 "Intangible Assets". In response to the IFRIC decision, the Group's accounting policy on intangible assets have been updated, resulting in the majority of implementation costs on SaaS implementations incurred to date no longer being capitalised but expensed as incurred. This change in accounting policy has been applied retrospectively (see Note 2 for further details). The Group is undertaking a multi-year programme to introduce a new ERP to replace the former Oracle system introduced in 2007 and a new instance of Salesforce, both of which are cloud-based. Costs relating to this significant and non-recurring programme totalled £16.9m in 2021 and £6.6m in 2020 and, given the scale and incidence as a once-in-a-decade investment, have been treated as exceptional items.

Share-based payments

The charge for share-based payments from continuing operations of £8.4m (2020: £1.1m credit) increased to reflect the issuance of new awards in 2021. It contrasted with the £1.1m credit in the prior year which reflected revised expectations on the vesting of the Performance Share Plan awards due to the expected performance of the Group versus the EPS target performance conditions because of the impacts of Covid-19.

Finance costs

The Adjusted net finance cost from continuing operations for the year was £17.4m (2020: £15.7m) as set out in the table below:

£'m	2021	Restated* 2020
Interest income on bank deposits and vendor loan note	**2.5**	0.3
Interest payable on borrowings	**(8.6)**	(7.4)
Amortisation of loan arrangement fees	**(0.9)**	(0.8)
Foreign exchange	**(0.6)**	0.2
Derivative financial instruments	**0.2**	(0.3)
Revaluation of trade investments to fair value	**–**	1.4
Discount unwind on contingent and deferred contingent consideration	**(9.0)**	(7.9)
Discount unwind of lease liability	**(1.0)**	(1.1)
Discount unwind of property provisions	**–**	(0.1)
Adjusted net finance costs from continuing operations	**(17.4)**	(15.7)

Interest income is derived mainly from the vendor loan note issued to the buyer of Groundsure in January 2021 and repaid in August 2021. The interest payable on the Group's borrowings was £8.6m (2020: £7.4m) with the increase due to higher margins following the covenant amendment agreed in February 2021. Amortisation of loan arrangement fees relates to the unwind of fees capitalised in respect of the five-year multi-currency revolving credit facility ("RCF") of £450m which was agreed in January 2020.

The increase in the unwind of the discount on deferred contingent consideration totalling £9.0m (2020: £7.9m) was driven by new acquisitions partially offset by a lower unwind for Flywheel as the earnout comes to an end.

In addition to the Adjusted net finance costs set out and described above, we have also included in Adjusting items a charge of £0.8m in respect of covenant amendments agreed in February 2021 and a credit of £7.8m relating to the revaluation of our trade investment in Infosum.

Taxation

A tax charge of £8.2m (2020: credit of £2.8m) was incurred on continuing Adjusted profit before tax of £49.6m (2020: loss before tax of £14.7m) resulting in an Adjusted effective tax rate for the year of 17% (2020: 19%) which compares to the effective tax rate of 4% on reported losses as can be seen in the table below.

Analysis of tax charge (£'m)	2021	Restated* 2020
Adjusted profit/(loss) before tax	49.6	(14.7)
Tax (charge)/credit on Adjusted profit/(loss) before tax	(8.2)	2.8
Effective tax rate (%)	17%	19 %
Adjusting items	(89.2)	(174.4)
Tax credit on Adjusting items	9.8	33.7
Effective tax rate on Adjusting items (%)	11%	19%
Reported loss before tax	(39.6)	(189.1)
Tax credit/(charge) on reported loss before tax	1.6	(36.5)
Effective tax rate on reported loss before tax (%)	4%	19%

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2).

Cash tax paid was £3.3m (2020: £3.3m) reflecting taxes paid in the UK, where instalment payments were due for the prior year, as well as taxes paid outside of the UK in respect of the current year. The Group's cash flow also benefitted from the utilisation of historic US tax losses with a value of £2.2m (2020: £nil).

The Group has a total recognised net deferred tax asset of £51.2m (2020: £52.8m) relating to UK and US losses, accelerated capital allowances, US acquired intangibles, and deferred contingent consideration. This comprised a gross asset of £77.3m offset by a deferred tax liability of £26.1m on non-deductible acquired intangibles. Approximately 50% of this gross asset is expected to convert into cash savings over the next three years.

Discontinued operations

As part of its strategy to focus resources and investment on its strategic priorities, the Group disposed of its non-core segment of Built Environment & Policy, with Groundsure, DeHavilland and Glenigan being sold on 20 January 2021, 12 February 2021 and 17 March 2021 respectively. The Group also disposed of MediaLink, a brand previously within the Marketing segment, on 15 December 2021.

The results of the discontinued businesses are included as a single line items within Profit After Tax and can be summarised as follows:

	Built Environment & Policy		MediaLink		Total	
£'m	2021	2020	2021	2020	2021	2020
Revenue	4.8	37.4	44.5	34.2	49.3	71.6
Adjusted EBITDA	2.4	21.5	13.6	7.3	16.0	28.8
Depreciation and amortisation	–	(1.1)	(3.0)	(4.4)	(3.0)	(5.5)
Share-based payments	–	–	(0.7)	0.5	(0.7)	0.5
Profit on disposal of business	226.1	–	33.3	–	259.4	–
Deferred contingent consideration	–	–	(5.2)	(2.1)	(5.2)	(2.1)
Other exceptional items	(0.8)	(3.0)	–	(2.1)	(0.8)	(5.1)
Profit before tax	227.7	17.4	38.0	(0.8)	265.7	16.6
Tax	(0.7)	(3.9)	(3.1)	0.3	(3.8)	(3.6)
Profit after tax	227.0	13.5	34.9	(0.5)	261.9	13.0

Profit after tax

The Group recorded a total statutory profit after tax of £223.9m (2020: loss of £139.6m) arising from both continuing operations of £38.0m (2020: loss of £152.6m) and discontinued operations of £261.9m (2020: £13.0m).

Foreign currency translation impact

The Group's reported performance is sensitive to movements in both the Euro and US dollar against pounds sterling with significant acquisitions denominated in US Dollars and events revenues in Euro and US Dollars.

	Weighted average rate			Year-end rate		
Currency	2021	2020	Change	2021	2020	Change
Euro	1.17	1.13	(3.3%)	1.19	1.12	(6.7%)
US Dollar	1.37	1.29	(6.4%)	1.35	1.36	0.8%

When comparing 2021 and 2020, changes in currency exchange rates had an unfavourable impact on revenue and adjusted EBITDA of £8.6m and £2.0m. On a segmental basis, the unfavourable impact of changes in foreign currency exchange rates was as follows:

- Digital Commerce: £4.5m impact on revenue and £0.8m impact on Adjusted EBITDA
- Product Design: £2.7m impact on revenue and £1.5m impact on Adjusted EBITDA.
- Marketing: £1.0m impact on revenue and a £0.7m favourable impact on Adjusted EBITDA.
- Retail & Financial Services: £0.4m impact on revenue and a £0.5m favourable impact on Adjusted EBITDA.

For illustrative purposes, the table below provides details of the impact on revenue and Adjusted EBITDA if the reported results were restated for Sterling weakening by 1% against the USD and Euro in isolation.

£'m	2021 Revenue	2021 Adjusted EBITDA	2020 Revenue	2020 Adjusted EBITDA
Increase in revenue/ Adjusted EBITDA if, in isolation:				
Sterling weakens by 1% against the:				
Euro	**0.6**	**0.5**	0.3	0.2
US Dollar	**1.9**	**0.9**	1.3	0.4

Furthermore, each 1% movement in the Euro to pounds Sterling exchange rate has a £0.9m (2020: £1.5m) impact on the carrying value of borrowings. Each 1% movement in the US Dollar has a circa £0.7m impact on the carrying value of borrowings (2020: £0.9m).

Earnings per share

Continuing Adjusted diluted earnings per share were 9.5p per share (2020: loss of 3.1p per share).

Total diluted earnings per share were 53.5p (2020: loss of 35.0p) with the increase arising from the significant improvements in Adjusted EBITDA noted above as well as the significant profit realised on the disposal of the Built Environment & Policy and MediaLink businesses.

Acquisitions

We regularly assess opportunities to acquire high-growth products and capabilities to serve our key end markets and in particular Digital Commerce. In 2021 we completed the acquisition of seven companies in the Digital Commerce segment and incurred initial cash consideration (net of cash acquired) of £195.3m.

Intellibrand

In January 2021, we acquired 100% of ERA Serviços de Inteligência em Software S.A. ("Intellibrand") for an initial cash consideration of £3.5m plus estimated earnout payments payable over three years resulting in an estimated total consideration (including the initial consideration) between £5.9m and £7.9m. Total consideration payable, in the event that very stretching targets are reached, is capped at £9.1m. 30% of the earn-out is also contingent on the ongoing employment of the founders and therefore recognised in the income statement over the life of the earn-out. Intellibrand provides global brands operating in Latin America with expert local market digital shelf analytic capabilities. These services cover the major Latin America eCommerce platforms, notably Mercado Libre, as well as Food Service Aggregators, such as Just Eat and Uber Eats. The acquisition provides Ascential with an opportunity to scale its Digital Commerce operations in the fast-growing Latin American eCommerce market. It also offers proven capability in FSA analytics: a product that is growing in demand among Ascential's global customers.

DZ

In February 2021, we acquired 100% of Hangzhou Duozhun Data Technology Co. Ltd. ("DZ") for an initial cash consideration of £11.1m plus estimated earnout payments payable over three years, resulting in an estimated total consideration (including the initial consideration) between £29m and £35m. Total consideration payable, in the event that very stretching targets are reached, is capped at £55m. Half of the earn-out is additionally linked to the ongoing employment of the founders and therefore recognised in the income statement over the life of the earn-out. DZ helps multi-national and premium Chinese brands optimise their consumer targeting, media execution and content marketing strategies across the leading eCommerce platforms in China, including Alibaba and JD. The acquisition allows Ascential to extend its offering in China, with the broadest eCommerce analytics proposition for consumer product companies, while also providing the opportunity to cross-sell and enhance customer relationships with Ascential's Yimian business.

Perpetua

In April 2021, we acquired 100% of Perpetua Labs, Inc. ("Perpetua") for initial cash consideration (net of cash acquired) of £41.9m, plus deferred contingent consideration payable over four years resulting in an estimated total consideration (including the initial consideration) between £76m and £120m. Total consideration payable, in the event that very stretching targets are reached, is capped at £185m. Approximately a quarter of the deferred contingent consideration to be paid over the four years is linked to the ongoing employment of the founders and therefore recognised in the income statement over the life of the earn-out. Perpetua provides a self-service SaaS platform that helps independent sellers, as well as agencies and some larger brands, optimise the purchase of search and display advertising on Amazon and other major marketplaces. The acquisition of Perpetua gives us access to the fast-growing Third-Party seller market (for brands that sell directly to consumers through the marketplaces).

ASR

In July 2021, we acquired a 51% majority stake in ASR Group Holdings LLC ("ASR"), a digital content optimisation business that enables brands to grow sales through eCommerce marketplaces. The acquisition was for an initial cash consideration of £89.1m. Ascential also has an option to acquire two further 24.5% stakes in the company based on a pre-determined multiple of trailing EBITDA between July 2022 and June 2025. Through its software-driven solutions, ASR helps drive higher consumer engagement rates for marketplace content and higher sales for the featured brands. ASR's expertise offers an exciting new area of expansion for the Digital Commerce Business Unit, building on our current offer by allowing us to directly connect professional independent content with brands' products at the point of purchase to enhance the impact of their advertising in the marketplaces.

OneSpace

In September 2021, we acquired 100% of OneSpace Inc. ("OneSpace") for an initial cash consideration of £21.5m plus estimated earnout payments payable over two years resulting in an estimated total consideration (including the initial consideration) of approximately £32m. Underpinned by its subscription model, OneSpace manages product-specific content catalogues, enables the creation of original material and customises content in order to drive higher sales across multiple products and marketplaces.

WhyteSpyder

In November 2021, we acquired 100% of WhyteSpyder LLC ("WhyteSpyder") for an initial cash consideration of £24.1m plus estimated earnout payments payable over three years resulting in an estimated total consideration (including the initial consideration) between £40m and £42m. Total consideration payable, in the event that very stretching targets are reached, is capped at £56m. 60% of the earn-out is additionally linked to the ongoing employment of the founders and therefore recognised in the income statement over the life of the earn-out. WhyteSpyder provides retail managed services to enterprise brands that trade on Walmart.com, utilising a mix of technology-driven search engine optimisation, retail insights, content management and rich media hosting.

4K Miles

In December 2021, we acquired 100% of Shenzhen 4KMiles Technologies, Ltd. ("4K Miles"). The acquisition was for an initial cash consideration of £13.3m plus estimated earnout payments payable over three years resulting in an estimated total consideration (including the initial consideration) between £34m and £44m. Total consideration payable, in the event that very stretching targets are reached, is capped at £87m. 50% of the earn-out is additionally linked to the ongoing employment of the founders and therefore recognised in the income statement over the life of the earn-out. Through its software-based offering, 4K Miles provides advertising execution, sales data analytics and inventory tracking to over 500 challenger brand customers based in China, trading on Amazon marketplaces including the US, major European countries, Mexico, India and Japan.

Investments

Hudson

Hudson MX is an advertising software business providing media buying and media accounting solutions through a cloud-based SaaS platform. In 2021, we made investments into Hudson totalling £44.0m (2020: £13.8m) and our share of losses recognised totalled £1.1m (2020: £nil). At 31 December we hold a total investment of £65.9m (2020: £23.0m) through a combination of common and preference stock and we have concluded that £65.4m of the Hudson preference shares held have attributes that require measurement at fair value through the profit and loss with the remaining £0.5m of the Hudson common stock investment measured using the equity method.

Hudson was treated as a trade investment in 2020 but, following our investment in 2021 which included board observer rights, we determined that we exerted significant influence and started to account for it as an associate. We have conducted an analysis under IFRS10 to confirm that we did not meet the threshold for control and consolidation as described more fully in Note 18 where we also provide sensitivity analysis around the valuation we have performed over our holding in Hudson.

Infosum

Infosum is developing the world's first decentralised data collaboration platform with the power to analyse and activate data at speed with a vision to connect the world's data without ever sharing it. The Group recorded a revaluation credit of £7.8m in adjusting items relating to its holding following the valuation from the most recent funding round.

Disposals

Built Environment & Policy

In December 2020, the Group entered into an agreement to sell Glenigan to Byggfakta Group for £74.4m in cash. Following regulatory clearance, the sale completed in March 2021. In January 2021, the Group sold Groundsure to a subsidiary of ATI Global Limited for a purchase price of £169.0m comprising an initial cash consideration of £139.0m plus a £30.0m interest-bearing vendor loan note which was subsequently repaid in August 2021. In February 2021, the Group sold DeHavilland to the alternative asset management group Bridgepoint for £14.9m in cash. The total profit on disposal of the above businesses was £226.1m.

MediaLink

In December 2021, the Group sold MediaLink, a brand within the Marketing segment, to United Talent Agency, LLC for £94.7m cash consideration, resulting in a profit on disposal of £33.3m.

Deferred contingent consideration

Ascential paid £127.0m (2020: £69.1m) in deferred contingent consideration during the year. The Company's preferred structure for acquisitions is to enter into long-term earnout arrangements with the founders of acquired companies and to link this to both the post-acquisition performance of the acquired company and the continuing employment of the founders. Accounting for the earnout is complex and requires considerable judgements to be made about the expected future performance of the acquired company at the point of acquisition – this is especially difficult in the type of high growth, early-stage companies that Ascential acquires. The earnout is accounted for in three ways:

1. A liability for deferred contingent consideration is established on the balance sheet at the point of acquisition based on that element of the earnout which is not dependent on the continuing employment of the founders. Any subsequent change in estimate is recorded as an exceptional item and in 2021 we recorded a charge of £5.2m (2020: £64.1m) primarily driven by the outperformance of Yimian and Flywheel in the year. During the year we made cash payments of £87.6m (2020: £46.0m) in relation to this element of deferred contingent consideration.
2. This liability is discounted to present value with the reversal of this discount being recorded as a finance cost. This amounted to a charge of £9.0m in 2021 (2020: £7.9m).
3. Finally, that element of the deferred contingent consideration that is contingent on the continuing employment of the founders is charged to the consolidated statement of profit or loss as an exceptional item over the service life of those founders (typically three years). This amounted to a charge of £29.9m in 2021 (2020: £33.5m). During the year we made cash payments of £39.4m (2020: £23.1m) in relation to this element of deferred contingent consideration.

The liability for deferred contingent consideration amounted to £102.9m at December 2021 (2020: £136.2m). In total, when combining this liability with the future income statement charges for discount unwind and for deferred contingent consideration that is contingent on continuing employment of the founders, the Company expects to pay out deferred contingent consideration of approximately £150m over the next four years for acquisitions to date. £55m is due in 2022 for performance to date and £95m is expected to be paid between 2023 and 2025 based on the performance of the acquired businesses in the next three years.

Cash flow

Continuing operations

The Company generated Adjusted operating cash flow from continuing operations of £80.8m (2020: £17.1m), being a 95% operating cash flow conversion (2020: 79%) benefiting from strong customer collections.

An increasing feature of our cash flow is the working capital required in Digital Commerce for the purchasing of advertising media on behalf of customers where the payment terms agreed with the marketplace can differ from those agreed with customers. At the year end we had £137.4m receivable from customers and £124.1m payable to the marketplaces up from £105.3m and £93.4m respectively at the end of 2020. In order to reduce the impact of this working capital dynamic on the Group, we have arranged a facility with a bank to sell certain of the customer receivables for an attractive rate of interest that is lower than our overall cost of borrowing. The net working capital position relating to such media reimbursables of £13.3m (2020: £11.9m) benefited by £23.8m (2020: £nil) as a result of this new working capital facility.

Adjusting for the restatement of capitalised Salesforce and ERP implementation costs of £6.6m in 2020, the Group's remaining capital spend increased by £7.1m from the prior year to £23.2m (2020: £16.4m) driven by increased product development in the Digital Commerce business. Tax paid on profits from continuing operations remained consistent with the prior year at £3.2m (2020: £3.3m) where tax liabilities continue to be sheltered by significant prior period losses and tax-deductible acquisition consideration particularly in the US.

As a result, the Company generated free cash flow from continuing operations of £57.7m (2020: outflow of £2.6m) as shown in the table below:

£'m	2021	Restated* 2020
Adjusted EBITDA	**88.9**	21.7
Working capital movements	**(4.9)**	(4.6)
Adjusted operating cash flow from continuing operations	**84.0**	17.1
Operating cash flow conversion (%)	**95%**	79%
Capital expenditure	**(23.1)**	(16.4)
Tax paid	**(3.2)**	(3.3)
Free cash flow from continuing operations	**57.7**	(2.6)
Free cash flow conversion (%)	**65%**	(12%)

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2).

Discontinued operations

The Company generated free cash flow from discontinued operations of £14.3m (2020: £28.7m).

£'m	2021	Restated* 2020
Adjusted EBITDA	**16.0**	28.8
Working capital movements	**(1.5)**	0.9
Adjusted operating cash flow from discontinued operations	**14.5**	29.7
Operating cash flow conversion (%)	**91%**	103%
Capital expenditure	**(0.1)**	(1.0)
Tax paid	**(0.1)**	–
Free cash flow from discontinued operations	**14.3**	28.7
Free cash flow conversion (%)	**89%**	100%

* Restated for discontinued operations (see Note 11).

Total operations

The cash flow statement and net debt position are summarised as follows.

£'m	2021	Restated* 2020
Free cash flow from continuing operations	**57.7**	(2.6)
Free cash flow from discontinued operations	**14.3**	28.7
Free cash flow from total operations	**72.0**	26.1
Acquisition of businesses net of cash acquired	**(195.3)**	(2.7)
Deferred contingent consideration including contingent employment cost	**(127.0)**	(69.1)
Disposal proceeds net of cash disposed and disposal costs	**342.4**	–
Acquisition of investments and loan to associate	**(51.4)**	(16.8)
Disposal of equity-accounted investments	**–**	55.1
Exceptional costs paid	**(25.9)**	(19.2)
Cash flow before financing activities	**14.8**	(26.6)
Net (repayment of) / proceeds from borrowings	**(149.0)**	25.7
Net interest paid	**(6.4)**	(12.0)
Net lease liabilities paid	**(7.2)**	(8.9)
Proceeds of issue or sale of shares net of expenses	**150.7**	1.3
Share repurchase	**–**	(9.2)
Dividends paid to non-controlling interest	**(0.5)**	–
Net cash flow	**2.4**	(29.7)
Opening cash balance	**80.2**	111.7
FX movements	**1.5**	(1.8)
Closing cash balance	**84.1**	80.2
Borrowings	**(160.5)**	(312.7)
Capitalised arrangement fees	**2.4**	3.2
Derivative financial instruments	**0.2**	–
Net debt	**(73.8)**	(229.3)

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2).

Equity placing

On 26 July 2021, the Company placed 35,500,000 new ordinary shares of £0.01 each at a placing price of £4.32 resulting in cash proceeds of £150.2m after expenses.

Returns to shareholders

The Board has historically targeted a dividend payout ratio of 30% of Adjusted profit after tax. Following the impact of Covid-19 on the business, no dividends were paid in 2020 and in 2021 cash flow was prioritised for acquisitions. The Board continues to prioritise capital for investment and acquisitions to support our growth strategy and has decided not to declare a full year dividend at this time. The Board will keep capital allocation priorities, including shareholder cash returns, continually under review.

Strong balance sheet and access to liquidity

Ascential manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt-to-equity balance. The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent comprising capital, reserves and retained earnings. The Group's policy is to borrow centrally to meet anticipated funding requirements. These borrowings, together with cash generated from the operations, are on-lent at market-based interest rates and on commercial terms and conditions or contributed as equity to subsidiaries.

In January 2020, the Group entered into a five-year multi-currency revolving credit facility ("RCF") of £450m plus an accordion to raise further debt amounts, at the option of the lenders, of up to the greater of £120m or 150% of EBITDA. At 31 December 2021, the borrowings were subject to interest at a margin of 2.0% over LIBOR reducing to 1.2% over LIBOR in early 2022.

The facility covenants include a maximum net leverage of 3.25x with the benefit of additional 0.5x leverage spikes for relevant acquisitions and a minimum interest cover of 3.00x and are tested semi-annually. To address the uncertain business environment and ensure maximum flexibility across a broad range of business planning scenarios, the Group agreed certain covenant amendments for 2021 with its banking group. In light of the Group's strong performance, these amendments were cancelled by the Company in December 2021 such that the original facility covenants apply as at the 31 December 2021 testing point. At 31 December 2021, the Group is well within its covenant limits with a leverage ratio of 0.9x compared to the limit of 3.25x.

Risk management

The Board is responsible for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. Ascential's business activities, performance and position, together with the factors likely to affect its future development, are set out on pages 2 to 33. The financial risk management objectives, policies and processes in place for assessment, management and monitoring of risks are also described on page 55 and more fully in Note 31 of the consolidated financial statements.

The Group is exposed to risks arising from the international nature of its operations and the financial instruments which fund them. These instruments include cash and borrowing and items such as trade receivables and trade payables which arise directly from operations. External borrowings are denominated 58% in Euros and 42% in US Dollars. The Group also reviews and protects a proportion of its exposure to interest rate rises on the cost of borrowings through use of derivatives such as interest rate caps where appropriate. Principal risks (including strategic, operational, legal and other risks) are shown on pages 50 to 55.

Going concern

There continues to be uncertainty surrounding the resolution of the Covid-19 outbreak and the impact to the wider global economy. The Directors have considered the most severe but plausible scenarios, including the scenario where all events are cancelled in 2022, and taken into account the strong condition of our balance sheet, our 2020 refinancing and 2021 equity placing, the recent disposal of the MediaLink business, the diversification and digital nature of many of our business models and the proactive steps taken previously to provide covenant headroom and adjust our cost base as well as further potential mitigating actions.

The Directors believe that the Company is well placed to manage its business risks successfully and have assessed the Group's prospects and viability over a three-year period. While the Group prepares a five-year plan, levels of uncertainty increase as the planning horizon extends and the Group's plans focus more closely on the next three years. After careful consideration, the Board therefore considers a period of three years to be an appropriate period over which to assess the long-term viability of the Company. The viability statement, which provides further detail of this assessment, can be found on page 49.

The Board's assessment of the Group's prospects and stress test scenarios, together with its review of principal risks and the effectiveness of risk management procedures, show that the Group has adequate resources to continue in operational existence for the foreseeable future, including the period exceeding 12 months from the date when the financial statements are approved. Accordingly, the Directors continue to adopt the going concern basis for the preparation of the financial statements.

Mandy Gradden
Chief Financial Officer
2 March 2022

Alternative performance measures

Ascential aims to maximise shareholder value by optimising potential for return on capital through strategic investment and divestment, by ensuring the Company's capital structure is managed to support both strategic and operational requirements, and by delivering returns through a focus on organic growth and operational discipline. The Board considers it helpful to provide, where practicable, performance measures that distinguish between these different factors – these are also the measures that the Board uses to assess the performance of the Company, on which the strategic planning process is founded and on which management incentives are based. Accordingly, this report presents the following non-GAAP measures alongside standard accounting terms as prescribed by IFRS and the Companies Act, in order to provide this useful additional information.

Adjusted profit measures

The Group uses Adjusted profit measures to assist readers in understanding underlying operational performance from continuing operations. These measures exclude income statement items relating to items arising from portfolio investment and divestment decisions, and from changes to capital structure. Such items arise from events which are non-recurring or intermittent, and while they may generate substantial income statement amounts, do not relate to the ongoing operational performance that underpins long-term value generation. The income statement items that are excluded from Adjusted profit measures are referred to as Adjusting items.

Both Adjusted profit measures and Adjusting items are presented together with statutory measures on the face of the profit and loss statement. In addition, the Group presents a non-GAAP profit measure, Adjusted EBITDA, in order to aid comparisons with peer group companies and provide a reference point for assessing the operational cash generation of the Group. Adjusted EBITDA is defined as Adjusted Operating Profit before depreciation and amortisation. The Group measures operational profit margins with reference to Adjusted EBITDA. As Adjusted results include the benefits of portfolio investment and divestment decisions but exclude significant costs (such as amortisation of acquired intangibles and other exceptional items), they should not be regarded as a complete picture of the Group's financial performance, which is presented in its Total results. The exclusion of other Adjusting items may result in Adjusted results being materially higher or lower than Total results.

Adjusting items are not a defined term under IFRS, so may not be comparable to similar terminology used in other companies' financial statements and should not be viewed in isolation but as supplementary information. Details of the charges and credits presented as Adjusting items are set out in Note 6 to the financial statements. The basis for treating these items as Adjusting is as follows:

Exceptional items

Exceptional items are recorded in accordance with the Group's policy set out in Note 2 to the financial statements. They arise from portfolio investment and divestment decisions, from changes to the Group's capital structure, as well as material events that are expected to be non-recurring and outside the course of ordinary operating activities. They do not reflect underlying operational performance.

Amortisation of intangible assets acquired through business combinations

Charges for amortisation of acquired intangibles arise from the purchase consideration of a number of separate acquisitions. These acquisitions are portfolio investment decisions that took place at different times over many years, so the associated amortisation does not reflect current operational performance.

Share-based payments

Ascential operates several employee share schemes. Income statement charges or credits relating to such schemes are a significant non-cash charge or credit and are driven by a valuation model which references the Ascential share price and future performance expectations. The income statement charge or credit is consequently subject to volatility and does not fully reflect current operational performance.

Gains and losses on disposal

Gains and losses on disposal of businesses arise from divestment decisions that are part of strategic portfolio management and do not reflect current operational performance.

Finance costs

As part of the Group's early refinancing of its 2016 debt facility in 2020, unamortised arrangement fees relating to the previous facility were written off and fees for subsequent covenant amendments were incurred. These one-off items do not reflect the current operational performance of the Group.

Tax related to Adjusting items

The elements of the overall Group tax charge relating to the Adjusting items are also treated as Adjusting. These elements of the tax charge are calculated with reference to the specific tax treatment of each Adjusting item, taking into account its tax deductibility, the tax jurisdiction concerned, and any previously recognised tax assets or liabilities.

Alternative performance measures
continued

Adjusted cash flow measures

The Group uses Adjusted cash flow measures for the same purpose as Adjusted profit measures, in order to assist readers of the accounts in understanding the ongoing operational performance of the Group from continuing operations. The two measures used are Adjusted Cash Generated from operations, and Free Cash Flow. The Group monitors its operational efficiency with reference to operational cash conversion. These are reconciled to IFRS measures as follows:

£'m	2021	Restated 2020*
Cash generated from operations	33.2	4.5
Less: cash generated from discontinued operations	(12.0)	(28.5)
Add back: acquisition-related contingent consideration cash flow	39.4	23.1
Add back: other exceptional cash flow	23.4	18.0
Adjusted cash generated from operations	**84.0**	17.1
Adjusted EBITDA	**88.9**	21.7
Operating cash conversion	**95%**	79%
Net cash generated from operating activities	29.9	1.2
Less: cash generated from discontinued operations	(12.0)	(28.5)
Less: capital expenditure	(23.1)	(16.4)
Add back: tax paid by discontinued operations	0.1	–
Add back: acquisition-related contingent consideration cash flow	39.4	23.1
Add back: other exceptional cash flow	23.4	18.0
Free cash flow	**57.7**	(2.6)
Adjusted EBITDA	**88.9**	21.7
Free cash flow conversion	**65%**	(12%)

* Restated for discontinued operations (see Note 11).

Leverage

The Group monitors leverage using definitions included in the Group's banking covenants. The ratio of net debt to EBITDA is calculated as follows:

£'m	2021
Adjusted EBITDA	88.9
Less: Rent expense	(4.9)
Adjusted EBITDA (pre IFRS16)	**84.0**
Net debt	**73.8**
Leverage ratio	**0.9x**

Organic growth measures

To assess whether the Company is achieving its strategic goal of driving organic growth, it is helpful to compare like-for-like operational results between periods. Income statement measures, both Adjusted and Reported, can be significantly affected by the following factors which mask like-for-like comparability:

- acquisitions and disposals of businesses lead to a lack of comparability between periods due to consolidation of only part of a year's results for these companies; and
- changes in exchange rates used to record the results of non-sterling businesses result in a lack of comparability between periods as equivalent local currency amounts are recorded at different sterling amounts in different periods.

Ascential therefore defines Organic growth measures, which are calculated with the following adjustments:

- results of acquired and disposed businesses are excluded where the consolidated results include only part-year results in either current or prior periods; and
- prior year and current year consolidated results are restated at constant currency for non-sterling businesses.

Organic growth is calculated as follows:

2021 £'m	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate Costs	Total – continuing operations
Revenue						
2021 – restated	**147.3**	**91.3**	**56.5**	**54.2**	**–**	**349.3**
Exclude acquisitions	**(29.2)**	**–**	**–**	**–**	**–**	**(29.2)**
2021 – Organic basis	**118.1**	**91.3**	**56.5**	**54.2**	**–**	**320.1**
Organic revenue growth	19%	7%	188%	205%	nm	44.4%
2020 – *as restated**	103.1	88.1	20.5	18.2	–	229.9
Include acquisitions	0.4	–	–	–	–	0.4
Currency adjustment	(4.5)	(2.7)	(1.0)	(0.4)	–	(8.6)
2020 – Organic basis	99.0	85.4	19.5	17.8	–	221.7
Adjusted EBITDA						
2021 – restated	**31.1**	**41.3**	**25.6**	**10.9**	**(20.0)**	**88.9**
Exclude acquisitions	**(5.4)**	**–**	**–**	**–**	**–**	**(5.4)**
2021 – Organic basis	**25.7**	**41.3**	**25.6**	**10.9**	**(20.0)**	**83.5**
Organic EBITDA growth	17%	13%	nm	nm	(5%)	323.2%
*2020 – as restated**	22.6	38.0	(6.5)	(14.3)	(18.1)	21.7
Include acquisitions	0.1	–	0	0	–	0.1
Currency adjustment	(0.8)	(1.5)	0.7	0.5	(0.9)	(2.0)
2020 – Organic basis	21.9	36.5	(5.8)	(13.8)	(19.0)	19.8

* Restated for discontinued operations ((see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2).

Alternative performance measures
continued

Proforma growth measures

Proforma growth is measured in a similar way to Organic growth but assumes that the Company's acquisitions or disposals were all made on the first day of the comparative accounting period and is a measure of the rate of growth of the brands owned today. Proforma growth is calculated as follows:

2021 £'m	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate Costs	Total – Continuing Operations
Revenue						
2021 – restated	**147.3**	**91.3**	**56.5**	**54.2**	**–**	**349.3**
Include acquisitions	**26.7**	**–**	**–**	**–**	**–**	**26.7**
2021 – Proforma basis	**174.0**	**91.3**	**56.5**	**54.2**	**–**	**376.0**
Proforma revenue growth	**33%**	**7%**	**188%**	**205%**		**48.1%**
2020 – as restated	103.1	88.1	20.5	18.2	–	229.9
Include acquisitions	34.1	–	–	–	–	34.1
Currency adjustment	(6.2)	(2.7)	(1.0)	(0.4)	–	(10.3)
2020 – Proforma basis	131.0	85.4	19.5	17.8	–	253.7
Adjusted EBITDA						
2021 – reported	**31.1**	**41.3**	**25.6**	**10.9**	**(20.0)**	**88.9**
Include acquisitions	***8.4***	**–**	**–**	**–**	**–**	***8.4***
2021 – Proforma basis	**39.5**	**41.3**	**25.6**	**10.9**	**(20.0)**	**97.3**
Proforma EBITDA growth	**32%**	**13%**	**nm**	**nm**	**(5%)**	**247.7%**
2020 – as restated	22.6	38.0	(6.5)	(14.3)	(18.1)	21.7
Include acquisitions	9.0	–	–	–	–	9.0
Currency adjustment	(1.5)	(1.5)	0.7	0.5	(0.9)	(2.7)
2020 – Proforma basis	30.1	36.5	(5.8)	(13.8)	(19.0)	28.0

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2)

Glossary of alternative performance measures

Term	Description
Organic revenue growth	Revenue growth on a like-for-like basis
Organic EBITDA growth	Adjusted EBITDA growth on a like-for-like basis
Proforma revenue growth	Revenue growth on a like-for-like basis assuming the Company's acquisitions or disposals were all made on the first day of the comparative accounting period
Proforma EBITDA growth	Adjusted EBITDA growth on a like-for-like basis assuming the Company's acquisitions or disposals were all made on the first day of the comparative accounting period
Exceptional items	Items within Operating profit / (loss) separately identified in accordance with Group accounting policies
Adjusting items	Exceptional items, Amortisation of intangible assets acquired through business combinations, Share-based payments, Gains and losses on disposal, Write-off of unamortised arrangement fees on re-financing, Covenant amendment fees and Tax related thereto
Adjusted operating profit / (loss)	Operating profit / (loss) excluding Adjusting items
Adjusted EBITDA	Adjusted operating profit / (loss) excluding depreciation and amortisation
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of Revenue
Adjusted profit / (loss) before tax	Profit / (loss) before tax excluding Adjusting items
Adjusted tax charge	Tax charge excluding Adjusting items
Adjusted effective tax rate	Adjusted tax charge expressed as a percentage of Adjusted profit before tax
Adjusted EPS	EPS calculated with reference to Adjusted Profit / (loss) for the year
Adjusted cash generated from operations	Cash generated from operations with cash generated from discontinued operations, acquisition related contingent consideration and other exceptional cash flows excluded
Operating cash conversion	Adjusted cash generated from operations expressed as a percentage of Adjusted EBITDA
Free cash flow	Net cash generated from operating activities including capital expenditure. Net cash generated from discontinued operations, acquisition-related contingent consideration and other exceptional cash flow are excluded
Leverage	The ratio of Net debt to Adjusted EBITDA before, in both cases, accounting for the impact of IFRS 16
Net debt	Net debt comprises external borrowings net of arrangement fees, cash and cash equivalents and derivative financial instruments. Net debt excludes lease liabilities in line with how net debt is considered for the Group's banking covenants

Risk management and principal risks

Identifying and managing risk is an integral part of our corporate governance as it helps us deliver long-term shareholder value and protect our business, people, assets, capital and reputation. In order to achieve our strategic objectives and seize market opportunities, risk must be both accepted to a reasonable degree within our risk appetite and balanced by proportionate reward.

Risk governance

It is the responsibility of all of our colleagues to manage risks within their domain. Ultimately, accountability for risk management resides with the Board which is responsible for ensuring that there is an adequate and appropriate risk management framework and culture in place.

Our risk governance framework is set out below. At the top of the structure is our Board, which holds overall responsibility for our risk management and internal control systems. The Board sets risk appetite and the tone of risk management, as well as completing assessments of our principal risks.

The Audit Committee assists the Board by monitoring the adequacy and effectiveness of internal control and risk management systems, as well as the effectiveness of the Internal Audit function. Our operating Risk Committees identify risks and risk owners, controls and mitigations to manage risks, agree action plans to strengthen controls or address deficiencies, review progress with action plans and identify emerging risks.

Risk assurance

The Internal Audit function provides assurance as to the effectiveness of the internal control environment through its primary responsibilities whereby it:

- reviews and assesses the internal control environment with a focus on control effectiveness, quality and continuous improvement;
- determines whether controls are appropriate to provide financial, managerial and operating information that is accurate, reliable and timely;
- determines whether risks are appropriately identified and managed;
- assesses whether assets are appropriately safeguarded; and
- evaluates the systems established to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on Ascential.

Risk governance framework

We have a bottom-up and top-down approach to manage risk at Ascential:

The Board

- Holds overall responsibility for Ascential's risk management and internal control systems
- Defines risk appetite taking into account Ascential's strategic objectives
- Sets the tone and influences the culture of risk management
- Assesses the principal risks, including emerging risks

Audit Committee

- Monitors the adequacy and effectiveness of internal control and risk management systems
- Ensures that a robust assessment is undertaken of the principal risks facing the Company
- Monitors and reviews the effectiveness of the Internal Audit function

Operational Risk Committees

- Identify risks and risk owners (including emerging risks)
- Score impact of risk on an inherent and residual basis according to risk scoring methodology
- Identify controls and mitigations to manage risk
- Agree action plans to strengthen controls or address deficiencies
- Review progress with action plans and current risks
- Membership includes senior management

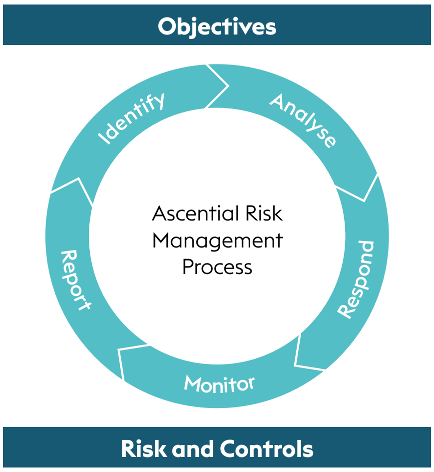
Internal controls and compliance

Internal and external audit activities

An Internal Audit of our risk management process was conducted during 2021 which identified areas for minor improvement. Actions to address these findings have been substantially implemented during the year, with plans agreed to complete the outstanding actions in the first half of 2022.

The Audit Committee receives and analyses regular reports from management and Internal Audit on matters relating to risk and control and reviews the timeliness and effectiveness of corrective action taken by management. The Audit Committee also considers the findings and recommendations of the External Auditor throughout the year in relation to the design and implementation of effective financial controls. Further detail on these activities is included within the Audit Committee report on page 98.

The Operating Risk Committees use the following process to manage risk:



1. **Identify** key risks, including emerging risks
2. **Analyse** the potential impact and likelihood of risks
3. **Respond** to risks by considering existing controls as well as selecting, prioritising and implementing appropriate actions
4. **Monitor** the internal and external environment for potential changes to risks and ensure that risk responses continue to operate effectively
5. **Report** on risks and the status of risk responses adopted

We structure our Operating Risk Committees to align with our four business units: Product Design, Marketing, Digital Commerce, and Retail and Financial Services. We also have two central operating risk committees: Finance and Technology.

We recognise that there are different levels of risk management maturity across our Business Unit committees, reflecting the maturity of the underlying products and capabilities within those business units as well as the rate of change within them. The early-stage nature of the digital commerce businesses being acquired can expose Ascential to weaker control environments in the short term following acquisition. To mitigate this, risks identified through pre-acquisition due diligence are initially managed through the post-acquisition integration programme, with any longer-term risks integrated into the Operating Risk Committee process.

Development of an Enterprise Risk Management Framework

A formal Enterprise Risk Management Framework has been developed during the year, pulling together the elements of our risk management processes into a documented framework. We have also developed our risk register templates to include a target risk rating, actions necessary to get to target risk and a defined risk response. The new risk register template will be implemented by the operating risk committees in Q1 2022. Training materials have been developed to strengthen risk management knowledge and capability within the business and this training will be delivered in the first quarter of 2022.

Business Unit Operating Risk Committees will begin to report on a quarterly basis at the Business Unit Board meetings in 2022 to formalise the risk reporting process. An-out-of cadence reporting and escalation process has also been defined to ensure that risks are effectively managed on a more urgent basis where necessary.

Long-term viability statement

The Directors have assessed the prospects and viability of the Group in accordance with Provision 31 of the UK Corporate Governance Code. By their nature, forecasts inherently become less accurate and more uncertain as the planning horizon extends. While we prepare a five-year plan, the plan's focus is mainly on the first three years with the outer two years relying more on expected trends and extrapolations.

The Directors have assessed the appropriateness of this assertion as detailed business planning focuses on the near-term budget process based on the information available to the Group for the markets and operating environments in which the Group operates, with decisions on future funding and capital allocations focused on this period. In this context, the long-term viability assessment has been based on a three-year timeframe, covering the period to 31 December 2024.

The Company's prospects have been assessed mainly with reference to the Company's strategic planning and associated long-range financial forecast. This incorporates a detailed bottom-up budget for each part of the business. The budgeting and planning process is thorough and includes input from most operating line managers, as well as senior management, and forms the basis for most variable compensation targets.

The Board participates in strategic planning and reviews the detailed bottom-up budgets. The outputs from this process include full financial forecasts of revenue, EBITDA, Adjusted and statutory earnings, cash flow, working capital and net debt.

The Directors consider that the planning process and monthly forecast updates provide a sound underpinning to management's expectations of the Group's prospects.

The Directors carried out a robust assessment of the principal and emerging risks facing the Group, including those that could threaten its business model, future performance, solvency or liquidity. This assessment was made with reference to the Company's current position and prospects, strategy and principal risks, including how these are managed.

The Directors also assessed the potential impact on the Company's prospects should certain risks to the business materialise. This was done by considering specific scenarios aligned to the principal risks identified on pages 50 to 55, applied to stress test the long-range financial forecast. Of these, the six scenarios considered to have the most serious impact on the financial viability of the Company were modelled in detail.

The specific scenarios were:

- a global recession, designed to capture the impact of the most serious plausible manifestation of macro-economic risks (including mitigating factors);
- a serious safety and security incident at a major event;
- the loss of a major customer;
- a substantial breach of cyber security and associated loss of data;
- a significant change in underlying data sources resulting in reduced data availability for our eCommerce services; and
- major events being cancelled at short notice, for instance from disease outbreaks, with no equivalent alternative available.

The Directors have considered the effect of compounding the cancellation of major events at short notice and a significant change in the underlying data sources of our eCommerce services and concluded that the Group was able to continue to fund its operations and comply with debt covenant requirements.

For each scenario, the modelling captured the impact on key measures of profitability, cash flow, liquidity and debt covenant headroom. Scenarios included the effects of plausible mitigation plans where available including decisions on future capital allocation and a review of discretionary spending. In all cases modelled, the Group was able to demonstrate covenant profitability headroom of no lower than 11% with an average of 61% across all scenarios. Based on this assessment of prospects and stress-test scenarios, together with its review of principal risks and the effectiveness of risk management procedures, the Directors confirm that 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 to 31 December 2024.

Principal and emerging risks and uncertainties

We define risk as any potential event which could prevent the achievement of an objective. Risks can arise from the likelihood that an opportunity will not happen, as well as from the threat or uncertainty that something bad will happen.

The Board has made a robust assessment of the principal risks facing the business including those related to its business model, future performance, solvency or liquidity and considered them in the formulation of the Long-Term Viability Statement set out on the previous page. This review of principal risks includes any emerging risks identified during the year.

The following pages summarise our principal risks and uncertainties with mitigating actions, as identified by the Board for the year ended 31 December 2021. The list is not exhaustive and may change during 2022 as the risk landscape evolves.

The Covid-19 pandemic continues to create uncertainty globally and has continued to impact Ascential's risks during the year. However, we consider Ascential's Covid-related risk to be lower than it was in December 2020, with successful live events delivered by Money 20/20 in Europe and the US during 2021. There remains uncertainty from the impact that Covid variants may have on the ability for large scale physical events to take place in 2022.

Ascential's liquidity risk has also reduced since December 2020, with strong trading during 2021, as well as the successful equity placing in July 2021 which raised gross proceeds of approximately £153 million.

We have conducted an assessment of our climate-related risks and opportunities during the year, as well as setting KPIs and targets to measure performance against our climate resilience commitments. Please see the TCFD statement on page 75 for more detail. The climate-related risks identified through this assessment will be integrated into the operating risk management process in 2022. Climate-related risks have been included in the Company's principal risk register within the relevant principal risk.

The Board considers the following to be the Company's principal risks as at 31 December 2021:

Risk	Change since December 2020	
	Unmitigated	**Mitigated**
1. Customer end-market development	Unchanged ↔	Unchanged ↔
2. Economic and geopolitical conditions*	Unchanged ↔	Unchanged ↔
3. Competition and substitution	Unchanged ↔	Unchanged ↔
4. New product and capability development	Unchanged ↔	Unchanged ↔
5. Acquisition and disposals (including integration)	Increased ↑	Increased ↑
6. People risk	Reduced ↓	Reduced ↓
7. Reliance on data providers	Unchanged ↔	Unchanged ↔
8. Cyber threat and information security*	Unchanged ↔	Unchanged ↔
9. Live events	Reduced ↓	Reduced ↓
10. Business resilience	Reduced ↓	Unchanged ↔
11. Finance risk	Reduced ↓	Reduced ↓
12. Regulation and compliance	Unchanged ↔	Unchanged ↔

* The Company is subject to macroeconomic and geopolitical risks such as the current invasion of Ukraine, cyber and information security threats. Such threats are managed and mitigated as relevant and possible through our operational risk framework.

Business and strategic

1. Customer end-market development

Description
Our customers operate in a variety of end markets, each with their own competitive pressures affecting customer preferences and spend.

The business of Digital Commerce is extremely complex, with highly sophisticated marketplaces, each developing in their own way, at an unprecedented pace.

Examples of risks
- Failure to develop an appropriate pipeline of successful products to meet and anticipate the needs of our customers
- Largest consumer brands may move ecommerce analytics capabilities in-house
- Permanent shift in the appetite of businesses and their employees for corporate travel and large events has lasting impact on live events
- Reduced consumerism due to climate change reduces growth and profitability of Digital Commerce business
- Customers demand higher levels of ESG performance than the Company is capable of demonstrating and Ascential is not classified as an authorised supplier

Actions taken to manage risk
- Continued development of Ascential's capabilities through acquisition and investment technology, decision science and methodologies to make Ascential the only well-capitalised player of scale providing consumer brands with both global measurement and execution across key retailer marketplaces, to grow market share and drive business success
- Strategy for live events developed to be less reliant on physical presence in volume. Proven ability to deliver value from the separation of the Lions awards from physical event
- Continue to monitor organic and inorganic methods of remaining a dynamic and agile business in response to climate-related risks and opportunities
- Paul Harrison appointed as the Executive Director with responsibility to the Board for ESG matters
- Continued strengthening of ESG performance, with priority focus on areas of biggest impact e.g. live events

Link to strategy
Our strategic objective to be a market-leading specialist information company relies heavily on our ability to anticipate and respond to our customers' changing needs.

Risk movement from 2020
Stable

↔

2. Economic and geopolitical conditions

Description
Across our business we are exposed to the effects of political and economic risks. These include the continued uncertainty from the Covid-19 pandemic, changes in the regulatory and competitive landscape, global supply chain failures, the impact of international trade policy and sanctions, and hostile state action.

Examples of risks
- Financial recession in our key markets leading to reduced spending power for customers
- Budget scrutiny from clients leads to rate compression or client attrition
- Impacts to global supply chain leads to significantly increased out-of-stock products which reduces ecommerce sales
- Actions by hostile states negatively impacts our people, products or intellectual property
- Changes in international trade policy negatively impact the digital commerce sector

Actions taken to manage risk
- Recession modelling and scenario planning is a key part of the Budget process
- Impact of recession is distributed across Ascential brands with some brands' propositions more attractive in a recessive environment
- Customers have mitigated supply chain impacts by focussing on key product lines and investing in more robust supply chains
- Monitor geopolitical landscape to develop plans to respond to specific threats or opportunities

Link to strategy
Our strategic objective to accelerate organic growth requires us to operate effectively within different global political situations which change constantly.

Risk movement from 2020
Stable

↔

Business and strategic continued

3. Competition / substitution

Description
We are exposed to a varied and dynamic competitive landscape, ranging from niche providers and new entrants in eCommerce analytics to data aggregators and consultancy firms.

Examples of risks
- Marketplaces open up full suite of programmatic tools that are comparable to parts of our Digital Commerce proposition with no incremental cost to the end user
- Competitors determine the 'land grab' of eCommerce is worth no profit and offer ecommerce services at no additional charge as part of their broader engagement
- Pricing pressure increases as competitive intensity grows

Actions taken to manage risk
- Continuing extension of targeted capabilities to demonstrate why specialist proposition provides value
- Continued investment in technology and decision science to offer competitive advantage
- Diversification of proposition across multiple marketplaces
- Close monitoring of competitive landscape and emerging technology to identify threats and opportunities

Link to strategy
Our strategic objective to be a market-leading specialist information, data and analytics company relies on our ability to differentiate our products and services from our competition.

Risk movement from 2020
Stable

↔

4. New product and capability development

Description
Development of new products and capabilities is a key driver for Organic growth, which is central to our long-term sustainability.

Examples of risks
- Exposed to development of Hudson MX product through minority investment. Risk to the value of Ascential's investment and lost opportunity if Hudson product is not successfully delivered
- New products do not meet customers' needs due to technical or operating weakness or do not generate sufficient return
- Development of WGSN new verticals is not successful
- New product development moves the business into a different area which exposes the Company to greater reputational risk
- Data scraping methods considered unethical leading to reputation damage

Actions taken to manage risk
- Secondment of experienced product development personnel to Hudson MX
- Product strategies defined
- Formal project plans for all new product development, with appropriate gating and milestones
- Established process for development of new WGSN verticals and proven track record with Beauty and Food & Drink
- Data Protection Officer involved with new product development to confirm compliance by design
- Data Harvesting guidelines

Link to strategy
Our strategic objective to be a market-leading specialist information company relies heavily on our ability to continue to develop products and propositions that enable our customers to win in the digital commerce economy.

Risk movement from 2020
Unchanged

↔

5. Acquisitions and disposals (including integration)

Description
Whilst we continue to invest in organic growth and product development, acquisition of bolt-on capabilities remains part of our core strategy, primarily in Digital Commerce.

We may divest brands which are no longer core to our strategy.

Examples of risks
- Acquisitions or divestitures do not deliver anticipated value
- Nature of digital commerce business being acquired exposes Ascential to weaker control environments short term post acquisition
- Increasing pace of Digital Commerce acquisitions increases pressure on ability to integrate successfully

Actions taken to manage risk
- We have a strong and experienced M&A team who take a disciplined approach to identifying and testing acquisitions to ensure they are appropriate, a strategic fit and will be earnings enhancing
- Detailed cross-functional due diligence is undertaken prior to acquisition
- Formal integration programme with longer-term risks integrated into the risk management process
- Strong track record of strategic acquisitions and disposal of non-core assets

Link to strategy
Our strategic objective to apply a tightly focused capital allocation process to achieve our goals and maximise value creation depends on our ability to identify the right acquisitions, to conduct thorough due diligence and to integrate acquisitions effectively.

Risk movement from 2020
Increased

↑

6. People

Description
People management, effective succession planning and the ability to attract and retain talent are critical to our ability to execute our strategy and achieve our objectives.

Examples of risks
- Loss of key talent, high attrition and/or lack of appropriate succession planning leads could lead to a strategic skills shortage
- Loss of intellectual capital due to poor retention of talent
- Poor corporate responsibility practices may reduce ability to attract and/or retain top talent
- Perceived lack of attractiveness of existing LTIP awards in the US reduces ability to attract and retain key talent
- Staff morale negatively impacted by pandemic working

Actions taken to manage risk
- New VP People, Digital Commerce appointed to manage HR strategy for Digital Commerce
- Executive Director capacity increased through appointment of COO, which also provides succession options
- Succession planning for Senior Leadership Team
- More robust ESG policy developed and VP of ESG being recruited
- TCFD project to identify material climate related risks and identify KPIs and targets to mitigate Ascential's environmental impact
- Package of measures implemented to improve employee engagement contributed to record engagement score in 2021 employee engagement survey

Link to strategy
All of our strategic objectives rely on us attracting and retaining the right talent to execute against our strategy and meet the needs of our customers.

Risk movement from 2020
Reduced

↓

Operational

7. Reliance on data providers

Description
Our eCommerce analytics products utilise data from a number of suppliers. A change in availability of this data or the structure of how the data is provided can impact the accuracy or availability of our products and/or increase costs.

Examples of risks
- Increase in blocking technology impacts data collection
- Marketplaces prohibit Ascential brands from data scraping
- Data provider increases utility of the data they provide reducing the competitive advantage of our eCommerce analytic products

Actions taken to manage risk
- Well-resourced Data Science team
- Additional data sources sourced to augment accuracy of models
- Outsource of data collection to well-established experts in the market
- Continue to build strategic relationships with data suppliers to gain earlier visibility of changes

Link to strategy
Our strategic objectives to accelerate organic growth and to be a market leader require us to consistently deliver accurate and valuable eCommerce analytic products that are differentiated from competitor products.

Risk movement from 2020
Stable

↔

8. Cyber threat and information security

Description
An external cyber attack, insider threat or supplier breach could cause service interruption or the loss of confidential data. Cyber threats could lead to major customer, financial, reputational and regulatory impact.

Examples of risks
- Loss of intellectual property
- Major data privacy breach
- Significant impact on business operations from malware or ransomware attack
- Targeted cyber attacks by hostile states on international organisations including foreign governments, customers and key suppliers

Actions taken to manage risk
- Maintenance and testing of network security, network resilience and business continuity plans
- Monitoring of emerging threats to ensure our preparations and responses are current
- Regular, comprehensive training programme for our employees on information security practices
- Implementation of Data Loss Prevention software
- Adoption of additional authentication tools to reduce the likelihood of remote attacks
- Regular penetration and vulnerability testing
- Focus on cloud governance and logging

Link to strategy
All of our strategic objectives rely on our ability to operate compliantly and to provide safe and effective products and solutions to our customers.

Risk movement from 2020
Stable

↔

Operational continued

9. Live events

Description
Our events are held at specific locations which may become unavailable for use. Travel disruption or safety risks from a variety of causes including natural disasters, communicable diseases, civil disorder, political instability or terrorism may prevent both customers and our employees from reaching the event location or being unwilling to travel.

Examples of risks
- Terrorist attacks during or shortly before events could result in fatalities, injuries, reputational damage and loss of revenue
- Civil disorder or organised protests disrupt an event or make accessing the venue difficult
- Government restrictions prohibit people from attending large scale events in response to a pandemic such as Covid-19
- A global pandemic means that people are unable or unwilling to travel and attend large-scale events
- Customers boycott Ascential events due to weak environmental performance
- Health & safety incidents occur during the event

Actions taken to manage risk
- Global threat monitoring throughout the year to identify any significant risks and to inform Safety and Security plan for each event
- Protective intelligence monitoring prior to and during an event with appropriate measures and contingency plans developed and agreed with the venue and local government
- Ascential Secure standard approved and published which reflects industry best practice communicable disease mitigation measures
- Separation of Lions awards from physical event
- Development of virtual content for events
- Plans developed to position Ascential as a leader in sustainable events
- Safety Risk Assessment and Event Safety & Security Plan completed prior to each event
- Insurance cover in respect of certain event cancellation risks

Link to strategy
All of our strategic objectives rely on our ability to operate compliantly and to provide safe environments for our events.

Risk movement from 2020
Reduced
↓

10. Business resilience

Description
Our operations may be disrupted by an adverse event whether that be IT service interruption, disruption to physical locations or interruption in the provision of service from our key suppliers. We need to build resilience to reduce the potential impact of such an event and be prepared to respond to any such event effectively.

Examples of risks
- Website receiving payments (e.g. Lions awards and delegate passes) is inaccessible
- Pandemic leads to enforced extended working from home
- Natural disaster impacts key operational location
- Global trend of nationalism and protectionism, including onshoring supply chains
- Key supplier failure, for example, insolvency of a key supplier that we had been unprepared for

Actions taken to manage risk
- Cloud Architectures are built in a resilient fashion and all architectures are documented to identify and understand risk
- Architectures have oversight of cloud partner architect and platform architects
- Proven ability to perform effectively over extended remote working periods
- The nature of Ascential's business being asset light and diversified across different sectors and regions minimises potential impact of localised weather events
- Group crisis management plan to manage how the Senior Leadership Team directs the business through any major incident or crisis which may severely disrupt operations, threaten business performance or damage reputation
- Technical incident response process in place
- Long-term contacts in place with key suppliers, professionally procured and with rigorous Service Level Agreements and due diligence as part of RFP process
- Financial security of key suppliers under continuous review. Alerting set up for all key suppliers so Ascential Procurement are notified of any change in circumstance

Link to strategy
All of our strategic objectives rely on our ability to operate resiliently and minimise the impact of any significant crisis or event.

Risk movement from 2020
Stable
↔

Financial

11. Financial risk

Description
Insufficient balance sheet strength and liquidity negatively impacts the Company's ability to execute strategy or ability to continue to trade as a going concern. Material exposures to different currencies and fluctuations in these currencies affect the reported financial results. Tax law and administration is complex and tax authorities may challenge our application of tax law, potentially leading to lengthy and costly disputes and material tax changes.

Examples of risks
- Significant loss of revenue and/or profit causes breach of banking covenants
- Lack of liquidity constrains ability to pursue optimum acquisition strategy
- Uncertain macroeconomic environment could lead to increased complexity in accounting judgements
- Failure to deliver the benefits expected from the finance systems programme and risk of disruption to business activity
- Fraudulent financial reporting leads to elevated earnouts
- Change in tax legislation could lead to significantly higher Effective Tax Rate
- Material fluctuations in currency (particularly US Dollar, Sterling and Euro) affect reported profitability
- Challenge by tax authority on application of tax law
- Cost structure based in Western countries may result in Ascential becoming non-competitive over time

Actions taken to manage risk
- Successful equity placement in July 2021 increased liquidity and demonstrated access to capital markets
- Robust stress testing and sensitivity analysis when valuations and assessments for financial reporting are reliant on uncertain macroeconomic environment
- Full programme team for finance systems programme recruited as well as engagement of external specialised system integrator.
- Financial control framework in place and oversight of brand financial reporting at Group level
- The impact of movements in US Dollar and Euro currencies is calculated and reported to investors for transparency
- Approach to foreign exchange risk is set out in Note 31 to the financial statements on page 177
- Full, accurate and timely disclosures made in submissions to tax authorities who we work with collaboratively to achieve early agreement and certainty on complex matters wherever possible

Link to strategy
Our strategic objectives to accelerate Organic growth and to be a market leader require us to consistently deliver accurate and valuable eCommerce analytic products that are differentiated from competitor products.

Risk movement from 2020
Reduced
↓

Legal and Compliance

12. Regulation and compliance

Description
As a global business, we are subject to different regulations across multiple jurisdictions. Operating across this increasingly complex and dynamic legal and compliance environment can lead to fines, penalties, reputational risk and competitive disadvantage. The regulatory landscape can change, leading to our current business model becoming less profitable or unsustainable.

Examples of risks
- Compliance failures could lead to breach of Market Abuse Regulations, GDPR, anti-bribery or other key legislation
- Breach of data privacy policy
- Change in regulatory landscape regarding data collection and usage
- Regulatory antitrust or competition law remedies force a significant marketplace to change their practices which negatively impacts an Ascential digital commerce brand
- Evolving sanctions law prohibits transactions with some existing or potential customers

Actions taken to manage risk
- Potential antitrust remedies may benefit other marketplaces to offset negative impact
- Experienced legal team supported by professional advisers monitor changes in regulation and emerging best practice in the sector and in key policy areas
- Strengthened compliance framework including formal code of conduct and refreshed compliance training
- Group monitoring and auditing programmes in place
- New 'speak up' tool implemented for confidential reporting of concerns by employees
- Employee training and awareness programme

Link to strategy
All of our strategic objectives rely on us to comply with applicable laws and regulations and to do the right thing as part of our licence to operate.

Risk movement from 2020
Stable
↔

Our people

We work hard to attract and retain the best people in the industry so we can deliver the best products and services to our customers. We aim to be a destination employer in every one of our key operating territories and markets.

In what was another challenging year for everyone around the world, we are proud of how our employees have continued to respond to the challenges wrought by Covid-19 – both in terms of their adaptation to working in a new hybrid way and their continued dedication and focus on our clients.

Setting Direction and Engagement

Direction and engagement starts with communication. During 2021, our communication – through channels such as town halls, newsletters and conferences – continued and with increased frequency. Global video communications from our CEO and Senior Leadership Team ensured clear direction and created an environment of equal access to leadership for our teams around the world. Additionally, each area of the business continues to regularly host virtual all-colleague meetings to share news, conduct training and update on progress against priorities.

Virtual conferences

In the first quarter, for the first time, we ran individual virtual conferences for each business unit. In this new hybrid working environment we recognise that continuing to connect with colleagues is of the utmost importance – primarily through a business lens, but also by encouraging informal and interpersonal relationships between teams. All the virtual conferences provided the opportunity to hear from Ascential's Leadership Team, with the goal of helping people feel part of the wider Ascential organisation. Simultaneously, a Business Unit approach enabled our people to pragmatically translate Ascential's global strategy into specific business unit plans. These virtual company conferences aligned objectives and interests, gave our people an opportunity to connect, share learnings and collaborate, whilst further deepening their understanding of our business goals.

Strategy sessions

Later in the year we followed up with Ascential Strategy Sessions, where our people could hear from and have a conversation with our CEO, CFO and COO on Ascential's strategic direction. The goal of these sessions was to provide everyone with a clear understanding of where each element of the business fits into the wider Ascential group, why we are so integral to our customers' success and our direction of travel in the near future. Our conferences and strategy conversations have become an important part of our journey to a more informed and connected Ascential.

Leadership videos

To help ensure regular communication and engagement, each month our CEO, CFO or COO shares a leadership update video on how Ascential is performing, a reminder of key focus areas, company-wide thank yous and key People initiatives that inform our teams' experiences of working here.

Improved engagement

Each year we conduct an engagement survey in which all colleagues, globally, are asked the same set of questions about their experience of working at Ascential. The channels of communication mentioned above have contributed to an improvement in the results of this survey in 2021:

- "I feel part of wider Ascential" has risen +7% year on year
- "I have a clear understanding of the future direction" increased +5% year on year; and
- "the leader of my brand or function has communicated a clear vision of the future direction of Ascential" rose +5% year on year.

Our HR business partnering team is aligned and embedded in our Business Units ensuring that the People agenda is focused on the unique needs of each part of our business. This has enabled us to provide targeted HR support and build People plans aligned to the strategy of each Business Unit. Alongside these business partnering teams, we have ensured that we are leveraging best practice capability, systems and processes provided by our centralised teams in Learning & Development, Reward and Operations.

Our people's opinions matter

We make it a priority to hold regular updates to both inform our people on business progress and answer any questions they may have, as well as to gather their ideas on improving customer and internal engagement.

We conduct an annual employee engagement survey and act upon the results. The survey, along with face-to-face feedback, helps us understand what people think and what they want to achieve in their careers with us thereby informing the ongoing development of our culture across all Business Units and geographies. The global engagement survey showed our aggregated engagement score improved by 5, to 86 (our target being 80 out of 100) with scores around Manager and Leader Quality, Inclusion, Employee Voice, Motivation and Loyalty indicators all at 85+.

We remain focused on retention and the needs of our people. We have put in place a number of initiatives during 2021 such as clearer career and development paths, mentoring schemes, as well as equipping our managers to have open and transparent conversations with their team members around their career.

Supported by the Board, in October 2020 we established an employee voice forum – the Ascential Forum. The purpose of the Forum is to further amplify the voice of our people, in particular giving front-line employees the opportunity to share their views and ideas directly with a Board member (Rita Clifton) across three issues: strategy, performance and culture. 20 delegates were chosen by a global jury from self-nominations based on colleague endorsements. These delegates represent our global and diverse workforce, with an emphasis on more junior colleagues and colleagues in areas where we are growing fastest, for example within the Digital Commerce business. The Forum met three times in 2021 and we invited participants to renew their commitment in October; with 18 doing so. We are adding delegates from underrepresented Business Units and regions to pick up the conversation in 2022.

94%

of employees are proud to work at Ascential

Overall, we are pleased with our year-on-year progress on colleague engagement and each Business Unit has a clear plan to drive further improvement in 2022 across the relevant areas that will have a positive impact on their employees.

Our Values and leadership beliefs

The Ascential Values were launched in 2018 and have gathered momentum since then. These seven Values underpin our culture, define our ways of working and behaving and supplement our people's understanding of what we do. The Values are now clearly presented on all key websites as well as being directly incorporated into our people processes such as Performance Appraisals and Development Reviews. We believe that our Values, regular employee communication and work flexibility offered to colleagues during the pandemic are important contributing factors to the continued very high scores we receive for Organisational Integrity (87%) in our annual engagement survey. It is important that our leaders embody these Values and most colleagues agreed this was the case, as seen by the 93% score when asking our people whether their managers and leaders act in accordance with them. Additionally, 94% of colleagues stated that they were proud to work at Ascential.

Valuing the diversity our people bring

For Ascential, diversity is core to how we work. Our value as an employer and to our customers is greater when we draw on the full range of our collective perspectives and experiences. We continue to be committed to attracting, retaining, developing and engaging a diverse workforce and we work constantly to ensure that everyone at Ascential feels empowered to be themselves. This is the right thing to do to ensure a sustainable future for our organisation and to make a positive impact for our people, customers and society.

Our Vice President of Talent, Development & Corporate Responsibility and our Corporate Responsibility Manager, whilst taking a lead on developing the central Diversity, Equity and Inclusion ("DEI") strategy, also work to equip and empower our colleagues across the business to take action on DEI. We believe progress on this important matter happens quicker when hiring managers, team leaders and colleagues who are inspired and enabled to deliver at a local level.

DEI Learning and Development

This year a key enabler for DEI was a training module developed in partnership with our Legal Team on 'Designing and Delivering DEI programmes' which was delivered to all HR colleagues and DEI leaders across the business. The training focused on practical tips for using DEI to solve business challenges, how to implement programmes in an inclusive way and how to stay within regional legal frameworks.

We continued our development focus on Conscious Inclusion this year with targeted Inclusive Leadership development offered to two senior leadership cohorts to help them evolve a culture in which their people can bring their best selves to work, which we believe in turn turbocharges growth. The programme enables leaders to have more productive conversations by managing personal blind spots to inclusion. Building DEI into core training programmes will remain a priority into 2022. Furthermore, based on a demand for broader support we are launching a New Rules of Leadership programme which will enable our leaders to use their leadership in a respectful, effective and inclusive way to drive engagement, innovation and a healthy culture.

> "In the summer of 2021 we awarded all permanent employees of Ascential 700 free shares as a thank you for their hard work and dedication to the business during the COVID impacts over the previous year."

DEI Policies and Data

This year we also worked to improve the support we provide our disabled colleagues. This included a new 'Workplace Adjustment Policy' and a Manager Toolkit along with a review of our existing flexible working and working from home policies through a disability lens to ensure support was equitable.

Whilst the majority of actions we take on DEI are because they are the right thing to do, we also understand the diversity of our organisation is only one indicator of success. In order to improve that understanding, we have put in place new data capture mechanisms to gather diversity data from our people. By collecting this information in Workday, our people management tool, we will be able to build on the initial data we received in the anonymous 2020 survey to conduct more detailed analysis and gain deeper insight. In 2022 we will be using this data to look across our employee life cycle and understand where there may be opportunities for improvement.

DEI Gender insights

In 2021 Ascential's overall gender split was 56% women, 44% men, which is consistent with previous years. The figures below show where we need to continue our focus, i.e. within our senior levels of leadership. You can view further details on our plans for this in our 2022 Diversity and Inclusion report.

Board:

63% women 37% men

Executive (C-suite & Business Unit Presidents):

37% women 63% men

Senior Leadership (levels 1 – 4):

40% women 60% men

Our Board remains one of the most diverse amongst UK listed companies, remaining #2 in the FTSE Women Leaders, formerly Hampton Alexander Review.

Employee development

We are committed to offering our people training in the skills they need to do their jobs, and opportunities to develop and grow their skills to have fulfilling careers. The response to the 2021 engagement survey question, "I have received training to do my job" continues to increase positively year on year, currently standing at 84%. Combining always-on online learning and tailored on-demand training, Ascential's Learning & Development (L&D) offerings aim to help brands to scale and continue being successful by offering the training and development they require to optimise their business, teams, and themselves to the best of their ability. Every brand is different, so we don't enforce a training schedule or one-size-fits-all workshops. The L&D and HR teams work with our business and brands units to create on-demand training that's fit for purpose for their teams. This approach enabled us to kick-start the year and reach nearly 2000 learners to address various training requests in Q1 alone.

As our number one L&D priority, we continued to scale and offer ongoing, targeted Management Development – particularly for our recently acquired companies and first-time people managers. For 2022, we have created a New Manager Playbook to ensure that every newly hired and promoted people manager knows the support and training available to them.

This year specifically, we saw a trend in leaders asking for our help to build feedback and communication skills, particularly on how this fits into the hybrid working world and how we all need to adjust to it. This contributed to an improvement in managers providing performance feedback, as shown by an increase to 84% when our people were asked whether their managers provided effective performance feedback.

We also had a focus on career development, particularly in H1, partnering closely with brand HR teams, to support our people to take control of their careers and get clarity on their goals and how to pursue them. This, coupled with manager training on how to have good career conversations, contributed to the answer to engagement questions on career development increasing by up to 16% YoY.

This has been the third year of our global Mentor Marketplace, in which we launched a self-serve mentoring platform that is accessible to everyone and makes it easy to find a mentor across Ascential. This platform allowed us to extend beyond traditional mentoring to include peer, colleague and reverse mentoring, and mentoring from our Elite winners (the Elite Awards identify and reward individuals for their excellent business performance). We used feedback from around the business to design the platform with the overall aim being for people to find mentors that suit their needs, as easily as possible.

Two further areas of L&D activity this year were:

- Building data capability by growing the Data Apprenticeship Programme in the UK and US. 27 colleagues took part in the 12-month Data Apprenticeship programme, a 17% increase from 2020. In addition, a range of alternative data training solutions were offered to support colleagues.
- Introducing Product Management L&D to align the global product community in product management foundations, communications, agile ways of working and software training.

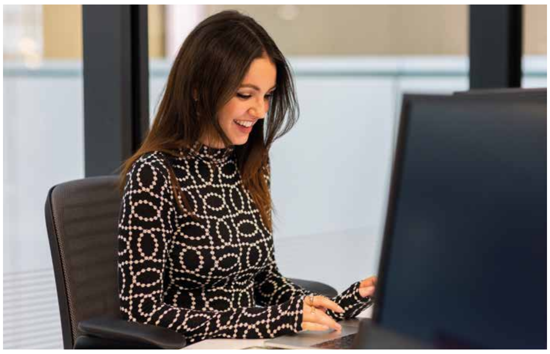
We ended 2021 in a strong position to launch two levels of leadership development programmes which commence in H1 2022 with the purpose of building the critical digital leadership skills for Ascential to become a 100% global tech business and setting us up for further success in the digital commerce industry.

Encouraging collaboration

This year we made the technology switch to Slack, which was rolled out worldwide to all employees. Slack is a collaboration hub that helps bring our people, information and tools together, better connecting our teams and systems. This continues to aid remote working and enable greater communication and sharing, which is all the more important as hybrid and virtual working continue to be the norm.

Share ownership

Share ownership is an important principle of our reward philosophy. We want everyone that works at Ascential to benefit from the growth of the company. To foster a culture of share ownership, we run an annual share



save and stock purchase plan for all eligible employees to purchase Ascential shares at a discount. Around 30% of employees globally participate in these plans.

To further strengthen the link between high performance and share ownership, from 2021, winners of the company-wide quarterly Elite awards are also awarded the equivalent of £500 in free shares. Our awards exist to recognise the brilliant work of our people: from sales and marketing excellence to exemplary teamwork and above-and-beyond performance across every discipline.

In the summer of 2021 we awarded all permanent employees of Ascential 700 free shares as a thank you for their hard work and dedication to the business during the COVID impacts over the previous year.

Benefits

Our employee benefits are an important part of our overall employment proposition to help us attract and retain the best talent. This year as the business has grown, especially in North America, we have worked to harmonise the medical insurance benefits for our US colleagues under one provider and enhance levels of coverage. Our commitment to supporting our employees' wellbeing remains an important principle and we recognise the importance of having well-structured plans in place.

Employee recognition

We offer regular recognition and rewards based on outstanding work.

The biggest moment of recognition each year is the Ascential Awards, which are open to all employees. Judged by leaders and Ascential experts of varying seniority across our Business Units and regions, alongside our Chairman Scott Forbes, the Ascential Awards serve as the ultimate spotlight on the achievements of individuals and teams.

Winners are announced in a dedicated awards ceremony during the annual Ascential Conference series and in 2021 were awarded a personal development fund to spend on building a work/life skill of their choice. Categories include commercial, creative, collaboration and customer service successes, ensuring that every person at Ascential has an opportunity to be represented, with each year seeing an increase in entries. Our 2021 Ascential Awards ceremonies took place as virtual events to recognise our employees' outstanding contributions.

We also recognise and reward the brilliant work of our people each quarter, through the Elite Awards, when a small group of winners is selected based on their exemplary and impactful work. Elite winners are awarded a trophy and offered shares. In 2022 we will launch an "Elite Hall of Fame" to celebrate and showcase excellence as well as an "Elite Innovation Incubator" to leverage the creative power of our Elite Alumni.

Employee Health, Safety and Wellbeing – and how we continue to responded to Covid-19

Covid-19 continues to dominate the Health & Safety agenda. We safely restarted our live events in London, Amsterdam and Las Vegas with a bespoke Covid Safety Plan for each, reflecting local requirements and risks. Each event was delivered safely and we are not aware of any Covid-related issues after each event which impacted our attendees or Ascential employees.

In parallel to restarting our live events, we adjusted our Office Safety and Business Travel Policies to match local guidelines. We are beginning to see higher levels of office occupancy in the UK and North America, albeit the new Omicron variant had an impact towards the end of the year. Whilst Covid-19 remains a threat, working from home remains an equally acceptable option for everyone. After a gap of 600+ days, we have also seen the resumption of trans-Atlantic business travel.

As a thank you and in recognition of how hard everyone has worked during the pandemic, we implemented our first Ascential long weekend. Every employee was gifted two extra days of holiday as part of a company-wide long weekend at the end of July 2021. This was extremely well received by employees.

Wellbeing continues to be an integral part of our company culture and is an increasing area of focus so that people feel supported in building a long-lasting career at Ascential. One thing that the Covid-19 pandemic has placed a spotlight on is how we need to have a more holistic approach to wellbeing. Moving into a post-pandemic world, employees now work in different ways as we have transitioned to a hybrid, flexible working model. Ascential has had to pivot how we provide and communicate benefits to our employees, in particular to ensure they have access to the right mental health support, stay socially connected and feel part of Ascential.

We have over 30 trained Mental Health First Aiders (MHFA) across the business who have been trained by the official MHFA body to spot the signs and symptoms of mental ill health, provide first aid and act as a confidante for their colleagues across the business.

All our wellbeing support contributed to the engagement questions "Ascential is a caring environment" scoring 92%, and "[I'm] aware of mental health support" scoring 82%. We have recently consolidated information on local support and benefits for our employees on our intranet and communicate it regularly. We want employees to be aware of what is available to everyone all the time and encourage them to take an active role in Ascential's wellbeing initiatives, some of which include:

- Bite-size insights from neuroscience, sports psychology and cognitive behavioural therapy.
- Increased communications and awareness of our global employee assistance programme, including confidential counselling.
- Continuing to grow our wellbeing ambassador network around the world by retraining and adding champions to our Mental Health First Aiders programme.

We added to these initiatives with targeted support in town halls or with longer webinars/series tailored to specific needs, covering topics such as:

- Techniques for tackling stress and anxiety.
- Boosting the physical foundations of wellbeing.
- How to have conversations about mental wellbeing.
- Productivity through a wellbeing lens.

We also completed a Mental Fitness pilot for 20 colleagues to test a six-week app-based concept, which will now be extended into our global IT function in 2022.

Stakeholder engagement and S172

Section 172 of the Companies Act 2006 requires Directors to act in a way that promotes the success of the company for the benefit of shareholders as a whole, whilst having regard to the interests of its other stakeholders.

This section of the report serves as our Section 172 (1) Statement, setting out how Directors have taken into consideration the interests of material stakeholders in their decision making.

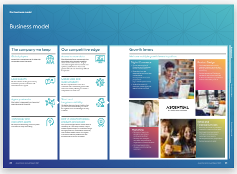
Effective stakeholder engagement helps us gain a better understanding of the impact of our decisions on stakeholder interests as well as understanding their needs and concerns. By understanding our stakeholders, we can factor into Board discussions the potential impact of our decisions on each stakeholder group and consider how best to act fairly between members as a whole.

We consider our key stakeholders to be our customers, our people, our suppliers and business partners, our investors and wider society.

Our methods and outcomes

The methods we use to engage with each of these stakeholder groups and the outcomes from that engagement are set out in the following pages. In addition to this information on stakeholder engagement, other sections of this Annual Report are relevant to this statement and should be read in conjunction with this statement:

Business model – this identifies and explains the key relationships that our business depends upon (page 22)

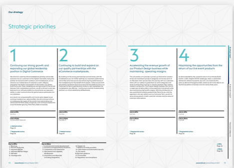


Chief Executive's statement – this explains how our key decisions in the year have supported our long-term strategy (page 10)

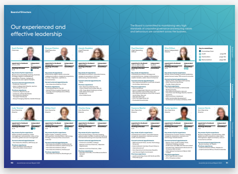
Principal risk disclosure – this identifies threats to the relationships which could disrupt the long-term success of the Company (page 50)

Market review – this describes the trends in our macro environment that are likely to affect our performance and achievement of our long-term strategy (page 18)

Strategy – this summarises our long-term strategy and the progress we have made in implementing that strategy (page 14)



Corporate governance report – the section on culture explains how the Directors monitor culture and support the achievement of the desired culture necessary for the achievement of our long-term success (page 85)



1

Our customers

We help our customers to make smart strategic decisions that improve performance now and in the future, enabling them to outperform their competitors.

Customer forums & feedback

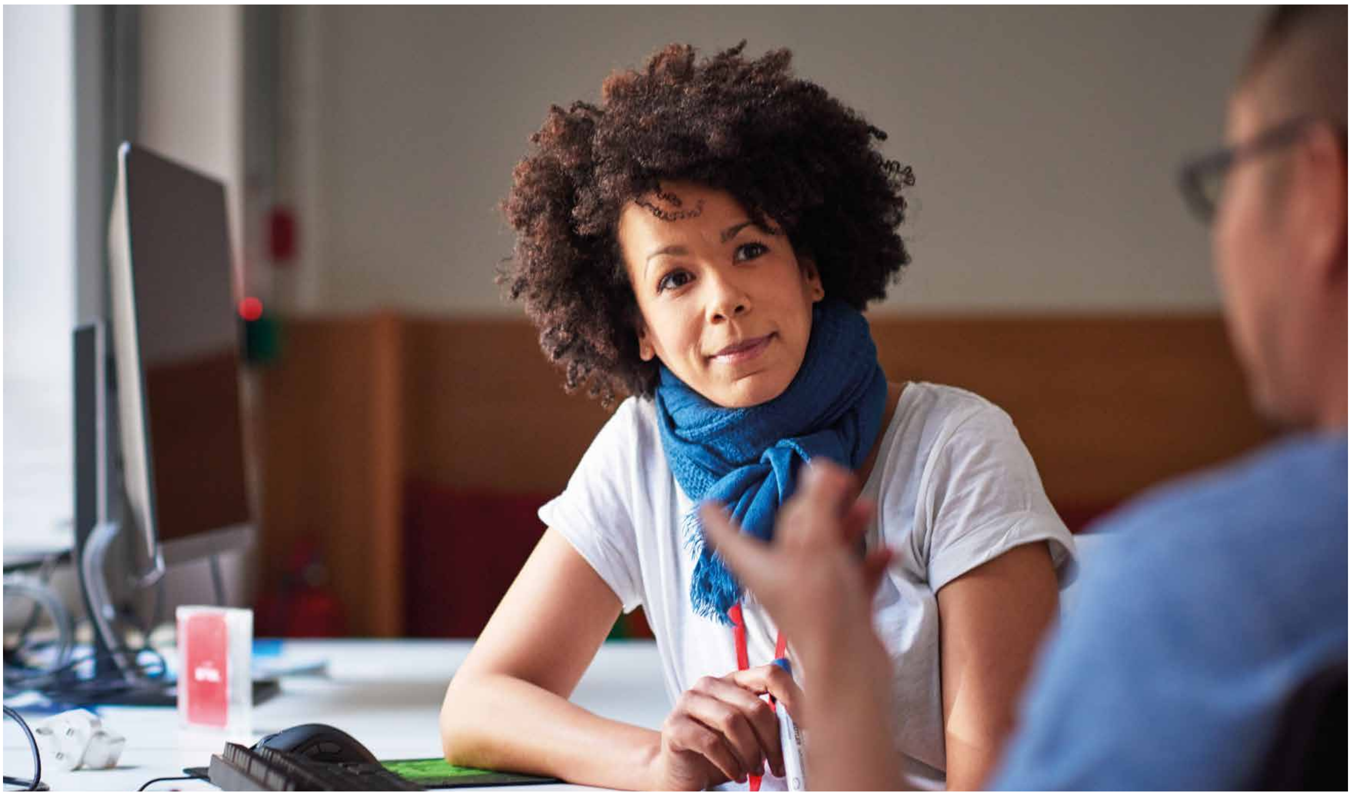
How we engage

- We regularly engage with customers across our product brands and geographies. Our account management and client service functions are in regular contact with customers to ensure they get the best value from our services.
- We run Net Promoter Score ("NPS") surveys across the majority of our brands.
- We conduct research on a project basis in advance of major product developments.
- Throughout the Covid-19 pandemic we put even more focus on staying close to our customers' needs. For all our brands that meant digital engagement, with our content becoming even more important through virtual events such as Digital Commerce Live, MoneyFest and LIONS Live, and agenda-setting white papers from Digital Commerce, WGSN, Money20/20 and WARC. Plus, Cannes Lions produced the Cannes Lions Awards in June as a globally-accessible and fully digital experience for the first time.
- Money20/20 returned in 2021 in both Amsterdam and Las Vegas, and likewise RetailWeek Live in London.

Outcomes from engagement

NPSs are shared across the business, leading to the ongoing development of marketing, product and content strategies that take into account customer feedback.

At our events, the content topics and themes have been directly informed by qualitative and quantitative research and NPS surveys.



2

Our people

We have an experienced and dedicated workforce which we recognise as a key asset of our business. Key tenets of making Ascential a great working environment include an emphasis on personal wellbeing, investment in personal development and career progression, support for flexible working, diversity and inclusion in everything we do, and open and honest leadership communications.

Health & Safety

How we engage

- The Safety Committee meets quarterly, as well as providing informed leadership throughout the year.
- Safety and Wellbeing Champions, representing every major location and brand, are actively involved with the management of local issues, including Covid-19.
- Group-wide communications are the cornerstone of our Covid-19 response strategy to manage expectations and reduce uncertainty, with a strong focus on measures to promote mental health and physical wellbeing.

Outcomes from engagement

Where it was safe to do so, we have seen a managed return to office working (on a voluntary basis), a resumption of international business travel and the safe delivery of live events. These business activities would not have been possible without proactive employee engagement, explaining the potential risks and implementing appropriate mitigation measures.

Internal communications

How we engage

- Our business-wide internal communications framework ensures that our people are kept up to date with business strategy and performance, People initiatives including managing personal performance, other functional updates such as Technology and Legal, and any organisational changes. Each area of the business continues to regularly host virtual all-colleague meetings and team briefings to share news and progress against priorities.
- We ran individual virtual conferences for each Business Unit. All conferences throughout the business offered the opportunity to hear from Ascential's Leadership Team, with the goal of helping people feel part of the wider Ascential organisation. Simultaneously, a Business Unit approach enabled our people to pragmatically transform Ascential's 2022 global strategy into specific Business Unit plans.
- More detail of how we engage with our people is included in the 'Our People' section on pages 56 to 59.

Outcomes from engagement

- We include surveys in all of our all-colleague newsletters to gather regular feedback on content, format and frequency of our communication. Each year we shape our annual conferences based on a post-conference survey that goes to all attendees. This survey informs the format, content agenda and speakers for the next event.
- These channels of communication have contributed to an increase in the following engagement questions:
  - "I feel part of wider Ascential" has risen +7% year on year
  - "the leader of my brand/function has communicated a clear vision of the future direction of Ascential" has risen +5% year on year.
  - Likewise, the strategy-specific sessions held in Q2 2021 have driven an improvement in our people's understanding of our strategy with a +5% year-on-year increase of "I have a clear understanding of the direction of my brand/function".
  - The Strategy sessions were reported as 4-5 out of 5 across the board for being helpful in their explanation of our wider business, and valuable in terms of Leadership Q&A.

Building a dialogue with our people

How we engage

- We conduct and act upon our annual employee engagement survey, which, along with face-to-face feedback helps us understand what people think and what they want to achieve in their careers and to inform the ongoing development of our culture across all brands and geographies. Engagement in 2021 increased by 5% to 86% from 2020.
- Our HR business partnering team is aligned and embedded in our Business Units ensuring that the People agenda is focused on the unique needs of each of our brands. This has enabled us to provide targeted HR support and build People plans aligned to the strategy of each Business Unit.

- We continued our development focus on Conscious Inclusion this year with targeted Inclusive Leadership development that we offered to two senior leadership cohorts to help them evolve a culture in which their people can bring their best selves to work. The programme enables leaders to have more productive conversations by managing personal blind spots to inclusion.
- We continued to scale and offer ongoing and targeted Management Development – particularly for our first-time people managers. This year we supported leaders to build feedback and communication skills, particularly how this fits into the hybrid working world and how we all need to adjust to it.

Outcomes from engagement

We have a set of seven Ascential Behaviours which underpin our culture. We asked our people as part of the 2021 Engagement Survey whether their managers and leaders act in accordance with the Ascential Behaviours.

They told us:

- 94% of people are proud to work at Ascential.
- 92% of people believe that the senior leadership team in their brand/function demonstrate and support these beliefs and behaviours.
- 93% of employees believe that managers/supervisors in their area behave in accordance with Ascential beliefs and behaviours.
- 92% of people would recommend their line manager to others.
- 88% of people understand how their team contributes to the future direction of Ascential.
- 92% of people believe anyone can thrive at Ascential; "regardless of their background, identity and beliefs".
- The question "I have received the training to do my job" continues to increase year on year to 84%.

Diversity & Inclusion:

How we engage

- At the start of 2021 we published our first Diversity and Inclusion report which included a clear vision for our work in this space, a set of 2030 global commitments and objectives for 2021 to make progress towards those commitments. You can read more in our Diversity and Inclusion report available on our website. We published an internal progress report in summer 2021, and our 2022 Diversity and Inclusion report includes a full update on progress.
- Our Chief Operating Officer, Paul Harrison, remains our Board level representative on Diversity and Inclusion, along with all ESG overall. Tracey Gray, VP of People, is the Exec Sponsor. Both these roles are supported by our Diversity and Inclusion Steering Group which we assemble when required to feed into key projects and decisions.
- We were again included in the Bloomberg Gender Equality Index which tracks the performance of public companies committed to disclosing their efforts to support gender equality. We welcome the opportunity to benchmark against best practice in this area and adjust our activities accordingly.
- We contribute to the FTSE Women Leaders, formerly Hampton-Alexander Review, which aims to drive an improvement in the gender balance in FTSE leadership. The review has a stated target of 33% representation of women on FTSE 350 Boards and Executive Committees, as well as in the direct reports to the Executive Committee, by the end of 2020. The February 2021 review once again showed that Ascential ranks number 2 in the FTSE 350 for women on boards, with 60% women on our plc Board. We also exceed the 33% target for the wide leadership population, with 40% women in the combined group of the Executive Committee and their direct reports.

Outcomes from engagement

In our most recent global engagement survey (October 2021) 92% of our people believe anyone can thrive at Ascential regardless of their background, identity and beliefs. This a 6% increase from last year and 8% above the norm. 94% of our people believe we actively promote an inclusive work culture where people are valued and respected for what they bring, a 4% increase from last year and 4% above the norm.

Our Diversity & Inclusion report sets out our ambitions in this space: we have work to do in a number of areas of representation with a particular focus being on diversifying our leadership teams. The report sets out our specific targets and objectives.

Colleague networks & forum

How we engage

- We have three Employee Resource Groups: Ascential Pride, Black in Business and the Digital Commerce Women's Network. All have Executive sponsors to ensure they have a voice of influence at Senior Leadership level.
- We established the Ascential Employee Forum with nominated representatives from every region around the world. The purpose of this Forum is to further amplify the voice of our people, in particular giving front-line employees the opportunity to share their views and ideas directly with the Board via the designated Non-Executive Director across issues including strategy, performance and culture. The Forum met three times in 2021, and we invited participants to renew their commitment in October. Only two participants opted to leave the Forum, which shows their appreciation of this platform.

Outcomes from engagement

We continue to support our networks and use them as counsel for projects including HR policy review. The output from the Ascential Employee Forum is reported to the Board via a designated Non-Executive Director. All of which contributes towards:

- 97% people believe that at Ascential individual differences – including characteristics such as race, gender, disability, age and sexual orientation – are welcomed and respected.
- 89% of people feel free to speak openly even when their opinions are different.
- 87% of people believe we have a culture that allows people to speak up and challenge the way things are done.
- 88% of people believe when they put forward their views, they feel they are listened to. 90% of people feel they work in an environment where they are able to challenge inappropriate, unethical or unlawful behaviour.

3

Our investors

Our investors value: sustainable growth, responsible capital allocation and investment decisions, and clear communication of strategy, supported by robust financial reports.

How we engage

- We hold a range of Investor meetings throughout the year: post-results roadshows; at investment conferences; and on-demand individual meetings, totalling almost 600 individual engagements in 2021, covering around 200 institutions (both holders and non-holders).
- We run product deep dive demonstrations for investors and analysts.
- We deliver twice-yearly analyst results presentations, as well as holding additional meetings and calls throughout the year, totalling over 130 interactions in 2021, across our coverage base of 13 analysts.
- We hold an Annual Capital Markets Day for our coverage analysts and major holders, to provide more granular detail on our progress with strategy, performance and future plans. In 2021 this focused on the Digital Commerce business, its capabilities, growth prospects and market opportunity.
- We hold an Annual General Meeting which all shareholders are entitled to attend, and ask questions of the Board.
- In 2021, following a review of our broking relationships, we re-appointed Numis and appointed JP Morgan as joint brokers.

Outcomes from engagement

We provide the investor community with clear updates on our trading performance and strategic direction. Analysts and investors have the opportunity to give feedback to management on the above and engage in Q&A.

Governance Report
Page 85

4

Our partners and suppliers

Our partners want us to work with them to develop productive and fair working relationships, with fair terms of business and fair payment terms.

How we engage

- We hold Quarterly Business Reviews with all key suppliers to review progress on key activity as well as sharing business updates and strategy.
- We operate and publish a Third Party Code of Conduct which sets out the key ethical and business principles we look for in all third parties we work with.
- We operate a prompt payment policy and disclose our payment practices and performance via the UK Government payment practices reporting portal.

Outcomes from engagement

We are working to ease the process of doing business with Ascential and in 2021 have deployed SAP Ariba for the Edge business and Group functions. This smoothes the process of suppliers registering to do business with Ascential and owning and updating their data in our systems. This will be rolled out further in 2022 alongside functionality to bring further transparency to the payment process.

We continue to monitor supplier stability and business continuity as a result of the impact of Covid-19.

We listen to feedback from suppliers about any challenges in engaging with us, to continuously improve the way Ascential operates with its supply chain.

Business Model
Page 22

5

Wider society

We believe that it is important to adhere to evolving ESG best practice. A crucial aspect of this is having a realistic understanding of the impact our business has and therefore where we can play our part in delivering positive change. Once we understand this we can prioritise resources and activity accordingly.

How we engage

- Our Corporate Responsibility framework continues to guide our focus. Our signature activity: supporting young people to thrive in the digital economy, remains vitally important. Our two strategic priorities: Climate Change Resilience and Diversity, Equity & Inclusion remain at the heart of our work.
- With a small central team, our ethos is to equip and empower our colleagues across the business to take action on the above within the central frameworks we have established. Engaging with colleagues in our core regions and co-designing our policies, frameworks and programmes is key to success and we have a range of Corporate Responsibility champions across our business who support this area of work.
- We work with a range of partners on our Early Talent opportunities, these include Speakers 4 Schools who support virtual work experience, Multiverse who are our Apprenticeship provider and Creative Access who support Internship recruitment in the UK.

You can read more about the outcomes from this work in our ESG section on page 66.

Volunteering day

How we engage

- Our global policy gives all employees one day per year to volunteer at local community projects. We are always looking for new volunteering organisations to be involved with, in particular opportunities with a focus on our signature activity theme of supporting young people to thrive in the digital economy.
- We have conducted external research to better understand the charity partnership and volunteering landscape in the China and APAC region. The next phase of this project will include local workshop sessions to enable colleagues to design a programme which meets the needs of the region.

Outcomes from engagement

Continued to develop our charity and volunteering pages on the Intranet, enabling more colleagues to easily access this information and discover volunteering opportunities relevant to them, whether virtually, in person, individually or as a team.

Fundraising

How we engage

- We have had a long-standing relationship with The Prince's Trust, fundraising as part of the Million Makers competition, and sponsoring the Educational Achiever award for the fourth year of the annual Prince's Trust Awards.
- In 2021 we raised over £420,000, which means in total we have now raised over £2m in nine years for The Prince's Trust.
- In addition to our support of The Prince's Trust, we have continued our ethos of enabling our brands and regions to support charities in their local communities, providing support where they see a need. Examples include Flywheel, where the brand provides charity donation matching and in 2021 this resulted in Flywheel matching donations of over $3,000.
- Last year we set out to have charity engagement opportunities available for all our colleagues by the end of 2021 and we are in the initial stages of meeting that aim, having launched a partnership with Future Now Conference in the US, embedding PARR in Brazil and starting conversations in Ireland with new partners.

Outcomes from engagement

- We have launched new charity partnerships in core regions, all of which have been led by local champions and connections. In 2022 we look to further embed those partnerships and further develop the regional charity partnership for China and A-PAC in close consultation and collaboration with colleagues and specialists in the region.

ESG
Page 66

Amount raised in 2021 for The Prince's Trust

£420k

ESG strategy

Paul Harrison
Chief Operating Officer and Executive Director with responsibility to the Board for ESG matters.

"Consumers increasingly demand that the organisations they trade and interact with play an appropriate and proportionate role in areas of society where they can make a positive difference."

Dear Shareholder,

The Ascential Board is highly cognisant of the evolving role of business in society and the critical need that any ESG strategy must go beyond platitudes and deliver tangible results. Rightly, and accentuated by the pandemic, consumers increasingly demand that the organisations they trade and interact with play an appropriate and proportionate role in areas of society where they can make a positive difference. Consequently, the Board has invested time and thought to where Ascential should focus its ESG efforts.

We believe that it is important to adhere to evolving ESG best practice. A crucial aspect of this is having a realistic understanding of the impact our business has and therefore where we can play our part in delivering positive change. Once we recognise this we can prioritise resources and activity. To facilitate this we have developed an ESG framework, identifying Signature, Strategic and Foundational priorities, being respectively:

- A focus which is unique to us based on what we do, how we do it and where we operate – and where we can leverage our expertise to make an impact.
- Initiatives that we believe provide us with a competitive/brand advantage.
- Activities that all companies need to do, but done with real commitment.

For example, we do not operate in a sector that has a high environmental impact. However, it is still essential that we do our utmost to minimise this impact both within our business, our supply chain and through the advice we provide to our customers. In contrast, we know that developing young people's digital skills is an important educational need and we have deep expertise in this area. Therefore, we are focussing on this as our Signature activity. Likewise, we have an opportunity to demonstrate best practice in terms of diversity and inclusion both because it is important to reflect the society in which we operate in and because it is extremely important that our people can thrive at Ascential, regardless of their background.

Signature activity – equipping young people to thrive in a digital world

We believe that inspiring the next generation around the opportunities in our sector both equips young people to succeed and helps close the digital skills gap, which is an essential societal need and important for our future talent pipeline. We were delighted to announce our new partnership with 'Future Now Conference', in North America in the summer which you can read more about on page 68. In the UK, for the ninth year running, we took part in The Prince's Trust Million Makers programme and are proud that our ongoing contributions enable this charity to support thousands of young people getting into jobs, education and training. Our CEO, Duncan Painter, attended the presentation of The Prince's Trust Awards at Buckingham Palace during which he presented the Ascential Education Achiever Award to winner Aidan Sayers.

ESG framework:

A focus which is unique to us based on what we do, how we do it and where we operate.

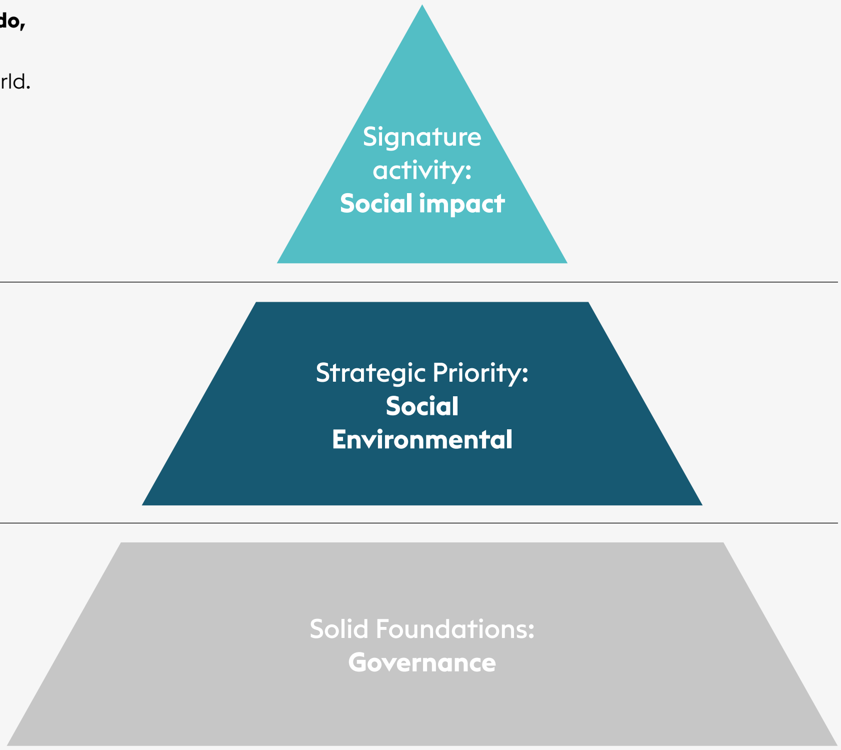
Supporting young people to thrive in a digital world.

Things that we believe will provide us with a competitive/brand advantage.

Diversity, Equity and Inclusion
Climate Change Resilience.

Things that all companies need to do, but done with real commitment.

The right policies and procedures to enable responsible action for all stakeholders, internal and external.



MSCI ESG rating

CCC	B	BB	BBB	**A**	AA	AAA

MSCI

Sustainalytics ESG risk rating

NEGL	**LOW**	MED	HIGH	SEVERE

SUSTAINALYTICS

Furthermore, a recurring theme from both the 2020 and 2021 People Engagement survey, was a request to increase the support we give young people to enter the world of work. In response, we consolidated our existing offering and have developed an Early Talent Hub to enable our colleagues to deliver internships, work experience and Apprenticeships. You can read more on this work in the social impact section below.

Strategic priority: Diversity, Equity and Inclusion (DEI):

Ensuring anyone at Ascential can thrive, regardless of their background, remains a key priority and the goal for our DEI work. Our annual global internal Engagement Survey includes a focus on Diversity and Inclusion and the valuable feedback we get from this survey ensures we set the right priorities. Feedback from the 2020 survey enabled us to set the 2030 commitments presented below and this year we have established key enablers to help us achieve them. See page 69 for more about this work; both what we've done internally and how we are supporting our customers and the sectors in which we operate.

Looking forward

Looking ahead to 2022, a key focus will be integrating our acquisitions with our ESG agenda. We will work with our new businesses to understand their ESG ambitions, where these align with our own, and where we can learn from and support each other to maximise our impact for good, together.

Paul Harrison
Chief Operating Officer
2 March 2022

Signature activity

Social impact

Supporting young people in a digital world

Headline achievements for 2021

- Our charity partnerships focus on equipping young people to thrive in a digital world. As a growing business in the digital sector we believe we're well placed to use our expertise to support opportunities for organisations and individuals to develop critical digital skills and now have charity partnerships which do this in all our core regions.
- We have grown our Early Talent offering to increase the number of Apprenticeships, Internships and work experience we offer.
- Our nine-year partnership with The Prince's Trust was elevated to Platinum Patron. We sponsored The Prince's Trust 'Education Achiever Award' for the fourth year running.

Activities in detail

- In May we launched a partnership with Future Now Conference, a leadership incubator, based in the US that uplifts entry level, diverse talent across all sectors of media. This means we now have charity partnerships in all our core regions, with The Prince's Trust in the UK, PARR in Brazil and Cedars in China. Future Now Conference is a growing charity and, as part of our partnership, we have provided keynote speakers for their annual student conference, mentors for their rising stars and strategic support to enable the charity to grow. MediaLink provided pro bono support on their corporate fundraising offer and the Lions video team has created their first promotional video.
- We have significantly increased the number of Early Talent opportunities available across our business. We've hired four new Apprentices in the UK, hosted three Kickstart placements, launched two new internship opportunities in Lions and WARC and run virtual work experience for 70 students through our Speakers 4 Schools partnership.
- For the ninth year running we entered The Prince's Trust Million Makers fundraising competition and raised over £420,000. This takes the total we have raised for The Prince's Trust over the past nine years to more than £2,000,000 and we are now a Platinum Patron of the charity.
- The profits of over €271,000 from the Sustainable Development Goals (SDG) Lion, are being donated to a range of charities or Not-for-Profit organisations who had entered and won an SDG Lion. The Sustainable Development Goals Lion celebrates creative problem solving, solutions or other initiatives that harness creativity and seek to positively impact the world. As part of this, entrants have to demonstrate how they have advanced or contributed to the SDG 2030 goals.

Looking ahead to 2022

- We will grow the number of early talent opportunities we provide for young people.
- We will continue to partner with The Prince's Trust, forming a new Million Makers team to keep up our long history of successful fundraising.
- We will embed our charity partners in our core regions, growing the volunteering opportunities these partnerships provide for colleagues to get involved in.

£2m

raised for The Prince's Trust during nine years of partnership

>70

new early-talent opportunities created for young people to experience our brands and workplace

Strategic priority

Diversity, Equity and Inclusion

10-year commitments

Vision

For Ascential, diversity is at our core. Our value as an employer and to our customers is greater when we draw on the full range of our collective perspectives and experiences. We continue to be committed to attract, retain, develop and engage a diverse workforce, and we will work constantly to ensure that everyone at Ascential feels comfortable to be themselves. This is the right thing to do to ensure a sustainable future for our organisation and to make a positive impact for our people, customers and society.

Commitments

To employees
We will co-create an inclusive culture with equitable systems throughout our workforce, so that people are comfortable in bringing their authentic selves to Ascential, to thrive and progress their career.

To customers
We will deliver the ideas, perspectives and cultural richness that our customers – and their customers – need to future-proof their products and services.

To society
We will play our part in imagining and developing a brighter, more equal society, starting with our own company and the industries we work in. We will report openly and regularly on our progress to enable others to learn from us and hold us to account.

Objectives

Employees
- We aim to create a workforce that fully reflects, at all levels, the ethnic diversity of our major markets before 2030.
- We aim to ensure our senior leadership represents an equal gender split before 2030.
- We commit to measuring and assessing any possible gender and ethnicity pay gap.

Customers
- Each of our major brands will develop specific, measurable and public ways of championing diversity in their respective industries and track progress systematically.

Society
- We will report honestly on our workforce diversity data and initiatives on an annual basis to create accountability, show progress and share our lessons.
- We will continue to manage and seek appropriate charity partners in line with our ambitions to support young people to succeed in the digital world.

Headline achievements in 2021

- In January 2021 we published our 10-year Diversity and Inclusion commitments and the nine actions required this year to make progress against those commitments. These actions have set the foundations for progress to our 2030 targets and include setting input targets, improving diversity data collection and equipping colleagues across Ascential with relevant DEI training. A full update on these commitments can be found in our 2022 Diversity and Inclusion report located on our website ascential.com.
- We have built on our strong inclusion scores, believing that by focusing on inclusion first, broader diversity will follow. 92% (up 6% from 2020) of our people believe that anyone can thrive at Ascential regardless of their background, identity and beliefs.
- Our brands have used our central framework and guidance to deliver impactful diversity, equity and inclusion programmes for their customers and sectors.

Activity in detail

- We tailor our Diversity and Inclusion activity to three audiences – our employees, our customers and society. For full details of our Diversity and Inclusion work, the commitments we have made and the actions we have taken please see our 2022 Diversity and Inclusion report. What follows provides a snapshot of activity from this year, under each of those audience headings.

Employees

- A focus across all Business Units is equitable career development and recruiting for diverse talent. This resulted in new collaborations with a range of recruitment partners who specifically source diverse candidates, a revised approach to internal succession planning and promotion, and a focus on growing early talent opportunities.
- Our Employee Representation Groups, Ascential Pride and Black in Business, continued to grow and develop and led events across the business for both Pride Month and Black History Month.
- We launched new support for colleagues and managers around disability. This included a new 'Workplace Adjustment Policy' and a Manager Toolkit, along with reviewing existing flexible working and working from home policies with a disability lens to ensure support was equitable.

Customers

- The focus this year has been on equipping our Content and Marketing teams with the tools, research and data they need to deliver content and reports for our customers which reflect the diversity of the communities in which they operate. We've produced a series of 'Avoiding Stereotypes' guidelines, delivered training events and conducted two content audits to assess the gender split and perceived race and ethnicity representation of imagery and contributors.

Society

- WGSN Future Makers programme works with underrepresented groups in the design industry and supports them with career development. The programme received over 1,000 applications and 26 mentees were matched with 24 WGSN Mentors. Tangible outcomes from the programme include mentees finding jobs and accessing business grants to scale their small businesses.
- Money20/20 committed to focus on progressing diversity within its industry. Their Do Better Pledge, works to increase representation of gender, race and ethnicity on panels at Money20/20 events. Since 2018 over 150 women across the world have participated in the RiseUp programme, with more than 60% of participants being women of colour. Over half have received a promotion or moved into a more senior role since RiseUp.
- The Glass Lion, one of the Cannes Lions award categories, recognises work that implicitly or explicitly addresses issues of gender inequality or prejudice, through the conscious representation of gender in advertising. In 2021 we donated the profits from the Glass Lion to causes that support gender equality with €69,000 split between The Geena Davis Institute and the UN Unstereotype Alliance.

Looking ahead to 2022

- We will continue to focus on inclusion first, putting in place the processes and practices which ensure that everyone can thrive at Ascential, which over time will help us achieve our diversity targets.
- We will use data to understand where there may be areas in our employee lifecycle where we need to review policy, remove barriers or change processes to provide a truly inclusive experience for all.
- Our 2022 Diversity and Inclusion report explains our objectives for the year in detail and how they enable our 2030 commitments.
- In April 2022, we will publish an updated UK Gender Pay Gap report including an action plan for closing the gap.

9%

increase in our Bloomberg Gender Equality Index score.

#2

in FTSE 250 Women on Boards and in Leadership. Hampton Alexander Review.

Strategic priority

Climate change resilience

A note on terminology

The term sustainability is increasingly used to encompass the full spectrum of activity falling under the corporate responsibility and ESG remit. Historically, we've used the term in this report to reference our work around environmental impact and management. As of 2021, Sustainability will refer to all areas relating to ESG, and Climate Change Resilience will refer to work specific to climate change.

Headline achievements in 2021

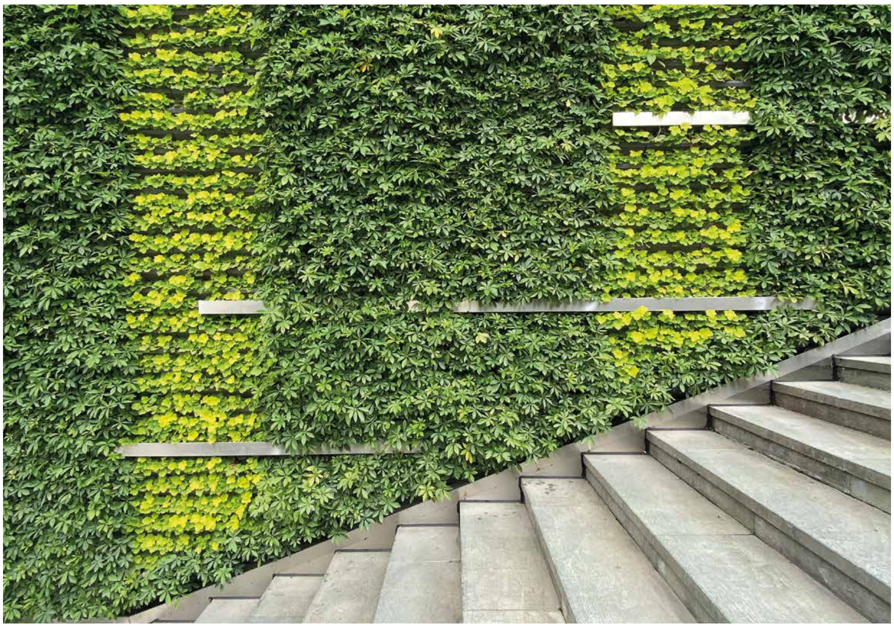
- Identified Climate Change risks and opportunities for our business, and set KPIs and targets to measure performance against our climate resilience commitments.
- Completed disclosure in line with the recommendations provided by the Taskforce on Climate-related Financial Disclosures (TCFD) (see page 75).
- WGSN continued to be a thought leader internally and externally in supporting their clients to maximise the opportunities and mitigate the risks associated with Climate Change.

Activity in detail

- Undertook a qualitative 2 degree C scenario analysis as part of the TCFD disclosure to better understand the risks and opportunities of Climate Change on our business operations and wider sector. We reviewed these risks and opportunities across a short, medium and long-term view to assess impacts over different time horizons.
- Assessed the materiality of value chain activities against the 15 scope 3 emissions categories as recommended by the Greenhouse Gas Protocol's Corporate Value Change (Scope 3) Accounting and Reporting standard. This will inform reporting and emissions reduction measures in future years.
- WGSN has continued to be a leading brand with regards to supporting its clients with sustainability-focused products and services. You can read more about this work on page 72.
- Continued to measure scope 1 and 2 carbon emissions. We've seen a reduction in emissions this year due to Covid-19 restrictions, with less offices open and significantly less international travel. As the world re-opens again our focus will be on how we continue to reduce our emissions through proactive measures.
- At the end of 2020 we changed our default UK Pension fund to align with our approach of reducing our impact on Climate Change. The fund now has sustainability as a focus and a dedicated Global Responsible Investment Team with significant experience in environmental, social & governance issues who ensures these considerations are taken into account in the design and management of our funds.
- Building our in-house understanding and capability around this area of work has been an enabler for action. Colleagues have undertaken the 'University of Cambridge Business Sustainability' course and we've invested in hosting workshops for key internal stakeholders to build foundational understanding.

Looking to 2022

- We will develop our Streamlined Energy and Climate Reporting (SECR) to include further areas of scope 3 emissions which are material to our business.
- Integrate Climate Change risk management and strategic planning across all areas of the business.
- Cannes Lions: International Festival of Creativity taking place in June, will be the most sustainable yet. Learnings from this event will be used throughout our events portfolio to develop ways to reduce emissions, waste and single-use materials.



Case study

Sustainability in focus: WGSN Sustainability Board

As documented in last year's Annual Report, the tail end of 2020 was all about planning for the WGSN Sustainability Board, in preparation for 2021 and a year of action. We launched a range of initiatives to upskill our team and our clients, and work towards our main objective – to become the global go-to forecasting authority on sustainability strategy for all of the industries we serve: Fashion, Beauty, Food & Drink, Interiors and Consumer Tech. It's been an effective 12 months, with results suggesting clients are increasingly viewing WGSN as a thought leader in this space.

The sustainability content audit undertaken of our product in 2020 revealed that we needed to improve the depth, breadth and specificity of our sustainability coverage, educate our content team and upskill the entire company, from analysts and strategists to our sales, client management and marketing teams. Aligning with the UN's Sustainable Development Goal 12 – Responsible Consumption and Production – our ambition is to help clients shift to a circular design system, embedding sustainability at every stage of a product's lifecycle. We restructured our Sustainability Board, creating three working groups: Operations, Education & Network, and Ambassadors. This enabled us to implement the following internal initiatives:

- Sustainability content KPIs, including increasing the number of pure sustainability WGSN Trend Feed posts and reports, plus pros/cons action points.
- The first sustainability-focused Trends Day – biannual events where our global content teams share foundational research, including external speakers.
- An interactive Sustainability Glossary.
- Ongoing monthly educational seminar series, over 100 attendees per talk.
- An internal newsletter created by content to support the wider client-facing teams to develop and update their sustainability knowledge.

For our clients, we increased and improved the quality of our sustainability content. In 2021 we achieved the following:

- Improved and relaunched the monthly Sustainability Bulletin – a report relevant to all the industries we serve, which includes proprietary data.

- 7% of all content in 2021 was purely focused on sustainability, an increase of 2% from 2020.
- Began a now ongoing partnership with sustainability thought-leaders, Copenhagen Fashion Week, including our CEO Carla Buzasi joining the Zalando Sustainability Award judging panel.
- Conducted 123 sustainability-focused client consultations, plus four major sustainability-focused Mindset advisory projects.

Influencing the wider community in 2021 we published the following public-facing content:

- Cross-category Create Better – Innovating Towards a Sustainable Future white paper serving all our industries (including our Sustainability Glossary), with over 10,000 downloads.
- Sustainability Glossary as an open-source resource on wgsn.com website with over 6,000 page views.
- WGSN was acknowledged as co-creators in the Ellen MacArthur Foundation (EMF) Circular Design for Fashion book, alongside 100 other top industry contributors. WGSN shared its trend process with EMF in their initial research phase and a team of our product strategists also fed back on the first draft.
- Published 10 sustainability-focused podcasts, many with thought leaders and pioneers in this space (Bolt Threads, Fuseproject, Copenhagen Fashion Week, Bryt Life Foods, Nanushka, Carole Collet, Superflux). 50% of WGSN's top 10 podcasts (with a total of over 12,000 downloads) are sustainability focused.

We are already seeing the positive results of our work. One Sustainability Board member has been asked to join the British Beauty Council's sustainability advisory board. Furthermore, our client survey* reported 57% of WGSN customers view us as a thought leader on sustainability and 53% of customers view us as the go-to place for information on sustainability. So much has been accomplished in 2021, but for the Sustainability Board, this is just the beginning. We will continue to innovate in 2022 to positively impact WGSN, Ascential and the industries we serve for the good of both people and planet.

* Survey conducted among 425 WGSN users in December 2021.

Streamlined Energy and Carbon Reporting (SECR)

Greenhouse Gas Emissions Statement:
This carbon report is for Ascential to meet the reporting requirements under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 to implement the UK government's policy on Streamlined Energy and Carbon Reporting (SECR). It also references the global carbon emissions reported from previous years.

Since 2020, we have been working to establish clear governance around our sustainability agenda and strengthen our data collection practices. Another year of Covid-19 has seen a significant decrease in our scope 3 travel and hotel emissions as our colleagues were largely home based. However, the additional air conditioning required for Covid-19 protocols, particularly in our China and APAC offices has increased emissions in these regions, offsetting the reductions we made in consolidating our London real estate. The offices we had which used gas for their heating are no longer part of the Ascential estate which explains the elimination of gas emissions.

We acknowledge that our emissions have been lower than they would normally be because of the impact of the Covid pandemic. We therefore expect our emissions to increase on a year-on-year basis in 2022, notwithstanding our plans to reduce emissions where we can. You can read more about our plans for emissions reductions in the previous sections on Climate Change Resilience and in our 'Task Force on Climate Related Disclosures' statement.

Methodology & Scope:
The adopted methodology used is based on the Greenhouse Gas Protocol Corporate Reporting Standard reporting on equivalent CO2 emissions from organisational boundaries. Information has been gathered in the same format as for compliance with the ESOS Regulations, for Scope 1 & 2 emissions, collated into kWh for all corresponding UK, and global-based operations, directly owned or operated by Ascential (i.e. the organisational boundary).

These have been converted to equivalent tonnes of carbon dioxide (^{t}CO2e) using the published UK Government GHG Conversion Factors for Company Reporting for 2021, along with data published for international emissions (GCV). Partial scope 3 emissions relating to UK business travel and global air travel have also been identified.

As part of our efforts to improve our GHG reporting process, we have conducted a thorough assessment of the material sources of scope 3 emissions within our business activities and across our brands, in line with the 15 categories described in the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The main criteria for materiality were size, influence on reduction, links to climate risk and stakeholder preference in line with the Greenhouse Gas Protocol's guidance. In 2022, we will be developing our assessment to begin measurement and explore opportunities for impact reduction.

The table below on page 74 outlines the scope 3 categories we understand to be most material to our value chain.

Global Greenhouse Gas (GHG) Emissions Summary

The table below includes combustion of fuels (Scope 1), purchase of energy including electricity, heat and cooling (Scope 2) and business travel and hotel emissions (Scope 3).

	2019	2020	**2021**	Unit	% var
Emissions Type					
Scope 1[1]	12.56	5.15 28,020	**0** **0**	Tonnes of CO_2 kWh	-100%
Scope 2[2]	522.54	724.9	**709.62**	Tonnes of CO_2	-2%
		2,369,630	**1,907,144**	kWh	**-20%**
Total 1&2	565.10	730.05	**709.62**	Tonnes of CO_2	-3%
		2,397,650	**1,907,144**	kWh	**-21%**
		23.6% from UK	**10.25% from UK**		
Intensity Factors					
Total area	23,023	22,577	**21,509**	Square metres	-5%
Total headcount	1,719	1,991	**2,545**	Full-time equivalents	+27%
Carbon intensity 1	24.55	32.33	**32.99**	Total $kgCO_2e/m^2$	+2%
Carbon intensity 2	328.74	366.65	**278.80**	Total $kgCO_2e$/FTE	-24%
Scope 3 emissions					
Global Car travel[3]	–	17.05 From 98,100km	**1.56** **From 9,010km**	Tonnes of CO_2	-90%
Global Air travel[4]	–	1495 From 7,801,850km	**217.9** **From 905,887km**	Tonnes of CO_2	-85%
Global Rail travel	–	5.91 From 190,000km	**1.52** **From 39,964km**	Tonnes of CO_2	-74%
Global Hotel Nights	–	44.57 From 1,869 nights	**4.5** **From 277 nights**	Tonnes of CO_2	-89%

1 Scope 1 emissions from natural gas only.
2 Scope 2 emissions data includes some pro-rata data on landlord supplied energy including an average kWh/m² rate for offices without metered billing.
3 Global Business Car Travel is collated from leased company cars as managed assets along with grey fleet expenses returns from staff using their own transport. Appropriate fuel rates applied.
4 Global air travel emissions are split 60/40 between flights to/from UK and non-UK flights for average passenger.

Materiality of Scope 3 Emissions

Category 1 – Purchased goods and services	Relevant, emissions not yet calculated
Category 2 – Capital Goods	Currently assessed immaterial
Category 3 – Fuel and energy related activities (not included in scopes 1 & 2)	Relevant, emissions not yet calculated
Category 4 – Upstream transportation and distribution	Currently assessed immaterial
Category 5 – Waste generated in operations	Relevant, emissions not yet reported
Category 6 – Business Travel	Relevant and emissions reported annually
Category 7 – Employee commuting	Relevant, emissions not yet calculated
Category 8 – Upstream leased assets	Relevant, emissions not yet calculated Applicable to our brands which produce events
Category 9 – Downstream transportation and distribution	Currently assessed immaterial
Category 10 – Processing of sold products	Currently assessed immaterial
Category 11 – Use of sold products	Relevant, emissions not yet calculated
Category 12 – End of Life treatment of sold products	Relevant, emissions not yet calculated Applicable to our brands which produce events
Category 13 – Downstream leased assets	Relevant, emissions not yet calculated
Category 14 – Franchises	Currently assessed immaterial
Category 15 – Investments	Currently assessed immaterial

Taskforce on Climate related Financial Disclosures statement

To date, Ascential's environmental strategy has been to deliver good practice – reducing our impact on the planet through our real estate and business operations. By the nature of our business we have a relatively low carbon footprint, as reflected in recent MSCI and Sustainalytics ratings.

However, the global climate crisis is accelerating – and it's time for us to play a more active role. For us, this means considering the impact of our products as well as our operations, and exploring the opportunities available to us to go beyond 'good practice' and deliver an environmental strategy aligned to our values and the role we want to play in society.

This statement describes how we have implemented the recommendations set by the TCFD and has been produced with consideration of the TCFD Recommendations and Recommended Disclosures for all sectors, and associated literature including the TCFD Guidance on Scenario Analysis.

Governance

Board oversight

The Board has primary oversight and ultimate accountability for our ESG performance, including the approach and actions taken in relation to climate-related risks and opportunities.

During 2021, the Board approved the material climate-related risks and mitigating actions as part of its review of the Company's principal risks. Climate-related KPIs and environmental targets were approved by the Board in February 2022. From 2022, the Board will receive updates on climate-related issues twice a year, including reviewing the management of all material climate-related risks.

Paul Harrison, COO, is the executive sponsor of our ESG policy. We also benefit greatly from the experience of our senior independent director Rita Clifton CBE, who is concurrently serving as Chair of Forum for the Future, and Trustee of WWF and Green Alliance, among other positions.

Management oversight

In 2021 we established a cross-functional TCFD working group, including members from the risk management and corporate responsibility teams working alongside external consultants. We plan to appoint Ascential's first ESG Vice President during 2022, whose role will include management oversight and responsibility for climate-related risks and opportunities.

The ongoing management of climate-related risks will be managed as part of our enterprise risk framework, which is explained in detail on page 48. Our risk management process enables us to identify, assess and manage all risks, both existing and emerging, that may impact our strategic objectives. If an operating risk committee identifies a climate-related risk that is considered material to the Group, it will be escalated for assessment by the Board. Additionally, we have added climate-related risks and opportunities to the standing agenda for the annual Business Unit strategy meetings to ensure that they are integrated into our strategy setting process.

Strategy and risk management

Due to the people-oriented and asset-light nature of our business, we believe we have a relatively low exposure to climate-related risk, and the proven agility of our business model enables us to adapt to risks as and when they emerge.

This year the TCFD working group, together with representatives from the four Business Units, conducted a materiality assessment and qualitative scenario analysis exercise to identify climate-related risks and opportunities that are material to Ascential.

The materiality assessment identified that the impacts from a societal transition to a low carbon future are more likely to impact Ascential than the probable physical impacts of climate change. Materiality was determined through a weighted classification of internal and external data sources, resulting in an inherent risk score that determined three categories: material (mitigate), not currently material (monitor) and immaterial (accept). We identified some material risks and opportunities that are equally applicable across our business (e.g. carbon reporting) and others that are product specific (e.g. event waste) but deemed material due to their significant financial and reputational impact. A full list of our material climate-related risks and opportunities are outlined on the following pages.

For the qualitative scenario analysis exercise we created a single pathway to the year 2040 that allowed us to explore how the material risks and opportunities may develop in the short- (<3 years), medium- (3-15 years) and long-term (>15 years). Our scenario was based on 2°C average global warming by 2100, using a combination of projected physical changes (informed by the Representative Concentration Pathways) and socio-economic changes needed to tackle climate change (informed by the Shared Socio-economic Pathways). The scenario analysis was designed to explore one potential future and the results of our scenario analysis have been used to validate our risk identification and mitigation approach based on this 'middle of the road' future scenario. However, we intend to set our climate strategy such that we align to global efforts to limit global warming to well below 2°C by 2100.

During 2022, the climate-related risks and associated KPIs identified through this assessment will be integrated into our enterprise risk management process, which will include consideration of monetary risk impact. We will also consider whether it is appropriate to incorporate ESG-related targets into our executive remuneration policy and the timeline for conducting a quantitative scenario analysis.

Climate-related risks which are considered material at a group level have been included in the company's principal risk register within the relevant principal risk (e.g. 'changing business model' and 'changes in consumer behaviour' which both fall as sub-risks under 'customer end-market development'). Please see the principal risk section on page 50 for more detail.

Our climate strategy will continue to evolve as we gain a better understanding and baseline of our indirect emissions.

Table 1: Climate-related material risks

Risk	Category	Description	Impact	Mitigating activity
Changing business model	Transition: Market	**There is a risk that...** Ascential is unable to adapt and respond to changing market needs as our customers work to improve their own sustainability performance. Timeframe: Medium Likelihood: Medium Impact: High	– Customers experience climate-related regulatory increases, and their budget prioritisation may change as they experience climate-related cost increases (such as fuel, energy licensing, etc.). – Some customers may be lost if Ascential lacks the advisory and communications skills to market its sustainability credentials effectively.	– Continue market scanning to inform Ascential strategy and ensure that we develop our proposition to respond to customers' needs. – Maintain a close dialogue with customers to monitor changes in demand for climate-related products and capabilities.
Carbon reporting	Transition: Policy and legal	**There is a risk that...** Ascential does not have the resources needed to meet reporting requirements to the frequency or quality required. Timeframe: Short Likelihood: High Impact: Medium	– As the operators of some of the largest and most complex datasets in the sector, Ascential must demonstrate an ability to account for and mitigate or offset the emissions associated with this data requirement.	– Employ an external consultant to calculate and produce the annual SECR and carbon emissions reporting information. – Review the emissions reporting process to formalise and document the process for reporting scopes 1 and 2, identifying risk and embedding controls within the process. – Continue to monitor obligations and stakeholder expectations around carbon reporting and take appropriate action.
Waste	Transition: Technology/ Reputation	**There is a risk that...** avoidable waste from events becomes societally unacceptable due to its cumulative impact. Timeframe: Short Likelihood: High Impact: Medium	– Increased cost or scrutiny surrounding the waste generated as part of business operations, including event merchandise. – Some customers may become unwilling to be associated with our flagship events because of environmental impact.	– Cannes Lions 2022 is being developed to be the most sustainable edition of the event to date. Efforts will include reducing and recycling event merchandise, using a third party to measure delegate travel, and investigating where emissions can either be eliminated or offset. – Investigate how to improve the environmental impact of Ascential's other events. – Review and reduce the volume of single-use products and waste generated from events.
Changes in consumer behaviour	Transition: Market	**There is a risk that...** society moves away from current levels of consumerism. Timeframe: Medium Likelihood: High Impact: High	– A systemic change in the way consumers purchase goods with large-scale reductions in the purchasing volumes and a pursuit of longer lasting, high-quality products.	– Monitor demand for climate-related products and capabilities and explore opportunities to align our services with the value of purchased goods rather than volume of purchased goods.
Business disruption	Physical: Acute/ Chronic	**There is a risk that...** Ascential faces business disruption, due to global factors (e.g. large-scale social unrest) or local incidences (e.g. property damage from extreme weather events). Timeframe: Medium/Long Likelihood: Medium Impact: Medium	– Compromised ability to deliver customer services, resulting in a loss of revenue.	– Continue to maintain Ascential's business continuity planning. – Ascential demonstrated the effectiveness of this process during the Covid-19 pandemic when we quickly adapted to working from home, travel, and supply disruption. – The nature of Ascential's business, being asset-light and diversified across different sectors and regions, also minimises the potential impact of localised geopolitical disruption or physical climate impacts.
Event attendance	Transition: Market/ Reputation	**There is a risk that...** customers perceive emissions associated with attending events to be a barrier to attendance. Timeframe: Medium Likelihood: Medium Impact: Medium	– Event organising services need to adapt to a changing market where flights are expensive, and participants are increasingly conscious of the climate-related impacts associated with travel.	– Demonstrate our credentials as an industry leader in sustainable events. – Leverage hybrid event offerings. – Reduce or offset emissions associated with delegate travel.

Climate-related opportunities

As part of our assessment process, we explored potential climate-related opportunities as well as assessing our material climate-related risks. We are at an early stage of this opportunity assessment and our strategy will continue to evolve as we better understand the scale of our climate-related opportunities.

Metrics & targets

We have set our climate KPIs to measure the progress of our mitigating activities, demonstrating that we are taking steps to reduce our residual risk. Our KPIs therefore include a range of our direct operations as well as interactions with partners to monitor our transition to a low-carbon business.

As our climate KPIs are new this year, we have set 2022 targets that will help to operationalise our data management and establish a baseline for future improvement. We will include climate-related indicators in all of our brand trackers in 2022 to develop a better understanding of our customers' sustainability needs. We will use this data and insight to develop goals in line with our long-term ambition. In addition to the KPIs listed below, we have been measuring and reporting our direct energy consumption and carbon emissions since 2016, and our Streamlined Energy Carbon-related disclosure can be found on page 74.

Table 2: Climate–related KPIs

Risk	Description	Impact	Mitigating activity
Carbon reporting	% Reduction (scope 1 and 2)	– Assessment of where reduction is possible versus where offset will be required for unavoidable emissions	– Develop plans to get to operational net zero by 2030
Carbon reporting	% Data centre footprint using renewable energy or carbon reduction, or tCO_2e associated with data centre	– Calculate baseline of Ascential tCO_2e associated with data centres	– 100% of third-party data centres use renewable energy by 2025 – Set offset targets for tCO_2e associated with Ascential's data centre usage
Carbon reporting	tCO_2e per attendee	– Measurement process put in place to measure event emissions for other Ascential events	– Targets will be set for event emissions reduction by 2023.
Waste	Tonnes of waste per attendee	– Measurement process put in place to measure event waste	– Targets will be set regarding % of waste to landfill
Waste	% of office waste recycled	– Measurement process put in place to measure event waste	– Targets will be set regarding % of waste to landfill
Change in consumer behaviour	# or % Increase of sustainability-focused content	– Put measurement system in place to measure sustainability-focused content across all brands	– Upskill content creators on Sustainability issues – Set targets for % of content to include Sustainability considerations
Business disruption	% Suppliers with carbon reduction targets	– 80% of suppliers disclosed carbon reduction plans	– 100% of suppliers with spend over £50,000 per annum signed up to climate change statement in RFP
Business disruption	# Sole suppliers / key dependencies in geographies at high risk from physical effects of Climate Change	– Assessment of supply chain to understand the risk related to sole suppliers or key dependency suppliers	– Targets will be set regarding management of sole suppliers or key dependency suppliers at high risk from physical effects of Climate Change
Event attendance	% score against Ascential sustainable events indicators	– Develop Ascential sustainable events indicators (e.g. net zero emissions, no single-use plastic, maximum % of waste to landfill)	– Set minimum % Ascential events must obtain against the Ascential sustainable events indicators

Solid foundations

Governance

Headline achievements in 2021

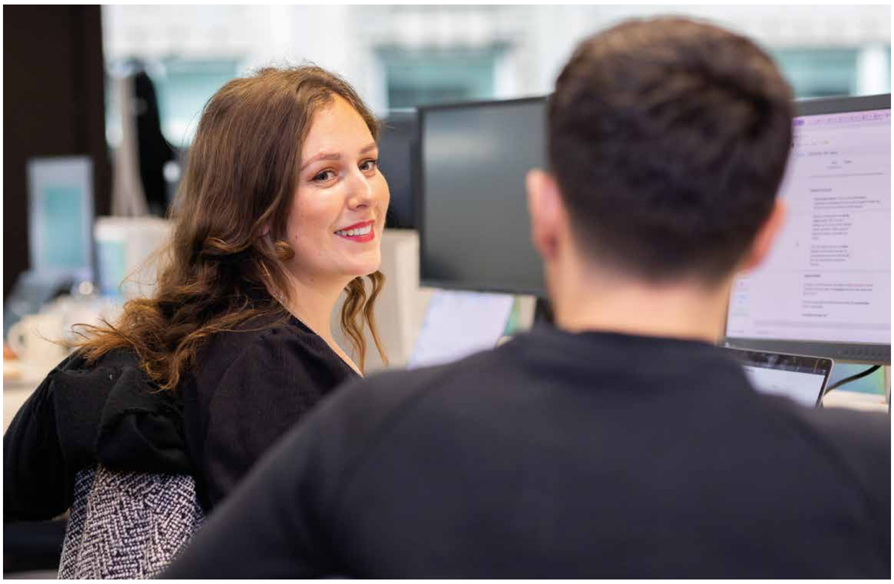
- Appointed Paul Harrison as the Executive Director with responsibility to the Board for ESG matters.
- Implemented a new global employee Code of Conduct alongside an upgraded whistleblowing tool for all staff.
- Established and evolved our Diversity and Inclusion Steering Group to reflect changing phases of this work.
- Audit Committee signed off approach to managing and integrating Climate Risk into ongoing Risk Management process.

