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).

Strategic report

Governance report

Financial statements

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

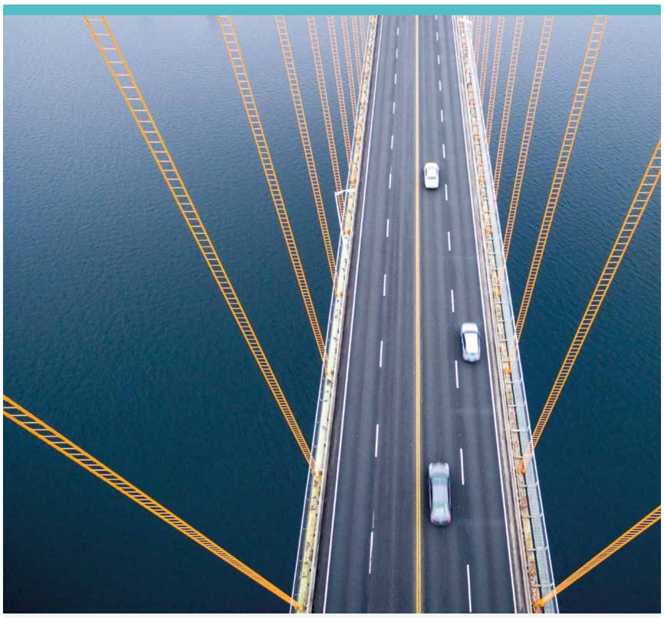
- The global, in-person, meeting place for the Fintech industry, to share ideas, do business and drive partnerships.

Retail Analytics

- Subscription based, digitally delivered, retail insight and business intelligence to help customers stay ahead of the market.

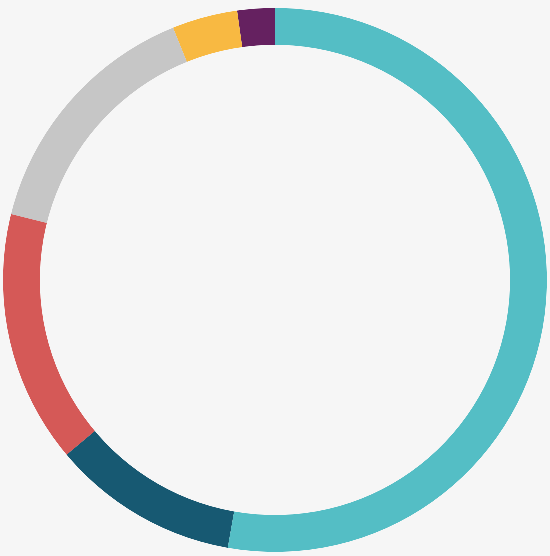
of our products and services is cemented by our deep knowledge of consumer behaviour and our global perspective. Our comprehensive view of current trends and longer-term forecasts inform strategic decisions for immediate and long-term sustainable performance.