Activity in detail

- In June we launched 'The Ascential Code: An essential guide to the way we work'. This was a revised and interactive Code of Conduct. Underpinning it were guidelines to making good decisions, which encourage best practice when conducting ethical work across the business. It was launched globally in English, Chinese and Portuguese and within two weeks of launch 91% of colleagues had completed the accompanying training.
- Alongside the revised Code of Conduct we launched 'Speak Up', a new global whistleblowing tool. The service allows any colleague to raise a concern, report possible breaches of the Code of Conduct or report suspected discrimination. The service can be used anonymously, is managed by a third party and sits alongside a wider package of support including Line Managers, Employee Assistance and the Code of Conduct guidelines.
- The Audit Committee reviewed the process we adopted to develop our first TCFD disclosure and the Board approved our climate-related risks, opportunities and KPIs.
- Evolved the governance structures and reporting mechanics which support our sustainability work. As Ascential continues to evolve and grow through acquisitions our sustainability offering needs to be embedded in our ways of working and nimble enough to react to changing structures and priorities. This will continue to be a focus for 2022 as we develop our Climate-Resilient strategy.
- Supported our Sales teams to respond to ESG and Corporate Responsibility questions and benchmarks as part of Client and Customer partnerships. This forms the start of work looking at both our upstream and downstream supply chains to understand where we can align values with clients and partners for greater impact.

Looking ahead to 2022

- ESG updates will be shared with the Board twice a year and will include progress against ESG targets and KPIs, reports on key projects and provide an opportunity for the Board to shape future priorities.
- The management of climate-related risks will be integrated into our risk management processes.
- Performance against climate-related KPIs and targets will be reported to Business Unit leadership teams on a quarterly basis.
- Launching New Rules of Leadership which will enable our senior leaders to use their leadership power in a respectful, effective and inclusive way to drive engagement, innovation and a healthy culture.
- As this area of work develops we will increase the resource available to deliver sustainable business priorities across the business.



ESG overview

To help our stakeholders understand our sustainable business reporting and policies we have summarised these below, signposting to relevant sections of this report and our website.

Sustainable business area	Core policies and standards	Reporting and further information
Environmental – Climate Resilience	– Streamlined Energy and Carbon Reporting (SECR) disclosure – Taskforce on Climate-Related Disclosures – Carbon Disclosure Project	– Climate Resilience section (page 71) – Climate resilience governance and risk management (page 78)
Social impact	– Charity Match Policy – Flexible Working Policy – Family Friendly Policy – Parental Leave Policy – Diversity and Inclusion Commitments	– CEO Duty of Care statement – our website – Volunteering day allowance – ESG section (page 66) – People section (page 56) – Diversity and Inclusion report – Responsible Business section of website – Ascential Secure: health and safety standard for our live events.
Governance	– Code of Conduct, which includes policy and action to be taken against anti-corruption, bribery, money laundering and details of whistleblowing tool – Modern Slavery Statement – Third Party Code of Conduct – Tax policy statement – Data privacy policy	– Audit Committee report (page 98) – Risk Management and Principal Risks (page 50) – 'What we stand for' – our website – 'Responsible Business' – our website

Compliance Framework

Our formal compliance framework continues to facilitate a structured and consistent approach to managing compliance throughout Ascential. The framework is structured around 11 Compliance Pillars under which we focus our priorities. Where appropriate we have policies governing each area and further information is provided in this section.

Summary of the Compliance Framework

	People	Acting with integrity	Good operational governance
Code of Conduct	●	○	○
Whistleblowing	●	○	○
Competition Law	○	●	○
Anti-Bribery and Corruption	○	●	○
Financial Crime	○	●	○
Listing Requirements (inc.Market Abuse Regulations)	○	●	○
Economic Sanctions	○	●	○
Data Security	○	○	●
Data Privacy	○	○	●
Health and Safety	○	○	●
Physical Security	○	○	●

Third Party Code of Conduct

To best serve our customers we require a truly global supply chain. We also recognise that responsible and ethical sourcing is key to our success. Our Third Party Code outlines our ethical approach to doing business and explains the standards we strive to ensure that all our suppliers should abide by and what we also expect of our suppliers' subcontractors.

Main principles of Third Party Code of Conduct:

No forced, involuntary or child labour

- There is no forced, involuntary or debt-bonded labour in any form including slavery or trafficking of persons. There are no workers under the age of 15 or, where it is higher, the mandatory school leaving age in the local country. The use of legitimate workplace apprenticeship programmes, which comply with all laws and regulations, is supported.

Freedom of association

- Workers, without distinction, have the right to associate freely, join or not join labour unions, seek representation and join workers' councils as well as the right of collective bargaining in accordance with local laws.

Diversity and equality

- There is equality of opportunity and treatment regardless of physical attributes or condition (including pregnancy), gender, religion (or absence of such beliefs), political opinion, nationality, sexual orientation, age or ethnic background. Equal pay for work of equal value is supported. Discrimination or intimidation towards and between employees is opposed, including all forms or threats of physical and psychological abuse.

Read more
The full Third Party Code of Conduct is available on our website: **ascential.com**

Business integrity

- There is no tolerance of any form of corruption, bribery, fraud, extortion or embezzlement and business is conducted in a manner that avoids conflicts of interest.

Fair competition

- Fair business, advertising and competition are supported.

Intellectual property, privacy and data security

- There is respect for and protection of intellectual property rights, data and confidential information to safeguard it against and prohibit loss and unauthorised use, disclosure, alteration or access. Our intellectual property and confidential information are handled and data processed on our behalf only for the purposes for which they were made available, received or collected in accordance with the reasonable directions provided by us.

Business continuity

- Any disruptions of business are prepared for (including but not limited to natural disasters, pandemic, terrorism or cyber attacks). Risks are frequently assessed, and appropriate controls put in place and regularly tested.

Quality, health, safety and environment

- All required quality, health, safety and environment-related permits, licences and registrations are obtained, maintained and kept up to date and their operational and reporting requirements are followed. Proper provision is made for the health, safety and welfare of employees, visitors, contractors, the community and the environment.
- Health, safety and environmental risks are regularly assessed, and appropriate controls are put in place, bearing in mind the prevailing knowledge of the industry and of any specific hazards.

Audit Committee oversight

The Director of Compliance reports formally to the Audit Committee at least annually, updating the Committee on the Company's overall compliance rating and compliance priorities for the year. In 2021, these were the Ascential Code and Speak Up Tool, training and awareness, automated controls, competition assessment and tracking, reporting and monitoring.

Whistleblowing Policy

We have a formal whistleblowing policy which encourages all staff to report suspected wrongdoing, in the knowledge that their concerns will be taken seriously and investigated appropriately and that their confidentiality will be respected. Wrongdoing includes failure to comply with legal obligations or regulations, including bribery and corruption. The policy also aims to reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken. We have in place a confidential helpline operated by an independent third party. All incidents that are reported to us are investigated, managed and tracked to completion. The Audit Committee receives a report of all such incidents, together with the actions taken to investigate and resolve the complaint.

Anti-bribery and corruption

We have a formal anti-bribery and corruption policy which applies to all Ascential companies, Ascential employees and associated third parties. We define a bribe as anything of value given in an attempt to affect a person's actions or decisions in order to gain or retain a business advantage. We define corruption as the misuse of a public office or power for private gain or the misuse of private power in relation to business outside the realm of government.

Our anti-corruption policy prohibits offering, promising or giving a bribe; requesting, agreeing to receive, or accepting a bribe; and bribing a foreign public official to obtain or retain business or a business-related advantage. The policy highlights areas where there is a higher risk of corruption:

- Journalists and editorial staff: specific risks that certain conduct may amount to bribes, for example the use of payments to improperly receive information, influence editorial decisions, write or publish an article with a particular focus not in keeping with journalistic integrity or reveal source information.
- Operations and procurement: employees who contract with associated third parties to supply services are required to be transparent about gifts or free services offered to incentivise staff to pick that supplier or venue over another and must comply with the Gifts and Hospitality policy.
- Facilitation payments: these are unofficial payments made to public officials to secure or expedite the performance of a duty or function. Facilitation payments are specifically prohibited.
- Due diligence and contract terms: all written contracts with third parties should include anti-bribery and corruption representations and warranties allowing for immediate termination of the contract if another contracting party or their agent pays or accepts bribes in connection with our business.
- Gifts and Hospitality: our Gifts and Hospitality policy is communicated to all employees, along with annual and new employee induction training to raise awareness. The policy and training communicate to employees: (i) that gifts or entertainment given or received must not give a feeling of an obligation or an incentive to behave in a certain way, (ii) the value limits of gifts and hospitality that employees may give and receive, and (iii) the requirement, prior to giving or receiving above certain limits, to declare on a centrally maintained register and obtain approval.
- The policy also provides details of how employees can ask advice or report any suspected bribery or corruption to an independent third-party helpline, and explicitly confirms that no employee will be penalised for losing business by refusing to accept or offer a bribe.
- The Ascential Board has appointed the Audit Committee to review this policy and the Audit Committee periodically monitors and audits compliance.
- There were no reported breaches of the Bribery Act during 2021.

Modern Slavery

We have a zero-tolerance approach to Modern Slavery of any kind. Our work to eliminate Modern Slavery is supported by customers, suppliers and Ascential employees. We assess the risk of Modern Slavery in our internal operations and our external supply chain against criteria including: (i) geography (countries where bonded labour is more prevalent); (ii) sectors (the nature of product or service procured or supplied and whether it is typically associated with unfair labour practices); and (iii) the nature of our business operations. Our assessments are informed by sources such as the Walk Free Foundation.

High- and medium-risk suppliers are required to adopt our Third Party Code of Conduct and to complete a questionnaire designed to identify any areas of non-compliance with that code, as well as confirm that our supply chain is slavery- and human-trafficking free. We reserve the right to terminate the business supplier relationship without consequence or liability if a supplier fails to fulfil the minimum standards we expect. Our full Modern Slavery Statement, which has been approved by the Board of Ascential, is available on our website ascential.com/about us

Tax Strategy

The Board is ultimately responsible for Ascential's tax strategy and we are committed to maintaining full compliance with all relevant laws and regulations in the countries in which we operate. We take a low-risk approach to tax planning and we have a strategic objective to achieve a low-risk status as determined by HMRC's Business Risk Review process.

We seek to obtain this status through:

- Paying the right amount of tax on time
- Submitting all tax returns on a timely basis
- Ensuring that tax returns include sufficient detail to enable the tax authorities to form an accurate view of the affairs of the company filing the return with an adequate supporting audit trail and sign-off process
- Maintaining tax accounting arrangements which are robust and accurate and comply with local regulations as well as with the Senior Accounting Officer provisions in the UK

Working closely with the tax authorities at all times we seek to ensure that our tax affairs are transparent and sustainable for the long term. We publish our tax strategy on our website to allow stakeholders, including shareholders, governments, colleagues and the communities in which Ascential operates, to understand our approach to taxation.

Equal opportunities

We are committed to maintaining a working environment underpinned by decency and fairness and where equality and diversity are recognised, encouraged and valued. We actively encourage equality of opportunity for all employees and job applicants. We have a formal equal opportunities policy which prohibits discrimination against anyone on the basis of the protected characteristics of: disability; gender re-assignment; marriage or civil partnership status; pregnancy or maternity; race, colour, nationality, ethnic or national origin; religion or belief; sex; sexual orientation; and age. The policy defines different forms of discrimination including direct discrimination, indirect discrimination, harassment, victimisation and failure to make reasonable adjustments. We consider diversity and inclusion to be a strategic issue for Ascential and more information on our Diversity & Inclusion initiatives is given on page 57.

Data privacy, personal data and cyber security

Data is integral to Ascential and our colleagues analyse and share data every day in providing services to customers. It is critical to our business that we protect this data, managing it responsibly, and ensuring we are collecting and storing it in the most compliant, secure and effective way. Our global cyber security, data privacy and data protection policies are standardised across our brands and apply across our whole technology estate. We keep these policies relevant by undertaking regular audits, the results of which are shared annually with the Audit Committee. Our suppliers commit to following our data security and privacy controls. We manage this process through our initial supplier due diligence and ongoing through contract management.

Data privacy

Ascential has in place a Global Data Protection Standards and Procedures policy. The policy applies across the group, including all brands and subsidiary entities and is key to ensuring compliance and governance in this area.

Our eight commitments to data privacy and protection are:

- Being lawful
- Being fair and transparent

- Respecting individual rights
- Minimising data collection, keeping accurate and up-to-date data, and following retention policies
- Protecting personal data
- Appropriate safeguards for cross-border data transfers
- Good governance
- Accountability

Ascential has in place a governance structure and internal arrangements to ensure appropriate senior management responsibility. This includes:

- Data Privacy Steering Committee attended by senior business executives; minutes from the Committee meetings are distributed to the CEO, CFO and COO.
- Ascential's Legal and Compliance Team and Internal Audit evaluate, test and report on the Ascential group entities' compliance with the policy to the Audit Committee annually.
- External independent audits are conducted regularly, Ernst and Young conducted an audit in 2021, and reported its findings as 'Requiring Minor Improvement'.

Personal data

The B2B nature of our business means that we hold very limited quantities of personal data, outside of employee data. We have in place group-wide privacy policies which apply to all personal data processed by the Ascential group as a data controller for our own purposes.

Ascential takes steps to ensure it only processes personal data for specific and lawful purposes which are defined and explained to individuals when we process their data. Our use of such personal data is limited to those purposes and if this changes, we make sure the new purposes are provided to individuals prior to the commencement of such processing.

We are clear to respect the rights that individuals have in relation to their personal data and have processes in place to recognise and respond to individuals wishing to exercise these rights. We ensure that personal data is kept up to date and not retained for longer than the purposes for which it was collected.

Data Collection Guidelines

Data underpins our ability to provide our customers with the highest quality service. While delivering our valued and trusted products, it is important to us that we do business responsibly, ethically and lawfully. We have created a set of guidelines for relevant internal teams and third-party suppliers which set out the standards we expect with regards to data harvesting. The guidelines have a clear set of 'do's and don'ts' with regards to data collection.

Cyber security

We have global information security policies and procedures to manage and maintain data security breaches. We are committed to implementing leading data security safeguards and continue to deploy technical solutions to strengthen the management of data security and data privacy risk. These include multi-factor authentication, data loss prevention, access and controls to systems and regular auditing of account access, and monitoring of compliance with our cloud security framework.

Training

All employees are required to undertake data privacy and security training as part of Ascential's Code of Conduct annual awareness training and is provided to new employees as part of their induction. Specific security training is required to be completed by all employees on a yearly basis thereafter. Targeted data privacy training is offered annually to those areas of the business determined as high risk and to subject-matter experts.

Health & Safety

Covid-19 continues to dominate the Health & Safety agenda. During the past year we migrated our management response from crisis management to business as usual, with Covid-19 issues now managed on a more routine basis by the Ascential Safety Committee.

Our Health & Safety Policy was updated in January and our safety governance structure is now fully embedded within the business: the Safety Committee meets quarterly, as well as providing informed oversight throughout the year. Safety and Wellbeing Champions, representing every major location/brand were actively involved with the management of local issues throughout the year. The safety team has also contributed to the Future of Work project, highlighting areas which will promote the health, safety and wellbeing of our workforce.

We developed 'Ascential Secure' a health and safety standard for our live events, developed to address the risk posed by Covid-19.

Our standards mirror those developed by industry association partners including UFI, AEO and SISO, peers including Informa, Reed Exhibitions and Clarion, venues, suppliers, contractors and health, government and local authorities. We have adopted these industry-wide standards to help deliver safe, hygienic, productive and high-quality live events. See more about the standard on our website.

Governance report

Chairman's introduction

Scott Forbes
Chairman

> "Strong governance, alongside the Company's values and behaviours, underpins the integrity of our operations, and delivers and preserves shareholder value."

Dear Shareholder,

We have demonstrated our commitment to corporate governance through our full compliance with the UK Corporate Governance Code ("the Code") throughout 2021. The requirements of the Code are summarised on page 92, along with a reference to where we set out in detail how we have complied with its various provisions.

Our performance in 2021 reflects the success of our strategic positioning boosted by the first year of a cyclical recovery as we successfully navigated the ongoing challenges of Covid-19, strongly positioning the business for future success. You can read more about our performance in the Chief Executive's statement on pages 10 to 13.

Leadership

We extended our Board composition during 2020 and 2021 with the appointments of Charles Song, Suzanne Baxter, Funke Ighodaro and Joanne Harris as Independent Non-Executive Directors. These appointments complemented the existing Board composition by bringing experience of operating in Asia (Charles Song), leading eCommerce and consumer retail experience (Joanne Harris), and further financial expertise (Suzanne Baxter and Funke Ighodaro) to our Board. Paul Harrison moved to his role as Chief Operating Officer with effect from 11 January 2021. We consider that the Board has a strong mix of capabilities and experience which aligns well to our strategy. You can see more detail on our directors' capabilities and experience on page 88.

The Nomination Committee will continue to regularly review the composition, balance, skills and experience of the Board to ensure that we maintain the optimum Board composition for future periods.

We have continued to focus on career development and succession planning to ensure that we have a healthy talent pipeline for senior management and Board roles. The work we have done in this area is explained in the Nomination Committee report on page 104.

Effectiveness

It is a key part of good governance that the Board and its Committees undertake an annual evaluation to ensure that it continues to operate effectively. In accordance with the Code and our three-year performance evaluation cycle, this evaluation was performed internally for 2021 as we engaged Korn Ferry to facilitate the Board performance evaluation for 2019. The Board evaluation process confirmed that the Board has worked effectively during the year, with the diversity of experience, knowledge and background providing a good breadth of skills. The Board has evidenced its ability to work effectively and productively in a virtual format; however, a return to face-to-face meetings in 2022 will be helpful to further strenghthen relationships and enable newer directors to engage directly with the Company's brands and products through physical visits to the business. All Directors will offer themselves for re-election at the forthcoming Annual General Meeting. Full details of the evaluation methodology and its outcome are set out on page 105.

The Non-Executive Directors devote considerable time to developing their knowledge and understanding of the business. In addition to formal Board meetings, the Directors attend an annual offsite meeting to review strategy and normally hold one of their meetings at an overseas location of the business, although this has not been practical in 2021 due to Covid-related travel restrictions. The Board held a dedicated China briefing session during the year to deepen our knowledge of China in the context of further investment to drive growth as one of the priorities for our five-year plan.

These extended meetings also give the Board the opportunity to hear directly from external speakers, including key customers or experts in a particular sector which is relevant to Ascential's growth plans. Details of the Board's engagement with the business are set out on page 95.

Accountability
The Board considers principal and emerging risks throughout the year, as well as formally reviewing the Company's principal risks. The Audit Committee reviews the system of internal controls and risk management, and reports this work to the Board which then confirms the effectiveness of internal controls in place throughout the year.

You can read more about our principal risks and risk management framework on pages 48 to 55, and on the work of the Audit Committee on pages 98 to 103.

Diversity
Our practice of conducting periodic internal and externally facilitated Board reviews has become a proven way of ensuring that our Board is comprised of Directors with a diversified range of capabilities as well as business, board and life experience. We believe that Directors with diverse experience best position the Board to assist the Company to achieve its evolving business strategy and success. Our collective view is that diversity, including gender and ethnic diversity, immunises the Board against 'group think' and promotes a culture which keeps business practices current and in tune with wider societal norms. A board that is diversified is an ideal platform for global expansion and recognising and adapting to changing consumer behaviours and is better prepared to respond to evolving industry trends and act upon new business opportunities.

As at 31 December 2021, Board composition was 64% female and 18% black, Asian and minority ethnic. This demonstrates good progress with developing a more diverse Board composition however we are clear that more needs to be done at every level throughout the business. In January 2021 we published our 10-year Diversity and Inclusion commitments and the nine actions required in 2021 to make progress against those commitments. These actions have set the foundations for progress to our 2030 targets, improving diversity data collection and equipping colleagues across Ascential with relevant training. A full update on these commitments will be published in our 2022 Diversity and Inclusion Report in Spring 2022. You can read more about our diversity and inclusion statistics and commitments on page 58.

Relations with shareholders
As Chairman, I am responsible for effective communication with shareholders and for ensuring that the Board understands the views of major shareholders. We run an extensive investor activity programme throughout the year, which is set out on page 96. The Board receives feedback from investor meetings from me and the Executive Directors and is further informed by the Company's brokers who report feedback from investors on an unattributed basis. We have also appointed Rothschild & Co to undertake an investor perception study in early 2022 to further increase our investor engagement and understanding.

You can read more about how we engage with our investors on page 96.

Conclusion
I hope you find this report useful in understanding the arrangements and processes we have in place, and what we have done to comply with the recommendations of the Code. I believe that your Board remains effective and continues to work well. We have the right balance of skills, expertise and professionalism to continue to deliver strong governance whilst supporting the Executive Directors to execute the strategy we have designed to deliver sustainable long-term performance.

Scott Forbes
Chairman
2 March 2022

Governance at a glance

Highlights 2021

- Completed the extension of Board composition with the appointment of Joanne Harris
- Reviewed strategic progress and agreed strategic priorities for the next five years
- Approved the acquisition of Intellibrand, DZ, Perpetua, OneSpace, 4KMiles and WhyteSpyder, as well as the acquisition of a majority holding in ASR, to further develop our Digital Commerce capabilities
- In-depth briefing session on China in the context of further investment to drive growth as one of the priorities of our five-year plan
- Board effectiveness review confirmed that the Board has as worked effectively during the year, with the diversity of experience, knowledge and background providing a good breadth of capabilities.

Priorities 2022

- Undertake a full interview-based Board evaluation
- Continued development of Executive Director succession plan
- Progress with meeting ESG targets

Attendance

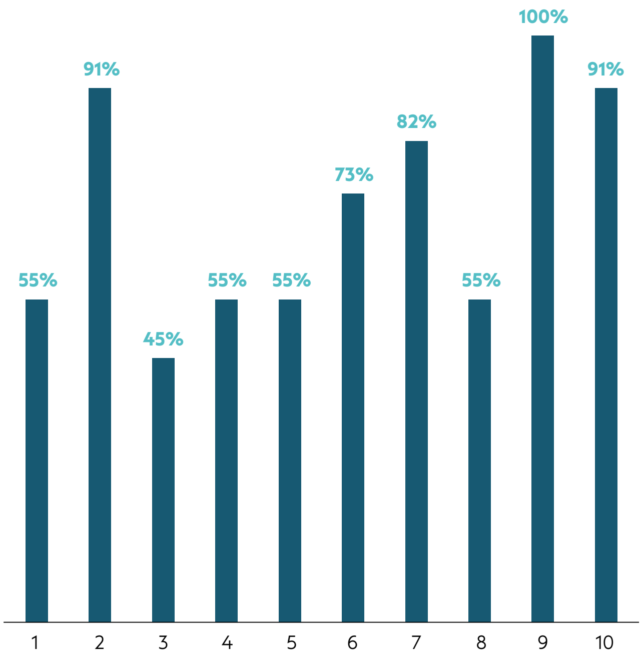
Director	Meetings attended – scheduled	%	Meetings attended – ad hoc[3]	%
Scott Forbes (Chair)	6/6	100	7/7	100
Duncan Painter (CEO)	6/6	100	7/7	100
Mandy Gradden (CFO)	6/6	100	7/7	100
Paul Harrison (COO)	6/6	100	7/7	100
Rita Clifton (NED)	6/6	100	6/7	86
Suzanne Baxter (NED)	6/6	100	5/7	72
Joanne Harris (NED)	5/5	100	6/6	100
Funke Ighodaro (NED)[1]	5/6	83	7/7	100
Gillian Kent (NED)	6/6	100	5/7	72
Charles Song (NED)[2]	5/6	83	5/7	72
Judy Vezmar (NED)	6/6	100	6/7	85

[1] The meeting in March 2021 was rearranged due to the date of the annual results being amended. Funke Ighodaro was unable to attend the revised date due to a pre-existing conflict.

[2] Charles Song was unable to attend one meeting due to a pre-existing conflict.

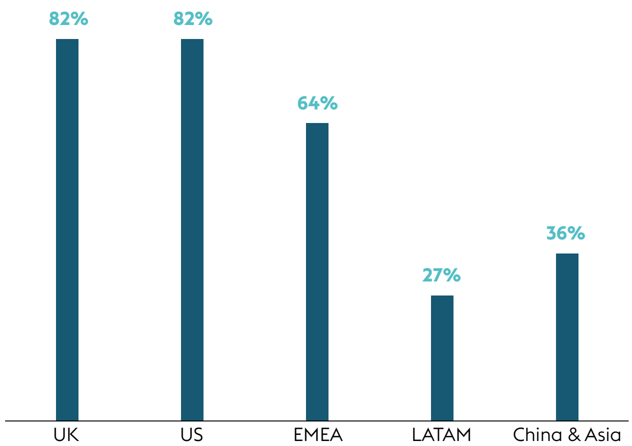
[3] Ad hoc meetings are typically called to approve acquisitions. Due to the nature of the transaction process, these meetings are often called at relatively short notice; however the Directors will have already been briefed on the proposed acquisition. Prior to the meeting, all directors unable to attend receive the relevant supporting documents, have sufficient time to ask questions and receive answers, and provide their proxy vote in respect of the transaction to the Chairman.

Experience



1 Audit and Finance
2 Business Integration and operational transformation
3 Consumer Packaged Goods Experience
4 ESG
5 Global Account Sales
6 Human Resources and Talent Management
7 Investor Relations
8 Leading-edge Digital Commerce
9 Listed environment
10 Strategy & Risk

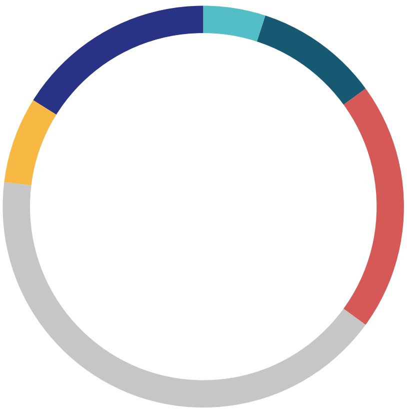
Geographical experience



Time

2021

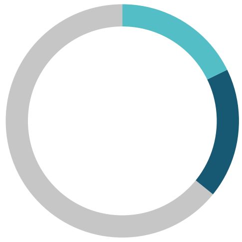
Corporate governance	5%
Capital allocation and budget	10%
Performance, operations & risk	20%
Strategy	42%
Investor relations	7%
Acquisitions	16%



Composition

31 Dec 2021

Chairman & Chief Executive	18%
Other Executive Directors	18%
Non-Independent NEDs	0%
Independent NEDs	64%

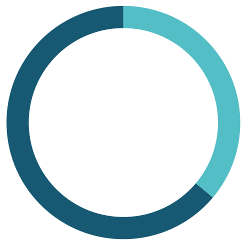


Diversity

31 Dec 2021

Gender (Board)

Male	4
Female	7



Independent Director tenure

(as at 31 December 2021)

	Number	%
0–3 years	4	57%
4–6 years	3	43%

Ethnicity (Board)

White	9
Black, Asian or Minority Ethnic*	2

*We understand BAME is an imperfect term. We have used it here, as when comparing race data across regions it's the most commonly used aggregate term.

Our experienced and effective leadership

Scott Forbes
Chairman

Appointed to the Board
January 2016

Independent
Yes
(on appointment)

Meetings attended
13/13

Committees
N

Key areas of prior experience
Board and committee chairing, business strategy, digital marketplaces, operations, finance, mergers & acquisitions and capital markets.

Current external appointments
- Chairman, Cars.com
- Senior Independent Director, Auction Technology Group plc

Previous experience
- Chairman, Rightmove plc
- Chairman, Orbitz Worldwide
- Non-Executive Director, Travelport Worldwide
- Group Managing Director, Cendant Europe

Duncan Painter
Chief Executive Officer

Appointed to the Board
October 2011

Independent
No

Meetings attended
13/13

Committees
–

Key areas of experience
eCommerce, digital media, consumer intelligence systems, mergers & acquisitions, business integration, operations, transformation.

Current external appointments
- Non-Executive Director, ITV plc

Previous experience
- Managing Director, Sky plc
- Global Product Leader, Experian plc
- Founder and Chief Executive Officer, ClarityBlue

Mandy Gradden
Chief Financial Officer

Appointed to the Board
January 2013

Independent
No

Meetings attended
13/13

Committees
–

Key areas of experience
Chartered accountant, corporate finance, mergers & acquisitions, financial restructuring, transformation.

Current external appointments
- None

Previous experience
- Non-Executive Director, and Chair of Audit Committee, SDL plc
- CFO, Torex Retail Holdings Limited
- CFO, Detica Group plc
- Dalgety plc
- Price Waterhouse

Judy Vezmar
Non-Executive Director

Appointed to the Board
January 2016

Independent
Yes

Meetings attended
12/13

Committees
R N

Key areas of prior experience
Global portfolio leadership, talent management, remuneration, voice of the consumer, global account management

Current external appointments
- Non-Executive Director, SSP Group plc

Previous experience
- CEO, LexisNexis International
- Executive, Xerox Corporation

Gillian Kent
Non-Executive Director

Appointed to the Board
January 2016

Independent
Yes

Meetings attended
11/13

Committees
A R

Key areas of prior experience
Digital media, marketing, brands, remuneration, transformation, technology, strategy and voice of the consumer & customer

Current external appointments
- Non-Executive Director, Mothercare plc
- Non-Executive Director, NAHL Group plc
- Non-Executive Director, SIG plc
- Non-Executive Director, Marlowe plc

Previous experience
- Non-Executive Director, Pendragon plc

Charles Song
Non-Executive Director

Appointed to the Board
October 2020

Independent
Yes

Meetings attended
10/13

Committees
–

Key areas of prior experience
Financial technology, business building, global capital markets, investment banking, commercial banking and corporate finance.

Current external appointments
- Chairman and CEO, Linklogis
- Director and Vice Chairman, Greenlink Digital bank
- Director and Vice Chairman, Olea

Previous experience
- President and CEO, China Resources Bank
- Tencent
- HSBC

The Board is committed to maintaining very high standards of corporate governance and ensuring values and behaviours are consistent across the business.

Paul Harrison
Chief Operating Officer

Appointed to the Board	Independent
January 2016 as NED January 2021 as COO	No (from 1 October 2020)
Meetings attended	**Committees**
13/13	–

Key areas of experience
Chartered accountant, strategy and corporate finance, mergers & acquisitions, capital markets, audit, voice of consumer

Current external appointments
- Non-Executive Director and Chair of Audit Committee, Darktrace plc

Previous experience
- CFO, Just Eat plc
- Senior Independent Director and Chair of Remuneration Committee, Hays plc
- Non-Executive Director and Chair of Audit Committee, Hays plc
- CFO, Wandisco plc
- CFO, The Sage Group plc
- PricewaterhouseCooper

Rita Clifton
Senior Independent Director

Appointed to the Board	Independent
May 2016	Yes
Meetings attended	**Committees**
12/13	N R

Key areas of prior experience
Brands, brand strategy, business leadership, global account sales, CPG voice of consumer.

Current external appointments
- Deputy Chair, John Lewis Partnership
- Chair, Forum for the Future
- Trustee, Green Alliance

Previous experience
- Non-Executive Director, Nationwide Building Society
- Non-Executive Director, Asos plc
- Vice Chair and Strategy Director, Saatchi & Saatchi
- CEO and Chair, Interbrand
- NED, Sustainable Development Commission & Trustee and Fellow, WWF

Key to committees

- ● Committee Chair
- A Audit page 98
- N Nomination page 104
- R Remuneration page 106

Suzanne Baxter
Non-Executive Director

Appointed to the Board	Independent
January 2021	Yes
Meetings attended	**Committees**
11/13	A (Chair)

Key areas of prior experience
Chartered accountant, corporate finance, mergers & acquisitions, business services, audit, transformation.

Current external appointments
- NED and Audit Chair, Auction Technology Group plc
- External Board member, Pinsent Masons International LLP
- Non-Executive Commissioner, Equality and Human Rights Commission

Previous experience
- Audit Committee Chair, WH Smith plcCFO, Mitie Group plc

Funke Igodaro
Non-Executive Director

Appointed to the Board	Independent
January 2021	Yes
Meetings attended	**Committees**
12/13	A R

Key areas of prior experience
Chartered accountant, finance, strategy, mergers & acquistions, business and technology transformation.

Current external appointments
- Deputy Chair, Audit and Risk Chair, Massmart Holdings Limited
- Audit Chair and NED, Old Mutual Limited & Audit Chair, Old Mutual Life Assurance Company (SA) Limited
- NED, Sabvest Limited and Telkom SOC Limited

Previous experience
- CFO, Tiger Brands Limited
- CFO, Primedia Limited

Joanne Harris
Non-Executive Director

Appointed to the Board	Independent
1 April 2021	Yes
Meetings attended	**Committees**
11/11	–

Key areas of prior experience
Business integration, transformation, CPG, global account consultancy sales, talent management, digital commerce, voice of consumer & customer

Current external appointments
- Board member, UC Health

Previous experience
- Chief Commercial Officer, Staples Inc
- Chief Customer Officer, Procter & Gamble

Governance framework

How we comply with the UK Corporate Governance Code

The UK Corporate Governance Code 2018 applied to Ascential for the year ending 31 December 2021. This section of the report explains how we have complied with the Code by summarising the provisions of the Code and linking to where we describe how we have complied in more detail.

Section 1: Board Leadership and Company Purpose

A successful company is led by an effective and entrepreneurial board, whose role it is to promote the long-term sustainable success of the company, generating value for shareholders and contributing to wider society. (See the Directors' biographies on pages 90 to 91 for more information).

The Board should establish the company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All Directors must act with integrity, lead by example and promote the desired culture. (See the governance framework on pages 93 to 97 for more information).

In order for the company to meet its responsibilities to shareholders and stakeholders, the Board should ensure effective engagement with, and encourage participation from, these parties. (See the stakeholder engagement section on pages 60 to 65 for more information).

The Board should ensure that workforce policies and practices are consistent with the company's values and support its long-term sustainable success. The workforce should be able to raise any matters of concern. (See the sections on ESG on page 81 and the Whistleblowing section of the Audit Committee Report on page 103 for more information).

Section 2: Division of Responsibilities

The Chair leads the Board and is responsible for its overall effectiveness in directing the Company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the Chair facilitates constructive Board relations and the effective contribution of all non-executive directors, and ensures that Directors receive accurate, timely and clear information (See the governance framework on pages 93 to 97 for more information).

The Board should include an appropriate combination of Executive and Non-Executive (and in particular, Independent Non-Executive) Directors, such that no one individual or small group of individuals dominates the Board's decision-making. There should be a clear division of responsibilities between the leadership of the Board and the executive leadership of the Company's business. (See the governance framework on pages 93 to 97 for more information).

Non-Executive Directors should have sufficient time to meet their Board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold management to account. (See the governance framework on pages 93 to 97 for more information).

The Board, supported by the Company Secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently. (See the governance framework on pages 93 to 97 for more information).

Section 3: Composition, Succession and Evaluation

Appointments to the Board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan should be maintained for Board and senior management. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths. (See the Nomination Committee report on page 104 for more information).

The Board and its committees should have a combination of skills, experience and knowledge. Consideration should be given to the length of service of the Board as a whole and membership regularly refreshed. (See the Nomination Committee report on page 104 for more information).

Annual evaluation of the Board should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each director continues to contribute effectively. (See the Chairman's introduction to governance on page 86 and the Nomination Committee report on page 105 for more information).

Section 4: Audit, Risk and Internal Control

The Board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions and satisfy itself on the integrity of financial and narrative statements. (See the Audit Committee Report on page 103 for more information).

The Board should present a fair, balanced and understandable assessment of the Company's position and prospects. (See the Audit Committee Report on page 102 for more information).

The Board should establish procedures to manage risk, oversee the internal control framework and determine the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term strategic objectives. (See the Risk Management section on pages 48 to 49 for more information).

Section 5: Remuneration

Remuneration policies and practices should be designed to support the strategy and promote long-term sustainable success. Executive remuneration should be aligned to company purpose and values, and be clearly linked to the successful delivery of the company's long-term strategy. (See the Annual Statement from the Chair of the Remuneration Committee on page 106).

A formal and transparent procedure for developing policy on executive remuneration and determining director and senior management remuneration should be established. No director should be involved in deciding their own remuneration outcome. (See the Directors' Remuneration Report on pages 108 to 115 for more information).

Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances. (See the Remuneration Report on page 116 for more information).

A strong governance framework

Role and operation of the Board

The Board has ultimate responsibility for the overall leadership of Ascential. It oversees the development of a clear strategy, monitors operational and financial performance against agreed goals and objectives, and ensures that appropriate controls and risk systems exist to manage risk.

The Board has agreed a schedule of matters reserved for its decision or approval:

- Strategy, annual budgets and medium-term plans
- Annual and interim results
- Material acquisitions and disposals and contracts
- Establishment of risk appetite, review of principal risks and approval of both
- Ensuring that a sound system of internal control and risk management is maintained
- Changes relating to the Company's capital structure
- Approval of dividend policy
- Changes to Board composition

At the date of this report, the Board comprises eleven Directors; the Chairman, the Chief Executive, the Chief Financial Officer; the Chief Operating Officer and seven independent Non-Executive Directors.

As reported in the last Annual Report, the following appointments became effective during the year:

- Suzanne Baxter was appointed as an Independent Non-Executive Director and Chair of the Audit Committee with effect from 5 January 2021
- Funke Ighodaro was appointed as an Independent Non-Executive Director and member of the Audit Committee with effect from 5 January 2021
- Paul Harrison commenced his role as Chief Operating Officer on 11 January 2021

Additionally, Joanne Harris was appointed as an Independent Non-Executive Director with effect from 30 March 2021. The biographies and experience of all of our Directors is set out on page 90. The process followed for these appointments is explained in the Nomination Committee Report on page 105.

With support from the Company Secretary, the Chairman sets the annual Board calendar and Board meeting agendas. He ensures that enough time is devoted, both during formal meetings and throughout the year, to discuss all material matters including strategic, financial, operational, risk, people and governance. There were also a number of meetings held during 2021 in addition to the annual schedule of regular Board meetings to consider and approve M&A transactions.

The Directors indicated as part of the Board evaluation process that the board materials are relevant, clear and well presented and contribute to a constructive debate and strong Board engagement.

In addition to the schedule of formal Board meetings, the Chairman and the Non-Executive Directors meet periodically without the Executive Directors present, and the Senior Independent Director meets with the other Non-Executive Directors without the Chairman present.

Board roles

Chairman

The Chairman provides leadership to the Board, setting its agenda, style and tone to promote constructive debate and challenge between the Executive and Non-Executive Directors. He ensures that there are good information flows from the Executive to the Board, and from the Board to the Company's key stakeholders.

The Chairman leads an annual Board effectiveness review and is responsible for ensuring all new Directors have an appropriate tailored induction programme.

Chief Executive

The Chief Executive has day-to-day responsibility for the effective management of the business and for ensuring that the Board's decisions are implemented. He leads the development of strategy for approval by the Board, as well as working with the Chief Financial Officer to develop budgets and medium-term plans to deliver the agreed strategy.

The Chief Executive is responsible for providing regular reports to the Board on all matters of significance, to ensure that the Board has accurate, clear and timely information on all key matters.

Chief Financial Officer

The Chief Financial Officer supports the Chief Executive in developing and implementing strategy, as well as overseeing the financial performance of the Group. She leads the development of the finance function to provide insightful financial analysis that informs key decision making.

The Chief Financial Officer works with the Chief Executive to develop budgets and medium-term plans to deliver the agreed strategy.

The Chief Financial Officer also leads investor relations activities and communication with investors alongside the Chief Executive.

Chief Operating Officer

The Chief Operating Officer works in partnership with the CEO and CFO to develop and implement strategy. He has responsibility for leading and driving continuous improvement through the adoption of key technologies and execution of our technology platforms. The Chief Operating Officer also has responsibility for Product Management, People strategy, Marketing, Diversity & Inclusion, ESG and non-organic growth activities.

Senior Independent Director

The Senior Independent Director acts as an adviser for the Chairman and is available to the other Non-Executive Directors, including acting as an intermediary where necessary. She is also available as an intermediary to shareholders if they have concerns which the normal channels through the Chairman or Chief Executive have failed to resolve or would be inappropriate. She is also the nominated director to engage with the Ascential Employee Forum and report feedback directly to the Board.

Independent Non-Executive Directors

The Non-Executive Directors scrutinise and monitor the performance of management, including the constructive challenge of the Executive Directors. They bring independence and a different perspective to the Board and oversee the integrity of financial information, financial controls and systems of risk management.

Governance structure

Principal Board Committees

Audit Committee
Chaired by Suzanne Baxter

Roles and responsibilities
- Reviews the Group's financial reporting and recommends to the Board that the Reports and Accounts be approved
- Reviews and reports to the Board on the effectiveness of internal controls
- Assesses the independence and effectiveness of the internal and external auditors.

Audit Committee Report
Page 98

Remuneration Committee
Chaired by Judy Vezmar

Roles and responsibilities
- Sets the Remuneration Policy for the Group
- Sets the individual remuneration of the Executive Directors and senior management
- Engages and consults with shareholders on proposed material changes to Remuneration Policy
- Approves awards under the Group's share-based incentive plans.

Remuneration Committee Report
Page 106

Nomination Committee
Chaired by Scott Forbes

Roles and responsibilities
- Reviews the composition of the Board and its Committees
- Ensures that appropriate procedures are in place for the nomination, selection, training and evaluation of Directors
- Reviews Executive Directors and Senior Management succession planning.

Nomination Committee Report
Page 104

Reinforcing a Healthy Culture

Established reporting mechanisms within the corporate governance framework are key to Board oversight of cultural matters, which are underpinned by our beliefs and behaviours: focus, facts, all in, no silos, be creative, transparency, trust & openness, and empathy. Culture is established by leadership and by example but this also needs to be underpinned by clear policies and codes of conduct.

Ethics, Whistleblowing, Fraud, Bribery
There is a full suite of formal compliance and legal policies which all employees are subject to, including Anti-Bribery, Privacy, Data Protection and Sanctions. Employees can report incidents of wrongdoing through both internal and external mechanisms, including an anonymous 'speak up' tool. The Audit Committee monitors and reviews the Company policies, incidents and trends arising from any such incidents and reports its findings to the Board.

Risk Management
Risk management is an integral component of our corporate governance. We have a formal risk management framework to manage risks in accordance with the Board-set risk appetite. The Audit Committee receives regular updates on risk management and the Board reviews the principal and emerging risks for the Group.

Our People's opinions
We hold regular updates to both inform our employees on business progress and answer any questions they may have. We conduct and act upon our annual employee engagement survey which helps us understand what people think. We have also established the Ascential Employee Forum which is facilitated by the Senior Independent Director to ensure there is a direct route for employee voice in the Boardroom.

How the Board monitors culture

Aligning remuneration and culture
The Ascential Beliefs and Behaviours are directly incorporated into key people processes such as Performance Appraisal (linked to base salary increases) and Development Review. Both of these processes focus not just on what has been achieved, but how our people act and demonstrate alignment to the Ascential Beliefs.

Measuring our culture
We measure compliance with our key policies and procedures, as well as Health & Safety incidents. Our employee engagement survey includes specific questions that help us measure our culture such as 'we see leaders living our values', we feel listened to' and 'we feel proud to work here'. We believe that this framework is an important contributing factor to the very high scores for Organisational Integrity (87%) in our engagement survey.

Promoting the success of the Company
The Directors are very aware of their duty to promote the success of the Company for the benefit of the members as a whole, having regard to the interests of employees, the impact of the Company's operations on the community and the environment, and maintaining a reputation for high standards of business conduct. The need to balance the interests of sometimes conflicting stakeholders is an inherent part of the Board's decision-making processes.

Company Secretary
The Company Secretary supports the Chairman and is available to all Directors to provide governance advice and assistance. She works with the Chairman and the Chairs of the Board Committees to develop agendas and ensures that the Board receives sufficient, pertinent, timely and clear information. She also ensures compliance with the Board's procedures as well as applicable rules and regulations.

The management and day-to-day running of the Group, including the development and implementation of strategy, monitoring the operating and financial performance, and the prioritisation and allocation of resources, has been delegated to executive management. Certain Board responsibilities are delegated to formal Board Committees, which play an important governance role through the work they carry out.

Board activity during the year
The Board spent its time during the formal meetings held in 2021 on the following activities:

Strategy
- Dedicated offsite meetings to refine strategy and assess capabilities and opportunities across our four business segments, as well as overall Ascential strategy
- Approved the 2022 annual budget, capital allocation policy and updated medium-term plans in the context of the agreed strategy;
- Approved the acquisition of Intellibrand, DZ, Perpetua, OneSpace, 4KMiles and WhyteSpyder. Approved the acquisition of a majority stake in ASR.
- Approved the disposal of MediaLink, to allow further allocation of capital to areas of the business with strong recurring, data-driven, revenue characteristics such as the acquisitions noted above; and
- China-based deep dive covering regulations & international relations, data security regime, economic outlook and social trends, technological digital economy landscape and Ascential's strategy in China.

For more information on our strategy see page 14.

People
- Received feedback from the Senior Independent Director following Ascential Employee Forum meetings;
- Met with a range of senior management from across the business;
- The Chairman participates as a juror for the annual Ascential awards, designed to recognise performance across the organisation and every geography; and
- Received updates from the EVP, People on engagement.

For more information on Our People see page 56.

ESG
- Reviewed and approved Climate-Related Risks and Opportunities

For more information on our ESG strategy and performance see page 66.

Risk
- Detailed review of Cyber Risk management;
- Reviewed and approved the principal risk register;
- Reviewed the Group's annual insurance programme; and
- Reviewed the effectiveness of internal controls, including but not limited to a report from the Audit Committee.

For more information on risk management see page 48.

Shareholder engagement
- Reviewed reports from the Company's brokers and advisers on shareholder and analyst feedback following results presentations;
- Received a report from the Company's newly appointed brokers on their 90-day findings and recommendations;
- Reviewed regular investor relations reports relating to share price, trading activity and movements in institutional investor shareholdings;
- Received reports from the Executive Directors following meetings with investors; and
- Approved notice of 2021 Annual General Meeting.

For more information on our investor relations programme see page 96.

Performance
- Approved financial outlook and financing strategy based on extensive scenario planning;
- Monitored operating and financial performance against plans;
- Approved the year end and interim results; and
- Approved the 2020 Annual Report.

For more information on our performance, see the Chief Executive's statement on pages 10 to 15 and the KPIs on page 24.

Finance
- Approved the equity placing which raised gross proceeds of approximately £153 million;
- Approved Treasury Policy; and
- Approved Tax Strategy.

For more information please see the Financial Review on page 34.

Board attendance during the year
In more usual times, we expect all Directors to attend every meeting in person except where a meeting is called at short notice. Due to continuing Covid-19 restrictions and travelling complications, Board meetings during the year have been held either virtually or in hybrid format with our Directors resident outside of the UK attending virtually via video conference. If a Director is unable to attend a meeting, he or she is provided with the same information as the other Directors in advance of the meeting and given the opportunity to express their views before the meeting, usually to the Chairman who will share with the other Directors at the meeting.

There were six scheduled meetings during the year plus an additional seven meetings which were called to deal with specific matters arising including the equity placing and M&A transactions. Directors' attendance at these meetings is set out on pages 90 and 91.

Induction and development

There is a formal induction process for new directors which is tailored to their personal experience, knowledge and role on the Board. Joanne Harris joined the Board in April 2021 and subsequently met with senior executives across the Group to develop her understanding of the business, strategy, key risks and challenges. She has also been provided with key company documents such as the schedule of matters reserved for the Board, Committee terms of reference, key obligations and duties of a director briefings and the Company's compliance policies.

The Board's forward agenda is designed to include deep-dive reviews on all material aspects of the Group to develop Directors' understanding of the business and ensure they meet with a range of senior management.

Directors' conflicts of interest

The Board has a procedure in place for Directors to declare conflicts of interest and for such conflicts to be considered for authorisation. A Director may be required to leave a Board meeting if a matter upon which a conflict has been declared is discussed. External appointments or other significant commitments of the Directors require prior approval by the Chairman.

The current external appointments of the Directors are set out on pages 90 and 91.

Internal Control Statement

The Board acknowledges its responsibility for establishing and maintaining the Group's system of internal controls and it receives reports identifying, evaluating and managing significant risks within the business. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against misstatement or loss.

The Board, assisted by the Audit Committee, has carried out a review of the effectiveness of the system of internal controls during the year ended 31 December 2021 and the period up to the date of approval of the consolidated financial statements contained in the Annual Report. As explained in the Audit Committee Chair's report, in acquiring a number of small, young and developing businesses it is acknowledged that work needs to be done post acquisition to bring the systems of control, including IT general controls, up to the standards required of a listed company. Management are taking steps to address this as part of the integration of new businesses into the Ascential group and progress in this area is monitored by the Audit Committee.

The Board considers that none of these matters have a material impact on the Group's overall control framework, as there are compensating management review controls in place.

For more information on the system of internal controls in place please see page 102 of the Audit Committee report.

Investor Relations

In addition to the activities explained on page 95, there is an ongoing investor relations programme of meetings with institutional investors and analysts, and participation in conferences covering a wide range of issues within the constraints of publicly available information including strategy, performance and governance.

Institutional shareholders and analysts have regular contact with the Executive Directors and the Head of Investor Relations. All shareholders are kept informed of significant developments by announcements and other publications on our website ascential.com/investors. There are defined procedures in place to ensure that the requirements of the Market Abuse Regulations are met.

The Board receives regular reports from the Head of Investor Relations, covering movements in the holdings of institutional shareholders and other trading activity. The Board is also provided with current analyst opinions and forecasts, as well as feedback from FTI and from its joint corporate brokers Numis and JP Morgan. This includes direct feedback from investors and analysts on a non-attributed basis. All of the Directors are available to meet with shareholders although contact with the Non-Executive Directors would normally be through the Chairman (Scott Forbes) or the Senior Independent Director (Rita Clifton) in the first instance.

Annual General Meeting ("AGM")

The AGM of the Company will take place at 9am on Thursday 5 May 2022 at The Grove Hotel, Chandler's Cross, WD3 4TG. All shareholders have the opportunity to attend and vote, in person or by proxy, at the AGM.

All proxy votes received in respect of each resolution at the AGM are counted and the balance for and against, and any votes withheld, are indicated. At the meeting itself, voting on all the proposed resolutions is conducted on a poll rather than a show of hands, in line with recommended best practice.

All Directors will be in attendance at the AGM and available to answer shareholders' questions. The Notice of the AGM can be found in a separate booklet which is posted to shareholders at the same time as this report and is also available on the Ascential website. The Notice of AGM sets out the business of the meeting and an explanatory note on all resolutions. Separate resolutions are proposed in respect of each substantive issue. Results of resolutions proposed at the AGM will be published on the Ascential website after the meeting.

UK Corporate Governance Code Compliance Statement

We have complied with all principles and provisions of the 2018 UK Corporate Governance Code ("the Code") throughout the financial year ended 31 December 2021.

This Corporate Governance Statement and the cross-referenced reports within set out our approach to applying the Code.

Louise Meads
Company Secretary
2 March 2022

Report of the Audit Committee

Suzanne Baxter
Chair of the Audit Committee

"The Committee provides an important role in the Company's corporate governance framework, providing independent challenge, review and oversight of its reporting and control environment."

Dear Shareholder,

As Chair of the Audit Committee, I am pleased to present the report of the Committee for the year ended 31 December 2021. This report outlines how the Committee discharged the duties delegated to it by the Board and explains the key matters considered by it in doing so.

In this year of considerable change within Ascential, the Committee has considered the impact of acquisition and disposal activities on the business and its control systems. In that regard we have been cognisant of the fact that the risk management and control environments in the developing digital commerce business are less mature than those in the longer held and more mature businesses. The Committee has taken this into account when approving the plans and assessing the work of the internal audit function, in considering the impact of acquisitions and disposals on the Company's accounts and financial results, and in considering the external auditor's approach to the audit of the financial statements.

The Committee's core duties comprise:

- the oversight of the Company's financial and narrative reporting processes, including consideration of the annual and half-yearly reports and assessment of the Company's accounting policies and whether its annual report is fair, balanced and understandable;
- consideration and monitoring of the effectiveness of the Company's internal controls and risk management systems;
- oversight of procedures to assure Compliance, to report instances of whistleblowing and to detect fraud;
- monitoring and assessing the effectiveness of the internal audit function; and
- oversight and approval of the engagement of the external auditor, and evaluation of the quality and effectiveness of its work.

The Committee's terms of reference were reviewed and approved by the Board during the year and are available on the Company's website ascential.com/investors/governance.

Committee membership

All current members of the Committee are independent Non-Executive Directors who bring a wide knowledge and significant business experience in financial reporting, risk management, internal control and strategic management. The Board considers that the Committee members as a whole have competence relevant to Ascential's business. Both Funke Ighodaro and I fulfil the requirement to bring recent and relevant financial experience to the Committee. You can read more about the experience of the Committee members in their biographies on pages 90 and 91.

Meetings held in 2021

All Committee members were present at the five meetings held in 2021. The Committee has met once since 31 December 2021 and all Committee members attended that meeting.

At the invitation of the Committee, the Chief Financial Officer, Chief Executive Officer and senior representatives of the finance and management teams also attend meetings, as do representatives of both internal and external audit. The Committee holds regular meetings with the external auditor and the Head of Internal Audit without management present, and these discussions assist in ensuring that reporting, and risk management processes are subject to rigorous review throughout the year.

Risk management

The principal and emerging risks facing the Company are robustly assessed by the Board as a whole. More detail on these risks and the risk management framework is set out on page 48. The ongoing monitoring and effectiveness review of the Group's risk management and internal control systems are described on page 102. The assessment of risk and the review of the risk management systems feeds into the process for assessing the longer-term viability of the Company, which is described further on page 49.

Evaluation of Committee performance

The Committee conducts an annual evaluation of its performance as part of the wider Board effectiveness review. The review of performance in 2021 was conducted internally and confirmed that the Committee is working effectively. More detail on the evaluation process can be found in the Corporate Governance Report on page 86.

Key areas of focus for the Committee in 2021

The key focus areas for the Committee are set out below and reflect its planned and recurring activities and areas of specific focus during the year.

In accordance with its Terms of Reference the Committee:

- Received and considered reports from management on the key estimates and judgements made in the half-yearly report and in the annual financial statements. The Committee challenged the assumptions made, discussed alternative treatments, reviewed proposed disclosures and considered the opinion and work done by the external auditor and other professional advisors.
- Reviewed the Company's annual report and accounts and half-yearly report, including the use of alternative performance measures and the presentation of the accounts, and recommended their approval to the Board.
- Considered and reviewed the internal audit plan for 2022, which includes a focus on the integration and post-acquisition control environment of newly acquired businesses, aligning it with the Company's principal risks.
- Received and considered the reports and findings of the internal auditors, along with management response to those reports and resolution of matters raised.
- Considered the effectiveness of the internal audit function.
- Recommended that the Board approve the viability statement after consideration of the basis of preparation and management's key assumptions and stress tests. This included a challenge to management on the appropriateness of the use of a three-year period which was adopted after consideration in order to give more certainly over business cashflows in the assessed time horizon.
- Reviewed and challenged managements forecasts, stress tests and assumptions in support of the use of the going concern basis for preparation of the Annual Report and Accounts and half-yearly report, giving particular consideration to the impact of Covid-19 on the Company's events and digital commerce business areas.
- Reviewed the effectiveness of the systems of internal control and risk management, including consideration of those relating to the acquisition and integration of new businesses and the outcome of the six-monthly controls self-assessment reviews.
- Oversaw the relationship with the external auditor, considering the scope of its work at the year end and half year, its risk assessment, the effectiveness of its performance and its independence.
- Reviewed the plans and received the reports of the external auditor at the half year and year end and considered the plans for rotation of the audit partner in 2022.
- Considered and challenged explanations for the increase in audit fees and approved the fee for the external audit.
- Updated and approved a revised non-audit fee policy for the external auditor, reflecting good governance in that area.
- Received an update from the Director of Compliance setting out compliance priorities for 2021 and discussing matters including the Company's new Code of Conduct, new whistleblowing service and data privacy processes and controls.
- Received updates on the Company's finance transformation plan to enhance the control and reporting environment through the replacement of its existing suite of financial accounting systems with a new ERP system.
- Considered the Company's correspondence with the FRC (see page 102) and the resultant disclosures made within this Annual Report and Accounts.
- Reviewed the process undertaken to assess the Company's material climate-related risks and opportunities, and for complying with TCFD disclosure requirements.
- Held private meetings with the Company's external auditor and the Head of Internal Audit without the presence of management.
- Reviewed the Committee's terms of reference and its annual schedule of work.

This year, additional focus was applied in the following areas:

- Received and considered a report on the Company's approach to the identification, management and reporting of climate-related risks.
- Considered and challenged the basis for the accounting treatment and carrying value applied to the Company's investment in Hudson MX at both the half-year and year-end reporting dates.
- Discussed the impact of acquisitions and disposals on the control environment, on the external audit plan and on the financial statements.
- Considered the impact of changes in the IFRIC interpretation of the IAS38 accounting standard that apply to the costs of development of software hosted in the Cloud.

Key areas of focus for the Committee during 2021 continued

Significant financial judgements in 2021

The key reporting judgements considered by the Committee and discussed with the external auditor during the year were:

Issue	Judgement
Initial recognition of goodwill and intangible assets, and business combinations	Acquired businesses give rise to material assets and liabilities at the point of acquisition that are based on estimates and judgements about future performance. The provisional recognition of goodwill, intangible assets, other assets and liabilities and estimates of the fair value of consideration transferred are based on a number of assumptions. The valuations of the acquired intangibles have been prepared by external valuation specialists using the available forecasts of the future financial performance and other information (including customer attrition rates) from the acquired businesses. Due to this, there is a significant amount of uncertainty in these inputs and the judgements applied are reviewed by management, including the appropriateness of the inputs and outcomes. Where information is not available, due to the proximity of the acquisition date to the balance sheet date, management applied judgement in estimating the provisional value of acquired intangibles based on accumulated knowledge of prior acquisitions. Often, significant elements of consideration are deferred, contingent on future performance, and may be subject to other conditions such as continued employment of key management personnel. Significant judgement is involved in both assessing the relevant forecast, and selecting the appropriate discount rates. The Committee reviewed the acquisition accounting calculations and underlying estimates and assumptions for Intellibrand, DZ, Perpetua, ASR, OneSpace, WhyteSpyder and 4K Miles, which were acquired during the year, and was satisfied with the treatment.
Recognition of associates	The Committee reviewed the accounting judgements associated with the Group's investment in Hudson MX, including the assessment of whether the Group has control under IFRS 10 "Consolidated Financial Statements" or significant influence over the investment under IAS 28 "Investments in Associates and Joint Ventures", which is considered a critical accounting judgement. The Committee reviewed management's technical accounting assessment throughout the reporting period, reviewed accounting advice from a Big Four accounting firm and consulted the Group's external auditors to corroborate management's assessment. Consideration has been given to determining whether the nature of the relationship, rights under the terms of the preference and common stock investments or other factors would indicate that Ascential has control over the Hudson business. Management has considered the requirements under IFRS 10 and has concluded that, although the Group has exposure to the variable returns from the investment, it does not have actual or potential rights to demonstrate power over Hudson MX and therefore it does not meet the definition of control as at 31 December 2021. Management has further considered the requirements of IAS28 and concluded that the Company does have significant influence over the Hudson business. The Committee was satisfied with the conclusions. The Committee also reviewed the assessment of the valuation of the investment in Hudson MX which is considered a significant estimate due to the early stage of the business and limited available market comparable information. The revenue growth rates and discount rates used in the assessment of the valuation are considered significant estimates in the preparation of the accounts. Calculations are based on the forecasts from Hudson management and extrapolated over a nine-year horizon. Significant judgement is involved in assessing the relevant forecast and selecting the appropriate discount rates given the early-stage nature of the business. The Committee was satisfied with the judgements applied.
Recognition and valuation of deferred contingent consideration	Where an acquisition agreement provides for an adjustment to the consideration, contingent on future performance over the contractual earn-out period, the Group accrues the fair value, based on the estimated additional consideration payable as a liability at acquisition date. To the extent that deferred contingent consideration is payable as part of the acquisition cost and is payable after one year from the acquisition date, the deferred contingent consideration is discounted at an appropriate discount rate and carried at net present value in the consolidated balance sheet. The liability is measured against the contractually agreed performance targets at each subsequent reporting date with any adjustments recognised in the consolidated income statement. Acquisition-related employment costs are contingent on future performance of the acquired business against the contractually agreed performance targets over the earn-out period but are also dependent on the continued employment of the founders over the contractual earn-out period. Consequently they are treated as a remuneration expense in the consolidated income statement. The estimation of the liability requires the Group to make judgements concerning the future performance of related business over the deferred contingent consideration period where the estimation uncertainty risk of payments greater than one year is higher due to the forecast nature of the inputs. In respect of acquisitions in previous years, the Committee reviewed the calculations in respect of deferred contingent consideration and acquisition-related contingent employment costs in light of changes in forecast performance, in order to ensure these continued to be appropriate. The Committee reviewed the proposed changes to the fair value of the deferred contingent consideration which is based on a Board approved five-year plan and is satisfied with its valuation and recognition in the Financial Statements.

Issue	Judgement
Adjusted performance measures	The Group uses certain non-GAAP measures of performance, as, in the opinion of the Directors, this provides a better understanding of the underlying performance of the business, is consistent with the metrics used in day-to-day management of the Group and provides better comparability with other peer group companies. The use and definition of these measures is a matter of judgement. The Committee ensures that there is equal prominence given to adjusted and statutory performance measures, and that there are full reconciliations between the two measures. The Committee discussed these measures with both management and advisers, including KPMG, to ensure that the measures were reasonable, appropriately reflected the maturities of the different businesses within the organisation, and reviewed their use in the context of the overall Annual Report to ensure that this was consistent with the Code requirement to be fair, balanced and understandable.
Costs incurred in the implementation of 'Software as a Service' (SaaS)	In April 2021, the IFRIC issued an agenda decision on configuration and customisation costs in a cloud computing arrangement relating to IAS 38 "Intangible Assets". In response, the Group's accounting policy on intangible assets has been updated, specifically to expense the costs incurred in the implementation of business systems built upon software that is contracted on a "software as a service" (SaaS) basis and hosted in a public cloud where these do not give rise to an identifiable intangible asset that the Group controls. In limited circumstances, cost may give rise to an identifiable intangible asset that the Group controls. Given that this decision is relatively recent, the Group considers this to be a key judgement to determine. The Group has considered several factors to conclude on the appropriate accounting treatment for configuration and customisation costs. These factors include the nature and key terms of licence arrangements, ownership of intellectual property rights, ability to restrict access to systems, ability to remove software applications from the cloud environment and run them within the Group's own IT environment instead, ability to determine when upgrades are applied, and whether associated applications are distinct from the software. The Committee reviewed the accounting assessment of the Group's previously capitalised intangible assets for the implementation of new Salesforce and ERP systems. The Committee assessed the Group's accounting policy, which has been aligned to the new requirements and treatment in the accounts, including the effect of the restatement of comparative financial information. The Committee is in agreement with management's assessment and the accounting adopted.

Financial Reporting Council thematic review

The Company's 2020 annual report was included in the sample for the Financial Reporting Council's ("FRC") thematic review of viability and going concern disclosures. This review was based solely on Ascential's annual report and accounts and did not benefit from detailed knowledge of Ascential's business or an understanding of the underlying transactions entered into.

Some minor changes were made to the going concern and viability disclosures in the 2021 accounts based on the FRC's limited scope review, however no changes to reported numbers were required.

Viability Statement

The Committee reviewed the process undertaken and conclusions reached to support the Company's Viability Statement which can be found in full on page 49.

Our review included:

- challenging management on whether the three-year time period adopted remained appropriate and aligned with the long-term forecasting of the Group;
- challenging whether management's assessment of the principal and emerging risks facing the Group and their potential impact was appropriate;
- considering whether there were any additional risks which could impair solvency or which, whilst not necessarily principal risks in themselves, could become severe if they occur in conjunction with other risks;
- considering the likelihood of the risks occurring in the time period selected and the impact severity in the event that they did occur;
- challenging management as to the appropriateness of the assumptions used in stress testing and modelling scenarios;
- considering whether the suggested enhancements made by the FRC as a result of their limited scope review had been appropriately adopted; and
- reviewing the disclosure to ensure it was sufficiently fulsome and transparent.

In the FRC's limited scope review of the Company's viability disclosure explained above, the FRC noted that the long-term viability statement was based on a three-year timeframe but certain disclosures in the financial statements relied on cash flow forecasts over a five-year horizon. The Committee was satisfied with management's explanation that whilst a five-year plan was prepared, its focus was mainly on the first three years with the outer two years relying more on expected trends and extrapolations. Therefore a three-year period for assessing viability was appropriate as it reflected the Company's detailed budget and, mindful of the changing and growing global markets in which the Company operates, the more certain cashflows of the shorter-term plans.

Fair, balanced and understandable

The Board asked the Committee to consider whether the 2021 Annual Report is fair, balanced and provides the necessary information for shareholders to assess the Company's position and prospects, business model and strategy. In performing this review, the Committee received a report from management and considered the following questions:

- Is the Annual Report open and honest with the whole story being presented?
- Have any sensitive areas been omitted that are material?
- Is there consistency between different sections of the Annual Report, including between the narrative and the financial statements, and does the reader get the same message from reading the two sections independently?
- Is there a clear explanation of key performance indicators and their linkage to strategy?
- Is there a clear and cohesive framework for the Annual Report with key messages drawn out and written in accessible language?

Following this review, and the incorporation of the Committee's comments, we were pleased to advise the Board that, in our view, the Annual Report is fair, balanced and understandable in accordance with the requirements of the UK Corporate Governance Code.

Internal controls

The Board, with the assistance of the Audit Committee, regularly monitors and reviews the policies and procedures making up the Group's internal control and risk management system. To support this monitoring, the Audit Committee reviewed reports from senior management, Internal Audit and KPMG.

The major components of the internal controls systems include:

- clearly defined operational structure, accountabilities and authority limits;
- detailed operational planning and forecasting;
- thorough monitoring of performance and changes in outlook; and
- established risk management processes.

Specific matters considered in relation to controls effectiveness included:

- controls self-assessment process and findings;
- Internal audit reports;
- regular compliance reports;
- review of tax risks and compliance issues;
- review of treasury controls;
- review of tax controls;
- the Corporate Criminal Offences risk assessment, updated to take account of changes to the business including those arising from acquisitions;
- review of integration of acquisitions;
- key developments in IT controls;
- monitoring of the Finance Transformation programme, including a third-party review of controls in the new system;
- fraud, ethical issues and whistleblowing occurrence;
- health & safety governance; and
- management of legal claims.

A formal control self-assessment process was in place during the year in relation to financial controls. This process describes each control objective, the controls required to meet the objective, the frequency of operating the control and the evidence to be retained by management to demonstrate the control exists. Management teams across the Group self-assess and provide formal sign-off of their compliance with this framework twice a year and the results are reviewed in detail by Internal Audit.

Progress towards completion of actions identified to improve internal control is regularly monitored by management and the Audit Committee, who provide assurance to the Board.

In acquiring a number of small, young and developing businesses it is acknowledged that work needs to be done post acquisition to bring the systems of control up to the standards required of a listed company. The Committee are supportive of the steps being taken by management to address this as part of the integration of new businesses into the Ascential group and will monitor progress in this area, including through the implementation of new financial systems and the appointment of experienced teams, over the coming year. The internal audit programme for 2021 has included a focus on this and the plan will continue to do so in 2022. The Board considers that none of the areas of improvement identified constitute a significant weakness.

External audit

The Committee is responsible for ensuring that the external auditor provides an effective source of assurance for the Group's financial reporting and controls, including that the necessary independence and objectivity is maintained. It is also responsible for recommending the appointment, reappointment or removal of the external auditor, and agreeing the external audit fees. The proposed audit fee for the year ended 31 December 2021 was debated between the Committee Chair, the CFO and the KPMG audit partner as a result of the increasing costs of external audit within the market and the impact of acquisitions and disposals on the audit scope.

Ian Griffiths, the current KPMG audit partner, is due to retire through rotation after the audit of the 2021 report and accounts. As such, the Committee met with potential alternative partners to agree the new audit partner, Chris Hearne, for the 2022 audit onwards.

KPMG attends each scheduled meeting of the Committee and presents their reports on our half-year and full-year financial results, as well as their planning reports in advance of each audit. The Committee met with KPMG without management present twice during the year. These sessions provide an opportunity for open dialogue and the Committee typically discusses KPMG's relationship with executive management and particular audit risks identified. The Committee also challenges KPMG on the independence of their audit. In addition, the Chair of the Audit Committee meets with the audit engagement partner outside of the formal Committee environment at least once per year. The Committee also meets with management without KPMG present to discuss their view of KPMG's effectiveness and quality of work delivered, as well as reviewing the results of a survey of finance staff throughout the Group.

As part of the Committee's work to manage the external auditor relationship, and the annual effectiveness review, the Committee considers whether there are adequate safeguards to protect auditor objectivity and independence. In conducting our annual assessment, the Committee considers feedback from the Chief Financial Officer, the level and nature of non-audit fees accruing to the external auditor, KPMG's formal letter of independence, and the length and tenure of the external auditor and of the audit engagement partner.

The Committee has approved a formal non-audit services policy to mitigate any risks threatening, or appearing to threaten, the external audit firm's independence and objectivity arising through the provision of non-audit services.

The non-audit services policy sets out which services are permitted, subject to relevant approvals, and which services are prohibited and cannot be provided by the external auditor. Permitted non-audit services include services required by law or regulation, or where it is probable that an objective, reasonable and informed third party would conclude that the auditor's understanding of the Group is relevant to the service, and the nature of the service would not compromise independence. Permitted non-audit services must be pre-approved subject to the following limits:

Value of non-audit services	Approval required prior to engagement of the external auditor
Up to £25,000	EVP, Group Finance or Chief Financial Officer
£25,001 – £50,000	Chair of the Audit Committee
Above £50,000	The Audit Committee

When reviewing requests for permitted non-audit services, the person approving the engagement will assess:

- Whether the provision of such services impairs the auditor's independence or objectivity and any safeguards in place to eliminate or reduce such threats;
- The nature of the non-audit services;
- Whether the skills and experience make the auditor the most suitable supplier of the non-audit services;
- The fee to be incurred for non-audit services, both for individual non-audit services and in aggregate, relative to the Group audit fee; and
- The criteria which govern the compensation of the individuals performing the audit.

A breakdown of total audit and non-audit fees paid to KPMG during 2021 is set out in Note 5 to the financial statements. These non-audit services were pre-approved in accordance with the non-audit services policy.

Internal Audit

A formal Internal Audit function was in place during the year, utilising a co-sourcing arrangement supported by EY as the Group's externally appointed service partner. The purpose of the Internal Audit function is to consider whether the system of internal control is adequately designed and operating effectively to respond to the Group's principal risks, and to provide independent objective assurance to senior management and to the Board through the Audit Committee. Internal Audit accomplishes its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. In order to provide a greater level of independence for Internal Audit, its personnel as well as the co-sourced party report to the General Counsel, who also acts as Director of Internal Audit and is accountable to the Committee in respect of that role. The General Counsel is invited to attend all Audit Committee meetings and also meet independently with the Chair of the Audit Committee.

The Committee approves the annual Internal Audit Plan and receives a report on Internal Audit activity and progress against that Plan. It monitors the status of internal audit recommendations and management's responsiveness to their implementation. It also challenges management where appropriate to provide us with assurance that the Group's control environment is robust and effective.

Compliance Framework

Ascential has in place a group-wide compliance framework which facilitates a structured and consistent approach to managing compliance across the group. The Director of Compliance reports formally to the Committee on this compliance framework at least annually. The framework is structured upon 10 key areas of compliance with appropriate policies governing each area.

In 2021, the new Ascential Code of Conduct ("the Ascential Code") and a new whistleblowing 'Speak Up' service were launched. The Ascential Code is core to the group-wide compliance framework as it encourages all colleagues to operate in the context of ethics and compliance, empowers employees to thoughtfully handle any ethical dilemmas they may encounter, and provides contact points and other resources related to compliance. The launch of the Ascential Code was supported by a mandatory training module to embed knowledge and understanding of the Code as well as to track engagement.

The Speak Up tool enables anonymous disclosures, where this is permitted by local laws. The tool also serves as an effective business intelligence tool allowing the tracking, allocation and investigation of cases and incidents effectively and consistently. The Speak Up process also provides a confidential third-party helpline should employees prefer to speak to someone rather than use the online tool.

The Committee receives reports on any whistleblowing incidents that are reported during the year. Any significant issues relating to potential fraud would be escalated to me as the Audit Committee Chair immediately.

I will be available at the Company's AGM to answer any questions on the work of the Committee.

Suzanne Baxter
Chair of the Audit Committee
2 March 2022

Report of the Nomination Committee

Scott Forbes
Chair of the Nomination Committee

> "The role of the Nomination Committee is primarily to keep the structure, size and composition of the Board and Committees under review with the primary objective of matching the skills, knowledge and experience of Directors to our business strategy and requirements."

Dear Shareholder,

I am pleased to introduce the Report of the Nomination Committee for 2020.

The role of the Nomination Committee is primarily to keep the structure, size and composition of the Board and Committees under review with the primary objective of matching the skills, knowledge and experience of Directors to our business strategy and requirements

Board composition

The Committee had previously undertaken an externally facilitated Board Strategy review to consider how well the composition of the Board matched the Company's business strategy, both currently and also its future strategic direction. An outcome of that review was that the Board's balance of skills and experience could be further strengthened by adding additional eCommerce, data science, consumer retail, and experience of operating in Asia. Korn Ferry was appointed to search for appropriate candidates based on a formal role specification. Three roles were added through January 2021 and the process was completed during 2021 with the appointment of Joanne Harris with effect from 1 April 2021. Across her career, Joanne has earned a reputation for transformative leadership across business functions, from product development, marketing, sales, and supply chain. Joanne's previous roles include Chief Commercial Officer at Staples, Inc., and Chief Customer Officer at Procter & Gamble.

Succession planning

A succession planning exercise for the senior leadership team is undertaken annually to consider each individual's potential and ability to grow, as well as development plans to maximise an individual's ability to be ready for promotion. Emergency and planned succession options for the Executive Directors and the members of the Senior Leadership Team are also reviewed and approved.

Board appointments policy

The most important priority of the Committee has been, and will continue to be, ensuring that members of the Board should collectively possess the broad range of skills, expertise and industry knowledge, and business and other experience, necessary for the effective oversight of the Group. The Committee takes account of a number of factors before recommending any new appointments to the Board, including relevant skills to perform the role, experience, knowledge and diversity.

It will continue to be the Board's policy to engage an independent search consultant to assist with the identification of suitable candidates based on a comprehensive role description and candidate attributes brief. Shortlisted candidates will then meet with members of the Board on a one-to-one basis before the Committee makes its recommendation of the preferred candidate to the Board.

Non-Executive Director appointments to the Board are for an initial term of up to three years. Non-Executive Directors are typically expected to serve two three-year terms, although the Board may invite the Director to serve for an additional period on the recommendation of the Committee. Non-Executive Directors are appointed under formal appointment letters which are available for inspection at the registered office of the Company during normal business hours and at the AGM.

External Directorships

The Committee keeps under review the number of external directorships held by each Director and performance evaluation is used to assess whether the Non-Executive Directors are spending enough time to fulfil their duties. Any external appointments or other significant commitments of the Directors require the prior approval of the Chairman, or, in the case of the Chairman, the Senior Independent Director. The Chairman takes into account investors' published voting policies on the number of board mandates considered appropriate for directors when considering directors' proposed appointment to additional boards.

During the year, Suzanne Baxter joined the board of Auction Technology Group plc ("ATG") as a non-executive director and Chair of the Audit Committee. Scott Forbes, Ascential's Board Chair, is the Senior Independent Director of ATG. The Board is mindful that the UK Corporate Governance Code states that where non-executive directors hold cross-directorships this is likely to impair, or could appear to impair, a non-executive director's independence. Prior to Suzanne's appointment to ATG, the Committee met to consider whether the appointment would impair the independence of either director. The Committee was satisfied that there were no business conflicts between the two companies, Suzanne Baxter had sufficient time to continue to discharge her duties to the Ascential Board and that there were no other factors which would impair either director's independence. Accordingly, the Board does not consider that Suzanne and Scott's positions as independent Non-Executive Directors of the Company are adversely impacted by their roles on the board of ATG and are satisfied that, notwithstanding these appointments, they are to be regarded as independent.

Board effectiveness

The policy on Board effectiveness reviews is that an externally led evaluation of the Board, Committees and individual Directors will be conducted every third year. As Korn Ferry was engaged to facilitate the Board and Committee performance evaluation for 2019, an internal process was conducted in relation to 2021. Directors were asked to respond to key questions on the key strengths of the Board, improvements made during the year, the main areas of focus necessary for continued development and to identify which risks to the business need more attention from the Board. Directors were also given a comprehensive list of questions covering creating and running an effective board, professional development, strategic and risk foresight, performance evaluation, Chairman's performance and effectiveness of the Board Committees. Directors commented on these questions where performance requires improvement or attention, or is noteworthy because of outstanding performance. The feedback received was collated into one report on a confidential basis by the Company Secretary and reformatted in an anonymous way for the Chairman of the Board (except any comments about the Chairman which are reformatted in an anonymous way and given to the Senior Independent Director). The feedback was then collectively discussed at the February 2022 Board meeting and an action plan created to address areas for development as agreed.

The outcome of the evaluation concluded that Ascential has a highly effective Board. The Chairman is encouraged to continue the rapid transition to increased physical presence at Board meetings, where practical, to further strengthen Board and executive relationships whilst balancing the benefits of remote meeting productivity gains evidenced during periods of limited travel in 2020 and 2021.

Confirmation of Independence

In accordance with the UK Corporate Governance Code, the Committee is chaired by the Board Chairman, Scott Forbes, and the other members of the Committee are Rita Clifton and Judy Vezmar, both independent Non-Executive Directors.

Scott Forbes
Chairman of the Nomination Committee
2 March 2022

Report of the Remuneration Committee

Judy Vezmar
Chair of the Remuneration Committee

"The Committee is proud of the thoughtful execution of our strategy by colleagues around the globe. Our remuneration policies and plans have been implemented to strike the right balance between reward and performance across the Group."

Dear Shareholder,

On behalf of the Board, I am pleased to present the Remuneration Committee's report for the year ended 31 December 2021.

What does this report include?

In addition to my annual statement as Chair of the Remuneration Committee, this report contains:

- the Annual Report on Remuneration, which sets out payments made to the Directors for the year ended 31 December 2021 and how our Remuneration Policy is intended to be implemented in 2022; and
- the Directors' Remuneration Policy which was approved by shareholders at the 2020 AGM.

This annual statement and the annual report on remuneration (set out on pages 116 to 122) will be subject to an advisory vote at the 2022 AGM.

Business performance

All four segments grew revenue strongly in the year, not only compared to 2020, (+48% overall) but growing 9% in aggregate compared to 2019 (pre-pandemic) levels. Digital Commerce continued its extremely strong growth trajectory with its strong underlying momentum accelerated further by several capability-enhancing acquisitions over the course of the year. Both Marketing and Retail & Financial Services bounced back from 2020 when the performance of Lions and Money20/20 had been limited by restrictions imposed by the pandemic, positioning them well for further recovery. Lastly, Product Design, following the difficult trading conditions of 2020, returned to strong levels of growth, in addition to launching coverage of the consumer technology sector.

For more information on the Company's performance, priorities and outlook please see the Chief Executive's statement on pages 10 to 13.

2021 Committee highlights

During late 2020 and early 2021, we conducted an extensive consultation with our investors representing over 70% of our issued share capital and proposed the introduction of a very long-term remuneration framework that the Board believed provided true alignment with shareholders and the long-term business strategy. Notwithstanding the Committee's belief that the structure strongly supported our strategic ambitions, in response to feedback from some shareholders regarding some aspects of the design of the proposed Ten-Year Equity Plan, the Committee withdrew the proposal ahead of the 2021 AGM. The Committee appreciates the high levels of engagement and feedback provided by shareholders. Consequently, the Committee approved LTIP awards to the Executive Directors in line with the structure detailed in the Directors' Remuneration Policy that was approved by shareholders at the 2020 AGM.

One outcome of the Committee's work in early 2021 was to reconsider the relativities between the executive roles and how this relates to remuneration. In the period since our IPO in 2016, Ascential has been transformed through the divestment of large and profitable legacy businesses with limited growth potential and their replacement with smaller digital commerce businesses with lower initial revenue and profits but the potential to grow materially in the future. This business transformation, which has also been accompanied by a step change in our geographical footprint and thus financial reporting and compliance requirements, has resulted in a substantial increase in the size of the role of CFO at Ascential. In recognition of this change, and the exceptional performance and calibre of the individual in post, the Committee resolved in 2021 to grant the CFO a higher long-term incentive award at 200% of salary (from 175% of salary) and this level of award will continue in 2022 and in future years. Further details of the Committee's rationale for this change of approach, as detailed to our major shareholders prior to the 2021 award being granted, are included in the Annual Report on Remuneration.

The Committee was delighted to approve both a Free Share Award and a four-day Ascential-wide long weekend in recognition of every employee's hard work and dedication over the previous 18 months. As a thank you to our people, an award of 700 Free Shares to vest three years from the date of grant was offered to every employee.

With regards to remuneration outcomes for 2021, with Organic revenue growth of 44% and Adjusted EBITDA growth of 323% from 2020, our performance exceeded the maximum targets set for revenue and profit at the start of the financial year. This resulted in the Committee approving bonuses payable at 100% of the maximum in respect of 2021 performance. In approving the bonus awards in light of the exceptional performance delivered, the Committee noted that the Company did not benefit from any government subsidies in relation to Covid-19. The payment of bonuses on a formulaic basis mirrored the approach below the Board. With regards to our 2019 LTIP, the vesting outcome was 0% as neither TSR or EPS targets were achieved as a result of the impact of Covid-19 on our business across the performance period. Overall, the Committee was comfortable with the relationship between performance and reward and the relativities between the executive and the wider population. Accordingly, the Committee did not use discretion to adjust either the 2021 annual bonus or 2019 long-term incentive plan vesting result.

The key activities of the Committee during the year are summarised on page 116.

2022 priorities

The intention for 2022 is to continue with the Directors Remuneration Policy that was approved at the AGM in May 2020 without any further changes. A summary of this policy is set out on pages 108 to 115.

Committee composition, skills and experience

Gillian Kent and Rita Clifton remain in their positions as Committee members and from 5 January 2021 Funke Ighodaro joined the Committee. The Committee has solely comprised Independent Non-Executive Directors throughout the year, in compliance with the UK Corporate Governance Code.

Role of the Committee

The Committee's primary role is to determine the remuneration of the Executive Directors and the Senior Leadership Team and to determine the Remuneration Policy for the Executive Directors, as well as monitoring its ongoing appropriateness and relevance.

The key responsibilities of the Committee are summarised on page 94 of the Corporate Governance Report and further details on the Committee's roles and responsibilities can be found in our Terms of Reference on our website ascential.com.

The Committee met four times during 2021. All members of the Committee attended all meetings and, by invitation, were joined by the Chief People Officer and other members of the senior management team where it was deemed appropriate. The Committee continued to receive independent external advice from Korn Ferry.

I am satisfied that the Committee received information on a timely basis and that the meetings were scheduled adequately to enable members to have an informed discussion and debate.

Committee effectiveness

The Committee's effectiveness was included in the review of Board effectiveness in January 2022, which confirmed that the Committee has operated effectively throughout 2021.

Conclusion

I look forward to receiving your support at our 2022 AGM, where I will be available to respond to any questions shareholders may have on this report, the implementation of our Remuneration Policy or in relation to any of the Committee's activities.

Judy Vezmar
Chair of the Remuneration Committee
2 March 2022

Directors' remuneration policy

Approved by shareholders at the 2020 AGM and included in this report for completeness

This part of the Remuneration Report sets out Ascential's Remuneration Policy for its Executive and Non-Executive Directors. The policy was developed considering the principles of the 2018 UK Corporate Governance Code, and guidelines from major investors. As explained on page 106, this is in line with the version of the policy that was approved by shareholders at the AGM in 2020 (see 2019 Annual Report and Accounts), other than factual data (e.g. the scenario charts) which have been updated as relevant.

What is the role of the Remuneration Committee?

The Remuneration Committee ("the Committee") has responsibility for determining the overall pay policy for Ascential. In particular, the Committee is responsible for:

- determining the framework or broad policy for the fair remuneration of Ascential's Executive Directors and Chairman, and certain other senior management including the direct reports of the Chief Executive Officer;
- approving their remuneration packages and service contracts, giving due regard to the UK Corporate Governance Code as well as the Financial Conduct Authority's rules and associated guidance;
- ensuring that the Remuneration Policy is adequate and appropriate to attract, motivate and retain personnel of high calibre and provides, in a fair and responsible manner, reward for their individual contributions;
- reviewing the ongoing appropriateness and relevance of the Remuneration Policy, overseeing any major changes in remuneration and employee benefits structures throughout Ascential;
- consulting with shareholders and their advisory bodies in advance of significant changes to Remuneration Policy;
- approving the design of, and determining targets for, performance-related pay schemes operated by Ascential and approving the total annual payments made under such schemes; and
- reviewing the design of all share incentive plans for approval by the Board and shareholders. For any such plans, the Committee determines each year whether awards will be made and, if so, the overall amount of such awards, the individual awards to Executive Directors and other senior management, and the performance targets to be used.

Policy Overview

When setting the policy for Directors' remuneration, the Committee takes into account the overall business strategy and risk tolerance, considering the long-term interest of the Company with a view to adequately attracting, retaining and rewarding skilled individuals and delivering rewards to shareholders. Consistent with these principles, the Committee has agreed a Remuneration Policy which will:

- provide a simple remuneration structure which is easily understood by all stakeholders;
- attract, retain and motivate executives and senior management in order to deliver the Company's strategic goals and business outputs;
- promote the long-term success of the business;
- provide an appropriate balance between fixed and performance-related, and immediate and deferred remuneration to support a high-performance culture;
- adhere to the principles of good corporate governance and best practice;
- align executives with the interests of shareholders and other external stakeholders; and
- consider the wider pay environment, both internally and externally.

Furthermore, the Committee is satisfied that the Remuneration Policy and its application takes due account of the six factors listed in the UK Corporate Governance Code:

- Clarity – our policy is well understood by our management team and has been clearly articulated to our shareholders. A key part of our EVP, People's role is engaging with our wider employee base on all our "People Matters" (including remuneration) and we monitor the effectiveness of this process through the feedback received.
- Simplicity – the Committee is very mindful of the need to avoid overly complex remuneration structures which can be misunderstood and/or deliver unintended outcomes. Therefore, one of the Committee's objectives is to ensure that our executive remuneration policies and practices are as simple to communicate and operate as possible, while also supporting our strategy.

- Risk – our Remuneration Policy is designed to ensure that inappropriate risk-taking is not encouraged and will not be rewarded via (i) the balanced use of both short- and long-term incentive plans and (ii) malus/clawback provisions.
- Predictability – our incentive plans are subject to individual caps, with our share plans also subject to market standard dilution limits. The scenario charts on page 112 illustrate how the rewards potentially receivable by our Executive Directors vary based on performance delivered and share price growth.
- Proportionality – there is a clear link between individual awards, delivery of strategy and our long-term performance. In addition, the significant role played by the value of reward through equity with post-employment holding requirements, together with the structure of the Executive Directors' service contracts, ensures that poor performance is not rewarded.
- Alignment to culture – Ascential has a relentless focus on delivering for our customers and this is fully aligned with our Remuneration Policy in that employee personal success is directly linked to the Ascential Beliefs and Behaviours through the short-term incentive plans and targets we operate. This is especially the case at the most senior levels within our business.

How are wider employment conditions considered?

The Committee seeks to ensure that the underlying principles which form the basis for decisions on Executive Directors' pay are consistent with those on which pay decisions for the rest of the workforce are taken. For example, the Committee takes into account the general salary increase for the broader employee population when conducting the salary review for the Executive Directors. During 2021, increases considered for the Executive Directors were in line with the average wage increase for all UK employees.

The Company operates UK and International Sharesave and US Stock Purchase saving plans for employees wishing to invest in the Company's shares. A formal employee consultation on remuneration is not operated; however, employees are able to provide feedback on the Company's remuneration policies to their managers or the People Team informally, as well as through the employee engagement survey and formal performance review process.

The Ascential Employee Forum was established in 2020 and continued to provide an additional channel for consulting with employees on issues affecting them, including Remuneration Policy. Fixed ratios between the total remuneration levels of different roles in Ascential are not applied, as this may prevent us from recruiting and retaining the necessary talent in competitive employment markets. We do operate a formal job banding framework, which helps to ensure that remuneration is appropriate and consistent across the organisation.

The Executive Directors' Remuneration Policy (as set out on pages 108 to 115) reflects differences compared to the broader employee base that are appropriate to leadership to ensure alignment with shareholder interests. A greater weight is placed on performance-based pay through the quantum and participation levels in incentive schemes.

Are the views of shareholders considered?

The Committee values and is committed to dialogue with shareholders. We will continue to carefully consider any shareholder feedback received in relation to the AGM this year and in future. In addition, the Committee will continue to engage proactively with shareholders and ensure that shareholders are consulted in advance, where any material changes to the Directors' Remuneration Policy are proposed.

What are the elements of Executive Directors' Pay?

Element	Purpose and link to strategy	Operation	Opportunity
Base Salary	Provides a competitive and appropriate level of basic fixed pay appropriate to recruit, retain and reward Directors of a suitable calibre to deliver the Company's strategic goals and business outputs. Reflects an individual's experience, performance and responsibilities within Ascential.	Set at a level which provides a fair reward for the role and which is competitive amongst relevant peers. Normally reviewed annually with any changes taking effect from 1 April each year. Set taking into consideration individual and Company performance, the responsibilities and accountabilities of each role, the experience of each individual, his or her marketability and Ascential's key dependencies on the individual. Reference is also made to salary levels amongst relevant peers and other companies of equivalent size and complexity. The Committee considers the impact of any base salary increase on the total remuneration package.	Increases will normally be in line with the general increase for the broader employee population, considering factors such as performance of the Company and external factors such as inflation. More significant increases than standard may be awarded from time to time to recognise, for example, development in role and change in position or responsibility, as are also considered for the wider workforce for the same reasons. Current salary levels are disclosed in the Annual Report on Remuneration.
Benefits	Provides market competitive and appropriate benefits package.	Benefits provided may include private medical insurance, life assurance and income protection insurance. The benefits provided may be subject to minor amendment from time to time by the Committee within this policy. In addition, Executive Directors are eligible for other benefits which are introduced for the wider workforce on broadly similar terms. The Company may reimburse any reasonable business-related expenses incurred in connection with their role (including tax thereon if these are determined to be taxable benefits).	There is no overall maximum level of benefits provided to Executive Directors, and the level of some of these benefits is not pre-determined but may vary from year to year based on the overall cost to the Company. However, the Committee monitors annually the overall cost of the benefits provided to ensure that it remains appropriate.
Pension	Provides a competitive and appropriate pension package.	Each Executive Director has the right to participate in the pension scheme operated by the Company either via a contribution into the Company's defined contribution plan, or via an alternative cash allowance.	Pension contributions and/or cash allowances are set at 9% of base salary for existing Executive Directors taking into account their service in post and the approach to pensions applied to the wider UK workforce. For Executive Directors who join after the 2020 policy was approved, the Company contribution will align with the pension provision to the wider UK workforce with executives eligible to receive a maximum Company contribution to a pension scheme or a cash payment on the following scale: 5% of salary: less than 5 years' service; 7% of salary: less than 10 years' service; and 9% of salary: greater than 10 years' service.
All-employee share plans	Encourages employee share ownership and therefore increases alignment with shareholders.	Ascential may from time to time operate tax-approved share plans (such as HMRC approved Save As You Earn Option Plan and Share Incentive Plan) for which Executive Directors could be eligible.	The schemes are subject to the limits set by HMRC or appropriate tax authority from time to time.

Element	Purpose and link to strategy	Operation	Opportunity
Annual bonus	Incentivises the execution of key annual goals by rewarding performance against targets aligned to delivery of strategy. Compulsory deferral of a portion of bonus into Ascential shares provides alignment with shareholders.	Paid annually, bonuses will be subject to achievement of stretching financial performance measures. The Committee also has discretion to introduce non-financial and/or strategic measures in future years. It is intended, however, that financial measures will determine the majority of the annual bonus opportunity. 50% of the bonus will normally be deferred into awards over shares under the Deferred Annual Bonus Plan ("DABP"), with awards normally vesting after a three-year period. Executive Directors have the flexibility to voluntarily elect to defer up to 100% of any bonus earned into shares for three years. Recovery and withholding provisions are in operation across the annual bonus and the DABP in certain circumstances, including where there has been a misstatement of accounts, an error in assessing any applicable performance conditions, or in the event of misconduct on the part of the participant. The Committee has discretion to adjust bonus outcomes having had regard to overall corporate performance.	The maximum bonus payable to Executive Directors is 125% of base salary with 50% of maximum payable for on-target performance (62.5% of salary). 0% of salary is paid for threshold performance. Dividends may accrue on DABP awards over the vesting period and be paid out either as cash or as shares on vesting.
Performance Share Plan ("PSP")	Rewards the achievement of sustained long-term performance that is aligned with shareholder interest. Facilitates share ownership to provide further alignment with shareholders.	Annual awards of performance shares that normally vest after three years subject to performance conditions and continued service. Performance is normally tested over a period of at least three financial years. For the awards to be granted in 2022, awards will be subject to targets based on growth in Adjusted EPS and Digital Commerce Business Unit revenue. Different performance measures and/or weightings may be applied for future awards as appropriate. At least 50% of future awards will be subject to financial measures which will normally be a profit measure. The Committee will consult in advance with major shareholders prior to any significant changes being made. Following vesting, a further two-year holding period will apply to the awards whereby Executive Directors will be restricted from selling the net-of-tax shares which vest. Recovery and withholding provisions operate in certain circumstances, including where there has been a misstatement of accounts, an error in assessing any applicable performance conditions, or in the event of misconduct on the part of the participant. These provisions apply for at least three years from the date on which an award vests.	The normal maximum opportunity is 200% of base salary. In exceptional circumstances this may be increased to 250% of salary. As detailed in the Committee Chair's Introductory Statement, the Committee reviewed the breadth of the role of the CFO and the increased scale of this position within the Company during 2021 and concluded that awards for the balance of the 2020 remuneration policy period would be aligned with the CEO at 200% of salary. Awards to the COO will remain at 175% of base salary. Dividends may accrue on PSP awards over the vesting period and be paid out either as cash or as shares on vesting in respect of the number of shares that have vested.
Shareholding guideline	Encourages Executive Directors to build a meaningful shareholding in Ascential so as to further align interests with shareholders.	Each Executive Director must build up and maintain a shareholding in Ascential equivalent to 200% of base salary. If an Executive Director does not meet the guideline, they will be expected to retain at least half of the net shares vesting under the Company's discretionary share-based employee incentive schemes until the guideline is met.	Not applicable
Post-employment share ownership requirements	Ensures there is an appropriate amount of 'tail risk' for executive post cessation of employment.	Executives leaving employment as good leavers (e.g. due to retirement) will continue to hold share awards until the later of their original vesting date or the conclusion of a holding period on the vested shares. Deferred share bonus awards and PSP awards will only be eligible to vest at the normal vesting date (i.e. three years from grant and subject to performance in the case of the PSP) and vested PSP shares subject to a holding period will remain subject to the holding period (i.e. vesting and release will not be brought forward from year 5 to year 3). An exceptional circumstances provision will apply so that these provisions could be overridden (e.g. in the event of death). Bad leavers' share awards will lapse on cessation of employment.	Not applicable

What discretion does the Committee retain in operating the incentive plans?

The Committee operates Ascential's various incentive plans according to their respective rules. To ensure the efficient operation and administration of these plans, the Committee retains discretion in relation to a number of areas. Consistent with market practice, these include (but are not limited to) the following:

- Selecting the participants;
- The timing of grant and/or payments;
- The size of grants and/or payments (within the limits set out in the policy table above);
- The extent of vesting based on the assessment of performance;
- Determination of good leaver and, where relevant, the extent of vesting in the case of the share-based plans;
- Treatment in exceptional circumstances such as change of control, in which the Committee would act in the best interests of Ascential and its shareholders;
- Making the appropriate adjustments required in certain circumstances (e.g. rights issues, corporate restructuring events, variation of capital and special dividend);
- Cash settling awards; and
- The annual review of performance measures, weightings and setting targets for the discretionary incentive plans from year to year.

Any performance conditions may be amended or substituted if one or more events occur which cause the Committee to reasonably consider that the performance condition would not without alteration achieve its original purpose. Any varied performance condition would not be materially less difficult to satisfy in the circumstances.

How does the Committee choose performance measures and set targets?

The performance metrics used for the annual bonus plan and PSP have been selected to reflect Ascential's key performance indicators.

The annual bonus is based on performance against a stretching combination of financial measures, with the flexibility to include non-financial performance measures if considered to be appropriate. The financial measures are set taking account of Ascential's key operational objectives but will typically include a measure of profitability such as EBITDA (which is also closely correlated with the generation of cash) and/or revenue (which reflects the Company's growth focus) as these are key performance indicators. In 2022, the annual bonus will be measured on revenue (50%) and profit (50%) targets.

The performance conditions for the PSP will be weighted towards financial performance and include metrics weighted towards long-term value creation (e.g. a combination of Adjusted EPS and revenue performance for the Digital Commerce Business Unit). Digital Commerce Business Unit revenue has been selected as an appropriate metric as it underpins our ambition to more than double the current run rate revenues of this business unit in the next three years.

A sliding scale of challenging performance targets is set for both of these measures and further details of the targets applied are set out in the Annual Report on Remuneration.

The Committee will review the choice of performance measures and the appropriateness of the performance targets prior to each PSP grant.

Different performance measures and/or weightings may be applied for future awards as appropriate. However, the Committee will consult in advance with major shareholders prior to any significant changes being made.

What about pre-existing arrangements?

In approving this Directors' Remuneration Policy, authority is given to the Remuneration Committee to honour any commitments entered into with current Directors that pre-date the approval of the policy. Details of any payments to current or former Directors will be set out in the Annual Report on Remuneration if and when they arise.

How does the executive pay policy differ from that for other Ascential employees?

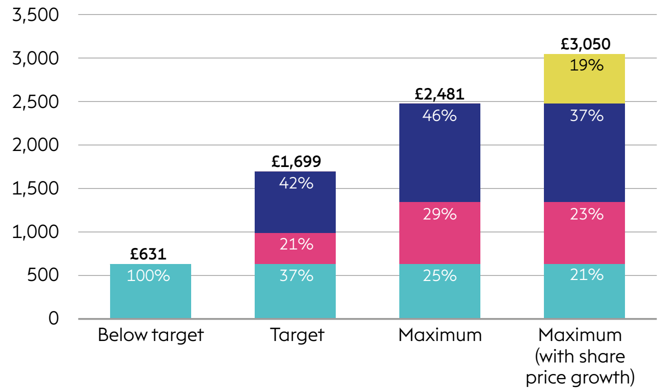
The Remuneration Committee considers the Executive Directors' remuneration in the context of the wider employee population. All of the Company's employees have the opportunity to participate in share-based rewards such as SAYE, and the wider leadership team of the Company participate in annual bonus arrangements. The Remuneration Policy for the Executive Directors is more heavily weighted towards variable pay than for other employees, to make a greater part of their pay conditional on the successful delivery of business strategy. This aims to create a clear link between the value created for shareholders and the remuneration received by the Executive Directors.

How much could an Executive Director earn under the Remuneration Policy?

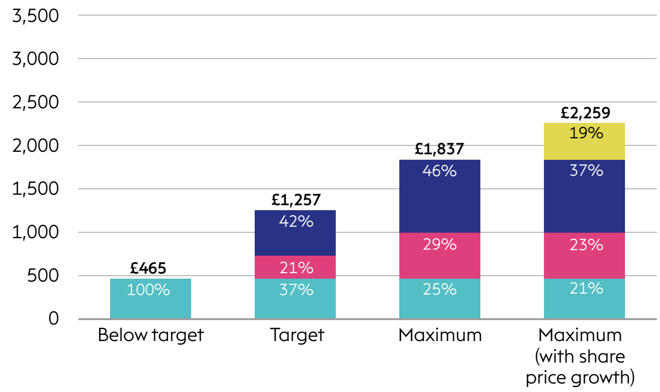
A significant proportion of total remuneration is linked to Company performance, particularly at maximum performance levels.

The chart below illustrates how the Executive Directors' potential reward opportunity varies under three different performance scenarios: fixed pay only, on-target and at maximum. Illustrations are intended to provide further information to shareholders regarding the pay for performance relationship. Actual pay delivered will be influenced by changes in share price and the vesting levels of awards.

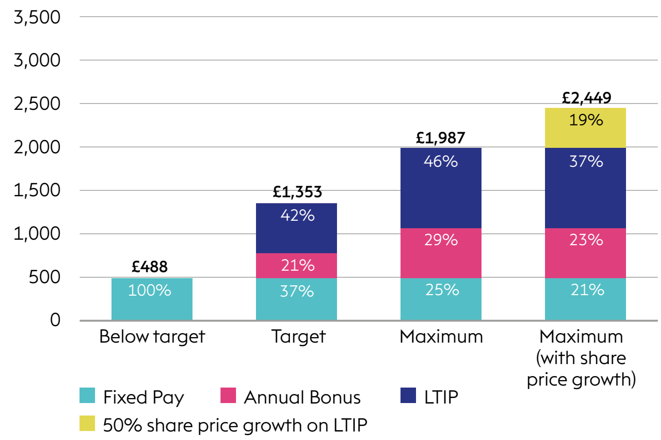
Duncan Painter
CEO £'000



Mandy Gradden
CFO £'000



Paul Harrison
COO £'000



The Executive Directors can participate in the two all-employee share schemes on the same basis as other employees. The value that may be received under these schemes is subject to tax-approved limits. For simplicity, the value that may be received from participating in these schemes has been excluded from the above charts.

What would a new Executive Director be paid?

The ongoing remuneration package for a new Executive Director would be set in accordance with the terms of Ascential's shareholder-approved Remuneration Policy at the time of appointment and the maximum limits set out therein. It is the Remuneration Committee's policy that no ongoing special arrangements will be made, and in the event that any deviation from standard policy is required to recruit a new hire on an ongoing basis, approval would be sought at the Annual General Meeting.

Base salary levels will be set in accordance with Ascential's Remuneration Policy, taking into account the experience and calibre of the individual. Salaries may be set at a below-market level initially with a view to increasing them to the market rate subject to individual performance and developing into the role by making phased above-inflation increases.

Benefits will be provided in line with those offered to the other Executive Directors, taking account of local market practice.

What would the ongoing incentive arrangements be for a newly appointed Executive Director?

Currently, for an Executive Director, annual bonus payments will not exceed 125% of base salary and PSP awards would not normally exceed 200% of base salary (not including any arrangements to replace forfeited entitlements).

Where necessary, specific annual bonus and PSP targets and different vesting and/or holding periods may be used for an individual for the first year of appointment if it is appropriate to do so to reflect the individual's responsibilities and the point in the year in which they joined the Board. A PSP award can be made shortly following an appointment (assuming the Company is not in a close period).

What payments could a newly appointed Executive Director receive beyond the policy?

The Committee retains flexibility to offer additional cash and/or share-based awards on appointment to take account of remuneration or benefit arrangements forfeited by an Executive on leaving their previous employer. If shares are used, such awards may be made under the terms of the PSP or as permitted under the Listing Rules.

Such payments would take into account the nature of awards forfeited and would reflect (as far as possible) performance conditions, the values foregone and the time over which they would have vested or been paid. Awards may be made in cash if the Company is in a prohibited period at the time an Executive joins the Company.

The Committee may also agree that the Company will meet certain relocation, legal, tax equalisation and any other incidental expenses as appropriate so as to enable the recruitment of the best people including those who would need to relocate.

What about an internal appointment?

In the case of an internal Executive Director appointment, any variable pay element awarded in respect of the prior role may be allowed to pay out according to its terms, and adjusted as relevant to take into account the appointment. In addition, any other ongoing remuneration obligations existing prior to appointment may continue. Where a temporary internal promotion occurs, base salary may be subject to an adjustment to better reflect the temporary role or an additional allowance may be payable to reflect the additional responsibilities for the period they operate.

Are the Executive Directors allowed to hold external appointments?

Executive Directors are permitted to accept external appointments with the prior approval of the Board and where there is no impact on their role with Ascential. The Board will determine on a case-by-case basis whether the Executive Directors will be permitted to retain any fees arising from such appointments.

What are the Executive Directors' terms of employment? What are their notice periods?

The Executive Directors have entered into service agreements with an indefinite term that may be terminated by either party on 12 months' written notice. Contracts for new appointments will be terminable by either party on a maximum of 12 months' written notice.

What payments will an Executive Director receive when they leave the Company?

An Executive Director's service contract may be terminated summarily without notice and without any further payment or compensation, except for sums accrued up to the date of termination, if they are deemed to be guilty of gross misconduct or for any other material breach of the obligations under their employment contract.

The Company may suspend the Executive Directors or put them on a period of garden leave during which they will be entitled to salary, benefits and pension only.

If the employment of an Executive Director is terminated in other circumstances, compensation may include base salary due for any unexpired notice period, pro-rata bonus (normally based on performance assessed after the year end), and any amount assessed by the Committee as representing the value of other contractual benefits which would have been received during the period. The Company may choose to continue providing some benefits instead of paying a cash sum, representing their cost. The cash element of any annual bonus paid to a departing Executive Director would normally be paid at the normal payment date, and reduced pro rata to reflect the actual period worked.

Any statutory entitlements or sums to settle or compromise claims in connection with a termination (including, at the discretion of the Committee, reimbursement for tax or legal advice and provision of outplacement services) would be paid as necessary.

Executive Directors' service contracts are available for inspection at Ascential's registered office during normal business hours and will be available for inspection at the AGM.

How are outstanding share awards treated when an Executive Director leaves Ascential?

Any share-based entitlements granted to an Executive Director under Ascential's share plans will be treated in accordance with the relevant plan rules. Usually, any outstanding awards lapse on cessation of employment. However, in certain prescribed circumstances, such as death, injury, disability, retirement with the consent of the Committee, the sale of the entity that employs him/her out of Ascential or any other circumstances at the discretion of the Committee, "good leaver" status may be applied.

For good leavers under the PSP, outstanding awards will normally vest at the original vesting date to the extent that the performance condition has been satisfied, and would normally be reduced on a pro-rata basis to reflect the period of time which has elapsed between the grant date and the date on which the participant ceases to be employed by the Company. The Committee retains the discretion to vest awards (and measure performance accordingly) on cessation and/or to disapply time pro-rating. However, it is envisaged that this would only be applied in exceptional circumstances in line with the Company "post cessation of employment share ownership guideline". For good leavers under the DABP, unvested awards will vest at the original vesting date unless the Committee exercises its discretion and allows the award to vest in full on, or shortly following, the date of cessation. However, in line with the Company "post cessation of employment share ownership guideline" it is envisaged this would only be applied in exceptional circumstances.

In determining whether a departing Executive Director should be treated as a "good leaver", the Committee will take into account the performance of the individual and the reasons for their departure.

What happens to their outstanding share awards if there is a takeover or other corporate event?

Outstanding awards on a takeover or winding up of the Company will vest early to the extent that the performance condition has been satisfied, and would normally be reduced on a pro-rata basis to reflect the period of time which has elapsed between the grant date and the date of the takeover or other corporate event, although the Committee would retain discretion to waive time pro-rating of an award if it regards it as appropriate to do so in the particular circumstances.

In the event of a demerger, special dividend or other event which, in the opinion of the Committee, may affect the current or future value of shares, the Committee may decide that awards will vest on a basis which would apply in the case of takeover. In the event of an internal corporate reorganisation, awards will be replaced by equivalent new awards over shares in a new holding company, unless the Committee decides that awards should vest on a basis which would apply in the case of a takeover.

How are the Non-Executive Directors paid?

Element	Purpose and link to strategy	Operation	Opportunity
Non-Executive Director fees	To attract and retain a high-calibre Chairman and Non-Executive Directors by offering market competitive fee levels.	The Company Chairman is paid an annual fee. The Non-Executives (including the Senior Independent Director) are paid a basic fee, with the Chairs of the main Board Committees, the Senior Independent Director and the Non-Executive Director designated as the employee representative, being paid additional fees to reflect the extra responsibilities and time commitments. 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. The level of fees is reviewed periodically by the Committee and CEO for the Company Chairman, and by the Company Chairman and Executive Directors for the Non-Executive Directors, and is set taking into consideration market levels in comparably sized FTSE companies, the time commitment and responsibilities of the role and to reflect the experience and expertise required. The Company Chairman and the Non-Executive Directors are not eligible to participate in incentive arrangements or to receive benefits save that they are entitled to reimbursement of reasonable business expenses and any tax thereon.	The fees are subject to maximum aggregate limits as set out in the Company's Articles of Association (£2,000,000). The Committee is guided by the general increase for the broader employee population, but on occasions may need to recognise, for example, changes in responsibility, and/or time commitments. Current fee levels are disclosed in the Annual Report on Remuneration.

What would a new Chairman or Non-Executive Director be paid?

For a new Chairman or Non-Executive Director, the fee arrangement would be set in accordance with the approved Remuneration Policy in force at that time.

What are the terms of appointment for the Chairman and Non-Executive Directors?

All Non-Executive Directors have letters of appointment with the Company for an initial period of three years (save for the Chairman who is appointed for a nine-year term), subject to annual re-election by the Company at a general meeting.

The appointment of each Chairman and Non-Executive Director may be terminated by either party with three months' notice. The appointment of each may also be terminated at any time if they are removed as a Director by resolution at a general meeting or pursuant to the Articles, provided that in such circumstances the Company will (except where the removal is by reason of their misconduct) pay the Chairman or Non-Executive an amount in lieu of their fees for the unexpired portion of his or their notice period.

Directors' letters of appointment are available for inspection at the registered office of Ascential during normal business hours and will be available for inspection at the AGM.

Dates of Directors' service contracts/letters of appointment

	Date of service contract / appointment	Unexpired term of contract at 31 December 2021
Executive Directors		
Duncan Painter	21 January 2016	Rolling contract
Mandy Gradden	21 January 2016	Rolling contract
Paul Harrison	11 January 2021	Rolling contract
Non-Executive Directors		
Scott Forbes	11 January 2016	n/a
Suzanne Baxter	5 January 2021	n/a
Rita Clifton	12 May 2016	n/a
Joanne Harris	1 April 2021	n/a
Gillian Kent	11 January 2016	n/a
Funke Ighodaro	5 January 2021	n/a
Charles Song	1 October 2020	n/a
Judy Vezmar	11 January 2016	n/a

Annual report on remuneration

Subject to an advisory vote at the 2022 AGM

This report has been prepared in accordance with the provisions of the Companies Act 2006 and the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). This report has also been prepared in line with the recommendations of the 2018 UK Corporate Governance Code.

This part of the Directors' Remuneration Report sets out a summary of how the Directors' Remuneration Policy was applied during 2021. The policy in place for the year was approved by shareholders at the 2020 AGM. This Annual Report on Remuneration will be subject to an advisory vote at the 2022 AGM. Various disclosures in this report about the Directors' remuneration have been audited by Ascential's independent auditor, KPMG LLP. Where information has been audited, this has been clearly indicated.

What is the composition of the Remuneration Committee?

The Committee is made up of independent Non-Executive Directors and there is cross-membership with the Audit Committee, whose remit includes review of risk management, to ensure that there is alignment between the Group's key risks and its Remuneration Policy. Regular attendees include the external remuneration adviser, Chief Executive, Chief Operating Officer, EVP, People and the VP, Reward. No attendee is present when their own individual remuneration is being discussed.

Committee attendance during the year

The Committee held four formal meetings during the year, and additionally met informally several times to discuss any matters arising. All members attended all meetings.

Key activities of the Committee

The Committee's key activities during the 2021 financial year were:

- confirming the continuation of the 2020 remuneration policy in 2021;
- reviewing base salaries for Executive Directors and senior management;
- approving the bonus outturn for Executive Directors and senior management;
- setting bonus targets for Executive Directors and approving them for senior management;
- approving awards under the Company's share plans, including associated performance conditions;
- approving the result of the calculation of the vesting proportion (nil) of the 2019 PSP award;
- approving an all-employee Free Share Award; and
- approving this Remuneration Committee Report.

Total remuneration for the financial year to 31 December 2021 (Audited)

The following table reports the total remuneration receivable in respect of qualifying services by each Director for the year ended 31 December 2021.

£'000		Salary & fees[1]	Taxable benefits[2]	Pension[3]	Total Fixed Pay	Annual Bonus[4]	Long-Term Incentive[5]	Other[11]	Total Variable Pay	Total Remuneration
Executive										
Duncan Painter	2021	554	11	43	608	693	-	-	693	1,301
	2020	483	7	50	540	-	107	-	107	647
Mandy Gradden	2021	411	5	32	448	514	-	-	514	962
	2020	335	5	34	374	–	63	-	63	437
Paul Harrison[6]	2021	440	7	16	463	563	-	747	1,310	1,773
	2020	72	–	–	72	–	-	-	–	72
Non-Executive										
Scott Forbes	2021	220	–	–	220	–	–	-	–	220
	2020	166	–	–	166	–	–	-	–	166
Rita Clifton[7]	2021	65	–	–	65	–	–	-	–	65
	2020	52	–	–	52	–	–	-	–	52
Gillian Kent[8]	2021	55	–	–	55	–	–	-	–	55
	2020	47	–	–	47	–	–	-	–	47
Judy Vezmar	2021	65	–	–	65	–	–	-	–	65
	2020	56	–	–	56	–	–	-	–	55
Charles Song[9]	2021	55	–	–	55	–	–	-	–	55
	2020	14	–	–	14	–	–	-	–	14
Suzanne Baxter[10]	2021	64	–	–	64	–	–	-	–	64
Funke Ighodaro[10]	2021	54	–	–	54	–	–	-	–	54
Joanne Harris[10]	2021	42	–	–	42	–	–	-	–	42
Total	**2021**	**2,025**	23	**91**	**2,139**	1,770	–	747	2,517	**4,656**
Total	2020	1,225	12	84	1,321	–	170	-	170	1,491

1. Salary and fees for 2020 include a temporary reduction in base salary and fees of 25% for 6 months as part of the Board's response to the impact of the Coronavirus pandemic.
2. Benefits include private medical insurance, life assurance, income protection insurance and use of a company driver.
3. Pension amounts are the cash allowance paid in lieu of pension contributions which are calculated as 9% of salary for the CEO and CFO, and 5% for the COO less a deduction of 13.8% to cover employers' national insurance contributions.
4. No bonus was payable in respect of 2020 as targets were not met as a result of the impact of the Covid-related cancellation of live events during the year.
5. The PSP award granted in March 2019 had a performance period ended 31 December 2021 and no part of this vested as the performance conditions were not met due to the impact of Covid-19 on financial performance during the performance period. See page 118 for details of the performance conditions.
6. Paul Harrison's remuneration for 2020 reflects his role as Non-Executive Director. Paul was appointed as an Executive Director on 11 January 2021. Fees paid to Paul Harrison for 2020 include £17,300 consulting fees in relation to consultation on a strategic project in December 2020.
7. Rita Clifton received £1,867 of pay relating to 2020 in March 2021. The 2020 comparator has been restated accordingly.
8. Gillian Kent received £617 of pay relating to 2020 in March 2021. The 2020 comparator has been restated accordingly.
9. Charles Song was appointed to the Board as a Non-Executive on 1 October 2020.
10. Suzanne Baxter, Funke Ighodaro and Joanne Harris were appointed to the Board as Non-Executive Directors in 2021 and there were no fees paid to them in 2020.
11. As disclosed in the 2020 Annual Report on Remuneration, 313,336 shares were awarded during the year to Paul Harrison as part of his joining arrangements. A tranche of 184,177 shares vested in September 2021 and was not subject to performance conditions, other than service conditions. The value of the award in the above table is the market value of the shares on the date of vesting (£4.0577).

Duncan Painter is also a non-executive director of ITV plc and received fees totalling £70,425 in 2021 (2020: £62,209) from that external appointment. Paul Harrison is a non-executive director of Darktrace plc and received fees totalling £61,875 in 2021 (2020: nil) from that external appointment.

How was the annual bonus payment determined? (Audited)

The bonus targets for the year, performance against these targets, and the resulting payouts are set out below. At the time of setting the targets, the Committee considered the target ranges to provide an appropriate balance between being achievable at the bottom end of the performance ranges and providing a stretch target at the top end of the ranges. The targets were considered similarly demanding to those set for 2020 allowing for changes to the Company's portfolio of businesses and the continuing impact of the pandemic on live events. The targets were subject to an appropriate adjustment to reflect material M&A activity during the year (i.e. they were increased to reflect the acquisition-case expected financial performance) with this approach ensuring that the targets were no less challenging than when originally set. The targets continued to include MediaLink which was owned by the Company for 50 weeks of 2021.

	Weight	Threshold		Target		Maximum		Actual (inc. MediaLink)		
Target	%	Required result	Payout as % of maximum	Required result	Payout as a % of maximum	Required result	Payout as a % of maximum	Actual result	Payout as a % of maximum	Payout as % of target
Revenue (£'m)	50	338.2	0	375.8	50	379.5	100	392.7	100	200
EBITDA (£'m)	50	83.6	0	92.9	50	95.2	100	102.6	100	200
Total	**100**								**100**	**200**

The Committee confirmed that a maximum payout level was appropriate in the overall context of the Company's financial performance in 2021 and in line with payouts at those Business Units which materially outperformed their targets. In approving maximum bonus awards the Committee noted that all four business segments grew revenue strongly in the year, not only compared to 2020, (+48% overall) but growing 10% versus the 2019 pre pandemic levels. No discretion to adjust payouts was therefore required. Half of the bonus will be deferred into shares for three years under the Deferred Annual Bonus Plan, with the exception of Duncan Painter who has elected to defer 100% of his bonus into shares.

What equity awards have been included in the single figure table? (Audited)

The Executive Directors received an award in 2019 under the Performance Share Plan ("PSP") which vests to the extent performance conditions are met over the period to 31 December 2021, with targets based on EPS and relative TSR performance. None of the award will vest as a result of the impact of Covid-19 on Ascential's financial performance:

Performance measure	Weighting	Threshold performance	Threshold vesting	Maximum performance	Actual performance	Proportion of award to vest
Adjusted EPS growth	75% of award	6%	25%	15%	Below 6%	0%
Relative TSR vs FTSE 250	25% of award	Median ranking	25%	Upper quartile ranking	Below median	0%
Total						**0%**

With regards to the EPS performance target, the Committee considered whether any adjustments were necessary to ensure that material events during the measurement period had not made the performance conditions materially more or less difficult to satisfy. Consistent with prior year methodology, the Committee considered that it was appropriate to adjust for material M&A activity during the period by removing the disposed businesses and adding acquisition case EPS for new acquisitions during the performance period. These adjustments were considered appropriate by the Committee to ensure that the targets were no more or less challenging than when they were set having had regard to the size of the acquisitions involved. The Committee concluded that the zero vesting outcome was not impacted by adjustments for M&A activity during the performance period to the extent that it would have resulted in a performance above the threshold.

What equity awards have been granted during the year? (Audited)

The Executive Directors received the following awards under the Performance Share Plan ("PSP") during the year. There were no awards made under the DABP in 2021 as no bonus was paid in respect of the 2020 financial year. As previously disclosed, Paul Harrison was granted a buy-out award during 2021 with details included on page 117.

	Type of award	Number of shares	Face value (£)[1]	Face value as a % of salary	Threshold vesting	End of performance period
Duncan Painter	PSP	267,748	1,110,619	200%	25%	31 December 2023
Mandy Gradden	PSP	198,583	823,722	200%	25%	31 December 2023
Paul Harrison	PSP	189,850	787,498	175%	25%	31December 2023

1 The 2021 PSP award was granted as a conditional award. Face value has been calculated using the average closing share price for the five business days immediately preceding the date of grant for the award was £4.148.

Given the proposal for the new equity plan at the 2021 AGM which the Committee was originally intending to operate from 2021, the proposals to award shares to the Executive Directors under the Company's existing PSP plan were only agreed after the AGM (as opposed to the normal grant in March).

In line with the overall Policy maximum approved at the 2020 AGM, and as detailed in the Committee Chair's Introductory Statement, the Committee approved grants of 200% of salary for the CEO and CFO, and 175% of salary for the COO.

With regards to the CFO's award, this was increased from 175% of salary as granted in prior years to the Policy maximum of 200% of salary to align the award level with that of the CEO. This change was made following the outcome of the Committee's work in early 2021 to reconsider the relativities between the executive roles and how this relates to remuneration. In the period since our IPO in 2016, Ascential has been transformed through the divestment of large and profitable legacy businesses with limited growth potential and their replacement with smaller digital commerce businesses with lower initial revenue and profits but the potential to grow materially in the future. As detailed in the strategic report, this positions Ascential well for future growth in our chosen markets, especially given the increased geographical footprint that the business now operates with. One impact of our success in delivering this transformational change has been to increase the size and complexity of the role of the CFO at Ascential, with her role crucial to both the assessment and execution of M&A, and the financial reporting and governance requirements that now sit within her remit.

To reflect the increased size and complexity of the CFO role, the Committee resolved in 2021 to grant the CFO a higher long-term incentive award at 200% of salary (from 175% of salary). In concluding that this was appropriate for the 2021 financial year, the Committee noted her outstanding performance in steering the company financially through the Covid-19 pandemic; which required her to take, on a number of occasions, bold financial decisions informed by a high level of financial acumen and required the management of high leverage and business investments in a period when liquidity was dear. She charted a financial course not only protecting shareholder long term value but ensuring financial stability and incremental value creation as we successfully exited the main challenges within the pandemic period.

The change to the award level for 2021 was made after setting out the change and the proposed performance targets to our major shareholders and we did not receive any negative feedback. Given the increase to the size and complexity of the CFO role is ongoing, the Committee resolved to continue to grant awards at this level.

With regard to the 2021 award's performance targets, the Committee reviewed the performance measures and agreed the 2021 awards should be based on EPS (75% weighting) and revenue of the Digital Commerce Business Unit (25% weighting). These metrics reflect feedback during engagement with the Company's investors on appropriate medium to long-term targets to support sustained profitable growth and better alignment with the Board's business strategy objectives of expanding our global leadership as a provider of specialist information, analytics and ecommerce optimisation, with a special focus in digital commerce. These targets were different to the targets used for the 2020 awards of relative TSR versus the FTSE 250 (excluding investment trusts) which were set in the context of Covid-19 when forward forecasting was challenging.

The 2021 PSP awards are therefore subject to the following performance criteria:

Performance criteria	Weighting	Threshold (25% vesting)	Stretch (100%)	Measurement period
Adjusted EPS	75%	15.0p	19.6p	1 January 2021 – 31 December 2023
Digital Commerce Business Unit revenue	25%	£179m	£224m	1 January 2021 – 31 December 2023

Both the EPS and Digital Commerce Revenue targets were set having taken into account our internal planning and external market expectations for future performance as at the date of the award in September 2021. To ensure the EPS target acts as a realistic incentive, it was set and will be tested using constant tax rates in light of the prevailing uncertainties around future corporate tax rates, particularly in the US which has and continues to represent an increasing proportion of Ascential's business. In terms of the degree of stretch in the targets, they were set with a view to striking the right balance between being realistic at the threshold performance levels and stretching at the top end of the range set and, most importantly, aligning with the expected growth through to the end of 2023. The Committee will consider the overall vesting result in the context of broader Company performance on vesting, as well as making any adjustments required to reflect material M&A activity that takes place during the performance period such as the disposal of MediaLink and the acquisition of Digital Commerce businesses, which took place after the performance condition was set.

To the extent awards vest in September 2024, any shares delivered will be subject to a two-year holding period.

What other interests do the Directors have in Ascential share plans?

The tables below summarise the interests the Executive Directors have in Ascential share plans.

Duncan Painter

Scheme	Interests at 1 Jan 2021	Granted in year	Lapsed in year	Exercised in year	Interests at 31 Dec 2021	Date of grant	Exercise price (£)	Vesting date	Expiry date
PSP	263,078	–	231,062	32,016	–	08-Mar-18	nil	08-Mar-21	n/a
PSP	314,693	–	–	–	314,693	29-Mar-19	nil	29-Mar-22	n/a
PSP	381,626	–	–	–	381,626	1-Oct-20	nil	1-Oct-23	n/a
PSP	–	267,748	–	–	267,748	1-Sep-21	nil	1-Sep-24	n/a
DABP	19,201	–	–	–	19,201	07-Mar-17	nil	07-Mar-20	06-Mar-27
DABP	37,842	–	–	37,842	–	08-Mar-18	nil	08-Mar-21	n/a
DABP	19,549	–	–	–	19,549	29-Mar-19	nil	29-Mar-22	n/a
DABP	61,409	–	–	–	61,409	1-Oct-20	nil	1-Oct-223	n/a
SAYE	5,921	–	–	–	5,921	26-Sep-19	3.04	01-Nov-22	30-Apr-23
Total	**1,103,319**	**267,748**	**231,062**	**69,858**	**1,070,147**				

Mandy Gradden

Scheme	Interests at 1 Jan 2021	Granted in year	Lapsed in year	Exercised in year	Interests at 31 Dec 2021	Date of grant	Exercise price (£)	Vesting date	Expiry date
PSP	243,924	–	–	–	243,924	21-Mar-16	nil	21-Mar-19	20-Mar-26
PSP	160,037	–	–	–	160,037	07-Mar-17	nil	07-Mar-20	06-Mar-27
PSP	155,216	–	136,327	18,889	–	08-Mar-18	nil	08-Mar-21	n/a
PSP	185,712	–	–	–	185,712	29-Mar-19	nil	29-Mar-22	n/a
PSP	225,229	–	–	–	225,229	1-Oct-20	nil	1-Oct-23	n/a
PSP	–	198,583	–	–	198,583	1-Sep-21	nil	1-Sep-24	n/a
DABP	13,099	–	–	–	13,099	07-Mar-17	nil	07-Mar-20	06-Mar-27
DABP	25,606	–	–	25,606	–	08-Mar-18	nil	08-Mar-21	n/a
DABP	13,184	–	–	–	13,184	29-Mar-19	nil	29-Mar-22	n/a
DABP	20,709	–	–	–	20,709	1-Oct-20	nil	1-Oct-23	n/a
SAYE	5,921	–	–	–	5,921	26-Sep-19	3.04	01-Nov-22	30-Apr-23
Total	**1,048,637**	**198,583**	**136,327**	**44,495**	**1,066,398**				

Paul Harrison

Scheme	Interests at 11 Jan 2021[1]	Granted in year	Lapsed in year	Exercised in year	Interests at 31 Dec 2021	Date of grant	Exercise price (£)	Vesting date	Expiry date
Buy out	–	184,177	–	184,177	–	1-Sep-21	nil	5-Sep-21	n/a
Buy out	–	129,159	–	–	129,159	1-Sep-21	nil	14-Mar-22	n/a
PSP	–	189,851	–	–	189,851	1-Sep-21	nil	1-Sep-24	n/a
SAYE	–	5,405	–	–	5,405	24-Sep-21	3.33	1-Nov-24	30-Apr-24
Total	**–**	**508,592**	**–**	**184,177**	**324,415**				

1. Paul Harrison was appointed as an Executive Director with effect from 11 January 2021.

The closing share price of Ascential's ordinary shares at 31 December 2021 was 402.4p and the closing price range from 1 January 2021 to 31 December 2021 was 331.6p to 454.4p.

The Executive Directors can participate in the Ascential Save As You Earn scheme on the same terms as those open to the wider workforce. Share options are granted at an option price which is a 20% discount on the share price on the date of offer. Options normally vest following the conclusion of a three-year savings contract and will ordinarily be exercisable for a period of six months after the vesting date.

Ordinary shares required to fulfil entitlements under the PSP, RSP, DABP and SIP may be provided by Ascential's Employee Benefit Trusts ("EBT"). As beneficiaries under the EBT, the Executive Directors are deemed to be interested in the Ordinary Shares held by the EBT which, at 31 December 2021, amounted to 855,462 shares. Assuming that all outstanding awards made under Ascential's share plans vest in full, Ascential has utilised 4.5% of the 10% in ten years and 3.4% of the 5% in five years dilution limits.

What pension payments were made in 2021? (Audited)

The table below provides details of the Executive Directors' pension benefits:

	Cash in lieu of contributions to DC type pension plan (£'000s)
Duncan Painter	43
Mandy Gradden	32
Paul Harrison	16

Each Executive Director has the right to participate in Ascential's defined contribution pension plan or to elect to be paid some or all of their contribution in cash. Pension contributions and/or cash allowances are capped at 9% of salary for the CEO and CFO, and 5% of salary for the COO.

Were there any payments made to past Directors during 2021? (Audited)

There were no payments made to any past Directors during the year.

What are the Directors' shareholdings and is there a guideline? (Audited)

To align the interests of the Executive Directors with shareholders, each Executive Director must build up and maintain a shareholding in Ascential equivalent to 200% of base salary. Until the guideline is met, Executive Directors are required to retain 50% of any share awards that vest (or are exercised) net of tax. Details of the Directors' interests in shares (including those of their connected persons) are shown in the table below:

				Outstanding awards					
				PSP[2]		**DABP3**		**Buy out award**[3]	**SAYE**[3]
Director	Beneficially owned at 31 Dec 2021	Beneficially owned at 31 Dec 2020	Shareholder guideline achieved?	Not vested	Vested but not exercised	Not vested	Vested but not exercised		
Duncan Painter	4,146,352	3,752,346	Yes	964,067	–	80,958	19,201	–	5,921
Mandy Gradden	850,934	781,120	Yes	609,524	403,961	33,893	13,099	–	5,921
Paul Harrison	105,973	2,820	No[1]	189,851	–	–	–	129,159	5,405
Scott Forbes	224,203	206,050	n/a	–	–	–	–	–	–
Suzanne Baxter	5,000	n/a	n/a	–	–	–	–	–	
Rita Clifton	–	–	n/a	–	–	–	–	–	–
Joanne Harris	–	n/a	n/a	–	–	–	–	–	
Judy Vezmar	50,000	50,000	n/a	–	–	–	–	–	–
Gillian Kent	–	–	n/a	–	–	–	–	–	–
Funke Ighodaro	–	n/a	n/a	–	–	–	–	–	–
Charles Song	–	n/a	n/a	–	–	–	–	–	–
Total	**5,382,462**	**4,792,336**		**1,763,442**	**403,961**	**114,851**	**32,300**	**129,159**	**17,247**

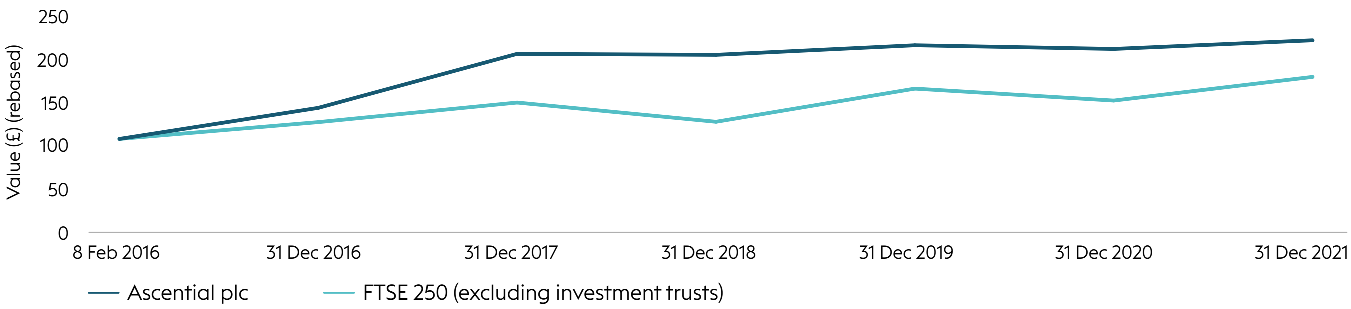
1 Paul Harrison was appointed as COO with effect from 11 January 2021 and is building his shareholding in line with the shareholding guideline.

2. All outstanding PSP awards are subject to performance conditions.

3. Awards under the DABP and SAYE are not subject to performance conditions, other than service-based conditions.

How does the CEO's pay compare to Ascential's performance?

This graph shows a comparison of Ascential's total shareholder return (share price growth plus dividends paid) with that of the FTSE 250 (excluding investment trusts) since Admission. This index has been selected as it comprises companies of a comparable size and provides an indication of Ascential's relative performance.



This graph shows the value, by 31 December 2021, of £100 invested in Ascential plc at the IPO Offer Price on 08 February 2016, compared with the value of £100 invested in the FTSE 250 (excluding investment trusts). Source: Datastream (Refinitiv)

The total remuneration figure for the CEO for each year since IPO is shown below. The total remuneration figure includes the annual bonus in the performance year to which it relates (included any amount deferred into shares).

	2017	2018	2019	2020	**2021**
Total Remuneration (£'000)	856	2,167	1,681	647	**1,301**
Annual bonus (% of maximum)	48	20	26	0	**100**
Long Term Incentive Plan (% of maximum vesting)	n/a	100	83	12	**0**

How does the change in Director's pay compare to that for Ascential employees?

The historic movement in the salary, taxable benefits and annual bonus for the Directors compared to the UK employee average is shown below. As part of the Board's response to the Coronavirus pandemic, a 25% pay cut was taken from 1 April 2020 to 30 September 2020. To aid a more meaningful comparison, this pay cut has been added back to 2020 salary and fees for the purposes of calculating the movement between 2020 and 2021. Paul Harrison was appointed as an Executive Director in January 2021 and his salary and fees have been split out between roles to aid comparison. There was no bonus paid in 2020. The increase in taxable benefits for Duncan Painter in 2021 reflects the fact that his use of a company-employed driver in 2020 was much lower due to the Coronavirus pandemic. Benefits in 2021 are broadly unchanged from 2019.

	Average percentage change 2019-2020			**Average percentage change 2020 - 2021**		
	Salary / Fee	Taxable benefits	Annual bonus	Salary / Fee[2]	Taxable benefits	Annual bonus
Executive Directors:						
Duncan Painter	(12%)	(30%)	(100%)	1%	42%	nm
Mandy Gradden	(10%)	0%	(100%)	3%	0%	nm
Paul Harrison[1]	n/a	n/a	n/a	n/a	n/a	n/a
Non-Executive Directors:						
Scott Forbes	(6%)	n/a	n/a	0%	n/a	n/a
Suzanne Baxter[3]	n/a	n/a	n/a	n/a	n/a	n/a
Rita Clifton	(9%)	n/a	n/a	0%	n/a	n/a
Gillian Kent	(10%)	n/a	n/a	0%	n/a	n/a
Joanne Harris[3]	n/a	n/a	n/a	n/a	n/a	n/a
Paul Harrison[1]	(12%)	n/a	n/a	n/a	n/a	n/a
Funke Ighodaro[3]	n/a	n/a	n/a	n/a	n/a	n/a
Charles Song[2]	n/a	n/a	n/a	n/a	n/a	n/a
Judy Vezmar	(10%)	n/a	n/a	0%	n/a	n/a
All employees[4]	(5%)	nm	n/a	3%	nm	n/a

1 Paul Harrison was a Non-Executive Director until 11 January 2021 when he was appointed as an Executive Director. Fees paid to him in 2020 included £17,300 of consulting fees in relation to a strategic project. These have been excluded from the above table to clarify the underlying movement.

2. Charles Song was appointed to the Board on 1 October 2020.

3. Suzanne Baxter, Funke Ighodaro and Joanne Harris were appointed to the Board in 2021 and there were no fees paid to them in 2020.

4. Only senior employees are eligible for an annual bonus.

What is the ratio of CEO pay to the average UK employee?

The below table sets out the CEO's total remuneration as a ratio to UK employees' total remuneration on the 25th, 50th and 75th percentile.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
1 January to 31 December 2021	Option A	64	32	19
1 January to 31 December 2020[1]	Option A	31	18	11
1 January to 31 December 2019	Option A	48	33	22

1. 2020 CEO pay restated to add back 2020 Covid-related pay cut

The salary and total pay of the UK employee on each of the 25th, 50th and 75th percentiles are shown below:

Percentile	Total Salary	Total Pay
25th	19,530	20,285
Median	37,905	41,197
75th	63,750	66,915

We have adopted Method A to calculate the above ratios as it is the most statistically accurate. This means that we have calculated total pay for all UK employees, using the same methodology that is used to calculate the CEO's single figure, using 31 December 2021 as the reference date. The median pay ratio is broadly consistent with the ratio in 2019. The reduction in ratio in 2020 was due to no annual bonus being paid to the CEO.

Underpinning our pay and progression principles is a need to provide a competitive total reward so as to enable the attraction and retention of high calibre individuals without overpaying, and providing the opportunity for individual development and career progression. The pay ratios reflect the changes in individual accountability which is recognised through our pay structures, which include greater variable pay opportunity for more senior positions. This is reflected in the fact that the CEO's variable pay opportunity is higher than those employees noted in the table, reflecting the weighting towards long-term value creation and alignment with shareholder interests inherent in his role. We are satisfied that the median pay ratio is consistent with our wider pay, reward and progression policies for employees. All our employees have the opportunity for annual pay increases, career progression and development opportunities.

How much does Ascential spend on pay and dividends? (Audited)

	2021	2020
Total employee costs	£216.2m	£177.2m
Dividend per ordinary share	0p	0p

What advice did the Committee receive?

Korn Ferry are the appointed advisers to the Remuneration Committee and provide advice and information on market practice, the governance of executive pay and the operation of employee share plans. The total fees paid to Korn Ferry in respect of their services for the 2021 financial year were £59,900 plus VAT. Korn Ferry provides other consulting services to the Board in relation to its recruitment of Non-Executive Directors which is provided by an entirely separate team independent from the team advising the Committee. As a result, the advice to the Committee is therefore considered independent. Korn Ferry are signatories to the Remuneration Consultant's Code of Conduct, which requires that advice to be objective and impartial.

What votes were received in relation to the Directors' Remuneration Policy at the 2020 AGM and the Annual Report on Remuneration at the 2021 AGM?

	Remuneration Policy at the 2020 AGM	%	Annual Report on Remuneration at the 2021 AGM	%
Votes cast in favour	365,711,635	97.1	359,267,886	95.4
Votes cast against	10,790,339	2.9	17,373,098	4.6
Total votes cast	376,501,974		379,678,993	
Abstentions	537,988		3,038,009	

How will the Directors' Remuneration Policy be used in the 2022 financial year?

Base salary

The base salaries for the CEO, CFO and COO will be increased by 2.5% in 2022. This is in line with the budget set for salary increases of 2.5% for the wider workforce in the UK. The CEO's base salary will therefore be £569,193, the CFO's base salary will be £422,160 and the COO's base salary will be £461,250.

Annual bonus plan

The annual bonus plan will continue to be subject to a maximum of 125% of base salary and measured against stretching financial targets. 50% of the bonus will be based on Adjusted EBITDA and 50% will be based on revenue. Half of any bonus earned will be deferred into shares which vest after a three-year period.

The Committee has chosen not to disclose, in advance, the performance targets for the forthcoming year as these include items which the Committee considers commercially sensitive. An explanation of bonus payouts and performance achieved, along with the targets set, will be provided in next year's Annual Report on Remuneration.

Performance Share Plan

The Committee does not intend to make any changes from the 2021 PSP award policy for 2022. As such, PSP awards will be granted to the Executive Directors in 2022 at 200% of salary for Duncan Painter and Mandy Gradden, and 175% of salary for Paul Harrison. The rationale for the award level to Mandy Gradden, the CFO, is as detailed on page 118.

The performance will again be measured against Adjusted EPS growth for 75% of the award with the remaining 25% against revenue of the Digital Commerce Business Unit. Each element will be assessed independently of the other.

The Adjusted EPS targets that are intended to apply to the 2022 PSP awards have been set following the Committee's review of internal financial planning, external market expectations and current macro-economic conditions. The range of targets to apply will require annual growth of between 16% and 29% per annum from the 2021 Adjusted EPS result. The absolute level of growth required, and the breadth of the targets, is considered appropriate in the context of the current shape of our business (e.g. excluding MediaLink), the economic environment and both internal and external expectations for our performance as we move through the impact of Covid-19 on live events. These targets are considered to be no less challenging to the range of targets set for the 2021 awards, providing a realistic incentive at the lower end of the performance range, but with full vesting requiring exceptional outperformance in the current commercial context.

A summary of the 2022 performance targets is set out below:

Performance criteria	Weighting	Threshold (25% vesting)	Stretch (100% vesting)	Measurement period
Adjusted EPS growth	75%	16%	29%	1 January 2022 to 31 December 2024
Digital Commerce Business Unit Revenue	25%	£273.2m	£318.7m	

Vesting between threshold and maximum will be measured on a straight-line basis.

Shares normally vest after a three-year performance period, subject to a further two-year holding period whereby the Executive Directors will be restricted from selling the net-of-tax shares which vest.

What are the current and future Non-Executive Director fees?

As the fees of the Chairman and Non-Executive Director were reviewed and increased in February 2020, there will be no change in fees payable in 2022.

	2022	**2021**	% Change
Board Chairman	220,000	**220,000**	0
Basic fee	55,000	**55,000**	0
Additional fee for Senior Independent Director	10,000	**10,000**	0
Additional fee for Committee Chairs	10,000	**10,000**	0

Directors' report

Index to principal Directors' Report and Listing Rule disclosures

Relevant information required to be disclosed in the Directors' Report may be found in the following sections:

The above information is incorporated by reference and together with the information in the Corporate Governance Framework on pages 92 to 97 forms the Directors' Report in accordance with section 415 of the Companies Act 2006.

Strategic Report

The Strategic Report is set out on pages 2 to 83 and was approved by the Board on 2 March 2022. It is signed on behalf of the Board by Duncan Painter, Chief Executive Officer.

Cautionary statement

The review of the business and its future development in the Annual Report has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for these strategies to succeed. It should not be relied on by any other party for any other purpose. The review contains forward-looking statements which are made by the Directors in good faith based on information available to them at the time of the approval of these reports and should be treated with caution due to inherent uncertainties associated with such statements. The Directors, in preparing the Strategic Report, have complied with s417 of the Companies Act 2006.

Directors' indemnities

The Company maintained appropriate insurance to cover Directors' and Officers' liability for itself and its subsidiaries and such insurance was in force for the whole of the year ended 31 December 2021.

The Company also indemnifies the Directors under deeds of indemnity for the purposes of section 236 of the Companies Act 2006. Such indemnities contain provisions that are permitted by the director liability provisions of the Companies Act 2006 and the Company's Articles of Association.

Share capital and rights attaching to shares

Details of the Company's share capital and movements during the year are set out in Note 25 to the financial statements, which is incorporated by reference into this report. This includes the rights and obligations attaching to shares and restrictions on the transfer of shares. The ordinary shares of £0.01 each are listed on the London Stock Exchange (LSE: ASCL.L). The ISIN of the shares is GB00BYM8GJ06.

All ordinary shares (this being the only share class of the Company) have the same rights (including voting and dividend rights and rights on a return of capital) and restrictions as set out in the Articles.

Without prejudice to any rights attached to any existing shares and subject to relevant legislation, the Company may issue shares with such rights or restrictions as determined by either the Company by ordinary resolution or, if the Company passes a resolution to so authorise them, the Directors.

Subject to legislation, the Articles and any resolution of the Company, the Directors may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise deal with or dispose of any shares to such persons, at such times and generally on such terms as the Directors may decide. The Company may issue any shares which are to be redeemed, or are liable to be redeemed, at the option of the Company or the holder, on such terms and in such manner as the Company may determine by ordinary resolution and the Directors may determine the terms, conditions and manner of redemption of any such shares. No such resolutions are currently in effect.

Subject to recommendation of the Board, shareholders may receive a dividend. Shareholders may share in the assets of the Company on liquidation.

Voting rights
Each ordinary share entitles the holder to attend, speak and vote at general meetings of the Company. A resolution put to the vote of the meeting shall be decided on a poll rather than a show of hands in line with recommended best practice.

On a poll, every member who is present in person or by proxy shall have one vote for every share of which they are a holder. The Articles provide a deadline for submission of proxy forms of not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting. No member shall be entitled to vote at any general meeting either in person or by proxy, in respect of any share held by him, unless all amounts presently payable by him in respect of that share have been paid. Save as noted, there are no restrictions on voting rights nor any agreement that may result in such restrictions.

Shares held by the Employee Benefit Trust ("EBT")
The Group has an Employee Benefit Trust which can hold shares to satisfy awards under employee share schemes. At 31 December 2021, the EBT held 161,651 shares. Voting rights in relation to any shares held in the EBT are exercisable by the trustee; however, in accordance with best practice guidance, the trustee abstains from voting.

The Group additionally has a UK SIP Trust which can hold shares to satisfy awards under the Ascential UK Share Incentive Plan. At 31 December 2021, the SIP Trust held 693,811 shares. Voting rights in relation to any shares held in the SIP Trust are exercisable by the trustee; however, in accordance with best practice guidance, the trustee abstains from voting.

Restrictions on transfers of securities
The Articles do not contain any restrictions on the transfer of ordinary shares in the Company other than the restrictions imposed by laws and regulations.

Interest in voting rights
Details of the share capital of the Company are set out in Note 25 to the Financial Statements.

As at 31 December 2021 and 1 March 2022, the Company had received notifications in accordance with the FCA's Disclosure and Transparency Rule 5.1.2 of the following interests in the voting rights of the Company.

Shareholder	As at 31 December 2021 Percentage of voting rights over ordinary shares of £0.01 each	As at 1 March 2022 Percentage of voting rights over ordinary shares of £0.01 each
Jupiter Fund Management Plc	14.0%	14.0%
Ameriprise Financial, Inc	4.0%	4.0%
Black Rock Inc	5.1%	5.2%
T Rowe Price Associates, Inc	5.1%	5.1%
Franklin Templeton Institutional, LLC	5.1%	5.1%
Majedie Asset Management Limited	5.1%	5.1%
AXA Investment Managers	5.0%	5.0%
Ninety One UK Ltd	5.0%	5.0%
Kayne Anderson Rudnick Investment Management LLC	4.0%	4.0%

Changes to the Company's Articles
The Company's Articles of Association may only be amended by a special resolution at a general meeting of shareholders.

Authority to allot shares
Under the Companies Act 2006, the Directors may only allot shares if authorised to do so by shareholders in a general meeting. The authority conferred on the Directors at a general meeting of shareholders held on 6 May 2021 expires on the date of the forthcoming AGM, and ordinary resolution 18 seeks a new authority to allow the Directors to allot ordinary shares up to a maximum nominal amount of £2,929,506) (292,950,603 shares, representing approximately two-thirds of the Company's issued share capital at 1 March 2022, of which 146,475,301 shares (representing approximately one-third of the Company's issued ordinary share capital) can only be allotted pursuant to a rights issue. The Directors have no present intention of exercising this authority, with the exception of shares to satisfy share-based incentive awards.

Political donations
The Company's policy is to not make political donations and it has not done so during 2021.

Significant contracts
The only significant contract to which the Company is a party that takes effect, alters or terminates upon a change of control of the Company is the Revolving Credit Facility dated 14 January 2020, which contains customary prepayment, cancellation and default provisions including mandatory repayment of all loans provided on a change of control.

Employment practices
All employment decisions are made irrespective of colour, race, age, nationality, ethnic or national origin, sex, gender identity, mental or physical disabilities, marital status or sexual orientation. For employees who may have a disability, the Group ensures proper procedures and equipment are in place to aid them. When it comes to training, career development and promotion, all employees are treated equally and job applications are always judged on aptitude. Further details on the Group's policies on engagement and employment practices are set out on pages 56 to 59.

Auditor
Each of the Directors has confirmed that:

a. so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and

b. the Director has taken all reasonable steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with section 418 of the Companies Act 2006.

Post balance sheet events

There were no reportable events after 31 December 2021.

Annual General Meeting

The AGM of the Company will take place at 9am on 5 May 2022 at the Grove Hotel, Chandler's Cross, WD3 4TG. All shareholders have the opportunity to attend and vote, in person or by proxy, at the AGM.

The Notice of AGM can be found in a separate booklet which is being mailed out at the same time as this report. It is also available at ascential.com. The Notice sets out the resolutions to be proposed at the AGM and an explanation of each resolution. The Directors consider that all of the resolutions set out in the Notice of AGM are in the best interests of the Company and its shareholders as a whole. To that end, the Directors unanimously recommend that shareholders vote in favour of each of them.

Directors' Responsibilities Statement

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

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the parent Company financial statements in accordance with UK accounting standards, including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of their profit or loss for that period. In preparing each of the Group and parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards;
- for the parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the parent Company financial statements;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

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

Responsibility Statement of the Directors in respect of the annual financial report

We confirm to the best of our knowledge:

The financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the performance of the business, its financial position, assets, liabilities, and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and

The Strategic Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with description of the principal risks and uncertainties that they face.

We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

The Directors' Report of Ascential plc was approved by the Board and signed on its behalf by

Louise Meads
Company Secretary
2 March 2022

Financial statements

Independent auditor's report

to the members of Ascential plc

1. Our opinion is unmodified

We have audited the financial statements of Ascential plc ("the Company") for the year ended 31 December 2021 which comprise the Consolidated Statement of Profit or Loss, Consolidated Statement of Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows, Parent Company Balance sheet, Parent Company Statement of Changes in Equity and the related notes, including the accounting policies in note 1 to the group financial statement and note 2 to the Parent Company financial statements.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2021 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK accounting standards, including FRS 102 "The Financial reporting standard applicable in the UK and Republic of Ireland"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the Audit Committee.

We were first appointed as auditor by the shareholders on 16 July 2016. The period of total uninterrupted engagement is for the 6 financial years ended 31 December 2021. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview	
Materiality: group financial statements as a whole	£3.1m (2020: £2.5m) 0.9% (2020: 0.9%) of revenue from continuing operations
Coverage	70% (2020:74%) of revenue from continuing operations, 84% (2020: 74%) of group profit before tax from continuing operations

Key audit matters	vs 2020	
Event driven	Valuation of contingent consideration liabilities for in-year acquisitions (DZ, Perpetua, Whytespyder, 4K Miles)	↑
	New: Identification of acquired intangible assets for current year acquisitions	↑
	New: Accounting for the Group's interests in Hudson MX ('Hudson')	↑
Parent Company recurring risk	Recoverability of cost of investment in subsidiary and intra-group debtors	↔

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, 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. We summarise below the key audit matters, in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
Valuation of contingent consideration liabilities for in-year acquisitions of DZ, Perpetua, Whytespyder, 4K Miles *Refer to page 100 (Audit Committee Report), page 151 (accounting policy) and page 172 (financial disclosures).*	**Forecast based valuation** The Group has recognised significant contingent consideration liabilities in respect of in-year acquisitions – DZ, Perpetua, Whytespyder and 4K Milles – which form a significant proportion of the £50.3m non-current contingent consideration balance disclosed in note 22 of the financial statements. There is inherent uncertainty involved in forecasting revenue, which determines the fair value of the liabilities as at the balance sheet date. The valuation of these liabilities involves estimation and there is a risk that the valuation might be fraudulently manipulated to understate contingent consideration liabilities. The effect of these matters is that, as part of our risk assessment, we determined that the fair value of these contingent consideration liabilities has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The financial statements (note 22) disclose the range of outcomes estimated by the Group. The risk has increased in the current year due to new acquisitions in the year with associated contingent consideration liabilities and in aggregate there is a wider range of reasonably possible outcomes. We continue to perform procedures over the valuation of the contingent consideration liabilities related to Flywheel and Yimian. However as the remaining Flywheel payment is based on 2021 results, and for Yimian the remaining uncertainty relates to performance in 2022, we assessed that reasonably possible changes to the fair value of these liabilities would not be expected to result in a material movement.	Our procedures included: – **Our sector experience:** We challenged the forecast revenue growth rates by comparing to other similar acquisitions and with reference to our knowledge of the industry; – **Sensitivity analysis:** We performed sensitivities over forecast revenue growth rates to determine if reasonably possible changes in this assumption would result in material changes to the valuation individually and in aggregate; – **Historical comparisons:** We evaluated the track record of the Group's forecasting accurately by comparing 2021 budgets to the actual results for the in-year acquisitions.; – **Assessing the discount rate:** We challenged the reasonableness of the discount rate used by conducting sensitivity analysis based on our independently developed rate and the Group's impairment discount rate; – **Test of details:** We agreed the basis of the earn out valuations and values of key inputs such as potential consideration values to signed agreements; – **Assessing transparency:** We assessed the adequacy of the Group's disclosures about the potential aggregate range of future payments, the sensitivity of the valuations in relation to forecast revenue growth rate and discount rates, and the estimates and judgements made by the Group in this regard; We performed the above tests rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Our results** – As a result of our work we found the valuation of the contingent consideration liabilities for DZ, Perpetua, Whytespyder, 4K Miles to be acceptable (2020: we found the valuation of the contingent consideration liabilities for Flywheel and Yimian to be acceptable).

	The risk	Our response
Identification of acquired intangibles for in-year acquisitions (£112.0 million of acquired identifiable intangibles; 2020: £1.3 million) *Refer to page 100 (Audit Committee Report), page 150 (accounting policy) and page 164 (financial disclosures).*	**Forecast based valuation:** The Group has acquired seven businesses during the year. The identification and measurement of the acquired identifiable intangible assets acquired at fair value, is inherently judgmental and hence has been identified as a risk because of the size of the acquisitions. In particular judgment is required in determining whether certain types of intangible assets are reflective of the business acquired. As disclosed in note 13, for five acquisitions, the Group has provisionally measured the acquired identifiable intangibles at fair value. For acquisitions other than 4K Miles, these provisional values have been based on draft purchase price allocation exercise. For 4K Miles, the Group has not yet carried out a full purchase price allocation exercise and has determined the provisional values based on accumulated knowledge of similar acquisitions. There is a significant judgement involved in forecasting future performance of the acquired businesses, which determines the fair value of the identified intangible assets. Auditor judgement is required to assess whether the Group's estimates of the revenue growth rates and customer attrition rate fall within an acceptable range. The effect of these matters is that, as part of our risk assessment, we determined that valuation of the intangibles has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The financial statements (note 13) disclose the sensitivity estimated by the Group.	For all acquisitions except for 4K Miles our procedures included: – **Our valuation expertise:** We assessed, with the assistance of our own valuation specialists, the appropriateness of the identified intangible assets, valuation methodology applied and the assumptions considered. To assess whether the Group's discount rates fell within a reasonable range, we calculated our own range of reasonable discount rates based on market data; – **Benchmarking assumptions:** We compared the Group's assumptions for key inputs, such as revenue growth rates, customer attrition rates, to externally derived data and to other similar acquisitions; – **Historical comparisons:** We challenged management on the reasonableness of assumptions for revenue growth rates and customer attrition rates by comparing to prior year acquisitions, previous performance of each business and similar entities within the Group; – **Sensitivity analysis:** We performed sensitivities over revenue growth and customer attrition, to determine if reasonably possible changes in the assumptions would result in material changes to the valuation individually and in aggregate; In respect of 4K Miles, our procedures included: – **Our sector experience:** We evaluated the reasonableness of the Group's methodology and compared the provisional intangibles recognised against the level of intangibles recognised in other similar acquisitions and our own expectations based on our knowledge of the entity. **Assessing transparency:** In respect of all acquisitions, we critically assessed whether the Group's disclosures reflect the sensitivity relating to key assumptions on the valuation of acquired intangible and the range of reasonably possible outcomes. We performed the above tests rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Our results** – As a result of our work we found the identification and valuation of the acquired identifiable intangible assets recognised to be acceptable (2020: acceptable).

	The risk	Our response
Accounting for the Group's interests in Hudson MX ('Hudson') (£65.9 million; 2020: £23 million) *Refer to page 100 (Audit Committee Report), page 150 (accounting policy) and page 169 (financial disclosures).*	**Accounting judgment** The Group has made additional investments in, and entered into a new agreement with, Hudson in the current year which requires judgement in accounting. The Group's equity and debt interests and other arrangements (including the existence of an option) in Hudson are complex and require judgment over the assessment of whether the Group has control or significant influence over Hudson. If the Group is determined to have control of Hudson, it would consolidate Hudson. **Forecast-based valuation** The Group has an equity-accounted associate balance of £0.5m, and preference shares held at fair value through profit and loss of £65.4m in Hudson. Given the early stage nature of this business, there is significant estimation uncertainty related to the valuation of the preference shares and the estimated recoverable amount of the investment. The estimates are particularly sensitive to the discount rate and the revenue growth rate, for which there are a range of possible scenarios. The effect of these matters is that, as part of our risk assessment, we determined that the valuation of the preference shares and the estimated recoverable amount of the investment has a high degree of estimation uncertainty, with a range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The financial statements (note 18) disclose the sensitivity estimated by the Group. It is important that disclosures give relevant information and reflect uncertainties inherent in the estimates.	Our procedures included: – **Accounting analysis:** We analysed the legal agreements and other arrangements in place, including the terms of equity and debt instruments, and an option held over Hudson and considered the relevant technical accounting requirements; – **Methodology implementation:** We assessed the principles and integrity of the model used to value the investment in Hudson are in accordance with the relevant accounting standards; – **Sensitivity analysis:** We performed sensitivity analysis on each assumption to identify those we considered to be most sensitive, judgemental or otherwise prone to management bias; – **Our sector experience:** We challenged the forecast revenue growth rates by comparing with past acquisitions and with reference to our knowledge of the industry. We assessed, with the assistance of our own valuation specialists whether the Group's discount rates fell within a reasonable range. We calculated our own range of reasonable discount rates based on market data. – **Assessing transparency:** We assessed whether the Group's disclosures reflected the risks inherent in the valuation of the preference shares and estimated recoverable amount of the investment, and the adequacy of the Group's disclosures of the judgements involved in accounting for Hudson, including exercising judgement on the extent of detail disclosed. We performed the above tests rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Our results** – We found the Group's treatment of Hudson as an associate to be acceptable. – We found the valuation of the preference shares and the carrying amount of the equity-accounted associate balance in Hudson to be acceptable.

	The risk	Our response
Recoverability of cost of investment in subsidiary and intra-group debtors Investment (£ 452.8 million; 2020 £ 452.8 million) Intra-group debtors (£ 341.9 million; 2020 £ 223.4 million) *Refer to page 184 (accounting policy) and page 186 (financial disclosures).*	**Low risk, high value** The amount of the parent Company's investment in its subsidiary, which acts as an intermediate holding company for the rest of the parent Company's subsidiaries, represents 57% (2020: 67%) of the parent Company's assets. The carrying amount of the intra-group debtors balance comprises substantially the remaining 43% (2020: 33%). Their recoverability is not at a high risk of significant misstatement or subject to significant level of judgement. However, due to their materiality in the context of the parent Company financial statements, this is considered to be the area that had the greatest effect on our overall parent Company audit.	Our procedures included: – **Tests of detail:** We compared the carrying amount of parent Company's only investment with the subsidiary's draft balance sheet to identify whether its net assets, being an approximation of its minimum recoverable amount, were in excess of its carrying amount and assessing whether the group headed by the subsidiary has historically been profit-making; – **Tests of detail:** We assessed 100% of intra-group debtors to identify, with reference to the relevant debtors' draft balance sheet, whether they have a positive net asset value and therefore coverage of the debt owed, as well as assessing whether those debtor companies have historically been profit-making; – **Comparing valuations:** We compared the carrying amount of the investment in the subsidiary to the Group's market capitalisation as adjusted to exclude the liabilities of the parent Company, being an approximation of the recoverable amount of the investment. We performed the tests above rather than seeking to rely on any of the parent Company's controls because of the nature of the balance meant that detailed testing is inherently the most effective means of obtaining audit evidence. **Our results** – We found the directors' conclusion that there is no impairment to the carrying amounts of the investment in the subsidiary and the intra-group debtors to be acceptable (2020: acceptable).

We continue to perform procedures over going concern. However, following the equity raise in July 2021 and in-year disposals of businesses, the liquidity headroom of the Group and Company has improved, we have not assessed this as one of the most significant risks in our current year audit and, therefore, it is not separately identified in our report as a key audit matter

We continue to perform procedures over revenue recognition for Flywheel Digital. However, in the context of the acquisitions in the year and the judgement in accounting for Hudson, we have not assessed this as one of the most significant risks in our current year audit and, therefore, it is not separately identified in our report as a key audit matter.

We continue to perform procedures over goodwill and other assets relating to Retail Week & WRC and RFS Price & Promotion. However, as these assets were fully impaired last year, we have not assessed this as one of the most significant risks in our current year audit and, therefore, it is not separately identified in our report this year.

3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £3.1m (2020: £2.5m), determined with reference to a benchmark of Group revenue from continuing operations, of which it represents 0.9% (2020: 0.9%). We consider Group revenue to be the most appropriate benchmark as it provides a more stable measure year on year than Group loss before tax from continuing operations, and is reflective of the high growth of the Digital Commerce businesses.

Materiality for the parent Company financial statements as a whole was set at £3.0m (2020: £1.25m), determined with reference to a benchmark of parent Company total assets, limited to be less than materiality for group materiality as a whole. It represents 0.4% (2020: 0.2%) of the stated benchmark.

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 75% (2020: 75%) of materiality for the financial statements as a whole, which equates to £2.3m (2020: £1.9 m) for the Group and £2.2m (2020: £0.9m) for the parent Company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £150,000 (2020: £125,000), in addition to other identified misstatements that warranted reporting on qualitative grounds.

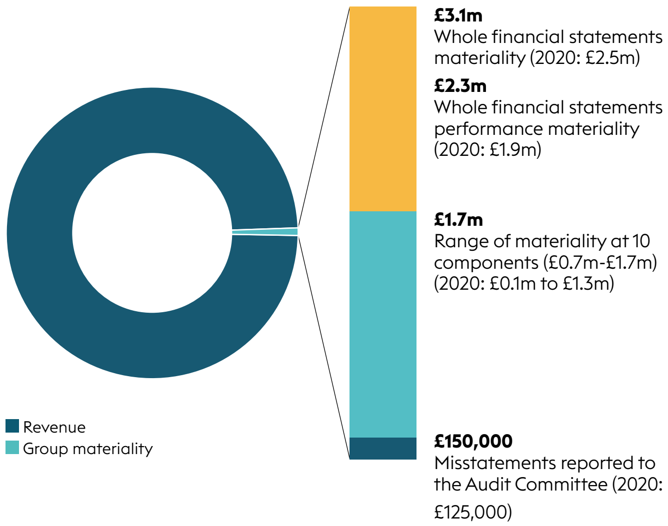
Of the Group's 92 (2020: 82) reporting components from continuing operations, we subjected 8 (2020: 7) to full scope audits for group purposes and 2 (2020: 1) to specified risk-focused audit procedures over revenue and revenue related accounts. The latter were not individually financially significant enough to require a full scope audit for group purposes, but did present specific individual risks that needed to be addressed. The components within the scope of our work accounted for the percentages illustrated opposite.

The remaining 30% (2020: 26%) of total Group revenue from continuing operations, 12% (2020: 26%) of group profit before tax from continuing operations and 14% (2020: 18%) of total Group assets is represented by 82 (2020: 74) reporting components, none of which individually represented more than 3.5% (2020: 3%) of any of total Group revenue from continuing operations, Group profit before tax from continuing operations or total Group assets. For these components, we performed analysis at an aggregated Group level to re-examine our assessment that there were no significant risks of material misstatement within these. The work on all components including the parent Company was performed by the Group team (2020: all).

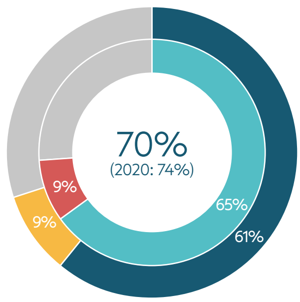
The scope of the audit work performed was predominately substantive as we placed limited reliance upon the Group's internal control over financial reporting.

Revenue benchmark from continuing operations
£349m (2020: £263.7m)

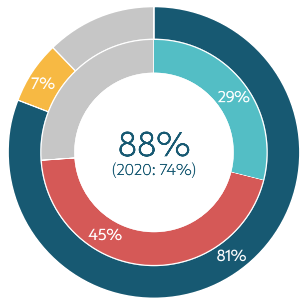
Group Materiality
£3.1m (2020: £2.5m)



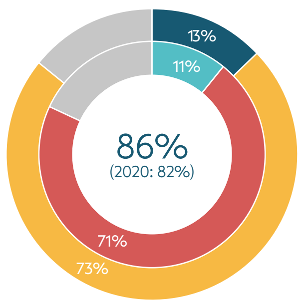
Group revenue from continuing operations



Group profit before tax from continuing operations



Group total assets



Full scope for group audit purposes 2021
Specified risk-focused audit procedures 2021
Full scope for group audit purposes 2020
Specified risk-focused audit procedures 2020
Residual components

4. The impact of climate change on our audit

We have considered the potential impacts of climate change on the financial statements as part of planning our audit.

As identified on page 76, the Group has identified transitional climate risks that could impact the Group. These include potential impacts on event attendance, consumer behaviour and customers' spend with the Group, if customers' businesses are impacted by climate change.

We have performed a risk assessment of how the impact of climate change may affect the financial statements and our audit. The areas of financial statements that could be primarily potentially exposed to climate risk in the form of uncertainty is forward-looking assessments related to long-life assets, such as goodwill impairment.

Taking into account the nature of the Group's business, the diversification, size and composition of the Group, and the level of headroom in the goodwill CGUs (see note 16), we assessed that there was no significant impact on the financial statements or our audit approach this year from climate change.

We have read the disclosure of climate related information in the front half of the annual report and considered consistency with the financial statements and our audit knowledge.

5. Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group's and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and Company's available financial resources and metrics relevant to debt covenants over the period were:

- the cancellation of events due to the ongoing impacts of COVID-19;
- significantly larger than expected cash settlements for the earn-out payments

We also considered less predictable but realistic second order impacts, such a deterioration in macroeconomic factors that impacts trading.

We considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by assessing the Director's sensitivities over the level of available financial resources and covenant thresholds indicated by the Group's financial forecasts taking account of severe, but plausible adverse effects that could arise from these risks individually and collectively.

Our procedures also included:

- Critically assessing key assumptions in the Group's forecast using our knowledge of the business and knowledge of the entity and the sector in which it operates;
- Considering sensitivities over the level of available financial resources indicated by the Group's financial forecasts taking account of reasonably possible (but not realistic) adverse effects that could arise from these risks individual and collectively;
- Assessing the current and available committed facilities to understand the financial resources available to the Group during the forecast period and any related covenant requirements; and
- Assessing the Group's historical forecasting accuracy by comparing forecasts from prior years with actual results in those years.

We assessed the completeness of the going concern disclosure.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the directors' statement in note 1 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and Company's use of that basis for the going concern period, and we found the going concern disclosure in note 1 to be acceptable; and
- the related statement under the Listing Rules set out on page 42 is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

6. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ('fraud risks') we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of Directors, the Audit Committee, internal audit and the Group's in-house legal counsel, and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud;
- reading Board, audit committee and nomination committee minutes;
- considering remuneration incentive schemes and performance targets for management, directors and sales staff including the adjusted earnings per share target for management remuneration;
- using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that Flywheel Digital revenue is recorded in an inappropriate financial year and the risk that Group and component management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as the related accrued revenue.

We also identified a fraud risk related to contingent consideration in response to possible pressures to understate contingent consideration liabilities.

Further detail in respect of the valuation contingent consideration for in-year acquisitions is set of out in the key audit matter disclosures in section 2 of this report.

We also performed procedures including:

- identifying journal entries to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts;
- for Flywheel digital revenue, we selected a sample of sales invoices during the period to assess whether revenue has been recognised in the correct financial period, by comparing the date, amount, description and quantity to relevant documentation such as contract, proof of payment or over third-party acknowledgement of receipt;
- for contingent consideration liabilities, we evaluated the track record of the historical assumptions used by comparing to the actual results achieved.
- assessing significant and unusual transactions for bias;
- assessing significant accounting estimates for bias.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussions with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, data protection and certain aspects of company legislation recognising the nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

7. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the director's Long-term viability statement on page 49 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the Principal Risks disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the directors' explanation in the Long-term viability statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the Long-term viability statement, set out on page 49 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and Company's longer-term viability.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the annual report describing the work of the Audit Committee, including the significant issues that the audit committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review.

We have nothing to report in this respect.

8. We have nothing to report on the other matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

9. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 125, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; 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; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

10. The purpose of our audit work and to whom we owe our responsibilities

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

Ian Griffiths (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
London E14 5GL
United Kingdom

2 March 2022

Consolidated statement of profit or loss

For the year ended 31 December 2021

(£ million)	Note	2021 Adjusted results	2021 Adjusting items	2021 Total	Restated* 2020 Adjusted results	Restated* 2020 Adjusting items	Restated* 2020 Total
Continuing operations							
Revenue	4	**349.3**	**–**	**349.3**	229.9	–	229.9
Cost of sales		**(127.6)**	**–**	**(127.6)**	(88.3)	–	(88.3)
Sales, marketing and administrative expenses		**(152.3)**	**(96.1)**	**(248.4)**	(140.4)	(172.5)	(312.9)
Operating profit / (loss)		**69.4**	**(96.1)**	**(26.7)**	1.2	(172.5)	(171.3)
Adjusted EBITDA	4	**88.9**	**–**	**88.9**	21.7	–	21.7
Depreciation and amortisation	4	**(19.5)**	**(31.9)**	**(51.4)**	(20.5)	(30.8)	(51.3)
Exceptional items	6	**–**	**(55.8)**	**(55.8)**	–	(142.8)	(142.8)
Share-based payments	8	**–**	**(8.4)**	**(8.4)**	–	1.1	1.1
Operating profit / (loss)		**69.4**	**(96.1)**	**(26.7)**	1.2	(172.5)	(171.3)
Share of the loss of joint ventures and associates	18	**(2.4)**	**(0.1)**	**(2.5)**	(0.2)	–	(0.2)
Finance costs	9	**(20.1)**	**–**	**(20.1)**	(17.6)	(1.9)	(19.5)
Finance income	9	**2.7**	**7.0**	**9.7**	1.9	–	1.9
Profit/(loss) before taxation		**49.6**	**(89.2)**	**(39.6)**	(14.7)	(174.4)	(189.1)
Taxation	10	**(8.2)**	**9.8**	**1.6**	2.8	33.7	36.5
Profit/(loss) from continuing operations		**41.4**	**(79.4)**	**(38.0)**	(11.9)	(140.7)	(152.6)
Discontinued operations							
Profit/(loss) from discontinued operations, net of tax	11	**11.5**	**250.4**	**261.9**	21.0	(8.0)	13.0
Profit/(loss) for the year		**52.9**	**171.0**	**223.9**	9.1	(148.7)	(139.6)
Profit/(loss) attributable to:							
Owners of the Company		**51.1**	**172.0**	**223.1**	8.4	(148.7)	(140.3)
Non-controlling interest		**1.8**	**(1.0)**	**0.8**	0.7	–	0.7
Earnings/(loss) per share (basic and diluted, pence)							
Continuing operations	12	**9.5**	**(18.8)**	**(9.3)**	(3.1)	(35.1)	(38.2)
Discontinued operations	12	**2.8**	**60.0**	**62.8**	5.2	(2.0)	3.2
Total operations	12	**12.3**	**41.2**	**53.5**	2.1	(37.1)	(35.0)

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2)

The accompanying notes on pages 143 to 180 are an integral part of these consolidated financial statements. Adjusting items are detailed in Note 6.

Consolidated statement of other comprehensive income

For the year ended 31 December 2021

(£ million)	2021 Adjusted results	2021 Adjusting items	2021 Total	2020 Adjusted results	2020 Adjusting items	2020 Total
Profit/(loss) for the year from continuing operations	**41.4**	**(79.4)**	**(38.0)**	(11.9)	(140.7)	(152.6)
Profit/(loss) for the year from discontinued operations	**11.5**	**250.4**	**261.9**	21.0	(8.0)	13.0
Profit/(loss) for the year	**52.9**	**171.0**	**223.9**	9.1	(148.7)	(139.6)
Other comprehensive expense						
Items that have been or may be reclassified subsequently to profit or loss:						
Foreign exchange translation differences:						
– recognised in equity from continuing operations	**18.5**	**–**	**18.5**	(10.5)	–	(10.5)
– transferred from equity for disposed of entities	**6.7**	**–**	**6.7**	–	–	–
Other comprehensive income/(expense), net of tax	**25.2**	**–**	**25.2**	(10.5)	–	(10.5)
Total comprehensive income/(expense) for the year	**78.1**	**171.0**	**249.1**	(1.4)	(148.7)	(150.1)
Total comprehensive income/(expense) attributable to:						
Owners of the Company	**76.3**	**172.0**	**248.3**	(2.1)	(148.7)	(150.8)
Non-controlling interest	**1.8**	**(1.0)**	**0.8**	0.7	–	0.7

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2)

The accompanying notes on pages 143 to 180 are an integral part of these consolidated financial statements..

Consolidated statement of financial position

As at 31 December 2021

(£ million)	Note	2021	Restated* 2020
Assets			
Non-current assets			
Goodwill	16	**603.6**	467.4
Intangible assets	16	**275.3**	197.7
Property, plant and equipment	17	**5.4**	5.5
Right-of-use assets	28	**21.8**	15.4
Investments	18	**82.2**	32.4
Investment property	28	**0.6**	0.8
Deferred tax assets	10	**57.7**	57.4
Other receivables		**–**	0.7
		1,046.6	777.3
Current assets			
Inventories	19	**1.9**	2.1
Trade and other receivables	20	**272.6**	197.9
Assets classified as held for sale		**–**	40.2
Cash and cash equivalents	23	**84.1**	78.2
		358.6	318.4
Total assets		**1,405.2**	1,095.7
Liabilities			
Current liabilities			
Trade and other payables	21	**198.4**	137.3
Deferred income		**100.3**	91.2
Deferred and contingent consideration	22	**52.6**	113.5
Lease liabilities		**7.0**	6.7
Liabilities classified as held for sale		**–**	13.3
Current tax liabilities		**3.6**	2.4
Provisions	24	**2.9**	7.4
		364.8	371.8
Non-current liabilities			
Deferred income		**0.7**	0.6
Deferred and contingent consideration	22	**50.3**	22.7
Lease liabilities		**18.2**	13.7
External borrowings	23	**158.1**	309.5
Deferred tax liabilities	10	**6.5**	4.6
Provisions	24	**1.0**	1.6
		234.8	352.7
Total liabilities		**599.6**	724.5
Net assets		**805.6**	371.2
Equity			
Share capital	25	**4.4**	4.0
Share premium	25	**153.3**	3.0
Translation reserve		**(20.5)**	(45.7)
Other reserves	25	**167.0**	167.0
Retained earnings		**471.7**	241.6
Non-controlling interest	14	**29.7**	1.3
Total equity		**805.6**	371.2

* Restated for the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2)

The accompanying notes on pages 143 to 180 are an integral part of these consolidated financial statements. The consolidated financial statements on pages 138 to 142 were approved by the Board of Directors on 2 March 2022 and were signed on its behalf by Directors: Duncan Painter and Mandy Gradden.

Consolidated statement of changes in equity

For the year ended 31 December 2021

(£ million)	Share capital	Share premium	Translation reserve	Other reserves	Retained earnings*	Non-controlling interest	Total equity
	Attributable to owners of the Company						
At 1 January 2020	**4.0**	**1.7**	**(35.2)**	**167.0**	**394.0**	**0.6**	**532.1**
Adjustment for IFRIC interpretation on IAS 38	–	–	–	–	(2.4)	–	(2.4)
Restated balance at 1 January 2020	**4.0**	**1.7**	**(35.2)**	**167.0**	**391.6**	**0.6**	**529.7**
Restated profit/(loss) for the year*	–	–	–	–	(140.3)	0.7	(139.6)
Other comprehensive expense	–	–	(10.5)	–	–	–	(10.5)
Total comprehensive (expense)/income	–	–	(10.5)	–	(140.3)	0.7	(150.1)
Issue of shares	–	0.7	–	–	–	–	0.7
Share repurchase	–	–	–	–	(9.2)	–	(9.2)
Treasury shares sold	–	0.6	–	–	–	–	0.6
Share-based payments	–	–	–	–	(1.4)	–	(1.4)
Taxation on share-based payments	–	–	–	–	0.9	–	0.9
Restated balance at 31 December 2020	**4.0**	**3.0**	**(45.7)**	**167.0**	**241.6**	**1.3**	**371.2**
Profit for the year	**–**	**–**	**–**	**–**	**223.1**	**0.8**	**223.9**
Other comprehensive income	**–**	**–**	**18.5**	**–**	**–**	**–**	**18.5**
Transferred to the income statement	**–**	**–**	**6.7**	**–**	**–**	**–**	**6.7**
Total comprehensive income	**–**	**–**	**25.2**	**–**	**223.1**	**0.8**	**249.1**
Issue of shares	**0.4**	**150.3**	**–**	**–**	**–**	**–**	**150.7**
Acquisition of subsidiary with non-controlling interest	**–**	**–**	**–**	**–**	**–**	**28.3**	**28.3**
Foreign exchange movements	**–**	**–**	**–**	**–**	**–**	**0.7**	**0.7**
Share-based payments	**–**	**–**	**–**	**–**	**8.4**	**–**	**8.4**
Taxation on share-based payments	**–**	**–**	**–**	**–**	**(1.4)**	**–**	**(1.4)**
Dividends paid	**–**	**–**	**–**	**–**	**–**	**(1.4)**	**(1.4)**
At 31 December 2021	**4.4**	**153.3**	**(20.5)**	**167.0**	**471.7**	**29.7**	**805.6**

* Restated for the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2)

The accompanying notes on pages 143 to 180 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2021

(£ million)	Note	2021	Restated* 2020
Cash flow from operating activities			
Loss before taxation on continuing operations		**(39.6)**	(189.1)
Profit before taxation on discontinued operations	10	**265.7**	16.6
Adjustments for:			
Depreciation and amortisation	16, 17, 28	**54.4**	56.8
Impairment of assets	16, 17, 28	**–**	31.9
Deferred and contingent consideration: revaluation and contingent employment costs	22	**35.1**	97.6
Gain on disposal of business operations	15	**(259.4)**	–
Share-based payments	8	**9.1**	(1.6)
Share of the loss/(profit) in equity-accounted investees, net of tax		**2.5**	0.2
Net finance costs	9	**10.4**	17.6
Cash generated from operations before changes in working capital, provisions and deferred and contingent consideration		**78.2**	30.0
Deferred and contingent consideration paid	22	**(39.4)**	(23.1)
Changes in:			
Inventories		**0.1**	2.2
Trade and other receivables		**(65.7)**	(71.3)
Trade and other payables**		**65.5**	61.0
Provisions		**(5.5)**	5.7
Cash generated from operations		**33.2**	4.5
Cash generated from continuing operations before exceptional operating items		**84.0**	17.1
Cash inflows for discontinued operations		**12.0**	28.5
Cash outflows for acquisition-related contingent employment costs	22	**(39.4)**	(23.1)
Cash outflows for other exceptional operating items from continuing operations		**(23.4)**	(18.0)
Cash generated from operations		**33.2**	4.5
Tax paid		**(3.3)**	(3.3)
Net cash generated from operating activities		**29.9**	1.2
Cash flow from investing activities			
Acquisition of businesses, net of cash acquired	13	**(195.3)**	(2.7)
Deferred and contingent consideration paid**	22	**(87.6)**	(46.0)
Acquisition of investments	18	**(44.0)**	(16.8)
Disposal of equity-accounted investments	18	**–**	55.1
Loan to associate		**(7.3)**	–
Acquisition of software intangibles and property, plant and equipment		**(23.3)**	(17.4)
Disposal of businesses net of cash disposed		**342.4**	–
Net cash used in investing activities		**(15.1)**	(27.8)
Cash flow from financing activities			
Proceeds from external borrowings	23	**–**	311.5
Repayment of external borrowings	23	**(149.0)**	(285.8)
Proceeds from issue of shares and sale of SIP shares		**150.7**	1.3
Share repurchase		**–**	(9.2)
Interest and arrangement fees paid		**(6.4)**	(12.0)
Lease liabilities paid		**(7.2)**	(8.9)
Dividends paid to non-controlling interest		**(0.5)**	–
Net cash used in financing activities		**(12.4)**	(3.1)
Net decrease in cash and cash equivalents		**2.4**	(29.7)
Cash and cash equivalents at 1 January		**80.2**	111.7
Effect of exchange rate changes		**1.5**	(1.8)
Cash and cash equivalents at 31 December 2021* **		**84.1**	80.2

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2)

** Includes payments for both deferred and contingent consideration recognised on initial acquisition as well as any subsequent remeasurements. Payments linked to ongoing employment as well as business performance are shown within cash generated from operations

*** Includes £nil (2020: £2.0m) cash and cash equivalents classified as held for sale

The accompanying notes on pages 143 to 180 are an integral part of these consolidated financial statements.

Notes to the financial statements

For the year ended 31 December 2021

1. Basis of preparation

These consolidated financial statements have been prepared in accordance with applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 ("UK-adopted IFRS") and prepared in accordance with UK-adopted international accounting standards.

Ascential plc (the "Company") is a public company, which is listed on the London Stock Exchange and incorporated in the United Kingdom. The registered office is located at The Prow, 1 Wilder Walk, London W1B 5AP. The Company principally provides information services which provide industry-specific business intelligence, insights and forecasting through data and digital subscription tools. The principal activities are information services for digital commerce, product design, marketing, and retail & financial services.

The consolidated financial statements are presented in pounds sterling ("GBP"), which is the Company's functional currency, and have been rounded to millions to the nearest one decimal place except where otherwise indicated.

The consolidated financial statements have been prepared on a going concern basis (see further details below) and under the historical cost convention, with the exception of items that are required by IFRS to be measured at fair value, principally certain financial instruments.

Going concern

After considering the current financial projections and the bank facilities available and then applying severe but plausible sensitivities, the Directors of the Company are satisfied that the Group has sufficient resources for its operational needs and will remain in compliance with the financial covenants in its bank facilities for at least the next 12 months from the date of approving these financial statements. The process and key judgements in coming to this conclusion are set out below.

The Board is required to assess going concern at each reporting period. These assessments are significantly more difficult currently given the uncertainties about the impact of Covid-19, the extent and duration of Covid-related restrictions and the impact on the economies in which we operate. The Directors have considered three main factors in reaching their conclusions on going concern – liquidity, covenants and scenario planning – as set out below.

Liquidity

In January 2020, the Group entered into a 5-year multi-currency revolving credit facility ("RCF") of £450m plus an accordion to raise further debt amounts, at the option of the lenders, of up to the greater of £120m or 150% of EBITDA. At 31 December 2021 the borrowings were subject to interest at a margin of 2.0% over LIBOR. These facilities provide ample liquidity when judged against the net debt of the Company of £73.8m at 31 December 2021.

Covenants

The more sensitive aspects of the Company's financing are the application of covenant tests to these facilities and the most sensitive covenant is Net Debt Leverage (broadly, the ratio of Net Debt to Adjusted pre-IFRS16 EBITDA). The facility covenants include a maximum net leverage of 3.25x with the benefit of additional 0.5x leverage spikes for relevant acquisitions and a minimum interest cover of 3.00x and are tested semi-annually. To address the uncertain business environment and ensure maximum flexibility in the medium term, across a broad range of business planning scenarios, the Group had previously agreed covenant amendments with its banking group but following the strong performance of live events in 2021, this amendment was cancelled in December 2021.

At 31 December 2021, our leverage ratio was 0.9x compared to the limit of 3.25x and thus well within our banking covenants.

Scenario planning

In assessing going concern, the Directors considered the most severe but plausible scenario that could impact the business to be the reinstatement of significant Covid-19 restrictions resulting in the cancellation of live events and restrictions on certain client spend. This scenario does include certain cost control mitigations that would be reasonably applied by the Group. This scenario is not a forecast of the Company and is designed to stress test liquidity and covenant compliance. The key assumption is that restrictions arising from the Covid-19 pandemic result in the cancellation of all physical events in 2022 with a normal events roster resuming in 2023. This scenario results in 1.6x to 2.5x increases to our leverage at each of the two testing points in 2022.

In their review of the downside scenario, the Directors have considered a number of mitigations that would reduce the leverage ratio further and are at their discretion, including but not limited to: future dividend policy, the use of equity to meet deferred consideration obligations, and further restructuring and cost cutting measures. In this downside scenario there is sufficient headroom against all banking covenants test. Accordingly, the Directors continue to adopt the going concern basis for the preparation of the financial statements.

Notes to the financial statements

continued

2. Accounting policies

The principal accounting policies in the preparation of the consolidated financial statements have been applied consistently to both periods presented with the exception of the capitalisation of costs incurred in the implementation of 'software as a service' (SaaS).

Restatement of capitalisation of costs incurred in the implementation of business systems built upon public cloud "software as a service" (SaaS)

In April 2021, IFRIC issued an agenda decision on configuration and customisation costs in a cloud-computing arrangement relating to IAS 38 "Intangible Assets". In response the Group's accounting policy on intangible assets has been updated, specifically to expense costs incurred in the implementation of business systems built upon software that is contracted on a "software as a service" (SaaS) basis and hosted in a public cloud where these do not give rise to an identifiable intangible asset that the Group controls. In limited circumstances, configuration and customisation costs may give rise to an identifiable intangible asset, for example, where code is created that is controlled by the entity. This change in accounting policy is applied retrospectively. The Group is mid-way through the implementation of new Salesforce and ERP systems which are significant, once-in-a-decade investments and the impact of expensing such implementation costs in the year of spend is material. As such, these costs, which form part of our continuing operations, have been treated as an exceptional item. The impact on the Group's financial statements is summarised below:

(£ million)	Reported* Adjusted results	Reported* Adjusting items	Reported* Total	Adjustment Adjusted results	Adjustment Adjusting items	Adjustment Total	Restated Adjusted results	Restated Adjusting items	Restated Total
Consolidated statement of profit or loss									
2020									
Sales, marketing and administrative expenses**	**(141.0)**	**(165.9)**	**(306.9)**	0.6	(6.6)	(6.0)	(140.4)	(172.5)	(312.9)
Operating profit/(loss)	**0.6**	**(165.9))**	**(165.3)**	0.6	(6.6)	(6.0)	1.2	(172.5)	(171.3)
Profit/(loss) before taxation	**(15.3)**	**(167.8)**	**(183.1)**	0.6	(6.6)	(6.0)	(14.7)	(174.4)	(189.1)
Taxation	**2.9**	**31.9**	**34.8**	(0.1)	1.8	1.7	2.8	33.7	36.5
Profit/(loss) from continuing operations	**(12.4)**	**(135.9)**	**(148.3)**	0.5	(4.8)	(4.3)	(11.9)	(140.7)	(152.6)
Basic & diluted EPS (total)	**2.0**	**(35.9)**	**(33.9)**	0.1	(1.2)	(1.1)	2.1	(37.1)	(35.0)
Consolidated statement of financial position and Consolidated statement of changes in equity									
2020									
Intangible assets			**206.7**			(9.0)			197.7
Deferred tax assets			**55.0**			2.4			57.4
Retained earnings			**248.2**			(6.6)			241.6
2019									
Intangible assets			**247.8**			(3.0)			244.8
Deferred tax assets			**42.7**			0.6			43.3
Retained earnings			**394.0**			(2.4)			391.6
Consolidated statement of cash flows									
2020									
Loss before taxation on continuing operations			**(183.1)**			(6.0)			(189.1)
Depreciation and amortisation			**57.4**			(0.6)			56.8
Cash generated from operations			**11.1**			(6.6)			4.5
Acquisition of software intangibles and property, plant and equipment			**(24.0)**			6.6			(17.4)
Cash flow from investing activities			**(34.4)**			6.6			(27.8)

* Reported is after adjusting for the restatement for discontinued operations (see Note 11)

** The impact of the restatement due to the IFRIC agenda decision was nil on total adjusted EBITDA, a £0.6m reduction of total depreciation and amortisation, and an increase of £6.6m of total exceptional items for the year ended 31 December 2020

Basis of consolidation
The consolidated financial statements comprise the financial statements of the parent Company, its subsidiaries and share of the results of its associates and joint ventures drawn up to 31 December 2021 using consistent accounting policies throughout the current and preceding years.

The trading results of business operations are included in profit or loss from continuing operations from the date of acquisition or up to the date of disposal. Intra-group balances and transactions are eliminated in full on consolidation.

Foreign currency translation
The functional currency of subsidiaries, associates and joint ventures is the currency of the primary economic environment in which they operate. The consolidated financial statements are presented in pounds sterling, which is the presentational currency of the Group and the functional currency of the parent Company.

Foreign currency transactions are recorded at the exchange rate ruling at the date of transaction. Foreign currency monetary assets and liabilities are translated at the rates of exchange ruling at the balance sheet date. All differences are taken to the consolidated income statement except for those on foreign currency borrowings that provide a hedge against an investment in a foreign entity. These are taken directly to equity until the disposal of the investment, at which time they are recognised in the consolidated income statement. Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in equity. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate in force at the date of the initial transaction.

As at the reporting date, the assets and liabilities of overseas subsidiaries are translated into pounds sterling at the rate of exchange applicable at the reporting date and their consolidated income statements are translated at the average exchange rates for the period. The exchange differences arising from the retranslation of foreign operations are taken directly to a separate component of equity. On disposal of a foreign operation, the cumulative amount recognised in equity relating to that operation is recognised in the consolidated income statement as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate at the reporting date.

Changes in fair value of derivative financial instruments entered into to hedge foreign currency net assets, and that satisfy the hedging conditions of IFRS 9 "Financial Instruments", are recognised in the currency translation reserve.

Discontinued operations
The Group classifies an operation as discontinued when it has disposed of or intends to dispose of a business component that represents a separate major line of business or geographical area of operations. The post-tax profit or loss of the discontinued operations is shown as a single line on the face of the consolidated income statement, separate from the continuing operating results of the Group. When an operation is classified as a discontinued operation, the comparative consolidated income statement is represented as if the operation had been discontinued from the start of the comparative year.

Assets and liabilities held for sale

Where the Group expects to recover the carrying amount of a group of assets through a sale transaction rather than through continuing use, and a sale is considered to be highly probable at the reporting date, the assets are classified as held for sale and measured at the lower of cost and fair value less costs to sell. No depreciation or amortisation is charged in respect of non-current assets classified as held for sale once the classification has been made.

Revenue
Revenue is measured based on the consideration specified in a contract with a customer. If multiple performance obligations exist within a contract, the revenue is allocated to the obligations based on the stand-alone selling price, with any discounts allocated evenly across the obligations. For contracts with rebates and therefore variable consideration, revenue is recognised based on the best estimate of the revenue net of the rebated amount. Revenue is recognised when the Group satisfies the performance obligations, the timing of which is set out in Note 3. Digital Subscriptions & Platforms revenue is recognised evenly over the time period for which the subscription services are provided as the customer simultaneously receives and consumes the economic benefit of the service being provided. Advisory revenue is recognised over time where we have the right to payment for performance completed to date; revenue is recognised based on an input method of measurement using either internal timesheets as the measurement of the level of time worked as a percentage of the total expected time worked on the contract as this is commensurate with the pattern of transfer of service to the customer, or other appropriate cost measures where input cost is the appropriate measure. Events and benchmarking awards revenue is recognised at the point in time that the events and awards take place. Pre-paid subscription and event revenues are shown as deferred income and released to the income statement in accordance with the revenue recognition criteria above. No revenue, or cost, is recognised for pass-through whereby the Group purchases media and charges clients as the Group acts as an agent in these relationships.

Barter transactions are those where goods and services, rather than cash, are exchanged between two third parties and revenue is recognised at fair value for the goods or services provided. Where goods or services are provided at a discount and dissimilar to the goods or services received, the discounted price is recorded as revenue with the corresponding amount included in operating costs.

Alternative Performance Measures
The consolidated financial statements include Alternative Performance Measures, including Adjusted EBITDA, as another measure of profitability of the trading performance of the continuing operations of the Group. Adjusted EBITDA is a non-IFRS measure, defined as the Group's operating profit before expensing depreciation of tangible fixed assets and amortisation of software, exceptional items, amortisation of acquired intangible assets, impairment of tangible fixed assets and software intangibles, share-based payments and one-off finance costs. Refer to pages 43 to 47 for further details on Alternative Performance Measures.

Notes to the financial statements
continued

2. Accounting policies continued

Exceptional items

Exceptional items are those which are considered significant by virtue of their nature, size or incidence. These items are presented as exceptional within their relevant income statement category to assist in the understanding of the performance and financial results of the Group as these types of cost do not form part of the underlying business. Examples of items that are considered by the Directors for designation as exceptional items include, but are not limited to:

- significant capital structuring costs as these can be material and are not a reflection of the underlying business;
- costs incurred as part of the acquisition and integration of acquired businesses as these can be material. Acquisition-related employment costs, which, absent the link to continued employment, would have been treated as consideration are designated as exceptional items;
- gains or losses on disposals of businesses are considered to be exceptional in nature as these do not reflect the performance of the Group;
- material restructuring and separation costs within a segment incurred as part of a significant change in strategy as these are not expected to be repeated on a regular basis; and
- significant one-off items such as the impairment of intangible assets, the recognition of provisions for onerous contracts and substantial system implementations, that do not reflect underlying performance.

If provisions have been made for exceptional items in previous years, then any reversal of these provisions is treated as exceptional.

Finance costs and income

Finance cost or income is recognised using the effective interest method. The 'effective interest rate' is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset, or the amortised cost of the financial liability.

Income tax

The Group is primarily subject to corporation tax in the UK, the US, and China and judgement and estimates of future profitability are required to determine the Group's deferred tax position. If the final tax outcome is different to that assumed, resulting changes will be reflected in the consolidated income statement, unless the tax relates to an item charged to equity, in which case the changes in tax estimates on those items will be reflected in equity.

Income tax on the profit or loss for the period comprises current tax and deferred tax. Income tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is tax payable based on taxable profits for the period, using tax rates that have been enacted or substantively enacted at the reporting date, along with any adjustment relating to tax payable in previous years. Taxable profit differs from net profit in the consolidated income statement in that income or expense items that are taxable or deductible in other years are excluded, as are items that are never taxable or deductible.

Using the liability method, deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except for certain temporary differences, such as goodwill that is not deductible for tax purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year in which the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

The deferred tax assets and liabilities are only offset where they relate to the same taxing authority and the Group has a legal right to offset.

Business combinations

In accordance with IFRS 3 "Business Combinations", the fair value of consideration paid for a business combination is measured as the aggregate of the fair values at the date of exchange of assets given and liabilities incurred or assumed in exchange for control. The assets, liabilities and contingent liabilities of the acquired entity are measured at fair value as at the acquisition date. When the initial accounting for a business combination is determined, it is done so on a provisional basis with any adjustments to these provisional values made within 12 months of the acquisition date and is effective as at the acquisition date. To the extent that deferred consideration is payable as part of the acquisition cost and is payable after one year from the acquisition date, the deferred consideration is discounted at an appropriate interest rate and, accordingly, carried at net present value in the consolidated balance sheet. The discount component is then unwound as an interest charge in the consolidated income statement over the life of the obligation. Where a business combination agreement provides for an adjustment to the cost of a business acquired contingent on future events, the Group accrues the fair value of the additional consideration payable as a liability at acquisition date. This amount is reassessed at each subsequent reporting date with any adjustments recognised in the consolidated income statement. If the business combination is achieved in stages, the fair value of the acquirer's previously held equity interest in the acquiree is re-measured at the acquisition date through the consolidated income statement. Transaction costs are expensed to the consolidated income statement as incurred.

Acquisition-related expenses include contingent consideration payments agreed as part of the acquisition and contractually linked to ongoing employment as well as business performance (acquisition-related employment costs). Acquisition-related employment costs are accrued over the period in which the related services are received and are recorded as exceptional costs. We have made a judgement that payments related to this type of contingent consideration are reported within operating activities within the consolidated statement of cash flows and other consideration payments are reported within investing activities in line with how management consider these payments.

The non-controlling interest at acquisition date is measured at the percentage of the identifiable assets purchased and liabilities assumed.

Intangible assets

Goodwill

Goodwill arises where the fair value of the consideration given for a business exceeds the fair value of net identifiable assets of the business at the date of acquisition. Goodwill is allocated or grouped at the lowest levels, for which there are identifiable cash flows, known as cash-generating units or CGUs.

Goodwill arising on acquisition is capitalised and subject to impairment review, both annually and when there are indications that the carrying value may not be recoverable. For goodwill impairment purposes, no CGU is larger than the reporting segments determined in accordance with IFRS 8 "Operating Segments". The recoverable amount of goodwill is assessed on the basis of the value-in-use estimate for CGUs to which the goodwill relates. Where the carrying value exceeds the recoverable amount the goodwill is considered impaired. Any impairment is recognised in the consolidated income statement.

Other intangibles

Intangible assets other than goodwill are those that are distinct and can be sold separately or arise from legal rights. Intangible assets acquired as part of a business combination are capitalised at fair value at the date of acquisition. Intangible assets purchased separately are capitalised at cost.

The cost of intangible assets is amortised and charged to the consolidated income statement on a straight-line basis over their estimated useful lives as follows:

Brands	10-20 years
Customer relationships	6-12 years
Technology	5-10 years
Software	2-5 years

Useful lives are examined every year and adjustments are made, where applicable, on a prospective basis.

Website development costs (included under content and technology) relating to websites we control and which are revenue generating are capitalised and amortised over three to five years. Development costs relating to websites which are not revenue generating are taken immediately to the consolidated income statement.

Where no internally generated intangible asset can be recognised, development expenditure is charged to the consolidated income statement in the period in which it is incurred. The Group only capitalises internally generated costs from the configuration and capitalisation of software as a service ("SaaS") projects when it is able to obtain economic benefits from the activities independent from the SaaS solution itself.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises expenditure directly attributable to the purchase of the asset. Assets are depreciated to their estimated residual value, on a straight-line basis, over their estimated useful life as follows:

Short leasehold property	over the period of the lease
Office equipment	2-5 years

Estimated useful lives and residual values are reviewed at each reporting date.

An item of property, plant or equipment is written off either on disposal or when there is no expected future economic benefit from its continued use. Any gain or loss on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in the consolidated income statement in the year the item is derecognised.

Trade investments

Investments in equity instruments are measured at fair value through profit or loss unless or until such time as we are deemed to have significant influence or control over the investee, or they are derecognised. When significant influence is obtained, the Group determines its investment in the equity-accounted associate using the fair value approach. Accordingly, the initial valuation includes the sum of the fair value of the initial interest at the date of obtaining significant influence plus the consideration paid for any additional interest.

Investments in associates and joint ventures

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Joint ventures are arrangements in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, until the date on which significant influence or joint control ceases. Where the Group's share of losses in an associate or joint venture exceeds its investment, the Group ceases to recognise further losses unless an obligation exists for the Group to fund those losses.

Notes to the financial statements

continued

2. Accounting policies continued

Inventories

Inventories are stated at the lower of cost or net realisable value. Cost represents purchase cost, including attributable overheads, and is determined using a first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs necessary to make the sale.

Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less loss allowances. Loss allowances are calculated for lifetime expected credit losses. Expected credit losses are a probability weighted estimate of credit losses and are calculated based on actual historical credit losses over the past three years and adjusted to reflect differences between the historical credit losses and the Group's view of the economic conditions over the expected lives of the receivables. The amount of the loss is recognised in the consolidated income statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited to the consolidated income statement.

Other receivables include amounts due from customers for pass-through costs principally in relation to the purchase of media on their behalf. These costs comprise amounts paid to external suppliers which are charged directly to clients. The amounts due to external suppliers in these relationships are recognised in other payables.

The Group undertakes the sale of trade receivables, without recourse, to banks to manage the working capital impact of media reimbursables in our high growth Flywheel business. Sold trade receivables are derecognised in the consolidated statement of financial position when substantially all of the risks and rewards associated with the assigned receivables are transferred to the bank.

Cash and cash equivalents

Cash and cash equivalents include cash, cash in transit, short-term deposits and other short-term highly liquid investments with an original maturity of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents are as defined, net of outstanding bank overdrafts.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method, with the exception of debt repurchases which are recognised in the consolidated income statement in the year of the repurchase.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised only when it is virtually certain. The expense relating to any provision is presented in the consolidated income statement net of any reimbursement. If the time value of money has a material effect on quantifying the provision, the provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance charge.

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

Share-based payments

Certain employees of the Group receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares. The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards with market-related vesting conditions is determined by an external consultant and the fair value at the grant date is expensed on a straight-line basis over the vesting period based on the Group's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet reporting date up to the vesting date, at which point the estimate is adjusted to reflect the actual outcome of awards which have vested. No adjustment is made to the fair value after the vesting date even if the awards are forfeited or not exercised.

Shares held by the Employee Benefit Trust

The Employee Benefit Trust ("EBT") provides for the issue of shares to Group employees under share incentive schemes. The Company controls the EBT and accounts for the EBT as an extension to the Company in the consolidated financial statements. Accordingly, shares in the Company held by the EBT are included in the consolidated balance sheet at cost as a deduction from equity.

Leases

Definition of a lease

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group leases commercial office space and photocopiers. The Group has elected not to recognise right-of-use assets and lease liabilities for some leases of low-value assets (including photocopiers). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Group presents right-of-use assets that do not meet the definition of investment property as a separate line item on the statement of financial position.

The Group recognises a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation, which is recorded using the straight-line method from the commencement date to the end of the lease term, and impairment losses and adjusted for certain remeasurements of the lease liability. Right-of-use assets are impaired when there is no expected future economic benefit from its continued use due to the property being vacant, or where the anticipated sublease income is less than the contractual lease payments. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Group has applied judgement to determine the lease term for some lease contracts that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

The Group has applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.

As a lessor
The Group sub-leases some of its properties. The right-of-use assets recognised from the head lease are presented in investment property and measured at fair value. The sub-lease contracts are classified as operating leases under IFRS 16. No depreciation is recognised for the right-of-use assets that meet the definition of investment property.

New and amended accounting standards effective during the year
The following amended standards and interpretations were effective during the year. The impact on our consolidated financial statements in relation to the IAS 38 interpretation is detailed in note 2. The remaining updates have had no impact on our consolidated financial statements.

- Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) – Agenda Paper 2
- Covid-19-Related Rent Concessions (Amendment to IFRS 16)
- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

New and amended accounting standards that have been issued but are not yet effective
The following new or amended standards and interpretations are applicable in future periods but are not expected to have a significant impact on the consolidated financial statements.

- Covid-19 Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual Improvements to IFRS Standards 2018-2020
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Reference to the Conceptual Framework (Amendments to IFRS 3)
- IFRS 17 Insurance Contracts
- Classification of liabilities as current or non-current (Amendments to IAS 1)
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimate (Amendments to IAS 8)
- Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12 Income Taxes

3. Critical accounting judgements and estimates
The preparation of these financial statements requires management to exercise judgement in applying the Group's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The actual future outcomes may differ from these estimates and give rise to material adjustments to the reported results and financial position of the Group. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the year in which the estimates are revised and in any future periods affected.

The areas involving a higher degree of judgement or complexity and assumptions or estimation are set out below and in more detail in the related notes. Significant updates to these judgements and estimations are detailed where relevant in the related notes and in Note 1 above on going concern.

Notes to the financial statements

continued

Critical accounting judgements

Alternative Performance Measures

The Group uses alternative performance measures which are not defined or specified under IFRS and removes adjusting items to present an adjusted result. Adjusting items include amortisation and impairment of acquired intangibles, share-based payments, one-off financing costs and exceptional items. The classification of exceptional items requires significant management judgement to determine the nature and presentation of such transactions. Exceptional items are those which are considered significant by virtue of their nature, size or incidence. These items are presented as a separate column on the face of the income statement but within their relevant income statement caption. The Board view this as a relevant analysis to assist the reader in their understanding of the underlying performance and financial results of the Group. Note 6 provides an analysis of exceptional items.

Costs incurred in the implementation of 'software as a service' (SaaS) (Note 2)

When the Group incurs configuration and customisation costs as part of a SaaS agreement, significant judgement is required in assessing whether the Group has control over the resources defined in the agreement. The Group has reviewed its service agreements in respect of its new ERP system and Salesforce system to align its accounting policy with the IFRS Interpretations Committee (IFRIC) agenda decision in April 2021 on the clarification of accounting in relation to 'Configuration and Customisation Costs in a Cloud Computing Arrangement'. Given that this agenda decision is relatively recent, with continuing evolution of guidance and interpretation, the Group considers this to be a key and difficult judgement to determine. The Group has considered several factors to conclude on the appropriate accounting treatment for configuration and customisation costs. These factors include the nature and key terms of licence arrangements, ownership of intellectual property rights, ability to restrict access to systems, ability to remove software applications from the cloud environment and run them within the Group's own IT environment instead, ability to determine when upgrades are applied and whether associated applications are distinct from the software. Having considered these factors the Group concluded that it did not have the required level of substantive control over all aspects of the ERP and Salesforce systems and has therefore determined that these previously capitalised implementation costs should be expensed. Further details of the prior year restatement to reflect this change in accounting policy can be found in Note 2.

Recognition of associates (Note 18)

The Group has a material investment in Hudson MX, a software business providing media buying and media accounting solutions through a SaaS platform. At 31 December 2021, the Group has a total investment of £65.9m representing 8% of the common stock and 84% of the preference shares of the Company. The assessment of whether the Group has control or significant influence over the investment is considered a critical accounting judgement. Consideration has been given in determining if the nature of the relationship, rights under the terms of the preference and common stock investments or other factors would indicate that Ascential has control over the business. Management has considered the requirements under IFRS 10 "Consolidated Financial Statements" and has concluded that although the Group has exposure to the variable returns from the investment, it does not have actual or potential rights to demonstrate power over Hudson and therefore it does not meet the definition of control as at 31 December 2021. It was concluded that the equity and preference instruments do not give power over Hudson MX and that the potential voting rights from the call option agreement were not substantive at the balance sheet date.

An assessment of the requirements under IAS 28 "Investments in Associates and Joint Ventures" has also been performed and management have concluded that the Group does have significant influence over Hudson MX, primarily demonstrated by the rights to Board observer seats and the level of funding provided. The Group therefore accounts for Hudsonas an associate. The common stock is accounted for by applying equity accounting, including recording its share of the results of Hudson MX in proportion to the common stock holding. The carrying amount of this investment is £0.5m at 31 December 2021.

The Group recognises that attributes of a class of preference stock meet the attributes of a financial instrument measured at fair value through profit and loss and the fair value will be assessed at each reporting date, with any revaluation recorded through the consolidated income statement. These preference shares form part of the long-term investment in Hudson and these are recorded at £65.4m at 31 December 2021.

An assessment of the fair value of the preference shares and the carrying amount of the investment is considered a significant estimate due to the early-stage life cycle of the business and limited readily available market information or comparable companies. The revenue growth rates and discount rates used in the assessment of the valuation are considered significant estimates in the preparation of the accounts. See Note 18 for details.

Key sources of estimation

Initial recognition of goodwill and intangible assets in business combinations (Note 13)

Accounting for a business acquisition requires an assessment of the existence, fair value and expected useful economic lives of separable intangible assets such as brands, customer relationships and technology assets at the date of acquisition. The fair value of identifiable assets acquired and liabilities assumed on acquisition is based on a number of estimates, including estimates of future performance of related businesses and the determined weighted average cost of capital.

Acquired brands and certain technology assets are valued using the relief-from-royalty method which requires estimation of future revenues and estimation of a royalty rate that an acquirer would pay in an arm's length licensing arrangement to secure access to the same rights. The theoretical royalty payments are discounted to obtain the cash flows to determine the asset value, which also requires estimation of an appropriate discount rate. A tax amortisation benefit is then applied.

Acquired customer relationships are valued using the multi-period excess earnings method which starts with the total expected income streams for a business or group of assets as a whole and then deducts charges for all the other assets used to generate income. Residual income streams are discounted and a tax amortisation benefit is applied. The method requires estimation of future revenue growth of the business and an appropriate discount rate.

Content and certain technology assets are valued using a depreciated replacement cost method, which requires an estimate of all the costs a typical market participant would incur to generate an exact replica of the intangible asset in the context of the acquired business. The depreciated replacement cost method takes into account factors including economic and technological obsolescence.

In establishing the fair value and useful economic lives, the Group considers, for each acquisition and each asset or liability, the complexity of the calculations, the sources of estimation uncertainty including customer attrition rates and the risk of such estimations resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Note 13 explains the impact these estimates have on the assets recognised.

Valuation of contingent consideration and acquisition-related employment costs (Note 22)
Where an acquisition agreement provides for an adjustment to the consideration, contingent on future performance over the contractual earn-out period, the Group accrues the fair value, based on the estimated additional consideration payable as a liability at acquisition date. To the extent that deferred contingent consideration is payable as part of the acquisition cost and is payable after one year from the acquisition date, the deferred consideration is discounted at an appropriate discount rate and carried at net present value in the consolidated balance sheet. The liability is measured against the contractually agreed performance targets at each subsequent reporting date with any adjustments recognised in the consolidated income statement.

Acquisition-related employment costs are contingent on future performance of the acquired business against the contractually agreed performance targets over the earn-out period but are also dependent on the continued employment of the founders over the contractual earn-out period. Consequently, they are treated as a remuneration expense and recognised as such in the consolidated income statement.

The estimation of the likely liability requires the Group to make judgements concerning the future performance of related business over both the deferred contingent consideration period. The estimation uncertainty risk of payments greater than one year is higher to due to the forecast nature of the inputs.

4. Operating Segments

The Group has four reportable segments that are used to present information to the Board (Chief Operating Decision Maker) on a monthly basis. End-market risks and opportunities vary and capital allocation decisions are made on the basis of those four reportable segments, namely Digital Commerce, Product Design, Marketing and Retail & Financial Services. The reportable segments offer different products and services and are managed separately as a result of different capabilities, technology, marketing strategies and end market risks and opportunities. The following summary describes the continuing operations in each of the Group's reportable segments:

- Digital Commerce: measurement, optimisation and execution for digital commerce growth
- Product Design: consumer product trend forecasting, data and insight to create world-class products and experiences
- Marketing: services and tools to measure and optimise marketing creativity, media and platform effectiveness and efficiency
- Retail & Financial Services: events, data and tools to improve performance and drive innovation in retail and financial services

Information regarding the results of each reportable segment is included below and restated for prior periods to enhance comparability. The results of the disposed MediaLink business, which was previously included in the Marketing segment, are presented within discontinued operations (refer to Note 15). Reportable segment profits are measured at an Adjusted operating profit level, representing reportable segment Adjusted EBITDA, less depreciation costs and amortisation in respect of software intangibles, without allocation of Corporate costs as reported in the internal management reports that are reviewed by the Board. Reportable segment Adjusted EBITDA and reportable segment Adjusted operating profit are used to measure performance as management believes that such information is the most relevant in evaluating the results of the reportable segments relative to other comparable entities. Total assets and liabilities for each reportable segment are not disclosed because they are not provided to the Board on a regular basis. Total assets and liabilities are internally reviewed on a Group basis.

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4. Operating Segments continued
Year ended 31 December 2021

(£ million)	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate costs	Continuing operations total	Discontinued operations	Total
Revenue	**147.3**	**91.3**	**56.5**	**54.2**	**–**	**349.3**	**49.3**	**398.6**
Adjusted EBITDA	**31.1**	**41.3**	**25.6**	**10.9**	**(20.0)**	**88.9**	**16.0**	**104.9**
Depreciation and software amortisation	**(10.0)**	**(2.9)**	**(3.0)**	**(1.8)**	**(1.8)**	**(19.5)**	**(0.3)**	**(19.8)**
Adjusted operating profit/(loss)	**21.1**	**38.4**	**22.6**	**9.1**	**(21.8)**	**69.4**	**15.7**	**85.1**
Amortisation of acquired intangible assets						**(31.9)**	**(2.7)**	**(34.6)**
Profit on disposal of business						**–**	**259.4**	**259.4**
Exceptional items						**(55.8)**	**(6.0)**	**(61.8)**
Share-based payments						**(8.4)**	**(0.7)**	**(9.1)**
Operating profit/(loss)						**(26.7)**	**265.7**	**239.0**
Share of net loss in equity-accounted investee						**(2.5)**	**–**	**(2.5)**
Finance costs						**(20.1)**	**–**	**(20.1)**
Finance income						**9.7**	**–**	**9.7**
Profit/(loss) before tax						**(39.6)**	**265.7**	**226.1**

Year ended 31 December 2020*

(£ million)	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate costs	Continuing operations total	Discontinued operations	Total
Revenue	103.1	88.1	20.5	18.2	–	229.9	71.6	301.5
Adjusted EBITDA	22.6	38.0	(6.5)	(14.3)	(18.1)	21.7	28.8	50.5
Depreciation and software amortisation	(6.7)	(4.7)	(3.7)	(2.3)	(3.1)	(20.5)	(2.3)	(22.8)
Adjusted operating profit/(loss)	15.9	33.3	(10.2)	(16.6)	(21.2)	1.2	26.5	27.7
Amortisation of acquired intangible assets						(30.8)	(3.2)	(34.0)
Exceptional items						(142.8)	(7.2)	(150.0)
Share-based payments						1.1	0.5	1.6
Operating profit/(loss)						(171.3)	16.6	(154.7)
Share of net loss in equity-accounted investee						(0.2)	–	(0.2)
Finance costs						(19.5)	–	(19.5)
Finance income						1.9	–	1.9
Profit/(loss) before tax						(189.1)	16.6	(172.5)

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2)

Exceptional items within continuing operations of £55.8m (2020 restated: £142.8m) include £36.6m (2020: £98.5m), £0.1m (2020: £1.2m), £nil (2020 restated: £0.7m), £nil (2020: £29.3m) and £19.1m (2020 restated: £13.1m) which are attributable to Digital Commerce, Product Design, Marketing, Retail & Financial Services and Corporate costs respectively. Finance costs, finance income, share of net profit in equity accounted investees and share-based payments are not allocated to segments, as these types of activity are driven by the Group corporate function.

Revenue and non-current assets by location

The revenue analysis is based on the location of customers. Non-current assets analysis (excluding deferred tax and financial instruments) is based on geographical location of the business.

The Group does not have any customers from whom revenue exceeds 10% of total revenue. Included in revenue is barter revenue arising from the exchange of goods or services of £0.8m for the year ended 31 December 2021 (2020: £0.3m).

	Revenue		Non-current assets**	
(£ million)	**2021**	Restated* 2020	**2021**	2020
United Kingdom	**42.8**	32.4	**356.2**	335.4
Other Europe	**57.1**	39.1	**85.0**	88.5
United States and Canada	**176.4**	111.7	**466.3**	265.1
Asia Pacific	**49.5**	32.9	**73.7**	29.3
Middle East and Africa	**8.9**	5.2	**–**	–
Latin America	**14.6**	8.6	**7.7**	1.6
Total	**349.3**	229.9	**988.9**	719.9

* Revenue restated for discontinued operations (see Note 11) and non-current assets restated for the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2)
** Non-current assets exclude deferred tax assets of £57.7m (2020: £57.4m).

Additional segmental information on revenue

The Group's revenue is derived from contracts with customers.

Disaggregation of revenue

The following table shows revenue disaggregated by major service lines, and the timing of revenue recognition:

(£ million)	Timing of revenue recognition	**2021**	Restated* 2020
Digital Subscriptions & Platforms	Over time	**136.2**	95.6
Advisory	Over time	**11.1**	7.5
Digital Commerce		**147.3**	**103.1**
Digital Subscriptions & Platforms	Over time	**81.9**	81.3
Advisory	Over time	**9.4**	6.8
Product Design		**91.3**	**88.1**
Digital Subscriptions & Platforms	Over time	**18.2**	17.0
Advisory	Over time	**3.7**	1.2
Benchmarking Awards	Point in time	**29.3**	1.0
Events	Point in time	**5.3**	1.3
Marketing		**56.5**	**20.5**
Digital Subscriptions & Platforms	Over time	**10.8**	14.3
Advisory	Over time	**2.7**	2.2
Events	Point in time	**40.7**	1.7
Retail & Financial Services		**54.2**	**18.2**
Revenue from continuing operations		**349.3**	**229.9**

* Restated for discontinued operations (see Note 11)

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

(£ million)	Note	**2021**	2020
Receivables, which are included in trade and other receivables	20	**91.2**	70.5
Receivables, which are included in assets held for sale		**–**	9.3
Contract assets – accrued income	20	**17.4**	6.2
Contract liabilities – deferred income		**101.0**	91.8
Contract liabilities, which are included in liabilities held for sale	10	**–**	8.0

Out of the amount of the £91.8m included in contract liabilities at 31 December 2020, £86.8m has been recognised as revenue in the current year.

Notes to the financial statements
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5. Operating profit

Amounts charged in arriving at continuing operating profit include:

(£ million)	Note	2021	Restated* 2020
Employee costs	7	**190.6**	150.9
Depreciation and software amortisation	16, 17, 28	**19.5**	20.5
Amortisation of acquired intangible assets	16	**31.9**	30.8
Impairment losses on trade receivables and contract assets		**1.3**	4.5

* Revenue restated for discontinued operations (see Note 11) and the IFRIC update on IAS 38 Intangible Assets (see Note 16)

Fees paid to the auditor were as follows:

(£ million)	2021	2020
Fees paid to auditor for audit of the consolidated financial statements	**1.0**	0.6
Fees paid to auditor for audit of the Group's subsidiaries	**0.2**	0.2
Fees paid to auditor for audit-related assurance services*	**0.1**	0.1
Total	**1.3**	0.9

*Audit-related assurance services relate to the review of the half-year interim statements £87,645 (2020: £87,620)

Details of the Company's policy on the use of the auditor for non-audit related services, the reason why the auditor was used and how the auditor's independence was safeguarded are set out on page 103.

6. Adjusting items

Adjusting items are those which are considered significant by virtue of their nature, size or incidence and are presented separately in the consolidated statement of profit and loss to enable a full understanding of the Group's financial performance. Adjusting items is not a defined term under IFRS and include share-based payment charges, amortisation of intangibles acquired through business combinations and exceptional items such as costs incurred for acquisitions and disposals, integration, non-recurring business restructuring and capital restructuring. The tax effect of Adjusting items is also included within Adjusting items (see Note 10).

Adjusting items included in continuing operating profit/(loss) are:

(£ million)	Note	2021	Restated* 2020
Revaluation of contingent consideration	22	**5.2**	63.8
Acquisition-related employment costs accrued in the period	22	**24.7**	31.7
Total deferred consideration costs		**29.9**	95.5
Implementation of new ERP and Salesforce instance		**16.9**	6.6
Transaction and integration costs		**9.0**	2.6
Impairment of Retail & Financial Services assets		**–**	28.4
Restructuring costs		**–**	5.1
Property impairments and onerous contracts		**–**	4.6
Exceptional items		**55.8**	142.8
Amortisation of acquired intangible assets	16	**31.9**	30.8
Share-based payments	8	**8.4**	(1.1)
Adjusting items in operating profit/(loss)		**96.1**	172.5
Finance (income)/costs	9	**(7.0)**	1.9
Share of the loss of joint ventures		**0.1**	–
Adjusting items in profit/(loss) before tax from continuing operations		**89.2**	174.4

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2)

The revaluation of contingent consideration in the year relates to updates to actual or expected performance for Flywheel and Yimian. Acquisition-related employment costs incurred in the year of £24.7m relate primarily to that element of the purchase consideration for the acquisitions of DZ, OneSpace, Yimian and Perpetua which, absent the link to continued employment, would have been treated as consideration. Under the sale and purchase agreements, between 25% and 100% of deferred payments are contingent on not only the results of the business in the post-acquisition period but also the continued employment of the founders.

The Group is undertaking a multi-year programme to introduce a new ERP to replace the former Oracle system introduced in 2007 and a new instance of Salesforce, both of which are cloud-based and the implementation costs are subject to the new IFRIC agenda decision on relating to IAS 38 and accordingly are now expensed (see Note 2). Costs relating to this programme totalled £16.9m in 2021 (2020: £6.6m) have therefore been expensed, and given the materiality and once-in-a-decade nature, have been recorded as exceptional items.

Property impairments and onerous contracts in 2020 of £4.6m reflected impairments of right-of-use assets and leasehold improvements and the creation of provisions for operating expenses that were onerous following a reassessment of the Group's property requirements.

As part of the overall strategy of managing the Group's portfolio, we consider the costs incurred as part of the acquisition and integration of acquired businesses to be Adjusting items. Acquisition transaction costs include directly linked transaction costs such as legal and diligence fees as well as stamp duty where applicable. Integration spend includes the costs of transferring acquired businesses onto the Group's processes, IT and revenue platforms, merging of products and rebranding.

The share-based payments charge of £8.4m (2020: credit £1.1m) increased to reflect the issuance of new awards in 2021. It contrasted with the £1.1m credit in the prior year which reflected revised expectations on the vesting of the Performance Share Plan awards due to the expected performance of the Group versus the EPS target performance conditions because of the impacts of Covid-19 (see Note 8).

Finance income of £7.0m relates to the upward remeasurement of trade investments to fair value of £7.8m net of a £0.8m fee for covenant amendments of the Group's debt facility (see Note 9).

Notes to the financial statements

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7. Employee information and Directors' remuneration

(a) Employee costs including Directors

(£ million)	Note	2021	2020
Wages and salaries		**182.9**	151.4
Social security costs		**18.9**	14.6
Defined contribution pension cost		**4.4**	4.4
Redundancy costs		**0.9**	8.4
Share-based payments and associated employment taxes	8	**9.1**	(1.6)
Total		**216.2**	177.2

Average employee cost per employee including discontinued operations is £84,952 (2020: £81,847).

The total employee costs for continuing operations amounted to £190.6m (2020: £150.9m). Average employee cost per employee for continuing operations is £79,401 (2020: £76,538).

(b) Retirement benefits

The Group operates a defined contribution pension scheme in the United Kingdom and in certain other countries. The assets of the scheme are held by independent custodians and are kept entirely separate from the assets of the Group. The pension charge represents contributions due from the employer. During 2021 the total Group charge amounted to £4.4m (2020: £4.4m). At 31 December 2021 there were £0.8m of contributions outstanding (2020: £0.8m).

(c) Average monthly number of employees including Directors

(i) By geographical region

	2021	**2021**	Restated* 2020	Restated* 2020
	Continuing	**Discontinued**	Continuing	Discontinued
United Kingdom	**898**	**20**	853	180
United States and Canada	**675**	**122**	510	107
Asia Pacific	**549**	**1**	279	–
Rest of the world	**279**	**1**	238	–
Total	**2,401**	**144**	1,880	287

* Restated for discontinued operations (see Note 11)

(ii) By job function

	2021	**2021**	Restated* 2020	Restated* 2020
	Continuing	**Discontinued**	Continuing	Discontinued
Cost of sales	**1,283**	**111**	1,034	184
Sales and marketing	**662**	**25**	477	71
Other administrative functions	**456**	**8**	369	32
Total	**2,401**	**144**	1,880	287

* Restated for discontinued operations (see Note 11)

(d) Remuneration of Directors and key management personnel

Further details of the Directors' remuneration and share options are set out in the Remuneration Report on pages 116 to 122. Key management personnel comprised the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Non-Executive Directors of the Group. The aggregate emoluments for key management are set out below:

(£ million)	2021	2020
Salaries, bonus and other short-term employee benefits	**2.2**	1.3
Share-based payments	**–**	0.2
Total	**2.2**	1.5

During the years ended 31 December 2021 and 2020, no Directors were members of the Group's defined contribution pension scheme. Retirement benefits were not accrued for any Director at 31 December 2021 or 2020.

The total gains on the exercise of share options by the Directors amounted to £0.6m (2020: £2.1m).

8. Share-based payments

Analysis of charge/(credit) to the consolidated income statement on continuing operations

(£ million)	2021	Restated* 2020
Share Incentive Plans ("SIP")	**0.6**	0.1
Sharesave Scheme ("Sharesave")	**0.7**	0.6
Deferred Annual Bonus Plan ("DABP")	**0.1**	0.1
Performance Share Plans ("PSP")	**5.3**	(1.7)
Restricted Share Plan ("RSP")	**1.7**	(0.2)
Total charge/(credit) from continuing operations	**8.4**	(1.1)

* Restated for discontinued operations (see Note 11)

The total share-based payment charge including discontinued operations was £9.1m (2020: £1.6m credit) including a £0.7m charge for employment taxes (2020: £0.2m credit). As a result, the amount credited to equity was £8.4m (2020: £1.4m reversed from equity).

The number and weighted average exercise price of outstanding and exercisable share options and share awards are detailed below:

	2021		2020	
	Number of shares/ options 000s	Weighted average exercise price £	Number of shares/ options 000s	Weighted average exercise price £
Outstanding at 1 January	**12,130**	**0.47**	11,457	0.52
Granted	**9,148**	**0.18**	5,091	0.62
Options exercised or shares vested	**(1,957)**	**0.39**	(2,039)	0.31
Surrendered or expired	**(605)**	**1.63**	(2,046)	1.63
Lapsed	**(1,382)**	**–**	(333)	–
At 31 December	**17,334**	**0.31**	12,130	0.47

	2021	2020
Weighted average fair value per share/option granted during the year (£)	**4.05**	2.37

At 31 December 2021 and 31 December 2020, all of the outstanding share awards and options had either no exercise cost or an exercise price which was below the market price. At 31 December 2021 the market price was £4.02 (2020: £3.84) and the average share price for 2021 was £3.91 (2020: £3.03). For the Sharesave, the range of exercise prices for shares and options outstanding at 31 December 2021 was £2.30 to £3.59 (2020: £2.30 to £3.44). For the DABP, the PSP and the RSP, all share options and share awards outstanding at 31 December 2021 had an exercise price of £nil (2020: £nil) or were conditional share awards which do not require payment from the participant to vest. The free shares awarded under the SIP do not require payment from the participant to vest.

For share awards and options outstanding at 31 December 2021, the weighted average remaining contractual life was 1.76 years (2020: 1.59 years).

Measurement of fair values

The SIP, PSP, RSP, Sharesave and DABP are equity-settled plans, the fair value of which is determined at the date of grant and is not subsequently remeasured unless conditions on which the award was granted are modified.

The SIP, PSP and RSP awards granted in the year have no market performance conditions associated with them and so fair value is deemed to be the share price at the date of grant. The fair value of the Sharesave awards has been measured using the Black-Scholes model. Expected volatility is usually calculated over the period of time commensurate with the remainder of the performance period immediately prior to the date of the grant. The principal assumptions required by these methodologies for 2021 awards were:

	Sharesave	Sharesave (US)
Expected life	3 years	2 years
Risk free interest rate	(0.5%)	(0.4%)
Expected volatility	42.3%	42.3%
Expected dividend yield	0%	0%

Notes to the financial statements

continued

8. Share-based payments continued

Additional information about share-based payments

a) Share Incentive Plan

In 2016, the Group established the Employee Share Incentive Plan and International Employee Free Share Plan (collectively known as the "SIP") which enables employees to acquire shares of the Company, subject to service conditions. Free shares awarded to UK employees are held by an Employee Benefit Trust for the maturity period of three years. Conditional awards and cash equivalent awards granted to international employees also have a three year maturity period.

In 2021, the Group made 1,660,400 awards (2020: nil) under the SIP.

b) Sharesave

In 2016, the Group established the Employee Savings Related Share Option Plan, the International Savings Related Share Option Plan and the US Stock Purchase Plan (collectively known as the "Sharesave") under which employees enter into a savings contract and are granted options to acquire shares of the Company, subject to service conditions.

In 2021, the Group granted 488,565 (2020: 1,312,804) options under the Sharesave to qualifying employees. Under the UK and International plans, the options vest after three years and are exercisable within a six-month period. Under the US plan, they vest after two years and are exercisable for a three-month period.

c) Deferred Annual Bonus Plan

Under the Deferred Annual Bonus Plan ("DABP") a portion of Executive Directors' annual bonus earned is deferred mandatorily into a share award, vesting after a three-year period. Awards are structured either as a nil-cost option or a conditional share award. During the year ended 31 December 2021, the Group granted conditional share awards over nil (2020: 82,118) shares under the DABP.

d) Performance Share Plan

In 2016, the Group established the Executive Performance Share Plan ("PSP"), under which key management personnel and other senior employees can be granted conditional awards, share options or a cash alternative. Awards can be granted with or without performance conditions. Where performance conditions have been set, they are either subject to a Total Shareholder Return ("TSR") market performance condition, a revenue or profit non-market performance condition or a combination of both performance conditions. Executive Directors are required to hold their shares (net of taxes) for a further two-year period after vesting.

During the year ended 31 December 2021, the Group granted conditional share awards over 4,806,762 (2020: 3,695,602) shares under the PSP. None of the share awards granted during the year are subject to a market performance condition. 3,532,324 are subject to a revenue or non-market profit performance condition and 1,274,438 are not subject to additional performance criteria beyond service conditions. During the year ended 31 December 2020 606,856 were subject to a TSR market performance condition of 100% and the remaining shares awards of 3,088,746 were not subject to additional performance criteria beyond service conditions.

e) Restricted Share Plan

In 2019, the Group established the Ascential Restricted Share Plan ("RSP"), under which certain employees can be granted nil-cost option Awards and/or Contingent Share Awards. Executive Directors are not eligible to receive awards under the RSP. No shares may be issued or treasury shares transferred to satisfy an Award under the RSP. Awards can be granted with or without performance conditions. Awards that have been issued to date are not subject to market performance conditions. During the year ended 31 December 2021, the Group granted conditional share awards of over 2,192,056 (2020: nil) shares under the RSP.

9. Finance costs and finance income

(£ million)	Note	**2021**	2020
Interest on deposits and investments		**2.5**	0.3
Remeasurement of trade investments to fair value	18	**–**	1.4
Fair value gain on derivative financial instruments		**0.2**	–
Foreign exchange gain		**–**	0.2
Finance income		**2.7**	1.9
Interest payable on external borrowings		**(8.6)**	(7.4)
Amortisation of arrangement fees		**(0.9)**	(0.8)
Fair value loss on derivative financial instruments		**–**	(0.3)
Discount unwind on contingent and deferred consideration	22	**(9.0)**	(7.9)
Discount unwind of lease liability		**(1.0)**	(1.1)
Discount unwind of property provisions	24	**–**	(0.1)
Foreign exchange loss		**(0.6)**	–
Adjusted finance costs		**(20.1)**	(17.6)
Refinancing costs	23	**–**	(1.9)
Covenant costs		**(0.8)**	–
Remeasurement of trade investments to fair value	18	**7.8**	–
Adjusting finance income/(costs)		**7.0**	(1.9)
Net finance costs from continuing operations		**(10.4)**	(17.6)

10. Taxation

A. Current tax

The tax credit for the year on continuing operations comprises:

(£ million)	2021	Restated* 2020
Current tax		
UK current tax (credit)/charge on income for the year at 19.0%	**(0.2)**	(3.8)
Overseas current tax charge on income for the year	**2.8**	0.1
Adjustments in respect of prior years	**1.2**	(0.9)
Total current tax charge /(credit)	**3.8**	(4.6)
Deferred tax		
Current year	**(2.3)**	(32.6)
Adjustments in respect of prior years	**(3.3)**	0.2
Impact of rate changes on opening balances	**0.2**	0.5
Total deferred tax credit	**(5.4)**	(31.9)
Total tax credit from continuing operations	**(1.6)**	(36.5)
Total effective tax rate	**4.0%**	19.0%

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2)

The difference between the tax as credited in the consolidated income statement and tax at the UK standard rate on continuing operations is reconciled below:

	2021			Restated* 2020		
(£ million)	Adjusted profit/tax	Adjusting items/tax	Total profit/tax from continuing operations*	Adjusted profit/tax	Adjusting items/tax	Total profit/tax from continuing operations*
Profit/(loss) before tax	**49.6**	**(89.2)**	**(39.6)**	(14.7)	(174.4)	(189.1)
Expected tax charge/(credit) at the UK standard rate of 19.0%	**9.4**	**(16.9)**	**(7.5)**	(2.8)	(33.1)	(35.9)
Principal differences due to:						
Higher overseas tax rates	**1.7**	**0.8**	**2.5**	1.2	(6.5)	(5.3)
Trading losses not recognised for deferred tax purposes	**0.8**	**–**	**0.8**	0.6	–	0.6
Write off of previously recognised tax losses	**0.5**	**–**	**0.5**	–	–	–
Non-deductible impairment of goodwill	**–**	**–**	**–**	–	2.8	2.8
Non-deductible expenditure	**1.3**	**5.1**	**6.4**	0.5	1.3	1.8
UK enhanced capital allowances	**(0.3)**	**–**	**(0.3)**	–	–	–
Non-taxable Group income	**(0.1)**	**(2.0)**	**(2.1)**	–	–	–
Rates changes	**(3.0)**	**3.2**	**0.2**	(1.3)	1.4	0.1
Adjustments in respect of prior years	**(2.1)**	**–**	**(2.1)**	(1.0)	0.4	(0.6)
Total tax/(credit) charge for the year	**8.2**	**(9.8)**	**(1.6)**	(2.8)	(33.7)	(36.5)
Effective tax rate	**17%**	**11%**	**4%**	19%	19%	19%

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2)

The tax credit on adjusting items is lower than expected as it is impacted by non-deductible expenses. These relate mainly to costs incurred on acquisitions which are not deductible for tax purposes. In addition, we recognise a charge of £3.2m in respect of the revaluation of deferred tax balances for non-deductible intangibles and share-based payments as a result of the announced increase in UK tax rate to 25%, which further reduces the overall credit on adjusting items.

During 2021 the following was recognised in equity relating to share-based payments:

(£ million)	2021	2020
Deferred tax credit/(charge)	**(1.5)**	0.9
Deferred tax credit – impact of rate change	**0.1**	–
Total credit recognised in equity	**(1.4)**	0.9

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10. Taxation continued

The Group is subject to many different forms of taxation including, but not limited to, income and corporation tax, withholding tax and value added and sales taxes. The Group has operations in 18 countries and multiple states in the US and sells its products and services into more than 100 countries. Furthermore, the Group renders and receives cross-border supplies and services in respect of affiliated entities which exposes the Group to tax risk due to transfer pricing rules that apply in many jurisdictions.

B. Deferred tax

The deferred tax balances shown in the consolidated balance sheet are analysed as follows:

(£ million)	2021	Restated* 2020
Deferred tax assets	**57.7**	57.4
Deferred tax liabilities	**(6.5)**	(4.6)
Total	**51.2**	52.8

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2)

The major deferred tax assets and liabilities recognised by the Group, and the movements in the year, are set out below:

(£ million)	Non-deductible intangible assets	US deductible intangible assets	Share-based payments	Property, plant and equipment	Tax losses	Other*	Total
At 1 January 2020	**(22.9)**	**17.3**	**2.3**	**6.5**	**14.3**	**2.9**	**20.4**
Credit/(charge) to the consolidated income statement for the year	5.4	12.3	(1.1)	(0.2)	14.0	3.5	33.9
Credit to equity	–	–	0.9	–	–	–	0.9
Impact of rate changes	(2.1)	–	0.3	0.7	0.6	–	(0.5)
Adjustments in respect of prior years	–	(0.5)	–	–	0.3	–	(0.2)
Transfer to balance sheet	–	–	–	–	–	(0.4)	(0.4)
Foreign exchange movements	–	–	(0.1)	(0.3)	–	–	(0.4)
Discontinued operations	0.1	(0.5)	–	-	(0.3)	(0.2)	(0.9)
At 1 January 2021	**(19.5)**	**28.6**	**2.3**	**6.6**	**28.9**	**5.8**	**52.8**
Credit/(charge) to the consolidated income statement for the year	**3.1**	**0.2**	**1.2**	**(1.4)**	**(1.4)**	**(1.6)**	**(0.1)**
Charge to equity	**–**	**–**	**(1.4)**	**–**	**–**	**–**	**(1.4)**
Impact of rate changes	**(3.6)**	**–**	**0.4**	**0.7**	**2.4**	**(0.1)**	**(0.2)**
Adjustments in respect of prior years	**–**	**–**	**–**	**0.4**	**2.4**	**0.5**	**3.3**
)Foreign exchange movements	**(0.1)**	**(0.1)**	**–**	**(0.1)**	**(0.1)**	**–**	**(0.4)**
Acquisitions	**(6.1)**	**–**	**–**	**–**	**1.3**	**–**	**(4.8)**
Discontinued operations	**0.1**	**2.2**	**–**	**–**	**–**	**(0.5)**	**1.8**
At 31 December 2021	**(26.1)**	**30.9**	**2.5**	**6.3**	**33.5**	**4.1**	**51.2**

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2)

The above deferred tax balances are expected to reverse as follows:

(£ million)	Non-deductible intangible assets	US deductible intangible assets	Share-based payments	Property plant and equipment	Tax losses	Other	Total
Within 12 months	(3.1)	5.7	0.5	5.6	9.1	–	17.8
After 12 months	(23.0)	25.2	2.0	0.7	24.4	4.1	33.4
Total	**(26.1)**	**30.9**	**2.5**	**6.3**	**33.5**	**4.1**	**51.2**

In presenting its deferred tax balances, the Group offset assets and liabilities to the extent is has a legally enforceable right to set off the arising current tax liabilities and assets when those deferred tax balances reverse.

No deferred tax liability has been recognised in respect of temporary differences associated with investments in subsidiaries and joint ventures as, where tax would arise on the realisation of those temporary differences, the Group is in a position to control the timing of their reversal and it is probable that such differences will not reverse in the foreseeable future.

The UK Government enacted changes to the UK tax rate during the year which will result in the UK tax rate increasing to 25% from 1 April 2023. As a result, we have revalued our UK deferred tax assets and liabilities to 25% to the extent they are forecast to unwind after this date. This has resulted in a net charge to the consolidated income statement of £0.2m, comprising an increase in the value of the deferred tax liability on consolidated intangibles of £3.6m offset by an increase in the value of deferred tax assets of £3.4m.

US deductible intangible assets represent the value of deferred tax assets on US tax deductible intangibles and deferred consideration. These deferred tax assets are recognised at a blended US Federal and State tax rate of 26%.

Any increase in the US Federal rate could have a material impact on our US deferred tax balances. Each 1% increase in the rate of Federal tax would increase our US deferred tax assets by £1.8m.

Non-deductible intangibles represent the value of the deferred tax liability which arises on the fair value of acquired intangibles which are not deductible for tax purposes. The liability is valued at the tax rate applicable to the jurisdiction where the intangibles are located.

Deferred tax assets have been recognised on the basis that sufficient taxable profits are forecast to be available in the future to enable them to be utilised. Whilst the group has reported a net loss before tax on continuing operations for this year and the previous year, this has been driven in the main by the impact of the pandemic. The Group expects a return to profits in the future such that we are confident in recognition of the deferred tax assets.

At 31 December 2021, the Group has the following tax losses:

(£ million)	**Recognised 2021**	Recognised 2020	**Unrecognised 2021**	Unrecognised 2020	**Total 2021**	Total 2020
US net operating losses	**69.8**	95.5	**3.6**	53.3	**73.4**	148.8
UK net operating losses	**58.9**	30.0	**–**	–	**58.9**	30.0
UK capital losses	**–**	–	**114.9**	114.9	**114.9**	114.9
Other Rest of World losses	**1.3**	–	**13.1**	9.5	**14.4**	9.5
Total	**130.0**	125.5	**131.6**	117.7	**261.6**	303.2

The above losses represent the following value at tax rates applicable at the balance sheet date:

(£ million)	**Recognised 2021**	Recognised 2020	**Unrecognised 2021**	Unrecognised 2020	**Total 2021**	Total 2020
US net operating losses	**19.7**	23.3	**0.7**	11.2	**20.4**	34.5
UK net operating losses	**13.7**	5.7	**–**	–	**13.7**	5.7
UK capital losses	**–**	–	**21.8**	21.8	**21.8**	21.8
Other Rest of World losses	**0.1**	–	**3.6**	2.6	**3.7**	2.6
Total	**33.5**	29.0	**26.1**	35.6	**59.6**	64.6

The Group has tax losses in the US totalling £73.4m (2020: £148.8m). During the year, £67m of historic losses, subject to a 20-year expiry limit, expired. This results in a significant reduction in the amount of losses unrecognised for US purposes. Of the amounts now carried forward, £4m are subject to expiry in the next two years, £18m between 2026 and 2033 and the remaining £51m are not subject to expiry. Our ability to utilise losses in future years is driven by the level of taxable profits arising in the relevant taxing jurisdictions. In particular, we do not expect to make gains in the future against which our UK capital losses could be utilised as the Group does not typically hold assets which would give rise to UK capital gains.

For UK tax purposes, the Group benefits from the substantial shareholdings exemption such that no tax is payable on the gain on disposal of the Built Environment & Policy segment. The disposal of MediaLink gives rise to a taxable gain for US purposes of £39.5m. For Federal tax purposes, this is fully offset by brought forward tax losses, which were recognised in the current year and utilised against the taxable gain. These tax losses were not previously recognised for deferred tax purposes as the Group did not expect to have sufficient profits to utilise them before their expiry on 31 December 2021. As such, there is no tax recognised (in respect of Federal taxes) in the above taxation amount. The Group recognised a tax charge of £0.7m from US State taxes for the disposal of MediaLink where brought forward losses are not fully available. This charge is recognised within the taxation credit on adjusting profits from discontinued operations.

We are closely monitoring the Organisation for Economic Co-operation and Development's Two Pillar Solution to Address the Tax Challenges arising from the Digitalisation of the Economy, which are expected to be enacted in 2022 with application from 1 January 2023. The accounting implications under IAS 12 "Income Taxes" will be determined when the relevant legislation is available.

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11. Discontinued operations

As part of its growth strategy to focus resources and investment on its strategic priorities, the Group disposed of its non-core segment of Built Environment & Policy, with Groundsure, DeHavilland and Glenigan sold on 20 January 2021, 12 February 2021 and 17 March 2021 respectively. For the year ended 31 December 2020, these assets were classified as held for sale in accordance with IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations" and the results of the Built Environment & Policy segment were disclosed within discontinued operations. Subsequent to this the Group disposed of MediaLink, a brand previously within the Marketing segment, on 15 December 2021.

The results of the Built Environment & Policy segment and the MediaLink business have been presented as discontinued operations within the consolidated income statement.

	2021			2020		
(£ million)	Adjusted results	Adjusting items	Total	Adjusted results	Adjusting items	Total
Revenue	**49.3**	**–**	**49.3**	71.6	–	71.6
Cost of sales	**(24.1)**	**–**	**(24.1)**	(31.7)	–	(31.7)
Sales, marketing and administrative expenses	**(9.5)**	**250.0**	**240.5**	(13.4)	(9.9)	(23.3)
Operating profit/(loss)	**15.7**	**250.0**	**265.7**	26.5	(9.9)	16.6
Adjusted EBITDA	**16.0**	**–**	**16.0**	28.8	–	28.8
Depreciation and amortisation	**(0.3)**	**(2.7)**	**(3.0)**	(2.3)	(3.2)	(5.5)
Profit on disposal of business	**–**	**259.4**	**259.4**	–	–	–
Exceptional items	**–**	**(6.0)**	**(6.0)**	–	(7.2)	(7.2)
Share-based payments	**–**	**(0.7)**	**(0.7)**	–	0.5	0.5
Operating profit/(loss)	**15.7**	**250.0**	**265.7**	26.5	(9.9)	16.6
Profit/(loss) from discontinued operations	**15.7**	**250.0**	**265.7**	26.5	(9.9)	16.6
Taxation	**(4.2)**	**0.4**	**(3.8)**	(5.5)	1.9	(3.6)
Profit from discontinued operations, net of tax	**11.5**	**250.4**	**261.9**	21.0	(8.0)	13.0
Earnings/(loss) per share (basic and diluted, pence)	**2.8**	**60.0**	**62.8**	5.2	(2.0)	3.2

Exceptional items in discontinued operations include the gain on disposal of the Built Environment & Policy segment of £226.1m and the gain on disposal of MediaLink of £33.3m, offset by separation costs totalling £0.8m (2020: £3.3m) and deferred consideration classified as acquisition–related employment costs of £5.2m (2020: £2.2m).

During the year discontinued operations generated cash of £6.3m (2020: £25.0m), in respect of operating activities, used £12.9m (2020: £12.1m) in respect of investing activities and used £0.2m (2020: £1.3m) in respect of financing activities.

12. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares. Earnings per share has been calculated with respect to total net profit or loss for the year for the Group, continuing operations and discontinued operations (see Note 11).

The weighted average number of ordinary shares in issue during the year, excluding those held by Employee Benefit Trusts, was 417.3m (2020: 400.8m). There is no dilutive impact from potential ordinary shares as potential ordinary shares can only be considered dilutive when their inclusion would decrease earnings or increase loss per share.

	2021			Restated* 2020		
	Adjusted results	**Adjusting items**	**Total**	Adjusted results	Adjusting items	Total
Profit/(loss) for the year attributable to owners of the Company (£ million)						
Profit/(loss) for the year – continuing operations	**39.6**	**(78.4)**	**(38.8)**	(12.6)	(140.7)	(153.3)
Profit/(loss) for the year – discontinued operations	**11.5**	**250.4**	**261.9**	21.0	(8.0)	13.0
Profit/(loss) for the year	**51.1**	**172.0**	**223.1**	8.4	(148.7)	(140.3)
Share number (million)						
Basic weighted average number of shares	**417.3**	**417.3**	**417.3**	400.8	400.8	400.8
Diluted weighted average number of shares	**417.3**	**417.3**	**417.3**	400.8	400.8	400.8
Earnings/(loss) per share (basic and diluted, pence)						
Continuing operations	**9.5**	**(18.8)**	**(9.3)**	(3.1)	(35.1)	(38.2)
Discontinued operations	**2.8**	**60.0**	**62.8**	5.2	(2.0)	3.2
Total operations	**12.3**	**41.2**	**53.5**	2.1	(37.1)	(35.0)

* Restated for discontinued operations (see Note 11) and the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2)

13. Business combinations

The Group has made the following acquisitions in 2021, all of which are included within the results for the Digital Commerce segment:

Intellibrand

In January 2021, the Group acquired 100% of ERA Serviços de Inteligência em Software S.A. ("Intellibrand") for an initial cash consideration of £3.5m plus estimated earnout payments payable over three years resulting in an estimated total consideration (including the initial consideration) between £5.9m and £7.9m. The earnout payments, in the event that very stretching targets are reached, are capped at £9.1m. 30% of the earn-out is contingent on the ongoing employment of the founders and therefore recognised in the income statement over the life of the earn-out. Intellibrand provides global brands operating in Latin America with expert local market digital shelf analytic capabilities. These services cover the major Latin America eCommerce platforms, notably Mercado Libre, as well as Food Service Aggregators ("FSAs"), such as Just Eat and Uber Eats. The acquisition provides Ascential with an opportunity to scale its Digital Commerce operations in the fast-growing Latin American eCommerce market. It also offers proven capability in FSA analytics: a product that is growing in demand among Ascential's global digital shelf customers.

DZ

In February 2021, the Group acquired 100% of Hangzhou Duozhun Data Technology Co. Ltd. ("DZ") for an initial cash consideration of £11.1m plus estimated earnout payments payable over three years resulting in an estimated total consideration (including the initial consideration) between £29m and £35m. Total consideration payable, in the event that very stretching targets are reached, is capped at £55m. Half of the earn-out is additionally linked to the ongoing employment of the founders and therefore recognised in the income statement over the life of the earn-out. DZ helps multi-national and premium Chinese brands optimise their consumer targeting, media execution and content marketing strategy across the leading eCommerce platforms in China, including Alibaba and JD. The acquisition allows Ascential to extend its offering in China, with the broadest eCommerce analytics proposition for consumer product companies, while also providing the opportunity to cross-sell and enhance customer relationships with Ascential's Yimian business.

Perpetua

In April 2021, the Group acquired 100% of Perpetua Labs, Inc. ("Perpetua") for initial cash consideration (net of cash acquired) of £41.9m, plus estimated earnout payments payable over four years resulting in an estimated total consideration (including the initial consideration) between £76m and £120m. Total consideration payable, in the event that very stretching targets are reached, is capped at £185m. Approximately a quarter of the earnout to be paid over the four years is linked to the ongoing employment of the founders and therefore recognised in the income statement over the life of the earn-out. Perpetua provides a self-service SaaS platform that helps independent sellers, as well as agencies and some larger brands, optimise the purchase of search and display advertising on Amazon and other major marketplaces. The acquisition of Perpetua gives us access to the fast-growing Third-Party seller market (for brands that sell directly to consumers through the marketplaces).

ASR

In July 2021, the Group acquired a 51% majority stake in ASR Group Holdings LLC ("ASR"), a digital content optimisation business that enables brands to grow sales through eCommerce marketplaces. The acquisition is for an initial cash consideration of £89.1m. Ascential also has an option to acquire two further 24.5% stakes in the company based on a pre-determined multiple of trailing EBITDA between July 2022 and June 2025. Through its software-driven solutions, ASR helps drive higher consumer engagement rates for marketplace content and higher sales for the featured brands. ASR's expertise offers an exciting new area of expansion for the Digital Commerce Business Unit, building on our current offer by allowing us to directly connect professional independent content with brands' products at the point of purchase to enhance the impact of their advertising in the marketplaces.

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13. Business combinations continued

OneSpace

In September 2021, the Group acquired 100% of OneSpace Inc. ("OneSpace") for an initial cash consideration of £21.5m plus estimated earnout payments payable over two years resulting in an estimated total consideration (including the initial consideration) of approximately £32m. Total consideration payable, in the event that very stretching targets are reached, is capped at £55m. OneSpace manages product-specific content catalogues, enables the creation of original material and customises content in order to drive higher sales across multiple products and marketplaces. It serves, on a subscription basis, over 60 consumer product companies customers in the US market.

WhyteSpyder

In November 2021, the Group acquired 100% of WhyteSpyder LLC ("WhyteSpyder") for an initial cash consideration of £24.1m plus estimated earnout payments payable over three years resulting in an estimated total consideration (including the initial consideration) between £40m and £42m. Total consideration payable, in the event that very stretching targets are reached, is capped at £56m. 60% of the earn-out is additionally linked to the ongoing employment of the founders and therefore recognised in the income statement over the life of the earn-out. WhyteSpyder provides retail managed services to more than 80 enterprise brands that trade on Walmart.com, utilising a mix of technology-driven search engine optimisation, retail insights, content management and rich media hosting.

4K Miles

In October 2021, the Group entered into an agreement to acquire 100% of Shenzhen 4KMiles Technologies, Ltd. ("4K Miles") with the acquisition completing in December 2021. The acquisition was for an initial cash consideration of £13.3m plus estimated earnout payments payable over three years resulting in an estimated total consideration (including the initial consideration) between £34m and £44m. Total consideration payable, in the event that very stretching targets are reached, is capped at £87m. 50% of the earn-out is also linked to the ongoing employment of the founders and therefore recognised in the income statement over the life of the earn-out. Through its software-based offering, 4K Miles provides advertising execution, sales data analytics and inventory tracking to over 500 challenger brand customers based in China, trading on Amazon marketplaces including the US, major European countries, Mexico, India and Japan.

The fair values of the identifiable assets purchased and liabilities assumed of the seven acquired companies as at the date of acquisition were as follows:

(£ million)	Perpetua*	ASR*	Other*	Total
Customer relationships	2.5	50.5	38.4	91.4
Brands	2.5	0.6	5.1	8.2
Technology	4.4	0.3	7.7	12.4
Software	–	1.3	–	1.3
Property, plant and equipment	0.1	–	0.4	0.5
Trade and other receivables	4.8	4.4	14.1	23.3
Cash	2.9	1.2	4.5	8.6
Investments	–	0.1	0.1	0.2
Trade and other payables	(3.8)	(0.7)	(17.5)	(22.0)
Deferred tax asset	1.2	–	–	1.2
Deferred tax liability	(2.4)	–	(3.7)	(6.1)
Total identifiable net assets at fair value	**12.2**	**57.7**	**49.1**	**119.0**
Initial cash consideration	41.9	89.1	73.5	204.5
Working capital adjustment receivable	0.1	–	–	0.1
Non-controlling interest	–	28.3	–	28.3
Contingent consideration payable in 2022 – 2025	26.6	–	23.1	49.7
Total consideration	**68.6**	**117.4**	**96.6**	**282.6**
Goodwill on acquisition	**56.4**	**59.7**	**47.5**	**163.6**
Acquisition of businesses (net of cash acquired)**	**39.0**	**87.9**	**69.0**	**195.9**

* The fair values provided for ASR, OneSpace, WhyteSpyder and 4K Miles are provisional figures, being the best estimates currently available due to the proximity of acquisition dates to year end. Perpetua remains draft due until the finalisation of the purchase price adjustments. The draft purchase price allocation exercise for 4K Miles is currently ongoing and draft figures are based on the accumulated knowledge of prior acquisitions

** Acquisition of businesses (net of cash acquired) includes a £0.6m investment in Perpetua made in 2020

Of the £163.6m (2020: £1.7m) of goodwill acquired during the period, £82.1m of goodwill (2020: £0.2m) is expected to be deductible for tax purposes.

The goodwill of £163.6m arising on acquisitions is attributable to workforce in place and know-how within the business and synergies expected with other Digital Commerce brands. Of the £163.6m (2020: £1.7m) of goodwill acquired during the period, £82.1m of goodwill (2020: £0.2m) is expected to be deductible for tax purposes.

Of the intangibles acquired, the customer relationship balances for DZ, ASR and WhyteSpyder are especially sensitive to changes in assumptions around discount rates and customer attrition rates. A 2.5% change in the customer attrition rate results in a £10.1m change in the valuation.

From the date of acquisition, the acquired companies contributed £29.2m of revenue and £5.4m of Adjusted EBITDA. If the acquisitions had occurred at the beginning of the year, the acquired companies would have contributed an additional £26.7m of revenue and £8.4m of Adjusted EBITDA.

The details of the prior year acquisitions are set out in the 2020 Annual Report.

14. Non-controlling interest

The following table summarises the information relating to each of the Group's subsidiaries that has material NCI:

(£ million)	ASR Group	CTIC WGSN China Ltd	Total
NCI percentage	**49%**		
Non-current assets	52.8		
Current assets	8.5		
Non-current liabilities	(0.9)		
Current liabilities	(1.0)		
Net assets	59.4		
Net assets attributable to NCI	**29.1**	**0.6**	**29.7**
Profit for the year	0.2		
Total comprehensive income	0.2		
Profit/(loss) allocated to NCI	**0.1**	**0.7**	**0.8**

15. Disposal of business operations

In the year ended 31 December 2021, the Group disposed of its Built Environment & Policy Segment and the MediaLink business which was formerly within the Marketing segment. The Group has recognised a total gain on disposal of £259.4m presented as an exceptional item within discontinued operations. Exceptional items in discontinued operations include the gain on disposal of the Built Environment & Policy segment of £226.1m and the gain on disposal of MediaLink of £33.3m, offset by separation costs totalling £0.8m (2020: £3.3m) (see Note 11) and deferred consideration disclosed as acquisition-related employment costs of £5.2m.

(£ million)	Built Environment & Policy	MediaLink	2021
Gross proceeds	257.4	94.7	352.1
Working capital adjustment	0.9	–	0.9
Cash and cash equivalents disposed of	(3.4)	(1.5)	(4.9)
Total proceeds	**254.9**	**93.2**	**348.1**
Net assets disposed of	(23.1)	(52.0)	(75.1)
Disposal costs	(5.7)	(1.2)	(6.9)
Recycling of deferred foreign exchange losses	–	(6.7)	(6.7)
Gain on disposal from discontinued operations	**226.1**	**33.3**	**259.4**

The assets and liabilities disposed of are as follows:

(£ million)	Built Environment & Policy	MediaLink	2021
Goodwill	25.1	33.4	58.5
Brands, customer relationships and databases	0.5	13.8	14.3
Right-of-use assets	0.4	1.0	1.4
Tangible fixed assets including software	2.5	0.1	2.6
Trade and other receivables	10.0	15.1	25.1
Trade and other payables	(15.8)	(8.5)	(24.3)
Lease liabilities	–	(1.2)	(1.2)
Deferred tax asset/(liability)	0.4	(1.7)	(1.3)
Net assets and liabilities disposed	**23.1**	**52.0**	**75.1**

The net inflow of cash in respect of the disposal of businesses is as follows:

(£ million)	2021
Cash proceeds received for current year disposals (net of cash disposed of)	348.1
Disposal costs paid	(5.7)
Net cash inflow	**342.4**

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16. Intangible assets and goodwill

(£ million)	Goodwill	Acquired Intangibles: Brands	Acquired Intangibles: Customer relationships	Acquired Intangibles: Content	Acquired Intangibles: Technology	Software*	Total*
Cost							
At 1 January 2020	751.9	167.6	131.6	59.9	42.2	66.9	1,220.1
Adjustment for IFRIC agenda decision on cloud configuration and customisation costs	–	–	–	–	–	(6.9)	(6.9)
Restated balance at 1 January 2020	751.9	167.6	131.6	59.9	42.2	60.0	1,213.2
Additions	–	–	–	–	–	14.0	14.0
Acquisitions of businesses	1.7	–	1.3	–	–	0.5	3.5
Disposals	–	–	–	–	–	(4.9)	(4.9)
Reclassification to assets held for sale	(38.1)	(26.0)	–	–	–	(4.8)	(68.9)
Movements in exchange rates	(7.4)	(2.4)	(2.7)	(0.9)	(3.0)	0.5	(15.9)
At 1 January 2021	708.1	139.2	130.2	59.0	39.2	65.3	1,141.0
Additions	**–**	**–**	**–**	**–**	**–**	**21.6**	**21.6**
Acquisitions of businesses	**163.6**	**8.2**	**91.4**	**–**	**12.4**	**1.3**	**276.9**
Disposals	**–**	**–**	**–**	**–**	**–**	**(1.1)**	**(1.1)**
Disposal of businesses	**(33.4)**	**(15.3)**	**(14.5)**	**–**	**–**	**(0.1)**	**(63.3)**
Movements in exchange rates	**6.0**	**0.4**	**1.8**	**–**	**0.3**	**–**	**8.5**
At 31 December 2021	**844.3**	**131.1**	**210.3**	**59.0**	**51.9**	**87.0**	**1,383.6**
Accumulated amortisation & impairment							
At 1 January 2020	(239.0)	(58.1)	(44.2)	(50.0)	(24.4)	(43.7)	(459.4)
Adjustment for IFRIC agenda decision on cloud configuration and customisation costs	–	–	–	–	–	(3.9)	(3.9)
Restated balance at 1 January 2020	(239.0)	(58.1)	(44.2)	(50.0)	(24.4)	(39.8)	(455.5)
Disposals	–	–	–	–	–	4.4	4.4
Amortisation	–	(13.6)	(12.1)	(3.8)	(4.4)	(10.8)	(44.7)
Impairment	(14.9)	(5.0)	(4.0)	–	(3.6)	(0.9)	(28.4)
Reclassification to assets held for sale	13.2	25.6	–	–	–	3.0	41.8
Movements in exchange rates	–	1.7	1.1	0.9	2.9	(0.1)	6.5
At 1 January 2021	(240.7)	(49.4)	(59.2)	(52.9)	(29.5)	(44.2)	(475.9)
Disposal of businesses	**–**	**6.8**	**9.2**	**–**	**–**	**–**	**16.0**
Disposals	**–**	**–**	**–**	**–**	**–**	**0.8**	**0.8**
Amortisation	**–**	**(12.0)**	**(15.3)**	**(3.2)**	**(4.1)**	**(11.5)**	**(46.1)**
Movements in exchange rates	**–**	**(0.4)**	**0.1**	**(0.1)**	**(0.1)**	**1.0**	**0.5**
At 31 December 2021	**(240.7)**	**(55.0)**	**(65.2)**	**(56.2)**	**(33.7)**	**(53.9)**	**(504.7)**
Net book value							
At 31 December 2021	**603.6**	**76.1**	**145.1**	**2.8**	**18.2**	**33.1**	**878.9**
At 31 December 2020	**467.4**	**89.8**	**71.0**	**6.1**	**9.7**	**21.1**	**665.1**

* Restated the IFRIC agenda decision on cloud configuration and customisation costs in April 2021 (see Note 2)

Included within software intangible assets at 31 December 2021 is £10.2m (2020: £5.8m) of assets under construction which were not being amortised at 31 December 2021.

Goodwill and acquired intangibles

At 31 December 2021, the Group had £845.8m of goodwill and intangible assets acquired through acquisitions (2020: £644.0m). The goodwill and acquired intangibles attributed to each of the Group's cash-generating units (CGUs) and groups of CGUs are assessed for impairment annually and more frequently where there are indicators of impairment. In assessing for impairment, an estimate of the CGU's recoverable amount is determined. The recoverable amount is the higher of value-in-use or fair value less costs of disposal.

CGUs

The group consists of one group of CGUs (Digital Commerce) and six individual CGUs (Product Design, Money 20/20, Retail Week & WRC, RFS Price & Promotion, Lions and WARC). Due to the interdependencies of the business units within Digital Commerce, goodwill attributed to the individual CGUs has been allocated as a whole to the group of CGUs that form Digital Commerce and is assessed for impairment at that level. No CGU or Group of CGUs is larger than an operating segment as defined by IFRS 8 "Operating Segments" before aggregation.

When testing for impairment, recoverable amounts for all of the Group's CGUs and groups of CGUs are measured at their value-in-use by discounting the future expected cash flows from the assets in the CGUs. These calculations use cash flow projections based on Board-approved budgets and approved plans. While the Group prepares a five-year plan, levels of uncertainty increase as the planning horizon extends. The Group's plan focuses more closely on the next three years and these are then extrapolated over the remaining period. Fair value less costs of disposal is also considered as an alternative measure of recoverable amount based on revenue or EBITDA multiples compared to recent market transactions. This is a Level 3 measurement, based on inputs which are normally unobservable to market participants. The key assumptions and estimates used for value-in-use calculations are as follows:

Future expected cash flows

Cash flow forecasts over a five-year horizon have been prepared after considering the current economic environment in the relevant markets and the length and shape of the end market recovery from Covid-19. Cash flow forecasts were derived from the most recent Board approved plans, which have been prepared after considering the current economic environment in each of our markets. In calculating the terminal value, cash flows beyond the plan period were extrapolated using a long-term growth rate of 3% for Digital Commerce and 2.5% across remaining CGUs in both 2021 and 2020. This is in line with the IMF World Economic Outlook published in October 2021, which represents the long-term rates of inflation expected in the economies in which we operate and the Company's best estimate of cash flow growth beyond the relevant plan period. For the Edge CGU, the five-year forecast is extended for a further two years as we expect the long-term growth rate will be achieved after this time. The estimates of future cash flows are consistent with experience adjusted for the Group's estimate of future performance.

Discount rates

Inputs include risk-adjusted, pre-tax discount rates, calculated by reference to the weighted average cost of capital for each CGU, weighted to the country, or countries, in which the CGU operates. Movements in the pre-tax discount rates for CGUs since the year ended 31 December 2020 are driven by changes in market-based inputs and the company specific risk which is assessed based on economic outlook. Any unsystematic risk relating to the impact of Covid-19 on the CGUs has been inherently built in to the cash flows of each of the CGUs and therefore no additional element of risk has been included in the discount rates used at 31 December 2021.