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

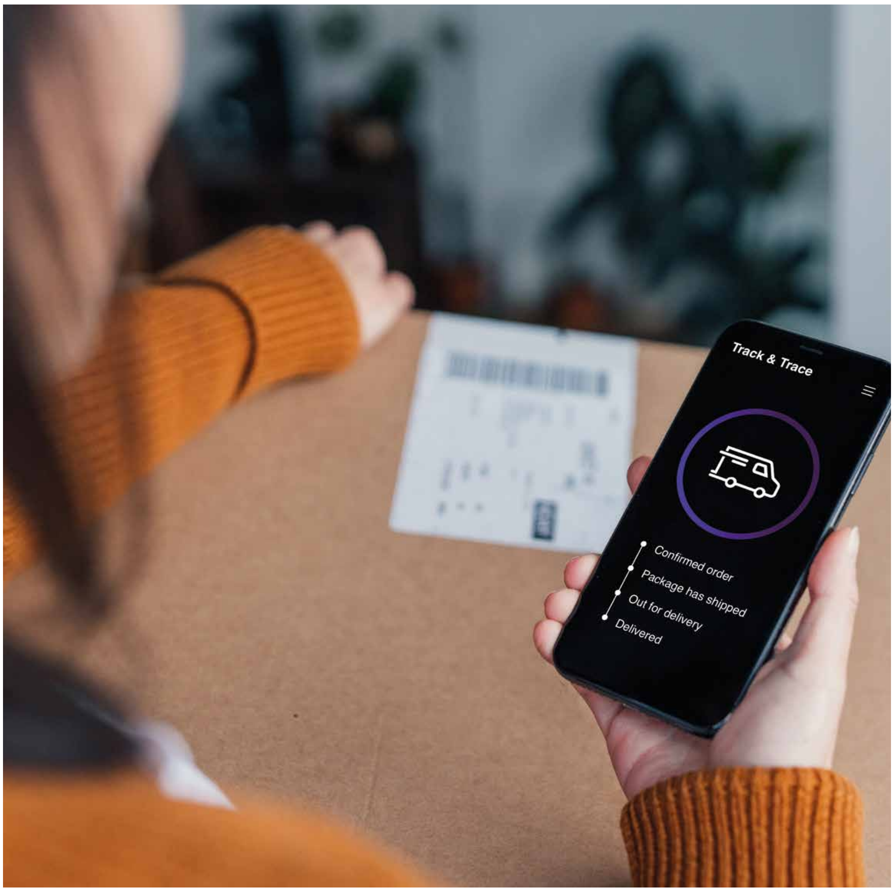
Acceleration of Digital Commerce strategy

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
Page 18

Segmental review
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,

Market review
Page 18

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

Segmental review
Page 29

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

Segmental review
Page 30

KPIs
Page 24

Risks
Page 50

The investment case

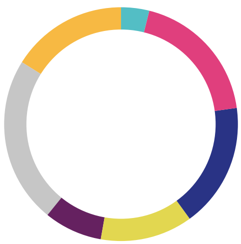
Clear long-term vision

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.

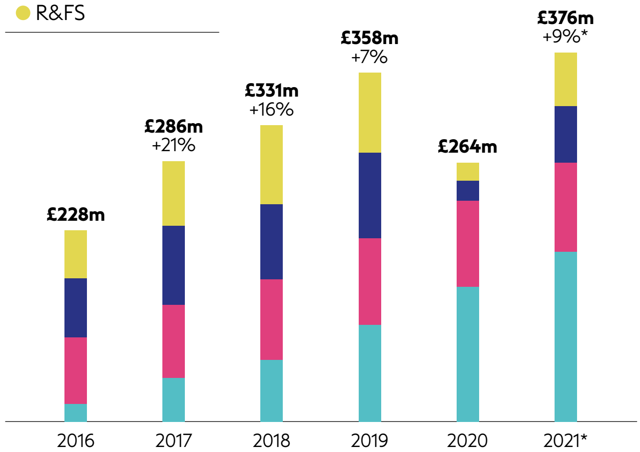
Structural growth and cyclical recovery

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

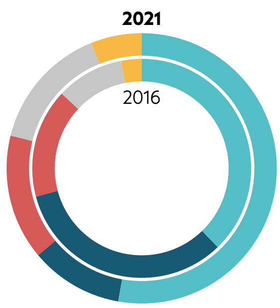


*2021 vs 2019

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



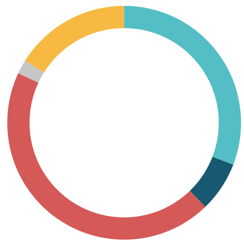
Robust business model

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:

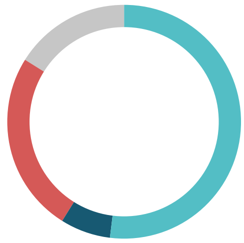
2016

Digital subs & platforms	31%
Benchmarking awards	7%
Events	44%
Advisory	2%
Publishing	16%



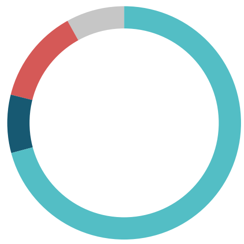
2019

Digital subs & platforms	52%
Benchmarking awards	7%
Events	25%
Advisory	16%



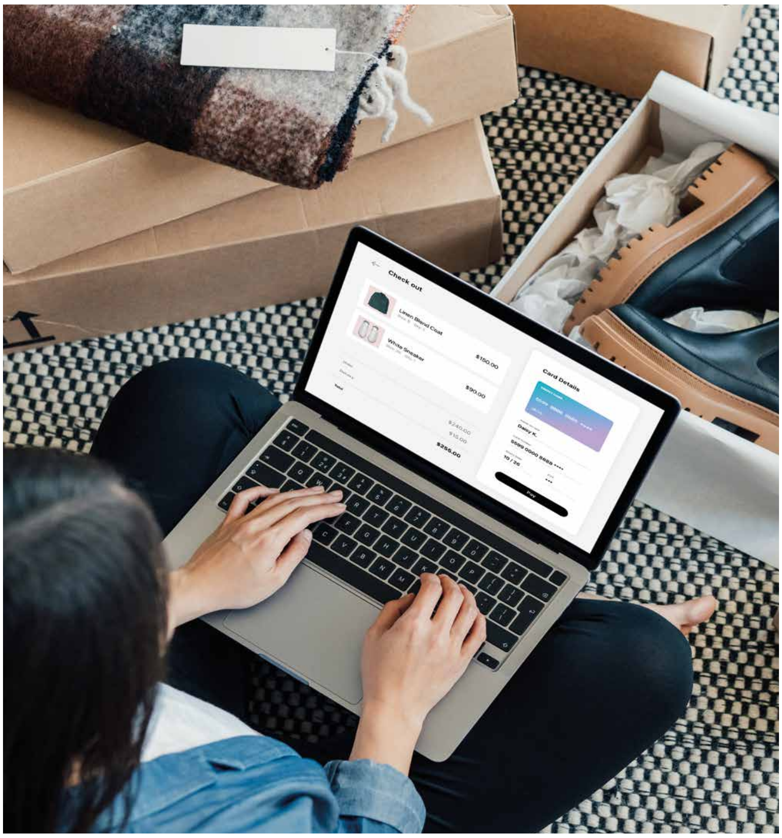
2021

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
Page 34

Risks
Page 50

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.

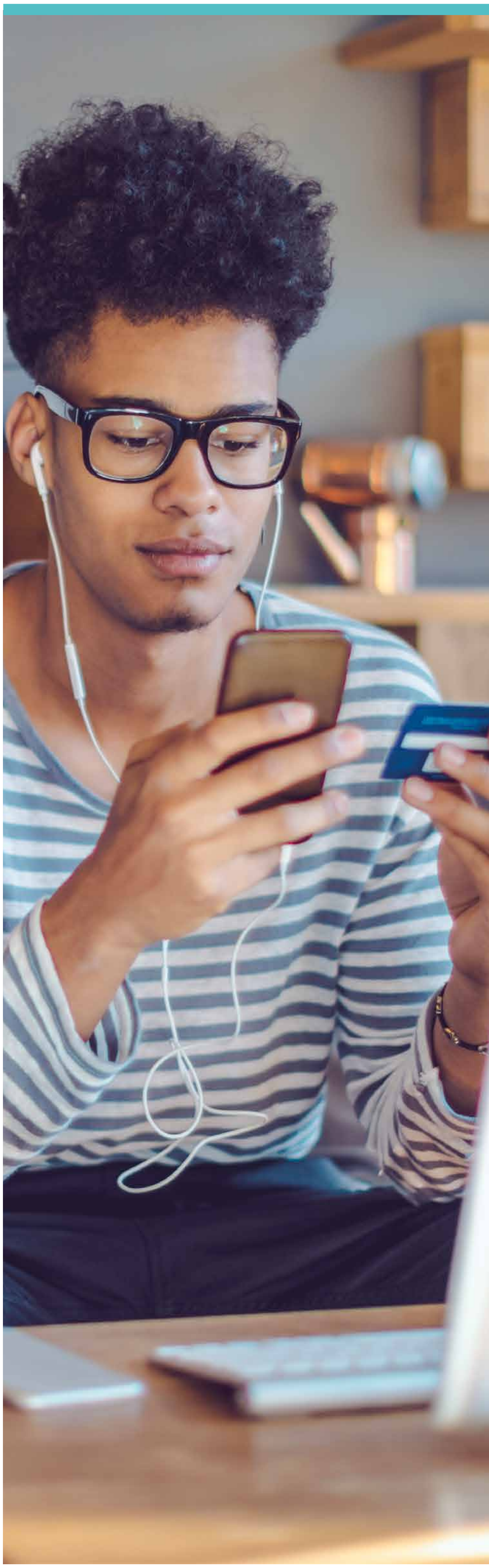
[1] Refer to the glossary of Alternative Performance Measures (page 47)