The pre-tax discount rates applied to the risk-adjusted cash flow forecasts and the carrying values of goodwill and other acquired intangible assets allocated to the CGUs tested for impairment at 31 December 2021 are set out below:

	2021			2020		
CGU	**Pre-tax discount rate %**	**Goodwill**	**Acquired Intangibles**	Pre-tax discount rate %	Goodwill	Acquired Intangibles
Digital Commerce	**10.3**	**325.8**	**167.5**	9.7	156.9	N/A
Product Design	**10.5**	**150.6**	**2.3**	9.5	151.2	2.5
Marketing						
Lions	**9.6**	**81.1**	**57.1**	9.5	81.1	60.7
WARC	**9.8**	**10.6**	**10.1**	9.6	10.6	13.3
MediaLink	**–**	**–**	**–**	11.5	32.4	16.4
Retail & Financial Services						
Money20/20	**10.6**	**35.5**	**5.2**	11.1	35.2	7.2
Retail Week &WRC	**8.9**	**–**	**–**	9.2	–	–
RFS Price & Promotion	**10.3**	**–**	**–**	8.9	–	–
Total		**603.6**	**242.2**		467.4	176.7

Sensitivity to changes in assumptions

The calculation of value-in-use is most sensitive to the discount rate and long-term growth rates used. The Group has performed sensitivity analyses across all CGUs which have goodwill and acquired intangible assets, using reasonably possible changes in the already conservative long-term growth rates and pre-tax discount rates arising from reasonably possible trading and economic scenarios. The sensitivity analysis showed that no impairment charges would result in any of the CGUs from these scenarios.

The Product Design CGU and Digital Commerce group of CGUs make up over 78% of the Group's total carrying value of goodwill. The estimated recoverable amount of the units exceeds their carrying amount by approximately £452.4m and £368.0m respectively. Given both units have significant headroom, there is no realistic change of assumption that would cause the units' carrying amount to exceed its recoverable amount.

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17. Property, plant and equipment

(£ million)	Fixtures & fittings	Hardware	Total
Cost			
At 1 January 2020	11.2	13.1	24.3
Additions	1.6	1.5	3.1
Acquisitions of businesses	0.3	–	0.3
Disposals	(2.2)	(2.2)	(4.4)
Reclassification to assets held for sale	(1.0)	(0.7)	(1.7)
Movements in exchange rates	0.1	–	0.1
At 1 January 2021	10.0	11.7	21.7
Additions	**0.6**	**2.3**	**2.9**
Acquisitions of businesses	**0.2**	**0.3**	**0.5**
Disposals	**(0.6)**	**(0.7)**	**(1.3)**
Disposal of businesses	**(0.1)**	**–**	**(0.1)**
Movements in exchange rates	**(0.2)**	**(0.1)**	**(0.3)**
At 31 December 2021	**9.9**	**13.5**	**23.4**
Depreciation			
At 1 January 2020	(6.9)	(9.0)	(15.9)
Depreciation	(2.1)	(2.3)	(4.4)
Disposals	2.1	2.1	4.2
Reclassification to assets held for sale	0.7	0.6	1.3
Impairment	(0.9)	–	(0.9)
Movements in exchange rates	(0.3)	(0.2)	(0.5)
At 1 January 2021	(7.4)	(8.8)	(16.2)
Depreciation	**(1.5)**	**(1.6)**	**(3.1)**
Disposals	**0.5**	**0.5**	**1.0**
Movements in exchange rates	**0.1**	**0.1**	**0.2**
At 31 December 2021	**(8.3)**	**(9.8)**	**(18.1)**
Net book value			
At 31 December 2021	**1.6**	**3.8**	**5.4**
At 31 December 2020	2.6	2.9	5.5

18. Investments

(£ million)	**2021**	2020
At 1 January 2021	**32.4**	67.9
Acquisition of investments	**44.0**	16.8
Remeasurement of trade investments to fair value	**7.8**	1.4
Share of the loss of joint ventures and associates	**(2.5)**	(0.2)
Reclassification as a subsidiary	**(0.7)**	–
Disposal of investments	**–**	(56.7)
Movements in exchange rates	**1.2**	3.2
At 31 December 2021	**82.2**	32.4

Investments as at 31 December 2021 were made up as follows:

(£ million)	**2021**	2020
Trade investments and preference shares measured at fair value through profit or loss	**78.1**	28.5
Associates and joint ventures accounted for using the equity method	**4.1**	3.9
At 31 December 2021	**82.2**	32.4

In January 2021, the Group signed an investment agreement with Hudson MX ("Hudson") which included an option to invest further amounts. From that date, the Group was deemed to have gained significant influence over Hudson and the investment was classified as an equity-accounted associate. After the initial recognition, the consolidated financial statements include the Group's 8% share of the profit or loss and other comprehensive income of the investee.

In the year ended 31 December 2021, the Group made investments into Hudson totalling £44.0m (202: £13.8m) and the Group's share of losses recognised totalled £1.1m (2020: £nil). At 31 December the Group holds a total long-term interest investment in Hudson of £65.9m (2020: trade investment of £23.0m). In the prior year the Group accounted for its investment in Hudson as an investment under IFRS 9 "Financial Instruments" as the investment did not meet the threshold requirements of IAS 28 "Investments in Associates and Joint Ventures".

The Group has assessed that £65.4m of the preference stock held in Hudson has attributes that require measurement at fair value through the profit and loss, and there is also an equity-accounted investment of £0.5m. Both the valuation of the preference stock, and the estimation of the recoverable amount of the equity-accounted investment involve significant estimation uncertainty at 31 December 2021 due to the life cycle of the business. The recoverable amount has been estimated based upon the fair value less cost of disposal.

Consideration has been given to the different data points available to management in forming a view on the valuation. These include reference to the valuation of the prior funding rounds, viability of Hudson's future and potential cash flows from their three-year forecasts and limited market comparative information. An assessment of the discounted cash flows has been performed using the three-year forecasts which have been extrapolated beyond the plan period over a nine-year horizon due to the early-stage nature of the business and a terminal value calculated using a long-term growth rate of 3%. Due to the lifecycle of the business, forecast cash flows over this period have been discounted, taking account of the weighted average cost of capital risk adjusted for the sector and market in which it operates and the early-stage nature of the business. A discount factor of 18.3% has been applied when determining the valuation.

Management's assessment supports the carrying value of the equity-accounted associate balance £0.5m and that the carrying value of the preference shares of £65.4m is a reasonable approximation of fair value.

An assessment of the sensitivity of certain inputs to the valuation calculation has been performed using reasonably possible changes in the discount rates and other inputs. The revenue growth rates and discount rates used in the assessment of the valuation are considered significant estimates in the preparation of the accounts. The results of this analysis are outlined below.

- A 1% increase / decrease in terminal long-term growth rates would increase / decrease the valuation by £4.1m / £3.6m.
- A 2% increase / decrease in the Weighted Average Cost of Capital applied would decrease / increase the valuation by £15.4m / £6.8m.
- A 20% increase / decrease in the revenue growth rate would increase / decrease the valuation by £4.5m / £11.9m.

These sensitivities show that valuation of the preference shares is a source of significant estimation uncertainty and an impairment could be recognised under certain scenarios and we therefore draw attention to the judgemental nature of the valuation.

Summarised financial information for the Hudson entity for the year ended 31 December 2021 is as follows. The balance sheet includes current assets of £6.2m, non-current assets of £47.7m and current liabilities of £15.2m. Included in these amounts are cash and cash equivalents of £5.1m and current financial liabilities of £7.5m. The income statement includes a loss from operations (all continuing) of £21.8m resulting in another comprehensive expense of £21.8m. Included in these amounts are depreciation and amortisation of £4.2m and interest expense of £4.4m. Hudson also holds £79.2m of series D to Seed preference shares as equity. The Group treats its share of these investments as debt items under IFRS 9 "Financial Instruments". No dividends were received from Hudson in the year to 31 December 2021.

19. Inventories

(£ million)	**2021**	2020
Deferred event costs	**–**	0.3
Physical stock	**1.9**	1.8
Total	**1.9**	2.1

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20. Trade and other receivables

(£ million)	2021	2020
Current		
Trade receivables, net of the allowance for doubtful debts	**91.2**	70.5
Prepayments	**10.7**	11.7
Contract assets	**17.4**	6.2
Other receivables	**153.3**	109.5
Total	**272.6**	197.9

The Directors consider that the carrying amount of receivables and prepayments approximates their fair value.

Other receivables include amounts due from customers for pass-through costs of £137.4m (2020: £105.3m), principally in relation to the purchase of media on their behalf. These costs comprise amounts paid to external suppliers which are charged directly to clients. The amounts due to external suppliers in these relationships are recognised in other payables (see Note 21).

Trade receivables are non-interest bearing, generally on 30-day terms and shown net of an allowance for doubtful debts. As at 31 December 2021, the allowance for doubtful debts was £4.4m (2020: £6.5m). Movements in the allowance for doubtful debts were as follows:

(£ million)	2021	2020
At 1 January	**6.5**	5.0
Provided in the year	**3.1**	6.1
Released in the year	**(1.3)**	(0.3)
Utilised in the year	**(3.7)**	(3.9)
Reclassification to assets held for sale	**–**	(0.4)
Business disposals	**(0.3)**	–
Business acquisitions	**0.1**	–
At 31 December	**4.4**	6.5

Trade receivables and contract assets of continuing operations, net of the allowance for doubtful debts, are aged as follows:

(£ million)	Loss rate	Gross carrying amount	Loss Allowance	Credit note allowance	Net trade receivables and contract assets
Current (not past due)	**1.0%**	**90.1**	**(0.9)**	**(1.6)**	**87.6**
1 – 30 days past due	**3.8%**	**11.1**	**(0.4)**	**–**	**10.7**
31 – 90 days overdue	**5.4%**	**6.9**	**(0.4)**	**–**	**6.5**
More than 90 days past due	**42.0%**	**6.5**	**(2.7)**	**–**	**3.8**
At 31 December 2021		**114.6**	**(4.4)**	**(1.6)**	**108.6**
Current (not past due)	0.4%	58.3	(0.2)	(0.6)	57.5
1 – 30 days past due	1.0%	8.6	(0.1)	–	8.5
31 – 90 days overdue	11.9%	6.1	(0.7)	–	5.4
More than 90 days past due	50.4%	10.8	(5.5)	–	5.3
At 31 December 2020		**83.8**	**(6.5)**	**(0.6)**	**76.7**

Loss rates are calculated based on actual credit losses over the past three years and adjusted to reflect differences between the historical credit losses and the Group's view of the economic conditions over the expected lives of the receivables. In addition to the loss allowance, there is a credit note allowance of £1.6m (2020: £0.6m) in the net trade receivables balance.

The maximum exposure to credit risk for trade receivables and contract assets by geographical region was:

(£ million)	2021	2020
United Kingdom	**10.6**	9.2
Other Europe	**12.9**	11.1
United States and Canada	**56.6**	42.5
Asia Pacific	**20.2**	9.8
Middle East and Africa	**1.4**	1.0
Latin America	**6.9**	3.1
Total	**108.6**	76.7

The Group has undertaken a sale of trade receivables, without recourse, to banks to manage the working capital impact of media buying and reimbursement on behalf of clients in our high-growth Flywheel business. Assigned trade receivables are derecognised in the consolidated statement of financial position as at 31 December 2021, with substantially all of the risks and rewards associated with the assigned receivables being transferred to the bank. At 31 December 2021, the level of trade receivables sold to a financial institution under a non-recourse financing arrangement totalled £23.8m (2020: £nil). The facility has a limit of $40m.

There are no material expected credit losses for other receivables. Other receivables of the continuing operations, net of the allowance for doubtful debts, are aged as follows:

(£ million)	**2021**	2020
Current (not past due)	**121.6**	97.1
1 – 30 days past due	**17.3**	9.0
31 – 90 days overdue	**8.1**	1.7
More than 90 days past due	**6.3**	1.7
Total	**153.3**	109.5

21. Trade and other payables

(£ million)	**2021**	2020
Current		
Trade payables	**12.7**	6.9
Other payables	**136.6**	98.7
Accruals	**39.5**	24.3
Derivatives	**0.2**	–
Interest accruals	**0.5**	0.2
Taxes and social security costs	**8.9**	7.2
Total	**198.4**	137.3

Other payables include amounts due to external suppliers in relation to pass-through costs of £124.1m (2020: £93.4m). Pass-through costs comprise amounts paid to external media suppliers which are charged directly to clients.

The amounts due from customers in these relationships are recognised in other receivables (see Note 20).

22. Deferred and contingent consideration

The Group has liabilities in respect of deferred and contingent consideration payments under various business acquisition contracts as set out in the table below:

(£ million)	Note	Total	Level 3
At 1 January 2020		**103.2**	**72.4**
Additions	13	1.6	0.7
Acquisition-related employment costs accrued in the year	6	33.5	–
Revaluation of contingent consideration recognised in the consolidated income statement	6	64.1	64.1
Discount unwind on contingent and deferred consideration	9	7.9	7.9
Acquisition-related employment cash paid in year		(23.1)	–
Deferred and contingent consideration cash paid in the year		(46.0)	(44.8)
Movements in exchange rates		(4.7)	(3.8)
Transfer to liabilities held for sale		(0.3)	–
At 1 January 2021		**136.2**	**96.5**
Additions	13	**49.7**	**47.2**
Acquisition-related employment costs accrued in the year	6	**29.9**	**–**
Revaluation of contingent consideration recognised in the consolidated income statement	6	**5.2**	**5.2**
Discount unwind on contingent and deferred consideration	9	**9.0**	**9.0**
Acquisition-related employment cash paid in year		**(39.4)**	**–**
Deferred and contingent consideration cash paid in the year		**(87.6)**	**(85.6)**
Movements in exchange rates		**(0.1)**	**(0.3)**
At 31 December 2021		**102.9**	**72.0**

(£ million)	**2021**	2020
Current	**52.6**	113.5
Non-current	**50.3**	22.7
Total	**102.9**	136.2

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22. Deferred and contingent consideration continued

The total deferred and contingent consideration balance of £102.9m (2020: £136.2m) includes £72.0m (2020: £96.5m) which is categorised as Level 3 in the fair value hierarchy of financial instruments. However, the current portion of the total deferred and contingent consideration balance of £52.6m is either not contingent or relates to payments contingent on results of 2021 due to be paid out in 2022, for which there is a high degree of certainty.

The significant unobservable inputs used in the fair value measurements are the determined weighted average cost of capital and the forecast future profits, billings or revenue of the acquired businesses. The Group plan used to forecast future profits is approved by the Board and assessed against market consensus on a regular basis. For details of deferred and contingent consideration on acquisitions within the year refer to Note 13.

The Directors consider that the carrying amount of deferred and contingent consideration of £102.9m (2020: £136.2m) approximates its fair value.

Both contingent consideration and acquisition-related employment costs are based on the future performance of the acquired business to which they relate. Performance is assessed using forecast profits and the current five-year plan which is updated annually. Forecasts are inherently a source of management estimation, resulting in a range of outcomes, The estimation uncertainty risk of payments greater than one year is higher due to the forecast nature of the inputs. The Perpetua earnout is the largest earnout payment with uncertainty and therefore most relevant when considering the sensitivity to fluctuations in performance. The payment due in 2022 is based on 2021 results and hence is no longer subject to such uncertainty. A 10% increase in results in 2022 to 2024 would result in total additional payments of approximately £7.2m in 2023 to 2025. DZ is the next largest earnout where sensitivity has been applied where a 10% increase in results in 2022 to 2023 would result in additional payments of £5.7m in 2023 to 2024.

23. Borrowings

In January 2020, the Group entered into a 5-year multi-currency revolving credit facility ("RCF") of £450m plus an accordion to raise further debt amounts, at the option of the lenders, of up to the greater of £120m or 150% of EBITDA. At 31 December 2021 the borrowings were subject to interest at a margin of 2.0% over LIBOR.

The facility covenants include a maximum net leverage of 3.25x with the benefit of additional 0.5x leverage spikes for relevant acquisitions and a minimum interest cover of 3.00x and are tested semi-annually.

The maturity profile of the Group's borrowings, consisting entirely of drawdowns from the RCF for the year ended 31 December 2021, was as follows:

(£ million)	**2021**	2020
Non-current		
Two to five years	**158.1**	309.5
Total borrowings	**158.1**	309.5

Borrowings are shown net of unamortised issue costs of £2.4m (2020: £3.2m). The carrying amounts of borrowings approximate their fair value. The Group's borrowings at 31 December 2021 were denominated in US Dollars and Euros amounting to $92m and €110m respectively.

Reconciliation of movement in net debt

(£ million)	Cash*	Cash in transit	Short-term deposits	Interest rate cap	Borrowings	Net debt**
At 1 January 2020	**79.0**	**1.2**	**31.5**	**0.3**	**(282.6)**	**(170.6)**
Exchange differences	(1.8)	–	–	–	(3.1)	(4.9)
Term loan debt repayment	–	–	–	–	285.8	285.8
Net RCF debt cash flow drawdown	–	–	–	–	(311.5)	(311.5)
Fair value movement	–	–	–	(0.3)	–	(0.3)
Write off, capitalisation and amortisation of debt arrangement fees	–	–	–	–	1.9	1.9
Net cash movement	(26.2)	(0.7)	(2.8)	–	–	(29.7)
At 1 January 2021	**51.0**	**0.5**	**28.7**	**-**	**(309.5)**	**(229.3)**
Exchange differences	**2.1**	**–**	**–**	**–**	**4.4**	**6.5**
Net RCF debt cash flow repayment	**–**	**–**	**–**	**–**	**149.0**	**149.0**
Acquisition of subsidiary	**–**	**–**	**–**	**–**	**(1.3)**	**(1.3)**
Fair value movement	**–**	**–**	**–**	**0.2**	**–**	**0.2**
Amortisation of debt arrangement fees	**–**	**–**	**–**	**–**	**(0.7)**	**(0.7)**
Net cash movement	**2.6**	**(0.1)**	**(0.7)**	**–**	**–**	**1.8**
At 31 December 2021	**55.7**	**0.4**	**28.0**	**0.2**	**(158.1)**	**(73.8)**

*Includes £2.0m of cash classified as held for sale as at 31 December 2020

** Refer to the Glossary of Alternative Performance Measures for the definition of Net Debt

In addition to the net debt amount of £73.8m above, the Group has lease liabilities of £25.2m (2020: £20.4m) with movements comprising as follows:

(£ million)	Note	Lease liabilities
At 1 January 2020		**26.8**
Payments		(10.4)
Additions		5.7
Discount unwind	9	1.1
Derecognition of leases		(2.1)
Reclassification to liabilities held for sale		(0.5)
Movements in exchange rates		(0.2)
At 1 January 2021		**20.4**
Payments		**(8.4)**
Additions		**13.2**
Discount unwind	9	**1.0**
Disposal of businesses	15	**(1.2)**
Movements in exchange rates		**0.2**
At 31 December 2021		**25.2**

Cash and cash equivalents at 31 December 2021 of £84.1m (2020: £78.2m) relate to bank balances, including short-term deposits with an original maturity date of less than three months and cash in transit.

24. Provisions

(£ million)	Property provisions	Other	Total provisions
At 1 January 2020	**1.5**	**1.9**	**3.4**
Transfer to liabilities held for sale	(0.1)	–	(0.1)
Provided in the year	3.4	2.7	6.1
Released in the year	0.2	(0.2)	–
Utilised in the year	–	(0.5)	(0.5)
Discounting of provisions	0.1	–	0.1
At 1 January 2021	**5.1**	**3.9**	**9.0**
Provided in the year	**0.6**	**0.4**	**1.0**
Released in the year	**(1.6)**	**(0.2)**	**(1.8)**
Utilised in the year	**(1.1)**	**(3.2)**	**(4.3)**
At 31 December 2021	**3.0**	**0.9**	**3.9**

Provisions have been analysed between current and non-current as follows:

2021 (£ million)	Property provisions	Other	Total provisions
Current	**2.0**	**0.9**	**2.9**
Non-current	**1.0**	**–**	**1.0**
Total	**3.0**	**0.9**	**3.9**

2020 (£ million)	Property provisions	Other	Total provisions
Current	3.5	3.9	7.4
Non-current	1.6	–	1.6
Total	**5.1**	**3.9**	**9.0**

The property provisions relate to dilapidation costs on properties in the United Kingdom and onerous property costs in the United Kingdom and United States. The weighted average maturity of these obligations is approximately seven years. Other provisions relate to onerous contracts and warranty costs relating to businesses disposed of, legal provisions, and redundancy provisions. The average weighted maturity of these obligations is approximately one year.

Notes to the financial statements

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25. Share capital and reserves

Share capital

(£ million)	**2021**	2020
439,214,701 Ordinary shares of £0.01 each (2020: 402,794,150)	**4.4**	4.0
Total	**4.4**	4.0

On 26 July 2021, the Group placed 35,500,000 of new ordinary shares of £0.01 each for a placing price of £4.32 resulting in cash proceeds of £150.2m net of £3.2m of transaction fees. This results in an increase in share premium of £150.3m.

During the year, 780,074 (2020: 1,738,939) and 242,992 (2020: 283,526) ordinary £0.01 shares were issued to employees under the PSP and Sharesave schemes respectively, for which cash proceeds of £0.7m (2020: £0.7m) were received. In addition, cash proceeds of £0.01m were received for the sale of SIP shares. This results in an increase in share premium of £0.7m (2020: £1.3m).

During the year ended 31 December 2020, 3,000,000 shares were repurchased for cash consideration of £9.2m and subsequently cancelled. No such purchase was made for the year ended 31 December 2021.

Share premium

The share premium account comprises the premium on allotment of shares.

Translation reserve

The translation reserve arises on the translation into pounds sterling of the net assets of the Group's foreign operations.

Other reserves

	Attributable to owners of the Company			
(£ million)	Group restructure reserve	Merger reserve	Treasury share reserve	Total
At 1 January 2020, 31 December 2020 and 31 December 2021	**157.9**	**9.2**	**(0.1)**	**167.0**

The Group restructure reserve arose from the IPO restructuring of the Group between 8 and 12 February 2016. A merger reserve was recognised, reflecting the difference between the share capital and share premium of the Company on 8 February 2016, and the share capital, share premium and non-distributable reserves of the previous Parent of the Group at the same date.

Free shares awarded under the Share Incentive Plan are held by an Employee Benefit Trust ("EBT") on behalf of UK employees for a holding period of three years and are shown within the treasury share reserve. As at 31 December 2021, 693,811 shares (2020: 129,760) were held in the EBT at a cost of £0.1m (2020: £0.1m). The market value of these shares was £2.8m (2020: £0.5m).

26. Subsidiary and related undertakings

Full details of the subsidiaries and joint ventures of Ascential plc at 31 December 2021 are set out in Note 6 to the parent company financial statements.

27. Related party transactions

The aggregate value of transactions and outstanding balances with related party entities are as follows:

	Transaction value		Balance outstanding at 31 December	
(£ million)	**2021**	2020	**2021**	2020
Asian Advertising Festival (Spikes Asia) Pte Limited				
Dividends received	**0.5**	–	**–**	–
Recharged costs	**0.1**	–	**–**	–
Cash received on its behalf	**–**	0.1	**–**	0.1
Motivate Publishing FZ LLC				
Dividends received	**0.2**	–	**–**	–
Profit share	**0.2**	(0.1)	**–**	(0.1)
Recharged costs	**0.2**	0.2	**–**	0.2
Huajia Textile Product Development (Shanghai) Co Ltd				
Convertible loan	**–**	(2.0)	**–**	–
Shanghai Coloro Technology Co. Limited				
Share of losses	**(0.4)**	(0.2)	**–**	–
Purchase of inventories	**(1.4)**	(0.4)	**(0.4)**	(0.1)
Analytical Index Holdings LLC				
Share of losses	**(0.2)**	–	**–**	–
Hudson MX Inc				
Share of losses	**(1.1)**	–	**–**	–
Loan receivable	**–**	–	**7.5**	–
Provision of services	**3.2**	–	**1.4**	–

Other than the compensation of key management personnel, set out in Note 7, there are no other related party transactions requiring disclosure under IAS 24 Related Party Disclosures. All related party transactions occurring during the year were made on terms equivalent to those that prevail in arm's length transactions.

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28. Leases
A. Leases as lessee
The Group leases commercial office space and photocopiers.

a) Right-of-use assets
Right-of-use assets are presented as a separate line item on the statement of financial position and tabulated below.

(£ million)	Right-of-use assets
Cost	
At 1 January 2020	48.0
Additions	5.8
De-recognition of right-of-use assets	(3.9)
Reclassification to assets held for sale	(1.3)
Movements in exchange rates	(0.5)
At 1 January 2021	**48.1**
Additions	**13.2**
De-recognition of right-of-use assets	**(0.8)**
Disposal of businesses	**(4.7)**
Movements in exchange rates	**0.3**
At 31 December 2021	**56.1**
Depreciation	
At 1 January 2020	(26.4)
Depreciation	(7.6)
Impairment	(2.6)
De-recognition of right-of-use assets	2.4
Reclassification to assets held for sale	0.9
Movements in exchange rates	0.6
At 1 January 2021	**(32.7)**
Depreciation	**(5.2)**
De-recognition of right-of-use assets	**–**
Disposal of businesses	**3.7**
Movements in exchange rates	**(0.1)**
At 31 December 2021	**(34.3)**
Net book value	
At 31 December 2021	**21.8**
At 31 December 2020	**15.4**

b) Extension options
Some property leases contain extension options after the non-cancellable contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise these options, and if so, the optional period is included within the lease term and therefore the calculation of the lease liability. The Group reassesses whether is it reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise all the extension options, would result in an increase in lease liability of £10.0m (2020: £5.1m).

B. Leases as lessor
The Group recognises the net investment in the sub-lease within investment property. The following table sets out a maturity analysis of the lease receivables, showing the undiscounted lease payments to be received after the reporting date:

(£ million)	**2021**	2020
Less than one year	**0.3**	0.8
One to two years	**0.2**	0.1
Two to three years	**0.2**	–
Total undiscounted leases receivable	**0.7**	0.9
Unearned finance income	**(0.1)**	(0.1)
Net investment in the leases	**0.6**	0.8

28. Leases continued

The net investment in the lease is presented within investment property in the statement of financial position. The following presents the reconciliation of the investment property:

(£ million)	**2021**	2020
Balance at 1 January	**0.8**	2.1
Additions	**0.9**	–
Payments	**(1.2)**	(1.4)
Interest	**0.1**	0.1
Balance at 31 December	**0.6**	0.8

29. Commitments and contingencies

Contracted commitments for assets under construction including software at 31 December 2021 totalled £0.1m (2020: £0.9m).

31. Financial instruments and financial risk management

Information about the Group's objectives, policies and processes for measuring and managing risk, the Group's exposure to the risks arising from financial instruments, and the Group's management of capital is disclosed below.

A. Market risk

a) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and the euro. Foreign exchange risk arises from future commercial transactions to which the Group is already committed, recognised assets and liabilities and net investments in foreign operations.

Foreign currency movements impact on the consolidated income statement together with its cash flow profile and leverage ratio position. The impact depends on whether there is a surplus or deficit in each currency from operating activities together with the interest and finance charge in those currencies. The Group's policy is to protect its cash flow and leverage ratio position by maintaining a proportion of currency debt in proportion to its currency earnings to obtain natural offsets.

Net debt by currency was as follows:

	2021			2020		
	Interest rate caps	**Cash and borrowings**	**Total**	Interest rate caps	Cash and borrowings	Total
Pounds sterling	**–**	**15.5**	**15.5**	–	(64.0)	(64.0)
US dollars	**0.1**	**(20.5)**	**(20.4)**	–	(44.7)	(44.7)
Euros	**0.1**	**(79.2)**	**(79.1)**	–	(135.3)	(135.3)
Other currencies	**–**	**10.2**	**10.2**	–	14.7	14.7
Total	**0.2**	**(74.0)**	**(73.8)**	–	(229.3)	(229.3)

For each 1% movement in the euro to pounds sterling exchange rate has a circa £0.9m (2020: £1.5m) impact on the carrying value of borrowings. Each 1% movement in the US dollar to pounds sterling exchange rate has a circa £0.7m (2020: £0.9m) impact on the carrying value of borrowings.

For illustrative purposes, the table below provides details of the impact on revenue and Adjusted EBITDA if the actual reported results were restated for sterling weakening by 1% against the US dollar and euro rates in isolation:

(£ million)	**2021 Revenue**	**2021 Adjusted EBITDA**	2020 Revenue	2020 Adjusted EBITDA
Increase in revenue/Adjusted EBITDA if:				
Sterling weakens by 1% against US dollar in isolation	**1.9**	**0.9**	1.3	0.4
Sterling weakens by 1% against euro in isolation	**0.6**	**0.5**	0.3	0.2

b) Cash flow and interest rate risk

Interest rate risk arises from medium and long-term borrowings to the extent that the underlying debt instruments are not at fixed rates of interest.

The Group has entered into interest rate caps to convert a portion of its bank borrowings from fully floating to capped rates to mitigate this risk. As at 31 December 2021, the total notional amount of outstanding interest rate caps to which the Group is committed is £200.0m (2020: £207.8m). The fair value of the interest rate caps as at 31 December 2021 was £0.2m (2020: £nil).

These interest rate caps are measured at fair value through profit or loss and are Level 2 financial instruments. These derivative instruments were not traded in an active market and the fair value is determined by using third-party valuations based on forward yield curves. This technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates. All significant inputs required to fair value an instrument are observable.

In the year ended 31 December 2021, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's finance costs for the year ended 31 December 2021 would have increased or decreased by £0.3m (2020: £1.6m).

The effective annual interest rate for year ended 31 December 2021 was 2.0% (2020: 2.5%).

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B. Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. The maximum exposure to credit risk at the reporting date is the fair value of the financial assets in the consolidated balance sheet as disclosed below.

a) Treasury-related credit risk

The Group has treasury policies in place which manage the concentration of risk with individual bank counterparties. Each counterparty has an individual limit determined by their long-term and short-term ratings by Standard & Poor's and Moody's as well as their individual five-year Credit Default Swap price. As at 31 December 2021, cash and cash equivalents totalled £84.1m (2020: £78.2m), of which 91% (2020: 83%) was held with banks or financial institutions with long-term ratings of A-/A3 or better or short-term ratings of A-1/P-1.

In accordance with the Group's treasury policies and exposure management practices, counterparty credit exposure limits are monitored and no individual exposure is considered significant in the ordinary course of treasury management activity. The company does not expect any significant losses from non-performance by these counterparties.

b) Trading risk

Risk arises principally from payment default by customers. The general policy of the Group is not to risk assess all new customers and so retail credit risk information has not been included in these consolidated financial statements. The company does not, however, expect any significant losses in respect of receivables that have not been provided for as shown in Note 20.

C. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity in the form of sufficient cash or funding from adequate credit facilities to meet such liabilities under both normal and stressed conditions.

The Group's major banking facilities in place as of 31 December 2021 consist of the £450m 5-year multi-currency revolving credit facility and are detailed below:

	Facility		Drawn			
(£ million)	Local currency	£	Local currency	£	Final maturity	Interest
As at 31 December 2021						
RCF – GBP tranche	**£450.0**	**450.0**	**–**	**–**		
RCF – EUR tranche			**€110.0**	**92.4**	**January 2025**	**LIBOR + 2.0%**
RCF – USD tranche			**$92.0**	**68.1**		
Total facilities		**450.0**		**160.5**		
As at 31 December 2020						
RCF – GBP tranche	£450.0	450.0	£82.5	82.5		
RCF – EUR tranche			€161.0	144.4	January 2025	LIBOR plus 2.50%
RCF – USD tranche			$117.0	85.8		
Total facilities		**450.0**		**312.7**		

The Group's external borrowings presented in Note 23 of £158.1m (2020: £309.5m) are shown net of unamortised issue costs of £2.4m (2020: £3.2m).

The Group's undrawn borrowings total £289.5m (2020: £137.3m) and represent the unutilised balance on the revolving credit facility which matures in 2025.

31. Financial instruments and financial risk management continued

The following is an analysis of the contractual undiscounted cash flows from continuing operations payable under financial and derivative liabilities:

(£ million)	Less than one month	Between one and three months	Between three and twelve months	In one to two years	In two to five years	In more than five years	Total
At 31 December 2021							
Non-derivative financial liabilities							
Borrowings	**–**	**–**	**–**	**–**	**160.5**	**–**	**160.5**
Interest payments on borrowings	**0.6**	**1.1**	**4.9**	**6.6**	**14.0**	**–**	**27.2**
Trade payables, accruals and other payables	**198.4**	**–**	**–**	**–**	**–**	**–**	**198.4**
Lease liabilities	**0.3**	**1.7**	**5.6**	**5.1**	**11.7**	**9.8**	**34.2**
Deferred and contingent consideration	**1.4**	**0.1**	**52.2**	**30.2**	**31.7**	**–**	**115.6**
Derivative financial liabilities							
Derivative contracts – receipts	**–**	**–**	**(0.2)**	**–**	**–**	**–**	**(0.2)**
Total	**200.7**	**2.9**	**62.5**	**41.9**	**217.9**	**9.8**	**535.7**
At 31 December 2020							
Non-derivative financial liabilities							
Borrowings	–	–	–	–	312.7	–	312.7
Interest payments on borrowings	1.0	3.2	11.5	12.2	19.8	–	47.7
Trade payables, accruals and other payables	137.3	–	–	–	–	–	137.3
Lease liabilities	0.2	1.5	5.4	6.2	6.7	5.9	25.9
Deferred and contingent consideration	0.1	114.5	5.1	21.9	4.4	–	146.0
Derivative financial liabilities							
Derivative contracts – receipts	–	–	–	–	–	–	–
Derivative financial liabilities	138.6	119.2	22.0	40.3	343.6	5.9	669.6

The financial and derivative liabilities are shown in the period in which they are due to be repaid. The interest payments on borrowings due in less than one month represents the actual interest due, while the interest due greater than one month is an estimate based on current interest rates and exchange rates. Cash flows in respect of borrowings represent contractual payments under the Group's lending facilities in place as at 31 December 2021. Borrowings, as disclosed in Note 23, are stated net of unamortised arrangement fees of £2.4m as at 31 December 2021 (2020: £3.2m).

Both contingent consideration and acquisition-related employment costs are based on the future performance of the acquired business to which they relate. Performance is assessed using forecast profits and the current five-year plan which is updated annually. Forecasts are inherently a source of management estimation, resulting in a range of outcomes.

Undiscounted future payments (£ million)	2021	2020
Contingent consideration	**87.9**	107.7
Acquisition-related employment costs to the extent to which they are accrued at 31 December	**26.4**	38.1
Deferred consideration which is not impacted by performance	**1.3**	0.2
Deferred and contingent consideration	**115.6**	146.0
Anticipated future payments on acquisition-related employment costs	**27.5**	6.6
Deferred and contingent consideration including anticipated future payments on acquisition-related employment costs	**143.1**	152.6

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D. Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt-to-equity balance. The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent comprising capital, reserves and retained earnings. The Group's policy is to borrow centrally to meet anticipated funding requirements. These borrowings, together with cash generated from the operations, are on-lent or contributed as equity to subsidiaries at market-based interest rates and on commercial terms and conditions.

Financial instruments by measurement basis

The carrying amount of financial instruments by category is as follows:

(£ million)	Note	2021	2020
Financial assets			
Financial assets at fair value through profit or loss			
Interest in trade investments and preference shares designated at fair value through profit or loss on initial recognition	18	78.1	28.5
Financial assets not measured at fair value			
Trade receivables	20	91.2	70.5
Other receivables	20	153.3	109.5
Contract assets		17.4	6.2
Cash and cash equivalents	23	84.1	78.2
Total		424.1	292.9
Financial liabilities			
Financial liabilities at fair value through profit or loss			
Contingent consideration	22	72.0	96.5
Financial liabilities at amortised cost			
Trade payables	21	12.7	6.9
Accruals	21	39.5	24.3
Interest accruals	21	0.5	0.2
Other payables	21	136.6	98.7
Deferred and contingent consideration	22	30.9	39.7
Lease liabilities	23	25.2	20.4
Derivatives	23	0.2	–
Borrowings	23	160.5	312.7
Total		478.1	599.4

The fair value of each category of the Group's financial instruments approximates their carrying value in the Group's consolidated balance sheet. Financial instruments in the category "fair value through profit or loss" are measured in the consolidated balance sheet at fair value. Fair value measurements can be classified in the following hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2021:

	2021				2020			
(£ million)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Other investments, including derivatives	–	0.2	–	0.2	–	–	–	–
Trade investments and preference shares	–	–	78.5	78.5	–	–	28.5	28.5
Contingent consideration (Note 22)	–	–	72.0	72.0	–	–	96.5	96.5

Level 3 trade investments are valued based on the assumed price from recent funding rounds. There were no movements between different levels of the fair value hierarchy in the year.

32. Events after the reporting date

There were no reportable events after 31 December 2021.

Parent Company balance sheet

As at 31 December

(£ million)	Note	2021	2020
Assets			
Non-current assets			
Investments	6	**452.8**	452.8
Deferred tax	7	**0.5**	0.8
Trade and other receivables	7	**341.9**	–
		795.2	453.6
Current assets			
Trade and other receivables	7	**0.2**	223.6
		0.2	223.6
Liabilities			
Current liabilities			
Trade and other payables	8	**2.8**	93.3
		2.8	93.3
Non-current liabilities			
Trade and other payables	9	**55.8**	–
		58.6	93.3
Net assets		**736.8**	583.9
Equity			
Called-up share capital	11	**4.4**	4.0
Share premium	11	**153.3**	3.0
Group restructure reserve	11	**157.9**	157.9
Reserves	11	**421.2**	419.0
Total equity		**736.8**	583.9

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 year ended 31 December 2021 was £5.8 million (2020: profit of £1.5million).

The accompanying notes on pages 183 to 186 are an integral part of these financial statements. The financial statements on pages 181 to 182 were approved by the Board of Directors on 2 March 2022 and were signed on its behalf by Directors: Duncan Painter and Mandy Gradden.

Parent Company statement of changes in equity

For the year ended 31 December 2021

(£ million)	Share capital	Share premium	Reserves: Group restructure reserve	Reserves: Retained earnings	Total equity
At 1 January 2020	**4.0**	**1.7**	**157.9**	**428.0**	**591.6**
Profit for the year	–	–	–	1.5	1.5
Issue of new shares	–	0.7	–	–	0.7
Share repurchase	–	–	–	(9.2)	(9.2)
Treasury shares sold	–	0.6	–	–	0.6
Share-based payments	–	–	–	(1.4)	(1.4)
Taxation on share-based payments	–	–	–	0.1	0.1
At 1 January 2021	**4.0**	**3.0**	**157.9**	**419.0**	**583.9**
Profit for the year	**–**	**–**	**–**	**(5.8)**	**(5.8)**
Issue of new shares	**0.4**	**150.3**	**–**	**–**	**150.7**
Share-based payments	**–**	**–**	**–**	**8.4**	**8.4**
Taxation of share-based payments	**–**	**–**	**–**	**(0.4)**	**(0.4)**
At 31 December 2021	**4.4**	**153.3**	**157.9**	**421.2**	**736.8**

The accompanying notes on pages 181 to 182 are an integral part of these financial statements.

Notes to the Company financial statements

1. Corporate information

Ascential plc (the "Company") is a company incorporated in the United Kingdom under the Companies Act 2006 and listed on the London Stock Exchange. The registered office is located at The Prow, 1 Wilder Walk, London W1B 5AP. The registered company number is 09934451. Ascential plc is the parent Company of the Ascential Group (the "Group") and its principal activity is to act as the ultimate holding company of the Group.

2. Company accounting policies

Basis of accounting

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 ("FRS 100") issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the UK and Republic of Ireland as issued by the Financial Reporting Council.

As permitted by FRS 102, the Company has taken advantage of the disclosure exemptions for the presentation of a statement of cash flows; disclosure of key management personnel compensation; disclosure of related party transactions between wholly owned subsidiaries and parents within a group; disclosures required under IFRS 2 "Share-Based Payments" in respect of Group settled share-based payments; disclosures required by IFRS 7 "Financial Instruments: Disclosures"; certain disclosures required under IFRS 13 "Fair Value Measurement"; and disclosure of information in relation to new standards not yet applied.

The financial statements are presented in pounds sterling, being the Company's functional currency and have been prepared on a historical cost and going concern basis.

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 and for at least the next 12 months from the date of approving these financial statements. 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.

3. 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 year ended 31 December 2021 was £5.8 million (2020: profit of £1.5million).

Fees paid to the auditor during the year for the audit of the Company accounts were £22,000 (2020: £20,000). Fees paid by the Company to the auditor for other services was £nil (2020: £nil).

4. Principal accounting policies

Investments in subsidiaries

Subsidiaries are entities that are directly or indirectly controlled by the Company. Control exists where the Company has the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. The investment in the Company's subsidiaries is recorded at cost less provisions for impairment. Carrying values are reviewed for impairment either annually, or more frequently if events or changes in circumstances indicate a possible decline in carrying values. The Company uses forecast cash flow information and estimates of future growth to assess whether investments are impaired. If the results of operations in a future period are adverse to the estimates used for impairment testing, an impairment may be triggered at that point.

Income tax

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Timing differences are not provided for differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Share-based payments

Certain employees of the Company receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares. The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards with market-related vesting conditions is determined by an external consultant and the fair value at the grant date is expensed on a straight-line basis over the vesting period based on the Company's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet reporting date up to the vesting date, at which point the estimate is adjusted to reflect the actual outcome of awards which have vested. No adjustment is made to the fair value after the vesting date even if the awards are forfeited or not exercised.

Where the Company grants options over its own shares to the employees of its subsidiaries, it recognises an increase in the cost of investment in its subsidiaries equivalent to the equity-settled share-based payment charge recognised in the subsidiary's financial statements with the corresponding credit being recognised directly in equity. In cases where a subsidiary is recharged for the share-based payment expense, no such increase in investment is recognised.

Shares held by the Employee Benefit Trust ("EBT")

The EBT provides for the issue of shares to Group employees under share incentive schemes. The Company has control of the EBT and accounts for the EBT as an extension to the Company in the financial statements. Accordingly, shares in the Company held by the EBT are included in the balance sheet at cost as a deduction from equity.

Notes to the Company financial statements

continued

5. Directors' emoluments

The Company has no employees other than the Directors (2020: two). Full details of the Directors' remuneration and interests are set out in the Directors' Remuneration Report on pages 106 to 115.

6. Investments

(£ million)	2021	2020
At 1 January and 31 December 2021	452.8	452.8

The Company's subsidiaries, joint ventures and associates are listed below. All subsidiaries are indirectly wholly owned by Ascential plc, with the exceptions of those listed as joint ventures or associates or where the percentage ownership is detailed separately and Ascential Financing Limited which is directly owned.

Name	Key
United Kingdom	
Ascential Events (Europe) Limited	UK1
Ascential Financing Limited	UK1
Ascential Group Limited	UK1
Ascential Information Services Limited	UK1
Ascential Operations Limited	UK1
Ascential Radio Financing Limited	UK1
Ascential UK Holdings Limited	UK1
CLR Code Limited	UK1
Digital Commerce Holdings Ltd	UK1
Edge by Ascential Limited	UK1
Flywheel Digital Limited	UK1
Perpetua Labs Limited	UK1
Rembrandt Technology Limited	UK1
Siberia Europe Limited	UK1
Spotlight an Ascential Company Limited	UK1
WARC Limited[1]	UK1
WGSN Group Limited	UK1
WGSN Limited	UK1
Worth Global Style Network Ltd	UK1
4K Miles Technologies Limited[2]	UK2
United States	
Ascential Inc.	US1
CLR Code LLC	US1
Edge by Ascential, LLC	US1
Flywheel Digital LLC (Maryland)	US2
Flywheel Digital LLC (Washington)	US3
HMX Merger Sub, Inc.	US1
Perpetua Labs, Inc.	US1
One Space Inc.	US1
Spotlight Digital Commerce LLC	US1
WhyteSpyder LLC	US4
4KMiles Tec Limited	US5
ASR Group Holdings LLC (51% owned)	US1
Hyperdrive LLC (51% owned)	US6
Pet Gear LLC (51% owned)	US7
We Love Best LLC (51% owned)	US7
Recon Commerce (51% owned)	US8
HBW Commerce LLC (51% owned)	US7
Marketbound LLC (51% owned)	US9
Fascam LLC (51% owned)	US10

Name	Key
Brazil	
Ascential Serviços de Informação Ltda	BR1
Era Serviços de Inteligência em Software S.A.	BR2
Sistema Use Fashion Comércio de Informações Ltda	BR3
Canada	
Perpetua Labs Ltd	CN1
China	
Ascential Data Services (Shanghai) Company Limited	CH1
Clavis Information Technology (Shanghai) Limited	CH2
HangZhou Duozhun Data Technology Co. Ltd	CH3
HangZhouYincang Danmu Data Technology Co. Ltd	CH4
Shenzhen Yimian Network Technology Co. Limited	CH5
Shenzhen 4KMiles Technologies, Ltd.	CH6
Guangzhou 4KMiles Data Technologies, Ltd.	CH7
Guangzhou 4KMiles Technical Services Co., Ltd.	CH8
Hangzhou Qianli Chuanyin Data Technology Co., Ltd.	CH9
Stylesight Information Technology (Shanghai) Company Limited	CH10
CTIC WGSN China Limited (51% owned)	CH11
France	
Ascential Events France SAS	FR1
Germany	
Planet Retail GmbH[3]	GE1
WGSN GmbH	GE2
Hong Kong	
WGSN (Asia Pacific) Limited	HK1
Stylesight Limited	HK1
HongKong 4KMiles Technology Limited	HK2
HongKong 4K Miles Information Technology Limited	HK3
Ireland	
Clavis Technology Limited	IR1
India	
Top Right Group India Knowledge Services Private Limited[4]	IN1
Jersey	
Ascential Jersey Financing Limited	JE1
Singapore	
Ascential (Singapore) Pte. Limited	SG1
South Africa	
WGSN (Pty) Limited	SA1
Spain	
WGSN Intelligence España SL	SP1
Turkey	
WGSN Group Trend Forecasting Moda Danişmanlik Hizmetleri Limited Şirketi	TR1
Joint ventures	
Shanghai Coloro Technology Co., Limited (27% owned)	CH12
Asian Advertising Festival (Spikes Asia) Pte Limited (50% owned)	CH13
Associates	
Hudson MX, Inc. (7.9% owned)	US11
Analytic Index Holdings, LLC (31.45%)	US12

1 WARC Limited was dissolved post year end on 11 January 2022.
2 Application to dissolve the company has been submitted and is pending.
3 Planet Retail GmbH was merged into WGSN GmbH on 19 November 2021. Planet Retail GmbH will cease to exist upon registration of the merger with the commercial register which we expect to happen in 2022.
4 Top Right Group India Knowledge Services Private Limited has been liquidated and we are awaiting the dissolution order from the Court of India which we expect to receive February 2022.

Key	Address
UK1	The Prow, 1 Wilder Walk, London W1B 5AP, United Kingdom
UK2	4 Maxwell Road, Imperial Place, Borehamwood, WD6 1JN, United Kingdom
US1	251 Little Falls Drive, Wilmington, New Castle, Delaware, 19808, United States
US2	1900 W. Littleton Boulevard, Littleton, Colorado, 80120, United States
US3	300 Deschutes Way SW, Suite 304, Tumwater, Washington WA 98501, United States
US4	5078 West Northgate Road, Suite 110, Rogers, Arkansas, 72758, United States
US5	1821 30th Ave, Seattle, Washington, 98122-3219, United States
US6	55614 Cardinal Drive, South Bend, Indiana, 46619, United States
US7	6605 Longshore Street, Suite 240 #107, Deblin, Ohio, 43017, United States
US8	7877 MeadowHaven BLVD, Columbus, Ohio, 43235, United States
US9	15 West South Temple, Suite 600 Salt Lake City, Utah, 84101, United States
US10	1221 College Park Drive Ste 116, Dover, Delaware, 19904, United States
US11	3500 South DuPont Highway in the City of Dover, County of Kent, Delaware 19901, United States
US12	1209 Orange Street, Wilmington, New Castle, Delaware, 19801, United States
BR1	Rua Tabapuã 841, Conjunto 15, 1° Andar, São Paulo, Brazil 04533-013
BR2	Alameda Jaú, 1754 – 10° andar – Jardim Paulista, São Paulo – SP, Brazil
BR3	Av. Unisomos, no. 950, Condomínio Padre Rick – 410, São João Batista, City of São Leopoldo, State of Rio Grande do Sul, 93022-970, Brazil
CN1	Suite 2600, Three Bentall Centre, 595 Burrard Street, PO Box 49314, Vancouver V7X 1L3, Canada
CH1	Unit 3106/3107, No. 968 West Beijing Road, Jing'an District, Shanghai, People's Republic of China
CH2	Unit 3106/3107, No. 968 West Beijing Road, Jing'an District, Shanghai, People's Republic of China
CH3	Building 9, 998 Wenyi West Road, Wuchang Avenue, Yuhang District, Hangzhou, Zhejiang, People's Republic of China
CH4	Unit 547, Building 6, 16 Zhuantang Science and Technology Economic Zone, Xihu District, Hangzhou, Zhejiang, People's Republic of China
CH5	Unit 4701, China Energy Storage Building, 3099 KeYuan South Road, Nanshan District, Shenzhen, Guangdong, People's Republic of China
CH6	Room 2005H, Tower B, Zhongshen Park, 2010 Caitian Road, Fushan Community, Futian District, Shenzhen, People's Republic of China
CH7	Room 302, Building 4, 6 Bohui Street, Tianhe District, Guangzhou, People's Republic of China
CH8	Room 510, Building 4, 6 Bohui Street, Tianhe District, Guangzhou, People's Republic of China
CH9	Room 1102, Floor 11, Hui He Xi Fu Hui Building 3, Jianggan District, Hangzhou, People's Republic of China
CH10	Room 617, 28 Tan Jia Du Road, Putuo District, Shanghai, People's Republic of China
CH11	Unit 502, Floor 5, Building 4, No.300, Dingyuan Road, Songjiang District, Shanghai, People's Republic of China
CH12	Floor 2-4, Building 4, 300 Dingyuan Road, Songjian District, Shanghai, People's Republic of China
FR1	6 Place du Commandant Maria, Cannes 06400, France

Key	Address
GE1	Eschersheimer Landstraße 42, 60322 Frankfurt, Germany
GE2	Venloer Strasse 310-316, 50823 Cologne, Germany
HK1	23rd Floor, Lee Garden Six, 111 Leighton Road, Causeway Bay, Hong Kong
HK2	Room 1904A, 19/F, Lucky Commercial Centre, No.103 Des Voeux Road West, Hong Kong
HK3	Flat B5, 1/F, Manning Ind. Building, 116-118 How Ming Street, Kwun Tong, Kowloon, Hong Kong
IR1	9th floor, O'Connell Bridge House, D'Olier Street, Dublin 2, Ireland
IN1	Options Primo, Unit No. 501/502, 5 Floor, Vijay Nagar Flyover Bridge Cross Road, No. 21 MIDC, Andheri (E) Mumbai-400093, Maharashtra, India
JE1	44 Esplanade, St Helier, Jersey, JE4 9WG, Channel Islands
SG1	133 New Bridge Road, Chinatown Point #08-03, Singapore, 059413
SA1	Workshop17, 32 Kloof Street Gardens, Cape Town 8000, South Africa
SP1	C/ San Elías 29-35, 5°, 08006 Barcelona, Spain
TR1	Cevdetpasa Caddesi, No. 31/7 Bebek, 34342 Istanbul, Turkey

For the year ended 31 December 2021, the below companies were exempt from the requirement for audit of individual financial statements in accordance with section 479A of the Companies Act 2006. Ascential plc has indirect holdings in these subsidiary undertakings, with the exception of Ascential Financing Limited which is directly owned:

- WGSN Group Limited, registration number 8256689
- Rembrandt Technology Limited, registration number 11120186
- Ascential UK Holdings Limited, registration number 537204
- Perpetua Labs Limited, registration number 8256709
- Ascential Financing, registration number Limited 9938180
- Siberia Europe Limited, registration number 9076366

Notes to the Company financial statements

continued

7. Trade and other receivables

(£ million)	2021	2020
Debtors – due within one year		
Amounts due from Group undertakings	**–**	223.4
Prepayments	**0.2**	0.2
	0.2	223.6
Debtors – due after more than one year		
Deferred tax asset	**0.5**	0.8
Amounts due from Group undertakings	**341.9**	–
	342.4	0.8
Total	**342.6**	224.4

Amounts due from Group undertakings accrue interest at various rates, are unsecured and are repayable on demand. There are no material expected credit loss provisions.

Deferred tax asset

(£ million)	2021	2020
At 1 January	**0.8**	0.9
Deferred tax credit in equity	**0.1**	0.1
Deferred tax credit in income statement for the year	**(0.4)**	(0.2)
At 31 December	**0.5**	0.8

The Directors consider that it is more likely than not that there will be sufficient taxable profits in the Group in the future such as to realise the deferred tax asset of the Company and therefore the asset has been recognised in these financial statements.

8. Trade and other payables – due within one year

(£ million)	2021	2020
Amounts due to Group undertakings	**0.1**	91.2
Accruals	**0.7**	0.6
Other taxation and social security	**2.0**	1.5
Total	**2.8**	93.3

Amounts due to Group undertakings are interest free, unsecured and repayable on demand.

9. Trade and other payables – due after more than one year

(£ million)	2021	2020
Amounts due to Group undertakings	**55.8**	–
Total	**55.8**	–

Amounts due to Group undertakings accrue interest at LIBOR plus 1.25%, are unsecured and repayable on 31 July 2024.

10. Financial instruments

(£ million)	2021	2020
Financial assets		
Financial assets measured at amortised cost	**341.9**	223.4
Financial liabilities		
Financial liabilities measured at amortised cost	**56.6**	91.8

Financial assets measured at amortised cost comprise amounts due to Group undertakings. Financial liabilities measured at amortised cost comprise amounts due from Group undertakings and accruals

11. Share capital and reserves

Refer to Note 25 of the consolidated Group financial statements.

12. Related party transactions

The Company has taken advantage of the exemption under FRS 102 and therefore has not disclosed related party transactions with wholly owned subsidiaries. The Company has no other related party transactions other than the compensation of key management personnel, set out in Note 7 of the consolidated Group financial statements.

13. Commitments and contingencies

The Company is a guarantor to the facility described in Note 23 of the consolidated Group financial statements.

During the year the Company was a member of the Group cash pooling arrangement. This allows the Group to combine the liquidity of companies within the Group in order to distribute such cash centrally as required.

The Company is registered with H.M. Revenue & Customs as a member of the Ascential Group Limited group for Value Added Tax and Pay As You Earn purposes and is therefore jointly and severally liable on a continuing basis for amounts owing by other members of the Group in respect of their value added tax, income tax and national insurance contributions liabilities.

14. Events after the reporting date

Refer to Note 31 of the consolidated Group financial statements, for details on non-adjusting reportable events since the year end of 31 December 2021. There were no other reportable events after 31 December 2021.

Notes

Notes

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ASCENTIAL

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ASCENTIAL

Continued structural growth

Annual Report 2022

Act today,
win tomorrow.

Ascential delivers specialist information, analytics, events and eCommerce optimisation to the world's leading consumer brands and their ecosystems.

Financial highlights

Revenue	Reported Revenue Growth
£524.4m	50%
Adjusted EBITDA[1]	Adjusted EBITDA Margin[1]
£121.1m	23.1%
Statutory Operating Loss	Net Debt[1]
(£94.2m)	(£216.7m)
Adjusted Diluted Earnings per Share[1]	Reported Diluted loss per share
12.9p	(21.9p)

1 Refer to glossary of Alternative Performance Measures on page 43

Operational highlights

- Record levels of revenue, with double-digit growth in all segments.
- Strategic Review underway to create the optimal structure for three distinct operating models, financial profiles, cultures and capital requirements to maximise shareholder value.
- Digital Commerce delivered strong revenue growth (up 14% on a proforma basis and 10% on an organic basis) as our clear competitive advantage allowed us to outperform the more challenging market conditions as the year progressed. The business continued to extend its addressable market and enhance its capabilities by acquiring Intrepid, which grew over 40% (based in Southeast Asia, covering the Shopee and Lazada marketplaces). We continue investing in product engineering and made good progress with our integrated Enterprise Product.
- Product Design continued its recent acceleration with revenue up 12% on an organic basis. Record retention levels and the growth of all product lines drove strong subscription billings (up 11%). Non-fashion products remain the main growth engine, accounting for 46% of subscriptions.
- Marketing revenue grew 74% on an organic basis. The Cannes Lions International Festival of Creativity returned strongly in June, with revenue comfortably exceeding pre-pandemic levels, further enhanced by double-digit growth from WARC's subscription business.
- Retail & Financial Services had an excellent year and grew very strongly (revenue up 65% on an organic basis), through the continued resurgence of Money20/20. Both editions (Europe and US) achieved revenue greater than previous, pre-pandemic highs (up 30% and 64% respectively).

Strategic report

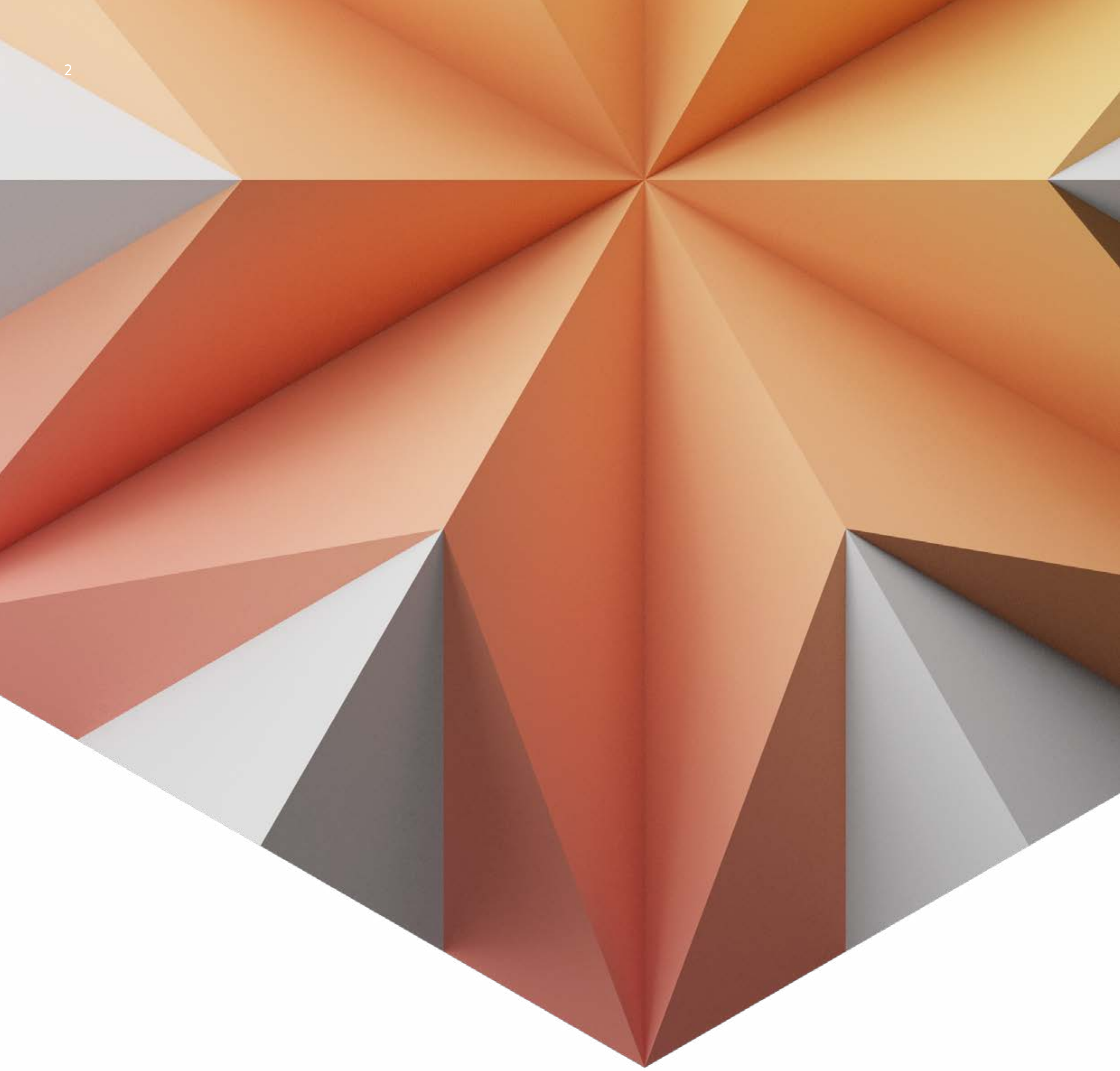
Governance report

More information online:
Our website gives you fast, direct access to a wide range of Company information.
ascential.com

Financial statements

"Ascential delivered strong trading in 2022, with record revenues and organic growth of 30%. The competitive advantage we offer our customers is reflected in double digit growth in all of our segments. This is particularly impressive in a challenging macro backdrop and is a testament to the commitment and talent of our staff."

Duncan Painter
Chief Executive



Strategic report

Company overview

Who we are

Ascential provides specialist information, analytics, events and digital commerce optimisation to the world's leading consumer brands and their ecosystems.

Through our technology solutions, subject matter expertise and data-driven insights we help our customers make smart strategic decisions that improve performance now and in the future, enabling them to outperform their competitors.

Our customers

We are a trusted partner to many of the leading companies, including 85% of the top 20 most valuable global brands. We combine local expertise with a global perspective, offering our customers a comprehensive world view.

Countries we serve

130+

Our people

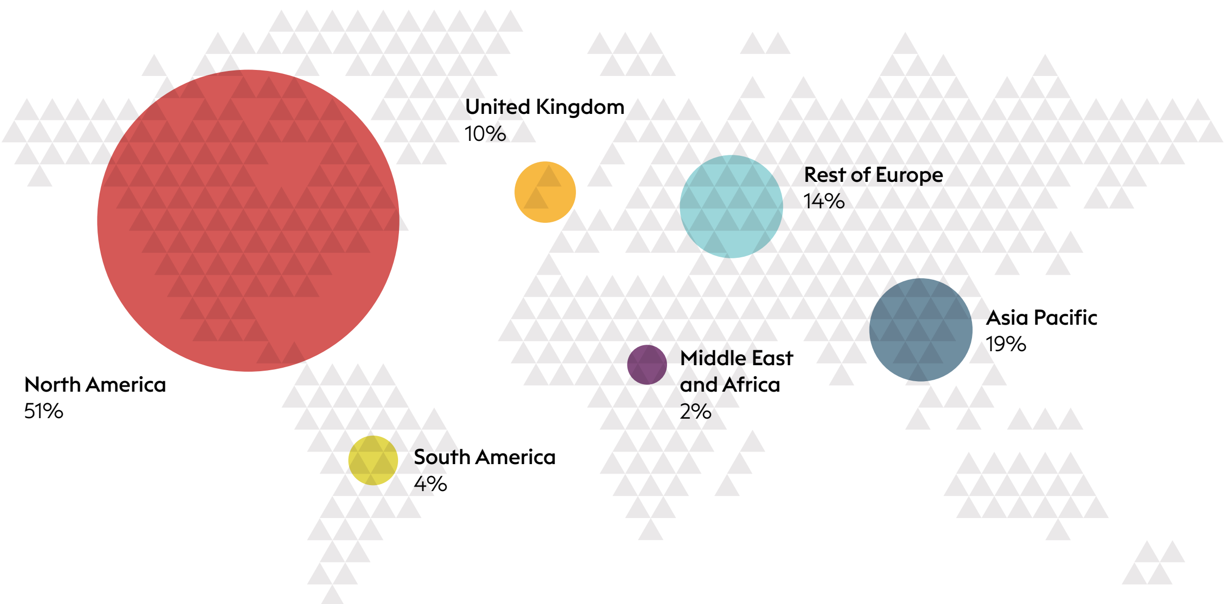
We work hard to attract and retain the best people in the industry so we can deliver the best products and services to our customers. We aim to be a destination employer in every one of our key operating territories and markets.

Employees across six continents

3,800

More information
Page 56

Revenue by geography



Our segments

Digital Commerce

Digital Commerce

What we do
Help brands and digital marketplaces win by optimising and accelerating their digital commerce performance.

How we do it
Industry-leading products that enable our customers to automate, optimise, trade and measure their digital commerce business in real time.

Our brands

flywheel, WHYTESPYDER, OneSpace, EDGE, INTELLIBRAND, intrepid, perpetua, 4KMILES, ASR, DUO ZHUN, YIMIAN

Revenue

£226m

Digital Commerce
Segmental review
Page 16

Intelligence & Events

Product Design

What we do
Help our customers to create world-class products and experiences.

How we do it
Data, intelligence and advisory to enable better decisions on product development.

Our brands

WGSN, coloro, START

Revenue

£107m

Product Design
Segmental review
Page 22

Marketing

What we do
Optimise marketing creativity, media and marketing effectiveness and efficiency.

How we do it
Global benchmark for creativity, including world-class events and awards, and digital marketing effectiveness platform.

Our brands

LIONS, WARC

Revenue

£99m

Marketing
Segmental review
Page 26

Retail & Financial services

What we do
Bring together the money ecosystem to share ideas, do business and drive partnerships.

How we do it
Leading, premium content, sales and networking platform for the global money ecosystem, offering content and networking and insights.

Our brands

MONEY 20/20, Price & Promotion

Revenue

£92m

Retail & Financial Services
Segmental review
Page 31

Chief Executive's review

Duncan Painter
Chief Executive

In 2022, we saw strong operational performance across the Group. All four business segments produced record revenues for the Group with overall Organic revenue growth of 30% and Adjusted Organic EBITDA growth of 23%. After Adjusting items, we recorded an operating loss of £94.2m (2021: £26.7m). We undertook a strategic review to establish the optimum structure for Ascential to deliver on its strategy and to maximise value for shareholders.

Revenue
£524.4m

Adjusted EBITDA
£121.1m

2022 performance

Digital Commerce
The Digital Commerce business performed well in 2022, growing revenue by 14% (on a proforma basis) against a tough end market. Our performance demonstrates the clear competitive advantage we provide to our customer set, helping them outperform the market with our Enterprise customer business (over 70% of revenue) growing by 15%. We were pleased to welcome our recent acquisitions Sellics and Intrepid to the company, giving us valuable additional capabilities in the Challenger customer product set and in South-East Asia. We brought more customers onto our Digital Commerce platforms, integrating our products to create the market-leading single product for Enterprise customers. We drove high growth as we scaled our Challenger customer business and expanded our total addressable market through international expansion.

Our Digital Commerce clients were particularly impacted by record inflation. To deliver business growth, they have increased the use of traditional higher-margin channels, such as bricks-and-mortar stores. This has meant they have been more controlled in their investment in the eCommerce channels. As inflation is controlled globally, we anticipate that our clients will return to achieving growth through volume, which over the past five years has been achieved through sales in digital marketplaces. We are confident this trend will continue for the long-term.

The Marketplaces also implemented different operating approaches in 2022 to adapt to the macro-economic environment. Amazon specifically pulled back on products that are a direct cost to their operations which ultimately impacted the publishing-related revenues in ASR and triggered a non-cash impairment charge for intangibles as described further in the Financial Review. ASR's publishing product is our only cost-linked product with Amazon; all our other products generate revenue for Amazon, or we create revenue directly from the brands.

I am also pleased to announce, the appointment, post year end, of Jeff Lupinacci as Chief Financial Officer of Digital Commerce. Jeff, who will become a Board member of the Digital Commerce business, is an experienced CFO who knows the sector extremely well, having held senior positions predominantly in the Advertising and Media industries, including most recently for Omnicom. Prior to that role, Jeff spent three years at Ascential.

Product Design
Product Design had another strong year, delivering revenue growth of 12%. This was underpinned by subscription billings, which grew 11%, which were powered by non-fashion products (such as Insight, Beauty and Consumer Tech), which grew at 23%. With retention now standing at over 95% and customer NPS (Net Promoter Score) continuing at record highs, the enduring power of the WGSN brand has never been more evident.

Marketing
Marketing progressed strongly in 2022, as the Lions International Festival of Creativity returned to Cannes. Extremely high levels of customer engagement, through partnerships and delegate participation, as well as the awards benchmark, drove revenue comfortably above 2019 levels (the last time the Festival was held in person). Our subscription-based business WARC continued its excellent performance, with revenue growing over 20% in the year, as renewal rates exceeded 95%.

Retail & Financial Services
Money20/20's two marquee events, in the US and Europe, both delivered outstanding performances. Following their return in 2021, each event delivered substantial growth in revenue and attendees in 2022, representing all time highs in their respective histories and together exceeding 30% growth compared to 2019. At the very end of 2022 we also completed the sale of Retail Week World Retail Congress (RWRC).

Operating Responsibly

We made good progress in 2022 with our Corporate Responsibility programme. Our work to embed corporate responsibility into our working processes continued, with the aim of capitalising on opportunities and managing our risks effectively. We continued working towards our goal of ensuring that Ascential is a diverse and inclusive company to work for and to do business with. We renewed our focus on reducing our environmental impact and empowered our brands and regions to do social impact work which was meaningful for them and their customers.

As a company, we made progress on our first set of Climate Change goals and targets, created in tandem with the completion of the Taskforce for Climate Related Financial Disclosure for the first time in 2021. In 2022 we also created the Ascential Intelligence and Events Sustainability Forum to enable brands to connect and share learnings on the risks and opportunities associated with climate change.

Our partnerships with charities, including The Prince's Trust, sit at the heart of our positive contribution to the societies we operate within. As well as our fundraising goals through the Million Makers programme, we created multiple new early talent internship opportunities across the business.

From a diversity and inclusion perspective, we saw continued expansion of programmes at Lions and Money20/20 to increase diversity in the industries they serve. Work on our Inclusive Representation Content audit continued, ensuring the content we produce is representative of the societies we operate in. We were also pleased to once again be included in the Bloomberg Gender Equality Index, as well as maintaining leading positions in the FTSE Women Leaders and Parker Reviews addressing diversity on Boards.

Strategic review

Our 2022 results demonstrate that we have excellent businesses, each capitalising on the strong growth opportunities in their respective markets. Nevertheless, these businesses also have distinct operating models, financial and geographic profiles and capital requirements. After a comprehensive review process during 2022, the Board decided in early 2023 to proceed with a series of interdependent transactions and has since initiated the process to present our proposals to our shareholders over the coming months.

Sale of WGSN
Our review concluded that a sale of WGSN is the optimum way to unlock the significant value that has been created within this high-performing business over the last 10 years. If successful, this transaction will enable the Group to return a significant proportion of proceeds to shareholders and will also provide growth capital for both our Digital Commerce and our Events businesses.

Separation of Digital Commerce into an independent, publicly traded company listed in the United States
The natural listing location for this business to thrive in the long-term, is in the United States. This is where the majority of Digital Commerce revenues originate. The US is also home to the majority of the management team and employees. We believe a U.S. listing provides a stronger currency for any potential M&A, particularly during future industry consolidation, while also opening up incremental pools of capital. It will also enable us to attract and incentivise the best industry talent.

Creation of a premium, global Events business
This business will be among the highest quality events companies in the world with only premium, global events that are the clear market leaders in their respective industries, presently comprising Lions (including WARC) and Money20/20. This business is uniquely positioned to create or acquire other nascent events that aspire to the quality of these two flagship brands.

2023 Priorities and outlook

2023 has started well and in line with our plans and, despite continued macro uncertainty we remain confident for the year ahead. Our business facing teams are fully focused on delivering for customers. Our clear corporate priority for 2023 will be engaging with our shareholders on our proposals resulting from the strategic review, and subject to their approval, executing these, as described above. We look forward to sharing updates on this process as we progress.

In terms of our operating businesses, our priorities are:

- Digital Commerce: alongside our work to prepare the business for listing on the US public market, we will be prioritising the creation of our integrated Enterprise Product. The creation of two clear teams focused on Enterprise customers and on Challenger brands (plus domestic China) has simplified our structure and allows us to focus on integrating our digital platforms, aligning them with our customer base.
- Product Design: our goal is to continue to drive growth in non-fashion horizontal offerings (such as Consumer Insight and Tech), to underpin fashion's growth and to accelerate our high value advisory services.
- Events (Marketing and Retail & Financial Services): we will double down on the successful return of our live events including preparations for our Money20/20 Asia edition, looking to grow our digital revenues, with targeted M&A to deliver an enhanced offer for customers.

I would like to take this opportunity to personally thank our people for their continued focus and hard work. Through our recent years of transformation, and now post the strategic review process, our people's dedication to the core purpose of our three business units and continued delivery for our customers has been impressive.

We simply could not achieve what we do as a business without the work of each and every individual in our organisation and their commitment to delivering the best possible results.

Duncan Painter
Chief Executive
3 April 2023

Strategic priorities

1 Strategic Review

Our clear priority for 2023 will be to engage with our shareholders on the proposals resulting from the strategic review and, subject to their approval, execute them as outlined in the CEO statement. We look forward to sharing updates on this process throughout 2023 as we progress.

Link to KPIs
1, 2, 3, 4, 5, 6

Link to Risks
1, 2, 6, 7, 9, 10

Chief Executive's Review
Page 6

2 Digital Commerce

Alongside our work to prepare the Digital Commerce business for listing on the US public market, we will prioritise the creation of our Enterprise Product. The creation of two clear teams focused on Enterprise customers and on Challenger brands (plus domestic China) will simplify our structure and allow us to focus on integrating our digital platforms, aligning them with our customer base.

Link to KPIs
1, 2, 3, 4

Link to Risks
1, 2, 3, 4, 5, 6, 8, 9

Segmental review
Page 16

Key to KPIs:
1. Revenue
2. Growth (Proforma)
3. Adjusted EBITDA
4. Adjusted EBITDA Margin
5. Net Debt
6. Leverage ratio

Key to Risks:
1. Customer end-market development
2. Economic and geopolitical conditions
3. Data access, data scraping and platform risks
4. New product and capability development
5. Cyber threat and information security
6. People risk
7. Live events
8. Acquisition and disposals (including integration)
9. Business resilience
10. Finance Risk
11. Regulation and compliance

3 Product Design

Our goal is to embed our non-fashion horizontal offerings (such as Consumer insight and Tech), to underpin fashion's growth and to accelerate our high value advisory services.

Link to KPIs
1, 2, 3, 4

Link to Risks
1, 2, 3, 5, 6, 9, 10, 11

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4 Intelligence & Events

We will double down on the successful return of our live events including preparations for our Money20/20 Asia edition, looking to grow our digital revenues, with targeted M&A to deliver an enhanced offer for customers.

Link to KPIs
1, 2, 3, 4

Link to Risks
1, 2, 3, 5, 6, 7, 9, 10

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KPIs
Page 14

Risks
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Investment case

Large and fast growing addressable markets

The markets in which we operate provide clear opportunities for continued growth across our businesses:

The ongoing disruption of the Digital Commerce landscape persists: continued acceleration and evolution of digital marketplaces, a fast growing ecosystem where digital penetration of retail sales and the use of media continues to grow, presenting critical challenges to brands and manufacturers.

For Product Design, demand in key industry verticals is forecast to continue to grow strongly driven by key trends such as decreasing brand loyalty, the increasing globalisation of trends and the shortening of product life cycles.

The pandemic's impact on the global Marketing industry proved to be short-lived, with headline losses fully recovered early in 2021, while advertising investment saw record growth in 2022 as brand owners continued to invest in marketing services.

The Financial Services industry continues to provide a dynamic backdrop for Money20/20, with strong long term growth prospects accelerated particularly by the increasing penetration of digital commerce globally.

Significant competitive moats

Our market leadership is underpinned by significant competitive moats, which reinforce our competitive advantage and create high barriers for new entrants:

Leading Product Expertise

- Our teams are recognised and valued as the leading experts in their fields, excelling in product innovation, customer insight and delivery.

World class, scalable platforms

- We have established wide reaching platforms, which we continue to expand, providing our customers with truly global coverage for their operations.

Access to deep data sets

- We have assembled multiple layers of rich trading data that underpin and inform our product offerings.

Global coverage

- We serve over 10,000 customers, in more than 130 countries across six continents.

Multiple levers for revenue growth

A high degree of Product innovation has driven our organic growth over many years. We continue to innovate through product extensions, such as WGSN's Trend Curve and LIONS' Advisory offerings, while there is a clear opportunity to develop digital information extensions to our world-leading Financial Services event, Money20/20.

Extension into adjacent markets is a further growth lever, with recent success seen through WGSN's launch into the Consumer Tech vertical, as its products outside Fashion continue to drive strong growth organically. In terms of external opportunities, Digital Commerce has proven to be an attractive home for new capabilities, joining the business via selective bolt-on acquisitions.

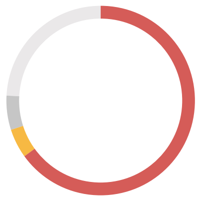
We have also demonstrated the ability to expand our penetration of existing markets, exemplified by the growth of Money20/20 in the US in 2022 (>60% vs 2019), while our expansion into new geographies is apparent in the recent announcement of Money20/20 Asia, planned for 2024.

High levels of recurring revenue and customer retention

Our business is underpinned by a high proportion of subscription-driven, recurring revenues, with our products deeply integrated into customers' workflows.

The more customers we add to our platform, the greater the precision of our insights and the greater the impact of our platform algorithms. This creates a compelling network effect for our products, our customers and our platform partners. This leads to high levels of retention, supported by powerful customer network effects that underpin our product offerings. This, in turn, gives us good visibility on the coming year's performance as well as a high degree of resilience to more challenging economic cycles.

2022 Revenue by type



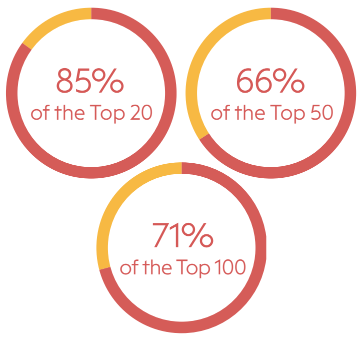
Digital Subscriptions & platforms	65%
Benchmarking Awards	5%
Advisory	6%
Events	24%

Market-leading products

Setting the benchmark for product quality, we are the market leaders in our fields. We serve over two thirds of the world's most valuable brands. Nevertheless, there is still considerable headroom to expand, reaching the remaining third of these top brands with our existing product set.

All our businesses lead their fields. This strong position enables us to bring new ideas to market more quickly, as well as providing clear pricing growth options.

Kantar BrandZ Most Valuable Global Brands 2022

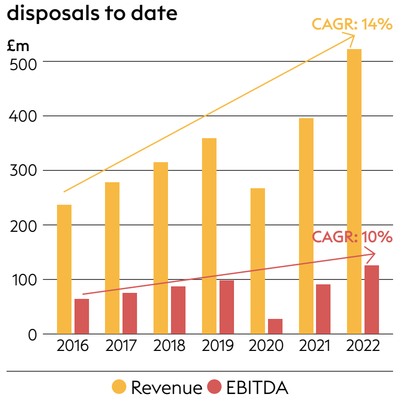


Attractive financial profile with strong operating leverage

We have delivered a strong financial performance in the period since our IPO in 2016, (looking through the pandemic cycle), with annual compound revenue growth of well over 10% as well as double digit annual compound profit growth.

This has been achieved through our rigorous approach to capital allocation, focusing on subscription driven products such as WGSN, the high growth acquisitions we have made in our Digital Commerce business and the strength of our world-leading events.

Revenue and EBITDA including the proforma results of acquisitions and disposals to date



Business model

Ascential provides our customers with specialist information, analytics, events and digital commerce optimisation platforms, ultimately creating value for our stakeholders.

Our distinctive profile

With a clear target customer group and a streamlined structure, our business has a distinctive profile and ability to deliver for our customers:

Market-leading brands
that combine immediately actionable insight with visionary longer-term thinking

Proprietary technology
and robust, scalable platforms

Subscription and platform
driven revenue streams (two thirds of revenue)

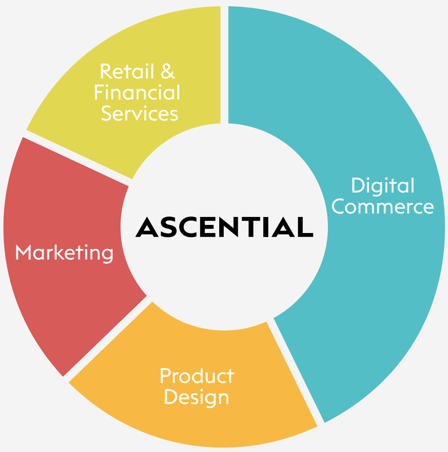
Global workforce
of more than 3,800 people across six continents

Increasingly sustainable and responsible
focus to our business

Our products and services

Through each division and their component business units and brands we offer products and services including digital intelligence (data, analytics, platforms), events, consultancy and managed services. Our customers and partners include the world's largest consumer goods manufacturers and brands, as well as the major global ecommerce marketplaces.

Our high levels of customer retention are driven by our trusted products and services and sustained focus on customer service, delivery and product innovation.



Read more in the segmental review
Pages 16 to 35

Digital Commerce

Digital Commerce

We help brands and digital marketplaces win by optimising and accelerating their digital commerce performance.

Execution

- Proprietary, marketplace-specific software, tools and expertise to drive sales and brand performance across geographies, including North America, Europe, Japan, China and South East Asia and on marketplaces such as Amazon, Walmart, Alibaba, Shopee and Lazada.
- Media execution, content optimisation and management technology for customers from enterprise level to challenger brands.

Measurement and benchmarking

- Predictive retail intelligence, digital shelf monitoring insights and market share performance analytics to help customers to plan, optimise, and measure sales performance across online retailers.
- Commercial data analytics solutions devoted to unleashing the value of data, enabling customers to make smarter decisions.

Intelligence & Events

Product Design

We deliver consumer product trend forecasting, data and insight to enable our customers to create world-class products and experiences.

Analytics
- Subscription-based, digitally delivered insights, providing brand manufacturers globally with the key design trends to meet their consumers' demands over the next 12-24 months.

Advisory
- Brand-specific consumer insights, delivering solutions tailored to individual customer requirements.

Marketing

We deliver events, services and tools to measure and optimise marketing creativity, media and platform effectiveness and efficiency.

Creativity benchmark
- Global platform for the measurement of creative excellence in the marketing industry, delivered through awards, events and online.

Effectiveness
- Subscription-based, digitally delivered, evidence, expertise and guidance to optimise brands' marketing effectiveness.

Retail & Financial services

We deliver events, content and platforms to improve performance and drive innovation in financial services.

Events
- Global platform for the money ecosystem, including premium content, sales and networking, delivered through global events series.

Our value

We have aligned our business to best serve the needs of our stakeholders, ensuring that we are uniquely positioned to deliver value.

For our shareholders
- We aim to deliver long-term sustainable returns, measured by Total Shareholder Return.

For our customers
- Our businesses improve performance and solve problems for our customers.
- We track our performance through a range of customer engagement statistics including net promoter scores, retention rates, and growth from existing customers.

For our colleagues
- We are a destination employer for global talent.
- We measure the engagement of our people through survey data, tracked monthly.

For our communities
- We are focused on maintaining a sustainable business model and making a positive impact on the communities in which we operate.

More information
Pages 62 to 69

KPIs

Key Performance Indicators (KPIs) are used to measure both the progress and success of our strategy implementation.

The KPIs are set out below, with a measure of our performance to date and an indication of potential challenges to success where applicable. Adjusted profit measures are used to assist readers in understanding underlying operational performance. These measures exclude income statement items arising from portfolio investment and divestment decisions, and from changes to capital structure.

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Revenue

£524.4m

2022	**£524.4m**
2021	£349.3m

Description	Revenue generated from continuing business operations.
Performance in 2022	Proforma growth reflects continued expansion within our attractive end markets and the strong return of our high quality events.

Proforma Revenue Growth[1]

+29%

2022	**+29%**
2021	+48%

Description	Revenue growth on a like-for-like basis assuming the Company's acquisitions or disposals were all made on the first day of the comparative accounting period.
Performance in 2022	See Revenue.

Adjusted EBITDA[1]

£121.1m

2022	**£121.1m**
2021	£88.9m

Description
Adjusted operating profit excluding depreciation and software amortisation.

Performance in 2022
Proforma growth of +15% reflects underlying operational leverage, together with accelerated investment in Digital Commerce.

Adjusted EBITDA Margin[1]

23.1%

2022	**23.1%**
2021	25.5%

Description
Adjusted EBITDA as a percentage of Revenue.

Performance in 2022
See EBITDA.

Net Debt[1]

£216.7m

2022	**£216.7m**
2021	£73.8m

Description
External borrowings net of arrangement fees, cash and cash equivalents and derivative financial instruments and excluding lease liabilities.

Performance in 2022
Increase in net debt due to acquisitions of Sellics and Intrepid, settlement of deferred consideration, investment in Hudson and platform implementation costs, partly offset by free cashflow.

Leverage ratio[1]

1.9x EBITDA

2022	**1.9x**
2021	0.9x

Description
The ratio of Net Debt to Adjusted EBITDA before, in both cases, accounting for the impact of IFRS 16.

Performance in 2022
See Net Debt.

[1]Refer to the glossary of Alternative Performance Measures page 43

Digital Commerce

Digital Commerce

We provide a comprehensive, global set of technologies and services helping brand manufacturer customers optimise and accelerate their digital commerce performance.

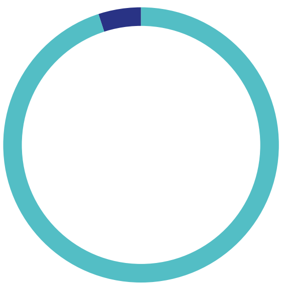
Revenue

£226.1m

Proforma revenue growth**

+14%

Revenue streams by type (%)



Digital Subscriptions & Platforms	95%
Advisory	5%

Execution products (75% of revenue):

Flywheel Digital, OneSpace, WhyteSpyder, DZ and Intrepid provide managed execution services to global brands across the world's leading marketplaces. Perpetua and 4K Miles provide self-service execution to challenger brands, while ASR provides content optimisation services.

Measurement & Benchmarking products (25% of revenue):

Edge and Yimian primarily offer market share insight, with digital shelf optimisation, across the key global marketplaces, while Intellibrand specialises in digital shelf services in the fast-growing LATAM region.

Digital Commerce achieved revenue growth of 14% on a proforma basis* and 10% on an organic basis despite the challenging backdrop, illustrating the clear competitive advantage we provide to brands trading on these marketplaces, where there remains a rare and significant growth opportunity. This robust underlying performance continues to be driven by a mix of gross new customer additions and net revenue retention*. We added over 2,600 customers in 2022 (over 270 Enterprise customers and over 2,400 Challenger customers), and delivered net revenue retention* for the last 12 months of 95% reflecting the subdued rate of growth in the marketplaces.

Overall EBITDA margin for 2022 was 9% (2021: 21%), with a much improved performance in the second half, where the margin was 15%, as the business took action in light of a softer spending environment and lower full-year revenue growth than originally expected. In current market conditions we seek to deliver annual margins that are high single digit or low double digit with the margin weighted to the second half. This of course excludes the standalone costs that will need to be established ahead of the proposed US listing.

We continued to build on our already strong marketplace partnerships, including the launch of direct integration with Amazon Marketing Cloud and Stream (achieving multiple times the engagement of any other organisation), while also becoming the market leader for Amazon Demand Side Platform in Europe. In addition, we became a preferred partner with Walmart's Content Excellence Program. In China we were the most awarded vendor at the Alimama Marketing Awards, (with six awards in total) and were one of the first companies to be awarded premium vendor status with ByteDance.

Performance across the two product types of the Digital Commerce business was as follows:

- **Execution** (75% of revenue), delivered Proforma revenue growth of 18%, which demonstrates the continued robustness of our business despite the broader market challenges. We saw impressive proforma revenue growth at Perpetua/ Sellics of over 40% and over 100% at 4K Miles, partially offset by a decline in revenues at ASR with the business successfully completing the repositioning of its product during 2022 following the scaling back of the Onsite Publisher Programme by Amazon. ASR returned to good growth following this repositioning but nevertheless it necessitated a £25.6m non-cash accounting charge to partially impair its intangibles. Overall, we now have 25 Challenger customers each worth over $100k in revenue, while almost a third of our Challenger revenue now originates beyond Amazon.
- **Measurement & Benchmarking** (25% of revenue) recorded flat revenues year on year. On a Proforma basis in a year that was marked by a challenging trading environment in China for Yimian with significant periods of lockdown impacting end markets, customers and our own teams. As reported in the first half, we are focusing on future profitability by curtailing the collection of information of retailer sites outside of the top global marketplaces for the Edge Digital Shelf product and we have consequently incurred a one-off, non-cash, accounting charge to impair Edge intangibles of £31.4m and a £6.8m cash restructuring charge.

* Revenue from customer base in current period, compared to revenue from same customer base in the past period

	Year ended 31 December (£'m)		Growth (%)		
	2022	2021	Reported	Organic	Proforma
Revenue	**226.1**	147.3	54%	10%	14%
Adjusted EBITDA	**21.2**	31.1	(32%)	(31%)	(46%)
Adjusted EBITDA Margin	**9%**	21%			

Case study

flywheel

Leveraging campaign automation

Objective
This Consumer Packaged Goods (CPG) client wanted to increase sales, while simultaneously maintaining or reducing their cost-per-click rates for a specific segment of their business.

Solution
Flywheel started to leverage automation targeting in April 2022. This allowed Flywheel to undertake a more strategic approach with the client, by reducing the daily manual intervention work needed to optimise individual campaigns.

Outcome
From April 2022 to January 2023, Flywheel's efforts achieved a 295% increase in Return On Ad Spend (ROAS), a 72% decrease in cost-per-click (CPC), a 221% increase in sales, and a 70% increase in sales from non-branded keywords. Due to the strong results of the campaign automation, Flywheel has since rolled out this solution to other segments of the CPG brand, and they are already seeing positive effects.

Case study

flywheel

Improving campaign efficiency

Objective

Flywheel implemented Amazon Marketing Stream for three global manufacturing clients with a goal of improving campaign efficiency. They measured efficiency before and after implementation, to understand how the use of Amazon Marketing Stream can impact performance.

Solution

Through the data provided by Amazon Marketing Stream, the Flywheel Client team better understood changes in traffic conversion and cost throughout the day, allowing them to create unique strategies with each keyword and ASIN receiving their own models.

Outcome

Flywheel achieved a 24% increase in sales across all three advertisers' Sponsored Products campaigns, a 7% increase in clicks across all three advertisers' Sponsored Products campaigns, and a 10% increase in ROAS across all three advertisers' Sponsored Products campaigns, in comparison against their campaigns run before implementing Amazon Marketing Stream.

Digital Commerce market insights

Digital Commerce represents a sizeable and future-proof growth opportunity. Our top priority here is to accelerate the delivery of our strategy and the consolidation of our leadership position. Our brands' breadth of capabilities has no equivalent in the market right now and we are best placed to partner with global consumer products companies as well as challenger brands.

While global economic growth is stalling, ecommerce is here to stay

Shift in consumer habits proving resilient despite macroeconomic headwinds...
Ecommerce growth has slowed in the recent year following the 'return to normal' after the Covid crisis and the challenging macroeconomic conditions, as consumers released pent up demand to return to physical environments (stores). The second half of 2022 and into 2023 will be tough for businesses as well as for consumers facing a cost of living crisis. However, online purchases are here to stay, with entrenched customer habits. Sales made online are still growing faster, and gaining share compared to purchases made in bricks and mortar stores – growing eight times as fast in the US according to eMarketer. Consumer brand companies can no longer consider digital commerce as an add-on to their other distribution channels. Online retail sales now require digital-first strategies to capture a similar market share online to in store. Digital commerce is today the primary sales channel in many industries and is predicted to account for a significant share of CPG brand sales, between a quarter and half of sales in some categories in the US, in just the next 3 years[1] By 2026, global digital commerce sales are expected to total $8tn and to account for approximately 24% of total retail sales[1]. If a brand does not double down on Digital Commerce, they will suffer in the long run as competitors establish themselves and deliver execution excellence on the digital shelf.

Other macroeconomic challenges, such as the Ukraine conflict and the zero Covid case policy in China, had and are likely to continue to have an impact on brands' supply chains (e.g. global disruptions and material shortages, nearshoring decisions). These all have a negative impact on product availability, shipping times and customer experience.

2022 the year of Retail Media

Over the past year, retail media has gained an undisputed place in the advertising ecosystem. Retail media is advertising within a retailer's digital commerce sites, apps and further beyond through its store network – typically purchased by brands that wish to boost visibility on the digital shelf and promote their products closer to the point of sale. Retail Media has been taking share from other digital advertising channels like search or social. In the West, Amazon has established itself as the third largest media company after Google and Meta in just a few years. Retail media is expected to be one of the highest-growth media products and grow at 21% CAGR from 2022 reaching $100bn in 2026 in the US alone[2].

Retail media model is a key focal area of top retailers
Given the sheer size of the product catalogues on marketplaces in particular, searching for products is the most time-efficient behaviour for a consumer, rather than browsing. This leads to a strong selection bias where consumers overwhelmingly purchase highly ranked products. Hence the opportunity for digital marketplaces to monetise priority rankings as well as embedded ad placements – this is particularly relevant for retailers with large selection. Further, the retail media is highly profitable for retailers and as a result becoming a priority for them.

It was initially implemented by the digital pure players, such as Amazon, but more traditional retailers quickly followed suit and launched their own advertising platforms, developed internally (e.g. Walmart) or through partnerships with existing AdTech platforms (e.g. Criteo). Ambitions are high as evidenced by Walmart in the US which aims to become one of the top 10 advertising platforms by 2026. In pursuit of scale, Walmart has opened up its marketplace to Chinese sellers. This is taking place on a global scale. In Europe, Tesco and Carrefour have implemented new partnerships with AdTech players, but also Mercadolibre in Brazil and Shopee across South East Asia have been doubling down on the Retail Media opportunity.

Retail Media is here to stay and we believe that it will be more resilient in a time of macroeconomic weakness than the other types of marketing spend, as its efficacy is easier to measure and demonstrate.

With the deprecation of online cookies announced for mid 2024, digital consumer identifiers will be reduced to First-Party relationships[3]. This has also been fuelling the momentum of Retail Media due to the large quantity of high quality first party data possessed by the retailers.

1 Insider Intelligence forecast
2 BCG publication: How Retail Media is Reshaping Retail
3 First-Party data is information a company collects from its customer, it is primarily owned by retailers and brands

Selling online is critical and becoming increasingly complex for Brands

For most brands, marketplaces are the primary digital route to the consumer
While Amazon is widely recognised as a global digital marketplace, there are only a handful of marketplaces that can claim this status. Digital commerce is in fact both fragmented and local. This is due to the need for local fulfilment capabilities and localised consumer preferences. Consumers, when given a choice, will choose different platforms and arbitrage between product selection, delivery times, convenience and price. For instance, price-sensitive shoppers are more willing to collect products themselves if it is convenient and reflected in the price they pay.

Across most markets, we are seeing increased competition and fragmentation. Often a global marketplace competes with local brick and mortar retailers and their online and click-and-collect models, local last-mile delivery companies and local specialist marketplaces. This fragmentation is a challenge for brands, who need to profitably distribute their products across many new channels.

Brands require a major readjustment to operate successfully in the world of digital commerce
Brands need to adapt their go to market and supply chain from models that were designed over decades for brick and mortar, to ones that are optimised for digital commerce. By not moving quickly enough a brand is at risk of losing significant market share to competitors or smaller digitally ready players. At present, even the most advanced brands operate across fewer than 50 marketplaces – compared to the thousands of retailers they work with in over 130 countries – highlighting there is still a long way to go.

To succeed in digital commerce a global brand needs to succeed on multiple levels and orchestrate trade marketing, retail content, inventory and logistics operations seamlessly. In particular, it requires the right content, product description, image, price, page position, media placement, stock availability with rapid stock replacement etc. in the right place at the right time. With assortments of hundreds if not thousands of product listings, brands are faced with making up to millions of decisions per day across multiple marketplaces each with different requirements.

Further, on top of managing hundreds of levers on each marketplace, marketplaces are constantly evolving and increasing in sophistication and complexity through new functionalities (e.g. introduction of clean rooms, new API integrations) and ad formats (e.g. video, Demand Side Platforms and off-website networks). We expect this fast pace of change to continue in the foreseeable future.

Finally, once brands are operating effectively on multiple marketplaces, marketing investments will need to be optimised between the different channels. However, it is currently very challenging for brands to understand where their media investments are paying off the most across all platforms given the lack of standards, hence the need for consistent benchmarking tools.

All this complexity leaves brands with little choice but to use advanced technology and automation partners.

Product and technology leadership is more important than ever

Consolidation of services & the imperative for an all-in-one offering
Consumer products companies are continuing their path toward digital maturity with gradually more competent teams and in-house technological capabilities. This creates ever-evolving needs from brands and this will benefit the product and technology leaders, which have been heavily investing in cutting-edge technology and tools to drive superior results for their partners.

For Brands, the current digital environment is unquestionably competitive. The infinite shelf has lowered barriers to entry for brands to sell online. The looming recession is making it harder to sustain growth for players. However, as digital commerce continues to see higher growth and takes greater share of the market, brands should make ecommerce a core part of their strategy and investments. We believe that the winners of tomorrow should continue investing in their digital operations today and will build stronger market shares for the years to come.

Amongst the retail media specialist providers, competition is fierce too and we are observing a clear convergence of service to combine retail execution with measurement tools, in particular, the market has been through some consolidation with multiple company acquisitions. Offering the full suite of digital ecommerce retail optimisation tools will soon become a business imperative to partner with the largest companies. And that's a core principle of our product strategy. In particular, we are combining the ability for brands to benchmark the performance of their products across multiple marketplace channels and retail execution, which is highly differentiating.

As a first mover in the space we have assembled the critical capabilities and talent to help CPG companies succeed globally. We have also built the most advanced tools for challenger brands. We estimate that there are 10,000 Enterprise companies and 2-3 million sellers that our combined proposition could support. We have our finger on the pulse of the major marketplaces. Given our constant drive to bring value to our customers, we are best placed to be the consumer brands digital partner of choice today and tomorrow.

Product Design

Intelligence & Events

WGSN, a leading global supplier of trend forecasts, market intelligence and consumer insight, helps customers understand the future demands of consumers. Information is delivered principally through digital subscriptions to over 6,500 customers in more than 90 countries. The Product Design segment also includes trend products for SMEs in the fashion market (WGSN Start) and the innovative colour system Coloro.

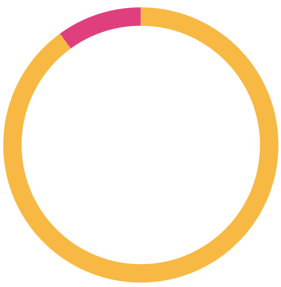
Revenue

£107.1m

Organic and Proforma revenue growth

+12%

Revenue streams by type (%)



Digital Subscriptions & Platforms	90%
Advisory	10%

Product Design's strong growth has continued with revenues growing by 12% year on year, driven by an excellent performance from subscriptions, where billings grew 11%, augmented by a similar growth in the Mindset advisory business and very good performances in the smaller Coloro and Start businesses.

Overall, the take-up of non-fashion products such as Consumer Insight, Beauty and, more recently, Consumer Tech, continues to be the chief engine of growth, now accounting for over 46% of subscriptions. Fashion products grew 2%.

Subscription renewal rates have remained strong and continued to grow in the year building on the post pandemic recovery we saw in 2021, now standing at record levels of over 95%. The business has also continued to maintain record high levels of NPS in the last two years, underlining the value of the information delivered to customers and the strength of its brand.

Product innovation continues to be a key driver for the WGSN platform, with multiple new features launched in the year, including a central, personalised landing page for customers, deploying advanced technologies to locate content targeted to individuals' roles, while promoting relevant content from platforms not yet included in customers' subscriptions.

Reflecting our clients' needs to understand short-term tactics alongside long-term forecasts, we also launched a "Critical Issues" section to our platform, advising on topics such as supply-chain issues caused by geo-political issues and the cost of living crisis.

Our advanced, AI-driven, data-rich trend forecasting service, TrendCurve+, launched in April 2022. This product combines inputs from WGSN's unique proprietary data sources, applying deep machine-learning algorithms to generate trend projections across thousands of key items, silhouettes and colours, and is now being utilised by leading brands and retailers across the globe to inform their buying decisions.

Finally, there were five "WGSN Live" digital broadcasts during the year, connecting our experts with more than 10,000 individuals across the globe to learn more about topics ranging from sustainable circular product design to strategies for recession resilience.

	Year ended 31 December (£'m)		Growth (%)		
	2022	2021	Reported	Organic	Proforma
Revenue	**107.1**	91.3	17%	12%	12%
Adjusted EBITDA	**49.1**	41.3	19%	12%	12%
Adjusted EBITDA Margin	**46%**	45%			

Case study

WGSN

Designing for evolving consumer mindsets

Objective
Peapod Digital Labs is the digital, e-commerce and commercial engine of Ahold Delhaize USA, one of the nation's largest grocery retail groups which includes brands such as Food Lion, Giant Food, The GIANT Company, Hannaford and Stop & Shop. The Trends team is focused on innovation and new product design for the general merchandise and seasonal gifting ranges that are sold by the U.S. brands. With the goal of creating stand out products that sell through quickly in store, they're constantly on the lookout for the latest trends and consumer insights.

Solution
Peapod Digital Labs used content from WGSN Insight to inform their product design recommendations. One of the key topics that resonated with the team was consumer need for optimism in a post-pandemic world. Connecting closely to trends such as joyful expression, Peapod Digital Labs were able to explore how consumer mindsets are impacting product design through the desire for bright colours, expressive design and a reason to be optimistic. As a result, they directed the design for a melamine range of children's tableware, including plates, bowls and cups.

Outcome
The offering was a huge success at retail. Within the first five weeks of being available, the line was over 70% sold through. The success of joyful design was also seen in more general decor targeted at the adult shopper.

> "Early indications that consumers were craving colour and optimism as they continued to weather the pandemic were validated by the insights we gleaned from WGSN that ultimately informed the launch of the melamine line. The results were a tremendous sell through and far exceeded sales targets for the consumer facing brands, which illustrates the power of a team that enables decisions supported by data and the latest insights."

Venita James
Manager, Sourcing Trends and Insights, Peapod Digital Labs

WGSN market insight

There are several clear trends which are currently driving expansion of the Product Design market as well as increased penetration of providers such as WGSN.

Declining brand loyalty
Brand loyalty is reducing, with consumers increasingly willing to try new products and brands in response to shifting their priorities and preferences. As a result, being on trend and understanding what your customer segments will want in 12-18 months is critical for brands to building meaningful connections and retaining customers.

Globalisation of trends
Trends today are global, with consumers influencing each other across geographies. This means: 1) trends will be increasingly important for small, local brands, as their consumers will reflect global trends, and 2) trends will be harder to track in-house.

Businesses will also need to better understand trend variation by geography.

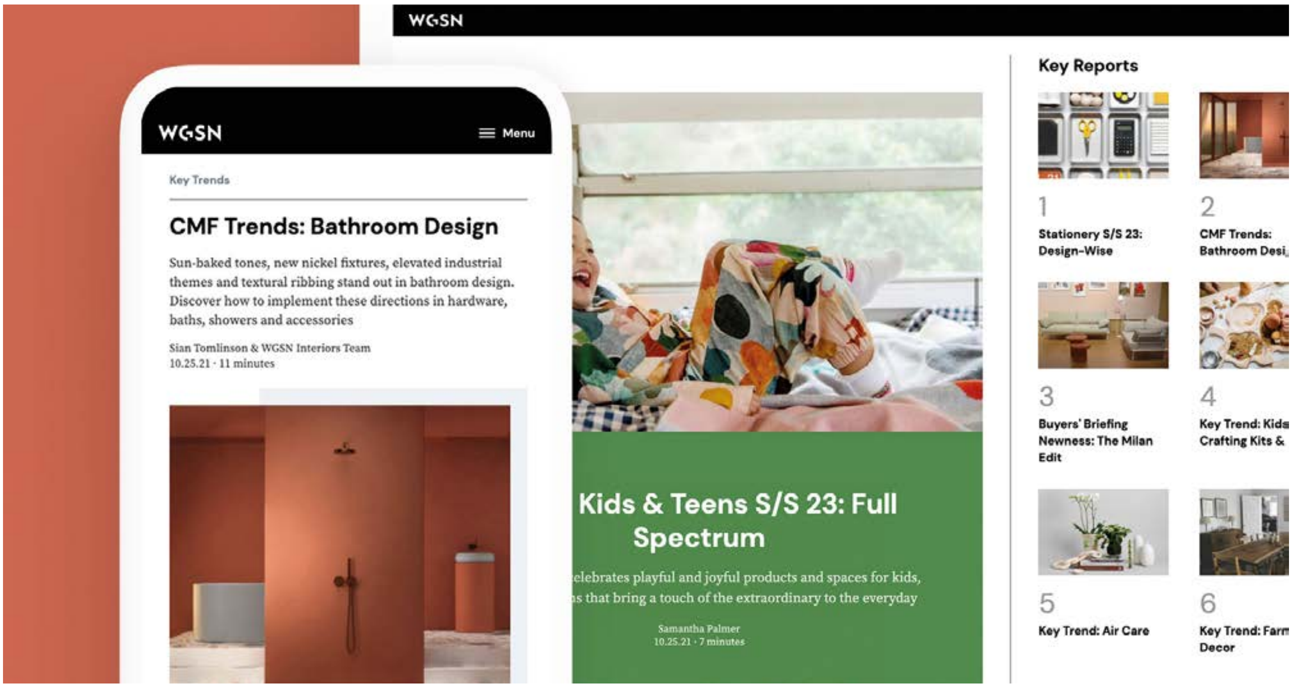
Fragmentation of trend setting
The proliferation of data sources, notably social media, has made it increasingly difficult for brands to identify and forecast trends in-house; tracking social on its own is not enough, as influencers are often sponsored and not an accurate reflection of broader consumer trends.

Increased Focus on Sustainability
Brands and consumers are increasingly focused on corporate social and environmental responsibility, e.g. waste management in Fashion. Being on trend at the right volume and for the right amount of time is critical to reducing overproduction and waste.

Shorter Product Cycles
Businesses are developing and launching products faster, but fast fashion remains a small share of product range (as it is not as economical or sustainable) and is not fast enough to render trend information irrelevant – brands (including fast fashion brands) continue to rely on longer-term trend forecasting.

Pricing
Inflation and increased value of trend forecasting have enabled like-for-like price growth.

Strong underlying end markets
Key consumer verticals are large (£13tn+ in total) and have shown strong recent value growth, ranging from +4-43% (2020-21) – Media & Entertainment, Consumer Tech, Auto, Fashion, and Sports & Outdoor verticals in particular growing at double digits.



Events

This division comprises the Marketing and Retail & Financial Services segments and the combined performance, including the results of RWRC which was sold on 30 December 2022, was as follows:

	Year ended 31 December (£'m)		Growth (%)		
	2022	2021	Reported	Organic	Proforma
Revenue	**191.2**	110.7	+73%	+70%	+70%
Adjusted EBITDA	**71.7**	36.5	+96%	+83%	+83%
Adjusted EBITDA Margin	**37%**	33%			

Events market insight

Lions, WARC and Money 20/20

We service the Marketing and Financial Service sectors with our exceptional B2B events and intelligence business. Our well established premium events support the global ecosystems of our customers enabling them to partner, trade, network and learn. Our events customers have a broad geographic spread coming from over 130 countries and reward us from multiple revenue sources with our intelligence (non dependent on physical events) a world class third of our income.

The business of money continues to be dynamic, distributed and healthy with long term growth expectations. Money20/20 is at the heart of the Financial Services industry and continues to see strong demand for its services. The level of investment in FinTech peaked in 2021 and 2022 returned to a more sustainable level which we expect to continue in 2023. Some regions like Singapore had increased investment in 2022 compared to 2021 giving confidence that our launch of Money20/20 Asia in Bangkok in April next year will be a strong addition.

In our Marketing segment Lions and WARC continued to see strong revenue growth and in 2022 our physical event in Cannes returned with a robust comeback. Our proprietary benchmarking data is critical to measuring creativity in the marketing industry. The advertising industry is expected to continue to grow in 2023. We continue to see increased involvement from brand owners in the take up of our marketing services.

The Marketing and Financial Service sectors have opportunities for continued growth from improving penetration. For example, WARC in the USA, geographic expansion with the launch of Money20/20 in Asia, pricing opportunities with sponsors increasing order values across both events and product innovation such as the launch of a Money20/20 digital offering.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Marketing


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Intelligence & Events

The Marketing segment comprises Lions and WARC. Lions, through its awards and festival, as well as its subscription and advisory products, is the global benchmark for creativity in the branded communications industry, while WARC is the global authority on marketing effectiveness for brands, agencies and media platforms.

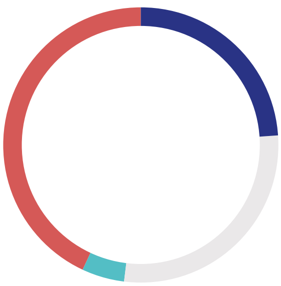
Revenue

£99.2m

Proforma revenue growth

74%

Revenue streams by type (%)



Digital Subscriptions & Platforms	24%
Benchmarking Awards	28%
Advisory	5%
Events	43%

Marketing's strong recovery continued into 2022. Following the return of the Lions benchmark awards in 2021 in a purely digital format, the physical festival returned to Cannes in June 2022 for the first time since 2019. Record levels of customer engagement, through physical sponsorship activations and delegate participation throughout the week, resulted in Lions revenue overall exceeding 2019 levels by 8%.

The three main revenue streams within Lions revenue are Awards, Delegates and Partnerships & Digital, with each accounting for roughly a third of revenue. For Lions Awards, while entry volumes of 25,000 were lower compared to 29,000 in 2021 (which covered two years of eligibility), revenue was nevertheless robust. The engagement was particularly strong in the newly launched Creative B2B category, drawing on creativity in new disciplines and business areas, while the Creative Effectiveness Lions, the only global benchmark of the measurable impact of creativity, continued to see a strong increase in entries. For Lions regional awards (Eurobest, Dubai Lynx and Spikes Asia) the combined revenues were in line with the 2021 events, with in-person awards returning to Dubai.

In terms of delegates, while total attendees of 10,600 were down slightly compared to the 11,700 attendees at the 2019 event, it should be noted that a portion of the world's population, particularly in Asia, remained unable to travel outside their countries due to ongoing pandemic restrictions. Partnership revenues reached record levels this year, exceeding an already high comparable in 2019. Demand for onsite activations from major partners was particularly strong, including substantial programmes run by eCommerce marketplaces for the first time.

Lions subscription revenue (7% of Lions revenue) continued to grow at a good pace with annual subscription revenues growing over 20% vs 2021, bolstered by renewal rates of over 90% for The Work. Advisory, which provides insights using Lions awards intelligence and respected creative excellence training programmes, grew 4% over 2021.

Following strong levels of re-booking, booked revenues for the 2023 Festival currently stand at a more than 50% higher than at the same point last year.

Further expanding Marketing's digital subscription base, WARC saw strong full year revenue growth of 21%, with renewal rates in excess of 95%, bolstered by the launch of the new Marketing Effectiveness Platform. June also saw the launch, at the Lions Festival, of the WARC Digital Commerce product, including benchmarking tools, best practice and data points drawing on the expertise of the Digital Commerce business.

	Year ended 31 December (£'m)		Growth (%)		
	2022	2021	Reported	Organic	Proforma
Revenue	**99.2**	56.5	76%	74%	74%
Adjusted EBITDA	**40.1**	25.6	56%	58%	58%
Adjusted EBITDA Margin	**40%**	45%			

Case study

LIONS

Developing creative excellence

Objective
In 2018 the world's leading brewer, Anheuser-Busch InBev (AB InBev), embarked on a journey to evolve from brand buyers to brand builders. Its historical playbook of mergers & acquisitions and cost efficiencies had helped AB InBev become the global category leader, but with limited scope for further acquisitions, the company realised that new marketing capabilities would be required to drive organic growth – particularly in brand building and creative effectiveness. So AB InBev set an ambitious dream: to become the leading company in the world at creative effectiveness. Recognising Cannes Lions as a global benchmark for creative excellence, AB InBev decided to use the number and breadth of Lion wins as a measure of its progress, with the ultimate ambition to become the Cannes Lions Creative Marketer of the Year in five years time.

Solution
To support its evolution, AB InBev partnered with LIONS across a number of initiatives. The initial phase involved selling in the business case for creativity, and upskilling stakeholders on what best-in-class creativity looks like. LIONS presented its advisory presentation "Creativity Matters" to key leaders which helped prove the connection between award-winning creative work and financial performance. AB InBev also attended its first Cannes Curated programme, produced by LIONS, in 2018. This bespoke itinerary with private learning sessions provided world-class external expertise, insight and inspiration for fifty of AB InBev's top marketers from around the world. Next the goal was to develop the understanding and practice of creative excellence. LIONS Consultant Cinzia Morelli-Verhoog designed a one-day programme for the USA marketing team to embed foundational principles of creative excellence. This was followed with workshops to review and revise the strategic assets for individual brands. In 2020 this programme was expanded globally, with Cinzia and the LIONS team conducting training and brand repositioning sessions with priority markets around the world through AB InBev's Marketing Academy. Complementing this, LIONS continued to deliver and evolve the annual Cannes Curated programmes for AB InBev's team, with attendance growing each year; AB InBev also subscribes to The Work, LIONS' intelligence platform, providing daily access to insights and examples of best-in-class creativity. LIONS also helped instigate a creative council for AB InBev to evaluate its work, which now forms a core part of Creative X, AB InBev's creative excellence ecosystem. These combined initiatives formed an ongoing source of training, insight, inspiration and expertise to support AB InBev on its ongoing creative excellence journey.

Outcome
The partnership with LIONS has proven to be pivotal in helping AB InBev transform its creative capabilities and embed a culture of creative effectiveness. The programme has allowed AB InBev to establish a new standard for its creative work and culture, with new processes and tools for training and evaluating creativity.

The results of this are translating into improved creative and financial performance. At the outset in 2018, ABInBev was ranked #27 on the global creativity ranking. At the Cannes Lions 2020/2021 awards, AB InBev amassed an outstanding haul of 40 Lions; two Grands Prix, two Titanium, nine Gold, 10 Silver and 17 Bronze Lions in total, (moving to #5 on the Global Creative Ranking). The following year Cannes Lions announced that it would honour AB InBev as the Creative Marketer of the Year. The honorary accolade is presented to a marketer that has amassed a body of Lion-winning work over a sustained period of time, and has established a reputation for producing brave creative and innovative marketing solutions. In 2022, crowned as Creative Marketer of the Year, AB Inbev also picked up its largest haul of Lions to date – 49 in total, including the Grand Prix for Creative Effectiveness, 10 Gold Lions and a Silver Lion for Creative Business Transformation.

This enhanced creative performance has translated into improved financial performance, as AB InBev delivered 11.3% top-line growth in FY2022 as compared to FY2021. Its creative performance is so important to AB InBev that Michel Doukeris listed the number of Lion wins on his quarterly investor conference calls and webcasts. Following its success in the Lions in 2022, AB InBev has gone on to win the Creative Marketer of the Year accolade for a second consecutive year – the only company to achieve this in the history of the Festival. The award recognises AB InBev's sustained creative excellence that has driven continuous organic business growth.

> "Lions has been a critical partner throughout AB InBev's journey to elevate and champion creative effectiveness across our business. From collaborating with Lions Advisory to develop our marketing and creative capabilities through our Marketing Academy, to the inspiration, benchmarking and world-class learning experience offered by the Cannes Lions awards and curated Festival experience, Lions has played a key role in helping us establish creativity as a powerful capability to solve consumer and business problems and drive growth."

Marcel Marcondes
Global Chief Marketing Officer
AB InBev


CREATIVE MARKETER
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Retail & Financial Services

Intelligence & Events

Money20/20 is the world's leading platform where the global fintech communities come together to do business. The Retail and Financial Services segment also comprises Retail Price & Promotion and, until its sale on 30 December 2022, Retail Week World Retail Congress ("RWRC").

Revenue

£92m

Proforma revenue growth

65%

Revenue streams by type (%)

Digital Subscriptions & Platforms	7%
Events	91%
Advisory	3%

In June 2022 Money20/20 Europe, returning to its familiar slot in the industry's calendar from the September date in 2021, attracted more than 7,500 attendees, from over 2,300 companies and over 90 countries, to Amsterdam. In October 2022 Money20/20 US was held in Las Vegas attracting more than 13,000 attendees, from over 3,500 companies and over 90 countries. Both events grew substantially, with the US growing by two-thirds vs both 2019 and 2021 and Europe more than doubling vs 2021 and up a third vs 2019.

Both events saw the volume of customer meetings booked via the Money20/20 App more than double compared to the prior year, cementing Money20/20 as the place where the industry comes together to do business. Investments made in product, technology and operations during the pandemic delivered good returns for the business in both revenue and profit and in customer satisfaction, while the strong customer engagement was illustrated by a high level of rebooking for both events. Forward bookings for the 2023 editions are strong compared to both prior years and pre-Covid comparable figures – at the date of this report on a combined basis, forward bookings were more than 30% higher than the same time last year.

The fintech end market and the broader payments ecosystem which Money20/20 serves remained robust throughout the pandemic underlining that it continues to represent a long-term global growth sector. Despite recent reductions in funding and valuations of companies in certain sub-segments of the customer base from 2021 highs, the long-term trend remains strong.

In Retail Price & Promotion, improvements were driven through new product development and shared retailer relationships and expertise across the segment.

On 30 December 2022, RWRC was sold to William Reed Ltd after both Retail Week Live and Retail Week Awards returned to the first half of the year, while the global platform of World Retail Congress (last held in 2019) also ran in Rome in April. RWRC recorded revenues of £7.4m and Adjusted EBITDA loss of £0.1m in 2022.

	Year ended 31 December (£'m)		Growth (%)		
	2022	2021	Reported	Organic	Proforma
Revenue	**92.0**	54.2	70%	65%	65%
Adjusted EBITDA	**31.6**	10.9	190%	140%	140%
Adjusted EBITDA Margin	**34%**	20%			

Case study

MONEY 20/20

Accelerating brand awareness

Objective
This client, a global leader in financial services offering solutions to the world's most important corporations, governments and institutions, has been a long time global partner of Money20/20. Despite being recognised as a top innovating businesses in the US, going into 2022, they didn't yet feel seen globally as an innovator. They recently relaunched their core payments offering and needed to continue to elevate brand awareness.

Solution
The bank took a feature lounge space, allowing them to showcase their cutting edge technology within an area embedded into the delegate experience. Bringing visibility to their core solutions, they partnered with Money20/20 Europe 2022 on the development of a content summit – bringing to the stage different global partners to showcase their own breadth of business and aligning themselves with global leaders.

Outcome
While exhibiting at Money20/20 Europe 2022, this client got the requisite brand visibility they were after and acquired over 500 leads with potential partners and clients. The client was able to drive brand awareness onsite by aligning with a high traffic feature area, giving them high visibility and foot traffic. This immediate success prompted them to confidently book for Money20/20 US 2022 and rebook for Europe 2023.


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MONEY
20/20

Financial review

Mandy Gradden
Chief Financial Officer

"The results are set out in the consolidated statement of profit or loss and show, for continuing operations, revenue of £524.4m and an operating loss of £94.2m. Adjusted EBITDA was £121.1m with the improvement driven in large part by the return of the in-person Cannes Lions festival and record results of both editions of Money20/20."

Overview

The results are set out in the consolidated statement of profit or loss and show, for continuing operations, revenue of £524.4m (2021: £349.3m) and an operating loss of £94.2m (2021: £26.7m loss). Adjusted EBITDA was £121.1m (2021: £88.9m) with the improvement driven in large part by the return of the in-person Cannes Lions festival and record results of both editions of Money20/20. We delivered strong operating cash flow performance for the year with free cash flow from continuing operations after tax and capex of £90.0m (2021: £57.7m), an operating cash flow conversion of 104% (2021: 95%) and a free cash flow conversion of 74% (2021: 65%).

The £94.2m operating loss for the year is driven by the Adjusting items including amortisation and impairment of acquired intangibles, share-based payments, earnout expenses and other non-trading items as set out in more detail below.

Alternative Performance Measures

A core KPI and strategic goal of the Company is Organic revenue growth rate. We believe that this is the most efficient method of growth, measures the underlying health of the business and is a key driver of shareholder value creation. Organic revenue growth rate eliminates the impact of acquisitions (counting them only once they have been owned for 12 months) and disposals and that element of growth which is driven by changes in foreign exchange rates. It also eliminates the impact on growth rates of changes, if any, in timing of live events and of products that are being curtailed (namely in 2022 Sellics advertising products and certain aspects of Edge Digital Shelf). It is an Alternative Performance Measure and is discussed in more detail on page 43. Proforma growth rate is measured in a similar way to Organic growth rate but assumes that the Group's acquisitions were all made on 1 January 2021 and is therefore a measure of the like-for-like rate of growth of the brands owned today.

Adjusted EBITDA is also an Alternative Performance Measure and is used in the day-to-day management of the business to aid comparisons with peer companies, manage banking covenants and provide a reference point for assessing our operational cash generation. It eliminates items arising from portfolio investment and divestment decisions, and from changes to capital structure. Such items arise from non-trading activities, intermittent or non-recurring events, and while they may generate substantial income statement amounts, do not relate to the ongoing operational performance that underpins long-term value generation.

Further details on Alternative Performance Measures are set out below.

Continuing operations

The results for the year ended 31 December 2022 are summarised in the table below.

£'m	2022	2021	Growth rate Reported	Growth rate Organic	Growth rate Proforma
Revenue	**524.4**	349.3	50%	30%	29%
Adjusted EBITDA	**121.1**	88.9	36%	23%	15%
Operating loss	**(94.2)**	(26.7)	nm	nm	nm

Segmental results

The Group has four reportable segments. These are Digital Commerce, Product Design, Marketing and Retail & Financial Services. Information regarding the results of each is included below.

£'m	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate costs	Continuing operations
2022						
Revenue	**226.1**	**107.1**	**99.2**	**92.0**	**–**	**524.4**
Organic growth	10%	12%	74%	65%	–	30%
Proforma growth	14%	12%	74%	65%	–	29%
Adjusted EBITDA	**21.2**	**49.1**	**40.1**	**31.6**	**(20.9)**	**121.1**
Organic growth	(31%)	12%	58%	140%	(3%)	23%
Proforma growth	(46%)	12%	58%	140%	(3%)	15%
Adjusted EBITDA margin	9%	46%	40%	34%	–	23%
Depreciation and software amortisation	(17.8)	(3.3)	(2.6)	(0.9)	(1.1)	(25.7)
Adjusted operating profit / (loss)	**3.4**	**45.8**	**37.5**	**30.7**	**(22.0)**	**95.4**
2021						
Revenue	147.3	91.3	56.5	54.2	–	349.3
Adjusted EBITDA	31.1	41.3	25.6	10.9	(20.0)	88.9
Depreciation and software amortisation	(10.0)	(2.9)	(3.0)	(1.8)	(1.8)	(19.5)
Adjusted operating profit / (loss)	21.1	38.4	22.6	9.1	(21.8)	69.4

Revenue

The Company benefits from diverse revenue streams across its segments ranging from digital subscriptions to live events to advisory. Most of these revenue streams are digital and have recurring or repeat characteristics benefiting from our focus on customer retention.

£'m	Timing of revenue recognition	2022	2021
Digital Subscriptions & Platforms	Over time	**213.9**	136.2
Advisory	Over time	**12.2**	11.1
Digital Commerce		**226.1**	147.3
Digital Subscriptions & Platforms	Over time	**95.9**	81.9
Advisory	Over time	**11.2**	9.4
Product Design		**107.1**	91.3
Digital Subscriptions & Platforms	Over time	**23.9**	18.2
Advisory	Over time	**5.2**	3.7
Benchmarking Awards	Point in time	**27.8**	29.3
Events	Point in time	**42.3**	5.3
Marketing		**99.2**	56.5
Digital Subscriptions & Platforms	Over time	**6.3**	10.8
Advisory	Over time	**2.3**	2.7
Events	Point in time	**83.4**	40.7
Retail & Financial Services		**92.0**	54.2
Revenue from continuing operations		**524.4**	349.3

Revenue from continuing operations grew to £524.4m (2021: £349.3m), an increase of £175.1m or 50%. Adjusting for currency impacts, acquisitions and discontinued products, revenue increased by 30% on an Organic basis or 29% on a Proforma basis. This was driven by the continued structural growth of our Digital Commerce and Product Design segments as well as the full return of our live events in the Marketing and Retail & Financial Services segments.

Adjusted EBITDA

Adjusted EBITDA from continuing operations grew to £121.1m (2021: £88.9m) an increase of £32.2m or 36%. This represented Organic growth of 23% or 15% on a Proforma basis.

Adjusted EBITDA margin from continuing operations decreased slightly from the prior year to 23.1% (2021: 25.5%). This reflects lower margins in our Digital Commerce segment where in the first half of the year we maintained the pace of investment ahead of revenue growth and, to a lesser extent, by the return of physical event costs in our Marketing segment. This is partially offset by the significant live events growth in Retail & Financial Services and expanded margins in Product Design.

Reconciliation between Adjusted EBITDA and statutory operating loss

Adjusted EBITDA from continuing operations is reconciled to statutory operating loss as shown in the table below.

£'m	**2022**	2021
Adjusted EBITDA	**121.1**	88.9
Depreciation and software amortisation	**(25.7)**	(19.5)
Adjusted operating profit	**95.4**	69.4
Amortisation of intangibles	**(34.6)**	(31.9)
Impairment of intangibles	**(57.0)**	–
Share-based payments	**(15.9)**	(8.4)
Non-Trading items	**(82.1)**	(55.8)
Statutory operating loss	**(94.2)**	(26.7)

Impairment of acquired intangible assets

The Company undertakes a periodic review of the carrying value of its goodwill and indefinite life intangible assets and, if there is an indicator of impairment, its finite life intangible assets. In 2022, we recorded two impairments as a result:

- As reported at the half year during 2022, the decision was made to change the focus of the Edge Digital Shelf offering to our clients within the Digital Commerce segment and, as a result of this change, certain intangible assets associated with this product are no longer generating sufficient value to support the carrying value and an impairment charge of £31.4m was recorded in the first half.
- As part of our year-end impairment review process, we identified an indicator of impairment within the ASR business (which represents 6% of the revenue of the Digital Commerce segment). The indicator was triggered by ongoing action by Amazon to reduce both the media inventory and commission rate for its on-site review product (the OSP product) which generated 30% of ASR's revenue in 2022. This is the only product we offer in the Digital Commerce business where we are a cost, rather than a revenue stream, to Amazon. While our original acquisition plans accounted for the risk of a reduction in the income from Amazon for this OSP product over the period of five years, it has become increasingly evident during the second half of 2022 that the OSP product is deprecating faster than we projected. Since we acquired ASR our focus has been building brand income led products for the business. These have grown strongly over the last 18 months and we are pleased that they now exceed 70% of the revenues of ASR.
- ASR's publishing product is our only cost-linked product with Amazon; all others generate revenue for Amazon, or we create revenue directly from brands. Amazon continues to reduce its inventory and commissions for these cost-related products, directly replacing them with revenue-generating advertising products on the site.
- The ASR customer base is a valuable asset within Digital Commerce and we are seeing considerable success in cross selling the services of Perpetua, 4K Miles and Flywheel to ASR customers. We typically achieve a multiple of more than 2x the ASR revenue with cross sold products. Despite the value of the ASR customer base to other parts of the Digital Commerce business, we are unable to attribute those revenues to the ASR cash generating unit and have therefore recorded an impairment of £25.6m representing approximately 45% of the carrying value of the ASR intangibles.

We have considered and concluded that there are no other impairment triggers in the rest of the Group. See Note 16 to the financial statements for further details. No impairments were identified in the comparative period of 2021.

Share-based payments

The charge for share-based payments of £15.9m (2021: £8.4m) was higher in 2022 than in 2021 due to the issuance of new awards in the second half of 2021 and also because 2021 was suppressed by certain Covid-driven lapses of awards.

Non-Trading items

The Company has incurred significant non-trading items in 2022 which have been treated on a basis consistent with our policy and with previous years as set out in the table below and further explained in Note 6 to the financial statements.

£'m	**2022**	2021
Deferred contingent consideration	**31.4**	29.9
ERP and Salesforce implementation	**21.6**	16.9
Strategic review costs	**15.0**	2.8
Transaction and integration costs	**9.4**	6.2
Costs associated with the Digital Shelf pivot	**6.8**	–
Profit on disposal of business and investment	**(6.0)**	–
Property impairments and other	**3.9**	–
Non-Trading items relating to continuing operations	**82.1**	55.8

The charge for deferred contingent consideration of £31.4m (2021: £29.9m) predominantly relates to earnouts that are contingent on continuing employment of the founders on the acquisitions of WhyteSpyder, OneSpace, 4K Miles, DZ and Perpetua as well as revaluations of the earnouts, including Sellics and Intrepid.

In 2021, the IFRIC published an agenda decision on the design and implementation costs for business systems built upon software that is contracted on a "software as a service" (SaaS) basis and hosted in a public cloud. This resulted in an amendment to the treatment of costs incurred on the Company's new ERP and Salesforce systems under IAS 38 "Intangible Assets". In response to the IFRIC decision, the Group's accounting policy on intangible assets was updated, resulting in the majority of implementation costs on SaaS implementations incurred to date no longer being capitalised but expensed as incurred. The Group is undertaking a multi-year programme to introduce a new ERP to replace the current Oracle system introduced in 2007 and a new instance of Salesforce, both of which are cloud-based. Costs relating to this significant and non-recurring programme totalled £21.6m (2021: £16.9m) and, given the scale and incidence as a once in a decade investment, have been treated as non-trading items.

A significant non-trading item in 2022 was the costs of the strategic review, the results of which were announced in January 2023. The costs relate to resources and professional fees for project management, tax, US GAAP conversion and audit and legal advice as well as severance and retention incentives for key personnel impacted by the proposed separation of the Group.

Transaction and integration costs comprise professional fees for diligence and legal costs as well as the costs of integrating acquisitions which is a significant workstream within Digital Commerce given the seven acquisitions made in 2021 with two further acquisitions in 2022.

As mentioned above, the change to the Digital Shelf product resulted in an impairment of the Edge intangibles in the first half. Furthermore, significant redundancy costs and supplier support costs were incurred in the second half of the year as a result of this decision resulting in a total cash cost of £6.8m.

During 2022 the Company disposed of its investment in Analytic Index and of RWRC resulting in a profit on disposal of £6.0m.

Finally, the Company has incurred costs of £3.9m relating to onerous property leases as a result of business reorganisations and changing working patterns post Covid. These costs are material and have been treated consistent with the approach adopted for similar items in 2020.

Net finance costs

The net finance cost from continuing operations for the year ended December 2022 was £18.7m (2021: £10.4m) as set out in the table below:

(£ million)	2022	2021
Interest income on deposits, investments and vendor loan note	3.6	2.5
Fair value gain on derivative financial instruments	4.3	0.2
Foreign exchange gain	0.5	–
Adjusted finance income	**8.4**	2.7
Interest payable on external borrowings	(9.6)	(8.6)
Amortisation of arrangement fees	(0.8)	(0.9)
Discounting of contingent and deferred consideration	(10.3)	(9.0)
Discount unwind of lease liability	(1.1)	(1.0)
Foreign exchange loss	–	(0.6)
Adjusted finance costs	**(21.8)**	(20.1)
Adjusted net finance costs	**(13.4)**	(17.4)
Foreign exchange on deferred consideration	(1.3)	–
Covenant costs	–	(0.8)
Remeasurement of trade investment to fair value	(4.0)	7.8
Adjusting finance (costs) / income	**(5.3)**	7.0
Net finance costs from continuing operations	**(18.7)**	(10.4)

The Group's adjusted net finance costs have decreased from £17.4m in 2021 to £13.4m in 2022 driven mainly by the fair value gains on the Group's US dollar and euro interest rate caps partly offsetting the significantly higher interest expense in the second half of the year as interest rates rose for both our US dollar and euro borrowings.

The major items in interest income relate to interest receivable from Hudson MX Inc ("Hudson") of £3.2m (2021: £nil) and, in 2021, from the Vendor Loan Note on the sale of Built Environment & Policy of £2.5m. The unwind of the discount on deferred contingent consideration is similar to the prior period totalling £10.3m (2021: £9.0m) driven by new acquisitions being offset by final settlement of older earnout agreements.

Meanwhile, Adjusting finance costs include the remeasurement of trade investments to fair value relates to the downwards revaluation of the investment held in Infosum of £4.0m (2021: upwards £7.8m) together with foreign exchange on deferred consideration.

Taxation

A tax charge of £21.0m (2021: £8.2m) was incurred on Adjusted profit before tax of £79.4m (2021: £49.6m) resulting in an Adjusted effective tax rate for the year of 26% (2021: 17%) which compares to the effective tax rate of 10% (2021: 4%) on reported losses as can be seen in the table below.

Analysis of tax charge (£'m)	2022	2021
Adjusted profit before tax	79.4	49.6
Tax charge on Adjusted profit before tax	(21.0)	(8.2)
Effective tax rate (%)	26%	17%
Adjusting items	(195.5)	(89.2)
Tax credit on Adjusting items	32.3	9.8
Effective tax rate on Adjusting items (%)	17%	11%
Reported loss before tax	(116.1)	(39.6)
Tax credit on reported loss before tax	11.3	1.6
Effective tax rate on reported loss before tax (%)	10%	4%

The effective tax rate on Adjusted PBT has increased from 17% to 26% because the prior period benefitted from discrete credits relating to the revaluation of a net deferred tax asset for the forthcoming change in UK tax rates. The low effective tax rate on Adjusting items reflects the non-deductible nature of many of these items.

The Group has a total recognised net deferred tax asset of £51.7m (2021: £51.2m) comprising a £29.4m (2021: £26.1m) deferred tax liability on non-deductible intangibles and an asset of £81.1m (2021: £77.3m) relating to UK and US losses, accelerated capital allowances and US acquired intangibles. The gross asset is expected to be realised in cash over the next 10 years with the majority recovered in the next five years. When considering the net deferred tax balance by entity this is presented as a gross asset of £60.3m offset by a deferred tax liability of £8.6m.

Discontinued operations

For the year ended 31 December 2022, there are no entities or segments disclosed as discontinued operations. Costs of £0.9m were incurred during the year in relation to finalisation of a small number of transactions from the prior year disposals of the Built Environment & Policy segment and of MediaLink.

Profit after tax

The Group recorded a total statutory loss after tax of £105.7m (2021: profit of £223.9m) arising from a loss on continuing operations of £104.8m (2021: loss of £38.0m) and a loss on discontinued operations of £0.9m (2021: profit of £261.9m).

Foreign currency translation impact

The Group's reported performance is sensitive to movements in both the euro and US dollar against pounds sterling with significant acquisitions denominated in US dollars and events revenues in euro and US dollars. The dollar / sterling exchange rate has been especially volatile, particularly in the fourth quarter, which has benefitted our reported financial performance as set out below.

	Weighted average rate			Year-end rate		
Currency	**2022**	2021	Change	**2022**	2021	Change
Euro	**1.17**	1.17	0.0%	**1.13**	1.19	5.0%
US Dollar	**1.18**	1.37	13.9%	**1.21**	1.35	10.4%

When comparing 2022 and 2021, changes in currency exchange rates had a favourable impact on revenue and adjusted EBITDA of £22.8m and £9.4m. On a segmental basis, the impact of changes in foreign currency exchange rates was as follows:

- Digital Commerce: £12.5m impact on revenue and £5.1m impact on Adjusted EBITDA
- Product Design: £4.2m impact on revenue and £2.7m impact on Adjusted EBITDA.
- Marketing: £0.4m impact on revenue and a (£0.1m) impact on Adjusted EBITDA.
- Retail & Financial Services: £5.7m impact on revenue and £2.2m on Adjusted EBITDA.

For illustrative purposes, the table below provides details of the impact on revenue and Adjusted EBITDA if the results were restated for sterling weakening by 1% against the US dollar and euro in isolation.

	2022		2021	
£'m	**Revenue**	**Adjusted EBITDA**	Revenue	Adjusted EBITDA
Increase in revenue/ Adjusted EBITDA if, in isolation, sterling weakens by 1% against the:				
Euro	**1.3**	**1.0**	0.6	0.5
US dollar	**2.8**	**1.2**	1.9	0.9

Furthermore, each 1% movement in the euro to pounds sterling exchange rate has a £1.1m (2021: £0.9m) impact on the carrying value of borrowings. Each 1% movement in the US dollar has a circa £1.9m (2021: £0.7m) impact on the carrying value of borrowings.

Earnings per share

Continuing Adjusted diluted earnings per share were 12.9p per share (2021: 9.5p).

Total diluted loss per share was 21.9p (2021: earnings of 53.5p) with the prior year benefitting from the significant profit realised on the disposal of the Built Environment & Policy businesses.

Acquisitions

We regularly assess opportunities to acquire high-growth products and capabilities to serve our key end markets and in particular Digital Commerce. In the year we completed the acquisition of two companies in the Digital Commerce segment and paid initial cash consideration (net of cash acquired) of £60.8m plus contingent consideration payable in 2023-2026 of £12.9m.

Sellics

In April 2022, the Group acquired 100% of Sellics Marketplace Analytics GmbH ("Sellics") for an initial cash consideration of £17.2m, plus estimated earnout payments payable over 4 years resulting in an estimated total consideration (including the initial consideration) of approximately £20.0m. Sellics provides a mix of advertising spend optimisation, campaign automation and profit analytics, through a suite of software solutions, to challenger brands that trade on Amazon across the US and Europe. Sellics has been integrated into challenger brand specialist Perpetua within Digital Commerce.

Intrepid

In June 2022, the Group acquired 100% of Intrepid E-Commerce Services Pte. Ltd. ("Intrepid") for an initial cash consideration of £46.9m, plus estimated earnout payments payable over 4 years resulting in an estimated total consideration (including the initial consideration) of approximately £60.0m. Intrepid provides eCommerce execution, backed by proprietary software solutions to enterprise brands that trade on major Southeast Asia platforms.

From the dates of the acquisitions, Sellics and Intrepid contributed £14.1m revenue and an Adjusted EBITDA loss of £4.5m. If the acquisitions had occurred at the beginning of the year, the acquired companies would have contributed an additional £8.9m of revenue and Adjusted EBITDA loss of £3.5m.

Investments

The Group continues to hold a £73.8m (2021: £65.9m) equity investment in Hudson, an advertising software business providing media buying and media accounting solutions through a cloud-based SaaS platform. The investment is through a combination of preference stock measured at fair value through profit and loss and common stock accounted for as an equity investment measured using the equity method. We also made loans totalling £30.6m (2021: £7.3m) to Hudson which are recorded as other debtors.

In 2022 we recorded our share of the losses of the Hudson businesses totalling £2.7m (2021: £1.1m).

There has been no change in the accounting of the investment from that disclosed in the 2021 Annual Report and Accounts and the Group continues to exercise significant influence over Hudson. Further details are given in Note 18 to the financial statements.

Deferred contingent consideration

The Company's preferred structure for acquisitions is to enter into long-term earnout arrangements with the founders of acquired companies and to link this to the post-acquisition performance of the acquired company and for certain elements make this contingent on the continuing employment of the founders. Accounting for the earnout is complex and requires considerable judgements to be made about the expected future performance of the acquired company at the both the point of acquisition and at each reporting date. This is especially difficult in the type of high growth, early stage, companies that Ascential acquires.

The earnout is accounted for in three ways:

1. A liability for deferred contingent consideration is established on the balance sheet at the point of acquisition based on that element of the earnout which is not dependent on the continuing employment of the founders. Any subsequent change in estimate is recorded as a Non-Trading item and in 2022 we recorded a loss of £1.0m (2021: £5.2m). During the year we made cash payments of £37.9m (2021: £87.6m) in relation to this element of deferred contingent consideration.
2. This liability is discounted to present value with the reversal of this discount being recorded as a finance cost. This amounted to a charge of £10.3m for the year (2021: £9.0m).

3. Finally, that element of the deferred contingent consideration that is also contingent on the continuing employment of the founders is charged to the consolidated statement of profit or loss as a non-trading item over the service life of those founders (typically three years). This amounted to a charge of £30.5m (2021: £29.9m). During the year we made cash payments of £19.5m (2021: £39.4m) in relation to this element of deferred contingent consideration.

The liability for deferred contingent consideration amounted to £108.1m at 31 December 2022 (2021: £102.9m). In total, when combining this liability with the future income statement charges for discounting of deferred contingent consideration that is contingent on continuing employment of the founders, the Company expects to pay out deferred contingent consideration of approximately £146m over the next four years for acquisitions to date. £45m is due in 2023 for performance in 2022 and c.£101m is expected to be paid between 2024 and 2026 based on the performance of the acquired businesses in the next three years.

Cash flow

Continuing operations

The Company generated Adjusted operating cash flow from continuing operations of £126.1m (2021: £84.0m), being a 104% operating cash flow conversion benefiting from strong forward bookings and collections particularly relating to our events and Product Design.

A feature of our cash flow is the working capital required in Digital Commerce for the purchasing of advertising media on behalf of customers where the payment terms agreed with the marketplace can differ from those agreed with customers. At 31 December 2022 we had £194.6m receivable from customers and £193.7m payable to the marketplaces up from £137.4m and £124.1m respectively at 31 December 2021 with the balances recorded in Other Debtors and Other Creditors respectively. In order to reduce the impact of this working capital dynamic on the Group, we have a facility with a bank to sell certain of the customer receivables for an attractive rate of interest that is lower than our overall cost of borrowing. Drawings under this facility are broadly unchanged and amounted to £28.4m (2021: £23.8m) at the period end. The resultant net working capital position relating to such media reimbursables of a net receivable of £0.9m (2021: £13.3m) therefore do not have a significant overall impact on the Group's balance sheet.

The Group's capital spend increased by £12.8m from the prior year to £35.9m (2021: £23.1m) driven by increased product development in the Digital Commerce business. Tax paid on profits was £0.2m in the current year (2021: £3.2m). Tax liabilities continue to be sheltered by significant prior period losses and tax-deductible acquisition consideration particularly in the US.

As a result, the Company generated free cash flow from continuing operations of £90.0m (2021: £57.7m) as shown in the table below:

£'m	2022	2021
Adjusted EBITDA	**121.1**	88.9
Working capital movements	**5.0**	(4.9)
Adjusted operating cash flow from continuing operations	**126.1**	84.0
Operating cash flow conversion (%)	**104%**	95%
Capital expenditure	**(35.9)**	(23.1)
Tax paid	**(0.2)**	(3.2)
Free cash flow from continuing operations	**90.0**	57.7
Free cash flow conversion (%)	**74%**	65%

Discontinued operations

The Company generated free cash flow from discontinued operations of £0.9m outflow (2021: £14.3m inflow).

Total operations

The cash flow statement and Net Debt position are summarised as follows.

£'m	2022	2021
Free cash flow from continuing operations	**90.0**	57.7
Free cash flow from discontinued operations	**(0.9)**	14.3
Free cash flow from total operations	**89.1**	72.0
Acquisition of businesses net of cash acquired	**(60.8)**	(195.3)
Deferred contingent consideration including contingent employment cost	**(57.4)**	(127.0)
Disposal proceeds net of cash disposed and disposal costs	**5.9**	342.4
Acquisition of investments and loan to associate	**(34.6)**	(51.4)
Non-Trading costs paid	**(52.3)**	(25.9)
Cash flow before financing activities	**(110.1)**	14.8
Proceeds from external borrowings*	**176.8**	180.7
Repayment of external borrowings*	**(53.8)**	(329.7)
Net interest paid	**(9.0)**	(6.4)
Net lease liabilities paid	**(7.3)**	(7.2)
Share purchases	**(3.7)**	–
Proceeds of issue or sale of shares net of expenses	**0.3**	150.7
Dividends paid to non-controlling interest	**(2.8)**	(0.5)
Net cash flow	**(9.6)**	2.4
Opening cash balance	**84.1**	80.2
FX movements	**5.5**	1.5
Closing cash balance	**80.0**	84.1
Borrowings	**(302.8)**	(160.5)
Capitalised arrangement fees	**1.6**	2.4
Derivative financial instruments	**4.5**	0.2
Net Debt	**(216.7)**	(73.8)

*includes payments for both deferred and contingent consideration recognised on initial acquisition as well as any subsequent remeasurements. Payments linked to ongoing employment as well as business performance are shown within cash generated from operations.

Returns to shareholders

Following the impact of Covid on the business, no dividends were paid in 2020 or 2021 and in 2022 cash flow was prioritised for acquisitions. The Board continues to prioritise capital for investment and acquisitions to support our growth strategy and has decided not to declare a 2022 dividend at this time. The Board will keep capital allocation priorities, including shareholder cash returns, continually under review.

Strong balance sheet and access to liquidity

Ascential manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt to equity balance. The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent comprising capital, reserves and retained earnings. The Group's policy is to borrow centrally to meet anticipated funding requirements. These borrowings, together with cash generated from the operations, are on-lent at market-based interest rates and on commercial terms and conditions or contributed as equity to subsidiaries.

We have performed our assessment based on the Group as it is currently constituted and do not consider the potential separation of our Digital Commerce assets into an independent, publicly traded company listed in the US and sale of WGSN as having a detrimental impact on the consolidated financial statements prepared being prepared on a going concern basis.

Going concern

After considering the current financial projections and the bank facilities available and then applying a severe but plausible sensitivity, the Directors of the Company are satisfied that the Group has sufficient resources for its operational needs and will remain in compliance with the financial covenants in its bank facilities for at least the next 12 months from the date of approving these financial statements. The process and key judgements in coming to this conclusion are set out below.

The Board is required to assess going concern at each reporting period. These assessments require judgement to determine the impact of future economic conditions on the Group, including the impact of downward recessionary pressures. The Directors have considered three main factors in reaching their conclusions on going concern, liquidity, covenants and scenario planning – as set out below.

Liquidity

In January 2020, the Group entered into a 5-year multi-currency revolving credit facility ("RCF") of £450m provided by a syndicate of 12 lending banks. These facilities provide ample liquidity when judged against the Net Debt of the Company of £216.7m at 31 December 2022.

Covenants

The more sensitive aspects of the Company's financing are the application of certain covenant limit tests to these facilities and the most sensitive covenant limit is Net Debt Leverage (broadly, the ratio of Net Debt to Adjusted pre-IFRS 16 EBITDA). The facility covenants are tested semi-annually and include (i) a maximum Net Debt leverage of 3.25x with the benefit of additional 0.5x leverage spikes for relevant acquisitions and, (ii) a minimum interest cover of 3.00x.

At 31 December 2022, our leverage ratio was 1.9x (or 2.05x on a covenant basis compared to the limit of 3.25x), and therefore well within our banking covenants.

Scenario planning

In assessing going concern, the Directors considered the most severe but plausible scenario that could impact the business to be the cancellation of a major event at short notice.

This scenario is not a forecast of the Company and is designed to stress test liquidity and covenant compliance. The key assumption is that Money 20/20 US is cancelled in 2023 with minimal notice due to an unforeseen event. This scenario results in a 0.8x increase to our leverage ratio at the 31 December 2023 testing point.

In their review of the downside scenario, the Directors have also considered a number of mitigations that would reduce the leverage ratio further and are at their discretion, including but not limited to the use of equity to meet deferred consideration obligations, further restructuring and cost cutting measures.

In this downside scenario, there is sufficient headroom against all banking covenant tests. Accordingly, the Directors continue to adopt the going concern basis for the preparation of the financial statements.

Mandy Gradden
Chief Financial Officer
3 April 2023

Alternative performance measures

Ascential aims to maximise shareholder value by optimising the potential for return on capital through strategic investment and divestment, by ensuring the Company's capital structure is managed to support both strategic and operational requirements, and by delivering returns through a focus on organic growth and operational discipline. The Board considers it helpful to provide, where practicable, additional performance measures that distinguish between these different factors – these are also the measures that the Board uses itself to assess the performance of the Company, on which the strategic planning process is founded and on which management incentives are based. Accordingly, this report presents the following non-GAAP measures alongside standard accounting terms as prescribed by IFRS and the Companies Act, in order to provide this useful and additional information.

Adjusted profit measures

The Group uses Adjusted profit measures to assist readers in understanding underlying operational performance. These measures exclude income statement items relating to items arising from portfolio investment and divestment decisions, and from changes to capital structure. Such items arise from events which are non-recurring or intermittent, and while they may generate substantial income statement amounts, do not relate to the ongoing operational performance that underpins long-term value generation. The income statement items that are excluded from Adjusted profit measures are referred to as Adjusting items.

Both Adjusted profit measures and Adjusting items are presented together with statutory measures on the face of the profit and loss statement. In addition, the Group presents a non-GAAP profit measure, Adjusted EBITDA, in order to aid comparisons with peer group companies and provide a reference point for assessing the operational cash generation of the Group. Adjusted EBITDA is defined as Adjusted Operating Profit before depreciation and amortisation. The Group measures operational profit margins with reference to Adjusted EBITDA. As Adjusted results include the benefits of portfolio investment and divestment decisions but exclude significant costs (such as amortisation of acquired intangibles and Non-Trading items), they should not be regarded as a complete picture of the Group's financial performance, which is presented in its Total results. The exclusion of other Adjusting items may result in Adjusted results being materially higher or lower than Total results.

Adjusting items are not a defined term under IFRS, so may not be comparable to similar terminology used in other companies' financial statements and should not be viewed in isolation but as supplementary information. Details of the charges and credits presented as Adjusting items are set out in Note 5 to the financial statements. The basis for treating these items as Adjusting is as follows:

Non-Trading items
Non-Trading items are recorded in accordance with the Group's policy set out in Note 5 to the financial statements. They arise from portfolio investment and divestment decisions, from changes to the Group's capital structure, as well as material events that are expected to be outside the course of ordinary operating activities, (e.g. deferred consideration, integration costs and professional fees on acquisitions). They do not reflect underlying operational performance.

Amortisation of intangible assets acquired through business combinations
Charges for amortisation of acquired intangibles arise from the purchase consideration of a number of separate acquisitions. These acquisitions are portfolio investment decisions that took place at different times over many years, so the associated amortisation does not reflect current operational performance.

Share-based payments
Ascential operates several employee share schemes. Income statement charges or credits relating to such schemes are a significant non-cash charge or credit and are driven by a valuation model which references the Ascential share price and future performance expectations. The income statement charge or credit is consequently subject to volatility and does not fully reflect current operational performance.

Gains and losses on disposal
Gains and losses on disposal of businesses arise from divestment decisions that are part of strategic portfolio management and do not reflect current operational performance.

Finance costs
As part of the Group's early refinancing of its 2016 debt facility in 2020, unamortised arrangement fees relating to the previous facility were written off and fees for subsequent Covid-related covenant amendments were incurred. These one-off items do not reflect the current operational performance of the Group.

Tax related to Adjusting items
The elements of the overall Group tax charge relating to the Adjusting items are also, for consistency, treated as Adjusting. These elements of the tax charge are calculated with reference to the specific tax treatment of each Adjusting item, taking into account its tax deductibility, the tax jurisdiction concerned, and any previously recognised tax assets or liabilities.

Adjusted cash flow measures

The Group uses Adjusted cash flow measures for the same purpose as Adjusted profit measures. The two measures used are Adjusted Cash Generated from operations, and Free Cash Flow. The Group monitors its operational efficiency with reference to operational cash conversion. These are reconciled to IFRS measures as follows:

£'m	**2022**	2021
Cash generated from operations	**53.4**	33.2
Less: cash outflow/(generated) from discontinued operations	**0.9**	(12.0)
Add back: acquisition-related contingent consideration cash flow	**19.5**	39.4
Add back: other non-trading cash flow	**52.3**	23.4
Adjusted cash generated from operations	**126.1**	84.0
Adjusted EBITDA	**121.1**	88.9
Operating cash conversion	**104%**	95%
Net cash generated from operating activities	**53.2**	29.9
Cash: cash outflow/(generated) from discontinued operations	**0.9**	(12.0)
Less: capital expenditure	**(35.9)**	(23.1)
Add back: tax paid by discontinued operations	**–**	0.1
Add back: acquisition-related contingent consideration cash flow	**19.5**	39.4
Add back: other non-trading cash flow	**52.3**	23.4
Free cash flow	**90.0**	57.7
Adjusted EBITDA	**121.1**	88.9
Free cash flow conversion	**74%**	65%

Leverage

The ratio of Net Debt to EBITDA is calculated as follows:

£'m	**2022**
Adjusted EBITDA	**121.1**
Less: Rent expense	**(7.0)**
Adjusted EBITDA (pre-IFRS16)	**114.1**
Net Debt	**216.7**
Leverage ratio	**1.9x**

The Group also monitors leverage using definitions included in the Group's banking covenants which are subject to proforma adjustments for acquisitions including the pre-acquisition losses of both Sellics and Intrepid. Using these covenant definitions, the leverage ratio at the end of December 2022 was 2.0x.

Organic growth measures

To assess whether the Company is achieving its strategic goal of driving organic growth, it is helpful to compare like-for-like operational results between periods. Income statement measures, both Adjusted and Reported, can be significantly affected by the following factors which mask like-for-like comparability:

- acquisitions and disposals of businesses lead to a lack of comparability between periods due to consolidation of only part of a year's results for these companies;
- discontinuation or curtailment of products or the move of event products between different periods; and
- changes in exchange rates used to record the results of non-sterling businesses result in a lack of comparability between periods as equivalent local currency amounts are recorded at different sterling amounts in different periods.

Ascential therefore defines Organic growth measures, which are calculated with the following adjustments:

- results of acquired and disposed businesses are excluded where the consolidated results include only part-year results in either current or prior periods;
- results are normalised for events that move between H1 and H2 (for example Money20/20 Europe which was held in June in 2022 and September in 2021);
- results of specific product lines are excluded if are being wholly or partly discontinued; and
- prior year and current year consolidated results are restated at constant currency for non-sterling businesses, including the restatement of prior year consolidated results to the constant currency rate applied.

Organic growth is calculated as follows:

FY22 £'m	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate Costs	Total – continuing operations
Revenue						
2022 – reported	**226.1**	**107.1**	**99.2**	**92.0**	**–**	**524.4**
Acquisitions	**(50.4)**	**–**	**–**	**–**	**–**	**(50.4)**
Other adjustments*	**(13.5)**	**–**	**–**	**–**	**–**	**(13.5)**
2022 – Organic basis	**162.2**	**107.1**	**99.2**	**92.0**	**–**	**460.5**
Organic revenue growth	10%	12%	74%	65%	nm	30%
2021	147.3	91.3	56.5	54.2	–	349.3
Other adjustments*	(17.1)	–	–	–	–	(17.1)
Transfers**	4.1	–	–	(4.1)	–	–
Currency adjustment	12.5	4.2	0.4	5.7	–	22.8
2021 – Organic basis	146.8	95.5	56.9	55.8	–	355.0
Adjusted EBITDA						
2022 – reported	**21.2**	**49.1**	**40.1**	**31.6**	**(20.9)**	**121.1**
Acquisitions	**0.6**	**–**	**–**	**–**	**–**	**0.6**
Other adjustments*	**7.0**	**–**	**–**	**–**	**–**	**7.0**
2022 – Organic basis	**28.8**	**49.1**	**40.1**	**31.6**	**(20.9)**	**128.7**
Organic EBITDA growth	(31%)	12%	58%	140%	(3%)	23%
2021	31.1	41.3	25.6	10.9	(20.0)	88.9
Other adjustments*	6.4	–	–	–	–	6.4
Transfers**	0.1	(0.1)	(0.2)	0.1	0.1	–
Currency adjustment	5.1	2.7	(0.1)	2.2	(0.5)	9.4
FY21 – Organic basis	42.7	43.9	25.3	13.2	(20.4)	104.7

* Other adjustments relate to Edge Digital Shelf and Sellics Non-Advertising discontinued products

** Transfers relate to moving AAD and Retail Insight into Digital Commerce from RFS and Marketing respectively, and the transfer of lease property costs from Product Design to the Corporate segment

Proforma growth measures

Proforma growth is measured in a similar way to Organic growth but assumes that the Company's acquisitions or disposals were all made on the first day of the comparative accounting period and is a measure of the rate of growth of the brands owned today. Proforma growth is calculated as follows:

FY22 £'m	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate Costs	Total – Continuing Operations
Revenue						
FY22 – reported	**226.1**	**107.1**	**99.2**	**92.0**	**–**	**524.4**
Acquisitions	**8.8**	**–**	**–**	**–**	**–**	**8.8**
Other adjustments*	**(14.2)**	**–**	**–**	**–**	**–**	**(14.2)**
FY22 – Proforma basis	**220.7**	**107.1**	**99.2**	**92.0**	**–**	**519.0**
Proforma revenue growth	14%	12%	74%	65%	nm	29%
2021	147.3	91.3	56.5	54.2	–	349.3
Acquisitions	44.8	–	–	–	–	44.8
Other adjustments*	(18.9)	–	–	–	–	(18.9)
Transfers**	4.1	–	–	(4.1)	–	–
Currency adjustment	15.7	4.2	0.4	5.8	–	26.1
FY21 – Proforma basis	193.0	95.5	56.9	55.9	–	401.3
Adjusted EBITDA						
FY22 – reported	**21.2**	**49.1**	**40.1**	**31.6**	**(20.9)**	**121.1**
Acquisitions	**(3.6)**	**–**	**–**	**–**	**–**	**(3.6)**
Other adjustments*	**7.8**	**–**	**–**	**–**	**–**	**7.8**
FY22 – Proforma basis	**25.4**	**49.1**	**40.1**	**31.6**	**(20.9)**	**125.3**
Proforma EBITDA growth	(46%)	12%	58%	140%	(3%)	15%
2021	31.1	41.3	25.6	10.9	(20.0)	88.9
Acquisitions	2.8	–	–	–	–	2.8
Other adjustments*	7.0	–	–	–	–	7.0
Transfers**	0.1	(0.1)	(0.2)	0.1	0.1	–
Currency adjustment	6.0	2.7	(0.1)	2.2	(0.5)	10.3
FY21 – Proforma basis	47.0	43.9	25.3	13.2	(20.4)	109.0

* Other adjustments relate to Edge Digital Shelf and Sellics Non-Advertising discontinued products

** Transfers relate to moving AAD and Retail Insight into Digital Commerce from RFS and Marketing respectively, and the transfer of lease property costs from Product Design to the Corporate segment

Glossary of alternative performance measures

Term	Description
Organic revenue growth	Revenue growth on a like-for-like basis
Organic EBITDA growth	Adjusted EBITDA growth on a like-for-like basis
Proforma revenue growth	Revenue growth on a like-for-like basis assuming the Company's acquisitions or disposals were all made on the first day of the comparative accounting period
Proforma EBITDA growth	Adjusted EBITDA growth on a like-for-like basis assuming the Company's acquisitions or disposals were all made on the first day of the comparative accounting period
Non-Trading items	Items within Operating profit / (loss) separately identified in accordance with Group accounting policies
Adjusting items	Non-trading items (e.g. deferred consideration, ERP and Salesforce implementation costs, strategic review costs, transaction and integration costs and restructuring costs including impairments of property provisions affected by the restructuring), amortisation and impairments of intangible assets acquired through business combinations, share-based payments, gains and losses on disposal of investments and businesses, Covenant amendment fees and Tax related thereto.
Adjusted operating profit / (loss)	Operating profit / (loss) excluding Adjusting items
Adjusted EBITDA	Adjusted operating profit / (loss) excluding depreciation and amortisation
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of Revenue
Adjusted profit / (loss) before tax	Profit / (loss) before tax excluding Adjusting items
Adjusted tax charge	Tax charge excluding Adjusting items
Adjusted effective tax rate	Adjusted tax charge expressed as a percentage of Adjusted profit before tax
Adjusted EPS	EPS calculated with reference to Adjusted Profit / (loss) for the year
Adjusted cash generated from operations	Cash generated from operations with cash generated from discontinued operations, acquisition related contingent consideration and other non-trading cash flows excluded
Operating cash conversion	Adjusted cash generated from operations expressed as a percentage of Adjusted EBITDA
Free cash flow	Net cash generated from operating activities including capital expenditure. Net cash generated from discontinued operations, acquisition-related contingent consideration and other non-trading cash flow are excluded
Leverage	The ratio of Net debt to Adjusted EBITDA before, in both cases, accounting for the impact of IFRS 16
Net Debt	Net Debt comprises external borrowings net of arrangement fees, cash and cash equivalents and derivative financial instruments. Net Debt excludes lease liabilities in line with how Net Debt is considered for the Group's banking covenants

Risk management and principal risks

Identifying and managing risk is an integral part of our corporate governance as it helps us deliver long-term shareholder value and protect our business, people, assets, capital and reputation. In order to achieve our strategic objectives and seize market opportunities, risk must be both accepted to a reasonable degree within our risk appetite and balanced by proportionate reward.

Risk governance

It is the responsibility of all of our colleagues to manage risks within their domain. Ultimately, accountability for risk management resides with the Board which is responsible for ensuring that there is an adequate and appropriate risk management framework and culture in place.

Our risk governance framework is set out below. At the top of the structure is our Board, which holds overall responsibility for our risk management and internal control systems. The Board sets risk appetite and the tone of risk management, as well as completing assessments of our principal risks.

The Audit Committee assists the Board by monitoring the adequacy and effectiveness of internal control and risk management systems, as well as the effectiveness of the Internal Audit function. Our operating Risk Committees identify risks and risk owners, controls and mitigations to manage risks, target risks and agree action plans to strengthen controls and address deficiencies, review progress with action plans and identify emerging risks.

Risk governance framework

We have a bottom-up and top-down approach to manage risk at Ascential:

The Board

- Holds overall responsibility for Ascential's risk management and internal control systems
- Defines risk appetite taking into account Ascential's strategic objectives
- Sets the tone and influences the culture of risk management
- Assesses the principal risks, including emerging risks, and their alignment with risk appetite

Audit Committee

- Monitors the adequacy and effectiveness of internal control and risk management systems
- Monitors and reviews the effectiveness of the Internal Audit function

Operational Risk Committees

- Identify risks and risk owners (including emerging risks)
- Score impact of risk on an inherent and residual basis according to risk scoring methodology
- Sets target risks
- Identify controls and mitigations to manage risk
- Agree action plans to strengthen controls or address deficiencies
- Review progress with action plans and current risks
- Membership includes senior management

Internal controls and compliance

Internal and external audit activities

Enterprise Risk Management Framework

We have a formal Enterprise Risk Management Framework which documents our risk management policy, risk management approach, risk appetite and tolerance, risk response options, and risk management process. This framework was updated at the end of 2021 and we have been embedding it into the operating risk committees during the year, including delivering risk training to all operating risk committee members.

An-out-of cadence reporting and escalation process has also been defined to ensure that risks are effectively managed on a more urgent basis where necessary.

Risk assurance

The Internal Audit function provides assurance as to the effectiveness of the internal control environment through its primary responsibilities whereby it:

- reviews and assesses the internal control environment with a focus on control effectiveness, quality and continuous improvement;
- determines whether controls are appropriate to provide financial, managerial and operating information that is accurate, reliable and timely;
- determines whether risks are appropriately identified and managed;
- assesses whether assets are appropriately safeguarded; and
- evaluates the systems established to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on Ascential.

The Audit Committee receives and analyses regular reports from management and Internal Audit on matters relating to risk and control and reviews the timeliness and effectiveness of corrective action taken by management. The Audit Committee also considers the findings and recommendations of the External Auditor throughout the year in relation to the design and implementation of effective financial controls. Further detail on these activities is included within the Audit Committee report on page 107.

We have restructured our operating risk committees during 2022 to align with either a business unit, brand or central function as appropriate:

Digital Commerce	Digital Commerce – China	Lions	WARC
Product Design	M2020	Finance and taxation	Technology
M&A			

The Operating Risk Committees use the following process to manage risk:

Objectives

Risk and Controls

1. **Identify** key risks, including emerging risks

2. **Analyse** the potential impact and likelihood of risks

3. **Respond** to risks by considering existing controls as well as selecting, prioritising and implementing appropriate actions

4. **Monitor** the internal and external environment for potential changes to risks and ensure that risk responses continue to operate effectively

5. **Report** on risks and the status of risk responses adopted

We recognise that there are different levels of risk management maturity across our operating committees, reflecting the maturity of the underlying products and capabilities within those business units as well as the rate of change within them. The early-stage nature of the digital commerce businesses being acquired can expose Ascential to weaker control environments in the short term following acquisition. To mitigate this, risks identified through pre-acquisition due diligence are initially managed through the post-acquisition integration programme, with any longer-term risks integrated into the Operating Risk Committee process.

Long-term viability statement

The Directors have assessed the prospects and viability of the Group in accordance with Provision 31 of the UK Corporate Governance Code.

By their nature, forecasts inherently become less accurate and more uncertain as the planning horizon extends. While we prepare a five-year plan, the plan's focus is mainly on the first three years with the outer two years relying more on expected trends and extrapolations. Detailed business planning focuses on this near-term three-year horizon and is based on the information available to the Group for the markets and operating environments in which the Group operates. Decisions on future funding and capital allocations are focused on this period. In this context, the long-term viability assessment has been based on a three-year timeframe, covering the period to 31 December 2025. Furthermore, we have not identified any significant foreseeable risk events relating to the principal risks that are likely to materialise only within the three- to five-year period. We are not expecting material earn-out payments outside of this timeframe and, while the group's revolving credit facility expires in January 2025, we do not have any reason to believe that we will not be able to attain a new facility providing a similar level of liquidity.

The Company's prospects have been assessed mainly with reference to the Company's strategic planning and associated long-range financial forecast. This incorporates a detailed bottom-up budget for each part of the business. The budgeting and planning process is thorough and includes input from most operating line managers, as well as senior management, and forms the basis for most variable compensation targets. The Board participates in strategic planning and reviews the detailed bottom-up budgets. The outputs from this process include full financial forecasts of revenue, EBITDA, Adjusted and statutory earnings, cash flow, working capital and Net Debt. The Directors consider that the planning process and monthly forecast updates provide a sound underpinning to management's expectations of the Group's prospects.

We have performed our assessment based on the Group as it is currently constituted and do not consider the potential separation of our Digital Commerce assets into an independent, publicly traded company listed in the US and sale of WGSN as having a detrimental impact on our long-term viability.

The Directors carried out a robust assessment of the principal and emerging risks facing the Group, including those that could threaten its business model, future performance, solvency or liquidity. This assessment was made with reference to the Company's current position and prospects, strategy and principal risks, including how these are managed.

The Directors then assessed the potential impact on the Company's prospects should certain risks to the business materialise. This was done by considering specific scenarios aligned to the principal risks identified on pages 50 to 55, applied to stress test the long-range financial forecast. Of these, the six scenarios considered to have the most serious impact on the financial viability of the Company were modelled in detail.

The specific scenarios were:

1. a major event being cancelled at short notice, for instance from disease outbreaks at a venue, with no equivalent alternative available;

2. a serious safety and security incident at a major event;

3.the loss of a major customer;

4. a substantial breach of cyber security and associated loss of data;

5. a significant change in commercial behaviour of a major eCommerce marketplace.

The Directors have considered the effect of compounding the cancellation of a major event at short notice and a substantial breach of cyber security and associated loss of data and concluded that the Group would be expected to be able to continue to fund its operations and comply with debt covenant requirements.

For each scenario, the modelling captured the impact on key measures of profitability, cash flow, liquidity and debt covenant headroom. Scenarios included the effects of plausible mitigation plans where available including decisions on future capital allocation and a review of discretionary spending. In all cases modelled, the Group was able to demonstrate covenant headroom.

Based on this assessment of prospects and stress-test scenarios, together with its review of principal risks and the effectiveness of risk management procedures, the Directors confirm that 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 to 31 December 2025.

Principal and emerging risks and uncertainties

We define risk as any potential event which could prevent the achievement of an objective. Risks can arise from the likelihood that an opportunity will not happen, as well as from the threat or uncertainty that something with a negative impact will happen.

The Board has assessed the principal risks facing the business including those related to its business model, future performance, solvency or liquidity and considered them in the formulation of the Long-Term Viability Statement set out on the previous page. This review of principal risks includes any emerging risks identified during the year.

The following pages summarise our principal risks and uncertainties with mitigating actions, as identified by the Board for the year ended 31 December 2022. The list is not exhaustive and may change during 2023 as the risk landscape evolves.

In the context of increasing interest rates in response to inflation and downgraded global GDP growth expectations, we consider that the risk of a global recession has increased since the prior year. Recession planning is a core part of our budgeting process and recession plans are kept under review as the economic outlook changes. The impact of recession is distributed across Ascential brands with some brands' propositions more attractive in a recessive environment, and others more sensitive to the impact of recession on demand. The extension or worsening of global supply chain issues could lead to a more prolonged pressure on digital commerce volumes as stock levels become more stressed. These impacts have been factored into our financial planning for 2023 and mitigating activities identified if required.

We continue to be exposed to an increasingly competitive recruitment market for our highly valued and experienced people, particularly in the digital commerce space. We have implemented targeted reward and retention programmes in our digital commerce business to mitigate the impact of this risk. We acknowledge the financial pressure that some of our people may have felt during the year by the increase to the cost of living and we have provided a package of financial assistance measures, focussed on our lower earners and people living in high inflation economies.

During the year, we have focussed on integration following the acquisition of seven digital commerce businesses during 2021. Whilst the integration programme is progressing well, we acknowledge that large scale implementation of new businesses poses an increased level of execution risk.

We have reviewed our assessment of our climate-related risks and opportunities during the year, as well as monitoring progress against climate-related KPIs and targets. Please see the TCFD statement on page 73 for more detail. The climate-related risks identified through this assessment have been integrated into the operating risk management process described on the previous pages. Climate-related risks which are considered material at a group level have been included in the company's principal risk register within the relevant principal risk.

The Board considers the following to be the Company's principal risks as at 31 December 2022:

Risk	Change since December 2021	
	Unmitigated	**Mitigated**
1. Customer end-market development	Unchanged ↔	Unchanged ↔
2. Economic and geopolitical conditions	Increased ↑	Increased ↑
3. Competition and substitution	Unchanged ↔	Unchanged ↔
4. Data access, data scraping and platform risks	Unchanged ↔	Unchanged ↔
5. Cyber threat and information security	Unchanged ↔	Unchanged ↔
6. People risk	Increased ↑	Increased ↑
7. Live events	Reduced ↓	Reduced ↓
8. Acquisitions and disposals (including integration)	Increased ↑	Increased ↑
9. Business resilience	Unchanged ↔	Unchanged ↔
10. Financial risk	Unchanged ↔	Unchanged ↔
11. Regulation and compliance	Unchanged ↔	Unchanged ↔

Business and strategic

1. Customer end-market development

Description
Our customers operate in a variety of end markets, each with their own competitive pressures affecting customer preferences and spend. The business of Digital Commerce is extremely complex, with highly sophisticated marketplaces, each developing in their own way at an unprecedented pace.

Examples of risks
- Failure to develop an appropriate pipeline of successful products to meet and anticipate the needs of our customers
- Marketplaces build self-service tools of offer direct access to data impacting the value of our products and services to customers
- Permanent shift in the appetite of businesses and their employees for corporate travel and large events has lasting impact on live events
- Reduced consumerism due to climate change reduces growth and profitability of Digital Commerce business
- Customers demand higher levels of ESG performance than the Company is capable of demonstrating and Ascential is not classified as an authorised supplier

Actions taken to manage risk
- Continued development of Ascential's capabilities through acquisition and investment in technology, decision science and methodologies to make Ascential the only well-capitalised player of scale providing consumer brands with both global measurement and execution across key retailer marketplaces, to grow market share and drive business success
- Strategy for live events developed to be less reliant on physical presence in volume. Proven ability to deliver value from the separation of the Lions awards from physical event
- Horizon scanning for changes in consumer demand and opportunities for climate-related products and capabilities
- Continued strengthening of ESG performance, with priority focus on areas of biggest impact e.g. live events

Link to strategy
Our strategic objective to be a market-leading specialist information company relies heavily on our ability to anticipate and respond to our customers' changing needs.

Risk movement from 2021
Stable

↔

2. Economic and geopolitical conditions

Description
Across our business we are exposed to the effects of political and economic risks. These include the likelihood of global recession, changes in the regulatory and competitive landscape, global supply chain failures, the impact of international trade policy and sanctions, and hostile state action.

Examples of risks
- Financial recession in our key markets leading to reduced spending power for customers
- Budget scrutiny from clients leads to rate compression or client attrition
- Impacts to global supply chain leads to significantly increased out-of-stock products which reduces digital commerce sales
- Key customers fail to pay or become insolvent
- Actions by hostile states negatively impacts our people, products or intellectual property
- Changes in international trade policy negatively impact the digital commerce sector

Actions taken to manage risk
- Recession modelling and scenario planning is a key part of the Budget process and is kept under review as economic conditions change
- Impact of recession is distributed across Ascential brands with some brands' propositions more attractive in a recessive environment
- Customers have mitigated supply chain impacts by focussing on key product lines and investing in more robust supply chains
- Majority of our revenue is derived from large, global brands less likely to become insolvent. Credit control capability was strengthened during Covid.
- Monitor geopolitical landscape to develop plans to respond to specific threats or opportunities

Link to strategy
Our strategic objective to accelerate organic growth requires us to operate effectively within different global political situations which change constantly.

Risk movement from 2021
Increased

↑

Business and strategic continued

3. Competition / substitution

Description
We are exposed to a varied and dynamic competitive landscape, ranging from niche providers and new entrants in e Commerce analytics to data aggregators and consultancy firms.

Examples of risks
- Competitors determine the 'land grab' of digital commerce is worth no profit and offer digital commerce services at no additional charge as part of their broader engagement
- Disruptive M&A activity with conglomeration of large competitors creating differentiated products
- Pricing pressure increases as competitive intensity grows

Actions taken to manage risk
- Continuing extension of targeted capabilities to demonstrate why specialist proposition provides value
- Continued investment in technology and decision science to offer competitive advantage
- Diversification of proposition across multiple marketplaces
- Close monitoring of competitive landscape and emerging technology to identify threats and opportunities

Link to strategy
Our strategic objective to be a market-leading specialist information, data and analytics company relies on our ability to differentiate our products and services from our competition.

Risk movement from 2021
Stable

↔

4. Data access, data scraping and platform risks

Description
Ascential obtains data from a vast number of sources. Changes in our ability to access that data or regulatory position around information-sharing platforms provide or access via data scraping could mean that we are unable to continue to provide data to clients at the levels for which they are presently contracted.

A breach in our data privacy policies and processes could expose us to regulatory sanctions and reputational damage. Major marketplaces could either limit how they work with companies like Ascential or stop offering a specific product that we work closely with.

Examples of risks
- Regulators rule that marketplaces can no longer provide wide access to the data sources directly from their platforms.
- A break in our internal or external data chain of custody or receipt of data that is not 'clean' from data aggregators
- Data scraping is prohibited in a key geography
- Increase in blocking technology impacts data collection
- Marketplaces limit how they work with companies like Ascential brands

Actions taken to manage risk
- Data supplier pool kept under review
- Data Protection officer works closely with the Digital Commerce business and data protection is incorporated at the product design stage
- Strong marketplace relationships developed
- Diversification of proposition across multiple marketplaces

Link to strategy
Data access is core to the Digital Commerce proposition, which in turn is a fundamental driver of organic growth.

Risk movement from 2021
Stable

↔

Operational

5. Cyber threat and information security

Description
An external cyber attack, insider threat or supplier breach could cause services interruption, the loss of confidential data, reputational impact and regulatory censure.

Examples of risks
- Loss of intellectual property
- False payment instructions are processed
- Major data privacy breach
- Significant impact on business operations from malware or ransomware attack
- Targeted cyber attacks by hostile states on international organisations including foreign governments, customers and key suppliers

Actions taken to manage risk
- Maintenance and testing of network security, network resilience and business continuity plans
- Monitoring of emerging threats to ensure our preparations and responses are current
- Regular, comprehensive training programme for our employees on information security practices
- Implementation of Data Loss Prevention software
- Adoption of additional authentication tools to reduce the likelihood of remote attacks
- Regular penetration and vulnerability testing
- Focus on cloud governance and logging

Link to strategy
All of our strategic objectives rely on our ability to operate compliantly and to provide safe and effective products and solutions to our customers.

Risk movement from 2021
Stable

↔

6. People

Description
People management, effective succession planning and the ability to attract and retain talent are critical to our ability to execute our strategy and achieve our objectives.

Examples of risks
- Loss of key talent, high attrition and/or lack of appropriate succession planning leads could lead to a strategic skills shortage
- Loss of intellectual capital due to poor retention of talent
- Loss of valued founders of acquired companies post earnout period
- Poor corporate responsibility practices may reduce ability to attract and/or retain top talent
- Perceived lack of attractiveness of existing LTIP awards in the US reduces ability to attract and retain key talent
- Increased levels of stress and financial pressure for employees in high inflation economies

Actions taken to manage risk
- Succession planning for Executive Directors and Senior Leadership Team
- Digital commerce specific reward and retention policies implemented
- Reward benchmarking conducted for key talent and adjustments made where warranted
- Compensation structures reviewed ahead of earnout period completion to increase retention and succession planning for founders in place
- Monthly pulse engagement surveys to monitor employee engagement and wellbeing
- Strengthened ESG performance and ESG related internal communication
- Provided a package of financial assistance measures, focussed on our lower earners and people living in high inflation markets.

Link to strategy
All of our strategic objectives rely on us attracting and retaining the right talent to execute against our strategy and meet the needs of our customers.

Risk movement from 2021
Increased
↑

7. Live events

Description
Our events are held at specific locations which may become unavailable for use. Travel disruption or safety risks from a variety of causes including natural disasters, communicable diseases, civil disorder, political instability or terrorism may prevent both customers and our employees from reaching the event location or being unwilling to travel.

Examples of risks
- Terrorist attacks during or shortly before events could result in fatalities, injuries, reputational damage and loss of revenue
- Civil disorder or organised protests disrupt an event or make accessing the venue difficult
- Government restrictions prohibit people from attending large scale events
- A global pandemic means that people are unable or unwilling to travel and attend large-scale events
- Single third party technology supplier fails to deliver causing disruption or negatively impacting delegate experience
- Travel disruption prevents staff, delegates and sponsors from attending an event
- Customers boycott Ascential events due to weak environmental performance
- Health & safety incidents occur during the event

Actions taken to manage risk
- Global threat monitoring throughout the year to identify any significant risks and to inform Safety and Security plan for each event
- Protective intelligence monitoring prior to and during an event with appropriate measures and contingency plans developed and agreed with the venue and local government
- Separation of Lions awards from physical event
- Development of virtual content for events
- Plans in development to position Ascential as a leader in sustainable events
- Safety Risk Assessment and Event Safety & Security Plan completed prior to each event
- Insurance cover in respect of certain event cancellation risks

Link to strategy
All of our strategic objectives rely on our ability to operate compliantly and to provide safe environments for our events.

Risk movement from 2021
Decreased
↓

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Operational continued

8. Acquisitions and disposals (including integration)

Description
Whilst we continue to invest in organic growth and product development, acquisition of bolt-on capabilities remains part of our strategy, primarily in Digital Commerce. We may divest brands which are no longer core to our strategy. Integration of the acquired Digital Commerce entities is complex given the number of entities acquired in a relatively short time frame.

Examples of risks
- Acquisitions or divestitures do not deliver anticipated value
- Nature of digital commerce business being acquired exposes Ascential to weaker control environments short-term post acquisition
- Increasing pace of Digital Commerce acquisitions increases pressure on ability to integrate successfully
- Unknown issues and matters arise during integration not detected through due diligence

Actions taken to manage risk
- We have a strong and experienced M&A team who take a disciplined approach to identifying and testing acquisitions to ensure they are aligned to our strategy and present an acceptable rate of return.
- Detailed cross-functional due diligence is undertaken prior to acquisition
- Formal integration programme with longer-term risks integrated into the risk management process
- Strong track record of strategic acquisitions and disposal of non-core assets

Link to strategy
Our strategic objective to apply a tightly focused capital allocation process to achieve our goals and maximise value creation depends on our ability to identify the right acquisitions, to conduct thorough due diligence and to integrate acquisitions effectively.

Risk movement from 2021
Increased
↑

9. Business resilience

Description
Our operations may be disrupted by an adverse event whether that be IT service interruption, disruption to physical locations or interruption in the provision of service from our key suppliers. We need to build resilience to reduce the potential impact of such an event and be prepared to respond to any such event effectively.

Examples of risks
- Website receiving payments (e.g. Lions awards and delegate passes) is inaccessible
- Pandemic leads to enforced extended working from home
- Natural disaster impacts key operational location
- Global trend of nationalism and protectionism, including onshoring supply chains
- Key supplier failure, for example, insolvency of a key supplier that we had been unprepared for

Actions taken to manage risk
- Cloud Architectures are built in a resilient fashion and all architectures are documented to identify and understand risk
- Architectures have oversight of cloud partner architect and platform architects
- Proven ability to perform effectively over extended remote working periods
- The nature of Ascential's business being asset light and diversified across different sectors and regions minimises potential impact of localised weather events
- Group crisis management plan to manage how the Senior Leadership Team directs the business through any major incident or crisis which may severely disrupt operations, threaten business performance or damage reputation
- Technical incident response process in place
- Long-term contacts in place with key suppliers, professionally procured and with rigorous Service Level Agreements and due diligence as part of RFP process
- Financial security of key suppliers under continuous review. Alerting set up for all key suppliers so Ascential Procurement are notified of any change in circumstance

Link to strategy
All of our strategic objectives rely on our ability to operate resiliently and minimise the impact of any significant crisis or event.

Risk movement from 2021
Stable
↔

Financial

10. Financial Risk

Description
Insufficient balance sheet strength and liquidity may prevent the Company's ability to execute its strategy or ability to trade as a going concern. Material exposures to different currencies and fluctuations in those currencies affect the reported financial results. Tax law and administration is complex and tax authorities may challenge our application of tax law, potentially leading to lengthy and costly disputes and material tax charges. Financial reporting requirements are complex and errors in the Company's financial statements could lead to reputational damage and censure from regulators.

Examples of risks
- Significant loss of revenue and/or profit causes breach of banking covenants
- Lack of liquidity constrains ability to pursue optimum acquisition strategy
- Uncertain macroeconomic environment could lead to increased complexity in accounting judgements
- Failure to deliver the benefits expected from the finance systems programme and risk of disruption to business activity
- Fraudulent financial reporting leads to elevated earnouts
- Change in tax legislation could lead to significantly higher Effective Tax Rate
- Material fluctuations in currency (particularly US Dollar, Sterling and Euro) affect reported profitability
- Challenge by tax authority on application of tax law

Actions taken to manage risk
- Debt facilities refinanced to provide additional headroom and covenant ratios monitored monthly
- Access to capital markets
- Robust stress testing and sensitivity analysis when valuations and assessments for financial reporting are reliant on uncertain macroeconomic environment
- Successful deployment of new finance system established playbook for further deployments across the Group.
- Financial control framework in place and oversight of brand financial reporting at Group level
- Debt is borrowed in various currencies to mitigate FX cashflow and leverage covenant risk
- The impact of movements in US Dollar and Euro currencies is calculated and reported to investors for transparency
- Approach to foreign exchange risk is set out in Note 30 to the financial statements on page 193.
- Full, accurate and timely disclosures made in submissions to tax authorities who we work with collaboratively to achieve early agreement and certainty on complex matters wherever possible

Link to strategy
All of our strategic objectives rely on our ability to maintain sufficient balance sheet strength and liquidity.

Risk movement from 2021
Stable
↔

Legal and Compliance

11. Regulation and compliance

Description
As a global business, we are subject to different regulations across multiple jurisdictions. Operating across this increasingly complex and dynamic legal and compliance environment can lead to fines, penalties, reputation risk and competitive disadvantage. The regulatory landscape can change, leading to our current business model becoming less profitable or unsustainable.

Examples of risks
- Compliance failures could lead to breach of Market Abuse Regulations, GDPR, anti-bribery or other key legislation
- Breach of data privacy policy
- Change in regulatory landscape regarding data collection and usage
- Regulatory antitrust or competition law remedies force a significant marketplace to change their practices which negatively impacts an Ascential digital commerce brand
- Content governance failure in WGSN leads to third party infringement claim or complaint from image owners
- Chinese government strengthens censorship or the internet
- Evolving sanctions law prohibits transactions with some existing or potential customers

Actions taken to manage risk
- Potential antitrust remedies may benefit other marketplaces to offset negative impact
- Experienced legal team supported by professional advisers monitor changes in regulation and emerging best practice in the sector and in key policy areas
- Strengthened compliance framework including formal code of conduct and refreshed compliance training
- Head of Content recruited in China and oversees compliance with content management policies
- Content team trained on content governance policies
- Group monitoring and auditing programmes in place

Link to strategy
All of our strategic objectives rely on us to comply with applicable laws and regulations and to do the right thing as part of our licence to operate.

Risk movement from 2021
Stable
↔

Our People

There were several key factors impacting our people in 2022. From the macroeconomic environment to post-pandemic readjustment, supporting our workforce, with a continued emphasis on wellbeing, remained of paramount importance.

We continued to navigate through the pandemic's disruption to ways of working, with a return to in-person events and our people returning to our offices.

We have changed the organisational design of the business by forming our two divisions of Digital Commerce and Intelligence & Events. Duncan Painter and Philip Thomas lead those divisions, respectively.

These changes maximise the potential of our products, bringing greater empowerment for decision making, while remaining very close to our customers.

Attracting and retaining talent

Recruitment and onboarding

2022 saw further expansion of our workforce through acquisitions in our Digital Commerce division, with Intrepid, based in South East Asia, and Sellics, based in Germany, both joining the division. We have streamlined our onboarding processes for new acquisitions and further developed our integration processes to optimise how new acquisitions are integrated into the existing Group.

In Intelligence & Events, we upgraded onboarding in WGSN through the launch of a new onboarding site which benefits both new starters and existing colleagues who want to refresh or upgrade their knowledge on WGSN products and services. In 2023, we have plans to roll out a similar model for our other brands in the division.

Our Inclusive Recruitment toolkit has been refreshed to support all Hiring Managers and Talent Acquisition professionals to recruit in ways that align with our Diversity, Equity and Inclusion commitments. This includes ensuring balanced shortlists for Senior Hires to help diversify the top 250 roles within our organisation. We have also developed our work on Entry Level Talent and launched 35 new internship opportunities, primarily in Lions, Flywheel and Perpetua. We also supported the UK Government's Kickstart programme designed to support 16-24 year olds at risk of long term unemployment by hosting two placement students.

Learning and Development

The implementation of our divisional structure has enabled us to create internal development opportunities for some of our top talent, moving them into divisional leadership roles with a broader remit.

To ensure that we offer as many opportunities as possible for our colleagues to progress their careers with us, our policy is to ensure that all roles (with the exception of roles that are commercially sensitive) are posted internally for at least 14 days before being shared on external platforms.

In 2022, we supported 45 apprenticeship programmes across our business and we offer early talent and upskilling programmes in data literacy and business transformation.

We offer our people training in the skills they need to do their jobs and provide opportunities to develop their skills and build their careers with us through a combination of online learning and tailored on-demand training. This approach enabled us to reach over 3,000 learners with training over the course of 2022.

We continued to support managers through People Leadership Development during the year. In response to leaders asking for our help to build an inclusive, courageous and innovative culture, we launched an Inclusive Leadership programme internally as well as partnering externally to deliver a programme on Leading Innovative Change. We also supported people leaders at all levels through a biannual Manager Training Series, which reached over 500 of our managers. These efforts contributed to average manager scores for support, caring and openness rising above the industry benchmark in our people engagement tool.

2022 was the fourth year of our global Mentor Marketplace, and the one year anniversary of our self-serve digital mentoring platform. This new platform has enabled us to engage nearly 500 colleagues from across Ascential since its inception.

We also focused Learning & Development activity on helping our colleagues balance operational excellence with personal wellbeing. Through mental wellbeing, resilience and productivity sessions we reached over 550 learners.

Share ownership
Share ownership is an important principle of our reward philosophy and we run an annual share save and stock purchase plan for all eligible employees to purchase Ascential shares at a discount to enable everyone that works at Ascential to have the opportunity to benefit from the growth of the company.

Our quarterly Elite awards exist to recognise the brilliant work of our people and we reward our winners with £500 (or local equivalent) of free shares.

Communications and Engagement

Strong leadership communications
Keeping our teams informed is a key part of our culture. We started the year with a virtual CEO Briefing to our global team, reflecting on highlights from the previous year and outlining our focus areas for the year ahead. We held virtual conferences for each of our business areas to maintain momentum into Q1 and to enable leaders across the business to define brand-specific goals for 2022.

As a global business, access to our senior leadership team for all of our people, irrespective of which part of the business they work in, is important to us. We release internal interviews with Duncan Painter and Mandy Gradden after each financial results presentation, hosted by a member of the wider Ascential team. In the interviews, our Chief Executive and Chief Financial Officer answer questions from our teams about what the company's results mean for them, how their work has impacted our performance, and sharing insights into our shareholders' areas of interest.

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Embedded new tools
Slack continues to be our primary collaboration tool, used for one-to-one messaging, company announcements and team projects. Since launch, Slack has been integrated with key tools such as Workday, our HR system, and our monthly people survey tool, streamlining processes across the company. Best practice is encouraged through the 'Co-Lab' Slack newsletter, which shares top tips on how to get the most from Ascential's collaboration tools.

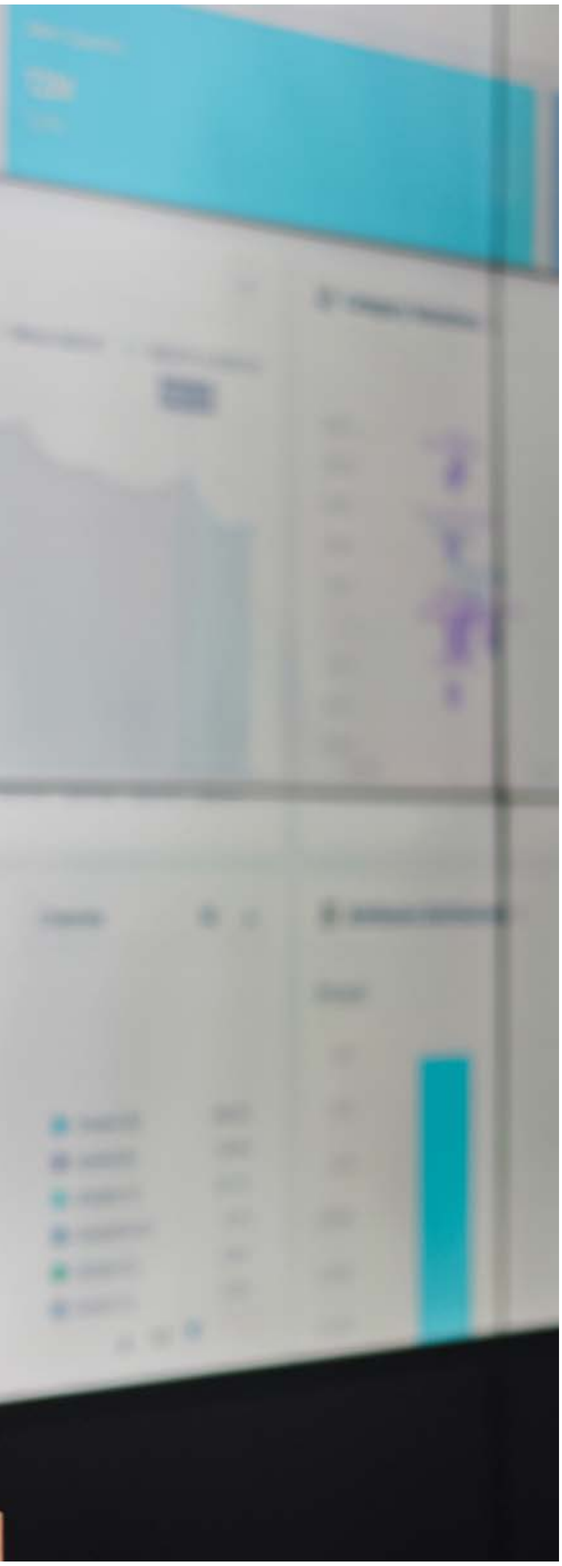
In the past 12 months, we have integrated our newer acquisitions into these tools, allowing for greater cross-brand collaboration and easier information sharing.

Learning from data
In September, we upgraded our internal communications platform to integrate with our People system, Workday.

This integration offers us an accurate data snapshot of internal email communications performance including open rates, using Workday data such as brand, department, location and job banding level. We also track engagement on our global announcements channels on Slack, giving us insight into message activity and open rates. These two new data tools will inform our communications strategy for 2023, helping to gauge engagement and content preferences and optimise our communications strategy.

Feedback
Since 2017 we have run an annual employee engagement survey. With the global pandemic and the subsequent rise in hybrid working, we launched a new, more frequent survey tool, PeakOn during 2022. This tool enables a more frequent temperature check on employee engagement, diversity & inclusion and health & wellbeing. Our overall engagement score reduced slightly to an average of 84% (2021: 86% from annual survey) over the more frequent survey period however is not directly comparable as the questions asked have been developed and the feedback provided allows more granular analysis of feedback which helps us to respond more effectively to what our people are telling us.

We have also continued with the Ascential Forum which is chaired by Rita Clifton, Senior Independent Director. The purpose of the Forum is to give employees the



"We are committed to ensuring a two-way dialogue between our leadership teams and our people."

opportunity to share their views and ideas directly with a Board member across three issues: strategy, performance and culture. The Forum met twice in 2022, with the second forum focussing on the views of those in the Intelligence & Events division. We believe that this divisional focus will bring us greater, actionable insight and we plan to continue with this approach in 2023. Rita Clifton reports to the Board following each Forum meeting to share employee feedback with all Board members, given all directors better context on how their decisions might impact our people.

Building culture

Beliefs and behaviours
Our beliefs and behaviours provide a strong foundation across our business.

- **All-in**
  - Once we commit we deliver, with a clear focus on outcome.
- **Facts**
  - We always use data and insight to inform our work.
- **Focus**
  - We ruthlessly prioritise and always keep things simple.
- **Empathy**
  - We can be relied upon for fairness and consideration.
- **Be creative**
  - We are smart, pro-active innovators.
- **No silos**
  - One team, one face, one reputation.
- **Trust, transparency, openness**
  - Transparency inspires trust and empowers.

These beliefs and behaviours are integrated into our recruitment and onboarding (for both new starters and new acquisitions) as well as our performance management and reward and recognition programmes.

Recognising talent and rewarding brilliant work
Our annual awards are a celebration of talent and outstanding work delivered around the business. In March 2022, we ran the second of our virtual awards ceremonies for the whole company. There are 50 awards offered over 10 categories, including the Beliefs and Behaviours Award category. All winners received a trophy, individual Gold winners received company shares, and team Gold winners received expenses for a team celebration.

Our Elite Awards continued as a more frequent celebration of each quarter's key achievements, selecting 25 winners per quarter. Elite winners receive a trophy and are offered shares in Ascential. Since 2021 we have showcased successful nominees in our 'Elite Hall of Fame' to share best practices and stories of employee excellence from across our business.

To reward some of our highest-performing and longest-serving Ascential people, we sent 25 people to enjoy the Cannes Lions Festival of Creativity as delegates in June.

Valuing the diversity of our people

Our value as an employer and to our customers is greater when we draw on the full range of our collective perspectives and experiences. We are committed to attracting, retaining, developing and engaging a diverse workforce, and we work to ensure that everyone at Ascential feels comfortable to be themselves. This is the right thing to do to ensure a sustainable future for our organisation, and to make a positive impact for our people, customers and society.

This commitment is supported by our Equal Opportunities Policy which explicitly prohibits discrimination related to race, colour, religion or belief, pregnancy or maternity, marriage or civil partnership status, gender or gender reassignment status, sexual orientation or sexuality, sex, ethnic or national origin, genetics, disability, or age.

Establishing structure and governance
Our annual diversity, equity and inclusion report sets out our vision, actions and commitments for the year ahead, along with the progress we have already made.

The focus for 2022 has been equipping the divisions to design and implement Diversity, Equity & Inclusion governance which works within their structures and delivers against their colleagues' and customers' priorities. Our Digital Commerce division has launched a Diversity, Equity & Inclusion committee with representatives from each of their brands. The committee has set a division-wide vision and action plan, and activated local delivery groups. Our Intelligence & Events division has active Diversity, Equity & Inclusion committees in each of their brands, and is hiring new posts next year which will further align activity across the division. As well as divisional delivery structures, we also ensure that the plans are tailored to our regions, taking into account the nuances and priorities of the cultures we operate within.

Providing the right tools and support
Our Diversity, Equity & Inclusion training for managers focussed on building psychological safety and gave managers straightforward actions they can take to build inclusion across their teams.

In addition to the training, policies and overall vision and commitments we set centrally, we also support our Employee Networks. All networks are run by volunteers across the company and we now have five Employee Networks at Ascential – Ascential Pride, Black in Business, Empower: A women's network, Latinx and Shalom Ascential. The events and communications they organise throughout the year continue to engage colleagues and there are currently around 900 people engaged with Employee Network Slack channels and groups. The newly launched Employee Network Toolkit sets the framework for all networks to operate within, as well as Ascential's expectations and support available for these groups.

Measuring our progress
Our annual Diversity, Equity & Inclusion report outlines the progress we have made against 2022 targets. In a year which saw significant structural changes and competing priorities, we are pleased to have achieved 100% of the employee actions we set out in the 2022 report.

Our overall Inclusion score within our people engagement score is in line with our benchmark. We monitor this score closely, assessing scores for different demographic groups to ensure consistency of experience for all our people, regardless of race or gender.

Diversity, Equity & Inclusion data
Last year we put in place new data capture systems to gather diversity demographic data from our colleagues, and have continued to actively monitor these in 2022. Awareness of this data collection project continues to grow with disclosure increasing incrementally each year. We aim to disclose more data in 2023 to support further employee life-cycle analysis.

As at 31 December 2022, Ascential's overall gender split was 58% women (2,217), 41% men (1,580) and 1% non-binary or transgender (10), or undisclosed (26). This is consistent with prior years. The figures below show that we need to continue to focus on gender diversity within our executive and senior leadership . You can view further details on our plans for this in our 2023 Diversity, Equity and Inclusion report.

Board (10 people)
60% women 40% men

Executive (C-suite & Business Unit Presidents) (8 people)
37% women 63% men

Senior Leadership (69 people)
36% women 64% men

Our Board remains one of the most diverse amongst UK listed companies, with Ascential plc featuring in the Best Performers list for six consecutive years in the FTSE Women Leaders index.

Targeted financial support

We recognise the financial pressure that some of our employees are exposed to by the increase to the cost of living and took a number of actions during 2022 to support our people.

Global inflation pay increases
In addition to the standard annual salary review process, in May 2022 we awarded up to an extra £1,000 (or local equivalent) to around half of our employees to help with increased living costs. We monitored the impact of rising costs throughout the year and made a further payment to lower earners in some markets in November 2022.

The annual salary review process in 2023 will take into account local inflation when setting standard pay rises.

Europe energy grants
To provide support to those who are likely to be most impacted by the exceptionally high cost of energy, we provided additional grants of either £/€500 or £/€1000 to our people earning up to £/€45,000 in the UK and some parts of Europe. We also offered interest-free loans of up to £700 in both June and October to support our UK colleagues with the rising cost of energy.

Health & Safety

Ascential's Health & Safety Policy was updated and republished in January 2022 and our safety governance structure has continued to work effectively throughout the year. The Safety Committee meets quarterly, as well as providing oversight throughout the year, and our Safety and Wellbeing Champions have been actively involved with the management of local issues. Newly acquired businesses are integrated into our health & safety 'duty of care' framework.

Covid continued to dominate the health & safety agenda for the first half of the year however we updated our approach in the second half of the year to treat Covid the same as any other communicable disease, with the exception of China.

We safely delivered our live events in Rome, Amsterdam, Cannes and Las Vegas with no significant health & safety incidents.

We have over 50 Mental Health First Aiders across the business who have been trained by the official Mental Health First Aid body to spot the signs and symptoms of mental ill health, provide first aid and act as a confidante for their colleagues across the business.

Adapting for the future

In 2022, we continued with hybrid working as our default working model. We have seen the global nature of our organisation increase further, not only through acquisitions but also by being able to employ people in local marketplaces which for brands such as WGSN, increases the reach of their content.

Our brands benefit from having the flexibility to operate in the right way for them, whether this is two days a week in the office or built around key times in their brands' annual life cycle.

Colleagues have adapted well to hybrid working, with autonomy being the highest scoring section on our regular engagement surveys. Having the ability to better manage their home and work life is a value that is important to our colleagues.

> "We are pleased to have achieved 100% of the employee actions we set out in the Diversity, Equity and Inclusion 2022 report."

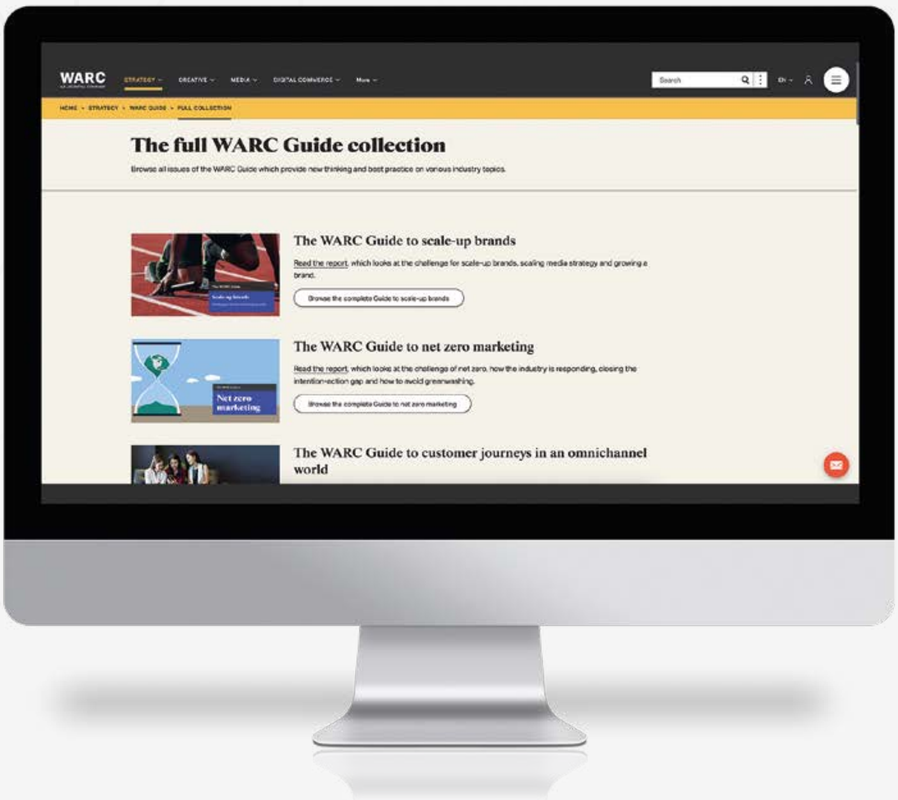
Section S172 Statement

Section 172 of the Companies Act 2006 requires Directors to act in a way that promotes the success of the company for the benefit of shareholders as a whole, whilst having regard to the interests of its other stakeholders.

Effective stakeholder engagement helps us gain a better understanding of the impact of our decisions on stakeholder interests as well as understanding their needs and concerns. By understanding our stakeholders, we can factor into Board discussions the potential impact of our decisions on each stakeholder group and consider how best to act fairly between members as a whole.

We consider our key stakeholders to be our customers, our people, our suppliers and business partners, our investors and wider society.

Our values, set out on page 59 are closely aligned with the principles underpinning Section 172, ensuring that the way we do business is consistent with the matters the Directors must consider as part of their Section 172 duties. The Board recognises that the interests of stakeholders are sometimes conflicted and at times, certain interests may have to be prioritised. As part of the Board's decision making process, the differing interests of stakeholders are considered by the Board and an assessment is made of the impact and consequences on stakeholders of decisions in the long term.



During 2022, the Directors have considered the matters set out in Section 172. Further detail on how the Board has considered each factor can be found in the following sections:

A	B	C	D	E	F
The likely consequence of any decision in the long term	**The interests of the Company's employees**	**The need to foster business relationships with suppliers, customers and others**	**The impact of the Company's operations on the community and the environment**	**The desirability of the Company maintaining a reputation for high standards of business conduct**	**The need to act fairly as between members of the Company**
Relevant disclosures					
Chief Executive's review **Page 6**	Our People **Page 56**	Business model **Page 12**	ESG – Social Impact **Page 84**	ESG Strategy **Page 70**	Chief Executive's review **Page 6**
Strategic priorities **Page 8**	Diversity Equity and Inclusion **Page 60**	Third party code of conduct **Page 89**	Climate change resilience **Page 72**	ESG – Compliance Framework **Page 88**	Chairman's Introduction **Page 96**
Principal risk disclosure **Page 50**	ESG – Social Impact **Page 84**	Modern slavery **Page 90**	TCFD statement **Page 73**	Internal Controls statement **Page 106**	Annual General Meeting **Page 135**
ESG – Environmental Climate Resilience **Page 72**	Whistleblowing policy **Page 91**	Whistleblowing policy **Page 91**			Stakeholder engagement **Page 62**

S172 in Focus

Below we have set out an example of how the board has taken into account s172 factors in key decisions in 2022

Acquisition of Intrepid

S.172 criteria considered: A, B, C, E, F

Relevant stakeholders: customers, our people, suppliers and business partners, and investors

Decision Making Process:

- Management sought Board approval to acquire Intrepid, an ecommerce enabler in South East Asia. A detailed investment memorandum containing key financial information was provided to the Board.
- The Board considered that the acquisition would support the Company's strategic entry into the high growth South East Asian market and expansion of the Group's global footprint, enhancing returns for the Company's shareholders in the long term.
- The acquisition will expand our customer proposition and is a key component to deliver on the long term vision of the company of helping our customers sell on leading marketplaces in priority growth regions.
- Following a thorough due diligence process, the Board reviewed the summary of the risks identified with the acquisition and were satisfied the mitigation steps provided sufficient protection for the Company's key stakeholders.
- The Board approved the acquisition and considered that it was in the long term interest of all its stakeholders.

Stakeholder Engagement

Our key stakeholders

Our customers

We help our customers to make smart strategic decisions that improve performance now and in the future, enabling them to outperform their competitors.

Customer forums & feedback

How we engage

- We regularly engage with customers across our product brands and geographies. Our account management and client service functions are in regular contact with customers to ensure they get the best value from our services.
- We run Net Promoter Score ("NPS") surveys across the majority of our brands.
- We conduct research on a project basis in advance of major product developments.

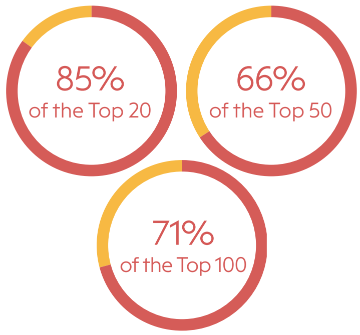
Outcomes from engagement

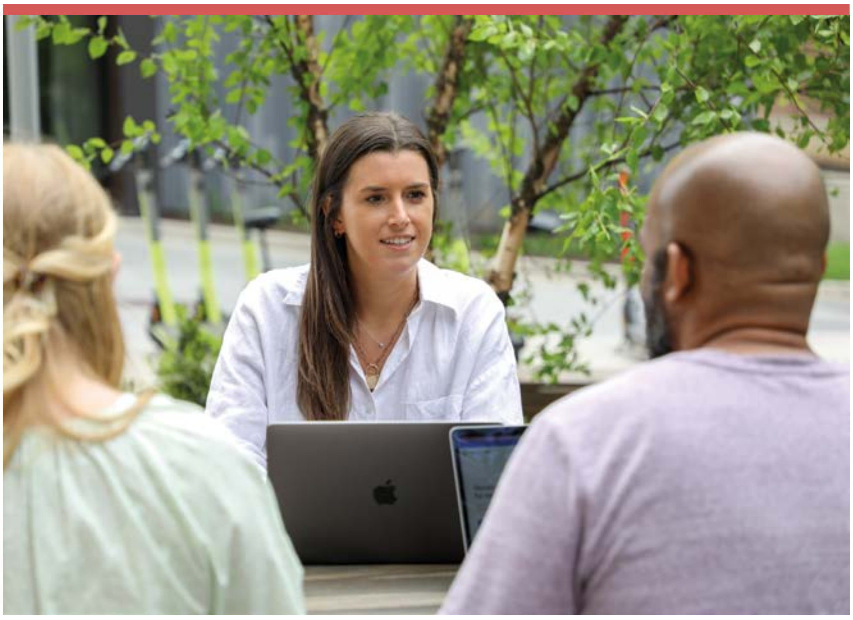
NPS scores are shared across the business, leading to the ongoing development of marketing, product and content strategies that take into account customer feedback.

At our events, the content topics and themes have been directly informed by qualitative and quantitative research and NPS surveys.

> "Setting the benchmark for product quality, we are the market leaders in our fields."

Kantar BrandZ Most Valuable Global Brands 2022





Our people

We have an experienced and dedicated workforce which we recognise as a key asset of our business. Key tenets of making Ascential a great working environment include an emphasis on personal wellbeing, investment in personal development and career progression, support for flexible working, diversity and inclusion in everything we do, and open and honest leadership communications.

Health & Safety

How we engage
We have a wide range of formal and informal communication channels on safety issues:

- Any employee can report a safety concern or incident via the line manager.
- Anyone can report in person or anonymously via the 'Speak-Up' function.
- Safety Champions are nominated across every brand to represent any local issues on behalf of their colleagues.
- Internal communications support the delivery of information campaigns on specific topics.

In 2022, an external safety consultancy was engaged to undertake an independent review of Ascential's health, safety and wellbeing approach to agile, flexible and teleworking. In particular, the focus was on remote working and working from home, both of which have increased since the Covid pandemic. The review process consisted of desk-top reviews of the Ascential policies and associated documents, conversations with senior safety and human resources colleagues and remote interviews with safety representatives and regional colleagues who work remotely or from home.

Ascential's approach was benchmarked against practical guidance issued by the International Labour Organisation 'Teleworking during the COVID-19 pandemic and beyond', 'Healthy and Safe Telework Technical Brief – Geneva 2021' and known best industry practice from other client organisations.

Outcomes from engagement
Overwhelmingly, the review found that the majority of colleagues would like consistent parameters to work within without removing flexibility, but removing the uncertainty. As a consequence of the external safety review we have reviewed and reissued policies relating to Flexible and Remote Working and the supporting safety policies which enable this. Going forward, we will also refresh the way safety training is delivered across the business, via a new online safety training platform.

Internal communications

How we engage

- We have adapted our business-wide internal communications framework to have a divisional focus, ensuring that people are kept up to date with news and business updates that are relevant to them. Each area of the business continues to regularly host virtual all-colleague meetings and team briefings to share news and progress against priorities.
- We ran a global kick off at the start of 2022 in the form of a virtual CEO briefing, outlining company-wide goals for the year ahead. From there, we segmented our conferences into business areas, enabling leaders to define more granular goals for each of their parts of the business. We ran regular Q&A sessions to ensure a two-way dialogue between our people and our senior leadership, ensuring that all voices have the opportunity to be heard. More detail of how we engage with our people is included in the 'Our People' section on pages 56 to 61.

Outcomes from engagement
We create surveys after all of our tent-pole internal events, such as our virtual annual awards ceremonies. The survey results and verbatim feedback that we get from our people informs the planning of our future events, ensuring that our people feel that their opinions are valued and acted upon.

One post-event survey in 2022 found that 85.7% of attendees felt more like part of Ascential as a result of the event.

Building a dialogue with our people

How we engage

- We use employment engagement surveys, which, along with face-to-face feedback helps us understand what people think, any issues they may be having and what they want to achieve in their careers. Our HR business partnering team is embedded in each of our two Divisions ensuring that the People agenda is focused on the unique needs of each of our brands. This has enabled us to provide targeted HR support and build People plans aligned to the strategy of each Division.
- We use an instant messaging and collaboration tool, Slack, which is used for one-to-one messaging, company announcements and team projects.
- We track engagement on internal communications emails and global announcement Slack channels to provide insight into message activity and open rates.
- Internal interviews with our senior leadership team frequently include an open Q&A session, with sessions recorded and shared thereafter
- The Ascential Forum is chaired by our Senior Independent Non-Executive Director Rita Clifton and gives employees the opportunity to share their views and ideas directly with a Board member.

Outcomes from engagement

- We switched from an annual employee engagement survey to a more frequent survey tool, PeakOn. This allows us to gather data and insight on how our employees are feeling across a wide range of questions more frequently, enabling more direct action to address any concerns or issues.
- Following the rollout of Slack and the integration of our internal communications platform into our People system, we have seen increased levels of engagement.
- Rita Clifton, our Senior Independent Director, updates the Board following each Ascential Forum meeting to provide a direct route for the employee voice into the Boardroom.
- We recognised the financial pressure that some of our employees were telling us they were concerned about by providing an exceptional cost of living increase for lower paid employees in high inflation markets in May 2022, as well as targeted energy grants or loans to our people in Europe and the UK.

Diversity & Inclusion

How we engage

- Since the start of 2021 we have published an annual Diversity and Inclusion report which includes a clear vision for our work in this space, a set of 2030 global commitments and annual objectives, along with a progress report against the previous years objectives. These reports provide an update on where work is going well and where further effort is required demonstrating our commitment to being honest and open in order to share learning.
- Our Chief Operating Officer, Paul Harrison, remains our Board level representative on Diversity and Inclusion, along with all ESG overall. Tracey Gray, EVP of People, is the Exec Sponsor. Both these roles are supported by our Diversity and Inclusion Steering Group which we assemble when required to feed into key projects and decisions.
- In July we moved to quarterly engagement survey, which include a standard set of Diversity, Equity and Inclusion questions. The functionality of the new survey tool also enables us to analyse inclusion scores through a range of demographic lenses.

Outcomes from engagement

Scores from the first six months of using the tool indicate that our inclusion scores remain within sector expectations.

Our overall inclusion score is 8.1/10 which includes the question 'I'm satisfied with Ascential's efforts to support Diversity and Inclusion (for example in terms of gender, ethnicity, disability and social-economic status).

Our Diversity & Inclusion report sets out our ambitions in this space: we have work to do in a number of areas of representation with a particular focus being on diversifying our leadership teams. The report sets out our specific targets and objectives.

Colleague networks & forum

How we engage

- We have five Employee Resource Groups: Ascential Pride, Black in Business, Empower our women's network, Shalom Ascential and Latinx. All are colleague initiated and led, supported by a central toolkit, budget and the Head of Corporate Responsibility. In addition they all have Executive sponsors to ensure they have a voice of influence at Senior Leadership level.
- Digital Commerce established a Diversity, Equity and Inclusion (DEI) committee with representatives from each of itd Brands. The purpose of the group is to ensure that each Brand and Employee Network feeds into the Division wide plans for DEI, ensuring representation and a range of perspectives are considered.

Outcomes from engagement

We continue to support our networks and use them as counsel for projects including HR policy review and overall strategy design. All of which contributes towards:

- We score 8.4/10 for the statement 'I believe Ascential would respond appropriately to instances of discrimination'.
- We score 8.1/10 for the statement 'People of all backgrounds have the same opportunities at Ascential'.
- We score 7.7/10 for the statement 'Recruitment processes at Ascential attract and select a diverse workforce (for example in terms of gender, ethnicity, disability and socio-economic status'.

Our investors

Our investors value sustainable growth, responsible capital allocation and investment decisions, and clear communication of strategy, supported by robust financial reports.

How we engage

- We hold a range of Investor meetings throughout the year: post-results roadshows; at investment conferences; and on-demand individual meetings, totalling over 300 individual engagements in 2022, covering around 100 institutions (both holders and non-holders).
- We run product deep dive demonstrations for investors and analysts.
- We deliver twice-yearly analyst results presentations, as well as holding additional meetings and calls throughout the year, totalling over 100 interactions in 2022, across our coverage base of 11 analysts.
- We hold an Annual Capital Markets Day for our coverage analysts and major holders, to provide more granular detail on our progress with strategy, performance and future plans. In 2022 this focused on the Intelligence & Events businesses, their capabilities, business models and addressable markets.
- We hold an Annual General Meeting which all shareholders are welcome to attend, and ask questions of the Board.

In 2022, with the assistance of Rothschild & Co, we undertook a shareholder perception study that delivered responses from 14 investors (representing over 60% of the share capital) on a range of topics including strategy, capital allocation, the performance of management, valuation and growth opportunities.

Outcomes from engagement

We provide the investor community with clear updates on our trading performance and strategic direction. Analysts and investors have the opportunity to give feedback to management on the above and engage in Q&A.

Our partners and suppliers

Our partners want us to work with them to develop productive and fair working relationships, with fair terms of business and fair payment terms.

How we engage

- We hold Quarterly Business Reviews with all key suppliers to review progress on key activity as well as sharing business updates and strategy.
- We operate and publish a Third Party Code of Conduct which sets out the key ethical and business principles we look for in all third parties we work with.
- We operate a prompt payment policy and disclose our payment practices and performance via the UK Government payment practices reporting portal.

Outcomes from engagement

We continued the roll out of SAP Ariba throughout our Digital Commerce division. This tool smoothes the process of suppliers registering to do business with Ascential and owning and updating their data in our systems.

We listen to feedback from suppliers about any challenges in engaging with us, to continuously improve the way Ascential operates with its supply chain.

Wider society

We believe that it is important to adhere to evolving ESG best practice. A crucial aspect of this is having a realistic understanding of the impact our business has and therefore where we can play our part in delivering positive change. Once we understand this we can prioritise resources and activity accordingly.

How we engage

- Our two strategic priorities, Climate Change Resilience and Diversity, Equity & Inclusion, remain at the heart of our work, with a new focus on equipping and empowering our Brands and Regions to deliver a signature move that works for their colleagues and communities.
- Engaging with colleagues in our core regions and co-designing our policies, frameworks and programmes is key to success and we have a range of Corporate Responsibility champions across our business who support this area of work.
- We continue to work with a range of partners on our Early Talent opportunities, these include Speakers 4 Schools who support virtual work experience, Multiverse who are our Apprenticeship provider and Creative Access who support Internship recruitment in the UK.
- You can read more about the outcomes from this work in our ESG section on page 70.

Volunteering day

How we engage

- Our global policy gives all employees one day per year to volunteer at local community projects. This year we've moved from a central theme for those volunteering days to encouraging brands to deliver the opportunities that most resonate for them. This has led to a number of new initiatives, including high school students attending Flywheel's Career Day in partnership with Next One Up (NOU) a long-term mentoring non-profit that transforms the lives of young men in Baltimore City.

Outcomes from engagement

We have developed our charity and volunteering pages on the Company Intranet, enabling more colleagues to easily access this information and discover volunteering opportunities relevant to them.

Fundraising

How we engage

- We have had a long-standing relationship with The Prince's Trust, fundraising as part of the Million Makers competition, and sponsoring the Educational Achiever award for the fifth year of the annual Prince's Trust Awards.
- In addition to our support of The Prince's Trust, we have continued our ethos of enabling our brands and regions to support charities in their local communities, providing support where they see a need.

Outcomes from engagement

The range of charities supported by our fundraising activities has expanded by enabling our brands to develop charitable relationships at a local level.


2022 Million Makers Team Legacy

Amount raised in 2022 for The Prince's Trust

£488k

ESG strategy

Paul Harrison
Chief Operating Officer
Executive Director with responsibility to the Board for ESG matters

"The Ascential Board and leadership team remain focussed on the value we can create as a Company for all stakeholders."

Dear Shareholder,

Our overall approach to Corporate Responsibility is to ensure the impact that our business operations have on the communities and environments in which we operate is positive and considered.

This philosophy of embedding corporate responsibility opportunities and risk management into day to day business operations provides a sustainable way of making progress. Our Corporate Responsibility operating model consists of delivery embedded in our Brand teams, oversight from a central Corporate Responsibility function, and Board level governance. This enables us to align our own priorities and expectations with those of our shareholders, customers and colleagues, across a range of sectors and regions.

An example of this approach in practice is the work Cannes Lions did this year on making the festival the most sustainable in its long history. You can read about the changes we made to mitigate our climate impact and our core charity and community partnerships in the case study at the end of this section.

There are certain projects that remain a priority for all our Brands, providing exciting opportunities for collaboration with colleagues and engagement with customers. Our Employee Resource Groups are one area where we have seen increased employee engagement. Over 900 colleagues now participate in one or more of our five groups, whose work continues to create the inclusive culture we value so highly.

A personal highlight is The Prince's Trust Million Makers competition, an annual fundraising initiative that Ascential has participated in for the last 10 years. This year a team of colleagues from across Ascential fund-raised over £480,000, taking the total raised for this charity through the course of our support to over £2.5million. Seeing the impact that contribution has on thousands of young people, enabling them to access employment, education and training, is a fantastic example of the truly positive impact our business can make.

We welcomed the opportunity to complete the Taskforce for Climate Related Financial Disclosure ("TCFD") for the first time last year. This process made clear the risks and opportunities in relation to Climate Change for our company, and as a result we developed our first set of Climate Change goals and targets. These goals drove our focus on data gathering and baseline setting. We have improved and developed reporting processes across waste management, office emissions and sustainability focussed content. For the second year of TCFD, we have developed a model to understand the financial impact of climate change on our business over the short-to-medium term.

I hope you enjoy reading more about our initiatives in the following pages.

Paul Harrison
Chief Operating Officer
Date 3 April 2023

ESG overview

The following table summarises and signposts the ESG policies and reporting we have in place across Ascential. All policies are available for our colleagues in English, Simplified Chinese and Portuguese.

ESG area	Core policies and standards	Reporting and further information
Environmental	– Streamlined Energy and Carbon Reporting (SECR) disclosure – Carbon Disclosure Project – Third Party Supplier Code of Conduct Sustainability Statement	– Climate resilience section (page 72) – Climate resilience governance and risk management (page 74) – Taskforce on Climate Related Disclosures statement (page 73)
Social impact	– Charity Match Policy – Flexible Working Policy – Family Friendly Policy – Parental Leave Policy – Equal Opportunities Policy – Volunteering day allowance – Diversity and Inclusion Commitments	– Social Impact (ESG) section (page 84) – People section (page 56) – Diversity, Equity and Inclusion at Ascential (ascential.com/about-us/responsible-business)
Governance	– Code of Conduct – Modern Slavery Statement – Supply Chain Code of Conduct – Tax policy statement – Data privacy policy – Data harvesting guidelines	– Audit Committee report (page 107) – Risk Management and Principal Risks (page 48) – Our website ascential.com/about-us/responsible-business

MSCI ESG rating

CCC	B	BB	BBB	A	▼ AA	AAA

MSCI

CDP
DISCLOSURE INSIGHT ACTION

Sustainalytics ESG risk rating

NEGL	▼ LOW	MED	HIGH	SEVERE

SUSTAINALYTICS

Environment – Climate Change Resilience

Overview

Progress made in 2022

- We launched our initial set of Climate Change KPIs of which over 75% have been achieved throughout the year, with the remainder deferred to 2023 to enable data driven insight into setting reduction targets.
- We began measuring carbon emissions and waste baseline data across key material areas to enable reduction targets to be set in 2023.
- The 2022 Cannes Lions Festival adopted a number of new measures to improve sustainability, including measuring carbon emissions of the Festival for the first time to inform sustainability plans and reduction targets.

Activity in detail

- More information on our activities relating to Climate Change, carbon emissions and waste is included in the TCFD statement on pages 73 to 83.
- More information on the work to improve sustainability of the Cannes Lions Festival is included in the Lions Case Study on page 93.
- WARC has partnered with LIONS and the UK's Advertising Association to launch the WARC Sustainability Hub, which helps marketers understand and solve the challenges of sustainability, including net zero. The Sustainability Hub brings together a curated collection of content including best practice, effectiveness case studies and thought leadership. It features resources from Ad Net Zero, a UK industry-wide initiative led by the Advertising Association, the IPA and ISBA, to reduce the marketing industry's carbon impact.
- Sustainability remains a strategic imperative within WGSN with KPIs set on content creation, internal training and developing client offers to incorporate sustainability.

Looking ahead to 2023

Emissions data capture and reporting will be a core focus for 2023, with a particular focus on measuring scope 3 emissions in our value chain.

Sustainability in our event operations will continue to be a key priority. This will include rolling out carbon footprinting work across all of our events along with a commitment to use our platforms to share thought leadership and best practice.

Taskforce on Climate Related Financial Disclosures statement

Ascential knows that transparency regarding climate-related risks and opportunities is critical to maintaining the trust of our stakeholders and allows our investors to better understand the implications of climate change for our Company. This report is structured into four sections: Governance, Strategy, Risk Management, and Metrics and targets. These topics align to the TCFD's recommended disclosures, and provide an explanation of how we understand and manage the risks and opportunities associated with climate change at Ascential. Although we are not fully compliant, we consider that the following report provides sufficient information to meet all of the requirements of the TCFD Framework in respect of the 2022 financial year, with the exception that we have prioritised climate-related risks over climate-related opportunities and we have not fully quantified the financial impact of climate change over the short, medium and long term (see page 76 for more detail on financial impact assessment). Whilst high-level climate-related opportunities have been identified, we consider them to be long-term opportunities and so have not yet defined them in terms of the four TCFD pillars or set targets to achieve them. We intend to complete these activities by the end of 2024.

Progress since our 2021 report

TCFD Pillar	Key developments
Governance	– We have instigated a Sustainability Forum for the brands we have identified as having the most material risks or opportunities related to climate change. This includes all of our events brands and WGSN, whose customers require sustainable credentials and expertise. – The principal aim of the Sustainability Forum is to share learning, identify opportunities for emissions reduction and work together on shared goals and commitments.
Strategy	– The financial implication of climate-related risks were assessed over a five year period to 31 December 2027 and incorporated into viability assessment processes. – Through the Sustainable Development Goals (SDG) Lion and its partnership with the United Nations, Lions helped to drive awareness of the UN's SDGs and inspire the global creative industry to accelerate progress towards achieving them. – Sustainability remained a strategic imperative for WGSN with KPIs set on content creation, internal training and developing client offers to incorporate sustainability. – Sustainability was one of 5 core content pillars for Lions and a baseline carbon footprint was calculated for the first time with key supplier engagement. – Money20/20 reviewed core event logistics and suppliers with a view to reducing emissions and waste.
Risk Management	– The risks identified as material through scenario analysis in 2021 were reviewed and updated. – Our physical asset locations and those of our top 10 customers were mapped against the Notre Dame-Global Adaption Country Index to assess vulnerability to climate change.
Metrics & targets	– We tracked the direct emissions footprint of Cannes Lions to establish a baseline from which we can identify targets and emission reduction priorities. – We have made progress against our climate related KPIs identified in the 2021 report (see section 'metrics & targets' below for more details.

Taskforce on Climate Related Financial Disclosures statement continued

Governance

Our Board of Directors actively oversees Ascential's business strategy. At its regular Board meetings as well as at the annual strategy offsite, our Board engages in robust discussions about strategic goals. Our Board recognises that operating responsibly is fundamental to the long-term success of Ascential.

Section	Our Governance
Board oversight	The Board has primary oversight and ultimate accountability for our ESG performance, including the approach and actions taken in relation to climate-related risks and opportunities. Paul Harrison, COO, is the executive sponsor of Ascential's ESG policy and we also benefit greatly from the experience of our Senior Independent Director, Rita Clifton CBE, who is concurrently serving as Chair of Forum for the Future and Trustee of Green Alliance. The Board receives an update on our ESG performance at least annually and approves the setting of ESG related targets for future periods. In 2023, the frequency of Board ESG updates will increase to quarterly. The Board reviews climate-related risks and mitigating activity as an integrated part of its review of principal risks. The Audit Committee reviews the work management conduct to quantify the financial impact of climate-related risks. During 2022, the Committee reviewed the work management conducted to quantify the financial implication of climate-related risks and opportunities over a five year period to 31 December 2027 and the way it was reflected in the Group's long-range financial forecast. The Audit Committee annually reviews the effectiveness of the Company's internal control and risk management processes, which includes the management of climate-related risks.
Management's role	We drive our business forward through the management structures we have put in place and the planning and implementation processes we use for decision making and action planning. Our management team is organised across our four business segments with Product Design, Marketing and Retail & Financial Services forming the Intelligence & Events Division managed by Phil Thomas (CEO I&E) and the Digital Commerce division managed by Duncan Painter (CEO DC). As the risks and opportunities for each division differ, they each play a role in the assessment and management of climate-related risks and opportunities through the enterprise risk management framework (see page 48 for more details) . Our Head of Corporate Responsibility works across both divisions to identify climate related risks and opportunities, set company wide goals, align activity with identified goals, measure company wide impact and also report on progress. Cannes Lions, Money20/20, WARC and WGSN all participate in a cross brand Sustainability Forum, led by our Head of Corporate Responsibility, which meets twice a quarter. The aim of the Forum is to raise awareness and upskill our colleagues on climate change and sustainability in order to better serve our customers in this area and meet our company-wide goals. The agenda in 2022 has focused on cross company opportunities to upskill colleagues on sustainability issues and a shared approach to event sustainability.

Risk Management

Section	Risk Management
Risk Identification and assessment process	In 2021, the TCFD working group conducted a materiality assessment and qualitative scenario analysis exercise to identify climate-related risk and opportunities that are material to Ascential. During 2022, the climate-related risks and associated KPIs identified through this assessment were integrated into our enterprise risk management process (please see page 48 for more detail). Climate-related risks which are considered material at a group level have been included in the Company's principal risk register within the relevant principal risk (e.g. 'changing business model' and 'changes in consumer behaviour' which both fall as sub-risks under 'customer end-market development'). Please see the principal risk section on page 50 for more detail.

Strategy

Section	Our Strategy
Materiality assessment	The materiality assessment conducted in 2021 identified that the impacts from a societal transition to a low carbon future are more likely to impact Ascential than the probable physical impacts of climate change. Materiality was determined through a weighted classification of internal and external data sources, resulting in an inherent risk score that determined three categories: material (mitigate), not currently material (monitor) and immaterial (accept). We identified some material risks and opportunities that are equally applicable across our business (e.g. carbon reporting) and others that are product specific (e.g. event waste) but deemed material due to their significant financial and reputational impact. A full list of our material climate-related risks and opportunities are outlined on the following pages.
Qualitative scenario analysis	For the qualitative scenario analysis exercise we created a single pathway to the year 2040 that allowed us to explore how the material risks and opportunities may develop in the short (<3 years), medium (3-15 years) and long-term (>15 years). Our scenario was based on 2°C average global warming by 2100 as the most likely warming scenario, using a combination of projected physical changes (informed by the Representative Concentration Pathways) and socio-economic changes needed to tackle climate change (informed by the Shared Socio-economic Pathways). The scenario analysis was designed to explore one potential future and the results of our scenario analysis have been used to validate our risk identification and mitigation approach based on this 'middle of the road' future scenario. This assessment was reviewed in 2022 in the context of amended regulatory requirements and new risks and opportunities associated with acquisitions and disposals made during the year.

Taskforce on Climate Related Financial Disclosures statement continued

Section	Our Strategy
Financial impact of climate-change related risks and opportunities	During 2022, we considered the magnitude of the defined climate related risks over the period FY23 to FY27, which is the period used by the Board for medium-term planning. We concluded that some of the material climate-related risks would not have a material financial impact in the five year review period. These risks were therefore deemed immaterial for the purposes of assessing financial impact over the period to FY2027. For climate-related risks that may be material, we identified drivers of the financial impact associated with each risk and considered in more detail whether there would be a material impact in a five year period. In some cases, costs were incorporated into business plans (e.g. Cannes Lions) however for others we do not yet have sufficiently detailed information to support incorporation into our financial planning process. We intend to revisit assessing the financial impact of climate change related risks and opportunities once we have completed our costed net zero transition plan in 2023. Overall, we consider that the Company remains resilient to climate-change risk and the impact of a 2 degree warming scenario is low.

Climate-related material risks

Risk	Category	Description	Impact	Mitigating Activity
Changing business model	**Transition:** Market	**There is a risk that...** Ascential is unable to adapt and respond to changing market needs as our customers work to improve their own sustainability performance. Timeframe: Medium Likelihood: Medium Impact: High	Customers experience climate-related regulatory increases, and their budget prioritisation may change as they experience climate-related cost increases (such as fuel, energy licensing, etc.). Some customers may be lost if Ascential lacks the advisory and communications skills to market its sustainability credentials effectively.	Continue market scanning to inform Ascential strategy and ensure that we develop our proposition to respond to customers' needs. Maintain a close dialogue with customers to monitor changes in demand for climate-related products and capabilities.
Carbon reporting	**Transition:** Policy and legal	**There is a risk that...** Ascential does not have the resources needed to meet reporting requirements to the frequency or quality required. Timeframe: Short Likelihood: High Impact: Medium	As the operators of some of the largest and most complex datasets in the sector, Ascential must demonstrate an ability to account for and mitigate or offset the emissions associated with this data requirement.	Employ an external consultant to calculate and produce the annual SECR and carbon emissions reporting information. Formalised and documented process for reporting scopes 1 and 2. Continue to monitor obligations and stakeholder expectations around carbon reporting and take appropriate action.

Risk	Category	Description	Impact	Mitigating Activity
Waste	**Transition:** Technology/ Reputation	**There is a risk that...** avoidable waste from events becomes societally unacceptable due to its cumulative impact. Timeframe: Short Likelihood: High Impact: Medium	Increased cost or scrutiny surrounding the waste generated as part of business operations, including event merchandise. Some customers may become unwilling to be associated with our flagship events because of environmental impact.	Cannes Lions 2022 continued to improve sustainability at the Festival. Activity included reducing and recycling event merchandise, using a third party to measure delegate travel, and investigating where emissions can either be eliminated or offset. Investigate how to improve the environmental impact of Ascential's other events. Review and reduce the volume of single-use products and waste generated from events.
Changes in consumer behaviour	**Transition:** Market	**There is a risk that...** society moves away from current levels of consumerism. Timeframe: Medium Likelihood: High Impact: High	A systemic change in the way consumers purchase goods with large-scale reductions in the purchasing volumes and a pursuit of longer lasting, high-quality products.	Monitor demand for climate-related products and capabilities and explore opportunities to align our services with the value of purchased goods rather than volume of purchased goods.
Business disruption	**Physical:** Acute/ Chronic	**There is a risk that...** Ascential faces business disruption, due to global factors (e.g. large-scale social unrest) or local incidences (e.g. property damage from extreme weather events). Timeframe: Medium/ Long Likelihood: Medium Impact: Medium	Compromised ability to deliver customer services, resulting in a loss of revenue.	Continue to maintain Ascential's business continuity planning including reviewing the plan in the context of geographical exposure associated with newly acquired businesses. The nature of Ascential's business, being asset-light and diversified across different sectors and regions, minimises the potential impact of localised geopolitical disruption or physical climate impacts. We lease our office space with shorter period leases where possible to maximise flexibility.
Event attendance	**Transition:** Market/ Reputation	**There is a risk that...** customers perceive emissions associated with attending events to be a barrier to attendance. Timeframe: Medium Likelihood: Medium Impact: Medium	Event organising services need to adapt to a changing market where flights are expensive, and participants are increasingly conscious of the climate-related impacts associated with travel.	Demonstrate our credentials as an industry leader in sustainable events. Leverage hybrid event offerings. Reduce or offset emissions associated with delegate travel.

Taskforce on Climate Related Financial Disclosures statement continued

Metrics & targets

We track a variety of climate-related metrics and use these metrics to manage performance against our goals and to monitor current and future climate-related risks.

Section	Our metrics and targets
Metrics and targets	Our KPIs include a range of our direct operations as well as interactions with partners to monitor our transition to a net-zero business. The climate-related targets we set in 2021 remained relevant in 2022. Progress against these targets is set out in the table below. A key focus for the year, which will continue into 2023, is to improve the processes around carbon emissions data management and establish a baseline for reduction setting targets across all areas of business activity. We included climate-related indicators in an initial set of brand trackers in 2022 to develop a better understanding of our customers' sustainability needs. In addition to the KPIs listed below, we have been measuring and reporting our direct energy consumption and carbon emissions since 2016, and our Streamlined Energy Carbon-related disclosure can be found on page 81. We do not apply a materiality assessment to our Scope 1 and 2 emissions. In 2023 we will undertake a cost based scope 3 analysis to understand our material scope 3 emissions and enable us to set realistic and meaningful reduction targets.

Climate–related Targets

Risk	Metric	Target	Progress to date
Carbon reporting	% Reduction (scope 1 and 2)	Develop plans to get to operational net zero by 2030. Develop a costed Carbon Transition Plan in 2023.	We have identified the need to develop a carbon transition plan, which will identify the costs, targets and activities required to achieve the UK commitment for all businesses to be net zero by 2050. The transition plan will inform realistic and meaningful carbon reduction targets. Therefore, we have deferred setting reduction targets until the transition plan has been developed.
Carbon reporting	% Data centre footprint using renewable energy or carbon reduction, or tCO2e associated with data centre.	Calculate baseline of Ascential tCO2e associated with data centres. 100% of third-party data centres use renewable energy by 2025. Set offset targets for tCO2e associated with Ascential's data centre usage.	The majority of our data is cloud stored with services which use renewable energy. The few remaining contracts with physical data centres are aiming to be transferred to renewable energy providers in 2023. Targets for offset and/or reduction will be calculated as part of the transition plan in 2023.

Risk	Metric	Target	Progress to date
Carbon reporting	CO_2e/per attendee	Carbon footprint all major events in order to set baseline data and develop targets for emissions reduction as part of the transition plan, to be completed by the end of 2023.	Cannes Lions worked with suppliers to calculate baseline carbon footprint for the event in June 2022. Reduction targets will be set in 2023 as part of the costed net zero transition plan. Our other major events brands will conduct the same exercise in 2023.
Waste	Tonnes of waste per attendee	Waste footprint calculated for all major events in order to set baseline data and develop targets for reduction.	Cannes Lions worked with suppliers to calculate baseline waste footprint for the event in June 2022. Reduction targets will be set in 2023 as part of the costed net zero transition plan.
Waste	% of office waste recycled	Audit all offices by the end of 2023 in order to assess current and future capabilities for waste disposal and recycling. Set targets for recycling and reducing waste to landfill by end of 2023.	We have audited 50% of our offices for recycling facilities and of those audited 78% have paper recycling facilities and 72% have plastic recycling. We intend to increase this to 100% of leased offices during 2023.
Change in consumer behaviour	number or % Increase of sustainability-focused content	Put measurement system in place to measure sustainability-focused content across all brands. Continue to Upskill content creators on Sustainability issues. Set targets for % of content to include Sustainability considerations.	Over 180 pieces of sustainability focused content were published in 2022. Three of our brands have targets around the amount of sustainability content they produce. This approach to goal setting will be rolled out further in 2023.
Business disruption	% Suppliers with carbon reduction targets	100% of suppliers with spend over £50,000 per annum signed up to climate change statement in RFP.	We updated our Supplier Code of Conduct to include a requirement for our suppliers to adhere to all applicable environmental laws and regulations, and to appropriately mitigate climate change risk and contribute to reducing the environmental impact of their products and services. We will extend this to all suppliers in 2023. All suppliers signing contracts with us in 2022 signed up to the new code of conduct.

Taskforce on Climate Related Financial Disclosures statement continued

Risk	Metric	Target	Progress to date
Business disruption	Number of sole suppliers / key dependencies in geographies at high risk from physical effects of Climate Change	Assess supply chain to understand the risk related to sole suppliers or key dependency suppliers. Set targets regarding management of sole suppliers or key dependency suppliers at high risk from physical effects of Climate Change before the end of 2023.	Supply chain risk continues to be managed by our Procurement team with support from our Director of Safety and Security. Climate change risk is now considered through this process, with a focus on regions identified through the ND-GAIN Country Index as high risk.
Event attendance	% score against Ascential sustainable events indicators	Develop Ascential sustainable events indicators (e.g. net zero emissions, no single-use plastic, maximum % of waste to landfill) by the end of 2023. Set minimum % Ascential events must obtain against the Ascential sustainable events indicators by the end of 2024.	Measuring the carbon footprint of the events, which was completed for the Cannes Lions Festival in 2022, was the first step to enabling the development of the sustainable events indicators in 2023.

Climate-related opportunities

As part of our assessment process, we explored potential climate-related opportunities as well as assessing our material climate-related risks. We have focussed on managing our climate related risks and so continue to be at an early stage of this opportunity assessment. Our strategy will continue to evolve as we better understand the scale of our climate-related opportunities.

Streamlined Energy and Carbon Reporting

This report meets the reporting requirements under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 to implement the UK government's policy on Streamlined Energy and Carbon Reporting (SECR). This report includes global carbon emissions data from the current and previous two years. All entities within the Group are included in the scope of emissions reporting.

We have reduced our scope 1 and 2 emissions when viewed via the intensity factors of both square footage and headcount. The main driver of this reduction was the consolidation of our London offices into one building, which is used more intensively. As expected and explained last year, our scope 3 carbon emissions have increased from 2021 driven by the easing of Covid restrictions and the return of our global events. Due to the impact of Covid on travel and office occupation in 2020 and 2021, we will adopt 2022 emissions as our baseline for setting reduction targets as they represent a more meaningful starting point. The UK element of this report will be used as the Total Energy Consumption (TEC) element of the Phase 3 Energy Savings Opportunity Scheme (ESOS) report, which is due to be published in 2023.

You can read more about our plans for reducing our emissions in the previous sections on Climate Change Resilience and in our Task Force on Climate Related Disclosures statement.

Methodology & Scope:

Regional Office Managers work with landlords and lease holders to obtain records of gas and energy usage in our offices throughout the year.	Office Managers submit site energy usage to the centrally managed data management tool.	Data is quality checked by the Property and Corporate Responsibility Team. It's compiled to send to the external consultant for checking and reporting purposes.	External Consultant analyses data. Relevant conversion factors are applied and the data is checked against supporting evidence to produce SECR report.	Report assessed internally and relevant commentary added to provide additional information on any data changes.

The adopted methodology used is based on the Greenhouse Gas Protocol Corporate Reporting Standard reporting on equivalent CO_2 emissions from organisational boundaries. Information has been gathered in a format intended to be compliant with the ESOS Regulations. For scope 1 & 2 emissions, we have collated data into kWh for all UK and global based operations directly owned or operated by Ascential (i.e. the organisational boundary), excluding co-working spaces with less than 10 desks hired. The kWh have been converted to equivalent tonnes of carbon dioxide (tCO_2e) using 2022 UK Government Greenhouse Gas Conversion Factors for Company Reporting as well as data published for the conversion of international emissions using Gross Calorific Value. Scope 3 emissions relating to centrally managed business travel and global air travel have also been measured.

As part of our work to improve our greenhouse gas reporting process, we conducted an assessment of the material sources of scope 3 emissions within our business activities, in line with 15 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The main criteria for materiality were size, influence on reduction, links to climate change and stakeholder preference in line with the Greenhouse Gas Protocol guidance. In 2023 we will continue to develop our process for assessing and measuring our scope 3 emissions as well as identifying opportunities for reducing our environmental impact.

The table on page 83 outlines the scope 3 categories we consider to be most material to our value chain.

Streamlined Energy and Carbon Reporting continued

Global Greenhouse Gas (GHG) Emissions Summary:

The table below includes combustion of fuels (Scope 1), purchase of energy including electricity, heat and cooling (Scope 2) and business travel and hotel emissions (Scope 3)

	2020	2021	2022	Unit
Emissions Type				
Scope 1 [1]	5.15	0	**0**	Tonnes of CO_2
	28,020	0	**0**	kWh
Scope 2 [2]	724.90	709.62	**758.11**	Tonnes of CO_2
	2,369,630	1,907,144	**2,322,710**	kWh
Total Scope 1 & 2	730.05	709.62	**758.11**	Tonnes of CO_2 kWh
	2,397,650	1,907,144	**2,322,710**	
	23.60% from UK	10.25% from UK	**18.26% from UK**	
Intensity Factors				
1. Turnover	not used	not used	**£526.8m**	Revenue in GBP
2. Total area	22,577	21,509	**26,344**	Square metres
3. Total headcount	1,991	2,545	**3,347**	Full-time equivalents
Carbon intensity 1	not measured	not measured	**1.44**	Total tCO2e/£m revenue
Carbon intensity 2	32.33	32.99	**28.78**	Total $kgCO_2e/m^2$
Carbon intensity 3	366.65	278.80	**226.50**	Total $kgCO_2e$/FTE
Scope 3 emissions				
Global Car travel [3]	17.05 From 98,100km	1.56 From 9,010km	**7.70 From 45,256 km**	Tonnes of CO_2
Global Air travel [4]	1,495 From 7,801,850km	217.90 From 905,887km	**2,289.30 From 13,721,410km**	Tonnes of CO_2
Global Hotel Nights	44.57 From 1,869 nights	4.50 From 277 nights	**79.21 From 4,778 nights**	Tonnes of CO_2
Global Rail Travel	not measured	1.52 From 39,964 km	**32.15 From 905,840 km**	Tonnes of CO_2
Total reported Scope 3	1,556.62	225.48	**2,408.36**	Tonnes of CO_2
Total reported Scope 1, 2 and 3	2,286.67	935.10	**3,166.47**	Tonnes of CO_2

1 Scope 1 emissions from natural gas only.
2 Scope 2 emissions data includes some pro-rata data on landlord supplied energy including an average kWh/m² rate for offices without metered billing.
3 Global Business Car Travel relates to grey fleet expenses returns from staff using their own transport with appropriate fuel rates applied.
4 Global air travel emissions are split 60/40 between flights to/from UK and non-UK flights for average passenger.

Materiality of Scope 3 Emissions

Category 1 – Purchased goods and services	Relevant, emissions not yet calculated
Category 2 – Capital Goods	Currently assessed not relevant
Category 3 – Fuel and energy related activities (not included in scopes 1 & 2)	Relevant, emissions not yet calculated
Category 4 – Upstream transportation and distribution	Currently assessed not relevant
Category 5 – Waste generated in operations	Relevant, emissions not yet reported
Category 6 – Business Travel	Relevant and emissions reported annually
Category 7 – Employee commuting	Relevant, emissions not yet calculated
Category 8 – Upstream leased assets	Relevant, emissions not yet calculated Applicable to our brands which produce events
Category 9 – Downstream transportation and distribution	Currently assessed not relevant
Category 10 – Processing of sold products	Currently assessed not relevant
Category 11 – Use of sold products	Relevant, emissions not yet calculated Applicable to our brands which produce events
Category 12 – End of Life treatment of sold products	Relevant, emissions not yet calculated Applicable to our brands which produce events
Category 13 – Downstream leased assets	Relevant, emissions not yet calculated
Category 14 – Franchises	Currently assessed not relevant
Category 15 – Investments	Currently assessed not relevant

Social impact

Charity Partnerships

Progress made in 2022

- We have maintained our partnership with The Prince's Trust for the 10th year and sponsored the 'Education Achievers Award' for the fifth year running.
- Brands also developed charitable partnerships at a local level that aligned with their brand values and colleague interest. This saw a wide range of organisations being supported in a range of ways from charitable donations, to volunteering and skills sharing.

Activity detail

- This year the Million Maker's team raised £488,000 for The Prince's Trust, taking our total amount raised over 10 years to £2.5 million. The Trust is a youth charity that helps young people aged 11 to 30 get into jobs, education and training. The Million Maker's competition sees a team of colleagues volunteer for six months to work together to raise as much money as possible for the charity.
- Lions once again donated the profits from the Sustainable Development Goals (SDG) Lion to a range of charities or Not-for-Profit organisations who had entered and won an SDG Lion. Entrants have to demonstrate how they have advanced or contributed to the SDG 2030 goals. In addition, the Glass Lion raised €52,000 for charities supporting gender equality.
- We continue to support Goals for Girls through a three year sponsorship agreement. They are a London based charity supporting young women and girls in raising their aspirations, confidence and motivational skills by breaking down social and personal barriers through sports and education.
- We ensured that our colleagues affected by the Ukraine war had the support they needed. In addition we donated £100,000, split across the UNHCR (UN Refugee Agency), UNICEF and British Red Cross to support refugees. Lions welcomed free of charge Ukraine creatives who were able to attend Cannes Lions and refunded award submissions for Ukraine agencies.
- Examples of charitable giving at a brand level include Flywheel Digital and Whytespyder. Flywheel Digital continued its partnership with Next One Up (NOU), a long-term mentoring non-profit that transforms the lives of young men in Baltimore City by supporting their development with programming starting in middle school. They have recruited a growing number of NOU alumni and have partnered on events that directly support the learning and long-term development of their students. Whytespyder donated $75,000 to charities supporting child safety, healthcare, and women's rights. Their involvement with these charities went beyond fundraising, with employees volunteering and promoting the events through official channels.

Looking ahead to 2023

- We will continue to partner with The Prince's Trust, raising vital funds for their inspiring work.
- Brands will be encouraged to develop charity partnerships at a local level that align with their colleagues, communities and customers' priorities.
- We will develop further volunteering opportunities as a way to bring colleagues together and support local charities.

Diversity, Equity and Inclusion (DEI)

The following section provides details of the work we are doing for our customers and wider society in relation to DEI. For information on our DEI work in relation to our colleagues please see page 60 of our People section.

Commitments

Vision

For Ascential, diversity is at our core. Our value as an employer and to our customers is greater when we draw on the full range of our collective perspectives and experiences. We continue to be committed to attract, retain, develop and engage a diverse workforce, and we will work constantly to ensure that everyone at Ascential feels comfortable to be themselves. This is the right thing to do to ensure a sustainable future for our organisation and to make a positive impact for our people, customers and society.

Commitments

To employees
We will co-create an inclusive culture with equitable systems throughout our workforce, so that people are comfortable in bringing their authentic selves to Ascential, to thrive and progress their career.

To customers
We will deliver the ideas, perspectives and cultural richness that our customers – and their customers – need to future-proof their products and services.

To society
We will play our part in imagining and developing a brighter, more equal society, starting with our own company and the industries we work in. We will report openly and regularly on our progress to enable others to learn from us and hold us to account.

Objectives

Employees
- We aim to create a workforce that fully reflects, at all levels, the ethnic diversity of our major markets before 2030.
- We aim to ensure our senior leadership represents an equal gender split before 2030.
- We commit to measuring and assessing any possible gender and ethnicity pay gap.

Customers
- Each of our major brands will develop specific, measurable and public ways of championing diversity in their respective industries and track progress systematically.

Society
- We will report honestly on our workforce diversity data and initiatives on an annual basis to create accountability, show progress and share our lessons.
- We will continue to manage and seek appropriate charity partners in line with our ambitions to support young people to succeed in the digital world.

Diversity, Equity and Inclusion (DEI) continued

Progress made in 2022

- We conducted our fourth Inclusive Representation Content Audit, part of an internal programme of activities which measures and delivers representative content and marketing.
- Lions continued its partnership with Black Executive CMO Alliance (BECA) to support the next generation of Black marketing leaders.

Activity detail

- Since our first Inclusive Representation Content Audit in 2021, our Content and Marketing teams have implemented action plans to ensure that their content represents the diversity of the communities we serve. Through the audits we assess the perceived gender and race and ethnicity of all quoted individuals, contributors and imagery used. Our last audit of October 2022 reviewed 1,349 pieces of content and the overall gender split was 45% men, 50% women and 4% unidentified. This is a 5% increase in female representation from the first audit conducted in May 2021. 26% of images and contributors were from a perceived minority ethnicity and 68% from a majority ethnicity which is consistent with the results from 2021.
- Tracey Davies, the President of Money 2020, was named Diversity, Equity and Inclusion Industry Champion by The Financial Technologist for the 'Do Better Pledge' programme. This programme works to increase representation around gender, and race and ethnicity, on panels at Money20/20 events.
- Lions had DEI as a content pillar at the Cannes Lions Festival in June, ensuring it was a core theme running through every stage and presentation. The Brand continued its partnership with Black Executive CMO Alliance (BECA) to support the next generation of Black marketing leaders. In conjunction with The BECA Playbook, the alliance sponsored eight Future Leaders to attend the Cannes Lions Festival. It was the first time BECA took to the global stage at Cannes leading discussions on the role of Black marketers in disrupting the marketplace, diversifying brand storytelling, and creating a pipeline for Black marketing leaders.

Looking ahead to 2023

- Brands will continue to lead on activity which matches the priorities of their colleagues, customers and communities
- Our 2023 DEI report, to be published in Spring 2023, will set out the commitments for the year ahead along with reporting progress against existing commitments.

Money20/20's Do Better Together programme

Governance

This section relates specifically to how we govern our ESG work. For information on governance at Ascential more broadly, please see the Corporate Governance Report on page 102.

Overview

Progress made in 2022

- Governance of issues related to environmental and social impact are starting to be embedded within Divisions and Brands.
- Establishment of groups such as the Ascential Intelligence and Events Sustainability Forum and the Ascential Digital Commerce DEI committee put accountability and governance within the Divisions.

Activity detail

- Paul Harrison is the Executive Director with responsibility to the Board for ESG matters.
- Digital Commerce has established a Diversity, Equity and Inclusion (DEI) committee with representatives from each of their Brands, who together are taking the lead on strategy and activity. They report into the Digital Commerce Executive Committee.
- Ascential Intelligence and Events have DEI committees at brand level and have established a Sustainability Forum at Division level. The Forum is responsible for coordinating Sustainability work from across the brands, aligning best practice, sharing goals and reporting back to the Ascential Intelligence and Events Executive Committee.
- The Central Corporate Responsibility Function supports across both Divisions to identify ESG related risks and opportunities, set company wide goals and KPIs, align activity with identified goals, measure company wide impact and report on progress.
- The Ascential Audit Committee reviewed and signed off the process we developed to consider the climate-related impact on Ascential's consolidated financial results over the next five years.
- The Annual ESG update was shared with the Board which included progress against ESG targets and KPIs, reports on key projects and provided the opportunity for the Board to shape priorities.

Looking ahead to 2023

- We relaunched the Ascential Code of Conduct in January 2023, ensuring that all colleagues, including new acquisitions, have read and understood our policies and ways of working.
- ESG Dashboards will be created for Divisional Executive Committees and the Board to more readily monitor progress and priorities throughout the year.

Cannes Lions' See It Be It programme

Compliance Framework

Our formal compliance framework enables a structured and consistent approach to managing our ESG policies and compliance more generally. The framework is structured around 12 Compliance Pillars under which we focus our priorities. Where appropriate we have policies governing each area and further information is provided below.

Summary of the Compliance Framework

	People	Acting with integrity	Good operational governance
Code of Conduct	●	○	○
Whistleblowing	●	○	○
Competition Law	○	●	○
Anti-Bribery and Corruption	○	●	○
Financial Crime	○	●	○
Listing Requirements (inc. Market Abuse Regulations)	○	●	○
Economic Sanctions	○	●	○
Third Party Code of Conduct	○	●	○
Data Security	○	○	●
Data Privacy	○	○	●
Health and Safety	○	○	●
Physical Security	○	○	●

Employee Code of Conduct

The Ascential Code sets out our key compliance commitments, and expectations in terms of ethical and lawful conduct for our people and external partners.

It is available in English, Simplified Chinese and Brazilian Portuguese for our colleagues.

The code of conduct is broken down into four sections:

About the code

- Details how the code is applicable to all colleagues and partners who act as an extension of our business including consultants, suppliers and joint venture partners.
- Details of our 'Speak Up' service are included which is our whistleblowing system – further details on page 91.

We are committed to ethical and safe working

The policies included in this section are:

- Whistleblowing policy
- Equal Opportunities policy
- Health and Safety policy
- Conflict of Interest policy

The section sets out how we respect others, promote well-being and safety and avoid conflicts of interest.

We act with integrity

The policies included in this section are:

- Records retention policy
- Anti-facilitation of tax evasion policy
- Anti-bribery and corruption policy
- Gifts and hospitality policy
- Expenses policy
- Sanctions policy
- Employee Share Dealing code

The section sets out how we keep accurate records, actively prevent illegal transactions, do not tolerate any form of bribery and corruption and the approach we take to gifts and hospitality. We follow trade sanctions and explain the prohibition on insider dealing. We compete honestly and fairly.

We operate responsibly

The policies included in this section are:

- Cyber Incident Policy
- Acceptable Use Policy
- Data Classification Policy
- Guide to Working with Procurement
- Third Party Code of Conduct (more details on page 89)
- Global Data Protection
- Standards and Procedures

This section sets out how we protect our assets and information and the personal information and data from our colleagues, customers and clients. We value and respect our partners and source responsibly, ethically and lawfully.

Third-Party Code of Conduct

To best serve our customers we require a truly global supply chain. We also recognise that responsible and ethical sourcing is key to our success. Our Third Party Code explains our ethical approach to doing business and the standards we expect all our suppliers to abide by as well as what we expect of our suppliers' subcontractors.

During 2022, we added Climate Change risk as a new standard in our Third Party Code of Conduct to address the risk climate change has in our supply chain.

Main principles of Third Party Code of Conduct:

No forced, involuntary or child labour
- There is no forced, involuntary or debt bonded labour in any form including slavery or trafficking of persons. There are no workers under the age of 15, or where it is higher, the mandatory school leaving age in the local country. The use of legitimate workplace apprenticeship programmes, which comply with all laws and regulations, is supported.

Freedom of association
- Workers, without distinction, have the right to associate freely, join or not join labour unions, seek representation and join workers' councils as well as the right of collective bargaining in accordance with local laws.

Diversity and equality
- There is equality of opportunity and treatment regardless of physical attributes or condition (including pregnancy), gender, religion (or absence of such beliefs), political opinion, nationality, sexual orientation, age or ethnic background. Equal pay for work of equal value is supported. Discrimination or intimidation towards and between employees is opposed, including all forms or threats of physical and psychological abuse.

Business integrity
- There is no tolerance of any form of corruption, bribery, fraud, extortion or embezzlement and business is conducted in a manner that avoids conflicts of interest.

Read more
The full Third Party Code of Conduct is available on our website: **ascential.com**

Fair competition
- Fair business, advertising and competition are supported.

Intellectual property, privacy and data security
- There is respect for and protection of intellectual property rights, data and confidential information to safeguard it against and prohibit loss and unauthorised use, disclosure, alteration or access. Our intellectual property and confidential information are handled and data processed on our behalf only for the purposes for which they were made available, received or collected in accordance with the reasonable directions provided by us.

Business continuity
- Any disruptions of business are prepared for (including but not limited to natural disasters, pandemic, terrorism or cyber attacks). Risks are frequently assessed, and appropriate controls put in place and regularly tested.

Quality, health, safety and environment
- All required quality, health, safety and environment related permits, licences and registrations are obtained, maintained and kept up to date and their operational and reporting requirements are followed. Proper provision is made for the health, safety and welfare of employees, visitors, contractors, the community and the environment.
- Health, safety and environmental risks are regularly assessed, and appropriate controls are put in place bearing in mind the prevailing knowledge of the industry and of any specific hazards.

Climate Change risk
- We require adherence to all applicable environmental laws and regulations, to appropriately mitigate climate change risk. We assess environmental impact in our supply chain with respect to any or all of the following: carbon emissions, energy consumption, travel, water consumption, single use plastics, paper usage and operational waste. Our expectation is that our suppliers and supply chain cooperate and contribute to reducing the environmental impact of their products and services.

Compliance Policies

Audit Committee Oversight

The Director of Compliance reports to the Audit Committee at least annually with ratings for group-wide compliance across each of our eleven identified compliance pillars.

Modern Slavery

We have a zero-tolerance approach to Modern Slavery of any kind. Our work to eliminate Modern Slavery is supported by customers, suppliers and Ascential employees.

We assess the risk of Modern Slavery in our internal operations and our external supply chain against criteria including: (i) geography (countries where bonded labour is more prevalent); (ii) sectors (the nature of product or service procured or supplied and whether it is typically associated with unfair labour practices); and (iii) the nature of our business operations. Our assessments are informed by sources such as the Walk Free Foundation.

High and medium-risk suppliers are required to adopt our Third Party Code of Conduct and to complete a questionnaire designed to identify any areas of non-compliance with that code, as well as confirm that our supply chain is slavery and human-trafficking free.

We reserve the right to terminate the business supplier relationship without consequence or liability if a supplier fails to fulfil the minimum standards we expect.

Our full Modern Slavery Statement, which has been approved by the Board of Ascential, is available on our website ascential.com/about us

Data privacy, personal data and cyber security

Data is integral to Ascential and our colleagues analyse and share data every day in providing services to customers. It is critical to our business that we protect this data, manage it responsibly, and ensure we are collecting and storing it in the most compliant, secure and effective way.

Our global cyber security, data privacy and data protection policies are standardised across our brands and apply across our whole technology estate. We keep these policies updated by undertaking regular audits, the results of which are shared annually with the Audit Committee.

Our suppliers commit to following our data security and privacy controls. We manage this process through our initial supplier due diligence and ongoing through contract management.

Data Privacy

In 2022 we created a Data Privacy Hub, which provides policies, processes and information to help support the business to manage and maintain data privacy compliance across the organisation. Housing this information in one place has helped embed the approach across the business and enable quick onboarding with new acquisitions into our data privacy and safety approach.

Our eight commitments to data privacy and protection are:

- Being lawful
- Being fair and transparent
- Respecting individual rights
- Minimising data collection, keeping accurate and up-to-date data, and following retention policies
- Protecting personal data
- Appropriate safeguards for cross-border data transfers
- Good governance
- Accountability

Ascential has in place a governance structure to ensure that there is appropriate senior management responsibility and oversight. This includes:

- Data Privacy Steering Committee which is attended by senior business executives. The minutes from the Committee meetings are distributed to the CEO, CFO and COO.
- Ascential's Legal and Compliance Team and Internal Audit evaluate, test and report on the Ascential group entities' compliance with the policy to the Audit Committee annually.
- Independent audits are conducted regularly, Ernst and Young conducted an audit in 2021, and reported its findings directly to the Audit Committee. Data privacy will remain on the internal audit plan for future periods.

Personal Data

The B2B nature of our business means that we hold very limited quantities of personal data, outside of employee data. We have in place group-wide privacy policies which apply to all personal data processed by the Ascential group as a data controller for our own purposes.

Ascential takes steps to ensure it only processes personal data for specific and lawful purposes which are defined and explained to individuals when we process their data. Our use of such personal data is limited to those purposes and if this changes, we make sure the new purposes are provided to individuals prior to the commencement of such processing.

We respect the rights that individuals have in relation to their personal data and have processes in place to recognise and respond to individuals wishing to exercise these rights.

We ensure that personal data is kept up to date and not retained for longer than the purposes for which it was collected. Individuals may request deletion of their personal data which is actioned at a Brand level by our Privacy Champions.

Data Collection Guidelines

We have created a set of guidelines for relevant internal teams and third-party suppliers which set out our standards with regards to data harvesting. The guidelines have a clear set of 'do's and don'ts' with regards to data collection. In 2022 we developed a new policy on handling and using anonymised data, working closely with relevant teams to implement processes and testing to ensure the data was effectively anonymised.

Staff Training

All employees are required to undertake data privacy and security training as part of Ascential's Code of Conduct annual awareness training, which is also provided to new employees as part of their induction.

Targeted data privacy training is delivered annually to those areas of the business assessed as higher risk and to subject-matter experts (including Privacy Champions).

Cyber security

We have global information security policies and procedures to manage and maintain data security breaches.

We are committed to implementing leading data security safeguards and continue to deploy technical solutions to strengthen the management of data security and data privacy risk. These include:

- multi-factor authentication
- data loss prevention
- access and controls to systems and regular auditing of account access
- monitoring of compliance with our cloud security framework.

The results of the 2022 Cyber Security Audit were shared with the Audit Committee and progress against any recommended actions arising from the audit is tracked by Internal Audit.

All of our colleagues took part in Cyber Security training during the year with the Cyber team presenting live focussed sessions and generating good audience participation to ensure understanding and engagement.

Whistleblowing Policy

We have a formal whistleblowing policy which encourages all staff to report suspected wrongdoing, in the knowledge that their concerns will be taken seriously and investigated appropriately and that their confidentiality will be respected.

Wrongdoing includes failure to comply with legal obligations or regulations, including bribery and corruption.

The policy also aims to reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken.

Our 'Speak Up' whistleblowing tool was in place throughout the year and colleagues can access details via the Code of Conduct on both the website and Intranet. We also have in place a confidential helpline operated by an independent third party. All incidents that are reported to us are uploaded into our case tracking and monitoring system, and are investigated, managed and tracked to completion.

The Audit Committee receives a report of all such incidents, together with the actions taken to investigate and resolve the complaint.

Anti-bribery and corruption

We have a formal anti-bribery and corruption policy which applies to all Ascential companies, Ascential employees and associated third parties.

We define a bribe as anything of value given in an attempt to affect a person's actions or decisions in order to gain or retain a business advantage. We define corruption as the misuse of a public office or power for private gain or the misuse of private power in relation to business outside the realm of government.

Our anti-corruption policy prohibits offering, promising or giving a bribe; requesting, agreeing to receive, or accepting a bribe; and bribing a foreign public official to obtain or retain business or a business-related advantage.