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).

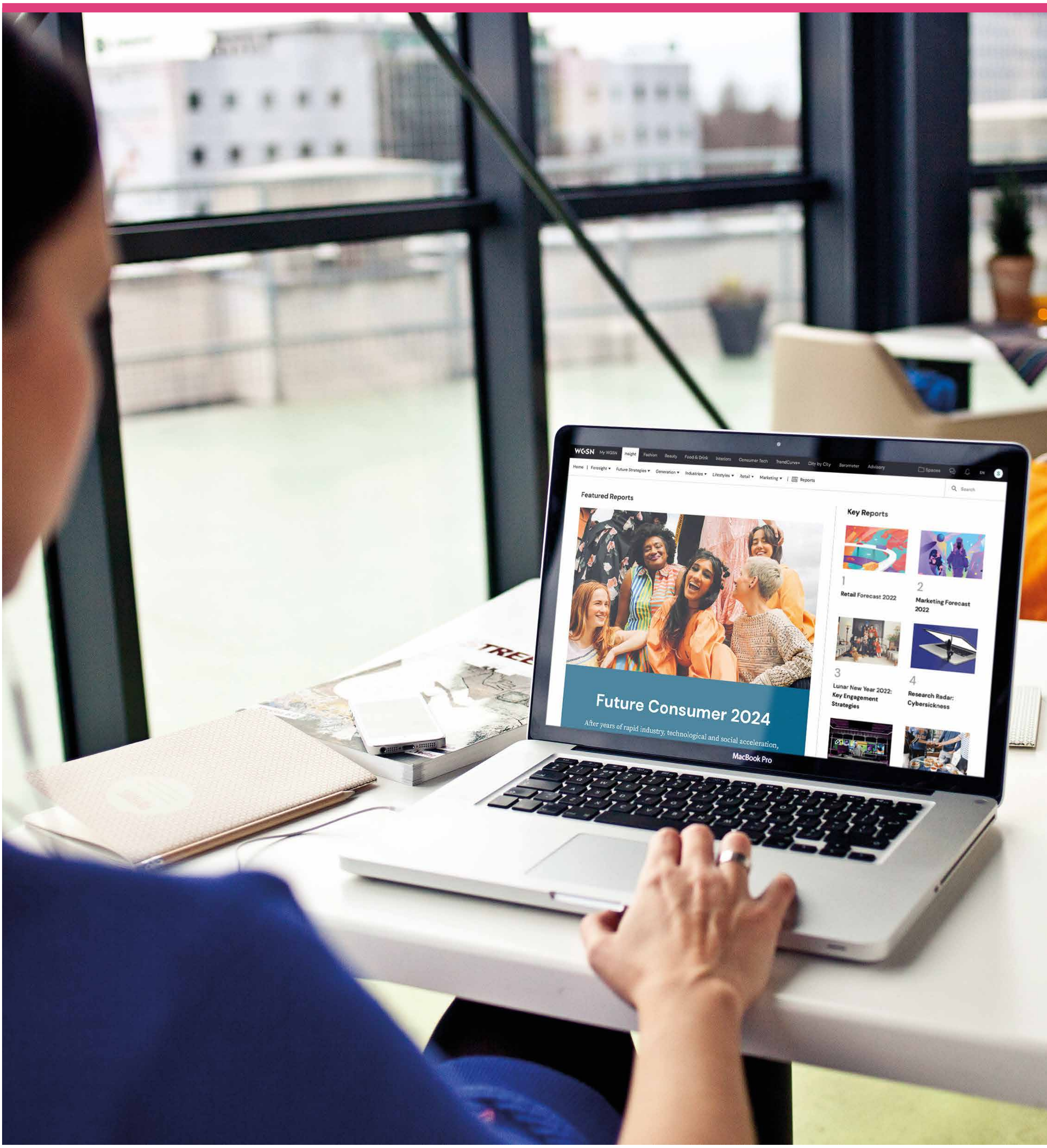
We also acquired three execution businesses giving us access to the challenger brand segment namely Perpetua which focuses on the fast-growing US challenger brand segment, 4K Miles which brings a focus on Chinese challenger brands trading on Amazon and ASR which, specialises in connecting professional 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