The policy highlights areas where there is a higher risk of corruption:

- Journalists and editorial staff: specific risks that certain conduct may amount to bribes, for example the use of payments to improperly receive information, influence editorial decisions, write or publish an article with a particular focus not in keeping with journalistic integrity or reveal source information.
- Operations and procurement: employees who contract with associated third parties to supply services are required to be transparent about gifts or free services offered to incentivise staff to pick that supplier or venue over another and must comply with the Gifts and Hospitality policy.
- Facilitation payments: these are unofficial payments made to public officials to secure or expedite the performance of a duty or function. Facilitation payments are specifically prohibited.
- Due diligence and contract terms: all written contracts with third parties should include anti-bribery and corruption representations and warranties allowing for immediate termination of the contract if another contracting party or their agent pays or accepts bribes in connection with our business.
- Gifts and Hospitality: our Gifts and Hospitality policy is communicated to all employees, along with annual and new employee induction training to raise awareness. The policy and training communicate to employees: (i) that gifts or entertainment given or received must not give a feeling of an obligation or an incentive to behave in a certain way, (ii) the value limits of gifts and hospitality that employees may give and receive, and (iii) the requirement, prior to giving or receiving above certain limits, to declare on a centrally maintained register and obtain approval.

The policy also provides details of how employees can ask advice or report any suspected bribery or corruption to an independent third-party helpline, and explicitly confirms that no employee will be penalised for losing business by refusing to accept or offer a bribe.

The Ascential Board has appointed the Audit Committee to review this policy and the Audit Committee periodically monitors and audits compliance.

Tax Strategy

The Board is ultimately responsible for Ascential's tax strategy and we are committed to maintaining full compliance with all relevant laws and regulations in the countries in which we operate.

We take a low-risk approach to tax planning and we have a strategic objective to achieve a low-risk status as determined by HMRC's Business Risk Review process.

We seek to obtain this status through:

- Paying the right amount of tax on time
- Submitting all tax returns on a timely basis
- Ensuring that tax returns include sufficient detail to enable the tax authorities to form an accurate view of the affairs of the company filing the return with an adequate supporting audit trail and sign-off process
- Maintaining tax accounting arrangements which are robust and accurate and comply with local regulations as well as with the Senior Accounting Officer provisions in the UK.

Working closely with the tax authorities at all times we seek to ensure that our tax affairs are transparent and sustainable for the long term. We publish our tax strategy on our website to allow stakeholders, including shareholders, governments, colleagues and the communities in which Ascential operates, to understand our approach to taxation.

Health & Safety

We have a comprehensive risk management process in place, and through this we identify risks to people's health, safety and wellbeing and put in place measures to manage them appropriately.

The main features of the Ascential safety organisation are:

- Safety Committee – which reports to the Executive Committee, and
- Safety Working Group – which reports to the Safety Committee and includes Safety & Wellbeing Champions

The Safety Committee is chaired by the Chief People Officer. It meets quarterly and includes representation from each division and corporate functions. All accidents and near miss incidents are reported to the Safety Committee, with safety performance statistics collated quarterly.

The Safety Committee reports to:

- Group Executive Leadership Team
- Group and Divisional Risk Committees
- Audit Committee

Our objective is to ensure that everyone in Ascential is fully aware of potential safety risks and of everyone's role in ensuring that we take appropriate care of the safety, health and welfare of people in our offices, attending our events or travelling for business.

We follow the Plan-Do-Check-Act management system:

- Plan – publishing on the intranet our Health & Safety Policy and internal safety management structure;
- Do – assessing risk and holding regular reviews to ensure we are complying with our policy;
- Check – investigating all accidents, incidents and near miss events to identify areas for improvement or non-compliance; and
- Act – training and educating our people and taking corrective action where necessary.

For further information on our Health and Safety management in 2022 please see the update on page 61 of our People section.

Cannes Lions: A Case Study on Sustainability

Our ambition was to make the 2022 Cannes Lions International Festival of Creativity the most sustainable yet. This included a focus on sustainable operations and on putting sustainability as a core pillar across the festival's content.

Sustainable Operations:

- In 2022 we offset all staff and Jury flights – this totalled 865 tonnes of CO_2e which was offset through socially responsible initiatives.
- Solar charging stations were used across the Festival site to utilise sun exposure as an alternative to non-renewable power.
- There was a ban on physical flyposting and printed Festival guides to avoid printed material going to waste.
- There were more water fountains available around the site to reduce the purchase of one-use bottles.
- We produced a 'Green Supplier Guide' to help our suppliers to understand how they can work more sustainably e.g. reducing single-use plastic, eating in season and re-using set builds.

Carbon footprinting the event:

At the core of sustainable operations was measuring and assessing the carbon emissions and waste output of our 2022 event.

This involved:

- Using the impact measurement tool TRACE Isla to assess our carbon emission and waste figures. This took into account energy usage, production, catering, travel and transport.
- By starting to measure these metrics for the first time, we are developing an event emissions baseline which will be used for opportunity scoping and target setting.

Reducing waste:

In 2022, we partnered with not-for-profit organisation 'GreenBee Event Upcycling' which led to a positive social impact in the local Cannes area by:

- Donating of two built elements from the main event venue to an elementary school.
- Providing printed PVC boards to an association in Cannes which promotes sustainability in the South of France.
- Creating a sustainable area in the Foyer Debussy for international non-profit Act Responsible, with cardboard base walls and re-used furniture.
- Encouraged partners to collaborate with Givsly, who offered sponsors and partners an alternative to material giveaways. Festival sponsors could give delegates the opportunity to opt out of taking materials and instead the Sponsor gives a donation to a non-profit.

Sustainable Content:

We value the position we have to raise awareness of a sustainable future. We will continue to leverage the LIONS brand to drive sustainability throughout the Festival, give a platform to the industry to track progress and harness creativity at Cannes Lions to help find solutions. Through the Lions Awards we are able to champion and spotlight the work that is using creativity to drive progress in this area.

Some of the work recognised in 2022 includes:

These awards include:

- The Grand Prix Winner in the Creative Business Transformation Lions went to Piñatex' by L&C New York. By using waste pineapple leaves to create a vegan and cruelty free leather alternative, Dole Sunshine Company together with Ananas Anam contributed to the circular economy, while empowering independent local farmers through increased income channels.
- The Grand Prix award in the Innovation Lions went to Suncorp Group's 'One House to Save Many' prototype home in Australia which was resilient to extreme weather conditions. This aims to solve the societal and environmental issues of building and rebuilding homes destroyed due to climate change. They have collaborated with the Australian government to make their findings publicly available.

- The Sustainable Development Goals Lion was introduced in 2018 to celebrate initiatives which seek to positively impact the world. In 2022, Lions collaborated with WeTransfer to promote the free carbon footprint calculating tool Doconomy.

Sustainable Giving:

As part of the Festival's ongoing commitment to driving action on sustainability, all 2022 Sustainable Development Goals Lions entry fees have been donated to five Lion-winning charities. Each non-profit, who are actively supporting the ambitions of the United Nations' Global Goals across the world, has received an equal share of €226,860. The five charities are all fighting for vital causes from birth control rights, to freedom of speech, and food poverty to disability awareness.

On top of this, the entry proceeds from the Glass Lion were donated to causes promoting gender equality, seeing a further €51,760 being split between the Unstereotype Alliance and the Geena Davis Institute for Gender in Media.

Governance report

Chair's introduction

Scott Forbes
Chair

"Strong governance, alongside the Company's values and behaviours, underpins the integrity of our operations, and delivers and preserves shareholder value."

Dear Shareholder,

We have demonstrated our commitment to corporate governance through our full compliance with the UK Corporate Governance Code ("the Code") throughout 2022. The requirements of the Code are summarised on page 102, along with a reference to where we set out in detail how we have complied with its various provisions.

We delivered double digit revenue growth across all four segments in 2022, achieved though continued expansion within out attractive end markets and the strong return of our high quality events. You can read more about our performance in the Chief Executive's statement on page 6.

Strategic Review

As announced in January 2023, after a comprehensive review process, the Board announced its intention to proceed with a series of interdependent actions including disposal of WGSN, the demerger and US listing of Digital Commerce, and the continued LSE listing of our premium, global Events business. We have initiated the actions and are actively engaging with shareholders prior to seeking approvals.

Leadership

Following the Board expansion in 2021, we did not make any additional Board appointments in 2022. However, Funke Ighodaro stepped down from the Board on 9 September 2022 and Paul Harrison resigned as Executive Director and Chief Operating Officer in 2023. Paul will actively participate in the execution of the strategic review plan until he leaves the Company and Board on 31 May 2023.

We conducted a Board strategic review in November 2022 to assess whether the capabilities and experience of the Board was aligned to those required to support the Company's achievement of its business strategy, both before and after the proposed consummation of the strategic alternative initiatives. The outcome of that review is that the Board is well-aligned to the composition and strategic requirements of the business as the business exists today and that a separately listed Digital Commerce business will require an independent Audit Chair with relevant experience on US public company boards. You can read more about that process in the Nomination Committee report on page 114 and see more detail on our directors' capabilities and experience on page 100.

We have continued to focus on ensuring that organisational resources are matched to the Company's strategy and that succession plans are satisfactory for short term changes and for the long-term.

Conflicts of interest

The Board has a defined process for managing conflicts of interest or potential conflicts of interest. It is recognised that the proposed transactions could give rise or be perceived to give rise to potential conflicts of interests for Directors. We have introduced further measures that both prepare our businesses for a post-separation environment as well as manage both potential and perceived conflicts of interest.

Throughout 2022 to date, non-executive directors not associated with a future US listed Digital Commerce company have met independently as a group and have taken advice from legal counsel with respect to conflicts, duties and responsibilities. Furthermore, our Senior Independent Director Rita Clifton has led recurring meetings with the designated CEO and CFO of the Events business in preparation for operating as an LSE listed company. Non-executive Directors have met independently of the executives and both the Chair and Senior Independent Director have separately engaged directly with shareholders.

Effectiveness

It is a key part of good governance that the Board and its Committees undertake an annual evaluation to ensure that it continues to operate effectively. In accordance with the Code and our three-year performance evaluation cycle, this evaluation was facilitated by Korn Ferry for 2022. The Board evaluation process confirmed that the Board has worked effectively during the year, with the diversity of experience, knowledge and background providing a good breadth of skills. Non-Executive Directors confirmed that they felt highly engaged, and sufficiently involved in strategy formulation and felt able to be sufficiently challenging and supportive of management. All Directors will offer themselves for re-election at the forthcoming Annual General Meeting. Full details of the evaluation methodology and its outcome are set out on page 115.

The Non-Executive Directors devote considerable time to developing their knowledge and understanding of the business. In addition to formal Board meetings, the Directors attend an annual offsite meeting to review strategy. These extended meetings also give the Board the opportunity to hear directly from the wider senior leadership team.

Several of the Non-Executive Directors attended Money20/20 in Las Vegas during the year, giving them the opportunity to observe the quality of the event and the value that it brings to customers. Details of the Board's engagement with the business are set out on page 105.

Accountability

The Board considers principal and emerging risks throughout the year, as well as formally reviewing the Company's principal risks. The Audit Committee reviews the system of internal controls and risk management, and reports this work to the Board which then confirms the effectiveness of internal controls in place throughout the year.

You can read more about our principal risks and risk management framework on page 48 , and on the work of the Audit Committee on page 108.

Diversity

Our practice of conducting periodic internal and externally facilitated Board reviews has become a proven way of ensuring that our Board is comprised of Directors with a diversified range of capabilities as well as business, board and life experience. We believe that Directors with diverse experience best position the Board to assist the Company to achieve its evolving business strategy and success. A board that is diversified is an ideal platform for global expansion and recognising and adapting to changing consumer behaviours and is better prepared to respond to evolving industry trends and act upon new business opportunities.

As at 31 December 2022, Board composition was 60% female and 10% under-represented minority ethnic groups, which also satisfies the targets set by the Hampton Alexander and Parker reviews respectively. Our annual Diversity, Equity & Inclusion report outlines the progress against the targets we set for 2022 and will be published in April 2023. You can read more about our diversity and inclusion statistics and commitments on page 86.

Relations with shareholders

As Chairman, I am responsible for effective communication with shareholders and for ensuring that the Board understands the views of major shareholders. Our extensive investor programme is active throughout the year and is set forth on page 106. The Board receives feedback from investor meetings from me and the Executive Directors, and is further informed by the Company's brokers who report extensive feedback from investors on an unattributed basis. You can read more about how we engage with our investors on page 106.

Conclusion

I hope you find this report useful in understanding the arrangements and processes we have in place, and what we have done to comply with the recommendations of the Code. I believe that your Board remains effective and continues to work well. We have the right balance of skills, expertise and professionalism to continue to deliver strong governance whilst supporting the Executive Directors to execute the strategy we have designed to maximise value for shareholders.

Scott Forbes
Chair

3 April 2023

Governance at a glance

Highlights 2022

- Concluded its strategic review and announced our intention to pursue a series of interdependent transactions intended to maximise shareholder value
- Approved the acquisition of Sellics and Intrepid to further develop our Digital Commerce capabilities
- An externally-facilitated Board effectiveness review confirmed that the Board has worked effectively during the year, with the diversity of experience, knowledge and background providing a good breadth of capabilities.
- Reviewed progress against the ESG and DEI targets set for 2022

Priorities 2023

- Ensure that the Board's of Digital Commerce and Ascential plc are structured so that the skills and competencies of its directors align to its strategy, operational agenda and governance requirements of each company
- Adopt a deliberate and transparent approach to governance as the Board progresses with its proposed transactions such that potential conflicts of interest are appropriately managed and the Board operates in the best interests of shareholders overall.

Attendance

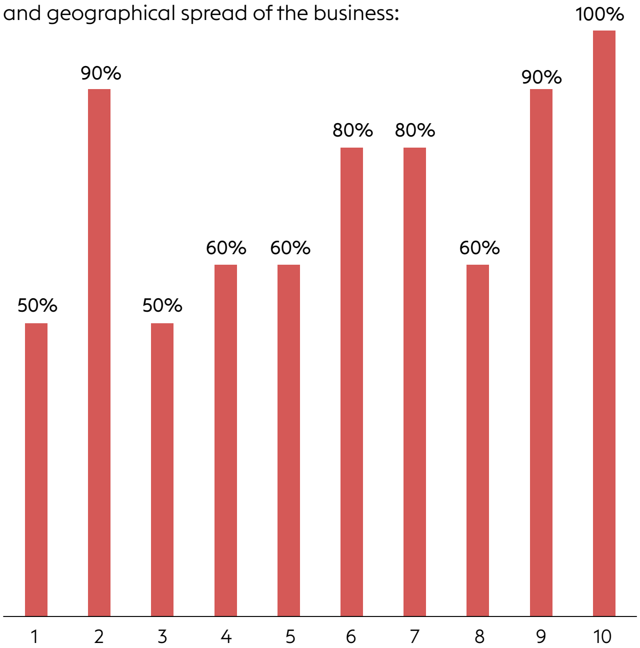
We have 6 scheduled Board meetings each year, including an offsite strategy meeting. Additionally, we held 2 ad-hoc meetings during 2022 to consider and approve acquisitions or minority investments. Due to the nature of the transaction process, these meetings are often called at relatively short notice however the Directors had already been briefed on the proposed acquisition. Prior to the meeting, all directors unable to attend receive the relevant supporting documents, have sufficient time to ask questions and receive answers, and provide their proxy vote in respect of the transaction to the Chairman.

The attendance by Directors at Board meetings during 2022 was:

Director	Meetings attended – scheduled	%	Meetings attended – ad hoc	%
Scott Forbes (Chair)	6/6	100	2/2	100
Duncan Painter (CEO)	6/6	100	2/2	100
Mandy Gradden (CFO)	6/6	100	2/2	100
Paul Harrison (COO)	6/6	100	2/2	100
Funke Ighodaro (NED)	2/3	67	2/2	100
Rita Clifton (NED)	6/6	100	2/2	100
Suzanne Baxter (NED)	6/6	100	1/2	50
Joanne Harris (NED)	6/6	100	2/2	100
Gillian Kent (NED)	6/6	100	2/2	100
Charles Song (NED)	6/6	100	2/2	100
Judy Vezmar (NED)	6/6	100	2/2	100

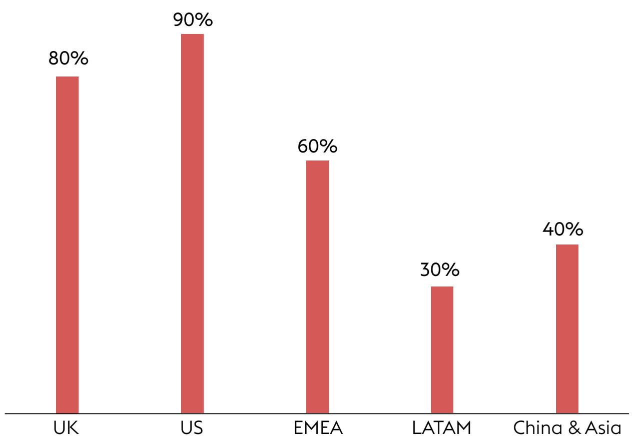
Experience

The Board has a wide range of experience and capabilities aligned to the Board's strategic and operational agenda and geographical spread of the business:



1 Audit and Finance
2 Business Integration and operational transformation
3 Consumer Packaged Goods Experience
4 ESG
5 Global Account Sales
6 Human Resources and Talent Management
7 Investor Relations
8 Leading-edge Digital Commerce
9 Listed environment
10 Strategy & Risk

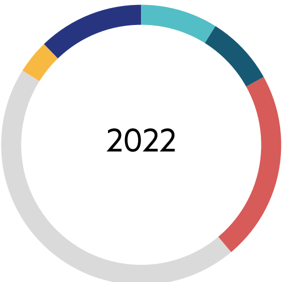
Geographical experience

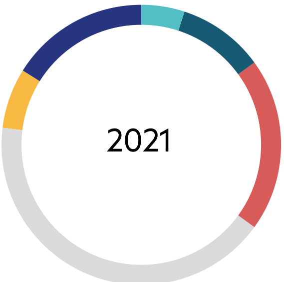


Time

The Board has a rolling twelve month forward agenda to ensure that appropriate time is allocated to all aspects of its remit, including sufficient capacity for forward looking strategy discussions:

	2022	2021
Corporate governance	**9%**	5%
Capital allocation and budget	**8%**	10%
Performance, operations & risk	**22%**	20%
Strategy	**45%**	42%
Investor relations	**4%**	7%
Acquisitions	**12%**	16%

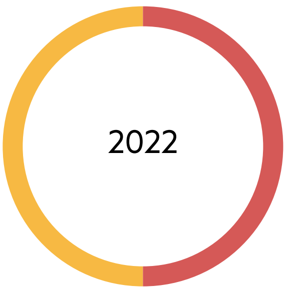


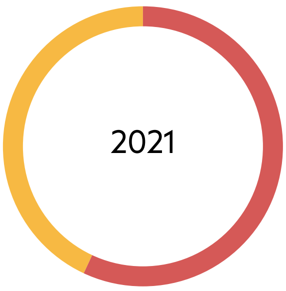


Independent Director tenure

We have a balance of the length of tenure amongst our Independent Non-Executive Directors:
(as at 31 December 2022)

	2022		2021	
	Number	**%**	Number	%
0-3 years	**3**	**50%**	4	57%
4-6 years	**3**	**50%**	3	43%

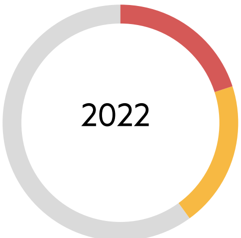


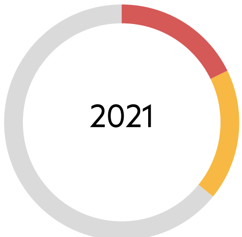


Composition

The Board comprises a majority of Independent Non-Executive Directors: (as at 31 December 2022)

	2022	2021
Chairman & Chief Executive	**20%**	18%
Other Executive Directors	**20%**	18%
Independent NEDs	**60%**	64%

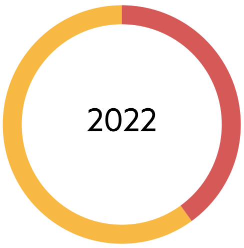


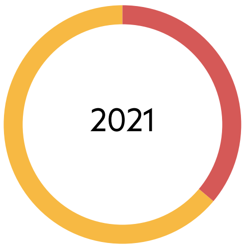


Diversity

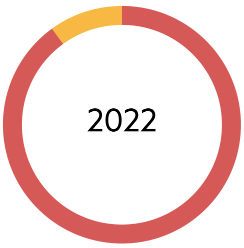
The diversity of our Board composition, both in terms of gender and ethnicity, is shown below:

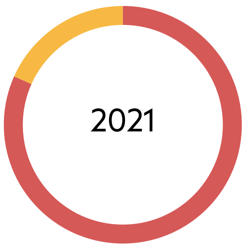
Gender	**2022**	2021
Male	**4**	4
Female	**6**	7





Ethnicity	**2022**	2021
White	**9**	9
Black, Asian or Minority Ethnic*	**1**	2





*We understand BAME is an imperfect term. We have used it here, as when comparing race data across regions it's the most commonly used aggregate term.

Our experienced and effective leadership

Scott Forbes
Chairman

Appointed to the Board
January 2016

Independent
Yes (on appointment)

Meetings attended
8/8

Committees
N

Key areas of prior experience
Board and committee chairing, business strategy, digital marketplaces, operations, finance, mergers & acquisitions and capital markets.

Current external appointments
- Chairman, Cars.com
- Senior Independent Director, Auction Technology Group plc

Previous experience
- Chairman, Rightmove plc
- Chairman, Orbitz Worldwide
- Non-Executive Director, Travelport Worldwide
- Group Managing Director, Cendant Europe

Duncan Painter
Chief Executive Officer

Appointed to the Board
October 2011

Independent
No

Meetings attended
8/8

Committees
–

Key areas of experience
Digital Commerce, digital media, consumer intelligence systems, mergers & acquisitions, business integration, operations, transformation.

Current external appointments
- Non-Executive Director, ITV plc

Previous experience
- Managing Director, Sky plc
- Global Product Leader, Experian plc
- Founder and Chief Executive Officer, ClarityBlue

Mandy Gradden
Chief Financial Officer

Appointed to the Board
January 2013

Independent
No

Meetings attended
8/8

Committees
–

Key areas of experience
Chartered accountant, corporate finance, mergers & acquisitions, financial restructuring, transformation.

Current external appointments
- Deputy Chair, Listing Authority Advisory Panel, FCA

Previous experience
- Non-Executive Director, and Chair of Audit Committee, SDL plc
- CFO, Torex Retail Holdings Limited
- CFO, Detica Group plc
- Telewest plc
- Dalgety plc
- Price Waterhouse

Suzanne Baxter
Non-Executive Director

Appointed to the Board
January 2021

Independent
Yes

Meetings attended
7/8

Committees
A

Key areas of prior experience
Chartered accountant, corporate finance, mergers & acquisitions, business services, audit, transformation.

Current external appointments
- NED and Audit Chair, Auction Technology Group plc
- External Board member, Pinsent Masons International LLP
- Independent Non-Executive, Public Interest Body of PricewaterhouseCoopers

Previous experience
- Audit Committee Chair, WH Smith plc
- CFO, Mitie Group plc

Gillian Kent
Non-Executive Director

Appointed to the Board
January 2016

Independent
Yes

Meetings attended
8/8

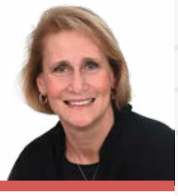
Committees
A R

Key areas of prior experience
Digital media, marketing, brands, remuneration, transformation, technology, strategy and voice of the consumer & customer

Current external appointments
- Non-Executive Director, Mothercare plc
- Non-Executive Director, SIG plc
- Non-Executive Director, Marlowe plc
- Non-Executive Director, THG plc

Previous experience
- Non-Executive Director, Pendragon plc
- Non-Executive Director, NAHL Group plc
- Non-Executive Director, Dignity plc

Joanne Harris
Non-Executive Director



Appointed to the Board
1 April 2021

Independent
Yes

Meetings attended
8/8

Committees
–

Key areas of prior experience
Business integration, transformation, CPG, global account consultancy sales, talent management, digital commerce, voice of consumer & customer

Current external appointments
- Board member, UC Health

Previous experience
- Chief Commercial Officer, Staples Inc
- Chief Customer Officer, Procter & Gamble
- Global President Beauty & Personal Care, kdc/one

The Board is committed to maintaining very high standards of corporate governance and ensuring values and behaviours are consistent across the business.

Paul Harrison
Chief Operating Officer

Appointed to the Board
January 2016 as NED
January 2021 as COO

Independent
No (from 1 October 2020)

Meetings attended
8/8

Committees
–

Key areas of experience
Chartered accountant, strategy and corporate finance, mergers & acquisitions, capital markets, audit, voice of consumer

Current external appointments
- Non-Executive Director and Chair of Audit Committee, Darktrace plc

Previous experience
- CFO, Just Eat plc
- Senior Independent Director and Chair of Remuneration Committee, Hays plc
- Non-Executive Director and Chair of Audit Committee, Hays plc
- CFO, Wandisco plc
- CFO, The Sage Group plc
- Price Waterhouse

Rita Clifton
Senior Independent Director

Appointed to the Board
May 2016

Independent
Yes

Meetings attended
8/8

Committees
N R A

Key areas of prior experience
Brands, brand strategy, business leadership, global account sales, CPG voice of consumer.

Current external appointments
- Deputy Chair, John Lewis Partnership
- Chair, Forum for the Future
- Trustee, Green Alliance

Previous experience
- Non-Executive Director, Nationwide Building Society
- Non-Executive Director, Asos plc
- Vice Chair and Strategy Director, Saatchi & Saatchi
- CEO and Chair, Interbrand
- NED, Sustainable Development Commission & Trustee and Fellow, WWF

Key to committees

●	Committee Chair	
A	Audit	page 107
N	Nomination	page 114
R	Remuneration	page 116

Charles Song
Non-Executive Director

Appointed to the Board
October 2020

Independent
Yes

Meetings attended
8/8

Committees
–

Key areas of prior experience
Financial technology, business building, global capital markets, investment banking, commercial banking and corporate finance.

Current external appointments
- Chairman and CEO, Linklogis
- Director and Vice Chairman, Greenlink Digital bank
- Director and Chairman, Olea

Previous experience
- President and CEO, China Resources Bank
- Strategy Adviser, Tencent
- Global Head of Trust Services, HSBC

Judy Vezmar
Non-Executive Director

Appointed to the Board
January 2016

Independent
Yes

Meetings attended
8/8

Committees
R N

Key areas of prior experience
Global portfolio leadership, talent management, remuneration, voice of the consumer, global account management

Current external appointments
- Non-Executive Director and Employee Non-Executive Director, SSP Group plc

Previous experience
- CEO, LexisNexis International
- Executive, Xerox Corporation
- Non-Executive Director, Rightmove plc

Governance framework

How we comply with the UK Corporate Governance Code

The UK Corporate Governance Code 2018 applied to Ascential for the year ending 31 December 2022. This section of the report explains how we have complied with the Code by summarising the provisions of the Code and linking to where we describe how we have complied in more detail.

Section 1: Board Leadership and Company Purpose

A successful company is led by an effective and entrepreneurial board, whose role it is to promote the long-term sustainable success of the company, generating value for shareholders and contributing to wider society. (See the Directors' biographies on pages 100 to 101 for more information).

The Board should establish the company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All Directors must act with integrity, lead by example and promote the desired culture. (See the governance framework on pages 102 to 106 for more information).

In order for the company to meet its responsibilities to shareholders and stakeholders, the Board should ensure effective engagement with, and encourage participation from, these parties. (See the stakeholder engagement section on pages 62 to 69 for more information).

The Board should ensure that workforce policies and practices are consistent with the company's values and support its long-term sustainable success. The workforce should be able to raise any matters of concern. (See the sections on ESG on page 70 and the Whistleblowing section of the Audit Committee Report on page 91 for more information).

Section 2: Division of Responsibilities

The Chair leads the Board and is responsible for its overall effectiveness in directing the Company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the Chair facilitates constructive Board relations and the effective contribution of all non-executive directors, and ensures that Directors receive accurate, timely and clear information (See the governance framework on page 103 for more information).

The Board should include an appropriate combination of Executive and Non-Executive (and in particular, Independent Non-Executive) Directors, such that no one individual or small group of individuals dominates the Board's decision-making. There should be a clear division of responsibilities between the leadership of the Board and the executive leadership of the Company's business. (See the governance framework on page 103 for more information).

Non-Executive Directors should have sufficient time to meet their Board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold management to account. (See the governance framework on page 105 for more information).

The Board, supported by the Company Secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently. (See the governance framework on page 103 for more information).

Section 3: Composition, Succession and Evaluation

Appointments to the Board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan should be maintained for Board and senior management. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths. (See the Nomination Committee report on page 114 for more information).

The Board and its committees should have a combination of skills, experience and knowledge. Consideration should be given to the length of service of the Board as a whole and membership regularly refreshed. (See the Nomination Committee report on page 114 for more information).

Annual evaluation of the Board should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each director continues to contribute effectively. (See the Chairman's introduction to governance on page 96 and the Nomination Committee report on page 114 for more information).

Section 4: Audit, Risk and Internal Control

The Board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions and satisfy itself on the integrity of financial and narrative statements. (See the Audit Committee Report on page 107 for more information).

The Board should present a fair, balanced and understandable assessment of the Company's position and prospects. (See the Audit Committee Report on page 111 for more information).

The Board should establish procedures to manage risk, oversee the internal control framework and determine the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term strategic objectives. (See the Risk Management section on page 48 for more information).

Section 5: Remuneration

Remuneration policies and practices should be designed to support the strategy and promote long-term sustainable success. Executive remuneration should be aligned to company purpose and values, and be clearly linked to the successful delivery of the company's long-term strategy. (See the Annual Statement from the Chair of the Remuneration Committee on page 116).

A formal and transparent procedure for developing policy on executive remuneration and determining director and senior management remuneration should be established. No director should be involved in deciding their own remuneration outcome. (See the Directors' Remuneration Report on pages 116 for more information).

Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances. (See the Remuneration Report on page 116 for more information).

A strong governance framework

Role and operation of the Board

The Board has ultimate responsibility for the overall leadership of Ascential. It oversees the development of a clear strategy, monitors operational and financial performance against agreed goals and objectives, and ensures that appropriate controls and risk systems exist to manage risk.

The Board has agreed a schedule of matters reserved for its decision or approval:

- Strategy, annual budgets and medium-term plans
- Annual and interim results
- Material acquisitions and disposals and contracts
- Establishment of risk appetite, review of principal risks and approval of both
- Ensuring that a sound system of internal control and risk management is maintained
- Changes relating to the Company's capital structure
- Approval of dividend policy
- Changes to Board composition

At the date of this report, the Board comprises ten Directors; the Chairman, the Chief Executive, the Chief Financial Officer; the Chief Operating Officer and six independent Non-Executive Directors. Funke Ighodaro resigned from her position as Independent Non-Executive Director and member of the Audit Committee and Remuneration Committee with effect from 9 September 2022. Paul Harrison resigned from his position as Executive Director and Chief Operating Officer with effect from 31 May 2023.

The biographies and experience of all of our Directors is set out on page 100. With support from the Company Secretary, the Chairman sets the annual Board calendar and Board meeting agendas. He ensures that enough time is devoted, both during formal meetings and throughout the year, to discuss all material matters including strategic, financial, operational, risk, people and governance. The Directors indicated as part of the Board evaluation process that the board materials are relevant, clearly presented and contribute to a constructive debate and strong Board engagement.

In addition to the schedule of formal Board meetings, the Chairman and the Non-Executive Directors meet periodically without the Executive Directors present, and the Senior Independent Director meets with the other Non-Executive Directors without the Chairman present.

Board roles

Chairman

The Chairman provides leadership to the Board, setting its agenda, style and tone to promote constructive debate and challenge between the Executive and Non-Executive Directors. He ensures that there are good information flows from the Executive to the Board, and from the Board to the Company's key stakeholders.

The Chairman leads an annual Board effectiveness review and is responsible for ensuring all new Directors have an appropriate tailored induction programme.

Chief Executive

The Chief Executive has day-to-day responsibility for the effective management of the business and for ensuring that the Board's decisions are implemented. He leads the development of strategy for approval by the Board, as well as working with the Chief Financial Officer to develop budgets and medium-term plans to deliver the agreed strategy.

The Chief Executive is responsible for providing regular reports to the Board on all matters of significance, to ensure that the Board has accurate, clear and timely information on all key matters.

Chief Financial Officer

The Chief Financial Officer supports the Chief Executive in developing and implementing strategy, as well as overseeing the financial performance of the Group. She leads the development of the finance function to provide insightful financial analysis that informs key decision making.

The Chief Financial Officer works with the Chief Executive to develop budgets and medium-term plans to deliver the agreed strategy.

The Chief Financial Officer also leads investor relations activities and communication with investors alongside the Chief Executive.

Chief Operating Officer

The Chief Operating Officer works in partnership with the CEO and CFO to develop and implement strategy. He has responsibility for leading and driving continuous improvement through the adoption of key technologies and execution of our technology platforms. The Chief Operating Officer also has responsibility for Product Management, People strategy, Marketing, Diversity & Inclusion, ESG and non-organic growth activities.

Senior Independent Director

The Senior Independent Director acts as an adviser for the Chairman and is available to the other Non-Executive Directors, including acting as an intermediary where necessary. She is also available as an intermediary to shareholders if they have concerns which the normal channels through the Chairman or Chief Executive have failed to resolve or would be inappropriate. She is also the nominated director to engage with the Ascential Employee Forum and report feedback directly to the Board.

Independent Non-Executive Directors

The Non-Executive Directors scrutinise and monitor the performance of management, including the constructive challenge of the Executive Directors. They bring independence and a different perspective to the Board and oversee the integrity of financial information, financial controls and systems of risk management.

Governance structure

Principal Board Committees

Audit Committee
Chaired by
Suzanne Baxter

Roles and responsibilities
- Reviews the Group's financial reporting and recommends to the Board that the Reports and Accounts be approved
- Reviews and reports to the Board on the effectiveness of internal controls
- Assesses the independence and effectiveness of the internal and external auditors.

Audit Committee Report
Page 107

Remuneration Committee
Chaired by Judy Vezmar

Roles and responsibilities
- Sets the Remuneration Policy for the Group
- Sets the individual remuneration of the Executive Directors and senior management
- Engages and consults with shareholders on proposed material changes to Remuneration Policy
- Approves awards under the Group's share-based incentive plans.

Remuneration Committee Report
Page 116

Nomination Committee
Chaired by Scott Forbes

Roles and responsibilities
- Reviews the composition of the Board and its Committees
- Ensures that appropriate procedures are in place for the nomination, selection, training and evaluation of Directors
- Reviews Executive Directors and Senior Management succession planning.

Nomination Committee Report
Page 114

Reinforcing a Healthy Culture
Established reporting mechanisms within the corporate governance framework are key to Board oversight of cultural matters, which are underpinned by our beliefs and behaviours: focus, facts, all in, no silos, be creative, transparency, trust & openness, and empathy. Culture is established by leadership and by example but this also needs to be underpinned by clear policies and codes of conduct.

Ethics, Whistleblowing, Fraud, Bribery
There is a full suite of formal compliance and legal policies which all employees are subject to, including Anti-Bribery, Privacy, Data Protection and Sanctions. Employees can report incidents of wrongdoing through both internal and external mechanisms, including an anonymous 'speak up' tool. The Audit Committee monitors and reviews the Company policies, incidents and trends arising from any such incidents and reports its findings to the Board.

Risk Management
Risk management is an integral component of our corporate governance. We have a formal risk management framework to manage risks in accordance with the Board-set risk appetite. The Audit Committee receives regular updates on risk management and the Board reviews the principal and emerging risks for the Group.

Our People's opinions
We hold regular updates to both inform our employees on business progress and answer any questions they may have. We conduct quarterly pulse engagement surveys which helps us understand what people think in real time so we can take appropriate actions in a timely way. We have also established the Ascential Employee Forum which is Chaired by the Senior Independent Director to ensure there is a direct route for employee voice in the Boardroom.

How the Board monitors culture

Aligning remuneration and culture
The Ascential Beliefs and Behaviours are directly incorporated into key people processes such as Performance Appraisal (linked to base salary increases) and Development Review. Both of these processes focus not just on what has been achieved, but how our people act and demonstrate alignment to the Ascential Beliefs.

Measuring our culture
We measure compliance with our key policies and procedures, as well as Health & Safety incidents. Our employee engagement surveys include specific questions that help us measure our culture such as 'Ascential's values provide a good fit with the things I consider important in life' and 'if I experienced serious misconduct at work, I'm confident Ascential would take action to rectify the situation'. We believe that this framework is an important contributing factor to the high scores we have measured in these areas.

Promoting the success of the Company
The Directors are very aware of their duty to promote the success of the Company for the benefit of the members as a whole, having regard to the interests of employees, the impact of the Company's operations on the community and the environment, and maintaining a reputation for high standards of business conduct. The need to balance the interests of sometimes conflicting stakeholders is an inherent part of the Board's decision-making processes. See page 64 for more details on how the interests of different stakeholders are managed.

Company Secretary
The Company Secretary supports the Chairman and is available to all Directors to provide governance advice and assistance. She works with the Chairman and the Chairs of the Board Committees to develop agendas and ensures that the Board receives sufficient, pertinent, timely and clear information. She also ensures compliance with the Board's procedures as well as applicable rules and regulations.

The management and day-to-day running of the Group, including the development and implementation of strategy, monitoring the operating and financial performance, and the prioritisation and allocation of resources, has been delegated to executive management. Certain Board responsibilities are delegated to formal Board Committees, which play an important governance role through the work they carry out.

Board activity during the year
The Board spent its time during the formal meetings held in 2022 on the following activities:

Strategy
- Dedicated offsite meetings to refine strategy, with an emphasis on Intelligence & Events in 2022;
- Approved the 2023 annual budget and, capital allocation policy, and updated medium-term plans in the context of the agreed strategy;
- Approved the acquisition of Sellics and Intrepid; and
- Conducted a strategic review announced in April 2022 which concluded in January 2023 with the approval of the proposal to pursue both a separation of the Digital Commerce assets into an independent, publicly traded company listed in the United States as well as a process for the sale of WGSN.
- In January 2023, approved the restructuring of the investment in Hudson.

For more information on our strategy see page 8.

People
- Received feedback from the Senior Independent Director following Ascential Employee Forum meetings;
- Met with a range of senior management from across the business;
- The Chairman participates as Chairman of the jury for the annual Ascential awards, designed to recognise performance across the organisation and every geography; and
- Received updates from the EVP, People on engagement.

For more information on Our People see page 56.

ESG
- Received updates from the Head of Corporate Responsibility on progress against the Company's ESG priorities and targets.

For more information on our ESG strategy and performance see page 70.

Risk
- Detailed review of Cyber Risk management;
- Reviewed and approved the principal risk register;
- Reviewed the Group's annual insurance programme; and
- Reviewed the effectiveness of internal controls, including receiving a report from the Audit Committee on its work to assess internal control effectiveness.

For more information on risk management see page 48.

Shareholder engagement
- Reviewed reports from the Company's brokers and advisers on shareholder and analyst feedback following results presentations;
- Reviewed the outcome of an investor perceptions assessment facilitated by Rothschild & Co.
- Reviewed regular investor relations reports relating to share price, trading activity and movements in institutional investor shareholdings;
- Received reports from the Executive Directors following meetings with investors; and
- Approved notice of 2022 Annual General Meeting.

For more information on our investor relations programme see page 106.

Performance
- Approved the 2023 budget and refreshed five year plan;
- Monitored operating and financial performance against plans;
- Approved the year end and interim results; and
- Approved the 2021 Annual Report.

For more information on our performance, see the Chief Executive's statement on pages 6 to 7 and the KPIs on page 14.

Board attendance during the year

We expect all Directors to attend the majority of meetings in person except where a meeting is called at short notice. Due to continuing Covid restrictions and travelling complications, Board meetings during the year accommodate Directors when travel is not required or advisable including our Director resident in China attending virtually via video conference, and other non-UK resident Directors depending on the content and duration of meetings. In the unusual circumstances when a Director is unable to attend a meeting, he or she is provided with the same information as the other Directors in advance of the meeting and a meeting is arranged for that director to express their views before the meeting, usually to the Chairman who will share feedback with the other Directors at the meeting.

There were six scheduled meetings during the year plus an additional two meetings which were called to deal with M&A transactions. Directors' attendance at these meetings is set out on page 98.

Strategic report
Governance report
Financial statements

Induction and development

There were no new Directors during 2022 so there are no specific induction activities to report. There is an agreed induction programme that takes into account any previous experience that a Director may already have and typically includes meetings with senior executives across the Group as well as information on the Group's structure, business segments and operations, and policies to develop each Director's understanding of the Group, its strategy, key risks and challenges.

The Board's forward agenda is designed to include deep-dive reviews on all material aspects of the Group to develop Directors' understanding of the business and ensure they meet with a range of senior management.

Directors' conflicts of interest

The Board has a procedure in place for Directors to declare conflicts of interest and for such conflicts to be considered for authorisation. A Director may be required to leave a Board meeting if a matter upon which a conflict has been declared is discussed. External appointments or other significant commitments of the Directors require prior approval by the Chairman.

The current external appointments of the Directors are set out on pages 100 and 101.

Internal Control Statement

The Board acknowledges its responsibility for establishing and maintaining the Group's system of internal controls and it receives reports identifying, evaluating and managing significant risks within the business. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against misstatement or loss.

The Board, assisted by the Audit Committee, has carried out a review of the effectiveness of the system of internal controls during the year ended 31 December 2022 and the period up to the date of approval of the consolidated financial statements contained in the Annual Report. As explained in the Audit Committee Chair's report, the businesses acquired in Digital Commerce are typically been in the early phase of their development and therefore display immaturities in their control systems compared to some of the well established business of Ascential. The Audit Committee will retain focus over the planned developments in Digital Commerce during 2023 through oversight of internal control assessment process, internal audit activities and updates on the continued roll out of the new financial system.

The Board considers that none of these matters have a material impact on the Group's overall control framework, as there are compensating management review controls in place.

For more information on the system of internal controls in place please see page 111 of the Audit Committee report.

Investor Relations

In addition to the activities explained on page 68, there is an ongoing investor relations programme of meetings with institutional investors and analysts, and participation in conferences covering a wide range of issues within the constraints of publicly available information including strategy, performance and governance.

Institutional shareholders and analysts have regular contact with the Executive Directors and the Head of Investor Relations. All shareholders are kept informed of significant developments by announcements and other publications on our website ascential.com/investors. There are defined procedures in place to ensure that the requirements of the Market Abuse Regulations are met.

The Board receives regular reports from the Head of Investor Relations, covering movements in the holdings of institutional shareholders and other trading activity. The Board is also provided with current analyst opinions and forecasts, as well as feedback from FTI and from its joint corporate brokers Numis and JP Morgan. This includes direct feedback from investors and analysts on a non-attributed basis. All of the Directors are available to meet with shareholders although contact with the Non-Executive Directors would normally be through the Chairman (Scott Forbes) or the Senior Independent Director (Rita Clifton) in the first instance.

Annual General Meeting ("AGM")

The AGM of the Company will take place at 9am on Thursday 18 May 2023 at 33 Kingsway, LondonWC2B 6UF. All shareholders have the opportunity to attend and vote, in person or by proxy, at the AGM.

All proxy votes received in respect of each resolution at the AGM are counted and the balance for and against, and any votes withheld, are indicated. At the meeting itself, voting on all the proposed resolutions is conducted on a poll rather than a show of hands, in line with recommended best practice.

All Directors will be in attendance at the AGM and available to answer shareholders' questions. The Notice of the AGM can be found in a separate booklet which is posted to shareholders at the same time as this report and is also available on the Ascential website. The Notice of AGM sets out the business of the meeting and an explanatory note on all resolutions. Separate resolutions are proposed in respect of each substantive issue. Results of resolutions proposed at the AGM will be published on the Ascential website after the meeting.

UK Corporate Governance Code Compliance Statement

We have complied with all principles and provisions of the 2018 UK Corporate Governance Code ("the Code") throughout the financial year ended 31 December 2022.

This Corporate Governance Statement and the cross-referenced reports within set out our approach to applying the Code.

Louise Meads
Company Secretary

3 April 2023

Report of the Audit Committee

Suzanne Baxter
Chair of the Audit Committee

"The Committee provides an important role in the Company's corporate governance framework, providing independent challenge, review and oversight of its reporting and control environment."

Dear Shareholder,

As Chair of the Audit Committee, I am pleased to present the report of the Committee for the year ended 31 December 2022. This report outlines how the Committee has continued to support the Board in fulfilling its corporate governance responsibilities, including those in the key areas of financial reporting, external audit, internal audit, internal control and risk management and the preparation and compliance of the Company's Annual Report and Accounts.

During the year, the Committee continued to review the development of the control environment within the Company and has had a particular focus on that in the developing Digital Commerce business, where a number of acquisitions have been made in recent years. The businesses acquired have typically been in the early phase of their development and therefore display immaturities in their control systems compared to some of the well established business of Ascential. The Digital Commerce business has seen the commencement of the roll out of SAP S/4Hana and the formalisation of a number of key areas of financial control. We welcome this progress but recognise that the exercise remains ongoing. We will retain our focus over the planned developments in Digital Commerce during 2023 through our oversight of internal control assessment processes, internal audit activities and updates on the continued roll out of the new financial system. Further insight is also being gained as the result of enhanced audit procedures being undertaken in the Digital Commerce business as part of the Company's strategic review.

The Committee's core duties comprise:

- the oversight of the Company's financial and narrative reporting processes, including consideration of the annual and half-yearly reports and assessment of the Company's accounting policies and whether its annual report is fair, balanced and understandable;
- consideration and monitoring of the effectiveness of the Company's internal controls and risk management systems;
- oversight of procedures to assure Compliance, to report instances of whistleblowing and to detect fraud;
- monitoring and assessing the effectiveness of the internal audit function;
- oversight and approval of the engagement of the external auditor, and evaluation of the quality and effectiveness of its work; and
- consideration of the audit work being undertaken in the Digital Commerce business under Public Company Accounting Oversight Board (United States) ("PCAOB") requirements to the extent it has an impact on KPMG's work on the ISA (UK) audit of the Group, the fees payable to KPMG and on the firm's independence.

The Committee's terms of reference were reviewed and approved by the Board during the year and are available on the Company's website ascential.com/investors/governance.

Committee membership
All current members of the Committee are independent Non-Executive Directors who bring a wide knowledge and significant business experience in financial reporting, risk management, internal control and strategic management. Funke Ighodaro was a member of the Committee until 9 September 2022 when she

stepped down from the Board and Rita Clifton joined the Committee at that point. The Committee thanks Funke for her contributions during her tenure. The Board considers that the Committee members as a whole have competence relevant to Ascential's business. Funke Ighodaro and I fulfilled the requirement to bring recent and relevant financial experience to the Committee during 2021 and 2022, and I continue to fulfil that requirement going forward. You can read more about the experience of the Committee members in their biographies on pages 100 and 101.

Meetings held in 2022

All Committee members were present at the ten meetings held in 2022, with the exception of Funke Ighodaro who was unable to attend the meeting held on 24 August 2022 which was called at late notice to approve a response letter to the Financial Reporting Council. The Committee has met four times since 31 December 2022 and all Committee members attended those meetings. At the invitation of the Committee, the Chief Financial Officer, Chief Executive Officer, Chief Operating Officer and senior representatives of the finance and management teams also attend meetings, as do representatives of both internal and external audit. The Committee holds regular meetings with the external auditor and the Head of Internal Audit without management present, and these discussions assist in ensuring that reporting, and risk management processes are subject to rigorous review throughout the year. The Committee also meets with management without the external auditor present when discussing external auditor effectiveness.

Role of the Committee in the strategic review

The Committee received independent advice during the year to clarify its role in relation to the potential separation and listing of Digital Commerce. In accordance with this advice, the Committee has performed an active oversight role with respect to the appointment of KPMG as auditor of Digital Commerce for the purpose of auditing financial statements under PCAOB standards, as well as approving associated fees and considering any impact on KPMG's independence (see page 112 for more detail on how the Committee manages the external auditor).

Risk management

The principal and emerging risks facing the Company are robustly assessed by the Board as a whole. More detail on these risks and the risk management framework is set out on page 48. The ongoing monitoring and effectiveness review of the Company's risk management and internal control systems are described on page 111. The assessment of risk and the review of the risk management systems feeds into the process for assessing the longer-term viability of the Group, which is described further on page 49.

Evaluation of Committee performance

The Committee conducts an annual evaluation of its performance as part of the wider Board effectiveness review. The review of performance in 2022 was conducted externally and confirmed that the Committee is working effectively. More detail on the evaluation process can be found in the Corporate Governance Report on page 115.

Key areas of focus for the Committee in 2022

The key focus areas for the Committee are set out below and reflect its planned and recurring activities and areas of specific focus during the year.

A. Financial reporting

- Received and considered reports from management on the key estimates and judgements made in the half-yearly report and in the annual consolidated financial statements. The Committee challenged the assumptions made, discussed alternative treatments, reviewed proposed disclosures, and considered the opinion and work performed by the external auditor and other professional advisors.
- Reviewed and challenged managements' forecasts, stress tests and assumptions in support of the use of the going concern basis for preparation of the Annual Report and Accounts and half-yearly report.
- Reviewed the quality of accounting policies and disclosure rules and considered if those were applied consistently during the reporting and comparative periods.
- Reviewed and challenged management on the use of Alternative Performance Measures ("APMs") including the inclusion of share based payment charges as an Adjusting item, having regard to the European Securities and Markets Authority's Guidelines on APMs and thematic reports issued by the Financial Reporting Council ("FRC"). The Committee also considered KPMG reporting on this matter.
- Reviewed the integrity of the Company's Annual Report and Accounts and half-yearly report and advised the Board whether, in the Committee's view, the Annual Report taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess Ascential's position and performance, business model and strategy.
- Recommended to the Board the Company's viability statement included in the Annual Report.

B. Internal audit

- Approved the internal audit function's remit and the annual internal audit plan focusing on the recently acquired Digital Commerce brands to ensure alignment with the Company's principal risks.
- Reviewed the significant matters arising from internal audits with the Head of Internal Audit and assessed management's response to significant internal audit findings and notable control observations. This includes discussing with management potential improvements and agreed actions.
- Assessed internal audit's performance and effectiveness.

C. Risk management and Internal control

- Reviewed the effectiveness of the systems of internal control and risk management, including the integration of those controls into recently acquired businesses.
- Recommended to the Board the disclosures included in the Group's Annual Report in relation to internal control and risk management.
- Received progress updates on the implementation of the Group's finance transformation plan of enhancing the control and reporting environment through the replacement of its existing suite of financial accounting systems with a new ERP system.

D. Compliance and governance

- Received an update from the Director of Compliance setting out compliance priorities for 2022 and discussing the progress made embedding the Compliance Framework, Speak Up Tool and The Ascential Code into the Company during 2022.
- Considered the Company's correspondence with the FRC.
- Reviewed the Group's reporting on climate change including compliance with the updated TCFD disclosure requirements and guidance, and receipt of the auditor's observations on climate change reporting. The Committee noted the improved disclosures on climate change in the 2022 annual report and the Group's commitment to continue to enhance focus in this area.
- Reviewed the Committee's terms of reference and its annual schedule of work.

E. External audit

- Reviewed and monitored the qualifications, expertise, resources, independence and objectivity of the external auditor.
- Reviewed the plans and received the reports of the external auditor at the half year and year end.
- Considered the annual external audit plan and approved related remuneration, including fees for audit and non-audit services. This includes requesting further information on changes to the audit fee to ensure the external auditor is fairly remunerated.
- Considered the impact of the strategic review on work undertaken by the auditor.
- Held private meetings with the Company's external auditor without the presence of management.
- Assessed the performance and effectiveness of the external auditor and the audit process, including an assessment of the quality of the audit.
- Recommended to the Board that resolutions to reappoint the external auditor and for the Board to determine the external auditor's remuneration be put to shareholders for approval at the next Annual General Meeting.

This year, additional focus was applied in the following areas:

- Reviewed a paper from management on the prior year adjustment made to the Company's 2021 financial statements to correct errors in two intercompany transactions. The Committee asked management to review the financial reporting controls around intercompany processes and noted that it is included in the internal audit plan for 2023.
- Considered letters received from the FRC and the Company's response letters which related to the Company's investment in Hudson. and the assessment whether the Group has control or significant influence over the investment.
- Received and considered a report on billing processes in one of the Group's newly acquired businesses and reviewed management's course of action to rectify issues and strengthen controls. These actions have been implemented.
- Discussed the prioritisation of internal audit resources and considered the integration of recently acquired businesses into the control framework.
- Considered the impact of the introduction of International Standard of Auditing ('ISA') (UK) 315 (revised) applicable for the first time in 2022.

Significant financial judgements and estimates considered by the Committee in 2022

Following its review, the Audit Committee was satisfied with how each of the areas below was addressed. As part of this assessment, the Committee received reports, requested and received clarifications from management and sought assurance and received input from the external auditor.

The key reporting judgements considered by the Committee and discussed with the external auditor during the year were:

Issue	Committee's activity and outcome
Initial recognition of goodwill and intangible assets in business combinations	Acquired businesses give rise to material assets and liabilities at the point of acquisition that are based on estimates and judgements about future performance. The provisional recognition of goodwill, intangible assets, other assets and liabilities and estimates of the fair value of consideration transferred are based on a number of assumptions. The valuations of the acquired intangibles have been prepared by external valuation specialists using the available forecasts of the future financial performance and other information (including customer attrition rates) from the acquired businesses. Due to this, there is a significant amount of uncertainty in these inputs and the judgements applied are reviewed by management, including the appropriateness of the inputs and outcomes. Where information is not available, due to the proximity of the acquisition date to the balance sheet date, management applied judgement in estimating the provisional value of acquired intangibles based on accumulated knowledge of prior acquisitions. Often, significant elements of consideration are deferred, contingent on future performance, and may be subject to other conditions such as continued employment of key management personnel. Estimation uncertainty is involved in both assessing the relevant forecast and selecting the appropriate discount rates. The Committee reviewed the acquisition accounting calculations and underlying estimates and assumptions for Sellics and Intrepid acquired during the year and updates made to provisional fair valuation of intangible assets acquired in the preceding reporting period for reasonableness.

Strategic report
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Significant financial judgements and estimates considered by the Committee in 2022 continued

Issue	Committee's activity and outcome
Carrying value of goodwill and acquired intangible assets	The Committee reviewed the carrying value of goodwill and other intangible assets for impairment, including a detailed review of the assumptions underlying the "value in use" calculations for businesses identified as cash generating units ("CGU") and the identification of those CGUs. The key assumptions underlying the calculations are primarily the achievability of the long-term business plan including anticipated revenue growth rates, CGU specific discount rates, and long-term growth assumptions. For further information, please see Note 16 of the consolidated financial statements on pages 179 and 181. The Committee challenged management's analysis valuation methodology and underlying assumptions and considered the merits of alternative treatments as well as receiving and considering the report of KPMG on these matters. Following this review and challenge at the half year and full year ends, the Committee was satisfied that £31.4m and £25.6m of intangible assets in Edge and ASR respectively were impaired. The Committee also reviewed the clarity and adequacy of the impairment disclosure.
Initial recognition of goodwill and intangible assets in business combinations	The Committee considered the judgements made, the advice taken by management in reaching their conclusions and the proposed disclosures. After challenging management on their judgements and methodology and receiving a report from the auditor, the Committee was satisfied with the position adopted.
Recognition and valuation of deferred contingent consideration	Where an acquisition agreement provides for an adjustment to the consideration, contingent on future performance over the contractual earn-out period, the Group accrues the fair value, based on the estimated additional consideration payable as a liability at acquisition date. To the extent that deferred contingent consideration is payable as part of the acquisition cost and is payable after one year from the acquisition date, the deferred contingent consideration is discounted at an appropriate discount rate and carried at fair value in the consolidated balance sheet. The liability is measured against the contractually agreed performance targets at each subsequent reporting date with any adjustments recognised in the consolidated income statement. Acquisition-related employment costs are contingent on future performance of the acquired business against the contractually agreed performance targets over the earn-out period they are also dependent on the continued employment of the founders over the contractual earn-out period. Consequently, they are treated as a remuneration expense in the consolidated income statement. The estimation of this liability requires the Group to assess the future performance of related business over the deferred contingent consideration period where the estimation uncertainty risk of payments greater than one year is higher due to the forecast nature of the inputs. In respect of acquisitions, the Committee reviewed and challenged the calculations in respect of deferred contingent consideration and acquisition-related contingent employment costs in light of changes in forecast performance. It also received a report from KPMG on this matter. The Committee reviewed the proposed changes to the fair value of the deferred contingent consideration which is based on a Board approved five-year plan and concluded that it is satisfied with its valuation and recognition in the consolidated financial statements.
Recognition and measurement of associates	The Committee reviewed the accounting judgements associated with the Group's investment in Hudson including the assessment of whether the Group has control under IFRS 10 "Consolidated Financial Statements" or significant influence over the investment under IAS 28 "Investments in Associates and Joint Ventures", which is considered a critical accounting judgement. The Committee reviewed management's technical accounting assessment throughout the reporting period, reviewed accounting advice from a Big Four accounting firm and consulted the Group's external auditors to corroborate and test management's assessment. Consideration has been given to determining whether the nature of the relationship, rights under the terms of the preference and common stock investments, restructuring of the Group's shareholding after the reporting date or other factors would indicate that Ascential has control over the Hudson business. Management has considered the requirements under IFRS 10 and has concluded that, although the Group has exposure to the variable returns from the investment, it does not have actual or potential rights to demonstrate power over Hudson and therefore it does not meet the definition of control as at 31 December 2022. Management has further considered the requirements of IAS28 and concluded that the Group does have significant influence over the Hudson business. As part of its review, the Committee considered and reviewed the clarification questions raised by the FRC in respect of accounting for Hudson, the Company's detailed response to those questions and the changes in the Company's investment in and relationship with Hudson both during the year and subsequent to the year end. The Committee also reviewed the assessment of the valuation of the investment in Hudson. The Committee challenged management's papers and considered the merits of alternative treatments as well as receiving a report from KPMG on this matter. The Committee concluded that it was satisfied with the accounting treatment and judgements applied.

Financial Reporting Council

During the year, the Company received a letter from the FRC with a request for information principally relating to the judgements made in assessing whether the Group has control or significant influence over Hudson. Following explanations and further details provided by the Company to the FRC, the FRC closed its inquiry. No restatement of the financial statements was required as the result of the FRC's enquiry. The Company has enhanced certain disclosures made in the financial statements in response to the points raised in the FRC's letter.

The FRC's review provides no assurance that the 2021 Ascential plc Annual Report and Accounts are correct in all material respects; the FRC's role is not to verify the information provided but to consider compliance with reporting requirements. The FRC letters are written on the basis that the FRC (which includes the FRC's officers, employees and agents) accepts no liability for reliance on them by the Company or any third party, including but not limited to investors and shareholders.

Viability Statement

The Committee reviewed the process undertaken and conclusions reached to support the Company's Viability Statement which can be found in full on page 49.

Our review included:

- challenging management on whether the three-year time period adopted remained appropriate and aligned with the long-term forecasting of the Group;
- challenging whether management's assessment of the principal and emerging risks facing the Group and their potential impact was appropriate;
- considering whether there were any additional risks which could impair solvency or which, whilst not necessarily principal risks in themselves, could become severe if they occur in conjunction with other risks;
- considering the likelihood of the risks occurring in the time period selected and the impact severity in the event that they did occur;
- challenging management as to the appropriateness of the assumptions used in stress testing and modelling scenarios;
- reviewing the disclosure to ensure it was sufficiently fulsome and transparent.

Fair, balanced and understandable

The Board asked the Committee to consider whether the 2022 Annual Report is fair, balanced and provides the necessary information for shareholders to assess the Company's position and prospects, business model and strategy. In performing this review, the Committee received a report from management and considered if it meets the requirements of 2018 UK Corporate Governance code including the following considerations:

- Is the Annual Report open and honest with the whole story being presented?
- Have any sensitive areas been omitted that are material?
- Is there consistency between different sections of the Annual Report, including between the narrative and the financial statements, and does the reader get the same message from reading the two sections independently?
- Is there a clear explanation of key performance indicators and their linkage to strategy?
- Is there a clear and cohesive framework for the Annual Report with key messages drawn out and written in accessible language?
- Is there an appropriate balance between the use of statutory accounting measures and the use of APMs, and are APMs clearly explained?

Following this review, and the incorporation of the Committee's comments, we were pleased to advise the Board that, in our view, the Annual Report is fair, balanced and understandable in accordance with the requirements of the UK Corporate Governance Code.

Internal controls

The Board, with the assistance of the Audit Committee, regularly monitors and reviews the policies and procedures making up the Group's internal control and risk management system. To support this monitoring, the Audit Committee reviewed reports from senior management, Internal Audit and KPMG.

The major components of the internal controls systems include:

- clearly defined operational structure, accountabilities and authority limits;
- detailed operational planning and forecasting;
- thorough monitoring of performance and changes in outlook; and
- established risk management processes.

Specific matters considered in relation to controls effectiveness included:

- controls self-assessment process and findings;
- internal audit reports;
- regular compliance reports;
- review of tax risks and compliance issues;
- review of treasury controls;
- review of tax controls;
- the Corporate Criminal Offences risk assessment;
- review of integration of acquisitions;
- key developments in IT controls;
- monitoring of the Finance Transformation programme;
- fraud, ethical issues and whistleblowing occurrence;
- health & safety governance; and
- management of legal claims.

A formal control self-assessment process was in place throughout the year in relation to financial controls. This process describes each control objective, the controls required to meet the objective, the frequency of operating the control and the evidence to be retained by management to demonstrate the control exists. Management teams across the Group self-assess and provide formal sign-off of their compliance with this framework twice a year and the results are reviewed in detail by Internal Audit.

Progress towards completion of actions identified to improve internal control is regularly monitored by management and the Audit Committee, who provide assurance to the Board.

In acquiring a number of small, young and developing businesses it is acknowledged that work needs to be done post acquisition to bring the systems of control up to the standards required of a listed company. The Committee are supportive of the steps being taken by management to address this as part of the integration of new businesses into the Group and will continue to monitor progress in this area, including through the planned implementation of new financial systems over the coming year. The internal audit programme for 2022 has included a focus on this and the plan will continue to do so in 2023. The Board concluded that the Group's control environment is adequate, noting that further work was required and planned in the newly acquired businesses to mature their financial processes and controls over time.

External audit

The Committee is responsible for ensuring that the external auditor provides an effective source of assurance for the Group's financial reporting and controls, including that the necessary independence and objectivity is maintained. It is also responsible for recommending the appointment, reappointment or removal of the external auditor, and agreeing the external audit fees.

The proposed audit fee for the year ended 31 December 2022 was debated between the Committee Chair, the CFO and the KPMG audit partner, before being presented to the Committee.

The total fee paid to the Auditor in 2022 increased from £1.3m to £4.5m:

	2022 (£m)	2021 (£m)
Audit of consolidated financial statements	1.3	1.0
Audit of the Group's subsidiaries – other	0.2	0.2
Audit-related assurance services**	0.2	0.1
Audit of the Group's subsidiaries – Digital Commerce separation*	2.8	-
Total	4.5	1.3

* Fees include costs for the PCAOB audit of the standalone USGAAP Digital Commerce business for 2020 (£0.2m), 2021 (£1.5m) and 2022 (£1.1m).

** Audit-related assurance services relate to the review of the half-year interim statements £0.1m (2021: £0.1m) and Digital Commerce separation-related other costs £0.1m (2021: £nil).

The work to support the separation of Digital Commerce is classified as audit work and approval to engage KPMG for this purpose was sought and obtained from the Committee after due consideration of matters of independence. The Committee was satisfied that KPMG's appointment did not compromise their independence with respect to their appointment as the external auditor to Ascential plc. The Committee has also been consulted on, and approved, potential future non-audit in 2023 work linked with the proposed transactions that is expected to arise as a result of the strategic review after due consideration of the scope of work to be performed and of the 70% permissible non-audit fee cap applicable to public interest entities.

The Group last undertook a formal tender of external audit services in 2019 after which KPMG were reappointed for a second term. Christopher Hearn was appointed as Senior Statutory Auditor with effect from the 2022 audit onwards. KPMG attends each scheduled meeting of the Committee and presents their reports on our half-year and full-year financial results, as well as their planning reports in advance of each audit. The Committee met with KPMG without management present at each physical Committee meeting held during the year. These sessions provide an opportunity for open dialogue and the Committee typically discusses KPMG's relationship with executive management and particular audit risks identified. The Committee Chair also met regularly with the Audit Partner on a one to one basis. The Committee also meets with management without KPMG present to discuss their view of KPMG's effectiveness and quality of work delivered.

As part of the Committee's work to manage the external auditor relationship, and the annual effectiveness review, the Committee considers whether there are adequate safeguards to protect auditor objectivity and independence. In conducting our annual assessment, the Committee considers feedback from the Chief Financial Officer, the level and nature of non-audit fees accruing to the external auditor, fees in respect of KPMG's PCAOB audit work, KPMG's formal letter of independence, and the length and tenure of the external auditor and of the audit engagement partner. The Committee concluded that the external auditor remained independent within the meaning of regulatory and professional requirements and the objectivity of the partner and audit staff is not impaired.

The Committee has approved a formal non-audit services policy to mitigate any risks threatening, or appearing to threaten, the external audit firm's independence and objectivity arising through the provision of non-audit services.

The non-audit services policy sets out which services are permitted, subject to relevant approvals, and which services are prohibited and cannot be provided by the external auditor. Permitted non-audit services include services required by law or regulation, or where it is probable that an objective, reasonable and informed third party would conclude that the auditor's understanding of the Group is relevant to the service, and the nature of the service would not compromise independence.

Permitted non-audit services must be pre-approved subject to the following limits:

Value of non-audit services	Approval required prior to engagement of the external auditor
Up to £25,000	EVP, Group Finance or Chief Financial Officer
£25,001 – £50,000	Chair of the Audit Committee
Above £50,000	The Audit Committee

When reviewing requests for permitted non-audit services, the person approving the engagement will assess:

- Whether the provision of such services impairs the auditor's independence or objectivity and any safeguards in place to eliminate or reduce such threats;
- The nature of the non-audit services;
- Whether the skills and experience make the auditor the most suitable supplier of the non-audit services;
- The fee to be incurred for non-audit services, both for individual non-audit services and in aggregate, relative to the Group audit fee; and
- The criteria which govern the compensation of the individuals performing the audit.

A breakdown of total audit and non-audit fees paid to KPMG during 2022 is set out in Note 5 to the financial statements. These non-audit services were pre-approved in accordance with the non-audit services policy.

Internal Audit

A formal Internal Audit function was in place during the year, utilising a co-sourcing arrangement supported by EY as the Group's externally appointed service partner. The purpose of the Internal Audit function is to consider whether the system of internal control is adequately designed and operating effectively to respond to the Group's principal risks, and to provide independent objective assurance to senior management and to the Board through the Audit Committee. Internal Audit accomplishes its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. In order to provide a greater level of independence for Internal Audit, its personnel as well as the co-sourced party report to the General Counsel, who also acts as Director of Internal Audit and is accountable to the Committee in respect of that role. The General Counsel is invited to attend all Audit Committee meetings and also meet independently with the Chair of the Audit Committee.

The Committee approves the annual Internal Audit Plan and receives a report on Internal Audit activity and progress against that Plan. It monitors the status of internal audit recommendations and management's responsiveness to their implementation. It also challenges management where appropriate to provide us with assurance that the Group's control environment is robust and effective.

Compliance Framework

Ascential has in place a group-wide compliance framework which facilitates a structured and consistent approach to managing compliance across the group. The Director of Compliance reports formally to the Committee on this compliance framework at least annually. The framework is structured upon key areas of compliance with appropriate policies governing each area.

In 2021, the Ascential Code of Conduct ("the Ascential Code") and a new whistleblowing 'Speak Up' service were launched. The Ascential Code is core to the group-wide compliance framework as it encourages all colleagues to operate in the context of ethics and compliance, empowers employees to thoughtfully handle any ethical dilemmas they may encounter, and provides contact points and other resources related to compliance. Employees are required to undertake a mandatory training module on the Ascential Code to embed knowledge and understanding of the Code as well as to track engagement.

The Speak Up tool enables anonymous disclosures, where this is permitted by local laws. The tool also serves as an effective business intelligence tool allowing the tracking, allocation and investigation of cases and incidents effectively and consistently. The Speak Up process also provides a confidential third-party helpline should employees prefer to speak to someone rather than use the online tool.

The Committee receives reports on the Ascential code, speak up tool and on any whistleblowing incidents that are reported during the year. Any significant issues relating to potential fraud would be escalated to me as the Audit Committee Chair immediately.

I will be available at the Company's AGM to answer any questions on the work of the Committee.

Suzanne Baxter
Chair of the Audit Committee

3 April 2023

Report of the Nomination Committee

Scott Forbes
Chair of the Nomination Committee

"The role of the Nomination Committee is primarily to keep the structure, size and composition of the Board and Committees under review with the primary objective of matching the skills, knowledge and experience of Directors to our business strategy and requirements."

Dear Shareholder,

I am pleased to introduce the Report of the Nomination Committee for 2022.

The role of the Nomination Committee is primarily to plan and review the structure, size and composition of the Board, Board Committees and the organisation. The primary objective relating to Board and Committees is to match the skills, knowledge and experience of current and future Directors to our business strategy and requirements as the business evolves.

The Nomination Committee evaluates the organisation to determine whether resources are appropriate for achieving the business's strategic goals and that succession plans are satisfactory for short term changes and for the long-term.

Board composition and effectiveness

During the year, the Board undertook an externally facilitated Board Strategy review to consider how well the composition of the Board matched the Company's business strategy, both currently and also its future strategic direction. The outcome of that review is that the Board is well-aligned to, and broadly representative of, the composition and strategic requirements of the business as the business exists today. You can see more detail on our Directors' capabilities and experience on pages 100 and 101.

A key consideration for the Board during 2023 will be to optimise Board composition for the Company post the potential demerger of its Digital Commerce assets and potential sale of WGSN. As announced in January 2023, subject to shareholder approval and the successful execution of the proposed transactions, the intended Board for Digital Commerce will comprise myself as Chair, and Duncan Painter as Chief Executive. The Ascential plc Board will be chaired by Rita Clifton, currently the Senior Independent Director, and Philip Thomas, currently CEO of Ascential Intelligence and Events, will serve as CEO of the Company. Mandy Gradden will remain in her role as CFO. The Committee and Board concluded that this allocation of Directors' talents and experience best match the potential future Digital Commerce and Ascential businesses.

The remaining Board composition will be further reviewed by the Committee during 2023 to ensure that each Board will be structured to ensure that the skills and competencies of its Directors align to its strategy, operational agenda and governance requirements of each company.

As part of this process, the Committee will be mindful of the need for an orderly sequence of rotation for the Non-Executive Directors who joined the Board on the Company's IPO in 2016.

Succession planning

A succession planning exercise for the senior leadership team is undertaken annually to consider each individual's potential and ability to grow, as well as development plans to maximise an individual's ability to be ready for promotion. Emergency and planned succession options for the Executive Directors and the members of the Senior Leadership Team are also reviewed and approved.

Board appointments policy

The Committee has been, and will continue to be, vigilant about its responsibility to ensure that members of the Board should collectively possess the broad range of skills, expertise and industry knowledge, and business and other experience, necessary for the effective oversight of the Group. The Committee takes account of a number of factors before recommending any new appointments to the Board, including relevant skills to perform the role, experience, knowledge and diversity.

It will continue to be the Board's policy to engage an independent search consultant to assist with the identification of suitable candidates based on a comprehensive role description and candidate attributes brief. Shortlisted candidates will then meet with members of the Board on a one-to-one basis before the Committee makes its recommendation of the preferred candidate to the Board.

Non-Executive Director appointments to the Board are for an initial term of up to three years. Non-Executive Directors are typically expected to serve two three-year terms, although the Board may invite the Director to serve for an additional period on the recommendation of the Committee. Non-Executive Directors are appointed under formal appointment letters which are available for inspection at the registered office of the Company during normal business hours and at the AGM.

External Directorships

The Committee keeps under review the number of external directorships held by each Director and performance evaluation is used to assess whether the Non-Executive Directors are spending enough time to fulfil their duties. Any external appointments or other significant commitments of the Directors require the prior approval of the Chairman, or, in the case of the Chairman, the Senior Independent Director. The Chairman takes into account investors' published voting policies on the number of board mandates considered appropriate for directors when considering directors' proposed appointment to additional boards.

The Board and Committee noted that shareholders expressed some concern that there was a potential for the number of external directorships of Funke Ighodaro and Gillian Kent to negatively impact their capacity for discharging their duties to Ascential, resulting in the support for their re-election at the 2022 AGM was below 85% of proxy votes received. The Committee has reviewed Gillian's board commitments and observed her continued perfect Board and Committee meeting attendance for the past year and several years prior. The Committee is confident that Gillian has sufficient time to continue to meet all her duties and responsibilities as a director and all meeting date obligations. Funke retired from the Board in September 2022 and the evaluation of her other directorships became moot.

Board effectiveness

The policy on Board effectiveness reviews is that an externally led evaluation of the Board, Committees and individual Directors will be conducted every third year. In line with that policy, Korn Ferry was engaged to facilitate the Board and Committee performance evaluation for 2022. Korn Ferry conducted individual interviews with each of the Directors and provided a summary report to the Board, including anonymised verbatim feedback.

The Board was characterised by Directors as possessing a positive culture which was open, engaged and collegiate. The Board was considered to be diverse and capable, with the competencies and behaviours necessary to fulfil its duties, governance and oversight roles. Directors also felt that the Board operated as a good forum for open dialogue and enabling of appropriate challenge. The Committee structure was felt to be appropriate and working effectively. Board materials were reported to be sufficiently thorough and focussed and presentations from divisional leaders during the year had helped to broaden the Non-Executive Directors' understanding of the business's operations. Overall, the conclusion of the evaluation was that Ascential has a highly effective Board.

Confirmation of Independence

In accordance with the UK Corporate Governance Code, the Committee is chaired by the Board Chairman, Scott Forbes, and the other members of the Committee are Rita Clifton and Judy Vezmar, both independent Non-Executive Directors.

Scott Forbes
Chair of the Nomination Committee

3 April 2023

Report of the Remuneration Committee

Judy Vezmar
Chair of the Remuneration Committee

"We are proud of the entire team for delivering excellent results and growth this year. Our focus in rewarding this performance continued to be through clear and simple remuneration plans."

Dear Shareholder,

On behalf of the Board, I am pleased to present the Remuneration Committee's report for the year ended 31 December 2022.

What does this report include?

In addition to my annual statement as Chair of the Remuneration Committee, this report contains:

- The Directors Remuneration Policy which will be proposed for approval by shareholders at the 2023 AGM and;
- The Annual Report on Remuneration, which sets out payments made to the Directors for the year ended 31 December 2022 and how our Remuneration Policy is intended to be implemented in 2023.

This annual statement and the annual report on remuneration (set out on pages 126 to 132) will be subject to an advisory vote at the 2023 AGM.

Business performance

We saw strong trading in 2022, with all four business segments producing record revenues with overall Organic revenue growth of 30% and Adjusted EBITDA growth of 23%. These excellent results were driven by the continued expansion of our end markets combined with the strong return of our live events.

For more information on the Company's performance, priorities and outlook please see the Chief Executive's statement on pages 6 and 7.

2022 Committee highlights

Directors Remuneration Policy
The Directors' Remuneration Policy in place during 2022 was approved at the 2020 AGM and in accordance with The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019, we are seeking shareholder approval to roll over this policy at the 2023 AGM.

In light of the conclusions of the strategic review announced in January 2023, the Committee considers it appropriate to keep the previously approved Policy in place for 2023, ahead of a comprehensive review of remuneration policy for the Group once the proposed transactions of disposing of WGSN and the demerger of Digital Commerce have been completed. The Policy continues to be well aligned with current corporate governance best practice expectations. Full details of the policy are set out on pages 118 to 125.

I hope to receive your support in approving the proposed Directors' Remuneration Policy at the Annual General Meeting on 18 May 2023.

Remuneration Outcomes
With regards to remuneration outcomes for 2022, our Proforma revenue growth of 29% and Proforma Adjusted EBITDA growth of 15% from 2021 resulted in bonus achievement of 91% of target, or 46% of maximum, in respect of 2022 performance. The Committee considers this outcome to be appropriate in the context of the business performance and bonus outcome for the wider employee population and no discretion was therefore applied to the bonus outcome.

With regards to our 2020 LTIP, the PSP grant was delayed from the normal grant time of March until October in response to the uncertainty presented by Covid and the consequent challenges with establishing appropriate performance conditions. The performance period for that award therefore runs until October 2023 and the vesting outcome will be reported in the 2023 annual report.

Reward structure within Digital Commerce
In light of the increasingly competitive recruitment environment for our experienced and specialised people within our digital commerce business, external benchmarking was conducted and adjustments were made to aid retention of key leadership talent. For completeness, this did not impact our Executive Directors.

Targeted Financial support
This year we felt it was important to recognise the financial pressure that some of our employees may have felt by the increase to the cost of living. As such, we provided an exceptional cost of living increase for employees in high inflation markets in May 2022. Additionally, we provided energy grants and energy loans to our people in the UK and some parts of Europe, which were available to our people earning below a set income threshold.

The key activities of the Committee during the year are summarised on page 126.

Implementation of Remuneration Policy in 2023

Our usual practice is to review Executive Directors' salaries with effect from 1 April each year. With our UK salary budget set at 4.5 % of salary, the Committee awarded salary increases of 3.5% of salary to the CEO and CFO. In light of the announcement on 25 January 2023 that the COO intends to leave the Company as a result of his role effectively being made redundant following the proposed disposal of WGSN and the demerger of Digital Commerce assets, no salary increase was awarded to the COO.

With regard to the 2023 annual bonus, this will operate as in prior years with a maximum of 125% of salary earned based on performance against a challenging range of revenue and Adjusted EBITDA targets. 50% of any bonus earned will be the subject of deferral into Ascential shares for a period of three years.

The 2023 Performance Share Plan will also operate as in prior years, with awards granted up to 200% of salary to the CEO and CFO, vesting subject to challenging Adjusted EPS and Digital Revenue Growth targets. The COO will not receive a 2023 award.

The Non-executive Director fees, including additional fees, were reviewed during the year and have been increased to better align with the current time commitments of the roles. Full details are included on page 132.

With regards to the impact of the proposed transactions following the Board's strategic review on remuneration, the Committee considers it important to operate the current Directors' Remuneration Policy on its existing terms during 2023, with a view to retaining and incentivising our key talent during a period of uncertainty. The Committee continues to work through the potential consequences of the transactions on pay and intends to treat all awards in line with the Directors' Remuneration Policy.

Committee composition, skills and experience

Gillian Kent and Rita Clifton remained in their positions as Committee members throughout the year. Funke Ighodaro ceased her membership of the Committee upon her resignation from the Board in September 2022. The Committee has solely comprised Independent Non-Executive Directors throughout the year, in compliance with the UK Corporate Governance Code.

Role of the Committee

The Committee's primary role is to determine the remuneration of the Executive Directors and the Senior Leadership Team and to determine the Remuneration Policy for the Executive Directors, as well as monitoring its ongoing appropriateness and relevance.

The key responsibilities of the Committee are summarised on page 118 of the Corporate Governance Report and further details on the Committee's roles and responsibilities can be found in our Terms of Reference on our website ascential.com.

The Committee met four times during 2022. All members of the Committee attended all meetings and, by invitation, were joined by the EVP, People and other members of the senior management team where it was deemed appropriate. The Committee continued to receive independent external advice from Korn Ferry.

I am satisfied that the Committee received information on a timely basis and that the meetings were scheduled adequately to enable members to have an informed discussion and debate.

Committee effectiveness

The Committee's effectiveness was included in the review of Board effectiveness in November 2022, which confirmed that the Committee has operated effectively throughout 2022.

Conclusion

I look forward to receiving your support at our 2023 AGM, where I will be available to respond to any questions shareholders may have on this report, the proposed Remuneration Policy or in relation to any of the Committee's activities.

Judy Vezmar
Chair of the Remuneration Committee

3 April 2023

Directors' remuneration policy

Proposed for approval by shareholders at the 2023 AGM

This part of the Remuneration Report sets out Ascential's Remuneration Policy for its Executive and Non-Executive Directors. The policy was developed considering the principles of the 2018 UK Corporate Governance Code and guidelines from major investors.

What is the role of the Remuneration Committee?

The Remuneration Committee ("the Committee") has responsibility for determining the overall pay policy for Ascential. In particular, the Committee is responsible for:

- determining the framework or broad policy for the fair remuneration of Ascential's Executive Directors and Chairman, and certain other senior management including the direct reports of the Chief Executive Officer;
- approving their remuneration packages and service contracts, giving due regard to the UK Corporate Governance Code as well as the Financial Conduct Authority's rules and associated guidance;
- ensuring that the Remuneration Policy is adequate and appropriate to attract, motivate and retain personnel of high calibre and provides, in a fair and responsible manner, reward for their individual contributions;
- reviewing the ongoing appropriateness and relevance of the Remuneration Policy, overseeing any major changes in remuneration and employee benefits structures throughout Ascential;
- consulting with shareholders and their advisory bodies in advance of significant changes to Remuneration Policy;
- approving the design of, and determining targets for, performance-related pay schemes operated by Ascential and approving the total annual payments made under such schemes; and
- reviewing the design of all share incentive plans for approval by the Board and shareholders. For any such plans, the Committee determines each year whether awards will be made and, if so, the overall amount of such awards, the individual awards to Executive Directors and other senior management, and the performance targets to be used.

Policy Overview

When setting the policy for Directors' remuneration, the Committee takes into account the overall business strategy and risk tolerance, considering the long-term interest of the Company with a view to adequately attracting, retaining and rewarding skilled individuals and delivering rewards to shareholders. Consistent with these principles, the Committee has agreed a Remuneration Policy which will:

- provide a simple remuneration structure which is easily understood by all stakeholders;
- attract, retain and motivate executives and senior management in order to deliver the Company's strategic goals and business outputs;
- promote the long-term success of the business;
- provide an appropriate balance between fixed and performance-related, and immediate and deferred remuneration to support a high-performance culture;
- adhere to the principles of good corporate governance and best practice;
- align executives with the interests of shareholders and other external stakeholders; and
- consider the wider pay environment, both internally and externally.

Furthermore, the Committee is satisfied that the Remuneration Policy and its application takes due account of the six factors listed in the UK Corporate Governance Code:

- Clarity – our policy is well understood by our management team and has been clearly articulated to our shareholders. A key part of our EVP, People's role is engaging with our wider employee base on all our "People Matters" (including remuneration) and we monitor the effectiveness of this process through the feedback received.
- Simplicity – the Committee is very mindful of the need to avoid overly complex remuneration structures which can be misunderstood and/or deliver unintended outcomes. Therefore, one of the Committee's objectives is to ensure that our executive remuneration policies and practices are as simple to communicate and operate as possible, while also supporting our strategy.
- Risk – our Remuneration Policy is designed to ensure that inappropriate risk-taking is not encouraged and will not be rewarded via (i) the balanced use of both short- and long-term incentive plans and (ii) malus/clawback provisions.
- Predictability – our incentive plans are subject to individual caps, with our share plans also subject to market standard dilution limits. The scenario charts on page 122 illustrate how the rewards potentially receivable by our Executive Directors vary based on performance delivered and share price growth.

- Proportionality – there is a clear link between individual awards, delivery of strategy and our long-term performance. In addition, the significant role played by the value of reward through equity with post-employment holding requirements, together with the structure of the Executive Directors' service contracts, ensures that poor performance is not rewarded.
- Alignment to culture – Ascential has a relentless focus on delivering for our customers and this is fully aligned with our Remuneration Policy in that employee personal success is directly linked to the Ascential Beliefs and Behaviours through the short-term incentive plans and targets we operate. This is especially the case at the most senior levels within our business.

How are wider employment conditions considered?

The Committee seeks to ensure that the underlying principles which form the basis for decisions on Executive Directors' pay are consistent with those on which pay decisions for the rest of the workforce are taken. For example, the Committee takes into account the general salary increase for the broader employee population when conducting the salary review for the Executive Directors. With effect from 1 April 2022, the salary increases awarded to the Executive Directors were in line with the average wage increase for all UK employees at 2.5%.

The Company operates UK and International Sharesave and US Stock Purchase saving plans for employees wishing to invest in the Company's shares. A formal employee consultation on remuneration is not operated; however, employees are able to provide feedback on the Company's remuneration policies to their managers or the People Team informally, as well as through the employee engagement survey and formal performance review process.

The Ascential Employee Forum was established in 2020 and continued to provide an additional channel for consulting with employees on issues affecting them, including Remuneration Policy. Fixed ratios between the total remuneration levels of different roles in Ascential are not applied, as this may prevent us from recruiting and retaining the necessary talent in competitive employment markets. We do operate a formal job banding framework, which helps to ensure that remuneration is appropriate and consistent across the organisation.

The Executive Directors' Remuneration Policy (as set out on pages 118 to 125) reflects differences compared to the broader employee base that are appropriate to leadership to ensure alignment with shareholder interests. A greater weight is placed on performance-based pay through the quantum and participation levels in incentive schemes.

What changes are we making to the Directors' Remuneration Policy?

In the context of the conclusions of the strategic review announced in January 2023, the Committee considers it appropriate to keep the previously approved Policy in place for 2023, ahead of a comprehensive review of remuneration policy for the Group once the proposed transactions of disposing of WGSN and the demerger of Digital Commerce assets have been completed. As a result, no changes are being made to the current policy.

Are the views of shareholders considered?

The Committee values and is committed to dialogue with shareholders. We will continue to carefully consider any shareholder feedback received in relation to the AGM this year and in future. As with the Directors' Remuneration Policy proposed for approval at the 2023 AGM, the Committee will continue to engage proactively with shareholders and ensure that shareholders are consulted in advance where any material changes to the Directors' Remuneration Policy are proposed.

Strategic report
Governance report
Financial statements

What are the elements of Executive Directors' Pay?

Element	Purpose and link to strategy	Operation	Opportunity
Base Salary	Provides a competitive and appropriate level of basic fixed pay appropriate to recruit, retain and reward Directors of a suitable calibre to deliver the Company's strategic goals and business outputs. Reflects an individual's experience, performance and responsibilities within Ascential.	Set at a level which provides a fair reward for the role and which is competitive amongst relevant peers. Normally reviewed annually with any changes taking effect from 1 April each year. Set taking into consideration individual and Company performance, the responsibilities and accountabilities of each role, the experience of each individual, his or her marketability and Ascential's key dependencies on the individual. Reference is also made to salary levels amongst relevant peers and other companies of equivalent size and complexity. The Committee considers the impact of any base salary increase on the total remuneration package.	Increases will normally be in line with the general increase for the broader employee population, considering factors such as performance of the Company and external factors such as inflation. More significant increases than standard may be awarded from time to time to recognise, for example, development in role and change in position or responsibility, as are also considered for the wider workforce for the same reasons. Current salary levels are disclosed in the Annual Report on Remuneration.
Benefits	Provides market competitive and appropriate benefits package.	Benefits provided may include private medical insurance, life assurance and income protection insurance. The benefits provided may be subject to minor amendment from time to time by the Committee within this policy. In addition, Executive Directors are eligible for other benefits which are introduced for the wider workforce on broadly similar terms. The Company may reimburse any reasonable business-related expenses incurred in connection with their role (including tax thereon if these are determined to be taxable benefits).	There is no overall maximum level of benefits provided to Executive Directors, and the level of some of these benefits is not pre-determined but may vary from year to year based on the overall cost to the Company. However, the Committee monitors annually the overall cost of the benefits provided to ensure that it remains appropriate.
Pension	Provides a competitive and appropriate pension package.	Each Executive Director has the right to participate in the pension scheme operated by the Company either via a contribution into the Company's defined contribution plan, or via an alternative cash allowance.	Pension contributions and/or cash allowances are set at 9% of base salary for Executive Directors appointed prior to 2020 taking into account their service in post and the approach to pensions applied to the wider UK workforce. For Executive Directors who joined after the 2020 policy was approved, the Company contribution will align with the pension provision to the wider UK workforce with executives eligible to receive a maximum Company contribution to a pension scheme or a cash payment on the following scale: 5% of salary: less than 5 years' service; 7% of salary: less than 10 years' service; and 9% of salary: greater than 10 years' service.
All-employee share plans	Encourages employee share ownership and therefore increases alignment with shareholders.	Ascential may from time to time operate tax-approved share plans (such as HMRC approved Save As You Earn Option Plan and Share Incentive Plan) for which Executive Directors could be eligible.	The schemes are subject to the limits set by HMRC or appropriate tax authority from time to time.

Element	Purpose and link to strategy	Operation	Opportunity
Annual bonus	Incentivises the execution of key annual goals by rewarding performance against targets aligned to delivery of strategy. Compulsory deferral of a portion of bonus into Ascential shares provides alignment with shareholders.	Paid annually, bonuses will be subject to achievement of stretching financial performance measures. The Committee also has discretion to introduce non-financial and/or strategic measures in future years. It is intended, however, that financial measures will determine the majority of the annual bonus opportunity. 50% of the bonus will normally be deferred into awards over shares under the Deferred Annual Bonus Plan ("DABP"), with awards normally vesting after a three-year period. Executive Directors have the flexibility to voluntarily elect to defer up to 100% of any bonus earned into shares for three years. Recovery and withholding provisions are in operation across the annual bonus and the DABP in certain circumstances, including where there has been a misstatement of accounts, an error in assessing any applicable performance conditions, or in the event of misconduct on the part of the participant. The Committee has discretion to adjust bonus outcomes having had regard to overall corporate performance.	The maximum bonus payable to Executive Directors is 125% of base salary with 50% of maximum payable for on-target performance (62.5% of salary). 0% of salary is paid for threshold performance. Dividends may accrue on DABP awards over the vesting period and be paid out either as cash or as shares on vesting.
Performance Share Plan ("PSP")	Rewards the achievement of sustained long-term performance that is aligned with shareholder interest. Facilitates share ownership to provide further alignment with shareholders.	Annual awards of performance shares that normally vest after three years subject to performance conditions and continued service. Performance is normally tested over a period of at least three financial years. For the awards to be granted in 2022, awards will be subject to targets based on growth in Adjusted EPS and Digital Commerce Business Unit revenue. Different performance measures and/or weightings may be applied for future awards as appropriate. At least 50% of future awards will be subject to financial measures which will normally be a profit measure. The Committee will consult in advance with major shareholders prior to any significant changes being made. Following vesting, a further two-year holding period will apply to the awards whereby Executive Directors will be restricted from selling the net-of-tax shares which vest. Recovery and withholding provisions operate in certain circumstances, including where there has been a misstatement of accounts, an error in assessing any applicable performance conditions, or in the event of misconduct on the part of the participant. These provisions apply for at least three years from the date on which an award vests.	The normal maximum opportunity is 200% of base salary. In exceptional circumstances this may be increased to 250% of salary. Subject to the Remuneration Committee's discretion to amend formulaic outputs, for achievement of the threshold level of performance (the minimum level of performance for vesting to occur), up to 25% of the maximum opportunity will vest for each element, rising on a graduated scale up to 100% of each element vesting for achieving the maximum level of performance. Dividends may accrue on PSP awards over the vesting period and be paid out either as cash or as shares on vesting in respect of the number of shares that have vested.
Shareholding guideline	Encourages Executive Directors to build a meaningful shareholding in Ascential so as to further align interests with shareholders.	Each Executive Director must build up and maintain a shareholding in Ascential equivalent to 200% of base salary. If an Executive Director does not meet the guideline, they will be expected to retain at least half of the net shares vesting under the Company's discretionary share-based employee incentive schemes until the guideline is met.	Not applicable
Post-employment share ownership requirements	Ensures there is an appropriate amount of 'tail risk' for executive post cessation of employment.	Executives leaving employment as good leavers (e.g. due to retirement) will continue to hold share awards until the later of their original vesting date or the conclusion of a holding period on the vested shares. Deferred share bonus awards and PSP awards will only be eligible to vest at the normal vesting date (i.e. three years from grant and subject to performance in the case of the PSP) and vested PSP shares subject to a holding period will remain subject to the holding period (i.e. vesting and release will not be brought forward from year 5 to year 3). An exceptional circumstances provision will apply so that these provisions could be overridden (e.g. in the event of death). Bad leavers' share awards will lapse on cessation of employment.	Not applicable

What discretion does the Committee retain in operating the incentive plans?

The Committee operates Ascential's various incentive plans according to their respective rules. To ensure the efficient operation and administration of these plans, the Committee retains discretion in relation to a number of areas. Consistent with market practice, these include (but are not limited to) the following:

- Selecting the participants;
- The timing of grant and/or payments;
- The size of grants and/or payments (within the limits set out in the policy table above);
- The extent of vesting based on the assessment of performance;
- Determination of good leaver and, where relevant, the extent of vesting in the case of the share-based plans;
- Treatment in exceptional circumstances such as change of control, in which the Committee would act in the best interests of Ascential and its shareholders;
- Making the appropriate adjustments required in certain circumstances (e.g. rights issues, corporate restructuring events, variation of capital and special dividend);
- Cash settling awards; and
- The annual review of performance measures, weightings and setting targets for the discretionary incentive plans from year to year.

Any performance conditions may be amended or substituted if one or more events occur which cause the Committee to reasonably consider that the performance condition would not without alteration achieve its original purpose. Any varied performance condition would not be materially less difficult to satisfy in the circumstances.

How does the Committee choose performance measures and set targets?

The performance metrics used for the annual bonus plan and PSP have been selected to reflect Ascential's key performance indicators.

The annual bonus is based on performance against a stretching combination of financial measures, with the flexibility to include non-financial performance measures if considered to be appropriate. The financial measures are set taking account of Ascential's key operational objectives but will typically include a measure of profitability such as EBITDA (which is also closely correlated with the generation of cash) and/or revenue (which reflects the Company's growth focus) as these are key performance indicators. In 2023, the annual bonus will be measured on revenue (50%) and profit (50%) targets.

The performance conditions for the PSP will be weighted towards financial performance and include metrics weighted towards long-term value creation (e.g. a combination of Adjusted EPS and revenue performance for the Digital Commerce Business Unit). Digital Commerce Business Unit revenue has been selected as an appropriate metric as growth in its revenue remains a key long-term strategic priority.

A sliding scale of challenging performance targets is set for both of these measures and further details of the targets applied are set out in the Annual Report on Remuneration.

The Committee will review the choice of performance measures and the appropriateness of the performance targets prior to each PSP grant.

Different performance measures and/or weightings may be applied for future awards as appropriate. However, the Committee will consult in advance with major shareholders prior to any significant changes being made.

What about pre-existing arrangements?

In approving this Directors' Remuneration Policy, authority is given to the Remuneration Committee to honour any commitments entered into with current Directors that pre-date the approval of the policy. Details of any payments to current or former Directors will be set out in the Annual Report on Remuneration if and when they arise.

How does the executive pay policy differ from that for other Ascential employees?

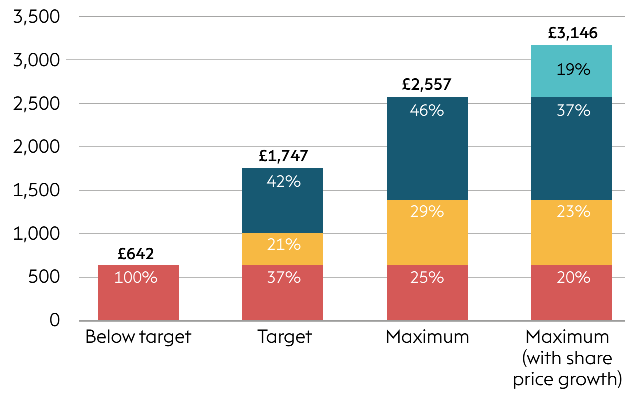
The Remuneration Committee considers the Executive Directors' remuneration in the context of the wider employee population. All of the Company's employees have the opportunity to participate in share-based rewards such as SAYE, and the wider leadership team of the Company participate in annual bonus arrangements. The Remuneration Policy for the Executive Directors is more heavily weighted towards variable pay than for other employees, to make a greater part of their pay conditional on the successful delivery of business strategy. This aims to create a clear link between the value created for shareholders and the remuneration received by the Executive Directors.

How much could an Executive Director earn under the Remuneration Policy?

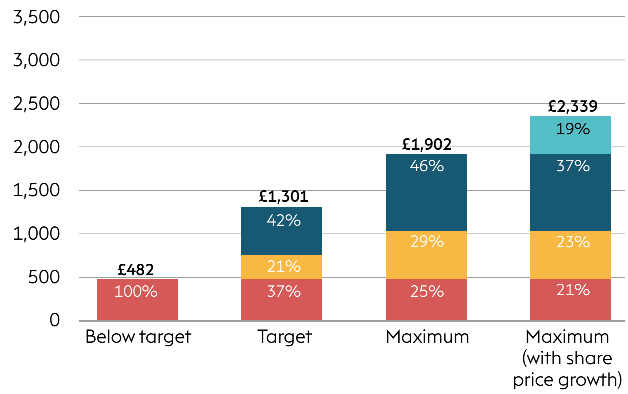
A significant proportion of total remuneration is linked to Company performance, particularly at maximum performance levels.

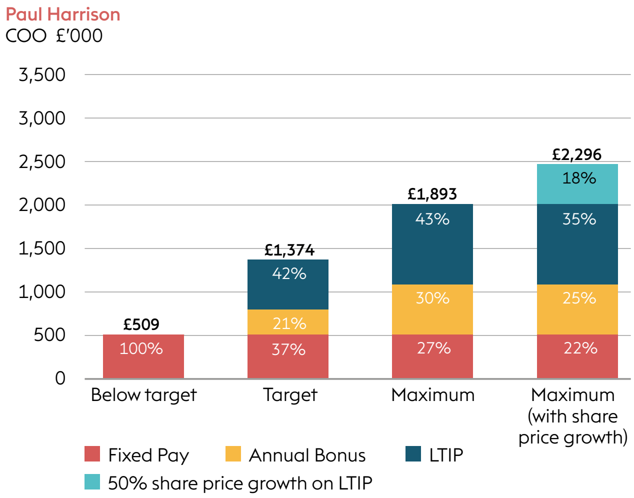
The chart below illustrates how the Executive Directors' potential reward opportunity varies under three different performance scenarios: fixed pay only, on-target and at maximum. Illustrations are intended to provide further information to shareholders regarding the pay for performance relationship. Actual pay delivered will be influenced by changes in share price and the vesting levels of awards.

Duncan Painter
CEO £'000



Mandy Gradden
CFO £'000





The Executive Directors can participate in all-employee share schemes on the same basis as other employees. The value that may be received under these schemes is subject to tax-approved limits. For simplicity, the value that may be received from participating in these schemes has been excluded from the above charts.

What would a new Executive Director be paid?

The ongoing remuneration package for a new Executive Director would be set in accordance with the terms of Ascential's shareholder-approved Remuneration Policy at the time of appointment and the maximum limits set out therein. It is the Remuneration Committee's policy that no ongoing special arrangements will be made, and in the event that any deviation from standard policy is required to recruit a new hire on an ongoing basis, approval would be sought at the Annual General Meeting.

Base salary levels will be set in accordance with Ascential's Remuneration Policy, taking into account the experience and calibre of the individual. Salaries may be set at a below-market level initially with a view to increasing them to the market rate subject to individual performance and developing into the role by making phased above-inflation increases.

Benefits will be provided in line with those offered to the other Executive Directors, taking account of local market practice.

What would the ongoing incentive arrangements be for a newly appointed Executive Director?

Currently, for an Executive Director, annual bonus payments will not exceed 125% of base salary and PSP awards would not normally exceed 200% of base salary (not including any arrangements to replace forfeited entitlements).

Where necessary, specific annual bonus and PSP targets and different vesting and/or holding periods may be used for an individual for the first year of appointment if it is appropriate to do so to reflect the individual's responsibilities and the point in the year in which they joined the Board. A PSP award can be made shortly following an appointment (assuming the Company is not in a close period).

What payments could a newly appointed Executive Director receive beyond the policy?

The Committee retains flexibility to offer additional cash and/or share-based awards on appointment to take account of remuneration or benefit arrangements forfeited by an Executive on leaving their previous employer. If shares are used, such awards may be made under the terms of the PSP or as permitted under the Listing Rules.

Such payments would take into account the nature of awards forfeited and would reflect (as far as possible) performance conditions, the values foregone and the time over which they would have vested or been paid. Awards may be made in cash if the Company is in a prohibited period at the time an Executive joins the Company.

The Committee may also agree that the Company will meet certain relocation, legal, tax equalisation and any other incidental expenses as appropriate so as to enable the recruitment of the best people including those who would need to relocate.

What about an internal appointment?

In the case of an internal Executive Director appointment, any variable pay element awarded in respect of the prior role may be allowed to pay out according to its terms, and adjusted as relevant to take into account the appointment. In addition, any other ongoing remuneration obligations existing prior to appointment may continue. Where a temporary internal promotion occurs, base salary may be subject to an adjustment to better reflect the temporary role or an additional allowance may be payable to reflect the additional responsibilities for the period they operate.

Are the Executive Directors allowed to hold external appointments?

Executive Directors are permitted to accept external appointments with the prior approval of the Board and where there is no impact on their role with Ascential. The Board will determine on a case-by-case basis whether the Executive Directors will be permitted to retain any fees arising from such appointments.

What are the Executive Directors' terms of employment? What are their notice periods?

The Executive Directors have entered into service agreements with an indefinite term that may be terminated by either party on 12 months' written notice. Contracts for new appointments will be terminable by either party on a maximum of 12 months' written notice.

What payments will an Executive Director receive when they leave the Company?

An Executive Director's service contract may be terminated summarily without notice and without any further payment or compensation, except for sums accrued up to the date of termination, if they are deemed to be guilty of gross misconduct or for any other material breach of the obligations under their employment contract.

The Company may suspend the Executive Directors or put them on a period of garden leave during which they will be entitled to salary, benefits and pension only.

If the employment of an Executive Director is terminated in other circumstances, compensation may include base salary due for any unexpired notice period, pro-rata bonus (normally based on performance assessed after the year end), and any amount assessed by the Committee as representing the value of other contractual benefits which would have been received during the period. The Company may choose to continue providing some benefits instead of paying a cash sum, representing their cost. The cash element of any annual bonus paid to a departing Executive Director would normally be paid at the normal payment date, and reduced pro rata to reflect the actual period worked.

Any statutory entitlements or sums to settle or compromise claims in connection with a termination (including, at the discretion of the Committee, reimbursement for tax or legal advice and provision of outplacement services) would be paid as necessary.

Executive Directors' service contracts are available for inspection at Ascential's registered office during normal business hours and will be available for inspection at the AGM.

How are outstanding share awards treated when an Executive Director leaves Ascential?

Any share-based entitlements granted to an Executive Director under Ascential's share plans will be treated in accordance with the relevant plan rules. Usually, any outstanding awards lapse on cessation of employment. However, in certain prescribed circumstances, such as death, injury, disability, retirement with the consent of the Committee, the sale of the entity that employs him/her out of Ascential or any other circumstances at the discretion of the Committee, "good leaver" status may be applied.

For good leavers under the PSP, outstanding awards will normally vest at the original vesting date to the extent that the performance condition has been satisfied, and would normally be reduced on a pro-rata basis to reflect the period of time which has elapsed between the grant date and the date on which the participant ceases to be employed by the Company. The Committee retains the discretion to vest awards (and measure performance accordingly) on cessation and/or to disapply time pro-rating. However, it is envisaged that this would only be applied in exceptional circumstances in line with the Company "post cessation of employment share ownership guideline". For good leavers under the DABP, unvested awards will vest at the original vesting date unless the Committee exercises its discretion and allows the award to vest in full on, or shortly following, the date of cessation. However, in line with the Company "post cessation of employment share ownership guideline" it is envisaged this would only be applied in exceptional circumstances.

In determining whether a departing Executive Director should be treated as a "good leaver", the Committee will take into account the performance of the individual and the reasons for their departure.

What happens to their outstanding share awards if there is a takeover or other corporate event?

Outstanding awards on a takeover or winding up of the Company will vest early to the extent that the performance condition has been satisfied, and would normally be reduced on a pro-rata basis to reflect the period of time which has elapsed between the grant date and the date of the takeover or other corporate event, although the Committee would retain discretion to waive time pro-rating of an award if it regards it as appropriate to do so in the particular circumstances.

In the event of a demerger, special dividend or other event which, in the opinion of the Committee, may affect the current or future value of shares, the Committee may decide that awards will vest on a basis which would apply in the case of takeover. In the event of an internal corporate reorganisation, awards will be replaced by equivalent new awards over shares in a new holding company, unless the Committee decides that awards should vest on a basis which would apply in the case of a takeover.

How are the Non-Executive Directors paid?

Element	Purpose and link to strategy	Operation	Opportunity
Non-Executive Director fees	To attract and retain a high-calibre Chairman and Non-Executive Directors by offering market competitive fee levels.	The Company Chairman is paid an annual fee. The Non-Executives (including the Senior Independent Director) are paid a basic fee, with the Chairs of the main Board Committees, the Senior Independent Director and the Non-Executive Director designated as the employee representative, being paid additional fees to reflect the extra responsibilities and time commitments. 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. The level of fees is reviewed periodically by the Committee and CEO for the Company Chairman, and by the Company Chairman and Executive Directors for the Non-Executive Directors, and is set taking into consideration market levels in comparably sized FTSE companies, the time commitment and responsibilities of the role and to reflect the experience and expertise required. The Company Chairman and the Non-Executive Directors are not eligible to participate in incentive arrangements or to receive benefits save that they are entitled to reimbursement of reasonable business expenses and any tax thereon.	The fees are subject to maximum aggregate limits as set out in the Company's Articles of Association (£2,000,000). The Committee is guided by the general increase for the broader employee population, but on occasions may need to recognise, for example, changes in responsibility, and/or time commitments. Current fee levels are disclosed in the Annual Report on Remuneration.

What would a new Chairman or Non-Executive Director be paid?

For a new Chairman or Non-Executive Director, the fee arrangement would be set in accordance with the approved Remuneration Policy in force at that time.

What are the terms of appointment for the Chairman and Non-Executive Directors?

All Non-Executive Directors have letters of appointment with the Company for an initial period of three years (save for the Chairman who is appointed for a nine-year term), subject to annual re-election by the Company at a general meeting.

The appointment of each Chairman and Non-Executive Director may be terminated by either party with three months' notice. The appointment of each may also be terminated at any time if they are removed as a Director by resolution at a general meeting or pursuant to the Articles, provided that in such circumstances the Company will (except where the removal is by reason of their misconduct) pay the Chairman or Non-Executive an amount in lieu of their fees for the unexpired portion of his or their notice period.

Directors' letters of appointment are available for inspection at the registered office of Ascential during normal business hours and will be available for inspection at the AGM.

Dates of Directors' service contracts/letters of appointment

	Date of service contract / appointment	Unexpired term of contract at 31 December 2022
Executive Directors		
Duncan Painter	4 January 2016	Rolling contract
Mandy Gradden	4 January 2016	Rolling contract
Paul Harrison	11 January 2021	Rolling contract
Non-Executive Directors		
Scott Forbes	11 January 2016	n/a
Suzanne Baxter	5 January 2021	n/a
Rita Clifton	12 May 2016	n/a
Joanne Harris	1 April 2021	n/a
Funke Ighodaro	5 January 2021	n/a
Gillian Kent	21 January 2016	n/a
Charles Song	1 October 2020	n/a
Judy Vezmar	21 January 2016	n/a

Annual report on remuneration

Subject to an advisory vote at the 2023 AGM

This report has been prepared in accordance with the provisions of the Companies Act 2006 and the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). This report has also been prepared in line with the recommendations of the 2018 UK Corporate Governance Code.

This part of the Directors' Remuneration Report sets out a summary of how the Directors' Remuneration Policy was applied during 2022. The policy in place for the year was approved by shareholders at the 2020 AGM. This Annual Report on Remuneration will be subject to an advisory vote at the 2023 AGM. Various disclosures in this report about the Directors' remuneration have been audited by Ascential's independent auditor, KPMG LLP. Where information has been audited, this has been clearly indicated.

What is the composition of the Remuneration Committee?

The Committee is made up of independent Non-Executive Directors and there is cross-membership with the Audit Committee, whose remit includes review of risk management, to ensure that there is alignment between the Group's key risks and its Remuneration Policy. Regular attendees include the external remuneration adviser, Chief Executive, Chief Operating Officer, EVP, People and the VP, Reward. No attendee is present when their own individual remuneration is being discussed.

Committee attendance during the year

The Committee held four formal meetings during the year, and additionally met informally several times to discuss any matters arising. All members attended all meetings.

Key activities of the Committee

The Committee's key activities during the 2022 financial year were:

- discussion and conclusion of proposals to present the existing Directors' Remuneration Policy for approval by shareholders at the 2023 AGM;
- reviewing base salaries for Executive Directors and senior management;
- reviewing and approving a revised bonus plan for key talent within the Digital Commerce division;
- approving the bonus outturn for Executive Directors and senior management;
- setting bonus targets for Executive Directors and approving them for senior management;
- approving awards under the Company's share plans, including associated performance conditions; and
- approving this Remuneration Committee Report.

Total remuneration for the financial year to 31 December 2022 (Audited)

The following table reports the total remuneration receivable in respect of qualifying services by each Director for the year ended 31 December 2022.

£'000		Salary & fees	Taxable benefits[1]	Pension[2]	Total Fixed Pay	Annual Bonus[3]	Long-Term Incentive[4]	Other[5]	Total Variable Pay	Total Remuneration
Executive										
Duncan Painter	2022	566	9	51	626	322	–	–	322	948
	2021	554	11	43	608	693	–	–	693	1,301
Mandy Gradden	2022	420	5	38	463	239	–	–	239	702
	2021	411	5	32	448	514	–	–	514	962
Paul Harrison	2022	459	6	23	488	261	–	-	261	749
	2021	440	7	16	463	563	–	1,305	1,868	2,331
Non-Executive										
Scott Forbes	2022	220	–	–	220	–	–	–	–	220
	2021	220	–	–	220	–	–	–	–	220
Rita Clifton	2022	65	–	–	65	–	–	–	–	65
	2021	65	–	–	65	–	–	–	–	65
Gillian Kent	2022	55	–	–	55	–	–	–	–	55
	2021	55	–	–	55	–	–	–	–	55
Judy Vezmar	2022	65	–	–	65	–	–	–	–	65
	2021	65	–	–	65	–	–	–	–	65
Charles Song[6]	2022	59	–	–	59	–	–	–	–	59
	2021	55	–	–	55	–	–	–	–	55
Suzanne Baxter	2022	65	–	–	65	–	–	–	–	65
	2021	64	–	–	64	–	–	–	–	64
Funke Ighodaro[7]	2022	41	–	–	41	–	–	–	–	41
	2021	54	–	–	54	–	–	–	–	54
Joanne Harris[6]	2022	63	–	–	63	–	–	–	–	63
	2021	42	–	–	42	–	–	–	–	42
Total	**2022**	**2,078**	20	**112**	**2,210**	822		–	821	**3,032**
Total	2021	**2,025**	23	**91**	**2,139**	1,770	–	1,305	3,075	**5,214**

1. Benefits include private medical insurance, life assurance, income protection insurance and use of a company driver.
2. Pension amounts are the cash allowance paid in lieu of pension contributions which are calculated as 9% of salary for the CEO and CFO, and 5% for the COO.
3. Bonus was calculated as a percentage of annual salary received during the year – i.e. pro-rated for salary increase in April each year. Any bonus amounts to be deferred under the Deferred Annual Bonus Plan are shown in the bonus figure for the year in which they were awarded.
4. The PSP granted to Duncan Painter and Mandy Gradden in 2020 were delayed from the normal grant time of March until October in response to the uncertainty presented by Covid and the consequent challenges with establishing appropriate performance conditions. The performance period for the 2020 PSP therefore runs until October 2023. The value (if any) of this award will be included in the 2023 DRR when the vesting outcome is known.
5. As announced in the 2020 Annual Report on Remuneration, 313,336 shares were awarded in 2021 to Paul Harrison pas part of his joining arrangements. The award was not subject to performance conditions as it mirrored the awards forfeited by Paul on leaving his prior employment. The final tranche of 129,159 vested in April 2022 and was not subject to performance conditions, other than continued employment. The 2021 value of this buyout award has been restated to include the market value of the entire award as at the date of grant (£4.16). Duncan Painter and Mandy Gradden were each granted 9,944 shares under the SAYE plan with an option price of £1.81. The value of these awards will be included in the single figure table of remuneration in the year in which they are exercised, if such an exercise takes place.
6. Charles Song and Joanne Harris' fees are paid in local currency (Hong Kong dollar and US dollar respectively). Their fees were fixed in local currency on their appointment and therefore the GBP amount of their fees varies according to movement in the GBP exchange rate.
7. Funke Ighodaro resigned from the Board with effect from 9 September 2022.

The aggregate gain for Mandy Gradden in the year from the exercise of options under the Performance Share Plan was £733,068 based on the market price on the date of exercise of £1.81. The aggregate gain for Mandy Gradden in the year from the exercise of options under the DABP was £67,953 based on the market prices on the dates of exercise of £3.35 and £1.81. The aggregate gain for Duncan Painter in the year from the exercise of options under the DABP was £65,513 based on the market price on the date of exercise of £3.35.

Duncan Painter is also a non-executive director of ITV plc and received fees totalling £70,425 in 2022 (2021: £70,425) from that external appointment. Paul Harrison is a non-executive director of Darktrace plc and received fees totalling US dollar 114,992 in 2022 (2021: £61,875) from that external appointment.

How was the annual bonus payment determined? (Audited)

The bonus targets for the year, performance against these targets, and the resulting payouts are set out below. At the time of setting the targets, the Committee considered the target ranges to provide an appropriate balance between being achievable at the bottom end of the performance ranges and providing a stretch target at the top end of the ranges. The targets were considered similarly demanding to those set for 2021 allowing for changes to the Company's portfolio of businesses. The targets were subject to an appropriate adjustment to reflect material M&A activity during the year (i.e. they were increased to reflect the acquisition-case expected financial performance) with this approach ensuring that the targets were no less challenging than when originally set.

	Weighting	Threshold		Target		Maximum		Actual		
Target	%	Required result	Payout as % of maximum	Required result	Payout as a % of maximum	Required result	Payout as a % of maximum	Actual result	Payout as a % of maximum	Payout as % of target
Revenue (£'m)	50	470.6	0	522.9	50	528.1	100	524.4	64.5	129.0
EBITDA (£'m)	50	114.3	0	127.0	50	130.2	100	121.1	26.7	53.4
Total	**100**								**45.5**	**91.2**

The Committee confirmed that this payout level was appropriate in the overall context of the Company's financial performance in 2022 and in line with payouts at those Business Units which outperformed their targets. In approving bonus awards the Committee noted that the Company delivered strong performance during the year with Organic revenue growth of 30% and Adjusted EBITDA growth of 23%. No discretion to adjust payouts was therefore required. Half of the bonus will be deferred into shares for three years under the Deferred Annual Bonus Plan

What equity awards have been included in the single figure table? (Audited)

The PSP award granted to the Executive Directors in 2020 was delayed from the normal grant time of March until 1 October in response to the uncertainty presented by Covid and the consequent challenges with establishing appropriate performance conditions. The award is subject to relative TSR performance over the period to 30 September 2023. The value of this award (if any) will be included in the 2023 Directors' Remuneration Report when the vesting outcome is known.

What equity awards have been granted during the year? (Audited)

The Executive Directors received the following awards under the Performance Share Plan ("PSP") and the Deferred Annual Bonus Plan during the year.

	Type of award	Number of shares	Face value (£)[1]	Face value as a % of salary	Threshold vesting	End of performance period
Duncan Painter	PSP	329,717	1,110,619	200%	25%	31 December 2024
Duncan Painter	DABP	205,715	692,930	125%	n/a	n/a
Duncan Painter	SAYE	9,944	22,441	n/a	n/a	n/a
Mandy Gradden	PSP	244,545	823,725	200%	25%	31 December 2024
Mandy Gradden	DABP	76,287	256,965	62%	n/a	n/a
Mandy Gradden	SAYE	9,944	22,441	n/a	n/a	n/a
Paul Harrison	PSP	233,790	787,498	175%	25%	31 December 2024
Paul Harrison	DABP	83,496	281,248	62%	n/a	n/a

1 The 2022 PSP and DABP awards were granted as conditional awards. Face value has been calculated using the average closing share price for the five business days immediately preceding the date of grant of the award which was £3.3684. The SAYE awards have an option price of £1.81, which was a 20% discount to the three-day average closing share price market value of £2.26, which has been used to calculate the face value in the above table.

With regard to the 2022 award's performance targets, the Committee agreed that the 2022 awards should be based on EPS (75% weighting) and revenue of the Digital Commerce Business Unit (25% weighting), consistent with the prior year. These metrics reflect feedback during engagement with the Company's investors on appropriate medium to long-term targets to support sustained profitable growth and better alignment with the Board's business strategy objectives of expanding our global leadership as a provider of specialist information, analytics and ecommerce optimisation, with a special focus in digital commerce.

The 2022 PSP awards are therefore subject to the following performance criteria:

Performance criteria	Weighting	Threshold (25% vesting)	Stretch (100%)	Measurement period
Adjusted EPS growth	75%	16%	29%	1 January 2022 – 31 December 2024
Digital Commerce Business Unit revenue	25%	£273.2m	£318.7m	1 January 2022 – 31 December 2024

Both the EPS and Digital Commerce Revenue targets were set having taken into account our internal planning and external market expectations for future performance as at the date of the award in April 2022. To ensure the EPS target acts as a realistic incentive, it was set and will be tested using constant tax rates in light of the prevailing uncertainties around future corporate tax rates, particularly in the US which has and continues to represent an increasing proportion of Ascential's business. In terms of the degree of stretch in the targets, they were set with a view to striking the right balance between being realistic at the threshold performance levels and stretching at the top end of the range set and, most importantly, aligning with the expected growth through to the end of 2024. The Committee will consider the overall vesting result in the context of broader Company performance on vesting, as well as making any adjustments required to reflect material M&A activity that takes place during the performance period.

To the extent awards vest in April 2025, any shares delivered will be subject to a two-year holding period.

What other interests do the Directors have in Ascential share plans?

The tables below summarise the interests the Executive Directors have in Ascential share plans.

Duncan Painter

Scheme	Interests at 1 Jan 2022	Granted in year	Lapsed in year	Exercised in year	Interests at 31 Dec 2022	Date of grant	Exercise price (£)	Vesting date	Expiry date
PSP	314,693	–	314,693	–	–	29-Mar-19	nil	29-Mar-22	n/a
PSP	381,626	–	–	–	381,626	01-Oct-20	nil	01-Oct-23	n/a
PSP	267,748	–	–	–	267,748	01-Sep-21	nil	01-Sep-24	n/a
PSP	–	329,717	–	–	329,717	06-Apr-22	nil	06-Apr-25	n/a
DABP	19,201	–	–	–	19,201	07-Mar-17	nil	07-Mar-20	06-Mar-27
DABP	19,549	–	–	19,549	–	29-Mar-19	nil	29-Mar-22	n/a
DABP	61,409	–	–	–	61,409	01-Oct-20	nil	01-Oct-223	n/a
DABP	–	205,715	–	–	205,715	06-Apr-22	nil	06-Apr-25	n/a
SAYE	5,921	–	–	–	5,921	26-Sep-19	3.04	01-Nov-22	30-Apr-23
SAYE	–	9,944	–	–	9,944	07-Oct-22	1.81	01-Nov-22	30-Apr-26
Total	**1,070,147**	**545,376**	**314,693**	**19,549**	**1,281,281**				

Mandy Gradden

Scheme	Interests at 1 Jan 2022	Granted in year	Lapsed in year	Exercised in year	Interests at 31 Dec 2022	Date of grant	Exercise price (£)	Vesting date	Expiry date
PSP	243,924	–	–	243,924	–	21-Mar-16	nil	21-Mar-19	20-Mar-26
PSP	160,037	–	–	160,037	–	07-Mar-17	nil	07-Mar-20	06-Mar-27
PSP	185,712	–	185,712	–	–	29-Mar-19	nil	29-Mar-22	n/a
PSP	225,229	–	–	–	225,229	01-Oct-20	nil	01-Oct-23	n/a
PSP	198,583	–	–	–	198,583	01-Sep-21	nil	01-Sep-24	n/a
PSP	–	244,545	–	–	244,545	06-Apr-22	nil	06-Apr-25	n/a
DABP	13,099	–	–	13,099	–	07-Mar-17	nil	07-Mar-20	06-Mar-27
DABP	13,184	–	–	13,184	–	29-Mar-19	nil	29-Mar-22	n/a
DABP	20,709	–	–	–	20,709	01-Oct-20	nil	01-Oct-23	n/a
DABP	–	76,287	–	–	76,287	06-Apr-22	nil	06-Apr-25	n/a
SAYE	5,921	–	–	–	5,921	26-Sep-19	3.04	01-Nov-22	30-Apr-23
SAYE	–	9,944	–	–	9,944	06-Apr-22	nil	06-Apr-25	n/a
Total	**1,066,398**	**330,776**	**185,712**	**430,244**	**781,218**				

Paul Harrison

Scheme	Interests at 11 Jan 2022	Granted in year	Lapsed in year	Exercised in year	Interests at 31 Dec 2022	Date of grant	Exercise price (£)	Vesting date	Expiry date
Buy out	129,159	–	–	129,159	–	01-Sep-21	nil	14-Mar-22	n/a
PSP	189,850	–	–	–	189,850	01-Sep-21	nil	01-Sep-24	n/a
PSP	–	233,790	–	–	233,790	06-Apr-22	nil	06-Apr-25	n/a
DABP	–	83,496	–	–	83,496	06-Apr-22	nil	06-Apr-25	n/a
SAYE	5,405	–	–	–	5,405	24-Sep-21	3.33	01-Nov-24	30-Apr-24
Total	**324,414**	**317,286**	–	**129,159**	**512,541**				

The closing share price of Ascential's ordinary shares at 31 December 2022 was 201.60p and the closing price range from 1 January 2022 to 31 December 2022 was 176.20p to 413.40p.

The Executive Directors can participate in the Ascential Save As You Earn scheme on the same terms as those open to the wider workforce. Share options are granted at an option price which is a 20% discount on the share price on the date of offer. Options normally vest following the conclusion of a three-year savings contract and will ordinarily be exercisable for a period of six months after the vesting date.

Ordinary shares required to fulfil entitlements under the PSP, RSP, DABP and SIP may be provided by Ascential's Employee Benefit Trusts ("EBT"). As beneficiaries under the EBT, the Executive Directors are deemed to be interested in the Ordinary Shares held by the EBT which, at 31 December 2022, amounted to 425,521 shares. Assuming that all outstanding awards made under Ascential's share plans vest in full, Ascential has utilised 4.69% of the 10% in ten years and 3.58% of the 5% in five years dilution limits.

What pension payments were made in 2022? (Audited)

The table below provides details of the Executive Directors' pension benefits:

	Cash in lieu of contributions to DC type pension plan (£'000s)
Duncan Painter	51
Mandy Gradden	38
Paul Harrison	23

Each Executive Director has the right to participate in Ascential's defined contribution pension plan or to elect to be paid some or all of their contribution in cash. Pension contributions and/or cash allowances are capped at 9% of salary for the CEO and CFO, and 5% of salary for the COO..

Were there any payments made to past Directors during 2022? (Audited)

There were no payments made to any past Directors during the year.

What are the Directors' shareholdings and is there a guideline? (Audited)

To align the interests of the Executive Directors with shareholders, each Executive Director must build up and maintain a shareholding in Ascential equivalent to 200% of base salary. Until the guideline is met, Executive Directors are required to retain 50% of any share awards that vest (or are exercised) net of tax. Details of the Directors' interests in shares (including those of their connected persons) are shown in the table below:

				PSP[2]	DABP		SAYE[3]	
Director	Beneficially owned at 31 Dec 2022	Beneficially owned at 31 Dec 2021	Shareholder guideline achieved?	Not vested	Not vested	Vested but not exercised	Not vested	Vested but not exercised
Duncan Painter	4,156,685	4,146,352	Yes	979,091	267,124	19,201	9,944	5,921
Mandy Gradden	1,274,962	850,934	Yes	668,357	96,996	–	9,944	5,921
Paul Harrison	174,244	105,973	No[1]	423,640	83,496	–	5,405	–
Scott Forbes	224,203	224,203	n/a	–	–	–	–	–
Suzanne Baxter	5,000	5,000	n/a	–	–	–	–	–
Rita Clifton	–	–	n/a	–	–	–	–	–
Joanne Harris	–	–	n/a	–	–	–	–	–
Judy Vezmar	50,000	50,000	n/a	–	–	–	–	–
Gillian Kent	–	–	n/a	–	–	–	–	–
Charles Song	–	–	n/a	–	–	–	–	–
Total	**5,885,094**	**5,382,462**		**2,071,088**	**447,616**	**19,201**	**25,293**	**11,842**

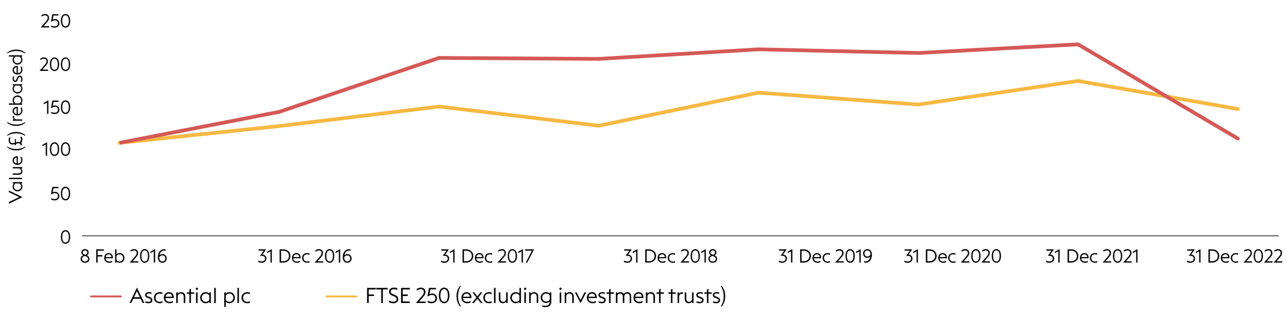
1 Paul Harrison was appointed as COO with effect from 11 January 2021 and was building his shareholding in line with the shareholding guideline.

2. All outstanding PSP awards are subject to performance conditions.

3. Awards under the DABP and SAYE are not subject to performance conditions, other than service-based conditions.

How does the CEO's pay compare to Ascential's performance?

This graph shows a comparison of Ascential's total shareholder return (share price growth plus dividends paid) with that of the FTSE 250 (excluding investment trusts) since Admission. This index has been selected as it comprises companies of a comparable size and provides an indication of Ascential's relative performance.



This graph shows the value, by 31 December 2022, of £100 invested in Ascential plc at the IPO Offer Price on 08 February 2016, compared with the value of £100 invested in the FTSE 250 (excluding investment trusts). Source: Datastream (Refinitiv)

The total remuneration figure for the CEO for each year since IPO is shown below. The total remuneration figure includes the annual bonus in the performance year to which it relates (included any amount deferred into shares).

	2017	2018	2019	2020	2021	**2022**
Total Remuneration (£'000)	856	2,167	1,681	647	1,301	**948**
Annual bonus (% of maximum)	48	20	26	0	100	**46**
Long Term Incentive Plan (% of maximum vesting)	n/a	100	83	12	0	**n/a**

How does the change in Director's pay and benefits compare to that for Ascential employees?

The historic movement in the salary, taxable benefits and annual bonus for the Directors compared to the UK employee average is shown below.

	Average percentage change 2019 - 2020			Average percentage change 2020 - 2021			Average percentage change 2021 - 2022		
	Salary / Fee	Taxable benefits	Annual bonus	Salary / Fee	Taxable benefits	Annual bonus	Salary / Fee	Taxable benefits	Annual bonus
Executive Directors:									
Duncan Painter	(12%)	(30%)	(100%)	1%	42%	nm	2%	2%	(54%)
Mandy Gradden	(10%)	0%	(100%)	3%	0%	nm	2%	1%	(54%)
Paul Harrison	n/a	n/a	n/a	n/a	n/a	n/a	2%	(6%)	(54%)
Non-Executive Directors:									
Scott Forbes	(6%)	n/a	n/a	0%	n/a	n/a	0%	n/a	n/a
Suzanne Baxter	n/a	n/a	n/a	n/a	n/a	n/a	0%	n/a	n/a
Rita Clifton	(9%)	n/a	n/a	0%	n/a	n/a	0%	n/a	n/a
Gillian Kent	(10%)	n/a	n/a	0%	n/a	n/a	0%	n/a	n/a
Joanne Harris[1]	n/a	n/a	n/a	n/a	n/a	n/a	nm	n/a	n/a
Paul Harrison	(12%)	n/a	n/a	n/a	n/a	n/a	0%	n/a	n/a
Funke Ighodaro[1]	n/a	n/a	n/a	n/a	n/a	n/a	nm	n/a	n/a
Charles Song[2]	n/a	n/a	n/a	n/a	n/a	n/a	7%	n/a	n/a
Judy Vezmar	(10%)	n/a	n/a	0%	n/a	n/a	0%	n/a	n/a
All employees[3]	(5%)	n/a	n/a	3%	nm	n/a	4%	nm	nm

1. Joanne Harris joined the Board on 1 April 2021 and Funke Ighodaro resigned from the Board on 9 September 2022. A comparison of their fees between 2021 and 2022 is therefore not meaningful.

2. Charles Song is paid in Hong Kong dollars and there was no increase in his fee in local currency. The change above reflects FX movement between HKD and GBP.

3. Only senior employees are eligible for an annual bonus and therefor the change in bonus for the average UK employee is not meaningful.

What is the ratio of CEO pay to the average UK employee?

The below table sets out the CEO's total remuneration as a ratio to UK employees' total remuneration on the 25th, 50th and 75th percentile.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
1 January to 31 December 2022	Option A	42	23	14
1 January to 31 December 2021	Option A	64	32	19
1 January to 31 December 2020	Option A	31	18	11
1 January to 31 December 2019	Option A	48	33	22

The salary and total pay of the UK employee on each of the 25th, 50th and 75th percentiles are shown below:

Percentile	Total Salary	Total Pay
25th	21,113	22,665
Median	39,558	41,600
75th	63,500	67,410

We have adopted Method A to calculate the above ratios as it is the most statistically accurate. This means that we have calculated total pay for all UK employees, using the same methodology that is used to calculate the CEO's single figure, using 31 December 2022 as the reference date. The median pay ratio is lower than the prior year due to a lower bonus attainment for the CEO. Underpinning our pay and progression principles is a need to provide a competitive total reward so as to enable the attraction and retention of high calibre individuals without overpaying, and providing the opportunity for individual development and career progression. The pay ratios reflect the changes in individual accountability which is recognised through our pay structures, which include greater variable pay opportunity for more senior positions. This is reflected in the fact that the CEO's variable pay opportunity is higher than those employees noted in the table, reflecting the weighting towards long-term value creation and alignment with shareholder interests inherent in his role. We are satisfied that the median pay ratio is consistent with our wider pay, reward and progression policies for employees. All our employees have the opportunity for annual pay increases, career progression and development opportunities.

How much does Ascential spend on pay and dividends? (Audited)

	2022	2021
Total employee costs	£271.0m	£216.2m
Dividend per ordinary share	0p	0p

What advice did the Committee receive?

Korn Ferry are the appointed advisers to the Remuneration Committee and provide advice and information on market practice, the governance of executive pay and the operation of employee share plans. The total fees paid to Korn Ferry in respect of their services for the 2022 financial year were £62,867 plus VAT. Korn Ferry provides other consulting services to the Board in relation to its recruitment of Non-Executive Directors which is provided by an entirely separate team independent from the team advising the Committee. As a result, the advice to the Committee is therefore considered independent. Korn Ferry are signatories to the Remuneration Consultant's Code of Conduct, which requires that advice to be objective and impartial.

What votes were received in relation to the Directors' Remuneration Policy at the 2020 AGM and the Annual Report on Remuneration at the 2022 AGM?

	Remuneration Policy at the 2020 AGM	%	Annual Report on Remuneration at the 2022 AGM	%
Votes cast in favour	365,711,635	97.1	394,615,525	96.7
Votes cast against	10,790,339	2.9	13,674,479	3.3
Total votes cast	376,501,974		408,290,004	
Abstentions	537,988		13,376	

How will the Directors' Remuneration Policy be used in the 2023 financial year?