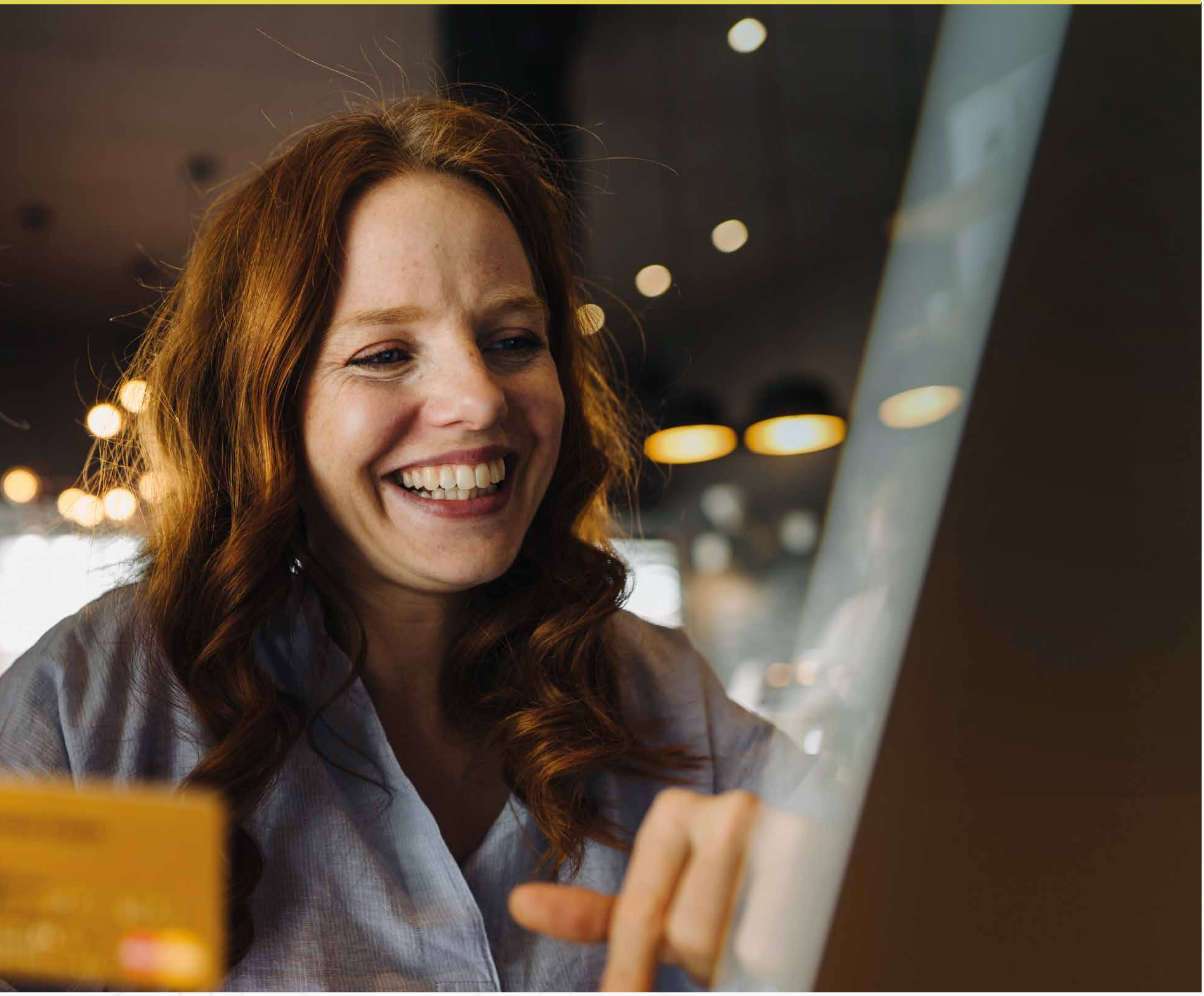
Money20/20 is the world's leading, premium content, sales and networking platform for the fintech industry. The Retail and Financial Services segment also comprises Retail Week World Retail Congress ("RWRC"), the retail customers previously served by the Digital Commerce business and the Alternative 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.