Base salary

Our usual practice is to review Executive Directors' salaries with effect from 1 April each year. With our UK salary budget set at 4.5% of salary, the Committee awarded salary increases of 3.5% of salary to the CEO and CFO. In light of the announcement on 25 January 2023 that the COO intends to leave the Company as a result of his role effectively being made redundant following the proposed disposal of WGSN and the demerger of Digital Commerce assets, no salary increase was awarded to the COO. Therefore, the salaries effective from 1 April 2023 are £589,115 for the CEO, £436,936 for the CFO and £461,250 for the COO.

Annual bonus plan

The annual bonus plan will continue to be subject to a maximum of 125% of base salary and measured against stretching financial targets. 50% of the bonus will be based on Adjusted EBITDA and 50% will be based on revenue. Half of any bonus earned will be deferred into shares which vest after a three-year period.

The Committee has chosen not to disclose, in advance, the performance targets for the forthcoming year as these include items which the Committee considers commercially sensitive. An explanation of bonus payouts and performance achieved, along with the targets set, will be provided in next year's Annual Report on Remuneration.

Performance Share Plan

The Committee has not made any changes from the 2021 PSP award policy for 2023. As such, PSP awards have been granted to the CEO and CFO in February 2023 at 200% of salary. Having provided a detailed trading statement in January 2023 and taken legal advice that the Company was in an 'open' period and could therefore make share awards to Executive Directors and wider employees, the awards were granted in advance of what may be a potentially extended closed period arising from the implementation of the conclusions of the Company's strategic review as announced on 25 January 2023.

The performance will again be measured against Adjusted EPS growth for 75% of the award with the remaining 25% against revenue of the Digital Commerce Business Unit. Each element will be assessed independently of the other.

The Adjusted EPS targets that are intended to apply to the 2023 PSP awards have been set following the Committee's review of internal financial planning, external market expectations and current macro-economic conditions. The absolute level of growth required, and the breadth of the targets, is considered appropriate in the context of the current shape of our business, the economic environment and both internal and external expectations for our performance. These targets are considered to be no less challenging to the range of targets set for the 2021 awards, providing a realistic incentive at the lower end of the performance range, but with full vesting requiring exceptional outperformance in the current commercial context.

A summary of the 2023 performance targets is set out below:

Performance criteria	Weighting	Threshold (25% vesting)	Stretch (100% vesting)	Measurement period
Adjusted EPS	75%	16.2p	22.2p	1 January 2023 to 31 December 2025
Digital Commerce Business Unit Revenue	25%	£321.0m	£374.5m	

Vesting between threshold and maximum will be measured on a straight-line basis.

Shares normally vest after a three-year performance period, subject to a further two-year holding period whereby the Executive Directors will be restricted from selling the net-of-tax shares which vest.

Remuneration arrangements for Paul Harrison

As detailed in the Chair's Annual Statement, following the announcement in January that Ascential intends to dispose of WGSN and demerge its Digital Commerce assets, the role of COO will no longer operate in its current form. At the time of announcing the conclusion of the Board's strategic review, the Committee concluded that with the role to effectively become redundant that his remuneration should be treated in line with normal practice in the event of a redundancy. Accordingly, it is the Committee's intention that he will continue to receive his base salary and benefits through to his cessation of employment, be eligible to receive a performance related pro-rata bonus for the part year of employment in 2023 and to be treated as a 'good leaver' for the purposes of his outstanding share awards (i.e. they will vest on their normal vesting dates subject to a pro-rata reduction for time and the application of performance conditions).

What are the current and future Non-Executive Director fees?

The fees of the Chairman and Non-Executive Director were reviewed in January 2023, taking into account both past and future expected time commitment for the roles, and typical fee levels in FTSE 250 companies. The Conclusion of the review was that the fees should be increased to better reflect the increased time commitment of the roles. The Chairman and Non-Executive Directors' fees were last increased in February 2020.

	2023	**2022**	% Change
Board Chairman	235,000	**220,000**	7
Basic fee	58,000	**55,000**	5
Additional fee for Senior Independent Director	10,000	**10,000**	0
Additional fee for Audit Committee Chair	20,000	**10,000**	100
Additional fee for Remuneration Committee Chair	20,000	**10,000**	100

Directors' Report

Index to principal Directors' Report and Listing Rule disclosures

Relevant information required to be disclosed in the Directors' Report may be found in the following sections:

The above information is incorporated by reference and together with the information in the Corporate Governance Framework on pages 102 to 106 forms the Directors' Report in accordance with section 415 of the Companies Act 2006.

Strategic Report
The Strategic Report is set out on pages 3 to 93 and was approved by the Board on 3 April 2023. It is signed on behalf of the Board by Duncan Painter, Chief Executive Officer.

Cautionary statement
The review of the business and its future development in the Annual Report has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for these strategies to succeed. It should not be relied on by any other party for any other purpose. The review contains forward-looking statements which are made by the Directors in good faith based on information available to them at the time of the approval of these reports and should be treated with caution due to inherent uncertainties associated with such statements. The Directors, in preparing the Strategic Report, have complied with s417 of the Companies Act 2006.

Directors' indemnities
The Company maintained appropriate insurance to cover Directors' and Officers' liability for itself and its subsidiaries and such insurance was in force for the whole of the year ended 31 December 2022.

The Company also indemnifies the Directors under deeds of indemnity for the purposes of section 236 of the Companies Act 2006. Such indemnities contain provisions that are permitted by the director liability provisions of the Companies Act 2006 and the Company's Articles of Association.

Share capital and rights attaching to shares
Details of the Company's share capital and movements during the year are set out in Note 25 to the financial statements, which is incorporated by reference into this report. This includes the rights and obligations attaching to shares and restrictions on the transfer of shares. The ordinary shares of £0.01 each are listed on the London Stock Exchange (LSE: ASCL.L). The ISIN of the shares is GB00BYM8GJ06.

All ordinary shares (this being the only share class of the Company) have the same rights (including voting and dividend rights and rights on a return of capital) and restrictions as set out in the Articles.

Without prejudice to any rights attached to any existing shares and subject to relevant legislation, the Company may issue shares with such rights or restrictions as determined by either the Company by ordinary resolution or, if the Company passes a resolution to so authorise them, the Directors.

Subject to legislation, the Articles and any resolution of the Company, the Directors may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise deal with or dispose of any shares to such persons, at such times and generally on such terms as the Directors may decide. The Company may issue any shares which are to be redeemed, or are liable to be redeemed, at the option of the Company or the holder, on such terms and in such manner as the Company may determine by ordinary resolution and the Directors may determine the terms, conditions and manner of redemption of any such shares. No such resolutions are currently in effect.

Subject to recommendation of the Board, shareholders may receive a dividend. Shareholders may share in the assets of the Company on liquidation.

Voting rights
Each ordinary share entitles the holder to attend, speak and vote at general meetings of the Company. A resolution put to the vote of the meeting shall be decided on a poll rather than a show of hands in line with recommended best practice.

On a poll, every member who is present in person or by proxy shall have one vote for every share of which they are a holder. The Articles provide a deadline for submission of proxy forms of not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting. No member shall be entitled to vote at any general meeting either in person or by proxy, in respect of any share held by him, unless all amounts presently payable by him in respect of that share have been paid. Save as noted, there are no restrictions on voting rights nor any agreement that may result in such restrictions.

Shares held by the Employee Benefit Trust ("EBT")
The Group has an Employee Benefit Trust which can hold shares to satisfy awards under employee share schemes. At 31 December 2022, the EBT held 425,251 shares. Voting rights in relation to any shares held in the EBT are exercisable by the trustee; however, in accordance with best practice guidance, the trustee abstains from voting.

The Group additionally has a UK SIP Trust which can hold shares to satisfy awards under the Ascential UK Share Incentive Plan. At 31 December 2022, the SIP Trust held 654,044 shares. Voting rights in relation to any shares held in the SIP Trust are exercisable by the trustee; however, in accordance with best practice guidance, the trustee abstains from voting.

Restrictions on transfers of securities
The Articles do not contain any restrictions on the transfer of ordinary shares in the Company other than the restrictions imposed by laws and regulations.

Changes to the Company's Articles
The Company's Articles of Association may only be amended by a special resolution at a general meeting of shareholders.

Political contributions
The Company has not made any political donations or incurred any political expenditure during the year in line with the Company's policy.

Interest in voting rights
Details of the share capital of the Company are set out in Note 25 to the financial statements.

As at 31 December 2022 and 27 March 2023, the Company had received notifications in accordance with the FCA's Disclosure and Transparency Rule 5.1.2 of the following interests in the voting rights of the Company.

Shareholder	As at 27 March 2022 Percentage of voting rights over ordinary shares of £0.01 each	As at 27 March 2023 Percentage of voting rights over ordinary shares of £0.01 each
Jupiter Fund Management Plc	10.0%	10.0%
Ameriprise Financial, Inc	4.0%	4.0%
Black Rock Inc	Below 5%	Below 5%
T Rowe Price Associates, Inc	5.1%	5.1%
Franklin Templeton Institutional, LLC	5.1%	5.0%
Majedie Asset Management Limited	5.1%	5.1%
AXA Investment Managers	5.0%	5.0%
Ninety One UK Ltd	5.0%	5.0%
The Capital Group Companies, Inc.	5.1%	5.1%
Blacksheep Master Fund Ltd.	-	5.3%
Norges Bank	3.2%	3.2%

Significant contracts
The only significant contract to which the Company is a party that takes effect, alters or terminates upon a change of control of the Company is the Revolving Credit Facility dated 14 January 2020, which contains customary prepayment, cancellation and default provisions including mandatory repayment of all loans provided on a change of control.

Employment practices
All employment decisions are made irrespective of colour, race, age, nationality, ethnic or national origin, sex, gender identity, mental or physical disabilities, marital status or sexual orientation. For employees who may have a disability, the Group ensures proper procedures and equipment are in place to aid them. When it comes to training, career development and promotion, all employees are treated equally and job applications are always judged on aptitude. Further details on the Group's policies on engagement and employment practices are set out on pages 56 to 61.

Auditor
Each of the Directors has confirmed that:

a. so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and

b. the Director has taken all reasonable steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with section 418 of the Companies Act 2006.

Post balance sheet events
The reportable events after the reporting date of 31 December 2022 are set out in Note 31 to the financial statements on page 197.

Other information
An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 7.

Annual General Meeting
The AGM of the Company will take place at 9am on 18 May 2023 at the Company's registered office. All shareholders have the opportunity to attend and vote, in person or by proxy, at the AGM.

The Notice of AGM can be found in a separate booklet which is being mailed out at the same time as this report. It is also available at ascential.com. The Notice sets out the resolutions to be proposed at the AGM and an explanation of each resolution. The Directors consider that all of the resolutions set out in the Notice of AGM are in the best interests of the Company and its shareholders as a whole. To that end, the Directors unanimously recommend that shareholders vote in favour of each of them.

Directors' Responsibilities Statement
The Directors are responsible for preparing the Annual Report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the parent Company financial statements in accordance with UK accounting standards, including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of their profit or loss for that period. In preparing each of the Group and parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards;
- for the parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the parent Company financial statements;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

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

Responsibility Statement of the Directors in respect of the annual financial report
We confirm to the best of our knowledge:

The financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the performance of the business, its financial position, assets, liabilities, and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and

The Strategic Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with description of the principal risks and uncertainties that they face.

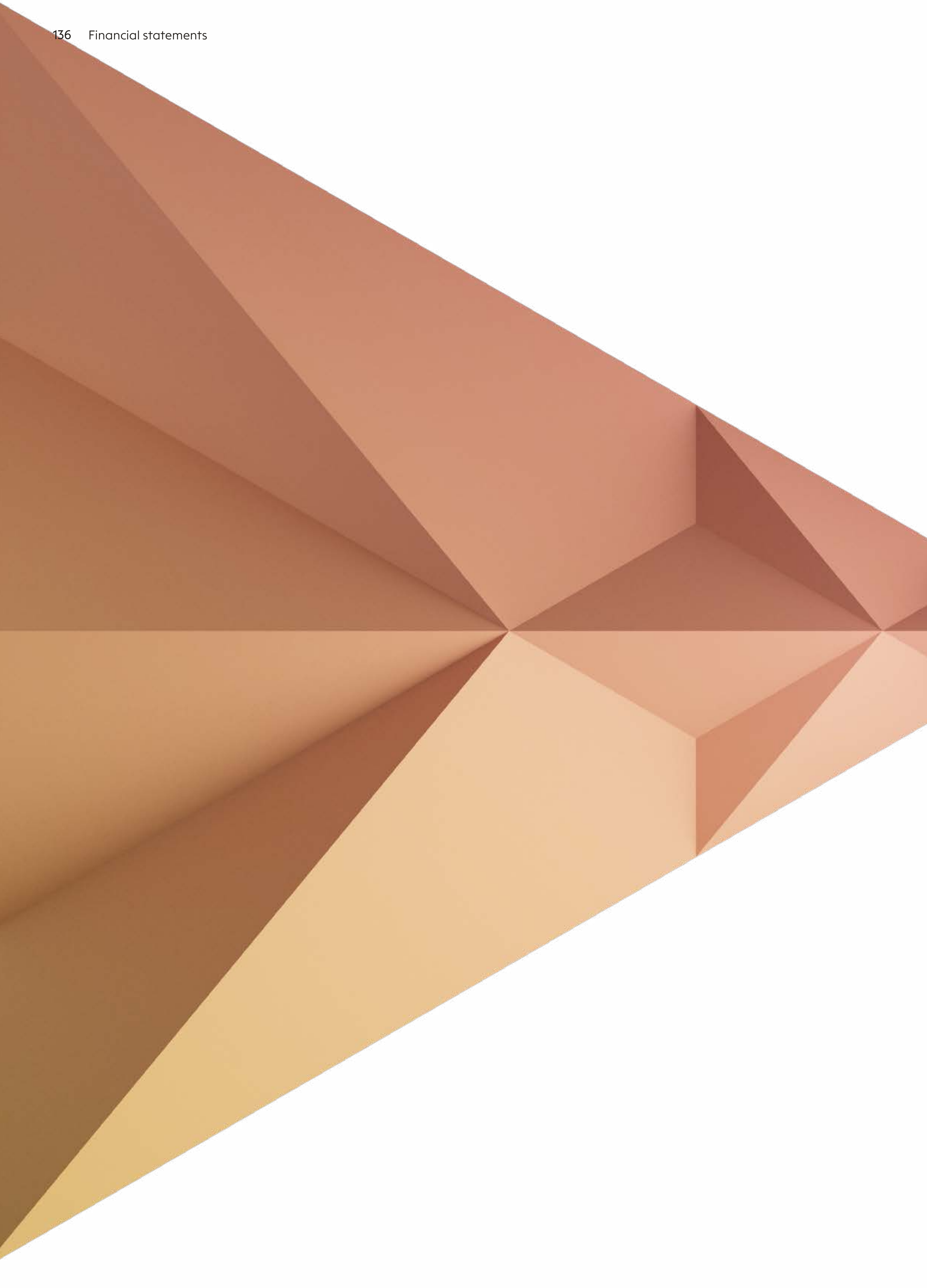
We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

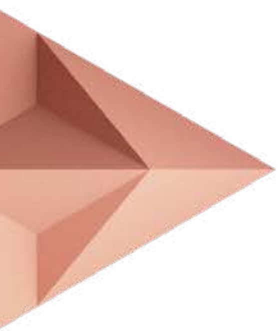
The Directors' Report of Ascential plc was approved by the Board and signed on its behalf by

Louise Meads
Company Secretary

3 April 2023

Ascential plc
Registered in England and Wales
Number 09934451





Financial statements

Independent auditor's report

to the members of Ascential plc

1. Our opinion is unmodified

We have audited the financial statements of Ascential plc ("the Company") for the year ended 31 December 2022 which comprise the Consolidated Statement of Profit or Loss, Consolidated Statement of Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows, Parent Company Balance Sheet, Parent Company Statement of Changes in Equity, and the related notes, including the accounting policies in note 2 to the Group financial statements and note 2 to the Parent Company financial statements.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2022 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK accounting standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the Audit Committee.

We were first appointed as auditor by the shareholders on 16 July 2016. The period of total uninterrupted engagement is for the 7 financial years ended 31 December 2022. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview

Materiality: Group financial statements as a whole	£4.0m (2021:£3.1m) 0.8% (2021: 0.9%) of benchmark	
Coverage	74% (2021:70%) of revenue from continuing operations	
Key audit matters	**vs 2021**	
Event driven	Valuation of contingent consideration liabilities (2022: Perpetua, Whytespyder, 4K Miles 2021: DZ, Perpetua, Whytespyder, 4K Miles)	↓
	Identification and measurement of acquired intangible assets for current year acquisitions	↓
Parent Company recurring risk	Recoverability of cost of investment in subsidiary and intra-group debtors	↔

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, 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. We summarise below the key audit matters, in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
Valuation of contingent consideration liabilities (2022: Perpetua, Whytespyder, and 4K Miles, 2021: DZ, Perpetua, Whytespyder and 4K Miles) Refer to page 110 (Audit Committee Report), page 156 (accounting policy) and page 186 (financial disclosures).	**Forecast based valuation** The Group has recognised significant contingent consideration liabilities in respect of the prior year acquisitions – Perpetua (US), Whytespyder (US) and 4K Miles (China) – which form a significant portion of the £64.9m non-current contingent consideration balance disclosed in note 22 of the financial statements. There is inherent uncertainty involved in forecasting revenue, which determines the fair value of the liabilities as at the balance sheet date. The valuation of these liabilities involves estimation and there is a risk that the valuation might be fraudulently manipulated to understate contingent consideration liabilities. The effect of these matters is that, as part of our risk assessment, we determined that the fair value of these contingent consideration liabilities has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The financial statements (note 22) discloses the sensitivities for the key assumptions estimated by the Group. We performed procedures over the valuation of contingent consideration liabilities related to DZ. However, as the earn-out period has reduced and the remaining uncertainty relates to performance in 2023, we assessed that reasonably possible changes to the fair value of related contingent consideration would not be expected to result in a material movement. The effect of this matters is that the risk had decreased in the current year. We performed procedures over the valuation of contingent consideration liabilities related to new acquisitions in the year, Sellics and Intrepid. We assessed that reasonably possible changes to the fair value of related contingent liabilities would not be expected to result in a material movement.	Our procedures included: – **Our sector experience:** We challenged the forecast revenue growth rates by comparing to other similar acquisitions and with reference to our knowledge of the industry; – **Sensitivity analysis:** We performed sensitivities over forecast revenue growth rates to determine if reasonably possible changes in this assumption would result in material changes to the valuation individually and in aggregate; – **Historical comparisons:** We evaluated the track record of the Group's forecasting accuracy by comparing budgets to the actual results since acquisition for those identified as significant risks and assessed significant accounting estimates and significant unusual transactions for bias; – **Assessing the discount rate:** We challenged the reasonableness of the discount rate used by conducting sensitivity analysis based on our independently developed rate as at the date of acquisition and comparing to the businesses discount rate as at year end; – **Tests of details:** We agreed the basis of the earn-out valuations and values of key inputs such as potential consideration values to signed agreements; – **Assessing transparency:** Assessing whether the Group's disclosures about the potential aggregate range of future payments, the sensitivity of the valuations in relation to forecast revenue growth rates, and the estimates and judgements made by the Group appear reasonable;; We performed the above tests rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Our results** As a result of our work we found the valuation of the contingent consideration liabilities for Perpetua, Whytespyder and 4K Miles to be acceptable (2021: we found the valuation of the contingent consideration liabilities for DZ, Perpetua, Whytespyder and 4K Miles to be acceptable).

Independent auditor's report
continued

	The risk	Our response
Identification and valuation of acquired identifiable intangibles for in-year acquisitions (£20.5 million of acquired identifiable intangibles; 2021: 112.0 million) Refer to page 109 (Audit Committee Report), page 157 (accounting policy) and page 179 (financial disclosures).	**Forecast based valuation** The Group has acquired two businesses during the year – Sellics and Intrepid. The Group has also trued up the provisional basis of assessment for 4K Miles which was acquired in the prior year, but the true up has not resulted in any material changes. The identification and measurement of the acquired identifiable intangible assets acquired at fair value, is inherently judgemental and hence has been identified as a risk because of the size of the acquisitions. In particular, judgement is required in determining whether certain types of intangible assets are reflective of the business acquired. There is a significant judgement involved in forecasting future performance of the acquired businesses, which determines the fair value of the identified intangible assets. Auditor judgement is required to assess whether the Group's estimates of the revenue growth rates, discount rates and customer attrition rate fall within an acceptable range. The effect of these matters is that, as part of our risk assessment, we determined that the valuation of the acquired intangibles has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The financial statements (note 13) disclose the sensitivity estimated by the Group.	For all three businesses our procedures included: – **Our valuation expertise:** We assessed, with the assistance of our own valuation specialists, the appropriateness of the identified intangible assets, valuation methodology applied and the assumptions considered. To assess whether the Group's discount rates fell within a reasonable range, we calculated our own range of reasonable discount rates based on market data; – **Benchmarking assumptions:** We compared the Group's assumptions for key inputs, such as revenue growth rates and customer attrition rates, to externally derived data and to other similar acquisitions; – **Historical comparisons:** We challenged management on the reasonableness of assumptions for revenue growth rates and customer attrition rates by comparing to prior year acquisitions, previous performance of the in-year and trued up acquisitions and similar entities within the Group; – **Sensitivity analysis:** We performed sensitivities over revenue growth rates, discount rates and customer attrition rates, to determine if reasonably possible changes in the assumptions would result in material changes to the valuation individually and in aggregate; – **Assessing transparency:** In respect of both in-year acquisitions, we critically assessed whether the Group's disclosures reflect the sensitivity relating to key assumptions on the valuation of acquired intangibles and the range of reasonably possible outcomes We performed the above tests rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Our results** As a result of our work we found the identification and valuation of the acquired identifiable intangible assets recognised to be acceptable (2021: acceptable).

	The risk	Our response
Recoverability of cost of investment in subsidiary and intra-group debtors Investment (£652.8 million; 2021 £ 652.8 million (restated)) Intra-group debtors (£93.5 million; 2021 £147.5 million (restated)) Refer to page [ ] (Audit Committee Report), page [ ] (accounting policy) and page [ ] (financial disclosures).	**Low risk, high value** The amount of the Parent Company's investment in its subsidiary, which acts as an intermediate holding company for the rest of the Parent Company's subsidiaries, represents 87% (2021: 81% (restated)) of the Parent Company's assets. The carrying amount of the intra-group debtors balance comprises substantially the remaining 13% (2021: 19% (restated)). We draw attention to note 5 of the Parent company financial statements that explains the prior period adjustments and the impact on each financial statement line item due to the restatement. Their recoverability is not at a high risk of significant misstatement or subject to a significant level of judgement. However, due to their materiality in the context of the Parent Company financial statements, this is considered to be the area that had the greatest effect on our overall Parent Company audit.	Our procedures included: – **Tests of detail:** We compared the carrying amount of the Parent Company's only investment with the subsidiary's draft balance sheet to identify whether its net assets, being an approximation of its minimum recoverable amount, were in excess of its carrying amount and assessing whether the group headed by the subsidiary has historically been profit-making; – **Tests of detail:** We assessed 100% of intra-group debtors to identify, with reference to the relevant debtors' draft balance sheet, whether they have a positive net asset value and therefore coverage of the debt owed, as well as assessing whether those debtor companies have historically been profit-making; – **Comparing valuations:** We compared the carrying amount of the investment in the subsidiary to the Group's market capitalisation as adjusted to exclude the liabilities of the Parent Company, being an approximation of the recoverable amount of the investment. We performed the tests above rather than seeking to rely on any of the Parent Company's controls because the nature of the balance meant that detailed testing is inherently the most effective means of obtaining audit evidence. **Our results** We found the Directors' conclusion that there is no impairment to the carrying amounts of the investment in the subsidiary and the intra-group debtors to be acceptable (2021: acceptable).

The Key Audit Matter in the prior year relating to the accounting for the Group's interest in Hudson MX ("Hudson"), specifically whether the Group had control or significant influence over Hudson, is no longer a Key Audit Matter. Due to the lapse of the option that existed as at 31 December 2021, there is less complexity and judgement required in making that determination. We continue to perform procedures over the classification of Hudson as an equity-accounted investee, and whilst judgement is required to determine whether the Group now exercises significant influence or not over Hudson, this is not considered to be a material judgement. Consequently, we have not assessed this as one of the most significant risks in our current year audit and, therefore, it is not separately identified in our report this year.

Independent auditor's report
continued

3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £4.0m (2021: £3.1m), determined with reference to a benchmark of Group revenue from continuing operations, of which it represents 0.8% (2021: 0.9%). We consider Group revenue to be the most appropriate benchmark as it provides a more stable measure year on year than Group loss before tax from continuing operations, and is reflective of the high growth of the Digital Commerce businesses.

Materiality for the Parent Company financial statements as a whole was set at £3.9m (2021: £3m), determined with reference to a benchmark of Parent Company total assets, of which it represents 0.5% (2021: 0.4%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 75% (2021: 75%) of materiality for the financial statements as a whole, which equates to £3.0m (2021: £2.3m) for the Group and £2.9m (2021: £2.2m) for the Parent Company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £200,000 (2021: £150,000), in addition to other identified misstatements that warranted reporting on qualitative grounds.

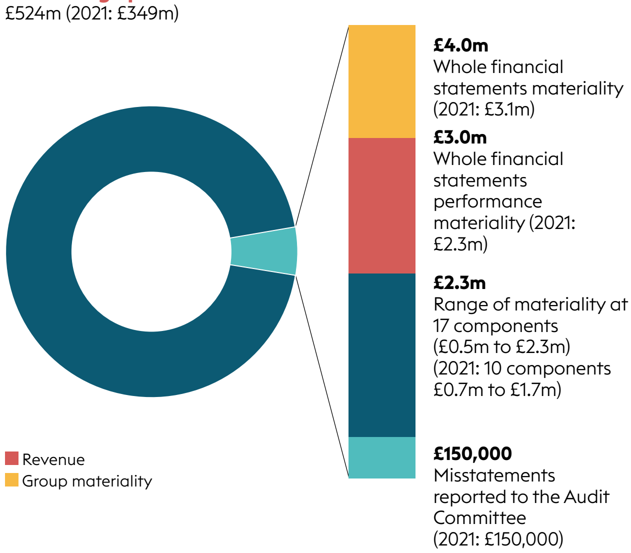
Of the Group's 93 (2021: 92) reporting components, we subjected 11 (2021: 8) to full scope audits for group purposes, 5 (2021: 2) to specified risk-focused audit procedures over revenue and revenue related accounts and 1 (2021: Nil) to specified risk-focused audit procedures over expenses. Those subject to specified risk-focused procedures were not individually financially significant enough to require a full scope audit for group purposes, but did present specific individual risks that needed to be addressed.

The components within the scope of our work accounted for the percentages illustrated opposite.

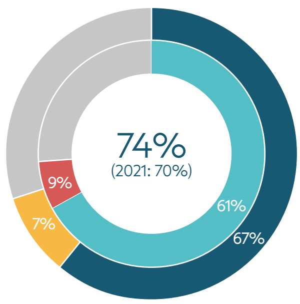
The remaining 26% (2021: 30%) of total Group revenue, 11% (2021: 12%) of Group loss before tax and 13% (2021: 14%) of total Group assets is represented by 76 (2021: 82) of reporting components, none of which individually represented more than 2.3% (2021: 3.5%) of any of total Group revenue, Group profit before tax or total Group assets. For these components, we performed analysis at an aggregated group level to re-examine our assessment that there were no significant risks of material misstatement within these.

Revenue benchmark from continuing operations
£524m (2021: £349m)

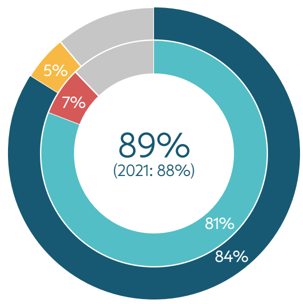
Group Materiality
£4.0m (2021: £3.1m)



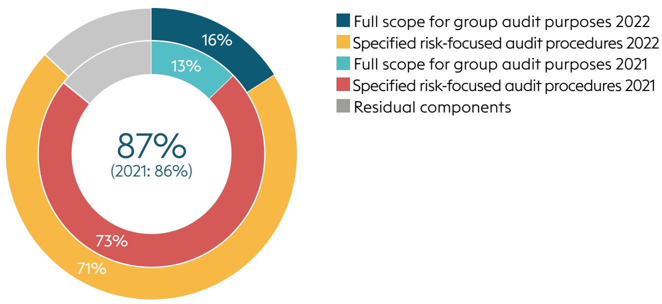
Group revenue from continuing operations



Total profits and losses that made up group loss before tax from continuing operations



Group total assets



3. Our application of materiality and an overview of the scope of our audit (cont.)

The Group team instructed component auditors as to the significant areas to be covered, including the relevant risks detailed above and the information to be reported back. The Group team approved the component materialities, which ranged from £0.5m to £2.3m (2021: £0.7m to £1.7m), having regard to the mix of size and risk profile of the Group across the components. The work on 4 of the 17 components (2021: Nil of the 10 components) was performed by component auditors and the rest, including the audit of the Parent Company and adjusting items, was performed by the Group team.

The scope of the audit work performed was predominantly substantive as we placed limited reliance upon the Group's internal control over financial reporting.

The Group team visited 2 (2021: Nil) component locations in Singapore and China (2021: Nil) to assess the audit risk and strategy. Video and telephone conference meetings were also held with these component auditors and the other two components that were not physically visited. These meetings involved explanation of group audit instructions, involvement in planned audit procedures, discussing progress and emerging findings and involvement in discussing audit findings with component management. The findings reported to the Group team were discussed in more detail, and any further work required by the Group team was then performed by the component auditor.

4. The impact of climate change on our audit

We have considered the potential impacts of climate change on the financial statements as part of planning our audit.

As identified on page 76, the Group has identified climate risks that could impact the Group. These include changing consumer behaviour, an inability to respond to changing market needs and potential impacts on event attendance.

We have performed a risk assessment of how the impact of climate change may affect the financial statements and our audit. The areas of financial statements that could be primarily potentially exposed to climate risk in the form of uncertainty is forward-looking assessments related to long-life assets, such as goodwill impairment.

Taking into account the nature of the Group's business, the diversification, size and composition of the Group, and the level of headroom in the impairment testing (see note 16), we assessed that there was no significant impact on the financial statements or our audit approach this year from climate change.

We have read the disclosure of climate related information in the front half of the annual report and considered consistency with the financial statements and our audit knowledge.

Independent auditor's report
continued

5. Going Concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group's and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Company's financial resources or ability to continue operations over the going concern period. The risk that we considered most likely to adversely affect the Group's and Company's available financial resources and metrics relevant to debt covenants over the period was the cancellation of major events, such as Money 20/20 at short notice due to any unforeseeable incident.

We also considered less predictable but realistic second order impacts, such as significantly larger than expected cash settlements for the earn-out payments.

We considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by assessing the Director's sensitivities over the level of available financial resources and covenant thresholds indicated by the Group's financial forecasts taking account of severe, but plausible adverse effects that could arise from these risks individually and collectively.

Our procedures also included:

- Critically assessing key assumptions in the Group's forecast using our knowledge of the business and knowledge of the entity and the sector in which it operates;
- Considering sensitivities over the level of available financial resources indicated by the Group's financial forecasts taking account of reasonably possible (but not realistic) adverse effects that could arise from these risks individually and collectively;
- Assessing the current and available committed facilities to understand the financial resources available to the Group during the forecast period and any related covenant requirements; and
- Assessing the Group's historical forecasting accuracy by comparing forecasts from prior years with actual results in those years.

We assessed the completeness of the going concern disclosure, particularly with reference to the Director's plan to execute their Strategic Review and their statement that those plans would not change the conclusions reached.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the Directors' statement in note 2 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and Company's use of that basis for the going concern period, and we found the going concern disclosure in note 2 to be acceptable; and
- the related statement under the Listing Rules set out on page 42 is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

6. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ('fraud risks') we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of Directors, the Audit Committee, internal audit and the Group's in-house legal counsel, and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud;
- reading Board, Audit Committee and nomination committee minutes;
- considering remuneration incentive schemes and performance targets for management, Directors and sales staff including the adjusted earnings per share target for management remuneration;
- using analytical procedures to identify any unusual or unexpected relationships; and

Using our own forensic specialists to assist us in identifying fraud risks based on discussions of the circumstances of the Group.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. This included communication from the Group to full scope and audit of specific risk-focused component audit teams to report to the Group audit team for any instances of fraud that could give rise to a material misstatement at Group.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that Perpetua, DZ, Intrepid and Yimian revenue is recorded in an inappropriate financial year and the risk that Group and component management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements.

We also identified a fraud risk related to contingent consideration in response to possible pressures to understate contingent consideration liabilities.

We performed procedures including:

identifying journal entries to test for all full scope and specified risk-focused procedures components based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts;

For the risk of fraud in the revenue of entities with significant earn-outs, the Group Audit Team and component auditors have selected a sample of sales invoices during the period to assess whether revenue has been recognised in the correct financial period, by comparing the date, amount, description and quantity to relevant documentation such as contract, proof of payment or over third-party acknowledgement of receipt and proof of service.

Further detail in respect of contingent consideration liabilities is set out in the key audit matter disclosures in section 2 of this report.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussions with the Directors and other management (as required by auditing standards), and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, data protection and certain aspects of company legislation recognising the nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Independent auditor's report
continued

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

7. We have nothing to report on the other information in the Annual Report

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the Directors' confirmation within the Director's Long-term viability statement on page 49 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the Principal Risks disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the Directors' explanation in the Long-term viability statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the Long-term viability statement, set out on page 49 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and Company's longer-term viability.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the Directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the Directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the annual report describing the work of the Audit Committee, including the significant issues that the Audit Committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review.

We have nothing to report in this respect.

8. We have nothing to report on the other matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

9. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 135, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; 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; assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The Company is required to include these financial statements in an annual financial report prepared using the single electronic reporting format specified in the TD ESEF Regulation. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with that format.

10. The purpose of our audit work and to whom we owe our responsibilities

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

Christopher Hearn (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London E14 5GL
United Kingdom
3 April 2023

Consolidated Statement of Profit or Loss

For the year ended 31 December 2022

(£ million)	Note	**2022** Adjusted results	**2022** Adjusting items	**2022** Total	2021 Adjusted results	2021 Adjusting items	2021 Total
Continuing operations							
Revenue	4	**524.4**	**–**	**524.4**	349.3	–	349.3
Cost of sales		**(212.0)**	**–**	**(212.0)**	(127.6)	–	(127.6)
Sales, marketing and administrative expenses		**(210.4)**	**(189.6)**	**(400.0)**	(150.5)	(96.1)	(246.6)
Impairment loss on trade receivables and contract assets		**(6.6)**	**–**	**(6.6)**	(1.8)	–	(1.8)
Operating profit / (loss)	5	**95.4**	**(189.6)**	**(94.2)**	69.4	(96.1)	(26.7)
Adjusted EBITDA	4	**121.1**	**–**	**121.1**	88.9	–	88.9
Depreciation, amortisation and impairment	4	**(25.7)**	**(91.6)**	**(117.3)**	(19.5)	(31.9)	(51.4)
Non-trading items	6	**–**	**(82.1)**	**(82.1)**	–	(55.8)	(55.8)
Share-based payments	8	**–**	**(15.9)**	**(15.9)**	–	(8.4)	(8.4)
Operating profit/(loss)	5	**95.4**	**(189.6)**	**(94.2)**	69.4	(96.1)	(26.7)
Share of the loss of associates	18	**(2.6)**	**(0.6)**	**(3.2)**	(2.4)	(0.1)	(2.5)
Finance costs	9	**(21.8)**	**(5.3)**	**(27.1)**	(20.1)	–	(20.1)
Finance income	9	**8.4**	**–**	**8.4**	2.7	7.0	9.7
Profit/(loss) before taxation		**79.4**	**(195.5)**	**(116.1)**	49.6	(89.2)	(39.6)
Taxation charge/(credit)	10	**(21.0)**	**32.3**	**11.3**	(8.2)	9.8	1.6
Profit/(loss) from continuing operations		**58.4**	**(163.2)**	**(104.8)**	41.4	(79.4)	(38.0)
Discontinued operations							
(Loss)/profit from discontinued operations, net of tax	11	**–**	**(0.9)**	**(0.9)**	11.5	250.4	261.9
Profit/(loss) for the year		**58.4**	**(164.1)**	**(105.7)**	52.9	171.0	223.9
Profit/(loss) attributable to:							
Owners of the Company		**56.6**	**(153.0)**	**(96.4)**	51.1	172.0	223.1
Non-controlling interests	14	**1.8**	**(11.1)**	**(9.3)**	1.8	(1.0)	0.8
Earnings/(loss) per share (basic and diluted, pence)							
Continuing operations	12	**12.9**	**(34.6)**	**(21.7)**	9.5	(18.8)	(9.3)
Discontinued operations	12	**–**	**(0.2)**	**(0.2)**	2.8	60.0	62.8
Total operations	12	**12.9**	**(34.8)**	**(21.9)**	12.3	41.2	53.5

The accompanying notes on pages 153 to 197 are an integral part of these consolidated financial statements. Adjusting items are detailed in Note 6.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2022

(£ million)	2022 Adjusted results	2022 Adjusting items	2022 Total	2021 Adjusted results	2021 Adjusting items	2021 Total
Profit/(loss) for the from:						
Continuing operations	**58.4**	**(163.2)**	**(104.8)**	41.4	(79.4)	(38.0)
Discontinued operations	**–**	**(0.9)**	**(0.9)**	11.5	250.4	261.9
Profit/(loss) for the year	**58.4**	**(164.1)**	**(105.7)**	52.9	171.0	223.9
Other comprehensive income						
Items that have been or may be reclassified subsequently to profit or loss:						
Exchange translation differences:						
– recognised in equity on translation of foreign operations	**40.2**	**–**	**40.2**	18.5	–	18.5
– transferred from equity for disposed entities	**–**	**–**	**–**	6.7	–	6.7
Other comprehensive income, net of tax	**40.2**	**–**	**40.2**	25.2	–	25.2
Total comprehensive income/(expense) for the year	**98.6**	**(164.1)**	**(65.5)**	78.1	171.0	249.1
Total comprehensive income/(expense) attributable to:						
Owners of the Company	**96.8**	**(153.0)**	**(56.2)**	76.3	172.0	248.3
Non-controlling interest (NCI)	**1.8**	**(11.1)**	**(9.3)**	1.8	(1.0)	0.8

The accompanying notes on pages 153 to197 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 December 2022

(£ million)	Note	2022	2021
Assets			
Non-current assets			
Goodwill	16	**711.1**	603.6
Intangible assets	16	**242.4**	275.3
Property, plant and equipment	17	**5.7**	5.4
Right-of-use assets	28	**20.7**	22.4
Investments	18	**88.5**	82.2
Other receivables	20	**42.7**	–
Deferred tax assets	10	**60.3**	57.7
		1,171.4	1,046.6
Current assets			
Inventories	19	**3.3**	1.9
Trade and other receivables	20	**344.9**	272.6
Derivatives	30	**4.5**	–
Cash and cash equivalents	23	**80.0**	84.1
		432.7	358.6
Total assets		**1,604.1**	1,405.2
Liabilities			
Current liabilities			
Trade and other payables	21	**277.6**	198.4
Deferred income		**116.3**	100.3
Deferred and contingent consideration	22	**43.2**	52.6
Lease liabilities	23	**7.3**	7.0
Current tax liabilities	10	**8.6**	3.6
Provisions	24	**2.0**	2.9
		455.0	364.8
Non-current liabilities			
Deferred income		**1.0**	0.7
Deferred and contingent consideration	22	**64.9**	50.3
Lease liabilities	23	**19.5**	18.2
External borrowings	23	**301.2**	158.1
Deferred tax liabilities	10	**8.6**	6.5
Provisions	24	**2.0**	1.0
		397.2	234.8
Total liabilities		**852.2**	599.6
Net assets		**751.9**	805.6
Equity			
Share capital	25	**4.4**	4.4
Share premium	25	**153.6**	153.3
Translation reserve		**19.7**	(20.5)
Other reserves	25	**166.0**	167.0
Retained earnings		**386.5**	471.7
Shareholders' equity		**730.2**	775.9
Non-controlling interests	14	**21.7**	29.7
Total equity		**751.9**	805.6
Total liabilities and equity		**1,604.1**	1,405.2

The accompanying notes on pages 153 to 197 are an integral part of these consolidated financial statements. The consolidated financial statements on pages 148 to 152 were approved by the Board of Directors on 3 April 2023 and were signed on its behalf by Directors: Duncan Painter and Mandy Gradden.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2022

(£ million)	Share capital	Share premium	Translation reserve	Other reserves	Retained earnings	Shareholders' equity	Non–controlling interests	Total equity
At 1 January 2021	**4.0**	**3.0**	**(45.7)**	**167.0**	**241.6**	**369.9**	**1.3**	**371.2**
Profit for the year	–	–	–	–	223.1	223.1	0.8	223.9
Other comprehensive income	–	–	18.5	–	–	18.5	–	18.5
Transferred to the income statement	–	–	6.7	–	–	6.7	–	6.7
Total comprehensive income	–	–	25.2	–	223.1	248.3	0.8	249.1
Issue of shares	0.4	150.3	–	–	–	150.7	–	150.7
Acquisition of subsidiary with non-controlling interest	–	–	–	–	–	–	28.3	28.3
Foreign exchange movements	–	–	–	–	–	–	0.7	0.7
Share-based payments	–	–	–	–	8.4	8.4	–	8.4
Taxation on share-based payments	–	–	–	–	(1.4)	(1.4)	–	(1.4)
Dividends paid to non-controlling interest	–	–	–	–	–	–	(1.4)	(1.4)
At 31 December 2021	**4.4**	**153.3**	**(20.5)**	**167.0**	**471.7**	**775.9**	**29.7**	**805.6**
Loss for the year	**–**	**–**	**–**	**–**	**(96.4)**	**(96.4)**	**(9.3)**	**(105.7)**
Other comprehensive income	**–**	**–**	**40.2**	**–**	**–**	**40.2**	**–**	**40.2**
Total comprehensive income	**–**	**–**	**40.2**	**–**	**(96.4)**	**(56.2)**	**(9.3)**	**(65.5)**
Issue of shares	**–**	**0.3**	**–**	**–**	**–**	**0.3**	**–**	**0.3**
Share purchases	**–**	**–**	**–**	**(3.7)**	**–**	**(3.7)**	**–**	**(3.7)**
Shares issued to employees	**–**	**–**	**–**	**2.7**	**(2.7)**	**–**	**–**	**–**
Foreign exchange movements	**–**	**–**	**–**	**–**	**–**	**–**	**3.4**	**3.4**
Share-based payments	**–**	**–**	**–**	**–**	**16.7**	**16.7**	**–**	**16.7**
Taxation on share-based payments	**–**	**–**	**–**	**–**	**(2.8)**	**(2.8)**	**–**	**(2.8)**
Dividends paid to non-controlling interest	**–**	**–**	**–**	**–**	**–**	**–**	**(2.1)**	**(2.1)**
At 31 December 2022	**4.4**	**153.6**	**19.7**	**166.0**	**386.5**	**730.2**	**21.7**	**751.9**

The accompanying notes on pages 153 to 197 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2022

(£ million)	Note	**2022**	2021
Cash flow from operating activities			
Loss before taxation on continuing operations		**(116.1)**	(39.6)
(Loss)/profit before taxation on discontinued operations	11	**(0.9)**	265.7
Adjustments for:			
Depreciation and amortisation	16, 17, 28	**60.3**	54.4
Impairment of assets	16, 28	**59.9**	–
Deferred and contingent consideration: revaluation and contingent employment costs	22	**31.5**	35.1
Gain on disposal of businesses	15	**(6.0)**	(259.4)
Share-based payments	8	**15.9**	9.1
Share of the loss of equity-accounted investees, net of tax		**3.2**	2.5
Net finance costs	9	**18.7**	10.4
Cash generated from operations before changes in working capital, provisions and deferred and contingent consideration		**66.5**	78.2
Cash outflows for acquisition-related contingent employment costs*	22	**(19.5)**	(39.4)
Changes in:			
Inventories		**(1.2)**	0.1
Trade and other receivables		**(50.7)**	(65.7)
Trade and other payables		**58.2**	65.5
Provisions		**0.1**	(5.5)
Cash generated from operations		**53.4**	33.2
Adjusted cash generated from operations		**126.1**	84.0
Cash inflows for discontinued operations		**(0.9)**	12.0
Cash outflows for acquisition-related contingent employment costs*	22	**(19.5)**	(39.4)
Cash outflows for other non-trading items		**(52.3)**	(23.4)
Cash generated from operations		**53.4**	33.2
Tax paid		**(0.2)**	(3.3)
Net cash generated from operating activities		**53.2**	29.9
Cash flow from investing activities			
Acquisition of businesses, net of cash acquired	13	**(60.8)**	(195.3)
Deferred and contingent consideration paid*	22	**(37.9)**	(87.6)
Acquisition of investments	18	**(4.0)**	(44.0)
Proceeds from sale of equity-accounted investments	15	**5.3**	–
Loan to associate		**(30.6)**	(7.3)
Acquisition of software intangibles and property, plant and equipment		**(35.9)**	(23.3)
Disposal of businesses, net of cash disposed		**0.6**	342.4
Net cash used in investing activities		**(163.3)**	(15.1)
Cash flow from financing activities			
Proceeds from external borrowings**	23	**176.8**	180.7
Repayment of external borrowings**		**(53.8)**	(329.7)
Proceeds from issue of shares		**0.3**	150.7
Share repurchase		**(3.7)**	–
Interest and arrangement fees paid		**(9.0)**	(6.4)
Lease liabilities paid		**(7.3)**	(7.2)
Dividends paid to non-controlling interests		**(2.8)**	(0.5)
Net cash generated from/(used) in financing activities		**100.5**	(12.4)
Net (decrease)/increase in cash and cash equivalents		**(9.6)**	2.4
Cash and cash equivalents at 1 January		**84.1**	80.2
Effect of exchange rate changes		**5.5**	1.5
Cash and cash equivalents at 31 December		**80.0**	84.1

* Includes payments for both deferred and contingent consideration recognised on initial acquisition as well as any subsequent remeasurements. Payments linked to ongoing employment as well as business performance are shown within cash generated from operations

** The cashflow comparatives have been represented to show cash flow movements for the RCF on a gross basis

The accompanying notes on pages 153 to 197 are an integral part of these consolidated financial statements.

Notes to the Financial Statements

For the year ended 31 December 2022

1. Basis of preparation

These consolidated financial statements of Ascential plc (the "Company") and its subsidiaries (the "Group") have been prepared in accordance with Companies Act 2006 and UK-adopted international accounting standards ("UK-adopted IFRS").

Ascential plc is a public company, which is listed on the London Stock Exchange and incorporated and domiciled in the United Kingdom. The registered office is located at 33 Kingsway, London, WC2B 6UF. The Company is principally engaged in the provision of industry-specific business intelligence, insights and forecasting through data and digital subscription tools and events. The principal activities are information services for digital commerce, product design, marketing, and retail & financial services.

The consolidated financial statements are presented in pounds sterling ("GBP"), which is the Company's functional currency, and have been rounded to millions to the nearest one decimal place except where otherwise indicated.

The consolidated financial statements have been prepared on a going concern basis (see further details below) and under the historical cost convention, with the exception of items that are required by IFRS to be measured at fair value.

We have performed our assessment based on the Group as it is currently constituted and do not consider the potential separation of our Digital Commerce assets into an independent, publicly traded company listed in the US and sale of WGSN as having a detrimental impact on the consolidated financial statements being prepared on a going concern basis.

Going concern

After considering the current financial projections and the bank facilities available and then applying a severe but plausible sensitivity, the Directors of the Company are satisfied that the Group has sufficient resources for its operational needs and will remain in compliance with the financial covenants in its bank facilities for at least the next 12 months from the date of approving these financial statements. The process and key judgements in coming to this conclusion are set out below.

The Board is required to assess going concern at each reporting period. These assessments require judgement to determine the impact of future economic conditions on the Group, including the impact of any downward recessionary pressures. The Directors have considered three main factors in reaching their conclusions on going concern – liquidity, covenants and scenario planning – as set out below

Liquidity

In January 2020, the Group entered into a new 5-year multi-currency revolving credit facility ("RCF") of £450m. These facilities provide ample liquidity when judged against the Net Debt of the Group of £216.7m at 31 December 2022.

Covenants

The more sensitive aspects of the Group's financing are the application of certain covenant limit tests to these facilities and the most sensitive covenant limit is Net Debt Leverage (broadly, the ratio of Net Debt to Adjusted pre-IFRS 16 EBITDA). The facility covenants are tested semi-annually and include (i) a maximum Net Debt leverage of 3.25x with the benefit of additional 0.5x leverage spikes for relevant acquisitions, and (ii) a minimum interest cover of 3.00x.

At 31 December 2022, our leverage ratio was 1.9x (or 2.04x on a covenant basis compared to the limit of 3.25x), and therefore well within our banking covenants.

Scenario planning

In assessing going concern, the Directors considered the most severe but plausible scenario that could impact the business to be the cancellation of a major event at short notice. This scenario is not a forecast of the Group and is designed to stress test liquidity and covenant compliance. The key assumption is that Money20/20 US is cancelled in 2023 with minimal notice due to an unforeseen event. This scenario results in a 0.8x increase to our leverage ratio at the 31 December 2023 testing point.

In their review of the downside scenario, the Directors have also considered a number of mitigations that would reduce the leverage ratio further and are at their discretion, including but not limited to: the use of equity to meet deferred consideration obligations, further restructuring and cost cutting measures.

In this downside scenario there is sufficient headroom against all banking covenant tests. Accordingly, the Directors continue to adopt the going concern basis for the preparation of the financial statements.

Notes to the financial statements
continued

2. Accounting policies
The principal accounting policies in the preparation of the consolidated financial statements have been applied consistently to both periods presented.

Basis of consolidation
The consolidated financial statements comprise the financial statements of the parent Company, its subsidiaries and share of the results of its associates and joint ventures drawn up to 31 December 2022 using consistent accounting policies throughout the current and preceding years.

The trading results of business operations are included in profit or loss from continuing operations from the date of acquisition on which control was obtained or up to the date of disposal. Intra-group balances and transactions are eliminated in full on consolidation. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Foreign currency translation
The functional currency of subsidiaries and associates is the currency of the primary economic environment in which they operate. The consolidated financial statements are presented in pounds sterling, which is the presentational currency of the Group and the functional currency of the parent Company.

Foreign currency transactions are recorded at the exchange rate ruling at the date of transaction. Foreign currency monetary assets and liabilities are translated at the rates of exchange ruling at the reporting date. All differences are taken to the consolidated statement of profit or loss except for those on foreign currency borrowings that provide a hedge against an investment in a foreign entity. These are taken directly to equity until the disposal of the investment, at which time a cumulative amount is recognised in the consolidated statement of profit or loss. Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in equity. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate in force at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

As at the reporting date, the assets and liabilities of overseas subsidiaries are translated into pounds sterling at the rate of exchange applicable at the reporting date and their consolidated statement of profit or loss are translated at the monthly average exchange rates for the period. The exchange differences arising from the retranslation of foreign operations are taken directly to a separate component of equity. On disposal of a foreign operation, the cumulative amount recognised in equity relating to that operation is recognised in the consolidated statement of profit or loss as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate at the reporting date.

Changes in fair value of derivative financial instruments entered into to hedge foreign currency net assets, and that satisfy the hedging conditions of IFRS 9 "Financial Instruments", are recognised in the currency translation reserve.

Discontinued operations
The Group classifies an operation as discontinued when it has disposed of or intends to dispose of a business component that represents a separate major line of business or geographical area of operations. The post-tax profit or loss of the discontinued operations is shown as a single line on the face of the consolidated statement of profit or loss, separate from the continuing operating results of the Group. When an operation is classified as a discontinued operation, the comparative consolidated statement of profit or loss is represented as if the operation had been discontinued from the start of the comparative year.

Revenue
Revenue is measured based on the consideration specified in a contract with a customer. If multiple performance obligations exist within a contract, the revenue is allocated to the obligations based on the stand-alone selling price, with any discounts allocated accordingly across the obligations. For contracts with rebates and therefore variable consideration, revenue is recognised based on the best estimate of the revenue net of the rebated amount. Revenue is recognised when the Group satisfies the performance obligations, the timing of which is set out in Note 4.

Digital Subscriptions & Platforms revenue is generally recognised systematically over the period the services are provided as the customer simultaneously receives and consumes the economic benefit of the service. Advisory revenue is recognised over time where we have the right to payment for performance completed to date, Revenue is recognised based on an input method of measurement using either internal timesheets as the measurement of the level of time worked as a percentage of the total expected time worked on the contract as this is commensurate with the pattern of transfer of service to the customer, or other appropriate cost measures.

The Group provides services arising from the purchase of media, arranged on behalf of customers, through its technology platforms. In most of these cases, we are acting as an agent as we do not control the relevant services before it is transferred to the client and no revenue or cost is recognised for the pass-through whereby the Group purchase media and charges clients.

Events and benchmarking awards revenue is recognised at the point in time that the events and awards take place.

Pre-paid subscription and event revenues are shown as deferred income and released to the income statement in accordance with the revenue recognition criteria above. There is no significant financing component for these contracts considering the length of time between the customers' payment and the satisfaction of respective performance obligation.

Transactional revenue is recognised when control of the product is passed to the customer. For such sales, this generally occurs when the product is delivered to the customer, depending on contractual conditions. Barter transactions are those where goods and services, rather than cash, are exchanged between two third parties and revenue is recognised at fair value for the goods or services provided. Where goods or services are provided at a discount and dissimilar to the goods or services received, the discounted price is recorded as revenue with the corresponding amount included in operating costs.

Alternative Performance Measures

The consolidated financial statements include Alternative Performance Measures, including Adjusted EBITDA, as an additional measure of profitability of the trading performance of the continuing operations of the Group. Adjusted EBITDA is a non-IFRS measure, defined as the Group's operating profit before expensing depreciation of tangible fixed assets and amortisation of software, non-trading items, amortisation of acquired intangible assets, impairment of tangible fixed assets and software intangibles, share-based payments and one-off finance costs. Refer to pages 43 to 47 for further details on Alternative Performance Measures.

Non-trading items

Non-trading items are those which meet the Group's policy for those costs which are considered significant or unusual by virtue of their nature, size or incidence or directly incurred as a result of either an acquisition, divestiture or relate to a major business change or restructuring programme.

The presentation and policy are applied consistently year-on-year with items presented separately within their relevant income statement category to assist in the understanding of the performance and financial results of the Group as these types of cost do not form part of the continuing operations. Examples of items that are considered by the Directors for designation as non-trading items include, but are not limited to:

- significant capital structuring costs as these can be material and are not a reflection of the underlying business;
- costs incurred as part of the acquisition and integration of acquired businesses as these can be material. Acquisition-related employment costs, which, absent the link to continued employment, would have been treated as consideration are designated as non-trading items (revenues related to acquisitions are recorded within the adjusted results of the Group);
- gains or losses on disposals of businesses are considered to be non-trading in nature as these do not reflect the performance of the Group;
- material restructuring and separation costs within a segment incurred as part of a significant change in strategy as these are not expected to be repeated on a regular basis; and
- significant one-off items, such as the impairment of intangible assets, the recognition of provisions for onerous contracts and substantial system implementations, that do not reflect underlying performance.

If provisions have been made for non-trading items in previous years, then any reversal of these provisions is treated within non-trading items.

Finance costs and income

Finance cost or income is recognised using the effective interest method. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset, or the amortised cost of the financial liability.

Income tax

The Group is primarily subject to corporation tax in the UK, the US and China.

Income tax on the profit or loss for the period comprises current tax and deferred tax. Income tax is recognised in the consolidated statement of profit or loss, except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is tax payable based on taxable profits for the period, using tax rates that have been enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income, along with any adjustment relating to tax payable in previous years. Taxable profit differs from net profit in the consolidated statement of profit or loss in that income or expense items that are taxable or deductible in other years are excluded, as are items that are never taxable or deductible.

Notes to the financial statements
continued

2. Accounting policies continued

Income tax (continued)

Using the liability method, deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except for certain temporary differences, such as goodwill that is not deductible for tax purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year in which the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognised to the extent that is probable that taxable profit will be available against the deductible temporary differences, and the carry forward of unused tax credits and tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and that taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports.

The deferred tax assets and liabilities are only offset where they relate to the same taxing authority and the Group has a legal right to offset.

Business combinations

The fair value of consideration paid for a business combination is measured as the aggregate of the fair values at the date of exchange of assets given and liabilities incurred or assumed in exchange for control. The assets, liabilities and contingent liabilities of the acquired entity are measured at fair value as at the acquisition date. When the initial accounting for a business combination is determined, it is done so on a provisional basis with any adjustments to these provisional values made within 12 months of the acquisition date and are effective as at the acquisition date. To the extent that deferred consideration is payable as part of the acquisition cost and is payable after one year from the acquisition date, the deferred consideration is discounted at an appropriate interest rate and, accordingly, carried at fair value in the consolidated statement of financial position and accounted for in accordance with IFRS 9: 'Financial Instruments'. The discounting is then recognised in the consolidated statement of profit or loss over the life of the obligation. Where a business combination agreement provides for an adjustment to the cost of a business acquired contingent on future events, the Group accrues the fair value of the additional consideration payable as a liability at acquisition date. This amount is reassessed at each subsequent reporting date with any adjustments recognised in the consolidated statement of profit or loss. If the business combination is achieved in stages, the fair value of the acquirer's previously held equity interest in the acquiree is re-measured at the acquisition date through the consolidated statement of profit or loss. Transaction costs are expensed to the consolidated statement of profit or loss as incurred.

Acquisition-related expenses include contingent consideration payments agreed as part of the acquisition and contractually linked to ongoing employment as well as business performance (acquisition-related employment costs). Acquisition-related employment costs are accrued over the period in which the related services are received and are recorded as non-trading items and accounted for in accordance with IAS 19: 'Employee Benefits'. We have made a judgement that payments related to this type of contingent consideration are reported within operating activities within the consolidated statement of cash flows and other consideration payments are reported within investing activities in line with how management consider these payments.

The non-controlling interest at acquisition date is measured at the non-controlling interest's share of the identifiable assets purchased and liabilities assumed.

Intangible assets

Goodwill

Goodwill arises where the fair value of the consideration given for a business exceeds the fair value of net identifiable assets of the business at the date of acquisition. Goodwill is allocated or grouped at the lowest levels, for which there are identifiable cash flows, known as cash generating units or CGUs.

Goodwill arising on acquisition is capitalised and subject to impairment review, both annually and when there are indications that the carrying value may not be recoverable. For goodwill impairment purposes, no CGU is larger than the reporting segments determined in accordance with IFRS 8 "Operating Segments". The recoverable amount of goodwill is assessed on the basis of the value-in-use estimate for CGUs to which the goodwill relates. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where the carrying value exceeds the recoverable amount the goodwill is considered impaired and written down to its recoverable amount. Any impairment is recognised in the consolidated statement of profit or loss.

Other intangibles
Intangible assets other than goodwill are those that are distinct and can be sold separately or arise from legal rights. Intangible assets acquired as part of a business combination are capitalised at fair value at the date of acquisition. Intangible assets purchased separately are capitalised at cost.

The cost of intangible assets is amortised and charged to the consolidated statement of profit or loss on a straight-line basis over their estimated useful lives as follows:

Brands	5-20 years
Customer relationships	5-12 years
Technology	5-10 years
Software & Content	2-5 years

Useful lives are examined every year and adjustments are made, where applicable, on a prospective basis.

Website development costs relating to websites we control and which are revenue generating are capitalised when meet the intangible asset recognition criteria and amortised over two to five years. Development costs relating to websites which are not revenue generating are taken immediately to the consolidated statement of profit or loss. Other operating expenses related to website functioning such as selling, administrative and other general overhead expenditure are recognised as an expense as incurred.

Where no internally generated intangible asset can be recognised, development expenditure is charged to the consolidated statement of profit or loss in the period in which it is incurred. The Group only capitalises internally generated costs from the configuration and capitalisation of software as a service ("SaaS") projects when it is able to obtain economic benefits from the activities independent from the SaaS solution itself.

Impairment reviews
Goodwill and acquired intangible assets with an indefinite life are allocated to cash generating units (CGU's) and tested for impairment at least annually or when there is an indicator that the asset may be impaired. Finite life intangible assets are assessed for impairment triggers and where an indicator exists a test for impairment is performed. The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the terminal year.

Impairment losses are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

Previously recognised impairment losses are only reversed if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal must not exceed the carrying amount, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises expenditure directly attributable to the purchase of the asset.

Assets are depreciated to their estimated residual value, on a straight-line basis, over their estimated useful life as follows:

Short Leasehold Property	over the period of the lease
Hardware, Fixtures & Fittings	2-5 years

Estimated useful lives and residual values are reviewed at each reporting date.

An item of property, plant or equipment is written off either on disposal or when there is no expected future economic benefit from its continued use. Any gain or loss on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in the consolidated statement of profit or loss in the year the item is derecognised.

Notes to the financial statements
continued

Share-based payments
Certain employees of the Group receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares. The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards with market-related vesting conditions is determined by an external consultant and the fair value at the grant date is expensed on a straight-line basis over the vesting period based on the Group's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each reporting date up to the vesting date, at which point the estimate is adjusted to reflect the actual outcome of awards which have vested. No adjustment is made to the fair value after the vesting date even if the awards are forfeited or not exercised.

Shares held by the Employee Benefit Trust
The Employee Benefit Trust ("EBT") provides for the issue of shares to Group employees under share incentive schemes. The Company controls the EBT and accounts for the EBT as an extension to the Company in the consolidated financial statements. Accordingly, shares in the Company held by the EBT are included in the consolidated statement of financial position at cost as a deduction from equity.

Financial instruments
Trade investments
Investments in equity instruments are measured at fair value through profit or loss unless or until such time as the Group is deemed to have significant influence or control over the investee, or they are derecognised. When significant influence is obtained, the Group determines its investment in the equity-accounted associate using the fair value approach. Accordingly, the initial valuation includes the sum of the fair value of the initial interest at the date of obtaining significant influence plus the consideration paid for any additional interest.

Trade and other receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less loss allowances. Loss allowances are calculated for lifetime expected credit losses. Expected credit losses are a probability weighted estimate of credit losses and are calculated based on actual historical credit losses over the past three years and adjusted to reflect differences between the historical credit losses and the Group's view of the economic conditions over the expected lives of the receivables. The amount of the loss is recognised in the consolidated statement of profit or loss. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited to the consolidated statement of profit or loss.

Other receivables include amounts due from customers for pass-through costs principally in relation to the purchase of media on their behalf. These costs comprise amounts paid to external suppliers which are charged directly to clients. The amounts due to external suppliers in these relationships are recognised in other payables.

The Group undertakes the sale of trade receivables, without recourse, to banks to manage the working capital impact of media reimbursables in our high growth Digital Commerce business. Sold trade receivables are derecognised in the consolidated statement of financial position when substantially all of the risks and rewards associated with the assigned receivables are transferred to the bank.

Cash and cash equivalents
Cash and cash equivalents include cash, cash in transit, short-term deposits and other short-term highly liquid investments with an original maturity of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents are as defined, net of outstanding bank overdrafts.

Borrowings
Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

Investments in associates
Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, and the results are updated to align the accounting policies with the Group. Where the Group's share of losses in an associate exceeds its net investment, the Group ceases to recognise further losses unless an obligation exists for the Group to fund those losses.

Inventories
Inventories are stated at the lower of cost or net realisable value. Cost represents purchase cost net of rebates, including attributable overheads, and is determined using either a weighted average cost method or a first-in, first-out method. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs necessary to make the sale.

Provisions
Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised only when it is virtually certain. The expense relating to any provision is presented in the consolidated statement of profit or loss net of any reimbursement. If the time value of money has a material effect on quantifying the provision, the provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance charge.

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

Leases
Definition of a lease
At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee
The Group leases commercial office space and photocopiers. The Group has elected not to recognise right of use assets and lease liabilities for some leases of low-value assets (including photocopiers). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group recognises a right of use asset and lease liability at the lease commencement date. The right of use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation, which is recorded using the straight-line method from the commencement date to the end of the lease term, and impairment losses and adjusted for certain remeasurements of the lease liability. Right of use assets are impaired when there is no expected future economic benefit from its continued use due to the property being vacant, or where the anticipated sublease income is less than the contractual lease payments. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Notes to the financial statements
continued

2. Accounting policies continued

The Group has applied judgement to determine the lease term for some lease contracts that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right of use assets recognised.

The Group has applied the exemption not to recognise right of use assets and liabilities for leases with less than twelve months of lease term.

As a lessor

The Group sub-leases certain of its properties. The right of use assets recognised from the head lease are presented in investment property and measured at fair value. The sub-lease contracts are classified as operating leases under IFRS 16 "Leases". No depreciation is recognised for the right of use assets that meet the definition of investment property.

New and amended accounting standards effective during the year

The amended standards and interpretations to IFRS effective during the year have not had a significant impact on the Group's accounting policies or reporting.

New and amended accounting standards that have been issued but are not yet effective

A number of new or amended standards and interpretations are applicable in future periods but are not expected to have a significant impact on the Group's accounting policies or reporting.

3. Critical accounting judgements and estimates

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The actual future outcomes may differ from these estimates and give rise to material adjustments to the reported results and financial position of the Group. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the year in which the estimates are revised and in any future periods affected.

The areas involving a significant degree of judgement or estimation are set out below and in more detail in the related notes.

Critical accounting judgements

In the process of applying the Group's accounting policies, management has made the following accounting judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Recognition of associates (Note 18)

The Group has a material investment in Hudson MX Inc. ('Hudson'), a software business providing media buying and media accounting solutions through a SaaS platform. At 31 December 2022, the Group has a total investment of £73.8m representing 8% of the common stock and 86% of the preference stock of the Company. The Group equity accounts for the common stock investment and accounts for the preference stock investment at fair value through profit and loss. The assessment of whether the Group has control or significant influence over Hudson is considered a critical accounting judgement.

Assessment of Control

We have considered whether the nature of the relationship with Hudson, rights under the terms of the common and preference stock investments or any other factors would indicate that Ascential has control over Hudson. We have considered the requirements under IFRS 10 "Consolidated Financial Statements" to assess if the Group exercises control over Hudson during the reporting period and at the reporting date and concluded:

Power over the investee

We have assessed that Ascential cannot exercise power over Hudson due to the lack of ability to direct the relevant activities of Hudson via the limited rights of its passive non-voting board observer seats.

We have assessed that the 10 members of Ascential staff seconded to Hudson in 2022, that supplement the 400 strong team of employees and outsourced contractors, to support the development of Hudson's enterprise-level engagement model do not have the ability to direct the relevant activities of Hudson as they report directly or indirectly to the CEO or management committee of Hudson.

We have assessed that our customary protective veto rights over significant changes to Hudson, including actions which could change the credit risk of the business such as; changes to capital structure, asset disposals, dividend declaration and attraction of external funding are protective in nature and relate to fundamental changes to Hudson that only apply in exceptional circumstances.

In January 2022 we allowed the out-of-money buy-out option Ascential held to acquire Hudson to lapse and we have concluded that the potential rights associated with this option were not substantive and did not give rise to Ascential having power over Hudson.

Exposure or rights to variable returns from its involvement with the investee
We have assessed that the Group is exposed to variable returns, primarily through the common and preference stock equity instruments held during the reporting period.

The ability to use its power over the investee to affect the amount of the investor's returns
We have concluded that although the Group has exposure to the variable returns from the investment, it does not have actual or potential rights to direct the relevant activities of Hudson and therefore the Group does not have power over the investment.

In 2022, we increased loan note funding to Hudson to £42.7m (including accrued interest) accounted as a financial asset in non-current other receivables. The loan notes were provided on an arm's length basis, without conversion or equity rights, repayable on a fixed term and at a market rate of interest. The increase in funding does not change our determination of control under IFRS 10 as the terms are comparable to those that Hudson would be able to obtain from an institutional lender given the risk profile and life cycle of the business. Our continued funding in 2022 to Hudson has helped protect the underlying investment in the business.

We have therefore concluded that Ascential's investment in Hudson does not meet the definition of control as at 31 December 2022.

Assessment of Significant Influence
We have considered the requirements of IAS 28 "Investments in Associates and Joint Ventures" to determine whether Hudson should be treated as an equity accounted associate or as a trade investment. This decision is determined by our assessment of ability (or otherwise) to participate in the financial and operating policy decisions of Hudson.

Ascential hold 8% of the common stock of Hudson and has limited voting rights (restricted to 19.9%) over the appointment of preference holder board representatives, which are below the 20% voting threshold set out in IAS 28. We have assessed the other factors that demonstrate our ability to participate in the financial and operating policy decisions of Hudson that in our judgement demonstrate that we had significant influence in the year. These include:

(i) Our right for up to two passive board observer seats to attend the Hudson board,

(ii) Our protective veto rights over certain activities including dividends and future debt funding,

(iii) The presence of material funding between Ascential and Hudson including the provision of secured and unsecured loan note funding totalling £42.7m that provides financial support to further the development of the Hudson MX platform and continues to protect Ascential's investment; and

(iv) The presence of ten secondees including two holding senior management positions that report directly to the Hudson CEO or management committee.

We have concluded that Ascential's common stock investment therefore meets the requirements to equity account for our holding in Hudson as at 31 December 2022. If it were to be determined that Ascential did not hold significant influence over Hudson the impact would be to reverse the previously recognised losses and hold the common stock at fair value. We determine this would result in a £3.8m increase to both the results of Ascential and the investment held on the balance sheet and the Directors are satisfied this is not material to the financial statements..

Key sources of estimation uncertainty

Initial recognition of goodwill and intangible assets in business combinations
When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. Accounting for a business combination requires a valuation of identifiable intangible assets such as brands, customer relationships and technology assets for purchase price allocation purposes. It is based on a number of estimates, as follows:

- Acquired brands and certain technology assets are valued using the relief-from-royalty method. It assumes an estimation of future revenues generated by the business during the economical life of the asset and evaluation of a royalty rate that an acquirer would pay in an arm's length licensing arrangement to secure access to the same rights. The theoretical royalty payments are discounted with tax amortisation benefit applied to obtain the cash flows used to determine the asset value. Forecasted revenue and royalty rate are subject to significant level of estimation uncertainty.
- Acquired customer relationships are valued using the multi-period excess earnings method. It starts with the total expected income streams for a business, or a group of assets as a whole and then deducts charges for all the other assets used to generate income. Residual income streams are discounted, and a tax amortisation benefit is applied. The method requires an estimation of revenue to be generated by acquired business, customers attrition and discount rates. Forecasted revenue and customers attrition rate are subject to significant level of estimation uncertainty.
- Content and certain technology assets are valued using a depreciated replacement cost method. It requires an estimation of all costs a market participant would incur to generate an exact replica of the intangible asset in the context of the acquired business. The depreciated replacement cost method takes into account factors including economic and technological obsolescence.

In establishing the fair value, the Group considers, for each acquisition and each asset or liability, the complexity of the calculations,

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3. Critical accounting judgements and estimates continued

the sources of estimation uncertainty and the risk of such estimations resulting in a material adjustment to the carrying amounts of assets and liabilities in the following reporting period. Note 16 explains the impact these estimates have on the assets recognised under business combinations made in 2022.

Measurement of associates

Investment in Hudson comprises common stock and preference shares. The common stock we own is accounted for by applying equity accounting under IAS 28 ("Investments in Associates and Joint Ventures"), including recording our share of the results of Hudson in proportion to our common stockholding. The carrying value of our equity-accounted balance has been reduced to nil (31 December 2021: £0.5m) as a result of our 8% share of Hudson losses in 2022, totalling £2.7m. All further losses over and above those taken to reduce the carrying value of the common stock portion to nil are recorded against the value of preference stock.

The attributes of the preference stock we hold meet the attributes of a financial instrument measured at fair value through profit and loss under IFRS 9 ("Financial Instruments"). The fair value is assessed at each reporting date, with any revaluation recorded through the consolidated income statement. This preference stock forms part of the long-term investment in Hudson and total £73.8m at 31 December 2022.

Valuation of investment in Hudson preference shares is subject to an estimation and informed by unobservable data points, including the external market evidence and Hudson's shareholding restructuring taking place February 2023 on an arm's length basis with a market participant. An assessment of the sensitivity of the valuation indicated that a 5% increase / decrease in the equity valuation of Hudson would not materially affect the value of our investment on 31 December 2022. Further information on the accounting for Hudson investment is available in Note 18.

Valuation of deferred and contingent consideration and acquisition-related employment costs

Where an acquisition agreement provides for an adjustment to the consideration, contingent on future performance over the contractual earn-out period, the Group accrues the fair value, based on the estimated additional consideration payable as a liability at acquisition date. To the extent that deferred contingent consideration is payable as part of the acquisition cost and is payable after one year from the acquisition date, the deferred consideration is discounted at an appropriate discount rate and carried at fair value in the consolidated statement of financial position. The liability is measured against the contractually agreed performance targets at each subsequent reporting date with any adjustments recognised in the consolidated income statement.

Acquisition-related employment costs are contingent on future performance of the acquired business against the contractually agreed performance targets over the earn-out period but are also dependent on the continued employment of the founders over the contractual earn-out period. Consequently, they are treated as a remuneration expense and recognised as such in the consolidated income statement.

The estimation of the likely liability requires the Group to make judgements concerning the future performance of related business over both the deferred and contingent consideration period. The estimation uncertainty risk of payments greater than one year is higher to due to the forecast nature of the inputs. Further information on the magnitude of the estimation uncertainty attached to the valuation of deferred and contingent consideration and acquisition-related employment costs is available in Note 22.

Goodwill and acquired intangibles recoverable amount (Note 16)

The Group has £711.1m (2021: £603.6m) of goodwill and £201.0m (£242.2m) of acquired intangible assets. Goodwill, Indefinite useful life intangible assets and intangible assets not yet available for use are tested annually for impairment and more frequently when indicators of impairment arise. Finite life intangible assets are assessed for impairment triggers and where an indicator exists a test for impairment is performed. Recoverable amount is the higher of value-in-use or fair value less costs of disposal. Determination of these amounts is based upon multiple estimates, including a forecast of future cash flows, cash conversion and EBITDA growth; the appropriate discount rates and terminal growth rates. Further information is available in Note 16.

4. Operating Segments

The Group has four reportable segments that are used to present information to the Board (Chief Operating Decision Maker) on a monthly basis. End market risks and opportunities vary and capital allocation decisions are made on the basis of those four reportable segments, namely Digital Commerce, Product Design, Marketing and Retail & Financial Services. The reportable segments offer different products and services and are managed separately as a result of different capabilities, technology, marketing strategies and end market risks and opportunities. The following summary describes the continuing operations in each of the Group's reportable segments:

- Digital Commerce: measurement, optimisation and execution for digital commerce growth
- Product Design: consumer product trend forecasting, data and insight to create world-class products and experiences
- Marketing: events, services and tools to measure and optimise marketing creativity, media and platform effectiveness and efficiency
- Retail & Financial Services: events, data and tools to improve performance and drive innovation in retail and financial services

Information regarding the results of each reportable segment is included below. Reportable segment profits are measured at an Adjusted operating profit level, representing reportable segment Adjusted EBITDA, less depreciation costs and amortisation in respect of software intangibles, without allocation of Corporate costs as reported in the internal management reports that are reviewed by the Board. Reportable segment Adjusted EBITDA and reportable segment Adjusted operating profit are used to measure performance as management believes that such information is the most relevant in evaluating the results of the reportable segments relative to other comparable entities. Total assets and liabilities for each reportable segment are not disclosed because they are not provided to the Board on a regular basis. Total assets and liabilities are internally reviewed on a Group basis.

Year ended 31 December 2022

(£ million)	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate costs	Continuing operations	Discontinued operations	Total
Revenue	226.1	107.1	99.2	92.0	–	524.4	–	524.4
Adjusted EBITDA	21.2	49.1	40.1	31.6	(20.9)	121.1	–	121.1
Depreciation and software amortisation	(17.8)	(3.3)	(2.6)	(0.9)	(1.1)	(25.7)	–	(25.7)
Adjusted operating profit/(loss)	3.4	45.8	37.5	30.7	(22.0)	95.4	–	95.4
Amortisation of acquired intangible assets and impairment						(91.6)	–	(91.6)
Profit on disposal of business						6.0	–	6.0
Non-trading items						(88.1)	(0.9)	(89.0)
Share-based payments						(15.9)	–	(15.9)
Operating loss						(94.2)	(0.9)	(95.1)
Share of the loss of associates						(3.2)	–	(3.2)
Finance costs						(27.1)	–	(27.1)
Finance income						8.4	–	8.4
Loss before tax						(116.1)	(0.9)	(117.0)

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4. Operating Segments (continued)

Year ended 31 December 2021

(£ million)	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate costs	Continuing operations	Discontinued operations	Total
Revenue	147.3	91.3	56.5	54.2	–	349.3	49.3	398.6
Adjusted EBITDA	31.1	41.3	25.6	10.9	(20.0)	88.9	16.0	104.9
Depreciation and software amortisation	(10.0)	(2.9)	(3.0)	(1.8)	(1.8)	(19.5)	(0.3)	(19.8)
Adjusted operating profit/(loss)	21.1	38.4	22.6	9.1	(21.8)	69.4	15.7	85.1
Amortisation of acquired intangible assets and impairment						(31.9)	(2.7)	(34.6)
Profit on disposal of business						–	259.4	259.4
Non-trading items						(55.8)	(6.0)	(61.8)
Share-based payments						(8.4)	(0.7)	(9.1)
Operating profit/(loss)						(26.7)	265.7	239.0
Share of the loss of associates						(2.5)	–	(2.5)
Finance costs						(20.1)	–	(20.1)
Finance income						9.7	–	9.7
Profit/(loss) before tax						(39.6)	265.7	226.1

Non-trading items within continuing operations of £88.1m (2021: £55.8m) include £51.1m (2021: £36.6m), £nil (2021: £0.1m), £nil (2021: £nil), £nil (2021: £nil) and £37.0m (2021: £19.1m) which are attributable to Digital Commerce, Product Design, Marketing, Retail & Financial Services and Corporate costs respectively. Finance costs, finance income, share of net profit in equity accounted investees and share-based payments are not allocated to segments, as these types of activity are driven by the Group corporate function.

Revenue and non-current assets by location

The revenue analysis is based on the location of customers. Non-current assets analysis is based on geographical location of the business.

	Revenue		Non-current assets*	
(£ million)	**2022**	2021	**2022**	2021
United Kingdom	**55.8**	42.8	**323.1**	356.2
Other Europe	**75.6**	57.1	**89.6**	85.0
United States and Canada	**272.8**	176.4	**557.8**	466.3
China	**39.8**	24.4	**77.8**	73.7
Asia Pacific excluding China	**49.4**	25.1	**52.2**	–
Middle East and Africa	**10.7**	8.9	–	–
Latin America	**20.3**	14.6	**10.6**	7.7
Total	**524.4**	349.3	**1,111.1**	988.9

* Non-current assets exclude deferred tax assets of £60.3m (2021: £57.7m).

Additional segmental information on revenue

The Group's revenue is derived from contracts with customers.

The Group does not have any customers from whom revenue exceeds 10% of total revenue. Included in revenue is barter revenue arising from the exchange of goods or services of £0.9m for the year ended 31 December 2022 (2021: £0.8m).

Disaggregation of revenue

The following table shows revenue disaggregated by major service lines, and the timing of revenue recognition:

(£ million)	Timing of revenue recognition	2022	2021
Digital Subscriptions & Platforms	Over time	**213.9**	136.2
Advisory	Over time	**12.2**	11.1
Digital Commerce		**226.1**	147.3
Digital Subscriptions & Platforms	Over time	**95.9**	81.9
Advisory	Over time	**11.2**	9.4
Product Design		**107.1**	91.3
Digital Subscriptions & Platforms	Over time	**23.9**	18.2
Advisory	Over time	**5.2**	3.7
Events and Benchmarking Awards	Point in time	**70.1**	34.6
Marketing		**99.2**	56.5
Digital Subscriptions & Platforms	Over time	**6.3**	10.8
Advisory	Over time	**2.3**	2.7
Events and Benchmarking Awards	Point in time	**83.4**	40.7
Retail & Financial Services		**92.0**	54.2
Revenue from continuing operations		**524.4**	349.3

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

(£ million)	2022	2021
Receivables, which are included in trade and other receivables	**112.1**	91.2
Contract assets – accrued income	**18.4**	17.4
Contract liabilities – deferred income	**117.3**	101.0

Out of the amount of the £101.0m included in contract liabilities at 31 December 2021, £100.3m has been recognised as revenue in the current year.

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5. Operating profit

Amounts charged in arriving at continuing operating profit include:

(£ million)	Note	2022	2021
Employee costs	7	**271.0**	190.6
Depreciation and software amortisation		**25.7**	19.5
Amortisation of acquired intangible assets and impairment	6	**91.6**	31.9
Impairment losses on trade receivables and contract assets	20	**6.6**	3.1

Fees paid to the auditor were as follows:

(£ million)	2022	2021
Included in Adjusted results		
Fees paid to auditor for audit of the consolidated financial statements	**1.3**	1.0
Fees paid to auditor for audit of the Group's subsidiaries* – other	**0.2**	0.2
Fees paid to auditor for audit-related assurance services**	**0.1**	0.1
Total	**1.6**	1.3
Included in Adjusting items		
Fees paid to auditor for audit of the Group's subsidiaries – Digital Commerce separation*	**2.8**	–
Fees paid to auditor for audit-related assurance services**	**0.1**	–
Total	**2.9**	–
Total		
Fees paid to auditor for audit of the consolidated financial statements	**1.3**	1.0
Fees paid to auditor for audit of the Group's subsidiaries – Digital Commerce separation*	**2.8**	–
Fees paid to auditor for audit of the Group's subsidiaries* – other	**0.2**	0.2
Fees paid to auditor for audit-related assurance services**	**0.2**	0.1
Total	**4.5**	1.3

* Fees include costs for the PCAOB audit of the standalone US GAAP Digital Commerce business for 2020 (£0.2m), 2021 (£1.5m) and 2022 (£1.1m).
** Audit-related assurance services relate to the review of the half-year interim statements £0.1m (2021: £0.1m) and Digital Commerce separation-related other costs £0.1m (2021: nil).

Details of the Company's policy on the use of the auditor for non-audit related services, the reason why the auditor was used and how the auditor's independence was safeguarded are set out on page 112.

6. Adjusting items

Adjusting items are those which are considered significant by virtue of their nature, size or incidence and are presented separately in the consolidated statement of profit and loss to provide a greater insight into the Group's financial performance. Adjusting items are not a defined term under IFRS, so may not be comparable to similar terminology used in other companies' financial statements and should not be viewed in isolation but as supplementary information. Adjusting items aim to facilitate a comparative understanding of the Group's financial performance from period to period by removing the effect of share-based payment charges, amortisation of intangibles acquired through business combinations, impairment and non-trading items such as costs incurred for acquisitions and disposals, integration, non-recurring business restructuring and capital restructuring. The tax effect of Adjusting items is also included within Adjusting items (see Note 10).

Adjusting items included in continuing operating profit/(loss) are:

(£ million)	Note	2022	2021
Revaluation of deferred contingent consideration	22	**1.0**	5.2
Acquisition–related employment costs recognised in the period	22	**30.4**	24.7
Deferred consideration costs		**31.4**	29.9
ERP and Salesforce implementation		**21.6**	16.9
Strategic review costs		**15.0**	2.8
Transaction and integration costs		**9.4**	6.2
Costs associated with the Digital Shelf pivot		**6.8**	–
Profit on disposal of businesses	15	**(6.0)**	–
Property impairments and provisions		**3.9**	–
Non-trading items		**82.1**	55.8
Amortisation of acquired intangible assets	16	**34.6**	31.9
Impairment of Edge Digital Shelf and ASR	16	**57.0**	–
Share-based payments	8	**15.9**	8.4
Adjusting items in operating profit/(loss)		**189.6**	96.1
Remeasurement of trade investments to fair value	9	**4.0**	(7.8)
Covenant amendment costs		**–**	0.8
Foreign exchange on deferred consideration		**1.3**	–
Share of the loss of joint ventures		**0.6**	0.1
Adjusting items in profit/(loss) before tax from continuing operations		**195.5**	89.2

The revaluation of deferred contingent consideration in the year relates to updates to actual or expected performance for all recent acquisitions with deferred consideration. Acquisition-related employment costs incurred in the year of £30.4m (2021: costs £24.7m) relate primarily to that element of the purchase consideration for acquisitions. Under the sale and purchase agreements, between 25% and 100% of deferred payments are contingent on not only the results of the business in the post-acquisition period but also the continued employment of the founders. The revaluation of deferred consideration of £1.0m relates to the upwards revaluation of £16.4m in relation to five earnouts, offset by the downwards revaluation of five of the deferred consideration arrangements of £15.4m, based on the current and future expected performance of the businesses. Foreign exchange on deferred consideration of £1.3m (2021: £nil) has been included as an adjusting item. The related net tax impact is a credit of £5.8m in 2022. The cash impact of the related deferred contingent consideration charges is explained in Note 22.

The Group is undertaking a multi-year programme to implement a new ERP to replace the current Oracle system introduced in 2007 and a new instance of Salesforce, both of which are cloud-based. The implementation costs are subject to the recent IFRIC agenda decision relating to IAS 38 and accordingly are now required to be expensed. Costs relating to this programme totalling £21.6m (31 December 2021: £16.9m) have been expensed, and given the materiality and once-in-a-decade nature, have been recorded as non-trading items. These expenses are deductible for tax purposes and generate a net tax credit of £4.1m.The programme is anticipated to be completed in 2023. The cash impact of these costs is an outflow of £22.4m.

A significant non-trading item in 2022 was the costs of the strategic review totalling £15.0m (31 December 2021: £2.8m), the results of which were announced in January 2023. The costs relate to resources and professional fees for project management, tax, US GAAP Conversion and audit, and legal advice as well as severance and retention incentives for key personnel impacted by the proposed separation of the Group. The related net tax impact is a credit of £0.9m. The cash impact of these costs is an outflow of £11.8m.

Transaction and integration costs totalling £9.4m (2021: £6.2m) comprise professional fees for diligence and legal costs as well as the costs of integrating acquisitions which is a significant workstream within Digital Commerce given the seven acquisitions made in 2021 with two further acquisitions in 2022. Transaction costs are generally non-deductible for tax purposes, whilst integration costs give rise to a tax credit of £1.0m. The cash impact of these costs is an outflow of £11.5m.

The profit on disposal of businesses of £6.0m (2021: £nil within continuing operations) includes the profit on disposal of Ascential's investment in Analytic Index (accounted for as an associate) of £5.0m and Retail Week World Retail Congress, ("RWRC") of £1.0m. Profit on disposals of BEP and Medialink in 2021, totalling £226.1m and £33.3m respectively, were classified within discontinued operations at 31 December 2021. The Group received net cash inflows of £5.9m in relation to these items.

Costs in relation to property impairments and provisions in 2022 of £3.9m (2021: £nil) reflect impairments of right of use assets and leasehold improvements and the creation of provisions for operating expenses that were onerous following a reassessment of the Group's property requirements. These costs are non-deductible for tax accounting purposes and had no cash impact on the Group in 2022.

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6. Adjusting items continued

Impairment charges totalling £57.0m have been recorded in 2022 driven by an impairment charge of £31.4m (31 December 2021: £nil) recognised in Edge and an impairment charge of £25.6m (31 December 2021: £nil) recognised in the ASR CGU.

The impairment charge in Edge is driven by the decline in profitability of the Digital Shelf offering and the announcement of the Digital Shelf Pivot. These impairment costs give rise to a deferred tax credit of £2.9m for tax accounting purposes and had no cash impact on the Group.

As part of our year-end impairment review process, we identified an indicator of impairment within the ASR business. The indicator was triggered by ongoing action by Amazon to reduce both the media inventory and commission rate for its on-site review product (the OSP product). This is the only product that ASR offers in the Digital Commerce business where Ascential is a cost, rather than a revenue stream, to Amazon. While our original acquisition plans accounted for the risk of a reduction in the income from Amazon for this OSP product over the period of five years, it has become increasingly evident during the second half of 2022 that the OSP product is deprecating faster than we originally projected. These impairment costs give rise to a deferred tax credit of £6.7m for tax accounting purposes and had no cash impact on the Group.

The charge for share-based payments of £15.9m (2021: £8.4m) incorporates the Share Incentive Plan, the SAYE and the Performance Share Plan. As explained in the Alternative Performance Measures section, the Group treats share-based payments as an Adjusting item because they are a significant non-cash charge driven by a valuation model that references Ascential's share price and so is subject to volatility rather than referencing operational activity. Share-based payment expenses give rise to a tax credit of £2.1m to income statement net of a £2.8m charge through equity. The cash impact of share schemes on the Group is nil.

Remeasurement of trade investments to fair value of £4.0m (2021: £7.8m income) relate to the revaluation of the investment in Infosum (Note 18). These costs give rise to a deferred tax credit of £1.0m for tax accounting purposes and do not give rise to a cash impact on the Group. Covenant amendment costs of £nil (2021: £0.8m) related to a fee for Covid-related covenant amendments of the Group's debt facility (Note 9).

7. Employee information and Directors' remuneration

(a) Employee costs including Directors

(£ million)	Note	**2022**	2021
Wages and salaries		**224.4**	182.9
Social security costs		**24.6**	18.9
Defined contribution pension cost		**5.3**	4.4
Redundancy costs		**0.8**	0.9
Share-based payments and associated employment taxes	8	**15.9**	9.1
Total		**271.0**	216.2

The total employee costs for continuing operations amounted to £271.0m (2021: £190.6m). The total employee costs for discontinuing operations amounted to £nil (2021: £25.6m). Average employee cost per employee for continuing operations was £76,000 (2021: £79,000).

(b) Retirement benefits

The Group operates a defined contribution pension scheme in the United Kingdom and in certain other countries. The assets of the scheme are held by independent custodians and are kept entirely separate from the assets of the Group. The pension charge represents contributions due from the employer. During 2022 the total Group charge amounted to £5.3m (2021: £4.4m). At 31 December 2022 there were £0.9m of contributions outstanding (2021: £0.8m).

(c) Average monthly number of employees including Directors

(i) By geographical region

	2022	**2022**	2021	2021
	Continuing	**Discontinued**	Continuing	Discontinued
United Kingdom	**981**	**–**	898	20
United States and Canada	**1,053**	**–**	675	122
China	**816**	**–**	469	–
Asia Pacific excluding China	**349**	**–**	80	1
Rest of the world	**389**	**–**	279	1
Total	**3,588**	**–**	2,401	144

(ii) By segment

	2022 Continuing	2022 Discontinued	2021 Continuing	2021 Discontinued
Digital Commerce	**2,343**	**–**	1,246	–
Product Design	**508**	**–**	447	–
Marketing	**301**	**–**	240	–
Retail & Financial Services	**162**	**–**	162	–
Corporate*	**274**	**–**	306	–
Built Environment & Policy	**–**	**–**	–	131
MediaLink	**–**	**–**	–	13
Total	**3,588**	**–**	2,401	144

* Includes all employees working in support functions irrespective of the segments they support.

(d) Remuneration of Directors and key management personnel

The aggregate emoluments for key management are set out below:

(£ million)	2022	2021*
Salaries, bonus and other short-term employee benefits	**3.0**	3.9
Share-based payments	–	1.3
Total	**3.0**	5.2

* 2021 number has been restated to include both the 2021 bonus of £1.8m, which was determined post year-end, and a £1.3m buyout award relating to the Chief Operating Officer.

During the years ended 31 December 2022 and 2021, no Directors were members of the Group's defined contribution pension scheme. Retirement benefits were not accrued for any Director at 31 December 2022 or 2021. The total gains on the exercise of share options by the Directors amounted to £1.3m (2021: £0.6m).

Further details of the Directors' remuneration and share options are set out in the Remuneration Report on pages 116 to 132. Key management personnel comprised the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and the Non-Executive Directors of the Group.

8. Share-based payments

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments (equity-settled transactions).

Analysis of charge to the consolidated statement of profit or loss on continuing operations:

(£ million)	2022	2021
Share Incentive Plans ("SIP")	**1.4**	0.6
Sharesave Scheme ("Sharesave")	**0.8**	0.7
Deferred Annual Bonus Plan ("DABP")	**0.3**	0.1
Performance Share Plans ("PSP")	**7.9**	5.3
Restricted Share Plan ("RSP")	**5.5**	1.7
Total charge for continuing operations	**15.9**	8.4

The total share-based payment charge (continuing and discontinuing operations) for the year ending 31 December 2022 was £15.9m (2021: £9.1m) of which £15.9m relates to continuing operations (2021: £8.4m continuing operations and £0.7m discontinuing operations).

In 2022, the gross share-based payment expense is £16.7m (2021: £8.4m), offset by a credit of £0.8m (2021: charge of £0.7m) due to the movement in provision for employment taxes as a result of reduction in share price from the prior year. This is reflected within the Consolidated Statement of Profit and Loss, with £16.7m reflected in the Consolidated Statement of Changes in Equity.

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8. Share-based payments continued

The number and weighted average exercise price of outstanding and exercisable share options and share awards are detailed below:

	2022		2021	
	Number of shares/ options 000s	**Weighted average exercise price £**	Number of shares/ options 000s	Weighted average exercise price £
Outstanding at 1 January	**17,334**	**0.31**	12,130	0.47
Granted	**5,722**	**0.72**	9,148	0.18
Options exercised or shares vested	**(2,167)**	**0.11**	(1,957)	0.39
Surrendered or expired	**(1,023)**	**2.63**	(605)	1.63
Lapsed	**(2,811)**	**–**	(1,382)	–
At 31 December	**17,055**	**0.40**	17,334	0.31

	2022	2021
Weighted average fair value per share/option granted during the year (£)	**1.99**	4.05

At 31 December 2022 the market price was £2.02 (2021: £4.02) and the average share price for 2022 was £2.75 (2021: £3.91).

At 31 December 2022 of the 17,055,000 shares/options, 16,133,000 either had no exercise cost or an exercise price below market price, the remaining 922,000 (2021: nil) share options had exercise price above market price. The shares awarded under the SIP do not require additional payment from the participant to vest.

For the Sharesave plan, the range of exercise prices for share options outstanding at 31 December 2022 was £1.69 to £3.33 (2021: £2.30 to £3.59). For the DABP, PSP and RSP plans, all share options outstanding at 31 December 2022 had an exercise price of £nil (2021: £nil) or were conditional share awards which do not require additional payment from the participant to vest.

For share awards and options outstanding at 31 December 2022, the weighted average remaining contractual life was 1.65 years (2021: 1.76 years).

Measurement of fair values

The SIP, PSP, RSP, Sharesave and DABP awards are equity-settled plans, the fair value of which is determined at the date of grant and is not subsequently remeasured unless conditions on which the award was granted are modified.

The SIP, PSP and RSP awards granted in the year have no market performance conditions associated with them and so fair value is deemed to be the share price at the date of grant. The fair value of the Sharesave awards has been measured using the Black-Scholes model. Expected volatility is usually measured over a three year period immediately prior to the date of the grant. The principal assumptions required by these methodologies for 2022 awards were:

	Sharesave	Sharesave (US)
Expected life	3 years	2 years
Risk free interest rate	4.31%	4.06%
Expected volatility	46%	46%
Expected dividend yield	0%	0%

Additional information about share-based payments

a) Share Incentive Plan

In 2016, the Group established the Employee Share Incentive Plan and International Employee Free Share Plan (collectively known as the "SIP") which enables employees to acquire shares of the Company, subject to service conditions. Free shares awarded to UK employees are held by an Employee Benefit Trust for the maturity period of three years. Conditional awards and cash equivalent awards granted to international employees also have a three year maturity period. In 2022, the Group did not make any awards under the SIP (2021: 1,660,400).

b) Sharesave Plan

In 2016, the Group established the Employee Savings Related Share Option Plan, the International Savings Related Share Option Plan and the US Stock Purchase Plan (collectively known as the "Sharesave Plan") under which employees enter into a savings contract and are granted options to acquire shares of the Company, subject to service conditions.

In 2022, the Group granted 2,281,000 (2021: 489,000) options under the Sharesave Plan to qualifying employees. Under the UK and International plans, the options vest after three years and are exercisable for a six-month period. Under the US plan, they vest after two years and are exercisable for a three-month period.

c) Deferred Annual Bonus Plan
Under the Deferred Annual Bonus Plan ("DABP") a portion of Executive Directors' annual bonus earned is deferred mandatorily into a share award, vesting after a three-year period. Awards are structured either as a nil-cost option or a conditional share award. During the year ended 31 December 2022, the Group granted conditional share awards over 365,000 shares under the DABP (2021: nil).

d) Performance Share Plan
In 2016, the Group established the Executive Performance Share Plan ("PSP"), under which key management personnel and other senior employees can be granted conditional awards, share options or a cash alternative. Awards can be granted with or without performance conditions. Where performance conditions have been set, they are either subject to a Total Shareholder Return ("TSR") market performance condition, a revenue or profit non-market performance condition or a combination of both. Executive Directors are required to hold their shares (net of taxes) for a further two year period after vesting.

During the year ended 31 December 2022, the Group granted conditional share awards over 2,585,000 (2021: 4,807,000) shares under the PSP. None of the share awards granted during the year are subject to a market performance condition. 1,060,000 (2021: 3,532,000) shares are subject to a revenue or non-market profit performance condition and 1,525,000 (2021: 1,274,000) shares are not subject to additional performance criteria beyond service conditions.

e) Restricted Share Plan
In 2019, the Group established the Ascential Restricted Share Plan ("RSP"), under which certain employees can be granted nil-cost option awards and/or contingent share awards. Executive Directors are not eligible to receive awards under the RSP. Awards under the RSP are satisfied with market purchased shares and can be granted with or without performance conditions. Awards that have been issued to date are not subject to market performance conditions. During the year ended 31 December 2022, the Group granted conditional share awards over 490,000 shares under the RSP (2021: 2,192,000).

9. Finance costs and finance income

(£ million)	Note	2022	2021
Interest on deposits and investments		**3.6**	2.5
Fair value gain on derivative financial instruments		**4.3**	0.2
Foreign exchange gain		**0.5**	–
Adjusted finance income		**8.4**	2.7
Interest payable on external borrowings	23	**(9.6)**	(8.6)
Amortisation of arrangement fees		**(0.8)**	(0.9)
Discounting of contingent and deferred consideration	22	**(10.3)**	(9.0)
Discount unwind of lease liability	28	**(1.1)**	(1.0)
Foreign exchange loss		**–**	(0.6)
Adjusted finance costs		**(21.8)**	(20.1)
Foreign exchange on deferred consideration	22	**(1.3)**	–
Covenant amendment costs		**–**	(0.8)
Remeasurement of trade investments to fair value	18	**(4.0)**	7.8
Adjusting finance (costs) / income		**(5.3)**	7.0
Net finance costs from continuing operations		**(18.7)**	(10.4)

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10. Taxation

Current tax

The tax charge for the year on continuing operations comprises:

(£ million)	2022	2021
Current tax		
UK current tax credit on income for the year	**(7.8)**	(0.2)
Overseas current tax charge on income for the year	**3.0**	2.8
Adjustments in respect of prior years	**0.3**	1.2
Total current tax (credit)/charge	**(4.5)**	3.8
Deferred tax		
Current year charge/(credit)	**(5.9)**	(2.3)
Adjustments in respect of prior years	**(0.7)**	(3.3)
Impact of rate changes on opening balances	**(0.2)**	0.2
Total deferred tax charge/(credit)	**(6.8)**	(5.4)
Total tax credit from continuing operations	**(11.3)**	(1.6)
Total effective tax rate	**10%**	4%

The difference between the tax as credited in the consolidated statement of profit or loss and tax at the UK standard rate on continuing operations is reconciled below:

	2022			2021		
(£ million)	**Adjusted profit/tax**	**Adjusting items/tax**	**Total profit/tax**	Adjusted profit/tax	Adjusting items/tax	Total profit/tax
Profit/(loss) before tax	**79.4**	**(195.5)**	**(116.1)**	49.6	(89.2)	(39.6)
Expected tax charge/(credit) at the UK standard rate of 19%	**15.2**	**(37.2)**	**(22.0)**	9.4	(16.9)	(7.5)
Tax effects of:						
Higher overseas tax rates	**3.9**	**0.3**	**4.2**	1.7	0.8	2.5
Trading losses not recognised for deferred tax purposes	**0.7**	**0.5**	**1.2**	0.8	–	0.8
Write off of previously recognised tax losses	**–**	**–**	**–**	0.5	–	0.5
Non-deductible expenditure	**1.7**	**4.5**	**6.2**	1.3	5.1	6.4
UK enhanced capital allowances	**(0.3)**	**–**	**(0.3)**	(0.3)	–	(0.3)
Non-taxable income	**–**	**–**	**–**	(0.1)	(2.0)	(2.1)
Taxable disposals	**–**	**0.7**	**0.7**	–	–	–
Rates changes	**(0.2)**	**(0.7)**	**(0.9)**	(3.0)	3.2	0.2
Adjustments in respect of prior years	**–**	**(0.4)**	**(0.4)**	(2.1)	–	(2.1)
Total tax charge/(credit) for the year	**21.0**	**(32.3)**	**(11.3)**	8.2	(9.8)	(1.6)
Effective tax rate	**26%**	**17%**	**10%**	17%	11%	4%

During 2022 the following amounts were recognised in equity relating to share-based payments and foreign exchange movements:

(£ million)	2022	2021
Deferred tax charge related to share based payments	**2.8**	1.5
Tax charge/(credit) related to foreign exchange movements	**14.4**	(0.1)
Total charge recognised in equity	**17.2**	1.4

The Group is subject to many different forms of taxation including, but not limited to, income and corporation tax, withholding tax and value added and sales taxes. The Group has operations in 22 countries and multiple states in the US and sells its products and services into more than 100 countries. Furthermore, the Group renders and receives cross-border supplies and services in respect of affiliated entities which exposes the Group to tax risk due to transfer pricing rules that apply in many jurisdictions.

Deferred tax

The deferred tax balances shown in the consolidated statement of financial position are analysed as follows:

(£ million)	**2022**	2021
Deferred tax assets	**60.3**	57.7
Deferred tax liabilities	**(8.6)**	(6.5)
Total	**51.7**	51.2

In presenting its deferred tax balances, the Group offsets assets and liabilities to the extent it has a legally enforceable right to set off the arising current tax liabilities and assets when those deferred tax balances reverse and income taxes are levied by the same tax authorities.

The major deferred tax assets and liabilities recognised by the Group, and the movements in the year, are set out below:

(£ million)	Non-deductible intangible assets	US deductible intangible assets	Share-based payments	Property, plant and equipment	Tax losses	Other	Total
At 1 January 2021	(19.5)	28.6	2.3	6.7	28.9	5.8	52.8
Credit/(charge) to the consolidated statement of profit or loss	3.1	0.2	1.2	(1.4)	(1.4)	(1.6)	0.1
Credit to equity	–	–	(1.4)	–	–	–	(1.4)
Impact of rate changes	(3.6)	–	0.4	0.7	2.4	(0.1)	(0.2)
Adjustments in respect of prior years	–	–	–	0.4	2.4	0.5	3.3
Foreign exchange movements	(0.1)	(0.1)	–	(0.1)	(0.1)	–	(0.4)
Acquisitions	(6.1)	–	–	–	1.3	–	(4.8)
Discontinued operations	0.1	2.2	–	–	–	(0.5)	1.8
At 1 January 2022	**(26.1)**	**30.9**	**2.5**	**6.3**	**33.5**	**4.1**	**51.2**
Credit/(charge) to the consolidated statement of profit or loss	**6.5**	**6.1**	**2.0**	**(2.8)**	**(7.0)**	**1.1**	**5.9**
Charge to equity	**–**	**–**	**(2.8)**	**–**	**–**	**–**	**(2.8)**
Tax effect of items charged directly to equity	**–**	**–**	**–**	**–**	**(3.3)**	**(1.6)**	**(4.9)**
Reclassification	**–**	**–**	**–**	**–**	**1.1**	**(1.1)**	**–**
Impact of rate changes	**–**	**–**	**–**	**0.2**	**–**	**–**	**0.2**
Adjustments in respect of prior years	**–**	**0.4**	**–**	**1.6**	**(0.1)**	**(1.2)**	**0.7**
Foreign exchange movements	**(1.5)**	**4.1**	**–**	**0.6**	**2.3**	**(0.1)**	**5.4**
Acquisitions	**(8.3)**	**–**	**–**	**–**	**4.0**	**–**	**(4.3)**
Discontinued operations	**–**	**–**	**–**	**0.3**	**–**	**–**	**0.3**
At 31 December 2022	**(29.4)**	**41.5**	**1.7**	**6.2**	**30.5**	**1.2**	**51.7**

The above deferred tax balances are expected to reverse as follows:

(£ million)	Non-deductible intangible assets	US deductible intangible assets	Share-based payments	Property plant and equipment	Tax losses	Other	Total
Within 12 months	(3.1)	5.7	0.5	5.6	9.1	–	17.8
After 12 months	(23.0)	25.2	2.0	0.7	24.4	4.1	33.4
At 31 December 2021	(26.1)	30.9	2.5	6.3	33.5	4.1	51.2
Within 12 months	(4.2)	7.6	(1.5)	–	7.8	–	9.7
After 12 months	(25.2)	33.9	3.2	6.2	22.7	1.2	42.0
At 31 December 2022	(29.4)	41.5	1.7	6.2	30.5	1.2	51.7

No deferred tax liability has been recognised in respect of temporary differences associated with investments in subsidiaries as, where tax would arise on the realisation of those temporary differences, the Group is in a position to control the timing of their reversal and it is probable that such differences will not reverse in the foreseeable future.

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10. Taxation continued

Non-deductible intangibles represent the value of the deferred tax liability which arises on the fair value of acquired intangibles which are not deductible for tax purposes. The liability is valued at the tax rate applicable to the jurisdiction where the intangibles are located.

US deductible intangible assets represent the value of deferred tax assets on US tax deductible intangibles and deferred consideration. These deferred tax assets are recognised at a blended US Federal and State tax rate of 26%.

Deferred tax assets have been recognised on the basis that sufficient taxable profits are forecast to be available in the future to enable them to be utilised. Whilst the Group has reported a net loss before tax on continuing operations for this year and the previous year, this has been driven in the main by the non-trading items referred to in Note 6 above which do not form part of the ongoing business of the Group. The Group is already in a net taxable profit in its major jurisdictions and furthermore expects, from a statutory profit perspective, to return to profits in the future such that we are confident in recognition of the deferred tax assets. In assessing these judgements, we use the Group's 5-year forecast, as approved by the Board.

The Group has the following tax losses:

(£ million)	**Recognised 2022**	Recognised 2021	**Unrecognised 2022**	Unrecognised 2021	**Total 2022**	Total 2021
US net operating losses	**80.8**	69.8	**9.7**	3.6	**90.5**	73.4
UK net operating losses	**26.3**	58.9	–	–	**26.3**	58.9
UK capital losses	**–**	–	**114.9**	114.9	**114.9**	114.9
Other Rest of World losses	**6.4**	1.3	**23.4**	13.1	**29.8**	14.4
Total	**113.5**	130.0	**148.0**	131.6	**261.5**	261.6

The above losses represent the following value at tax rates applicable at the reporting date:

(£ million)	**Recognised 2022**	Recognised 2021	**Unrecognised 2022**	Unrecognised 2021	**Total 2022**	Total 2021
US net operating losses	**23.1**	19.7	**2.0**	0.7	**25.1**	20.4
UK net operating losses	**6.1**	13.7	–	–	**6.1**	13.7
UK capital losses	–	–	**28.7**	21.8	**28.7**	21.8
Other Rest of World losses	**1.3**	0.1	**7.2**	3.6	**8.5**	3.7
Total	**30.5**	33.5	**37.9**	26.1	**68.4**	59.6

The Group has recognised tax losses in the US totalling £80.8m (2021: £69.8m) none of which are subject to expiry. Our ability to utilise losses in future years is driven by the level of taxable profits arising in the relevant taxing jurisdictions. In particular, we do not expect to make gains in the future against which our UK capital losses could be utilised as the Group does not typically hold assets which would give rise to UK capital gains.

We are closely monitoring the Organisation for Economic Co-operation and Development's Two Pillar Solution to Address the Tax Challenges arising from the Digitalisation of the Economy, with application for accounting periods ending after 31 December 2023. Based on the current legislation, we do not expect these rules to impact the Group as it does not meet the global revenue threshold for inclusion.

11. Discontinued operations

For the year ended 31 December 2022, there are no entities or segments disclosed as discontinued operations. Costs of £0.9m were incurred during the year in relation to the final disposal costs from the prior year disposals of the Built Environment & Policy segment and MediaLink.

During the year ended 31 December 2021, as part of its growth strategy to focus resources and investment on its strategic priorities, the Group disposed of its non-core segment of Built Environment & Policy (BEP) as well as the MediaLink brand, previously within the Marketing segment.

Included in non-trading items is a gain on disposal of the BEP segment of £226.1m and the gain on disposal of MediaLink of £33.3m, offset by separation costs totalling £0.8m and deferred consideration classified as acquisition–related employment costs of £5.2m.

During the year ended 31 December 2021, discontinued operations generated cash of £6.3m, in respect of operating activities, used £12.9m in respect of investing activities and used £0.2m in respect of financing activities.

(£ million)	2022 Adjusted results	2022 Adjusting items	2022 Total	2021 Adjusted results	2021 Adjusting items	2021 Total
Revenue	–	–	–	49.3	–	49.3
Cost of sales	–	–	–	(24.1)	–	(24.1)
Sales, marketing and administrative expenses	–	–	–	(9.5)	250.0	240.5
Operating profit	–	–	–	15.7	250.0	265.7
Adjusted EBITDA	–	–	–	16.0	–	16.0
Depreciation, amortisation and impairment	–	–	–	(0.3)	(2.7)	(3.0)
Profit on disposal of business	–	–	–	–	259.4	259.4
Non-trading items	–	(0.9)	(0.9)	–	(6.0)	(6.0)
Share-based payments	–	–	–	–	(0.7)	(0.7)
Operating (loss)/profit	–	(0.9)	(0.9)	15.7	250.0	265.7
(Loss)/Profit from discontinued operations	–	(0.9)	(0.9)	15.7	250.0	265.7
Taxation	–	–	–	(4.2)	0.4	(3.8)
(Loss)/Profit from discontinued operations, net of tax	–	(0.9)	(0.9)	11.5	250.4	261.9
Earnings/(loss) per share (basic and diluted, pence)	–	(0.2)	(0.2)	2.8	60.0	62.8

12. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares. Earnings per share has been calculated with respect to total net profit or loss for the year for the Group, continuing operations and discontinued operations (see Note 11).

The weighted average number of ordinary shares in issue during the year, excluding those held by Employee Benefit Trusts, was 440.0m (2021: 417.3m). There is no dilutive impact from potential ordinary shares as potential ordinary shares can only be considered dilutive when their inclusion would decrease earnings or increase loss per share.

	2022 Adjusted results	2022 Adjusting items	2022 Total	2021 Adjusted results	2021 Adjusting items	2021 Total
Profit/(loss) for the year attributable to owners of the Company (£ million)						
Continuing operations	56.6	(152.1)	(95.5)	39.6	(78.4)	(38.8)
Discontinued operations	–	(0.9)	(0.9)	11.5	250.4	261.9
Profit/(loss) for the year	56.6	(153.0)	(96.4)	51.1	172.0	223.1
Share number (million)						
Basic and diluted weighted average number of shares	440.0	440.0	440.0	417.3	417.3	417.3
Earnings/(loss) per share (basic and diluted, pence)						
Continuing operations	12.9	(34.6)	(21.7)	9.5	(18.8)	(9.3)
Discontinued operations	–	(0.2)	(0.2)	2.8	60.0	62.8
Total operations	12.9	(34.8)	(21.9)	12.3	41.2	53.5

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13. Business combinations

The Group has made the following acquisitions in the Digital Commerce segment:

Sellics

In April 2022, the Group acquired 100% of Sellics Marketplace Analytics GmbH ("Sellics") for an initial cash consideration of £17.2m, plus certain earnout payments payable over 4 years resulting in an estimated total consideration (including the initial consideration) of approximately £20.0m. Sellics provides a mix of advertising spend optimisation, campaign automation and profit analytics, through a suite of software solutions, to challenger brands that trade on Amazon across the US and Europe. Sellics has been integrated into challenger brand specialist Perpetua within Digital Commerce.

Intrepid

In June 2022, the Group acquired 100% of Intrepid E-Commerce Services Pte. Ltd. ("Intrepid") for an initial cash consideration of £46.9m, plus estimated earnout payments payable over 4 years resulting in an estimated total consideration (including the initial consideration) of approximately £60.0m. Intrepid provides eCommerce execution, backed by proprietary software solutions to enterprise brands that trade on major Southeast Asia platforms.

From the date of acquisition, Sellics and Intrepid contributed £14.1m revenue and an adjusted EBITDA loss of £4.5m. If the acquisitions had occurred at the beginning of the year, the acquired companies would have contributed an additional £8.9m of revenue and an additional adjusted EBITDA loss of £3.5m.

The values of the identifiable assets and liabilities of Intrepid and Sellics as at the date of acquisition disclosed in the Condensed Consolidated Interim Financial Statements as at and for the six months to 30 June 2022 were based on a provisional assessment of their fair value while the Group sought an independent valuation for the brand, customer relationships and technology. The valuation had not been completed by 1 August 2022, the date the 2022 Condensed Consolidated Interim Financial Statements were approved for issue by the Board of Directors which was just four weeks after the acquisition of Intrepid.

The acquisition date fair value of the identified intangible assets (brands, software and technology) was £20.5m, a decrease of £20.9m over the provisional value, with the balance recognised in goodwill. The change does not represent the nature of assets acquired but rather driven by the proximity of the acquisition date to the interim reporting period and limited financial information available.

A reduction in the net working capital of £1.8m is largely due to the use of the available financial information for provisional valuation. The valuation of the identifiable assets and liabilities resulted in £5.3m of deferred tax liabilities recorded. Sellics and Intrepid did not have any material lease liabilities prior to the acquisition. Gross contractual amounts of acquired trade and other receivables approximate the fair value of trade and other receivables on the acquisition date.

The valuation was subsequently completed resulting in the acquisition date updated provisional fair value of net assets:

(£m)	Note	2021 Acquisitions, change in fair values	2022 Acquisitions fair values	Total
Customer relationships	16	(2.6)	12.5	9.9
Brands	16	0.6	1.7	2.3
Technology	16	1.2	6.3	7.5
Property, plant and equipment	17	–	0.3	0.3
Trade and other receivables		(0.1)	5.7	5.6
Cash and cash equivalents		–	3.2	3.2
Deferred tax asset	10	4.0	–	4.0
Deferred tax liability	10	(2.9)	(5.4)	(8.3)
Other working capital		(0.4)	(7.8)	(8.2)
Total identifiable net assets at fair value		**(0.2)**	**16.5**	**16.3**
Initial cash consideration		–	64.0	64.0
Non-controlling interest		(0.2)	–	(0.2)
Contingent consideration payable in 2022 - 2026		–	12.9	12.9
Contingent consideration payable in 2021 - 2024		(0.7)	–	(0.7)
Total consideration		**(0.9)**	**76.9**	**76.0**
Goodwill on acquisition	16	(0.7)	60.4	59.7
Acquisition of businesses (net of cash acquired)		–	**60.8**	**60.8**

In addition to £2.3m of transaction costs, the Group incurred £0.7m to integrate these two acquisitions in Ascential in 2022.

The goodwill of £60.4m arising on acquisitions in 2022, comprises earnings attributable to new service offerings, growth through new customer relationships and the assembled workforces. This goodwill is not expected to be deductible for tax purposes. It is allocated entirely to the DC group of CGUs.

As discussed in Note 3, the valuation of intangible assets acquired in business combinations is based on a number of estimates made by management. Some of those could materially impact the fair value of the intangible assets as at the acquisition date. A 3% change to the customer attrition rate applied to the valuation of Intrepid would result in a £1.3m change to the fair value of customer relationships. If the royalty rate applied to Intrepid software valuation were to change by 2%, it would result in a £1.1m change to the fair value of technology acquired. Finally, a change to the royalty rate applied to Intrepid brand valuation by 0.25% will result in £0.85m change to the brand fair value. All of these changes would result in a corresponding adjustment to the value of goodwill recognised. The valuation of intangible assets is also sensitive to forecasted revenue assumptions applied by management. It is impractical to sensitise the valuation assessment for revenue assumptions due to inability to flex this assumption in isolation, as there is a close relationship between revenue and other components of forecasted cash flows informing the fair values. No other reasonable change to the accounting estimates would result in a material change to the valuation of intangible assets acquired in relation to Sellics or Intrepid.

2021 Acquisitions

The details of the prior year acquisitions are set out in the 2021 Annual Report and Accounts. The impact of the finalisation of the acquisition accounting for those acquisitions deemed as provisional in the 2021 accounts is set out below:

4K Miles
The valuation of 4K Miles resulted in a £0.7m increase in deferred tax liability recognised in 2022 and a reallocation of fair value between different categories of the purchased intangibles. In finalising the purchase accounting a revision in the deferred and contingent consideration payable of £0.7m was recorded.

ASR
Acquisition assets valuation was completed after the release of 2021 Annual Report resulting in a £0.5m net working capital adjustment (including trade and other receivables) due to completion of acquisition financial statements.

OneSpace
Acquisition assets valuation was completed after the release of 2021 Annual Report resulting in the recognition of an additional £2.2m deferred tax liability and a £4.0m deferred tax asset on losses carried forward.

14. Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries that has material Non-Controlling Interests ("NCI"):

	2022			2021		
	ASR	CTIC WGSN China Ltd	Total	ASR	CTIC WGSN China Ltd	Total
(£ million)						
NCI percentage	**49%**	**51%**		49%	51%	
Non-current assets	**39.1**	**–**	**39.1**	52.8	–	52.8
Current assets	**4.5**	**6.4**	**10.9**	8.5	7.1	15.6
Non-current liabilities	**(0.1)**	**–**	(0.1)	(0.9)	–	(0.9)
Current liabilities	**(1.7)**	(4.0)	(5.7)	(1.0)	(5.8)	(6.8)
Net assets	**41.8**	**2.4**	**44.2**	59.4	1.3	60.7
Net assets attributable to NCI	**20.5**	**1.2**	**21.7**	29.1	0.6	29.7
Profit/(loss) for the year and total comprehensive income	**(22.7)**	**3.6**	**(19.1)**	0.2	1.4	1.6
Profit/(loss) allocated to NCI	**(11.1)**	**1.8**	**(9.3)**	0.1	0.7	0.8

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15. Disposals

In the year ended 31 December 2022, the Group disposed of its investment in associate Analytic Index, resulting in a gain on disposal of £5.0m (see Note 18), and of the assets and liabilities of Retail Week and World Retail Congress (RWRC) resulting in a provisional gain on disposal of £1.0m. The Group has recognised a total gain on disposal of £6.0m presented as non-trading items in the year within continuing operations.

Disposal of business operations – RWRC

(£ million)	**2022**
Net proceeds	**0.9**
Net liabilities disposed of	**1.0**
Total proceeds	**1.9**
Disposal costs	**(0.9)**
Gain on disposal of assets and liabilities	**1.0**

The assets and liabilities disposed of are as follows:

(£ million)	**2022**
Intangibles including Goodwill	**–**
Trade debtors (net of provisions)	**0.8**
Prepayments (including Event Deposits)	**0.8**
Trade creditors	**(0.1)**
Deferred income	**(2.4)**
Accruals	**(0.1)**
Net liabilities disposed of	**(1.0)**

2021 Disposals

In the year ended 31 December 2021, the Group disposed of its Built Environment & Policy Segment and the MediaLink business which was formerly within the Marketing segment. The Group recognised a total gain on disposal of £259.4m presented as a non-trading item within discontinued operations.

(£ million)	**Built Environment & Policy**	**MediaLink**	**2021**
Gross proceeds	**257.4**	**94.7**	**352.1**
Working capital adjustment	**0.9**	**–**	**0.9**
Cash and cash equivalents disposed of	**(3.4)**	**(1.5)**	**(4.9)**
Total proceeds	**254.9**	**93.2**	**348.1**
Net assets disposed of	**(23.1)**	**(52.0)**	**(75.1)**
Disposal costs	**(5.7)**	**(1.2)**	**(6.9)**
Recycling of deferred foreign exchange losses	**–**	**(6.7)**	**(6.7)**
Gain on disposal from discontinued operations	**226.1**	**33.3**	**259.4**

The assets and liabilities disposed of in these transactions were as follows:

(£ million)	**Built Environment & Policy**	**MediaLink**	**2021**
Goodwill	25.1	33.4	58.5
Brands, customer relationships and databases	0.5	13.8	14.3
Right of use assets	0.4	1.0	1.4
Tangible fixed assets including software	2.5	0.1	2.6
Trade and other receivables	10.0	15.1	25.1
Trade and other payables	(15.8)	(8.5)	(24.3)
Lease liabilities	–	(1.2)	(1.2)
Deferred tax asset/(liability)	0.4	**(1.7)**	**(1.3)**
Net assets and liabilities disposed	**23.1**	**52.0**	**75.1**

The net inflow of cash in respect of the disposal of businesses was as follows:

(£ million)	2021
Cash proceeds received for current year disposals (net of cash disposed of)	348.1
Disposal costs paid	**(5.7)**
Net cash inflow	**342.4**

16. Intangible assets and goodwill

		Acquired Intangibles					
£ million)	Goodwill	Brands	Customer relationships	Content	Technology	Software	Total
Cost							
At 1 January 2021	708.1	139.2	130.2	59.0	39.2	65.3	1,141.0
Additions	–	–	–	–	–	21.6	21.6
Acquisitions of businesses	163.6	8.2	91.4	–	12.4	1.3	276.9
Disposals	–	–	–	–	–	(1.1)	(1.1)
Disposals of businesses	(33.4)	(15.3)	(14.5)	–	–	(0.1)	(63.3)
Exchange rate differences	6.0	(1.0)	3.2	–	0.3	–	8.5
At 1 January 2022	844.3	131.1	210.3	59.0	51.9	87.0	1,383.6
Additions	**–**	**–**	**–**	**–**	**–**	**33.3**	**33.3**
Acquisitions of businesses	**59.7**	**2.3**	**9.9**	**–**	**7.5**	**–**	**79.4**
Disposals	**–**	**–**	**–**	**–**	**–**	**(8.1)**	**(8.1)**
Exchange rate differences*	**47.8**	**2.3**	**14.3**	**–**	**2.6**	**6.1**	**73.1**
At 31 December 2022	**951.8**	**135.7**	**234.5**	**59.0**	**62.0**	**118.3**	**1,561.3**
Accumulated amortisation & impairment							
At 1 January 2021	(240.7)	(49.4)	(59.2)	(52.9)	(29.5)	(44.2)	(475.9)
Disposal of businesses	–	6.8	9.2	–	–	–	16.0
Disposals	–	–	–	–	–	0.8	0.8
Amortisation	–	(12.0)	(15.3)	(3.2)	(4.1)	(11.5)	(46.1)
Exchange rate differences	–	(0.4)	0.1	(0.1)	(0.1)	1.0	0.5
At 1 January 2022	(240.7)	(55.0)	(65.2)	(56.2)	(33.7)	(53.9)	(504.7)
Amortisation	**–**	**(7.7)**	**(20.1)**	**(1.9)**	**(4.9)**	**(15.5)**	**(50.1)**
Disposals	**–**	**–**	**–**	**–**	**–**	**7.7**	**7.7**
Impairment	**–**	**–**	**(43.6)**	**–**	**–**	**(13.4)**	**(57.0)**
Exchange rate differences	**–**	**(0.3)**	**(0.9)**	**–**	**(0.7)**	**(1.8)**	**(3.7)**
At 31 December 2022	**(240.7)**	**(63.0)**	**(129.8)**	**(58.1)**	**(39.3)**	**(76.9)**	**(607.8)**
Net book value							
At 31 December 2022	**711.1**	**72.7**	**104.7**	**0.9**	**22.7**	**41.4**	**953.5**
At 31 December 2021	**603.6**	**76.1**	**145.1**	**2.8**	**18.2**	**33.1**	**878.9**

*Exchange rate differences related to brands and customer relationships in 2021 were updated

Included within software intangible assets at 31 December 2022 is £16.2m (2021: £10.2m) of assets under construction which were not yet being amortised at the year end.

Impairment review

At 31 December 2022, the Group had £912.1m of goodwill and intangible assets acquired through acquisitions (2021: £845.8m). Where each of the Group's cash generating units (CGUs) and groups of CGUs contain goodwill, indefinite life intangible assets or assets not yet available for use, these are assessed for impairment annually and more frequently where there are indicators of impairment. Where a CGU only contains finite life intangible assets a test for impairment is only performed when an impairment trigger is deemed to exist. In assessing for impairment, an estimate of the CGU's recoverable amount is determined. The recoverable amount is the higher of value-in-use or fair value less costs of disposal.

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16. Intangible assets and goodwill continued

CGUs

The Group consists of one group of CGUs (Digital Commerce) and five individual CGUs (Product Design, Lions, WARC Money 20/20 and RFS Price & Promotion). Due to the interdependencies of the business units within Digital Commerce, goodwill attributed to the individual CGUs has been allocated as a whole to the group of CGUs that form Digital Commerce and is assessed for impairment at that level. The two newly acquired businesses in the period, Intrepid and Sellics, are included within the Digital Commerce group of CGUs. No CGU or group of CGUs is larger than an operating segment as defined by IFRS 8 "Operating Segments" before aggregation.

Determination of recoverable amount

When testing for impairment, recoverable amounts for all of the Group's CGUs and group of CGUs are measured at their value-in-use by discounting the future expected cash flows from the assets in the CGUs. These calculations use cash flow projections based on Board-approved budgets and approved plans, which have been prepared after considering the current economic environment in each of our markets. Five-year cash flow forecasts have been used for all CGUs. Where tests are performed on specific finite life assets cash flow forecasts are limited to the useful economic life of the asset being tested and where the period extends beyond our 5 -year plan period a long-term growth rate is applied to the incremental years. We tested those CGUs where a trigger was deemed to have occurred.

Fair value less costs of disposal is also considered as an alternative measure of recoverable amount based on revenue or EBITDA multiples compared to recent market transactions. This is a Level 3 measurement, based on inputs which are normally unobservable to market participants.

The key assumptions and estimates used for value-in-use calculations are as follows:

EBITDA Growth rate
In determining the operating results in the Group's 5-year plan period, the Group consider the growth in revenue and EBITDA for each CGU and consider the expected market and economic conditions and territories in which each operate, as well as taking account of the Group's historic performance.

Cash conversion rate
In calculating the cash flows derived from the plan period, the level of cash conversion applied to the Group's operating results is applied based on the Group's historical cash conversion rates, in the range of 95%-99%.

Long-term growth rate
In calculating the terminal value, cash flows beyond the plan period were extrapolated using a long-term growth rate of 3% (2021: 3% for Digital Commerce and 2.5% for other CGUs). This is in line with the IMF World Economic Outlook published in October 2022, which represents the long-term rates of inflation expected in the economies in which we operate and the Group's best estimate of cash flow growth beyond the relevant plan period.

Discount rates
Inputs include risk-adjusted, pre-tax discount rates, calculated by reference to the weighted average cost of capital for each CGU, weighted to the country, or countries, in which the CGU operates. Movements in the pre-tax discount rates for CGUs since the year ended 31 December 2021 are primarily driven by increases to the risk free rate driven by wider economic volatility in 2022.

The pre-tax discount rates applied to the risk-adjusted cash flow forecasts and the carrying values of goodwill and other acquired intangible assets allocated to the CGUs tested for impairment at 31 December 2022 are set out below:

	2022			2021		
CGU	**Pre-tax discount rate %**	**Goodwill**	**Acquired Intangibles**	Pre-tax discount rate %	Goodwill	Acquired Intangibles
Digital Commerce	**14.9**	**423.4**	**132.0**	10.3	325.8	167.5
Product Design	**13.4**	**156.0**	**2.6**	10.5	150.6	2.3
Marketing						
Lions	**12.8**	**81.4**	**53.6**	9.6	81.1	57.1
WARC	**13.2**	**10.6**	**6.9**	9.8	10.6	10.1
Retail & Financial Services						
Money20/20	**16.0**	**39.7**	**3.5**	10.6	35.5	5.2
RFS Price & Promotion	**13.9**	–	2.4	10.3	–	–
Retail Week & WRC	–	–	–	8.9	–	–
Total		**711.1**	**201.0**		603.6	242.2

Sensitivity to changes in assumptions
The calculation of value-in-use is most sensitive to the EBITDA growth rate, cash conversion rate, discount rate and long term growth rates used. The Group has concluded that the headroom in Goodwill was not significantly impacted by reasonably possible change in these inputs.

Impairment of ASR
As part of our impairment assessment at the 31 December 2022 year end, an impairment trigger was identified in ASR. At the date of testing, £51.5m of acquired purchased intangibles and £6.7m of other assets were allocated to the ASR CGU. The Group assessed the carrying amount of these finite life assets, that form the ASR CGU (which forms part of the Digital Commerce group of CGUs) by assessing the profit and cash flow projections derived from the Group's 2023 budget and five year plan. These projections were then extrapolated over a further 5.5 years to match the remaining 10.5 years of the useful economic life of the assets in the CGU using the long term growth rate for Digital Commerce of 3% and discounted at a pre-tax discount rate of 14.6%. This identified an impairment loss of £25.6m.

Impairment of Edge
As part of its reporting for the half year ended 30 June 2022, the Group reassessed its profit and cash flow projections for Edge based on the prevailing economic environment considering its strategic direction. As a result the Group performed its impairment review of the assets in Edge based on these revised assumptions, and an impairment loss of £31.4m, predominately related to the finite life Digital Shelf assets, was recognised at the half year. Impairment testing performed over the remaining assets of Edge at the 31 December 2022 did not result in any further impairment.

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17. Property, plant and equipment

(£ million)	Leasehold	Hardware and Fixtures & Fittings	Total
Cost			
At 1 January 2021	10.0	11.7	21.7
Additions	0.6	2.3	2.9
Acquisitions of businesses	0.2	0.3	0.5
Disposals	(0.6)	(0.7)	(1.3)
Disposal of business	(0.1)	–	(0.1)
Movements in exchange rates	(0.2)	(0.1)	(0.3)
At 1 January 2022	**9.9**	**13.5**	**23.4**
Additions	**1.2**	**1.6**	**2.8**
Acquisition of businesses	–	**0.3**	**0.3**
Disposals	–	**(0.3)**	**(0.3)**
Movements in exchange rates	**0.4**	**0.5**	**0.9**
At 31 December 2022	**11.5**	**15.6**	**27.1**
Depreciation			
At 1 January 2021	(7.4)	(8.8)	(16.2)
Depreciation	(1.5)	(1.6)	(3.1)
Disposals	0.5	0.5	1.0
Movements in exchange rates	0.1	0.1	0.2
At 1 January 2022	**(8.3)**	**(9.8)**	**(18.1)**
Depreciation	**(1.4)**	**(1.8)**	**(3.2)**
Disposals	–	**0.3**	**0.3**
Movements in exchange rates	**(0.2)**	**(0.2)**	**(0.4)**
At 31 December 2022	**(9.9)**	**(11.5)**	**(21.4)**
Net book value			
At 31 December 2022	**1.6**	**4.1**	**5.7**
At 31 December 2021	**1.6**	**3.8**	**5.4**

18. Investments

(£ million)	**2022**	2021
At 1 January	**82.2**	32.4
Acquisition of investments	**4.0**	44.0
Remeasurement of trade investments to fair value	**(4.0)**	7.8
Share of the loss of associates	**(3.2)**	(2.5)
Reclassification as a subsidiary	**–**	(0.7)
Disposal of investments	**(0.4)**	–
Movements in exchange rates	**9.9**	1.2
At 31 December	**88.5**	82.2

Investments as at 31 December 2022 were made up as follows:

(£ million)	**2022**	2021
Trade investments and preference shares measured at fair value through profit or loss	**85.1**	78.1
Associates accounted for using the equity method	**3.4**	4.1
At 31 December 2022	**88.5**	82.2

Investment in Hudson

Included within the above balances, the Group continues to hold a £73.8m (31 December 2021: £65.9m) investment in Hudson, an advertising software business providing media buying and accounting solutions through a cloud-based SaaS platform. This investment is made up of ordinary stock and preference stock. In addition, the Group invested an additional £30.6m of secured and unsecured promissory notes (31 December 2021: £7.3m) in Hudson in 2022. These are included in non-current other receivables, see Note 20.

Summarised financial information for Hudson for the year to 31 December 2022 is as follows:

- The balance sheet includes current assets of £1.5m (2021: £6.2m), non-current assets of £74.2m (2021: £47.7m), current liabilities of £56.8m (2021: £7.7m) and non-current liabilities of £nil (2021: £7.5m).
- The income statement includes revenue (from continuing operations) of £2.3m (2021: £1.7m) and a loss from operations (all continuing) of £27.1m (2021: £21.8m) resulting in an Other Comprehensive Expense of £27.1m (2021: £21.8m). Included in these amounts are depreciation and amortisation of £7.5m (2021: £4.2m) and interest expense of £3.0m (2021: £4.4m).

Hudson had no contingent liabilities or capital commitments as at 31 December 2022 and 2021. Hudson requires a Board of Directors' consent to distribute its profits. No dividends were declared or received from Hudson in 2022.

The Group recognised its share of Hudson's losses in the Group's consolidated income statement resulted in decrease of the carrying value of the investment in the common stock down to nil on 31 December 2022 (£0.5m at 31 December 2021). The Group continued recognising its share of Hudson's losses recording it against the preference shares equity investment.

The Group has assessed that £73.8m of the preference stock held in Hudson at 31 December 2022 (31 December 2021: £65.4m) has attributes that require measurement at fair value through the profit and loss, and there is also an equity-accounted investment at nil. Both the valuation of the preference stock, and the estimation of the recoverable amount of the equity-accounted investment involve significant estimation uncertainty at 31 December 2022 due to the life cycle of the business.

In respect of the recoverable amount of the investment in Hudson at the 31 December 2022, this has primarily been estimated based upon the fair value less cost of disposal and formed based on a range of different data points available to management in forming a view on the valuation. These include reference to the valuation used for the restructuring of the Group's investment in Hudson in 2023 (see Note 31), prior funding rounds and valuations from potential investors. In addition the Group has an internal discounted cash flow model that includes potential cash flows from Hudson's forward looking forecasts and limited market comparative information.

The range of data points currently available to the Group support our assessment that the carrying value of the investment, being the preference shares of £73.8m and equity-accounted associate balance held at £nil is supportable and within an appropriate valuation range. The valuation remains judgemental due to the unobservable data points and dependency on Hudson's pathway to revenue growth and profitability.

Investment in Infosum

The Group's investment in Infosum is accounted for at fair value through profit and loss. The carrying value of the investment on 31 December 2021 was £12.0m, including a £7.8m revaluation gain following the open funding round in 2021 indicating an increase in the company's value.

In 2022 the Group performed a fair value assessment of the investment resulting in a £4.0m reduction in the value, presented as a non-trading item (Note 4) consistent with the presentation of the revaluation gain recorded in 2021.

Sensitivity analysis, using reasonably possible changes in the fair value company's equity price, showed that a 5.0% decrease or increase in the equity price would have resulted in an increase to the impairment of £0.5m and decrease of £0.5m respectively.

Investment in Analytic Index

In October 2022 the Group disposed of its investment in Analytic Index for an initial cash consideration of £5.3m and resulted in a £5.0m profit on disposal recorded within non-trading items.

19. Inventories

(£ million)	**2022**	2021
Physical stock	**3.3**	1.9
Total	**3.3**	1.9

During 2022, £9.9m (2021: £2.0m) was recognised as an expense for inventories carried at net realisable value. This is recognised in cost of sales.

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20. Trade and other receivables

(£ million)	2022	2021
Non-Current		
Other receivables	**42.7**	–
Total Non-Current	**42.7**	–

(£ million)	2022	2021
Current		
Trade receivables, net of the allowance for doubtful debts	**112.1**	91.2
Other receivables	**204.8**	153.3
Prepayments	**9.6**	10.7
Contract assets – accrued income	**18.4**	17.4
Total Current	**344.9**	272.6
Total	**387.6**	272.6

The Directors consider that the carrying amount of receivables and prepayments approximates their fair value.

Other receivables include amounts due from customers for pass-through costs of £194.6m (2021: £137.4m), principally in relation to the purchase of media on their behalf. These costs comprise amounts paid to external suppliers which are charged directly to clients. The amounts due to external suppliers in these relationships are recognised in other payables (see Note 21).

Trade receivables are non-interest bearing and shown net of an allowance for doubtful debts. As at 31 December 2022, the allowance for doubtful debts was £7.9m (2021: £4.4m). Movements in the allowance for doubtful debts were as follows:

(£ million)	2022	2021
At 1 January	**4.4**	6.5
Provided in the year	**7.6**	3.1
Released in the year	**(1.8)**	(1.3)
Utilised in the year	**(3.4)**	(3.7)
Business disposals	**–**	(0.3)
Business acquisitions	**0.1**	0.1
Foreign exchange movements	**1.0**	–
At 31 December	**7.9**	4.4

A further allowance for doubtful debts of £0.8m was provided against the carrying value of other receivables and remains provided at 31 December 2022 (2021: £nil). The net impairment loss on trade receivables and contract assets recognised in the year of £6.6m (2021: £3.1m) is the net of the total amounts provided in the year of £7.6m (2021: £3.1m) and £0.8m (2021: £nil) in trade receivables and other receivables respectively, offset by the amount released in the year of £1.8m (2021: £1.3m) in trade receivables.

Trade receivables and contract assets of continuing operations, net of the allowance for doubtful debts, are aged as follows:

(£ million)	Loss rate	Gross carrying amount	Loss Allowance	Credit note allowance	Net trade receivables and contract assets
Current (not past due)	0.8%	103.9	(0.8)	(1.6)	101.5
1-30 days past due	2.9%	16.0	(0.5)	–	15.5
31 – 90 days overdue	7.8%	8.3	(0.7)	–	7.6
More than 90 days past due	49.9%	11.8	(5.9)	–	5.9
At 31 December 2022		**140.0**	**(7.9)**	**(1.6)**	**130.5**
Current (not past due)	1.0%	90.1	(0.9)	(1.6)	87.6
1-30 days past due	3.8%	11.1	(0.4)	–	10.7
31 – 90 days overdue	5.4%	6.9	(0.4)	–	6.5
More than 90 days past due	42.0%	6.5	(2.7)	–	3.8
At 31 December 2021		114.6	(4.4)	(1.6)	108.6

Loss rates are calculated based on actual credit losses over the past three years and adjusted to reflect differences between the historical credit losses and the Group's view of the economic conditions over the expected lives of the receivables. In addition to the loss allowance, there is a credit note allowance of £1.6m (2021: £1.6m) in the net trade receivables balance.

The maximum exposure to credit risk for trade receivables and contract assets by geographical region was:

(£ million)	**2022**	2021
United Kingdom	**11.6**	10.6
Other Europe	**17.3**	12.9
United States and Canada	**69.3**	56.6
China	**13.9**	15.9
Asia Pacific (excluding China)	**11.8**	4.3
Middle East and Africa	**1.3**	1.4
Latin America	**5.3**	6.9
Total	**130.5**	108.6

The Group has undertaken a sale of trade receivables, without recourse, to banks to manage the working capital impact of media buying and reimbursement on behalf of clients in our high growth Flywheel business. Sold trade receivables are derecognised in the consolidated statement of financial position as at 31 December 2022, with substantially all of the risks and rewards associated with the sold receivables being transferred to the bank. At 31 December 2022, the level of trade receivables sold to a financial institution under a non-recourse financing arrangement totalled £28.4m (2021: £23.8m). The facility has a limit of $40m.

As at 31 December 2022, the allowance for doubtful debts was £0.8m (2021: Nil) for other receivables. Other receivables of the continuing operations, net of the allowance for doubtful debts, are aged as follows:

			2022			2021
(£ million)	**Non-current**	**Current**	**Total**	Non-current	Current	Total
Not past due)	**42.7**	**146.9**	**189.6**	–	121.6	121.6
1-30 days past due	**–**	**22.3**	**22.3**	–	17.3	17.3
31 – 90 days overdue	**–**	**19.3**	**19.3**	–	8.1	8.1
More than 90 days past due	**–**	**16.3**	**16.3**	–	6.3	6.3
Total	**42.7**	**204.8**	**247.5**	–	153.3	153.3

21. Trade and other payables

(£ million)	**2022**	2021
Current		
Trade payables	**18.0**	12.7
Other payables	**203.5**	136.6
Accruals	**48.1**	39.5
Derivatives	**–**	0.2
Interest accruals	**0.9**	0.5
Taxes and social security costs	**7.1**	8.9
Total	**277.6**	198.4

Other payables include amounts due to external suppliers in relation to pass-through costs of £193.7m (2021: £124.1m). Pass-through costs comprise amounts paid to external media suppliers which are charged directly to clients. The amounts due from customers in these relationships are recognised in other receivables (see Note 20).

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22. Deferred and contingent consideration

The Group has liabilities in respect of deferred and contingent consideration payments under various business acquisition contracts as set out in the table below:

(£ million)	Note	Total	Level 3
At 1 January 2021		136.2	96.5
Additions	13	49.7	47.2
Acquisition-related employment costs accrued in the year	6	29.9	–
Revaluation of contingent consideration	6	5.2	5.2
Discounting of contingent and deferred consideration	9	9.0	9.0
Acquisition-related employment costs cash paid in year		(39.4)	–
Deferred and contingent consideration cash paid in the year		(87.6)	(85.6)
Movements in exchange rates		(0.1)	(0.3)
At 1 January 2022		**102.9**	**72.0**
Additions	13	**12.3**	**12.3**
Acquisition-related employment costs accrued in the year*	6	**30.5**	**–**
Revaluation of contingent consideration recognised	6	**1.0**	**0.7**
Discounting of contingent and deferred consideration	9	**10.3**	**10.3**
Acquisition-related employment costs cash paid in year		**(19.5)**	**–**
Deferred and contingent consideration cash paid in the year		**(37.9)**	**(35.5)**
Movements in exchange rates		**8.5**	**7.0**
At 31 December 2022		**108.1**	**66.8**

(£ million)		**2022**			2021	
Accounted for in accordance with:	**IFRS 9**	**IAS 19**	**Total**	IFRS 9	IAS 19	Total
Current	**20.5**	**22.7**	**43.2**	35.4	17.2	52.6
Non-current	**47.2**	**17.7**	**64.9**	39.8	10.5	50.3
Total	**67.7**	**40.4**	**108.1**	75.2	27.7	102.9

* Includes £0.1m (2021: £5.2m employment costs recorded in discontinued operations

The significant unobservable inputs used in the fair value measurements are the determined weighted average cost of capital and the forecast future revenue of the acquired businesses. For details of deferred and contingent consideration on acquisitions within the year refer to Note 13.

Both contingent consideration and acquisition-related employment costs are based on the future performance of the acquired business to which they relate. Performance is assessed using forecast revenues and the five-year plan which is updated annually and approved by the Board. Forecasts are inherently a source of management estimation, resulting in a range of outcomes. The estimation uncertainty risk of payments greater than 1 year is higher to due to the forecast nature of the inputs. The Perpetua earnout is the largest earnout payment with uncertainty and therefore most relevant when considering the sensitivity to fluctuations in performance. The payment due in 2023 is based on 2022 results and hence is no longer subject to such uncertainty. A 10% increase in revenues in 2023 to 2024 would result in total additional payments of approximately £11.7m in 2023 to 2024. A 20% increase in revenues in 2023 and 2024 would result in total additional payments of approximately £18.6m. 4K Miles (acquired in December 2022) is the next largest earnout where sensitivity has been applied where a 10% increase in revenues in 2023 to 2024 would result in additional payments of £8.9m in 2023 to 2024. A 20% increase in revenues in 2023 to 2024 would result in total additional payments of approximately £18.9m in 2023 to 2024.

23. Borrowings

The Group has a multi-currency revolving credit facility ("RCF") of £450m with a syndicate of lenders, plus an accordion to raise further debt amounts, at the options of the lenders, of up to the greater of £120m or 150% of EBITDA. This facility is available until January 2025 and the RCF can be drawn in tranches for each interest rate period. These tranches of debt can be rolled over at the end of the interest period subject to covenant compliance on the request date. The Group expects that it will be able to continue to rollover its debt at the end of each interest period over the remaining life of the facility. This reflects that even in downside stress scenarios that it can take mitigating actions to maintain compliance with these conditions. As the Group has the ability and the intent to roll-over the drawn RCF when due, it is appropriate to classify these borrowings as a non-current liability.

At 31 December 2022 the borrowings were subject to interest at a margin of 1.60% over IBOR. The facility covenants include a maximum net leverage of 3.25x with the benefit of additional 0.5x leverage spikes for relevant acquisitions and a minimum interest cover of 3.00x and are tested semi-annually.

At 31 December 2022 the maturity profile of the Group's borrowings, which consists entirely of the RCF, was as follows:

(£ million)	**2022**	2021
Non-current		
Two to five years	**301.2**	158.1
Total borrowings	**301.2**	158.1

Borrowings are shown net of unamortised issue costs of £1.6m (2021: £2.4m). The carrying amounts of borrowings approximate their fair value as detailed in Note 30. The Group's borrowings at 31 December 2022 were denominated in US dollars and Euros amounting to $233.0 million and €124.5 million respectively (2021: $92.0m, and €110.0m).

Reconciliation of movement in Net Debt

(£ million)	Cash	Cash in transit	Short-term deposits	Interest rate cap	Borrowings	Net debt*
At 1 January 2021	**51.0**	**0.5**	**28.7**	**–**	**(309.5)**	**(229.3)**
Exchange differences	2.1	–	–	–	4.4	6.5
Proceeds from external borrowings**	–	–	–	–	(180.7)	(180.7)
Repayment of external borrowings**	–	–	–	–	329.7	329.7
Acquisition of subsidiary	–	–	–	–	(1.3)	(1.3)
Fair value movement	–	–	–	0.2	–	0.2
Amortisation of debt arrangement fees	–	–	–	–	(0.7)	(0.7)
Net cash movement	2.6	(0.1)	(0.7)	–	–	1.8
At 1 January 2022	**55.7**	**0.4**	**28.0**	**0.2**	**(158.1)**	**(73.8)**
Exchange differences	**5.5**	**–**	**–**	**–**	**(19.3)**	**(13.8)**
Proceeds from external borrowings**	**–**	**–**	**–**	**–**	**(176.8)**	**(176.8)**
Repayment of external borrowings**	**–**	**–**	**–**	**–**	**53.8**	**53.8**
Fair value movement	**–**	**–**	**–**	**4.3**	**–**	**4.3**
Amortisation of debt arrangement fees	**–**	**–**	**–**	**–**	**(0.8)**	**(0.8)**
Net cash movement	**(2.2)**	**0.5**	**(7.9)**	**–**	**–**	**(9.6)**
At 31 December 2022	**59.0**	**0.9**	**20.1**	**4.5**	**(301.2)**	**(216.7)**

* Refer to the Glossary of Alternative Performance Measures for the definition of Net Debt
** The reconciliation of movement in Net Debt comparatives has been represented to show cash movements for the RCF on a gross basis

Notes to the financial statements
continued

23. Borrowings continued

In addition to the net debt amount of £216.7m above, the Group has lease liabilities of £26.8m (2021: £25.2m) with movements comprising as follows:

(£ million)	Note	Lease liabilities
At 1 January 2021		**20.4**
Payments		(8.4)
Additions		13.2
Discount unwind	9	1.0
De-recognition of lease liability		(1.2)
Movements in exchange rates		0.2
At 1 January 2022		**25.2**
Payments		**(8.0)**
Additions		**5.5**
Discount unwind	9	**1.1**
De-recognition of lease liability		**(0.1)**
Movements in exchange rates		**3.1**
At 31 December 2022		**26.8**

Cash and cash equivalents at 31 December 2022 of £80.0m (2021: £84.1m) relate to bank balances, including short-term deposits with an original maturity date of less than three months and cash in transit.

24. Provisions

(£ million)	Property provisions	Other	Total provisions
At 1 January 2021	**5.1**	**3.9**	**9.0**
Provided in the year	0.6	0.4	1.0
Released in the year	(1.6)	(0.2)	(1.8)
Utilised in the year	(1.1)	(3.2)	(4.3)
At 1 January 2022	**3.0**	**0.9**	**3.9**
Provided in the year	**3.5**	**–**	**3.5**
Released in the year	**(2.6)**	**(0.2)**	**(2.8)**
Utilised in the year	**(0.4)**	**(0.2)**	**(0.6)**
At 31 December 2022	**3.5**	**0.5**	**4.0**

Provisions have been analysed between current and non-current as follows:

2022 (£ million)	Property provisions	Other	Total provisions
Current	1.5	0.5	2.0
Non-current	2.0	–	2.0
Total	**3.5**	**0.5**	**4.0**

2021 (£ million)	Property provisions	Other	Total provisions
Current	2.0	0.9	2.9
Non-current	1.0	–	1.0
Total	**3.0**	**0.9**	**3.9**

The property provisions recognised relate to dilapidation costs on properties in the United Kingdom, Republic of Ireland, Brazil, China, Singapore and Hong Kong. Onerous property costs relate to properties in the United Kingdom, Republic of Ireland and United States. The weighted average maturity of these obligations is approximately four years. Other provisions relate to onerous contracts and warranty costs relating to businesses disposed of, legal provisions, and redundancy provisions. The average weighted maturity of these obligations is approximately one year.

25. Share capital and reserves

Share capital

(£ million)	**2022**	2021
440,212,104 Ordinary shares of £0.01 each (2021: 439,214,701)	**4.4**	4.4
Total	**4.4**	**4.4**

During the year, 997,403 new shares were issued: 921,655 (2021: 639,799) and 75,748 (2021: 242,992) ordinary £0.01 shares were issued to Employee Benefit Trusts (Offshore EBT and UK SIP EBT) and employees respectively under employee share schemes. This results in an increase in share premium of £0.3m (2021: £0.7m).

Share premium

The share premium account comprises the premium on allotment of shares.

Translation reserve

The translation reserve arises on the translation into pounds sterling of the net assets of the Group's foreign operations.

Other reserves

	Attributable to owners of the Company			
(£ million)	Group restructure reserve	Merger reserve	Treasury share reserve	Total
At 1 January 2021, 31 December 2021	157.9	9.2	(0.1)	167.0
Shares purchased	–	–	(3.7)	(3.7)
Shares issued to employees	–	–	2.7	2.7
At 31 December 2022	**157.9**	**9.2**	**(1.1)**	**166.0**

The group restructure reserve arose from the IPO restructuring of the Group between 8 and 12 February 2016. A merger reserve was recognised, reflecting the difference between the share capital and share premium of the Company on 8 February 2016, and the share capital, share premium and non-distributable reserves of the previous Parent of the Group at the same date.

Shares held by Employee Benefit Trusts (UK SIP EBT and Offshore EBT) established for settlement of awards granted under employee share schemes are classified as Treasury shares and held within the Treasury Share Reserve. As at 31 December 2022, 1,073,519 shares (2021: 855,462) were held in the Employee Benefit Trusts at a cost of £1.1m (2021: £0.1m). The market value of these shares was £2.2m (2021: £3.4m).

During the year, the Offshore EBT purchased 1,432,000 (2021: nil) shares at a cost of £3.7m, with an average price of £2.60 per share and 2,089,463 (2021: 1,073,709) shares were issued to employees free of cost under PSP, RSP, DABP and International SIP.

26. Subsidiary and related undertakings

Full details of the subsidiaries and joint ventures of Ascential plc at 31 December 2022 are set out in Note 7 to the parent Company financial statements.

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continued

27. Related party transactions

The aggregate value of transactions and outstanding balances with related party entities are as follows:

	Transaction value		Balance outstanding at 31 December	
(£ million)	**2022**	2021	**2022**	2021
Asian Advertising Festival (Spikes Asia) Pte Limited (50% owned)				
Dividends received	**–**	0.5	**–**	–
Profit share	**0.7**	–	**–**	–
Recharged costs	**0.1**	0.1	**–**	–
Shanghai Coloro Technology Co. Limited (27% owned)				
Share of profits / losses	**0.4**	(0.4)	**–**	–
Purchase of inventories	**(1.5)**	(1.4)	**(0.1)**	(0.4)
Analytic Index Holdings LLC (previously 31% owned)				
Share of losses	**(0.1)**	(0.2)	**–**	–
Hudson MX Inc (8% owned)				
Share of losses	**(2.7)**	(1.1)	**–**	–
Loan receivable	**–**	–	**39.7**	7.5
Interest receivable	**3.1**	–	**3.0**	–
Provision of secondee services	**2.7**	3.2	**0.7**	1.4

Other than the compensation of key management personnel, set out in Note 7, there are no other related party transactions requiring disclosure under IAS 24 “Related Party Disclosures”. All related party transactions occurring during the year were made on market terms.

28. Leases

A. Leases as lessee

The Group leases commercial office space and photocopiers.

a) Right of use assets

Right of use assets are presented as a separate line item on the statement of financial position and tabulated below.

(£ million)	Right of use assets
Cost	
At 1 January 2021	**48.1**
Additions	13.2
De-recognition of right of use assets	(0.8)
Disposal of businesses	(4.7)
Movements in exchange rates	0.3
At 1 January 2022	**56.1**
Additions	**5.5**
De-recognition of right of use assets	**(24.8)**
Movements in exchange rates	**2.5**
At 31 December 2022	**39.3**
Depreciation	
At 1 January 2021	**(32.7)**
Depreciation	(5.2)
Disposal of businesses	3.7
Movements in exchange rates	(0.1)
At 1 January 2022	**(34.3)**
Depreciation	**(7.0)**
Impairment	**(2.9)**
De-recognition of right of use assets	**24.8**
Movements in exchange rates	**0.1**
At 31 December 2022	**(19.3)**
Net book value	
At 31 December 2022	**20.0**
At 31 December 2021	**21.8**

b) Extension options

Some property leases contain extension options after the non-cancellable contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise these options, and if so, the optional period is included within the lease term and therefore the calculation of the lease liability. The Group reassesses whether is it reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise all the extension options, would result in an increase in lease liability of £18.3m (2021: £10.0m).

c) Short-term leases

The total cost of short-term leases, less than 12 months, for the year was £48,000 (2021: £302,000).

Notes to the financial statements
continued

28. Leases continued

B. Leases as lessor

The Group recognises the net investment in sub-leases within right-of-use-assets. The following table sets out a maturity analysis of the lease receivables, showing the undiscounted lease payments to be received after the reporting date:

(£ million)	**2022**	2021
Less than one year	**0.5**	0.3
One to two years	**0.3**	0.2
Two to three years	**–**	0.2
Total undiscounted leases receivable	**0.8**	0.7
Unearned finance income	**(0.1)**	(0.1)
Net investment in the leases	**0.7**	0.6

The net investment in the lease is presented within investment property in the statement of financial position. The following presents the reconciliation of the investment property:

(£ million)	**2022**	2021
Balance at 1 January	**0.6**	0.8
Additions	**0.7**	0.9
Payments	**(0.7)**	(1.2)
Interest	**0.1**	0.1
Balance at 31 December	**0.7**	0.6

29. Commitments and contingencies

Contracted commitments for assets under construction including software at 31 December 2022 totalled £0.3m (2021: £0.1m).
Contracted commitments for use of event spaces at 31 December 2022 totalled £9.9m (2021: £9.7m).

(£ million)	**2022**	2021
Assets under construction	**0.3**	0.1
Contractual commitments for event space	**9.9**	9.7
Balance at 31 December	**10.2**	9.8

30. Financial instruments and financial risk management

Information about the Group's objectives, policies and processes for measuring and managing risk, the Group's exposure to the risks arising from financial instruments, and the Group's management of capital is disclosed below.

A. Market risk

a) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and the euro. Foreign exchange risk arises from future commercial transactions to which the Group is already committed, recognised assets and liabilities and net investments in foreign operations.

Foreign currency movements impact on the consolidated statement of profit or loss together with its cash flow profile and leverage ratio position. The impact depends on whether there is a surplus or deficit in each currency from operating activities together with the interest and finance charge in those currencies. The Group's policy is to protect its cash flow and leverage ratio position by maintaining a proportion of currency debt in proportion to its currency earnings to obtain natural offsets.

Net Debt by currency was as follows:

	2022			2021		
	Interest rate caps	**Cash and borrowings**	**Total**	Interest rate caps	Cash and borrowings	Total
Pounds sterling	**–**	**12.2**	**12.2**	–	15.5	15.5
US dollars	**1.8**	**(152.7)**	**(150.9)**	0.1	(20.5)	(20.4)
Euros	**2.7**	**(100.0)**	**(97.3)**	0.1	(79.2)	(79.1)
Other currencies	**–**	**19.3**	**19.3**	–	10.2	10.2
Total	**4.5**	**(221.2)**	**(216.7)**	0.2	(74.0)	(73.8)

The Group's cash is subject to foreign exchange movements, a 1% increase in the US dollar to pounds sterling exchange rate would give rise to a £0.4m increase / decrease in the carrying value of cash balances, a 1% increase in the euro to pounds sterling exchange rate would give rise to a £0.2m increase / decrease in the carrying value of the cash balance and a 1% increase in Chinese yen to pounds sterling exchange rate would give rise to a £0.1m increase / decrease in the carrying value of the cash balances.

For each 1% movement in the euro to pounds sterling exchange rate has a circa £1.1m (2021: £0.9m) impact on the carrying value of borrowings. Each 1% movement in the US dollar to pounds sterling exchange rate has a circa £1.9m (2021: £0.7m) impact on the carrying value of borrowings.

For illustrative purposes, the table below provides details of the impact on revenue and Adjusted EBITDA if the actual reported results were restated for pounds sterling weakening by 1% against the US dollar and euro rates in isolation:

(£ million)	**2022 Revenue**	**2022 Adjusted EBITDA**	2021 Revenue	2021 Adjusted EBITDA
Increase in revenue / Adjusted EBITDA if:				
Sterling weakens by 1% against US dollar in isolation	**2.8**	**1.2**	1.9	0.9
Sterling weakens by 1% against euro in isolation	**1.3**	**1.0**	0.6	0.5

b) Cash flow and interest rate risk

Interest rate risk arises from borrowings to the extent that the underlying debt instruments are not at fixed rates of interest.

The Group has entered into interest rate caps to convert a portion of its bank borrowings from fully floating to capped rates to mitigate this risk. As at 31 December 2022, the total notional amount of outstanding interest rate caps to which the Group is committed is £215.4m (2021: £200.0m). The fair value of the interest rate caps as at 31 December 2022 was £4.5m (2021: £0.2m).

These interest rate caps are measured at fair value through profit or loss and are Level 2 financial instruments. These derivative instruments were not traded in an active market and the fair value is determined by using third party valuations based on forward yield curves. This technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates. All significant inputs required to fair value an instrument are observable.

In the year ended 31 December 2022, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's finance costs for the year ended 31 December 2022 would have increased or decreased by £1.5m (2021: £0.3m).

The effective annual interest rate for the year ended 31 December 2022 was 3.9% (2021: 3.5%).

Notes to the financial statements
continued

30. Financial instruments and financial risk management continued

B. Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. The maximum exposure to credit risk at the reporting date is the fair value of the financial assets in the consolidated statement of financial position as disclosed below.

a) Treasury-related credit risk

The Group has treasury policies in place which manage the concentration of risk with individual bank counterparties. Each counterparty has an individual limit determined by their long-term and short-term ratings by Standard & Poor's or Moody's. As at 31 December 2022, cash and cash equivalents totalled £80.0m (2021: £84.1m), of which 86% (2021: 91%) was held with banks or financial institutions with long-term ratings of A-/A3 or better or short-term ratings of A-1/P-1.

In accordance with the Group's treasury policies and exposure management practices, counterparty credit exposure limits are monitored and no individual exposure is considered significant in the ordinary course of treasury management activity. The Group does not expect any significant losses from non-performance by these counterparties.

b) Trading risk

Risk arises principally from payment default by customers. The general policy of the Group is not to risk assess all new customers and so retail credit risk information has not been included in these consolidated financial statements. The Group does not, however, expect any significant losses in respect of receivables that have not been provided for as shown in Note 20.

C. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity in the form of sufficient cash or funding from adequate credit facilities to meet such liabilities under both normal and stressed conditions.

The Group's major banking facilities in place as of 31 December 2022 consist of the £450m 5-year multi-currency revolving credit facility currently drawn in a combination of euro and US dollar currencies that carry an interest rate of IBOR + 1.6% (2021: LIBOR + 2.0%) which matures in January 2025.

At 31 December 2022, the Group had drawn £302.8m of the facility across the following currencies: $233.0m (£192.6m) and €124.5m (£110.2m) of the facility (2021: drawn down £160.5m across €110.0 (£92.4m) and $92.0m (£68.1m).

The Group's external borrowings presented in Note 23 of £301.2m (2021: £158.1m) are shown net of unamortised issue costs of £1.6m (2021: £2.4m).

The Group's undrawn borrowings total £147.2m (2021: £289.5m) and represent the unutilised balance on the revolving credit facility which matures in 2025.

The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and ability to roll over debt with its existing syndicate of lenders.

The following is an analysis of the contractual undiscounted cash flows from continuing operations payable under financial and derivative assets / (liabilities):

(£ million)	Less than one month	Between one and three months	Between three and twelve months	In one to two years	In two to five years	In more than five years	Total
At 31 December 2021							
Non-derivative financial liabilities							
Borrowings	–	–	–	–	(160.5)	–	(160.5)
Interest payments on borrowings	(0.6)	(1.1)	(4.9)	(6.6)	(14.0)	–	(27.2)
Trade payables and other payables	(198.4)	–	–	–	–	–	(198.4)
Lease liabilities	(0.3)	(1.7)	(5.6)	(5.1)	(11.7)	(9.8)	(34.2)
Deferred and contingent consideration	(1.4)	(0.1)	(52.2)	(30.2)	(31.7)	–	(115.6)
Derivative financial assets							
Derivative contracts – receipts	–	–	0.2	–	–	–	0.2
Total	(200.7)	(2.9)	(62.5)	(41.9)	(217.9)	(9.8)	(535.7)
At 31 December 2022							
Non-derivative financial liabilities							
Borrowings	**–**	**–**	**–**	**–**	**(302.8)**	**–**	**(302.8)**
Interest payments on borrowings	**(1.3)**	**(2.6)**	**(11.6)**	**(15.4)**	**–**	**–**	**(30.9)**
Trade payables and other payables	**(255.4)**	**–**	**–**	**–**	**–**	**–**	**(255.4)**
Lease liabilities	**(0.5)**	**(1.6)**	**(6.1)**	**(6.3)**	**(11.9)**	**(5.3)**	**(31.7)**
Deferred and contingent consideration	**–**	**(0.2)**	**(20.6)**	**(30.1)**	**(30.7)**	**–**	**(81.6)**
Derivative financial assets							
Derivative contracts – receipts	**0.5**	**–**	**3.0**	**1.0**	**–**	**–**	**4.5**
Total	**(256.7)**	**(4.4)**	**(35.3)**	**(50.8)**	**(345.4)**	**(5.3)**	**(697.9)**

The financial and derivative instruments are shown in the period in which they are due to be repaid. The interest payments on borrowings due in less than one month represents the actual interest due, while the interest due greater than one month is an estimate based on current interest rates and exchange rates. Cash flows in respect of borrowings represent contractual payments under the Group's lending facilities in place as at 31 December 2022. Borrowings, as disclosed in Note 23, are stated net of unamortised arrangement fees of £1.6m as at 31 December 2022 (2021: £2.4m).

Contingent consideration is based on the future performance of the acquired business to which they relate. Performance is assessed using forecast revenue and profits from the current five-year plan which is updated annually. Forecasts are inherently a source of management estimation, resulting in a range of outcomes.

Undiscounted future payments (£ million)	2022	2021
Contingent consideration	**80.4**	87.9
Acquisition related employment costs to the extent to which they are accrued at 31 December	**40.4**	26.4
Deferred consideration which is not impacted by performance	**1.2**	1.3
Deferred and contingent consideration	**122.0**	115.6
Anticipated future payments on acquisition-related employment costs	**24.5**	27.5
Deferred and contingent consideration including anticipated future payments on acquisition-related employment costs	**146.5**	**143.1**

Notes to the financial statements
continued

30. Financial instruments and financial risk management continued

D. Capital risk management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt to equity balance. The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent comprising capital, reserves and retained earnings. The Group's policy is to borrow centrally to meet anticipated funding requirements. These borrowings, together with cash generated from the operations, are on-lent or contributed as equity to subsidiaries at market-based interest rates and on commercial terms and conditions.

Financial Instruments

The carrying amount of financial instruments by category is as follows:

(£ million)	Note	**2022**		2021	
		Carrying Value	**Fair Value**	Carrying Value	Fair Value
Financial assets					
Interest in trade investments and preference shares designated at fair value through profit or loss on initial recognition	18	**85.1**	**85.1**	78.5	78.5
Derivatives	23	**4.5**	**4.5**	0.2	0.2
Total		**89.6**	**89.6**	78.7	78.7
Financial liabilities					
Deferred and Contingent consideration	22	**66.8**	**66.8**	72.0	72.0
Borrowings	23	**302.8**	**302.8**	160.5	160.5
Total		**369.6**	**369.6**	232.5	232.5

The fair value of each category of the Group's financial instruments approximates their carrying value in the consolidated statement of financial position. Financial instruments in the category "fair value through profit or loss" are measured in the consolidated statement of financial position at fair value. Fair value measurements can be classified in the following hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2022:

	2022				2021			
(£ million)	**Level 1**	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total
Other investments, including derivatives	**–**	**4.5**	**–**	**4.5**	–	0.2	–	0.2
Trade investments and preference shares (Note 18)	**–**	**–**	**85.1**	**85.1**	–	–	78.1	78.1
Contingent consideration (Note 22)	**–**	**–**	**66.8**	**66.8**	–	–	72.0	72.0
Borrowings (Note 23)	**–**	**302.8**	**–**	**302.8**	–	160.5	–	160.5

Level 3 trade investments are valued based on the assumed transaction pricing or the most available sources of information. There were no movements between different levels of the fair value hierarchy in the year.

31. Events after the reporting date

Strategic review of the Group's organisational and capital structure
In January 2023, the Board announced the conclusion of a strategic review announced in April 2022 to evaluate and decide on the best structure to successfully deliver its strategy. Subject to shareholder approvals, the Board plans to execute two interdependent transactions:

- pursue the sale of WGSN
- to separate the Group's Digital Commerce assets into an independent, publicly traded company listed in the United States

It is the Board's intention that the Company will remain a listed company in the United Kingdom consisting of its market leading events businesses. Costs incurred relating to this strategic review are detailed in Note 6.

Investment in Hudson
In February 2023 Hudson completed a new financing round and restructuring of its capital structure. It resulted in MT II Holdings, LP ('Investor') becoming the majority shareholder in Hudson, holding 51.0% of the fully diluted common equity and the Group holding 36.5%. Hudson management team members and existing shareholders hold the remaining 12.5%. The Group received US$30.0m in cash from the Investor for part of its investment at the existing valuation, as reflected in the carrying amounts held on the Group's balance sheet at 31 December 2022.

The Group has agreed on arrangements that provide a potential path to a majority stake in the future. These arrangements include granting a put option to the Investor, exercisable by the Investor from 1 April 2024 to 31 December 2025 and subject to a maximum consideration payable by Ascential of US$52m. If exercised, this put option would result in Ascential holding a 79% common equity interest in Hudson. In addition, Ascential will then be able to call the remaining equity shares held by the Investor at any time in the subsequent two years.

The Group has also agreed put and call options between Ascential and Hudson management (including other existing investors) between February 2026 and December 2028, subject to a maximum consideration of US$40m. If exercised in full, it would result in the Group holding a 49% equity interest in Hudson.

The Investor and the Group will also provide fresh funding of up to, in aggregate, US$51.5m to Hudson through non-voting preference stock pro-rata to their common equity shareholdings. Ascential shall provide up to US$21.5m of the US$51.5m.

Parent Company Balance Sheet

As at 31 December 2022

(£ million)	Note	2022	Restated (Note 5) 2021
Assets			
Non-current assets			
Investments	7	**652.8**	652.8
Deferred tax	8	**0.5**	0.5
Trade and other receivables	8	**93.5**	147.5
		746.8	800.8
Current assets			
Trade and other receivables	8	**0.5**	0.2
		0.5	0.2
Liabilities			
Current liabilities			
Trade and other payables	9	**2.0**	2.8
		2.0	2.8
Non-current liabilities			
Trade and other payables	10	**–**	55.8
		–	55.8
Net assets		**745.3**	742.4
Equity			
Called-up share capital	11	**4.4**	4.4
Share premium	11	**153.6**	153.3
Group restructure reserve	11	**157.9**	157.9
Reserves	11	**429.4**	426.8
Total equity		**745.3**	742.4

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 year ended 31 December 2022 was £9.8m (2021 as restated: loss of £0.2million).

The accompanying notes on pages 200 to 204 are an integral part of these financial statements. The financial statements on pages 198 to 199 were approved by the Board of Directors on 3 April 2023 and were signed on its behalf by Directors: Duncan Painter and Mandy Gradden.

Parent Company Statement of Changes in Equity

For the year ended 31 December 2022

(£ million)	Share capital	Share premium	Reserves: Group restructure reserve	Reserves: Own shares*	Reserves: Retained earnings	Total equity
At 1 January 2021	**4.0**	**3.0**	**157.9**	**(0.1)**	**419.1**	**583.9**
Loss for the year (restated – see Note 5)	–	–	–	–	(0.2)	(0.2)
Issue of new shares	0.4	150.3	–	–	–	150.7
Share-based payments	–	–	–	–	8.4	8.4
Taxation on share-based payments	–	–	–	–	(0.4)	(0.4)
At 31 December 2021 (restated – see Note 5)	**4.4**	**153.3**	**157.9**	**(0.1)**	**426.9**	**742.4**
Loss for the year	**–**	**–**	**–**	–	**(9.8)**	**(9.8)**
Issue of new shares	**–**	**0.3**	**–**	–	**–**	**0.3**
Share purchases	**–**	**–**	**–**	**(3.7)**	**–**	**(3.7)**
Shares issued to employees	**–**	**–**	**–**	**2.7**	**(2.7)**	**–**
Share-based payments	**–**	**–**	**–**	**–**	**16.7**	**16.7**
Taxation of share-based payments	**–**	**–**	**–**	**–**	**(0.6)**	**(0.6)**
At 31 December 2022	**4.4**	**153.6**	**157.9**	**(1.1)**	**430.5**	**745.3**

*The balance in Own shares reserve at 31 December 2021 was previously included within the Retained earnings balance.

The accompanying notes on pages 200 to 204 are an integral part of these financial statements.

Notes to the Company Financial Statements

For the year ended 31 December 2022

1. Corporate information

Ascential plc (the "Company") is a company incorporated in the United Kingdom under the Companies Act 2006 and listed on the London Stock Exchange. The registered office is located at 33 Kingsway, London, WC2B 6UF. The registered company number is 09934451. Ascential plc is the parent Company of the Ascential Group (the "Group") and its principal activity is to act as the ultimate holding company of the Group.

2. Company accounting policies

Basis of accounting

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 ("FRS 100") issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the UK and Republic of Ireland as issued by the Financial Reporting Council.

As permitted by FRS 102, the Company has taken advantage of the disclosure exemptions for the presentation of a statement of cash flows; disclosure of key management personnel compensation; disclosure of related party transactions between wholly-owned subsidiaries and parents within a group; disclosures required under IFRS 2 "Share-Based Payments" in respect of Group settled share-based payments; disclosures required by IFRS 7 "Financial Instruments: Disclosures"; certain disclosures required under IFRS 13 "Fair Value Measurement"; and disclosure of information in relation to new standards not yet applied.

The financial statements are presented in pounds sterling being the Company's functional currency and have been prepared on a historical cost and going concern basis.

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 and for at least the next 12 months from the date of approving these financial statements. 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 2 of the consolidated financial statements.

3. Income statement

Fees paid to the auditor during the year for the audit of the Company accounts were £23,100 (2021: £22,000). Fees paid by the Company to the auditor for other services was £nil (2021: £nil).

4. Principal accounting policies

Investments in subsidiaries

Subsidiaries are entities that are directly or indirectly controlled by the Company. Control exists where the Company has the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. The investment in the Company's subsidiaries is recorded at cost less provisions for impairment. Carrying values are reviewed for impairment either annually, or more frequently if events or changes in circumstances indicate a possible decline in carrying values. The Company uses forecast cash flow information and estimates of future growth to assess whether investments are impaired. If the results of operations in a future period are adverse to the estimates used for impairment testing, an impairment may be triggered at that point.

Income tax

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Timing differences are not provided for differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Share-based payments
Certain employees of the Company receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares. The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards with market-related vesting conditions is determined by an external consultant and the fair value at the grant date is expensed on a straight-line basis over the vesting period based on the Company's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet reporting date up to the vesting date, at which point the estimate is adjusted to reflect the actual outcome of awards which have vested. No adjustment is made to the fair value after the vesting date even if the awards are forfeited or not exercised.

Where the Company grants options over its own shares to the employees of its subsidiaries, it recognises an increase in the cost of investment in its subsidiaries equivalent to the equity-settled share-based payment charge recognised in the subsidiary's financial statements with the corresponding credit being recognised directly in equity. In cases where a subsidiary is recharged for the share-based payment expense, no such increase in investment is recognised.

Shares held by the Employee Benefit Trust ("EBT")
The EBT provides for the issue of shares to Group employees under share incentive schemes. The Company has control of the EBT and accounts for the EBT as an extension to the Company in the financial statements. Accordingly, shares in the Company held by the EBT are included in the balance sheet at cost as a deduction from equity.

5. Prior year adjustment

During 2022, the Company identified two intercompany transactions in the year ended 31 December 2021 that have required prior period adjustments to be made. The first relates to Ascential plc's purchase of one £1 ordinary share in Ascential Financing Limited for consideration of £200m in settlement of an intercompany loan balance. No accounting entries were made in the 2021 financial statements for this transaction in the Company's accounts. That resulted in an understatement of the investments balance and overstatement of the trade and other receivables balance as at 31 December 2021. This had no impact on the consolidated Group financial statements.

The second relates to the translation of certain intercompany balances held in foreign currencies. Due to the application of an incorrect exchange rate, loss for the year was overstated by £5.6m including the impact of tax. The correcting amounts and the impact on each of the financial statement line items are summarised below. This had no impact on the Consolidated Group financial statements.

	As stated	Adjustment	As restated
Non-current assets			
Investments	452.8	200.0	652.8
Trade and other receivables	341.9	(194.4)	147.5
	794.7	5.6	800.3
Statement of changes in equity			
(Loss) for the year	(5.8)	5.6	(0.2)

Notes to the Company Financial Statements
continued

6. Directors' emoluments

During the years ended 31 December 2022 and 31 December 2021, the Company had one employee other than the Directors. Full details of the Directors' remuneration and interests are set out in the Directors' Remuneration Report on pages 116 to 132.

7. Investments

(£ million)	2022	Restated (Note 5) 2021
At 1 January	**652.8**	452.8
Additions	**–**	200.0
At 31 December	**652.8**	652.8

In 2021 the Company subscribed for one £1 ordinary share in Ascential Financing Limited for consideration of £200m in settlement of an intercompany loan balance.

The Company's subsidiaries, joint ventures and associates are listed below. Unless otherwise stated, all other subsidiaries are indirectly and wholly owned. Flywheel Digital Holdings Limited and Ascential Financing Limited are directly and wholly owned by Ascential plc.

Name	Key
United Kingdom	
Ascential Events (Europe) Limited	UK1
Ascential Financing Limited	UK1
Ascential Group Limited	UK1
Ascential Information Services Limited	UK1
Ascential Operations Limited	UK1
Ascential Radio Financing Limited	UK1
Ascential UK Holdings Limited	UK1
CLR Code Limited	UK1
Digital Commerce Holdings Ltd	UK1
Edge by Ascential Limited	UK1
Flywheel Digital Limited	UK1
Perpetua Labs Limited	UK1
Rembrandt Technology Limited	UK1
Siberia Europe Limited	UK1
Spotlight an Ascential Company Limited	UK1
WGSN Group Limited	UK1
WGSN Limited	UK1
Worth Global Style Network Ltd	UK1
Brazil	
Ascential Serviços de Informação Ltda	BR1
Era Serviços de Inteligência em Software Ltda	BR2
Sistema Use Fashion Comércio de Informações Ltda	BR3
Canada	
Perpetua Labs Ltd	CN1
Cayman Islands	
Flywheel Digital Holdings Limited	CI1
China	
Ascential Data Services (Shanghai) Company Limited	CH1
Clavis Information Technology (Shanghai) Limited	CH2
Hangzhou Duozhun Data Technology Co. Limited (67% owned)	CH3
Hangzhou Yincang Danmu Data Technology Co. Limited	CH4
Shenzhen Yimian Network Technology Co. Limited	CH5
Shenzhen 4KMiles Technologies, Limited.	CH6
Guangzhou 4KMiles Data Technologies, Limited.	CH7
Hangzhou Qianli Chuanyin Data Technology Co. Limited.	CH8
Stylesight Information Technology (Shanghai) Company Limited	CH9
CTIC WGSN China Limited (51% owned)	CH10
Shanghai Coloro Technology Co., Limited (27% owned)	CH11
France	
Ascential Events France SAS	FR1
Germany	
Sellics Marketplace Analytics GmbH	GE1
WGSN GmbH	GE2
Hong Kong	
Flywheel Digital Limited (99% owned)	HK1
Intrepid E-commerce Hong Kong Limited	HK2
HongKong 4KMiles Technology Limited	HK1
HongKong 4K Miles Information Technology Limited	HK1
Stylesight Limited	HK1
India	
Top Right Group India Knowledge Services Private Limited[1]	IN1
Indonesia	
PT Intrepid Ecommerce Services	IO1
Ireland	
Clavis Technology Limited	IR1
Japan	
Ascential Japan Kabushiki-Kaisha	JP1
Jersey	
Ascential Jersey Financing Limited	JE1
Malaysia	
Intrepid Malaysia SDN. BHD.	MY1
Philippines	
Intrepid Philippines Inc.	PH1
Singapore	
Ascential (Singapore) Pte. Limited	SG1
Datamart Solutions Pte. Ltd.	SG2
Intrepid Digital Commerce Pte. Ltd.	SG2
Intrepid E-Commerce Services Pte. Ltd.	SG2
Asian Advertising Festival (Spikes Asia) Pte Limited (50% owned)	SG3
South Africa	
WGSN (Pty) Limited	SA1
Spain	
WGSN Intelligence España SL	SP1
Thailand	
Intrepid Ecommerce Services (Thailand) Co., Ltd.	TH1
Intrepid Trading (Thailand) Co., Ltd. (49% owned)	TH1
Turkey	
WGSN Group Trend Forecasting Moda Danişmanlik Hizmetleri Limited Şirketi	TR1
United States	
Ascential Inc.	US1
CLR Code LLC	US1
Edge by Ascential, LLC	US1
Flywheel Digital LLC (Maryland)	US2
Flywheel Digital LLC (Washington)	US3

HMX Merger Sub, Inc.	US1
Perpetua Labs, Inc.	US1
OneSpace Inc.	US1
Spotlight Digital Commerce LLC	US1
WhyteSpyder LLC	US4
4KMiles Tec Limited	US3
Hudson MX, Inc. (8% owned)	US1
ASR Group Holdings LLC (51% owned)	US1
Hyperdrive LLC (51% owned)	US5
Pet Gear LLC (51% owned)	US6
We Love Best LLC (51% owned)	US6
Recon Commerce LLC (51% owned)	US7
HBW Commerce LLC (51% owned)	US6
Market Bound LLC (51% owned)	US8
Fascam LLC (51% owned)	US9
Vietnam	
Datamart Viet Nam Company Limited	VT1
Intrepid Vietnam Company Limited	VT2

Key	Address
UK1	33 Kingsway, London, WC2B 6UF, United Kingdom
US1	251 Little Falls Drive, Wilmington, New Castle, Delaware, 19808, United States
US2	7 St. Paul Street, Suite 820, Baltimore, Maryland, 21202, United States
US3	300 Deschutes Way SW, Suite 304, Tumwater, Washington, 98501, United States
US4	300 Spring Building, Suite 900, 300 S. Spring Street, Little Rock, Arkansas, 72201, United States
US5	55614 Cardinal Drive, South Bend, Indiana, 46619, United States
US6	6605 Longshore Street, Suite 240 #107, Deblin, Ohio, 43017, United States
US7	7877 MeadowHaven BLVD. Columbus, Ohio, 43235, United States
US8	15 West South Temple, Suite 600 Salt Lake City, Utah, 84101, United States
US9	1221 College Park Drive Ste 116, Dover, Delaware, 19904, United States
BR1	Rua Tabapuã 841, Conjunto 15, 1° Andar, São Paulo, 04533-013, Brazil
BR2	Alameda Jaú, 1754 – 10° andar – Jardim Paulista, São Paulo – SP, Brazil
BR3	Av. Unisomos, no. 950, Condomínio Padre Rick – 410, São João Batista, City of São Leopoldo, State of Rio Grande do Sul, 93022-970, Brazil
CN1	Suite 2600, Three Bentall Centre, 595 Burrard Street, PO Box 49314, Vancouver, V7X 1L3, Canada
CI1	Walkers Corporate Limited, 10 Elgin Avenue, George Town, Grand Cayman KY1-9001, Cayman Islands
CH1	Unit 3106/3107, No.968, West Beijing Road, Jing'an District, Shanghai, People's Republic of China
CH2	Unit 3105/3108, No.968, West Beijing Road, Jing'an District, Shanghai, People's Republic of China
CH3	Building 9, 998 Wenyi West Road, Wuchang Avenue, Yuhang District, Hangzhou, Zhejiang, People's Republic of China
CH4	Unit 547, Building 6, 16 Zhuantang Science and Technology Economic Zone, Xihu District, Hangzhou, Zhejiang, People's Republic of China
CH5	Unit 4701, China Energy Storage Building, 3099 KeYuan South Road, Nanshan District, Shenzhen, Guangdong, People's Republic of China
CH6	Room 2005H, Tower B, Zhongshen Park, 2010 Caitian Road, Fushan Community, Futian District, Shenzhen, People's Republic of China
CH7	Room 302, Building 4, 6 Bohui Street, Tianhe District, Guangzhou, People's Republic of China
CH8	Room 1102, Floor 11, Hui He Xi Fu Hui Building 3, Jianggan District, Hangzhou, People's Republic of China
CH9	Room 617, 28 Tan Jia Du Road, Putuo District, Shanghai,People's Republic of China
CH10	Unit 502, Floor 5, Building 4, No.300, Dingyuan Road, Songjiang District, Shanghai, People's Republic of China
CH11	Floor 2-4, Building 4, No. 300, Dingyuan Road, Songjian District, Shanghai, People's Republic of China
FR1	43-47 avenue de la Grande Armée, 75116 Paris, France
GE1	Linienstrasse 214, 10119, Berlin, Germany
GE2	Venloer Strasse 310-316, 50823 Cologne, Germany
HK1	23rd Floor, Lee Garden Six, 111 Leighton Road, Causeway Bay, Hong Kong
HK2	RM 302, 3/F Malaysia Bldg, 47-50 Gloucester Rd, Hong Kong
IN1	Options Primo, Unit No. 501/502, 5 Floor, Vijay Nagar Flyover Bridge Cross Road, No. 21 MIDC, Andheri (E) Mumbai-400093, Maharashtra, India
I01	COHIVE 101, 5th Floor, Mega Kuningan Area, Jalan Mega Kuningan Barat Block E4-7, number 1, Kuningan Timur, Setiabudi, South Jakarta City 12950, DKI Jakarta Province, Indonesia
IR1	9th floor, O'Connell Bridge House, D'Olier Street, Dublin 2, Ireland
JP1	Kamiyacho Trust Tower 22nd floor, 4-1-1 Toranomon, Minato-ku, Tokyo Postal Code 105-6923, Japan
JE1	44 Esplanade, St Helier, Jersey, JE4 9WG, Channel Islands
MY1	Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3 Bangsar South, No 8 Jalan Kerinchi, Kuala Lumpur, Wilayah Persekutuan, 59200, Malaysia
PH1	Unit 2803, 28th Floor, Trade and Financial Tower, 7th Avenue corner 32nd Street, Bonifacio Global City, Taguig, 1630, Philippines
SG1	133 New Bridge Road, Chinatown Point #08-03, 059413, Singapore
SG2	80 Robinson Road, #02-00, 068898, Singapore
SG3	182 Cecil Street, Level 17 Frasers Tower, 069547, Singapore
SA1	Workshop17, 32 Kloof Street Gardens, Cape Town 8000, South Africa
SP1	C/ San Elías 29-35, 5°, 08006 Barcelona, Spain
TH1	518/5 Floor No. 11, Maneeya Center Tower, Phloen Chit Road, Lumpini Sub-District, Phatumwan District, Bangkok, Thailand
TR1	Cevdetpasa Caddesi, No. 31/7 Bebek, 34342 Istanbul, Turkey
VT1	Floor 5, B&L Building, 119-121 Ung Van Khiem, Ward 25, Binh Thanh District, Ho Chi Minh City, Vietnam
VT2	Floor 11, No. 87A Ham Nghi Street, Nguyen Thai Bing Ward, District 1, Ho Chi Minh City, Vietnam

For the year ended 31 December 2022, the below companies were exempt from the requirement for audit of individual financial statements in accordance with section 479A of the Companies Act 2006. Ascential plc has indirect holdings in these subsidiary undertakings, with the exception of Ascential Financing Limited which is directly owned:

- WGSN Group Limited, registration number 8256689
- Rembrandt Technology Limited, registration number 11120186
- Ascential UK Holdings Limited, registration number 537204
- Ascential Financing Limited, registration number 9938180
- Siberia Europe Limited, registration number 9076366
- Ascential Operations Limited, registration number 08255890

Notes to the Company Financial Statements
continued

8. Trade and other receivables

(£ million)	2022	Restated (Note 5) 2021
Debtors – due within one year		
Prepayments	**0.5**	0.2
	0.5	0.2
Debtors – due after more than one year		
Deferred tax asset	**0.5**	0.5
Amounts due from Group undertakings	**93.5**	147.5
	94.0	148.0
Total	**94.5**	148.2

Amounts due from Group undertakings are repayable on demand but the directors do not have the intention of recalling them and intend that these will be settled after a year. Consequently, based on intention, these have been classified as non-current.

Amounts due from Group undertakings accrue interest at various rates, are unsecured and are repayable on demand. There are no material expected credit loss provisions.

Deferred tax asset

(£ million)	2022	2021
At 1 January	**0.5**	0.8
Deferred tax credit in equity	**(0.6)**	0.1
Deferred tax credit in income statement for the year	**0.6**	(0.4)
At 31 December	**0.5**	0.5

The Directors consider that it is more likely than not that there will be sufficient taxable profits in the Group in the future such as to realise the deferred tax asset of the Company and therefore the asset has been recognised in these financial statements.

In June 2021, it was announced that from 1 April 2023, there would be an increase in the rate of UK corporation tax from 19% to 25%. Deferred tax as at 31 December 2022 has been calculated at the 25% rate.

9. Trade and other payables – due within one year

(£ million)	2022	2021
Amounts due to Group undertakings	**–**	0.1
Trade payables	**0.3**	–
Accruals	**0.8**	0.7
Other taxation and social security	**0.9**	2.0
Total	**2.0**	2.8

Amounts due to Group undertakings are interest free, unsecured and repayable on demand.

10. Trade and other payables – due after more than one year

(£ million)	2022	2021
Amounts due to Group undertakings	**–**	55.8
Total	**–**	55.8

Amounts due to Group undertakings accrue interest at the relevant IBOR or Risk Free Rate plus 1.25%, are unsecured and repayable on 31 July 2024.

11. Share capital and reserves

Refer to Note 25 of the consolidated Group financial statements.

12. Related party transactions

The Company has taken advantage of the exemption under FRS 102 and therefore has not disclosed related party transactions with wholly owned subsidiaries. The Company has no other related party transactions other than the compensation of key management personnel, set out in Note 27 of the consolidated Group financial statements.

13. Commitments and contingencies

The Company is a guarantor to the facility described in Note 23 of the consolidated Group financial statements.

During the year the Company was a member of the Group cash pooling arrangement. This allows the Group to combine the liquidity of companies within the Group in order to distribute such cash centrally as required.

The Company is registered with H.M. Revenue & Customs as a member of the Ascential Group Limited group for Value Added Tax and Pay As You Earn purposes and is therefore jointly and severally liable on a continuing basis for amounts owing by other members of the Group in respect of their value added tax, income tax and national insurance contributions liabilities.

14. Events after the reporting date

Refer to Note 31 of the consolidated Group financial statements. There were no other reportable events after 31 December 2022.

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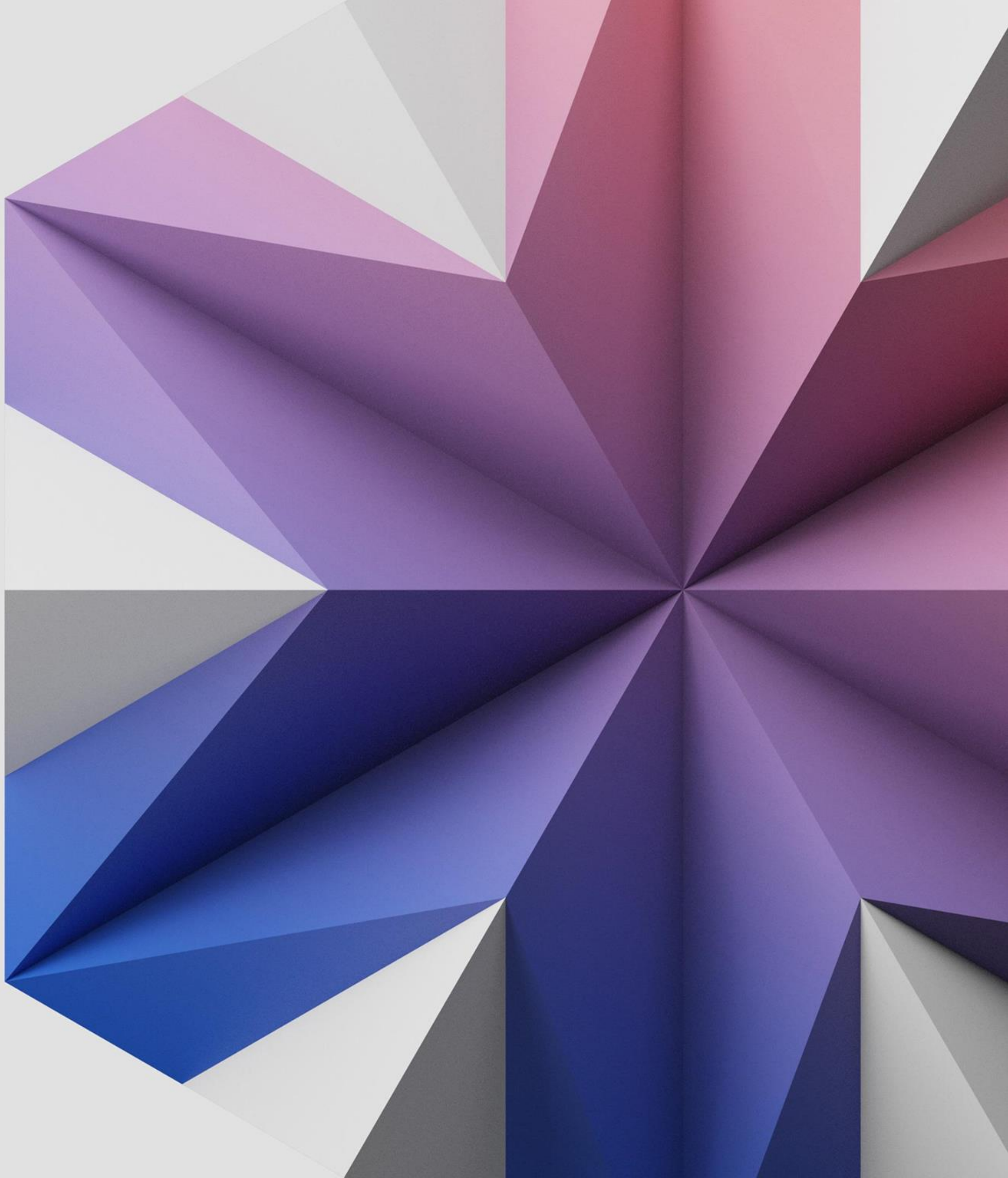
For the six months ended 30 June 2023

22 September 2023



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Agenda

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01 Results Summary

Duncan Painter

H123 highlights

- Organic revenue growth of 16%.
- Organic EBITDA growth of 17%.
- All four segments continue to deliver strong levels of organic revenue growth, led by the Events segments* (revenue up a combined 25%).
  - Marketing revenue up 28%
  - Retail & Financial Services revenue up 17%
  - Digital Commerce revenue up 10%
  - Product Design revenue up 8%

Total revenue

£307m (£261m)

Reported growth	18%
Organic growth	16%

Adjusted EBITDA

£79m (£67m)

Reported growth	17%
Organic growth	17%

*Marketing and Retail & Financial Services

2023 priorities and progress

Events: double down on successful return

- Both LIONS and Money20/20 even further ahead of 2019 levels.
  - Lions H123 growth: 30%
  - Money20/20 Europe H123 growth: 19%

Digital Commerce: creation of an integrated Enterprise product

- Product build: Flywheel Commerce Cloud, our integrated operating platform, completed. Customer transition has commenced.
- Created a unitary organisation structure under a single brand.
- Taking synergy actions to drive margin and operating leverage.

Product Design: continue growth in non-fashion products

- Non fashion products grew by 13%; now accounting for just under half of billings.
- Fashion products also grew, by 2%.

Execute Strategic Review proposals

- Actions well advanced to maximise shareholder value and position each business within the portfolio for long-term success.
- Market update expected before the of the year.

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02 Financials

Mandy Gradden

Headlines of the half

Adjusted results (£m)

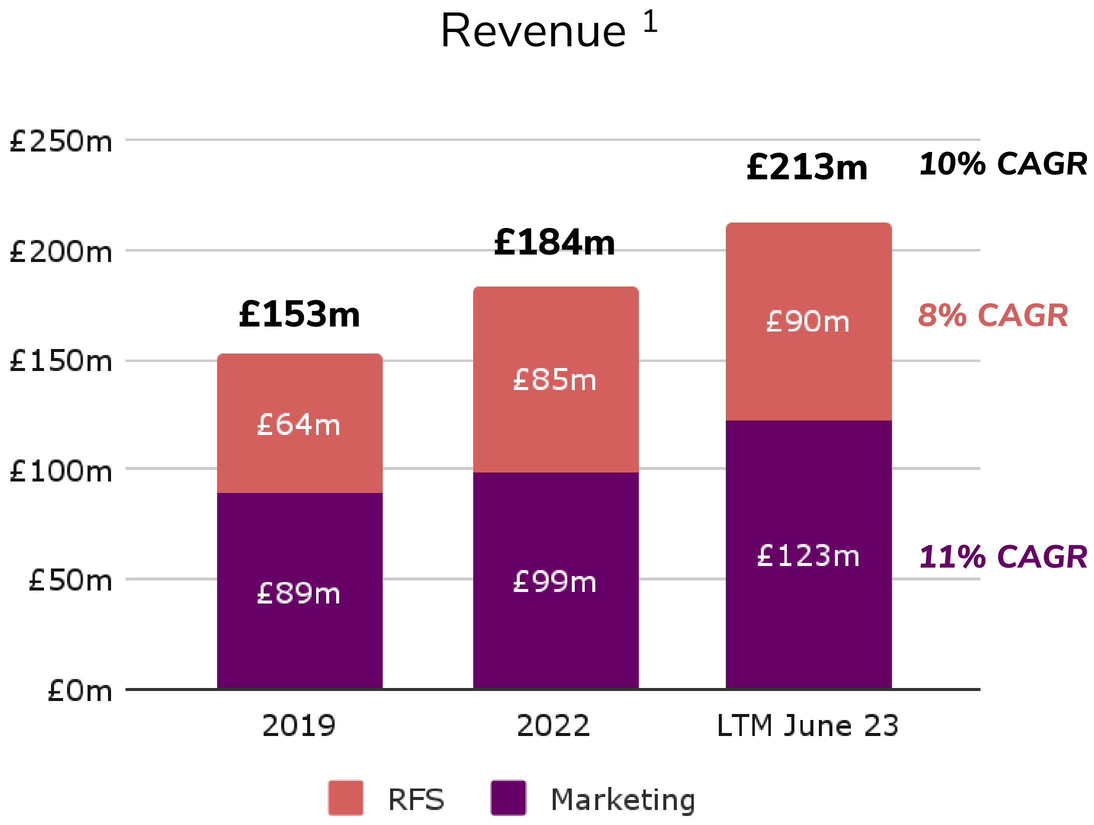
	H123	H122	Reported growth	Organic growth
Revenue	**307.4**	**260.7**	**18%**	**16%**
Operating costs	(228.8)	(193.5)	(18%)	(15%)
EBITDA	**78.6**	**67.2**	**17%**	**17%**
EBITDA margin	**25.6%**	**25.8%**		
Depreciation and amortisation	(14.4)	(12.6)		
Operating profit	**64.2**	**54.6**		
Associates	(6.4)	(1.0)		
Net finance costs	(8.0)	(5.2)		
Profit before tax	**49.8**	**48.4**		
Tax charge	(15.2)	(12.2)		
PAT	**34.6**	**36.2**		
Minority interest	(0.7)	(0.9)		
Diluted EPS – Continuing operations	**7.7p**	**8.0p**		
Operating cash flow conversion	99%	128%		
Net Debt	**205.6**	**172.7**		

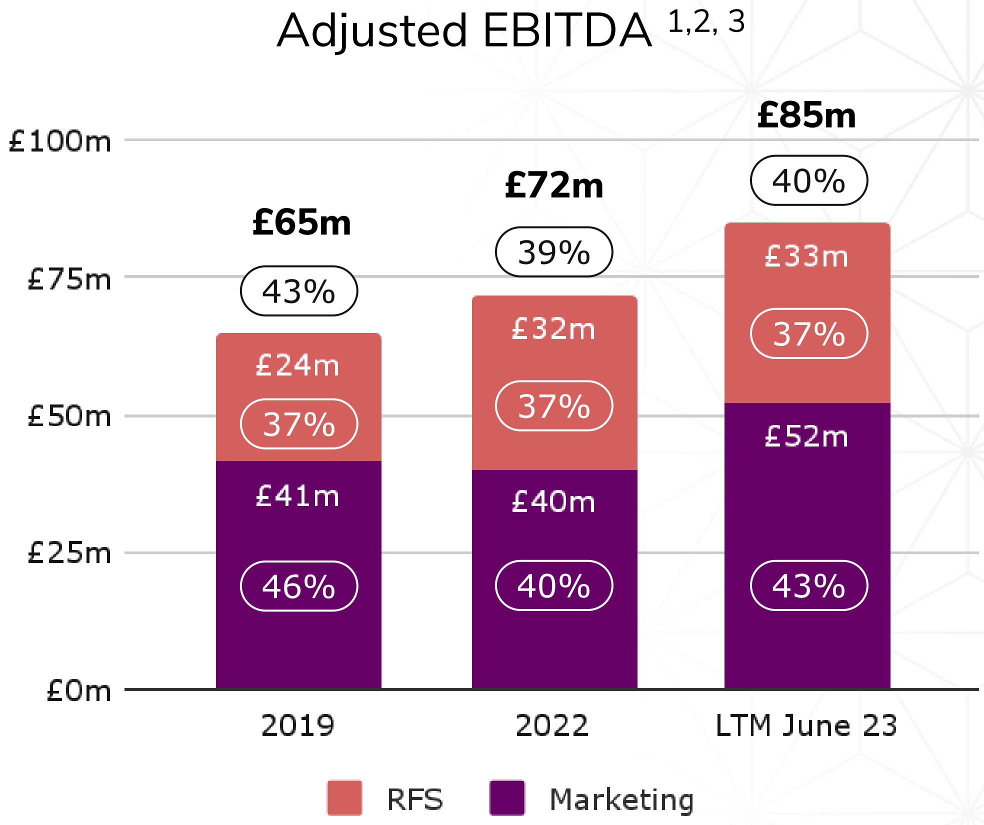
- Strong growth in both revenue and Adjusted EBITDA.
- Associates represents 36.5% share in Hudson (recently increased from 8% share).
- Net finance costs rise following significant step up in interest cost in H2 2022.
- Effective tax rate on adjusted PBT of 31%.
- Diluted EPS of 7.7p with increased Adjusted operating profits offset by higher losses from Associates and net interest expense.
- Good cash generation with operating cash conversion of 99%.
- Net debt of £205.6m, leverage 1.6x EBITDA.

Segmental overview

	H1 2023				Last 12 months to June 2023			
	Revenue	Organic Revenue Growth	Adjusted EBITDA	Margin	Revenue	Organic Revenue Growth	Adjusted EBITDA	Margin
Events								
Marketing	£105m	28%	£56m	53%	£123m	28%	£52m	43%
Retail & Financial Services	£31m	17%	£9m	28%	£90m	41%	£33m	37%
Subtotal	*£136m*	*25%*	*£65m*	*47%*	*£213m*	*33%*	*£85m*	*40%*
Digital Commerce	£114m	10%	£-m	-%	£245m	12%	£19m	8%
Product Design	£57m	8%	£27m	48%	£113m	9%	£52m	46%
Corporate Costs			(£13m)				(£23m)	
Total	**£307m**	**16%**	**£79m**	**26%**	**£571m**	**17%**	**£132m**	**23%**

Events 2019-2023





[1] Excludes RWRC disposed of in December 2022
[2] Adjusted EBITDA is stated prior to share based payments and amortisation of acquired intangibles
[3] Adjusted EBITDA is stated prior to a share of unallocated PLC costs of £23.3m (2022: £20.9m, 2019: £17.3m)

Marketing

Exceptional growth from **Lions** with revenue 30% higher vs H122 or 40% vs 2019.

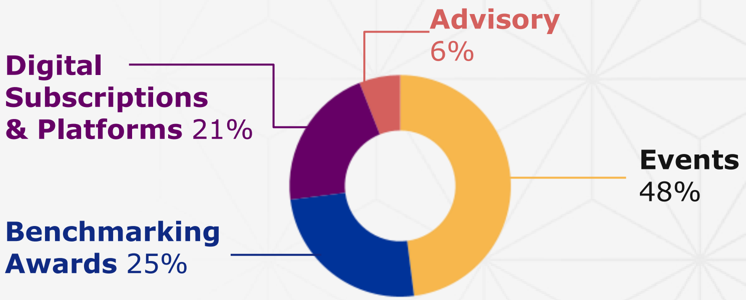
- Awards revenue up 11%
- Delegate revenue up 17%
- Sponsorship revenue up 66%
- Advisory up >x2
- Subscriptions up 8%

WARC's subscription-based growth continues with revenue up 12% in H1.

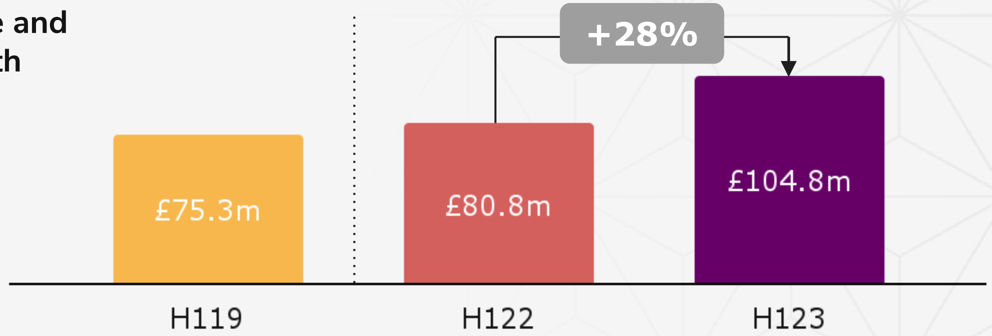
Acquisition of **Contagious**, after the half, brings expertise in creative trends insights.

LIONS | WARC | CONTAGIOUS

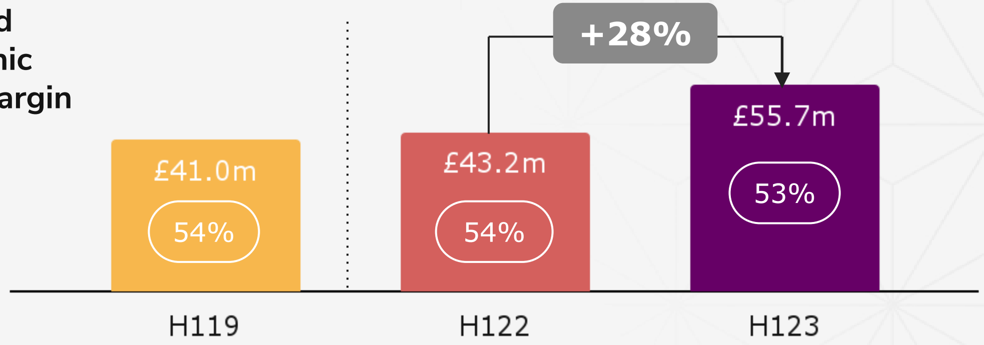
Business Model (LTM June 2023)



H123 revenue and organic growth



H123 Adjusted EBITDA, organic growth and margin



Retail & Financial Services

Money20/20 Europe grew 19% vs 2022 edition (55% vs 2019).

- Delegate revenue up 11%
- Sponsorship revenue up 23%

Customer engagement for **Money20/20 US** show (October 2023) remains good.

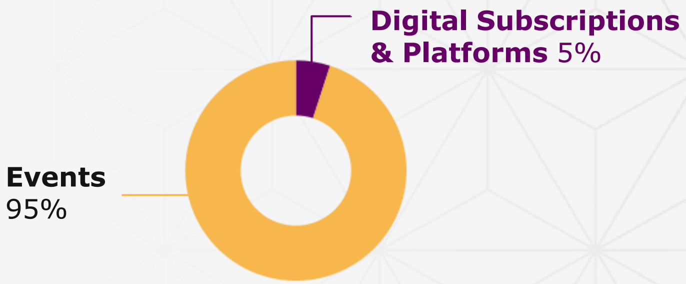
- Expecting revenue, in US$ terms, to be flat to slightly down in 2023 given exceptional result delivered in 2022 (+64% on 2019) and disruption to the end market funding environment.

Money20/20 Asia (April 2024): trading well with c.£1m cost investment in the half.

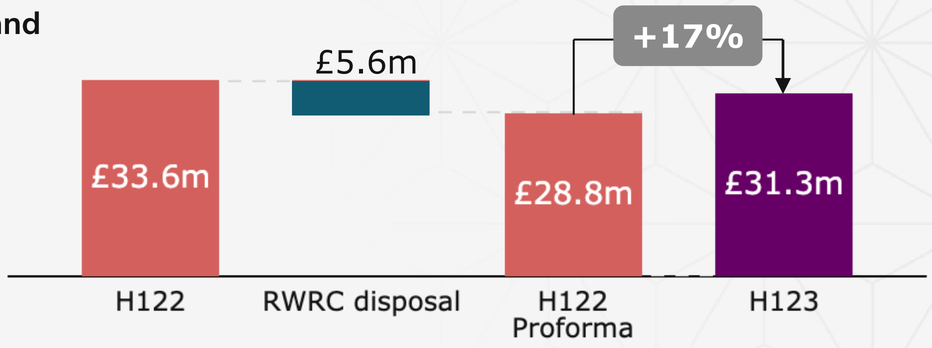
MONEY 20/20

acuity (Formerly Price + Promotion)

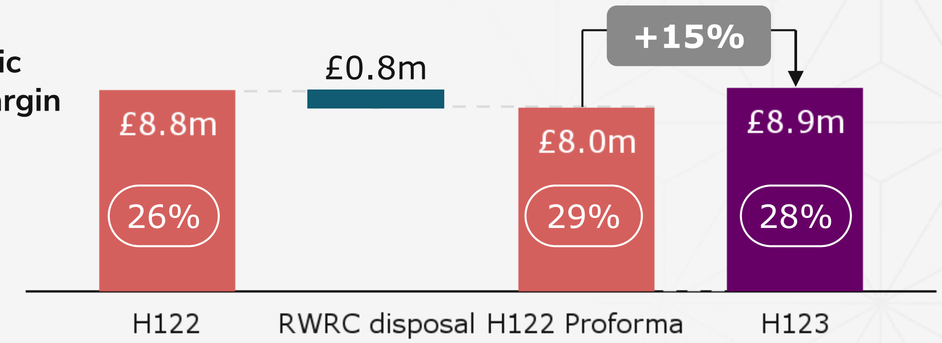
Business Model (LTM June 2023)*



H123 revenue and organic growth



H123 Adjusted EBITDA, organic growth and margin

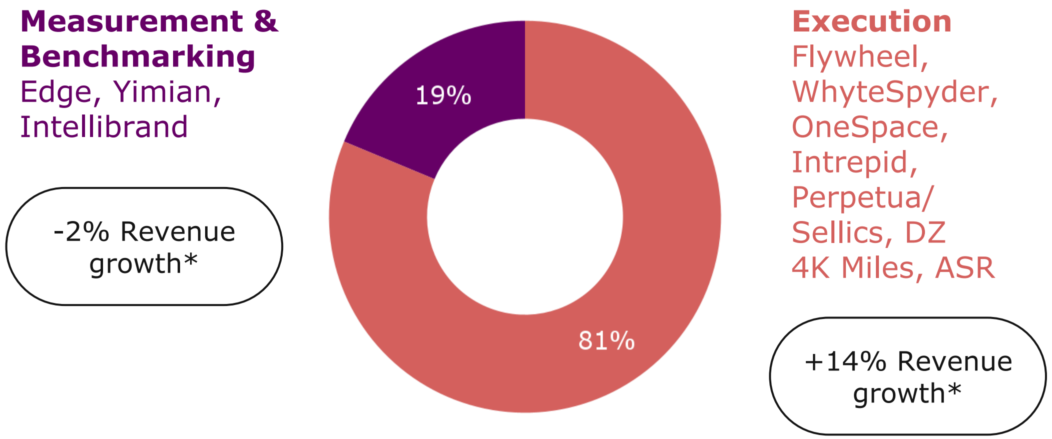


*Excludes RWRC disposal

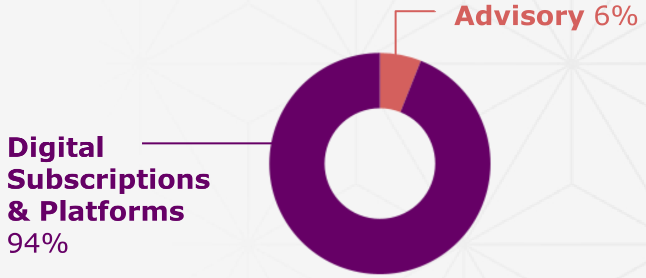
Digital Commerce

- 10% organic revenue growth.
- 11% proforma revenue growth.
- Margin weighted towards H2, as previously reported, with H123 impacted by £3.3m of losses from H122 acquisitions.
- Synergy benefits already being realised from the platform integration.
- Targeting high single digit margins for the year and mid teens for 2024.

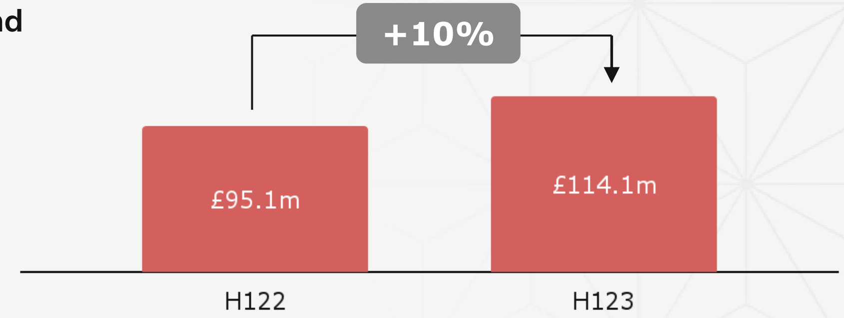
H123 Revenue



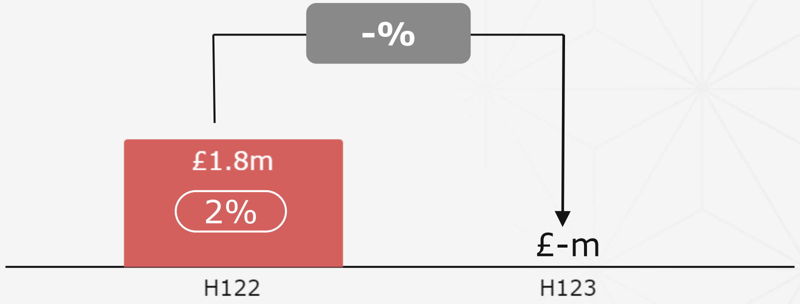
Business Model (LTM June 2023)



H123 revenue and organic growth



H123 Adjusted EBITDA, organic growth and margin



*Proforma basis

* Organic growth, FX, transfers and discontinued products.

Product Design

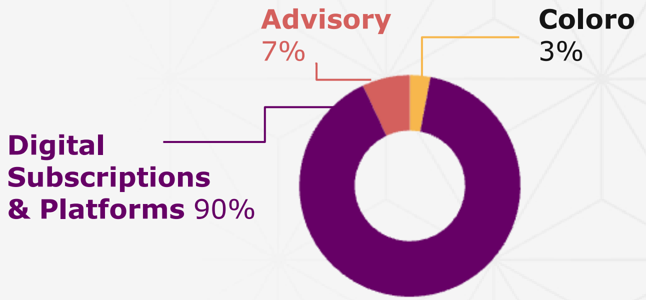
Growth driven mainly through new products.

- Non-Fashion products
  - grew 13%
  - now almost half of subscription base
- Fashion products
  - grew 2%
- Coloro: 60% revenue growth
- Advisory: 13% revenue decline

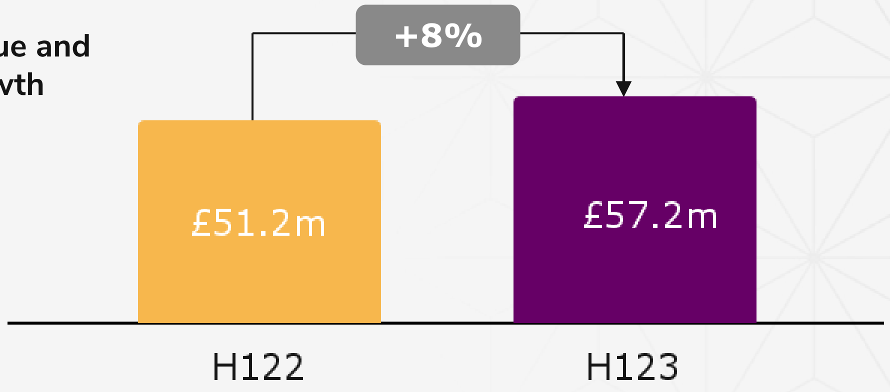
KPIs

- Subscription billings +7%
- Renewal Rate: >95%
- Maintained very high levels of NPS

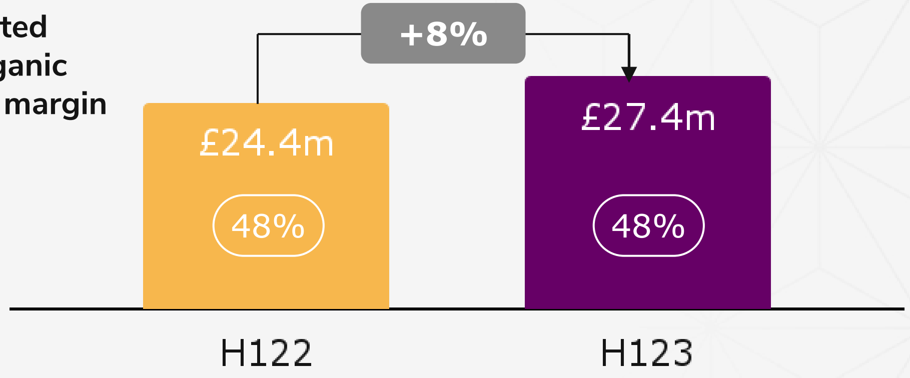
Business Model (LTM June 2023)



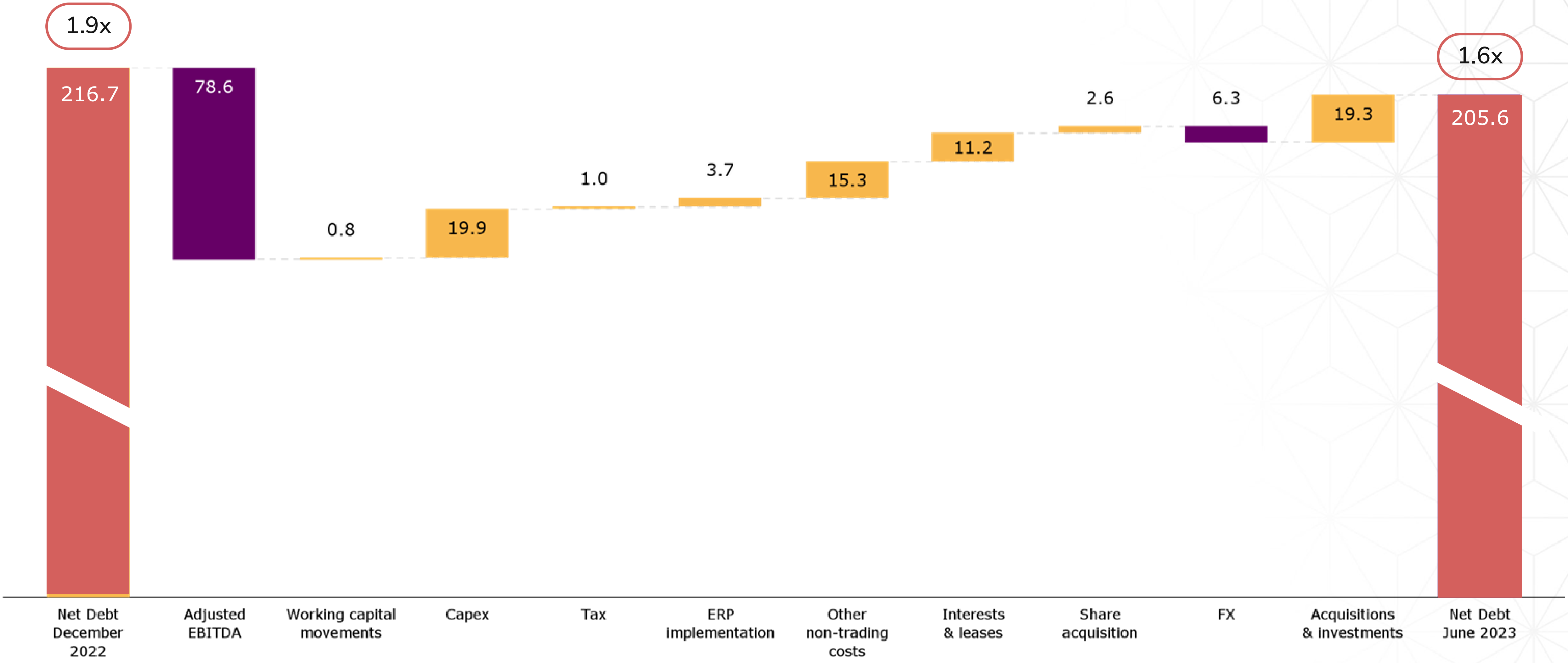
H123 revenue and organic growth



H123 Adjusted EBITDA, organic growth and margin



Net debt bridge



Financial highlights - H1 2023

Total Revenue £307m	Total EBITDA £79m	Operating Cash flow Conversion	Net Debt Leverage
▲ 16%	▲ 17%	99%	1.6x

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03 Events

Philip Thomas

Who we are

About us

We are an exceptional B2B events business.

We bring together global ecosystems where our customers do business, network and learn.

The two industries we serve are Marketing and Financial Technology.

Marketing	Financial Technology[1]
LIONS WARC	MONEY 20/20

Key strengths

- Well-established premium event brands
- Valuable, growing markets with multiple revenue streams
- Broad geographic spread: customers in over 120 countries
- Highly attractive financial profile

Levers for growth

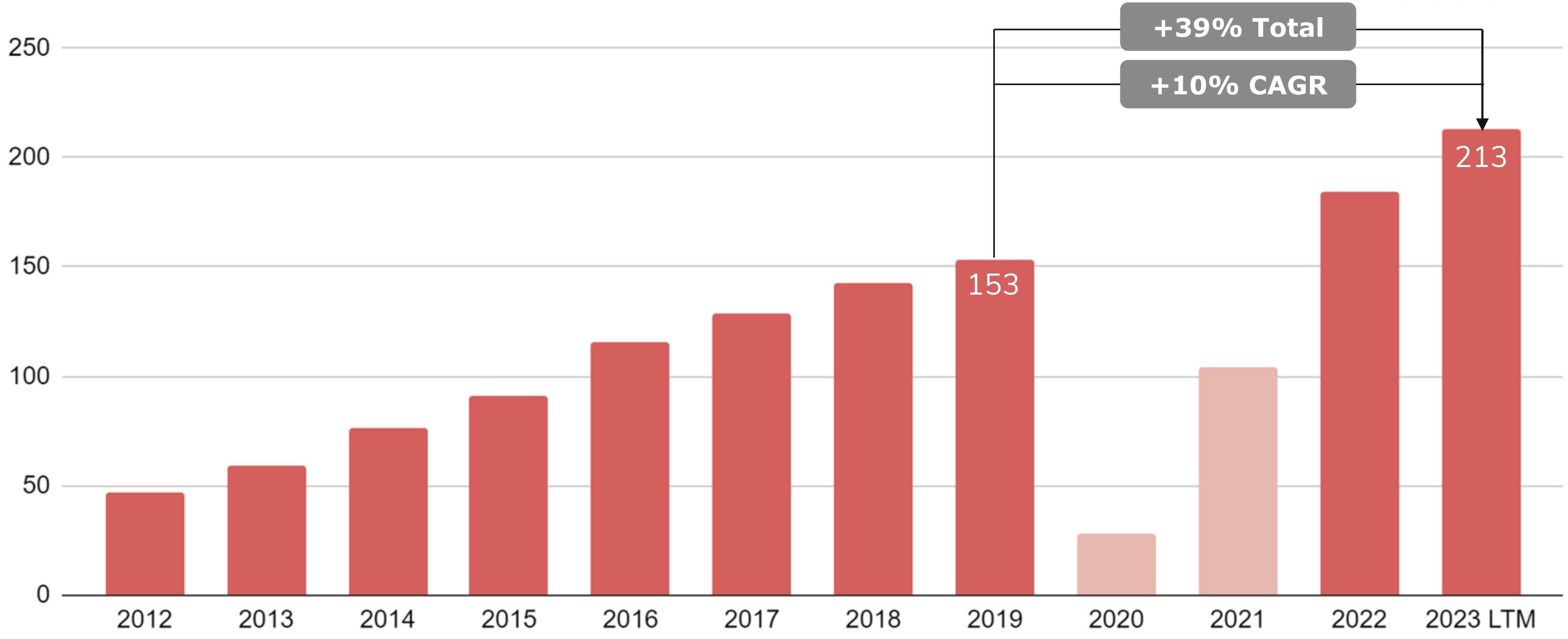
We have a clear strategy for organic growth, through penetration of new markets, geographical expansion, pricing opportunities and product innovation.

[1] Includes Acuity Pricing (formerly Price & Promotion), which serves retail customers

Revenue

Strong track record - business well ahead of pre-Covid levels

Revenue growth profile (£m)



Revenue shown proforma for acquired businesses (Money20/20 acquired 2014, WARC acquired 2018) and excluding RWRC.

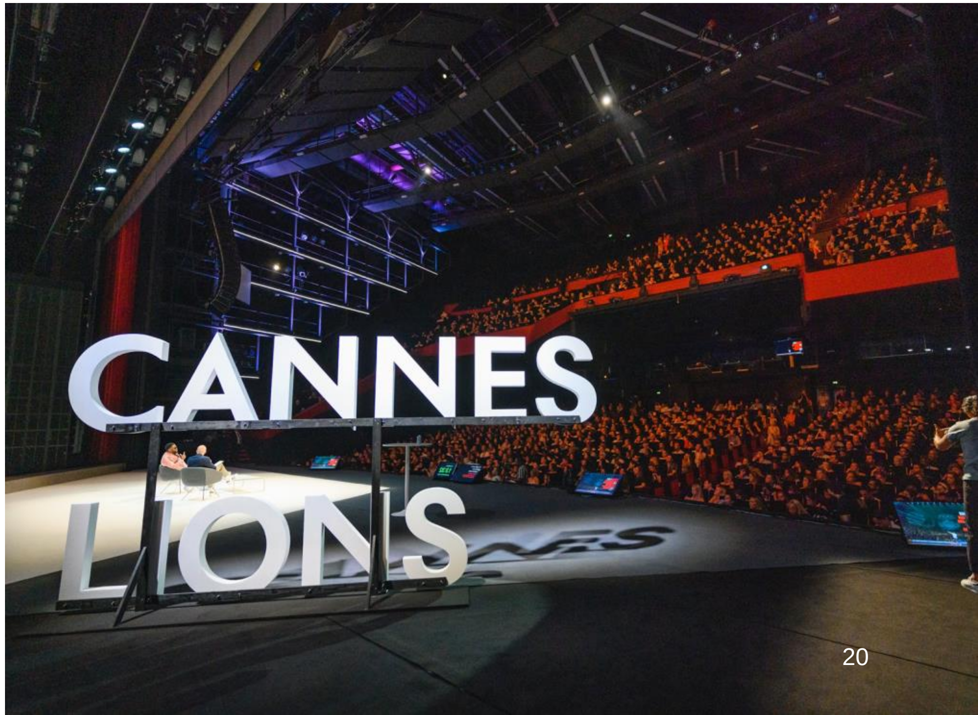
Marketing
Exceptional performance from LIONS

Key stats and KPIs

LIONS

Awards entries	Attendee volume	Sponsorship AOV
27,000	12,000	**Companies** 110 **AOV** £260k
▲ 6%	▲ 9%	▲ 40%

Advisory revenue	WARC subscription retention rate	NPS
>2x	>95%	▲ 13%



Retail & Financial Services

Continued growth for Money20/20 Europe

Key stats and KPIs

MONEY 20/20

Attendee volume >8,500	Companies	Countries
▲ 16%	2,300	100

Sponsorship AOV **Companies** 390 **AOV** £47k	NPS	Customer meetings booked via app 18,000
▲ 21%	▲ 23%	▲ 24%

Highly attractive financial profile

Strong revenue growth

H123: +25%

Strong cash generation

H123: +125%
operating cash conversion

Excellent levels of profit

LTM23: 40%
pre central costs

Low capital requirements

H123: 2%
capex/revenue

Medium-term targets

Revenue growth	Averaging mid-high single digit per annum over the medium-term
Standalone PLC costs	c.50% of Ascential PLC
EBITDA margin after standalone costs	Low - mid 30's %
Capex	c.2-3% of revenue
Effective tax rate	c.26-27%

Dividend policy and Leverage policy of the post-demerger Ascential Events to be confirmed

Ascential | Events - Capital Markets Day

Multiple levers for growth

1. Penetration of existing markets

- **LIONS:** Sponsorship revenue grew by >60% vs 2022
- **Money 20/20:** Europe sponsorship revenue grew by >20% vs 2022

2. Expansion into new geographies

- **Money20/20 Asia:** Preparations for launch in April 2024 progressing well

3. Pricing opportunities

- **LIONS:** Platinum passes up >30%
- **Money20/20:** Europe sponsorship AOV grew by >20% vs 2022

4. Product innovation

- **LIONS Awards:** Entertainment Lion for Gaming launched, with strong engagement (over 600 entries)
- **LIONS Advisory:** revenue more than doubled (vs H122)
- **Cannes Curated**

5. Bolt-on acquisitions

CONTAGIOUS

Contagious

<u>**2022**</u>

Revenue: c£5m

EBITDA: c£1m

Digital subscriptions	Creative trend analysis and insights
Advisory	Expertise in creative marketing transformation

6. Adjacent markets

- New markets under continual evaluation

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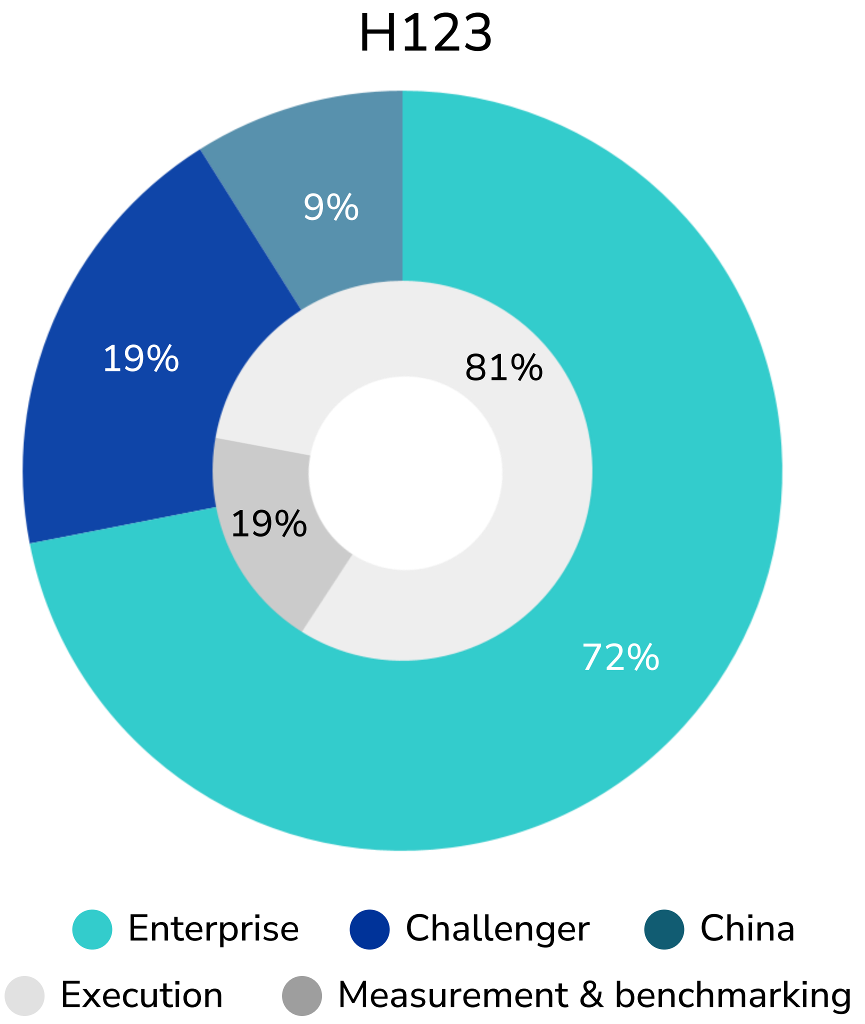
04 Ascential Digital Commerce

Duncan Painter

Revenue split by product and customer segment

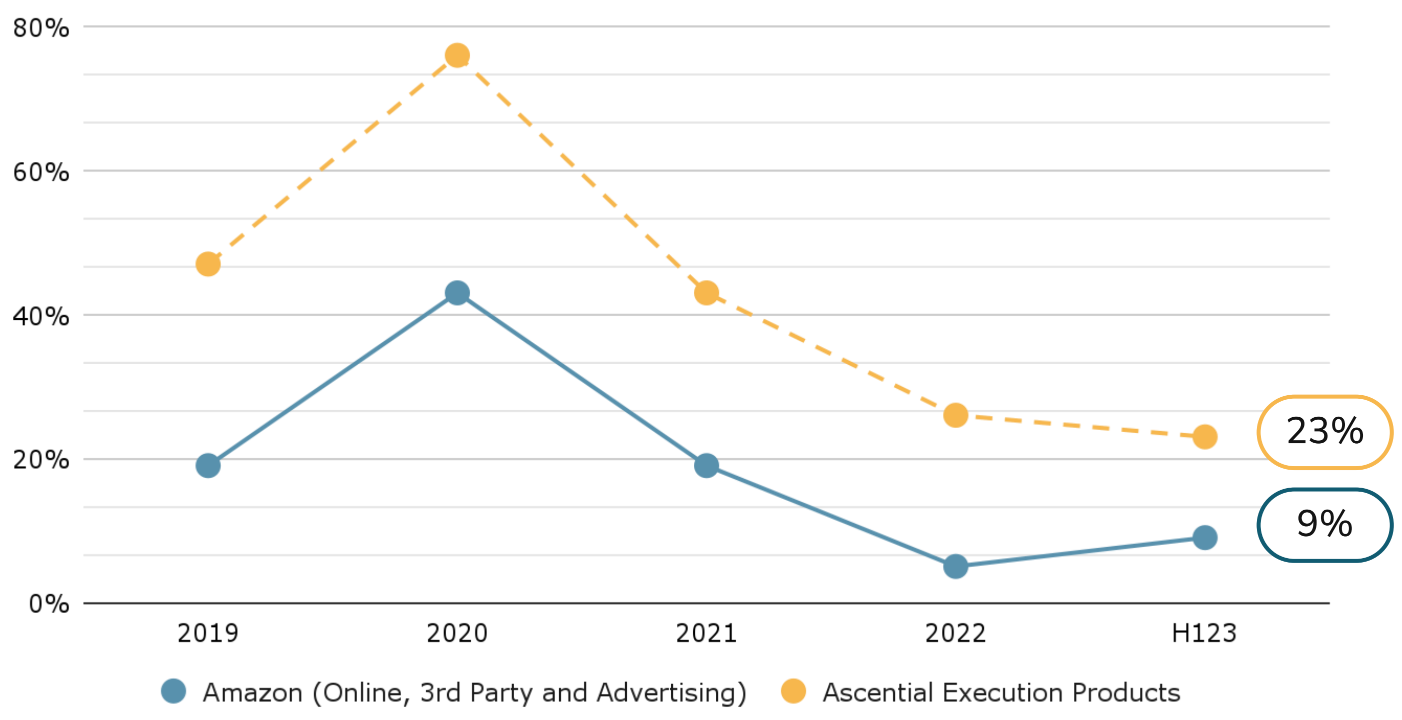


	H123	
	Revenue	Growth[1]
Execution products	£93m	14%
Measurement & Benchmarking products	£21m	(2%)
Total	**£114m**	**11%**
Enterprise customers	*£82m*	*13%*
Challenger customers	*£22m*	*6%*
China customers	*£10m*	*2%*
Total	**£114m**	**11%**

[1]Proforma basis

Our Execution business grew faster than Amazon

Ascential Execution Products Proforma Revenue Growth vs Amazon Online + 3rd Party + Advertising Growth



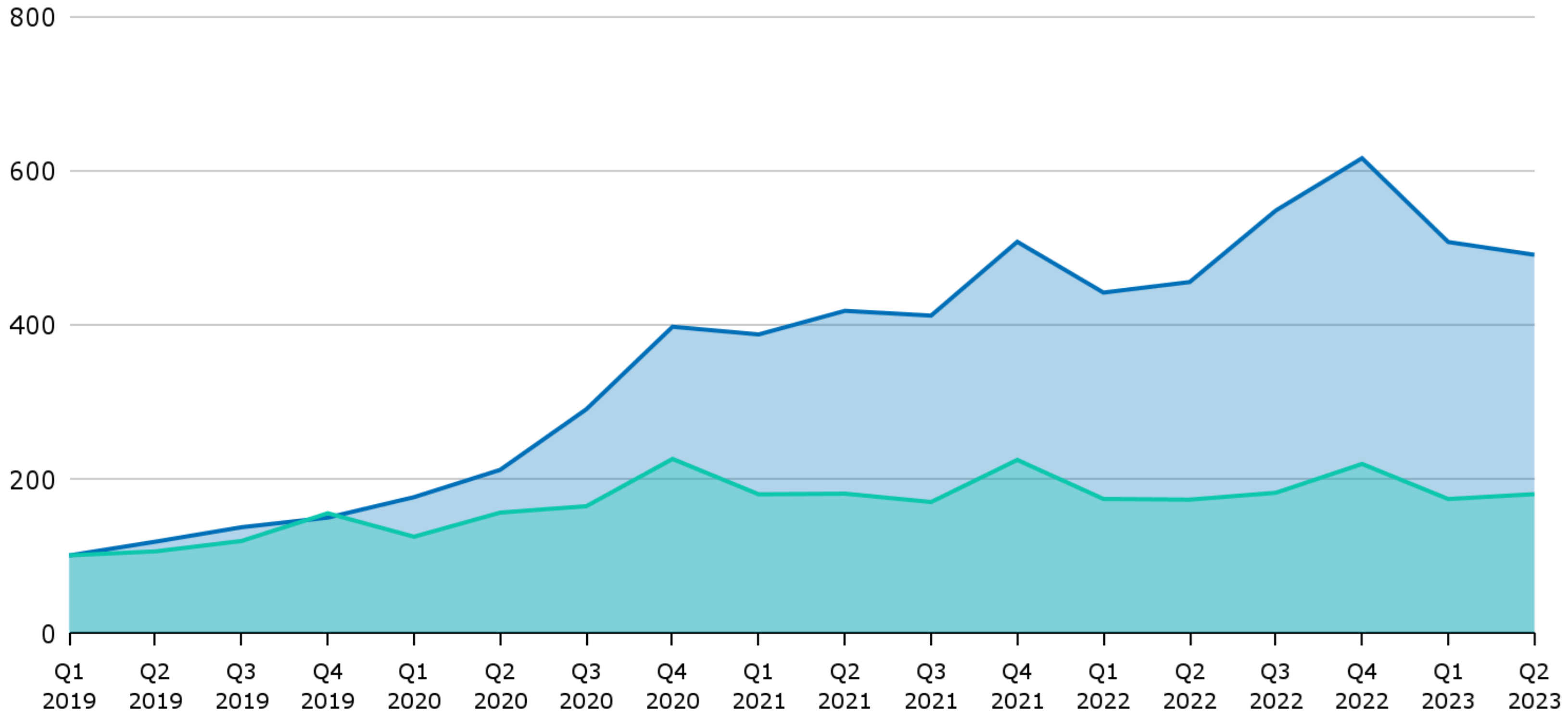
*Ascential Execution Products: represented by the total revenue of the following brands; Flywheel, Onespace, WhyteSpyder, Perpetua and 4K Miles, that sell execution services to clients principally selling into US & Europe markets

- Execution overall is 81% of revenue and 14% growth.
- Our USA & Europe Execution revenue growth continues to outperform Amazon growth 23% v 9%.
- Highlights strength of product and service offering.
- Immediate ROI for customers.
- Low customer churn.

Our Digital Commerce platform means our customers win

- Flywheel customers' sales are up c.**5x** since Q1 2019 compared to an Amazon average of c.**2x**.
- In H1 2023, Flywheel customer global sales grew **11%** YoY while Amazon global online store sales grew **2%**.

Indexed Quarterly Sales
Global Flywheel Same-Client GMV vs Amazon Online Stores Net Sales



Investments delivering Digital Commerce leadership

Growth

- Continued key client wins
  - 150+ new Enterprise customers
  - 1,100+ new Challenger brand customers
- Net Revenue Retention grew to over 100%, up from 95% in 2022.

One company, one brand

- Creation of a unitary organisation structure under a single brand, launching in October.
- Well prepared for separation.

Product delivery

- Launched Flywheel Commerce Cloud, our integrated operating platform, with key clients commencing migration.
- Rolled out a consistent stream of new capabilities with our marketplace partners including Amazon, Walmart, Target, Instacart and Uber.

Margin focus

- Synergy actions to drive margin in H2 and through 2024.
- Set to benefit from operating efficiencies.

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05 Strategic Actions & Outlook

Duncan Painter

Strategic actions and outlook

Strategic actions:

- Separation plans for each business well advanced.
- Further market update before the end of the year.

Second half operational focus:

- Deliver a successful edition of Money20/20 USA.
- Prepare for the launch of Money20/20 Asia in 2024.
- Complete the successful launch of Flywheel Commerce Cloud.
- Deliver on integration synergies to drive Digital Commerce margins.
- Continue to drive our non-Fashion products in WGSN.

"After our seasonally stronger first half, we have had a solid start to the second half. Despite continued macro uncertainty impacting the industries we serve and currency headwinds, our businesses remain well set for the year, supported by multiple growth levers. The structural long-term growth in our end markets, and the success of our marquee events, underpins the Board's confidence in the prospects of our businesses for the future."

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06 Q&A

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07 Appendix

Reported results

£m	H123			H122		
	Adjusted results	Adjusting items	Statutory results	Adjusted results	Adjusting items	Statutory results
Revenue	307.4	-	307.4	260.7	-	**260.7**
Adjusted EBITDA	78.6	-	78.6	67.2	-	**67.2**
Adjusted EBITDA Margin	25.6%	-	25.6%	25.8%	-	**25.8%**
Depreciation, amortisation and impairment	(14.4)	(29.0)	(43.4)	(12.6)	(48.9)	(61.5)
Share-based payments	-	(8.8)	(8.8)	-	(7.6)	(7.6)
Non-trading items	-	(25.7)	(25.7)	-	(33.2)	(33.2)
Operating profit	**64.2**	**(63.5)**	**0.7**	**54.6**	**(89.7)**	**(35.1)**
Associates and JVs	(6.4)	(0.4)	(6.8)	(1.0)	(0.3)	(1.3)
Net finance costs	(8.0)	2.3	(5.7)	(5.2)	-	(5.2)
Profit before tax	**49.8**	**(61.6)**	**(11.8)**	**48.4**	**(90.0)**	**(41.6)**
Tax	(15.2)	10.2	(5.0)	(12.2)	15.8	3.6
Effective tax rate	30.5%	16.6%	nm	25.3%	17.5%	8.5%
Profit after tax - continuing operations	**34.6**	**(51.4)**	**(16.8)**	**36.2**	**(74.2)**	**(38.0)**
Profit after tax - discontinued operations	-	-	-	-	(0.4)	(0.4)
Profit after tax - total operations	**34.6**	**(51.4)**	**(16.8)**	**36.2**	**(74.6)**	**(38.4)**
Minority interest	(0.7)	1.0	0.3	(0.9)	1.1	0.2
Diluted EPS	7.7p	(11.5p)	(3.8p)	8.0p	(16.6p)	(8.6p)

Segmental adjusted results

£m	Revenue		Adjusted EBITDA		Adjusted EBITDA margin		Depreciation		Adjusted Operating profit	
	H123	H122	H123	H122	H123	H122	H123	H122	H123	H122
Events										
Marketing	*104.8*	*80.8*	*55.7*	*43.2*	*53%*	*54%*	*(1.2)*	*(1.4)*	*54.5*	*41.8*
Retail & Financial Services	*31.3*	*33.6*	*8.9*	*8.8*	*28%*	*26%*	*(0.2)*	*(0.2)*	*8.7*	*8.6*
Subtotal	136.1	114.4	64.6	52.0	47%	45%	(1.4)	(1.6)	63.2	50.4
Digital Commerce	114.1	95.1	-	1.8	-%	2%	(10.0)	(7.7)	(10.0)	(5.9)
Product Design	57.2	51.2	27.4	24.4	48%	48%	(1.5)	(2.2)	25.9	22.2
Corporate costs			(13.4)	(11.0)			(1.5)	(1.1)	(14.9)	(12.1)
Total	**307.4**	**260.7**	**78.6**	**67.2**	**25.6%**	**25.8%**	**(14.4)**	**(12.6)**	**64.2**	**54.6**

Adjusting items in Operating Profit

£m	H123	H122
Deferred and contingent consideration - Contingent on service	7.8	12.2
Deferred and contingent consideration - Revaluation	(17.1)	(4.6)
Deferred and contingent consideration (subtotal)	***(9.3)***	***7.6***
Strategic review costs	23.0	8.5
ERP and Salesforce implementation costs	3.9	13.3
Transaction and integration costs	6.5	4.3
Profit/(loss) on disposal of businesses	0.2	-
Property impairments and other	1.4	(0.5)
Non-trading items	**25.7**	**33.2**
Amortisation of acquired intangibles	17.3	17.5
Impairment of acquired intangibles	11.7	31.4
Share-based payments	8.8	7.6
Total adjusting items - continuing operations	**63.5**	**89.7**

Adjusting items reduced from prior year and include:

- £7.8m of deferred consideration* costs more than offset by revaluation of the Perpetua earn-out agreement.
- £23.0m relating to the strategic review process including audit and professional fees, severance and retention.
- £3.9m relating to the implementation costs of the new ERP system (Salesforce system work completed in 2022).
- Transaction and integration costs relating to recent acquisitions.
- Impairment charge of £11.7m primarily driven by the impairment of acquired brand intangible assets following the decision to rebrand Digital Commerce under the Flywheel brand.

*contingent on continued employment.

Net finance costs

£m	H123	H122
Interest income	8.0	0.9
Interest payable on external borrowings	(9.9)	(3.1)
Derivatives (interest rate caps)	(2.0)	1.9
Foreign exchange (losses) and gains	(0.5)	0.1
Amortisation of arrangement fees	(0.4)	(0.4)
Unwind of discount on deferred consideration and lease liabilities	(3.2)	(4.6)
Net finance costs - adjusted	**(8.0)**	**(5.2)**
Foreign exchange gain on deferred consideration	2.3	-
Net finance costs - adjusting	**2.3**	**-**
Total net finance costs	**(5.7)**	**(5.2)**

– Interest income relates mainly to loans to Hudson MX £5.3m and interest income from interest rate caps £1.6m.

– Interest rates increased considerably towards the end of 2022.

  - the average gross annual interest rate on drawn borrowings in H123 was 5.7% compared to 2.1% in H122.

– Interest rate caps we hold hedge approximately 50% of gross debt levels for 2023.

  - benefiting the H1 2023 interest income by £1.6m and the 2023 cash flow by £1.3m.

– The discount unwind on deferred consideration is lower in H123 (vs H122) as older earnout agreements are settled.

Debt facilities

	Jun 2023		Dec 2022	
	£m	Interest margin over IBOR	£m	Interest margin over IBOR
USD borrowings	(219.6)	1.75%	(192.6)	1.6%
Euro borrowings	(80.0)	1.75%	(110.2)	1.6%
Total debt drawn	**(299.6)**	**1.75%**	**(302.8)**	**1.6%**
Unamortised arrangement fees	1.2		1.6	
Derivatives (interest rate caps)	3.2		4.5	
Cash	89.6		80.0	
Net debt	**(205.6)**		**(216.7)**	

	Jun 2023 £m	Dec 2022 £m
Total facilities	**450.0**	**450.0**
Less total debt	(299.6)	(302.7)
Cash	89.6	80.0
Available liquidity	**240.0**	**227.3**

- We have a £450m multi-currency RCF provided by a syndicate of 12 banks with a 5-year maturity expiring in January 2025.
  - Leverage covenant of 3.25x (with unused 0.5x acquisition spikes).
  - Interest cover covenant of 3.00x.
- As at June 2023 the interest margin was 1.75% over relevant currency IBOR (1.60% in December 2022).
- IBOR rates have increased considerably:

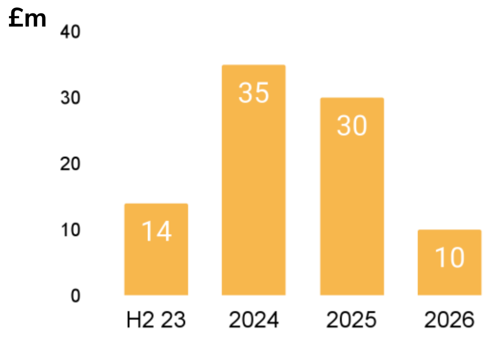
	June 2023	Dec 2022	Jun 2022	Dec 2021
	%	%	%	%
1-month rates:				
US LIBOR	5.2	4.4	1.8	0.1
EURIBOR	3.4	1.9	(0.5)	(0.6)

- Derivative balance relates to mark to market of the Group's interest rate caps which limit the impact over approximately 50% of opening gross borrowings at June 2023 with a strike price of 2.5% for US LIBOR and 0.5% for EURIBOR. Generates a positive cash impact in 2023, with positive P&L impact recognised in 2022.

Deferred consideration

£m	H123	2022
Balance sheet liability at start of period	**108.1**	**102.9**
Additions	-	12.3
Acquisition–related employment costs accrued in the period	7.8	30.5
Revaluation of liability	(17.1)	1.0
Cash paid	(30.9)	(57.4)
Unwind of discount on deferred consideration	2.7	10.3
FX	(5.6)	8.5
Balance sheet liability at end of period	**65.0**	**108.1**

Expected future cash payable:



– Expected future earnouts payable amount to up to £90m over the next three years.

- based on current performance expectations of acquired businesses
- of which £65.0m is recorded as a liability at June 2023

Taxation

£m	H123			H122		
	Adjusted results	Adjusting items	Statutory results	Adjusted results	Adjusting items	Statutory results
Continuing operations						
PBT	49.8	(61.6)	**(11.8)**	48.4	(90.0)	**(41.6)**
Tax	(15.2)	10.2	**(5.0)**	(12.2)	15.8	**3.6**
Effective tax rate	*30.5%*	*16.6%*	***nm***	*25.3%*	*17.5%*	***8.5%***
Total operations						
Tax paid			**(1.0)**			**0.4**

Tax charge

Adjusted effective tax rate of 31%.

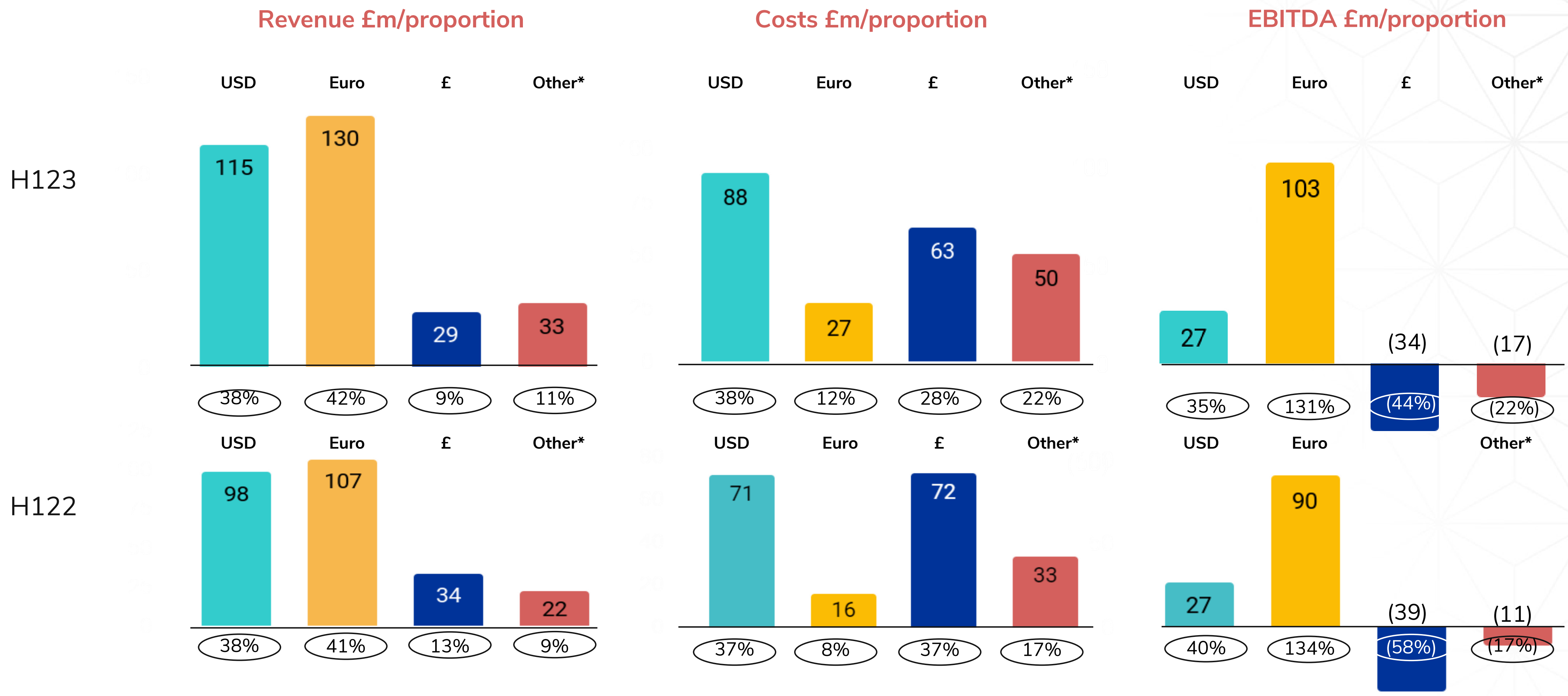
- Higher rate (vs H122) reflects losses from Associates for which a deferred tax asset is not recognised. ETR ex-Associates is 25%.
- We expect the ETR to be:
  - c30-31% in the short-term
  - approximately 26-27% in the medium term once the Associates become profitable.

Tax paid

- Cash tax was a net payment of £1.0m (H122 £0.4m refund).
- Cash tax will continue to benefit from the utilisation of UK and US losses and other deferred tax assets of £71.2m over the next 10 years.

Currency mix

Over majority of revenue earned in USD and Euros with EBITDA entirely driven by USD and Euro earnings



*Largest other currencies relate to China, Brazil, Thailand and Vietnam

Currency sensitivity and rates

Sensitivity to a 1% movement in exchange rates

		Revenue	Costs	EBITDA
H123	USD	£1.2m	(£0.9m)	£0.3m
	Euro	£1.3m	(£0.3m)	£1.0m
2022	USD	£2.8m	(£1.6m)	£1.2m
	Euro	£1.3m	(£0.3m)	£1.0m
H122	USD	£1.0m	(£0.7m)	£0.3m
	Euro	£1.1m	(£0.2m)	£0.9m

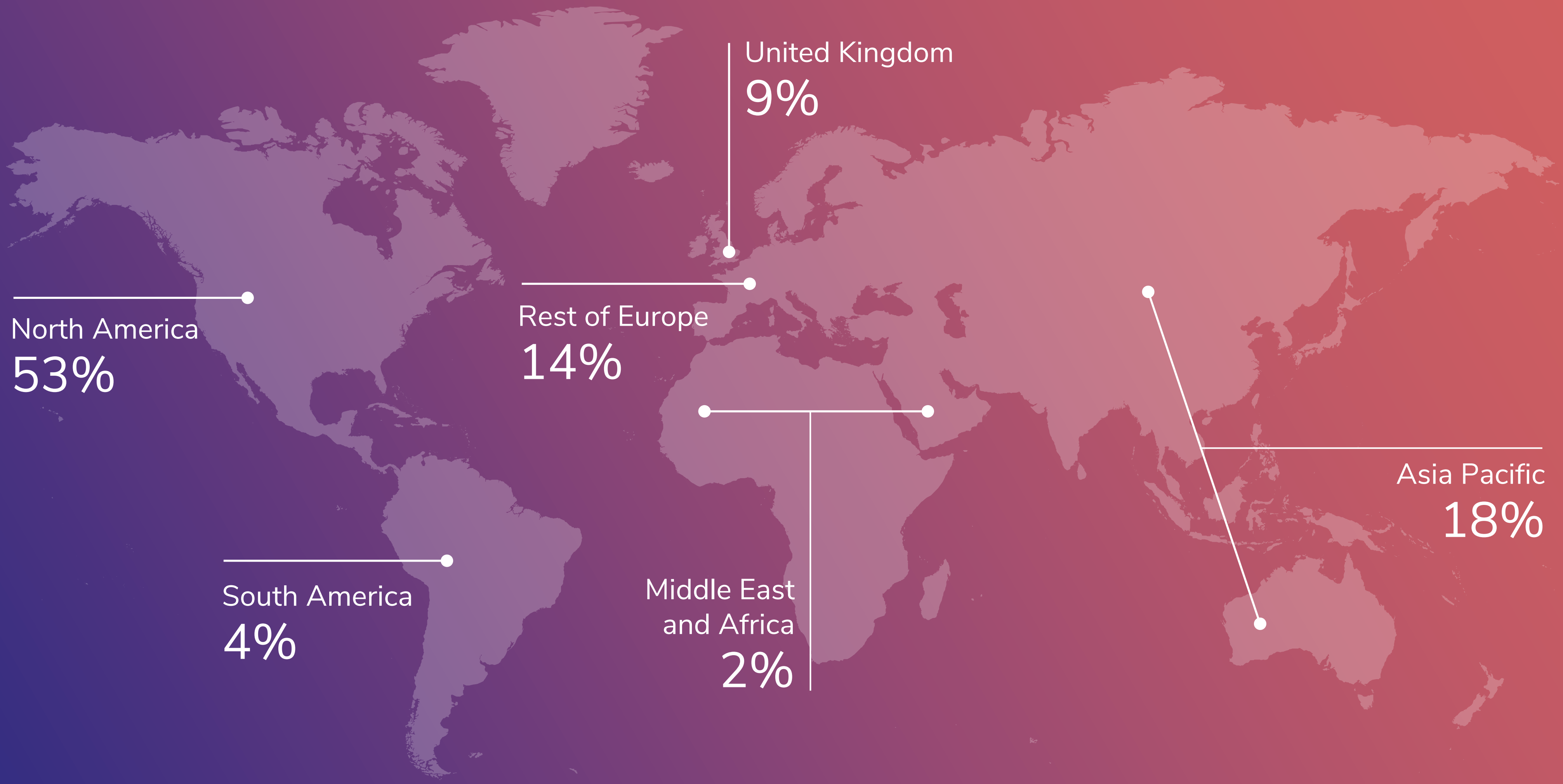
Exchange rates

	Weighted average	Period end
H123	USD 1.23	USD 1.27
	Euro 1.17	Euro 1.16
2022	USD 1.18	USD 1.21
	Euro 1.17	Euro 1.13
H122	USD 1.32	USD 1.22
	Euro 1.17	Euro 1.16

[1] Exchange rates are weighted by EBITDA

Geographical mix

Revenue by location of customer[1]



[1] Revenue is for LTM June 2023

Cash flow

£m	H123	H122
Adjusted EBITDA	78.6	67.2
Working capital movements	(0.8)	18.5
Operating cash flow	**77.8**	**85.7**
% Operating cash flow conversion	*99%*	*128%*
Capex	(19.9)	(13.9)
Tax	(1.0)	0.4
Free cash flow	**56.9**	**72.2**
% Free cash flow conversion	*72%*	*107%*

£m	H123	H122
Free cash flow	**56.9**	**72.2**
Exceptional costs paid	(19.0)	(24.9)
Acquisition of investments/loan to associate	(13.3)	(18.5)
Acquisition consideration paid (including earnouts)	(30.9)	(114.3)
Disposal proceeds received	24.9	(0.4)
Cash flow before financing activities	**18.6**	**(85.9)**
Net interest paid	(7.1)	(2.5)
Net lease liabilities paid	(4.1)	(3.0)
Share purchase and Dividends paid to NCI	(2.6)	(1.2)
Debt drawdown	9.1	91.8
Net cash flow	**13.9**	**(0.8)**
Opening cash balance	80.0	84.1
FX	(4.3)	5.1
Closing cash balance	**89.6**	**88.4**
Unamortised fees and derivatives	4.4	4.1
Debt	(299.6)	(265.2)
Net debt	**(205.6)**	**(172.7)**

Balance sheet

£m	Jun 2023	Jun 2022	Dec 2022
Assets			
Non-current assets			
Intangible assets	895.8	979.7	953.5
Property, plant and equipment	6.2	5.1	5.7
Lease assets (IFRS16)	16.6	22.9	20.7
Investments	24.9	92.8	88.5
Other receivables	87.7	2.1	42.7
Deferred tax assets	54.5	63.2	60.3
Total non-current assets	**1,085.7**	**1,165.8**	**1,171.4**
Current assets			
Inventories	4.1	3.5	3.3
Trade receivables [1]	78.6	302.9	112.1
Other receivables	241.8	-	237.3
Cash	89.6	88.4	80.0
Total current assets	**414.1**	**394.8**	**432.7**

	Jun 2023	Jun 2022	Dec 2022
Liabilities			
Trade payables [1]	11.2	12.9	18.0
Other payables	258.7	206.0	259.6
Deferred income	115.3	121.9	117.3
Deferred and contingent consideration	65.0	80.7	108.1
Lease liabilities (IFRS16)	23.3	26.4	26.8
Borrowings	298.4	263.2	301.2
Tax liabilities	14.9	20.0	17.2
Provisions	3.3	3.0	4.0
Total liabilities	**790.1**	**734.1**	**852.2**
Net assets	**709.7**	**826.5**	**751.9**

[1] Other Receivables includes £183m (2022: £195m) of media reimbursable receivables relating to Digital Commerce. Other Payables includes £171m (2022: £194m) of media reimbursable payables relating to Digital Commerce. The resultant net reimbursable working capital position of £12m (2022: £1m) is stated after taking the benefit of the sale of £18m (2022: £28m) of receivables under our working capital facility.

ASCENTIAL

Thank you

ASCENTIAL

Ascential plc, proxy card for use at the GM to be held on 18 December 2023
at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY

Attendance at the GM

If you attend the GM, please bring this card with you as evidence of your right to be admitted.

Please detach and retain this section before posting.

Do not post with the Form of Proxy

Form of Proxy Ascential plc

Voting ID	Task ID	Shareholder Reference Number

We being (a) member(s) of Ascential plc hereby appoint the Chairman of the meeting/or .... (see Note 4 overleaf) as my/our proxy or proxies to attend and vote for me/us and on my/our behalf at the General Meeting of the Company at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY on 18 December 2023 at 10:00 a.m. and at any adjournment of that meeting and to vote on the following resolutions as indicated below.

Please indicate how you wish your proxy or proxies to vote by inserting "X" in the box below. Where no "X" is inserted, and on any other resolutions proposed at the meeting, your proxy will vote or abstain from voting as he/she thinks fit on any business arising at the meeting (including any motion to amend a resolution or adjourn the meeting).

Resolutions (ordinary)	For	Against	Vote withheld (See Note 6)
1. Digital Commerce Sale Resolution	☐	☐	☐
2. WGSN Sale Resolution	☐	☐	☐

Signature ____________________ **Date** ____________________

Explanatory notes relating to the completion of the Form of Proxy

1. In order to be valid, this Form of Proxy and any power of attorney, or notarially certified copy thereof, under which it is executed must be completed, signed and lodged with the Company's Registrar, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA not later than 10:00 a.m. on 14 December 2023.
2. The completion and return of a Form of Proxy will not, however, preclude shareholders from attending and voting in person at the meeting or at any adjournment thereof should they wish to do so.
3. You may, if you wish, register your proxy appointment electronically via the website www.sharevote.co.uk. To use Sharevote you will need the Voting ID, Task ID and Shareholder Reference Number shown on your Form of Proxy. Shareholders who have registered with Equiniti's online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk using their User ID and password. Once logged in click "View" on the "My Investments" page, click on the link to vote and then follow the on-screen instructions. Full instructions on the procedure are given on the respective websites. A proxy appointment made electronically will not be valid if sent to any address other than those provided or if received after 10:00 a.m. on 14 December 2023.
4. A proxy need not be a member of the Company but must attend the meeting to represent you. A member may appoint a proxy of his/her own choice, in which case the words "the Chairman of the meeting" should be deleted and the name of the person appointed as proxy should be inserted in the space provided. If you sign and return this Form of Proxy with no name inserted in the space provided, the Chairman of the meeting will be deemed to be your proxy.
5. If the proxy is being appointed in relation to less than your full voting entitlement, please enter next to the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy. If left blank your proxy will be deemed to be authorised in respect of your full voting entitlement (or, if this Form of Proxy has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account).
6. A member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to different shares held by the member. To appoint more than one proxy, additional Form of Proxy may be obtained by contacting our Registrar, Equiniti, or you may copy this form. Please indicate next to the proxy holder's name the number of shares in relation to which the proxy is authorised to act as your proxy. Please also indicate, by ticking the box provided, if the proxy appointment is one of multiple appointments made. All forms must be signed and should be returned together.
7. The "Vote withheld" option is provided to enable you to abstain on any particular resolution. However, it should be noted that a "Vote withheld" is not a vote in law and will not be counted in the calculation of the proportion of votes "For" and "Against" a resolution.
8. Shareholders who are not resident in the United Kingdom will need to attach appropriate postage to the accompanying business reply envelope in order to ensure that their votes are received in time.
9. Where the member is a corporation, this form must be executed under its common seal or signed by an officer, attorney or other person duly authorised by the corporation.
10. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register.
11. CREST members who wish to appoint a proxy or proxies by using the CREST electronic appointment service may do so by using the procedures described in the CREST Manual. To be valid, the appropriate CREST message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must be transmitted so as to be received by the Company's agent (ID RA19) by 10:00 a.m. on 14 December 2023. See Shareholder Notes in the Notice of General Meeting for further information on proxy appointment through CREST.
12. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 10:00 a.m. on 14 December 2023 in order to be considered valid.

Toppan Merrill, London
23-31443-2