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).

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

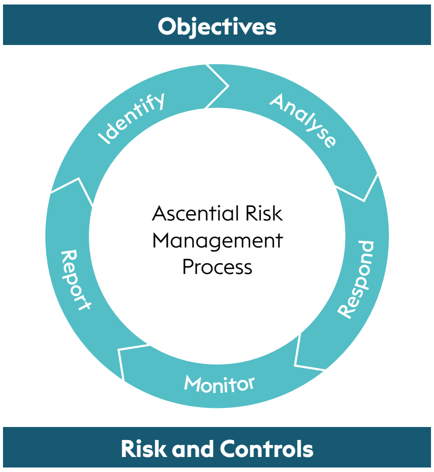
Internal controls and compliance

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

↔

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.

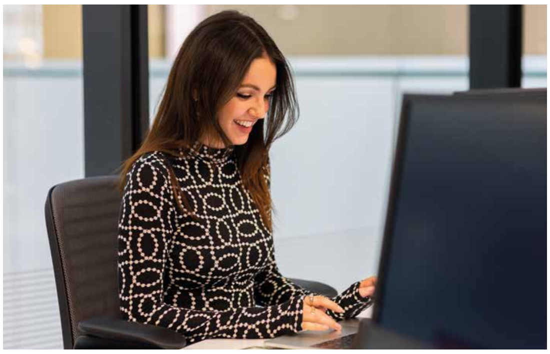
We ended 2021 in a strong position to launch two levels of leadership development programmes which commence in H1 2022 with the purpose of building the critical digital leadership skills for Ascential to become a 100% global tech business and setting us up for further success in the digital commerce 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.

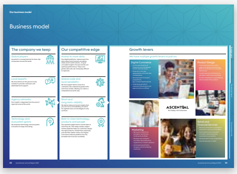
Effective stakeholder engagement helps us gain a better understanding of the impact of our decisions on stakeholder interests as well as understanding their needs and concerns. By understanding our stakeholders, we can factor into Board discussions the potential impact of our decisions on each stakeholder 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)

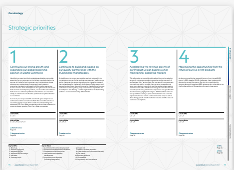


Chief Executive's statement – this explains how our key decisions in the year have supported our long-term strategy (page 10)

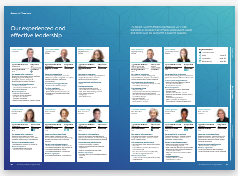
Principal risk disclosure – this identifies threats to the relationships which could disrupt the long-term success of the Company (page 50)

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

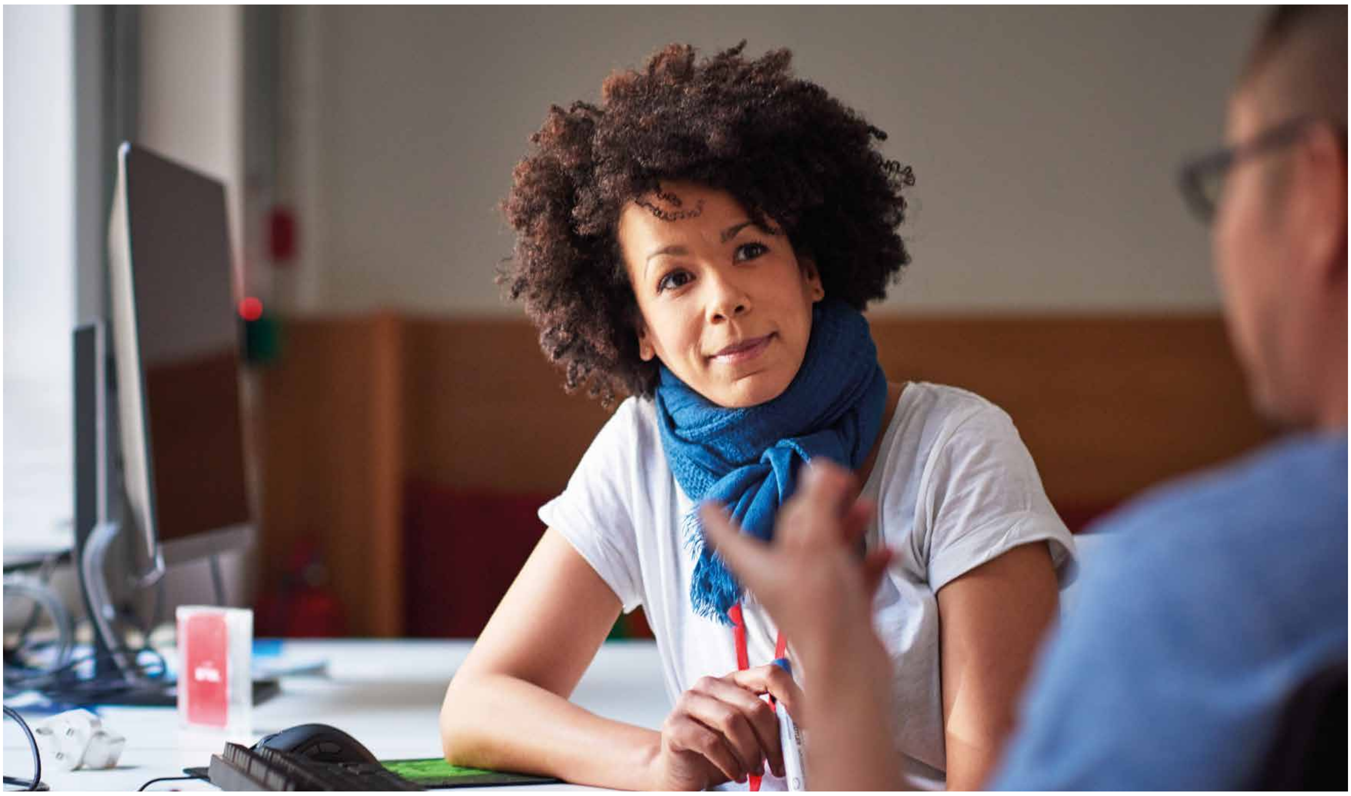
How we engage

- 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.

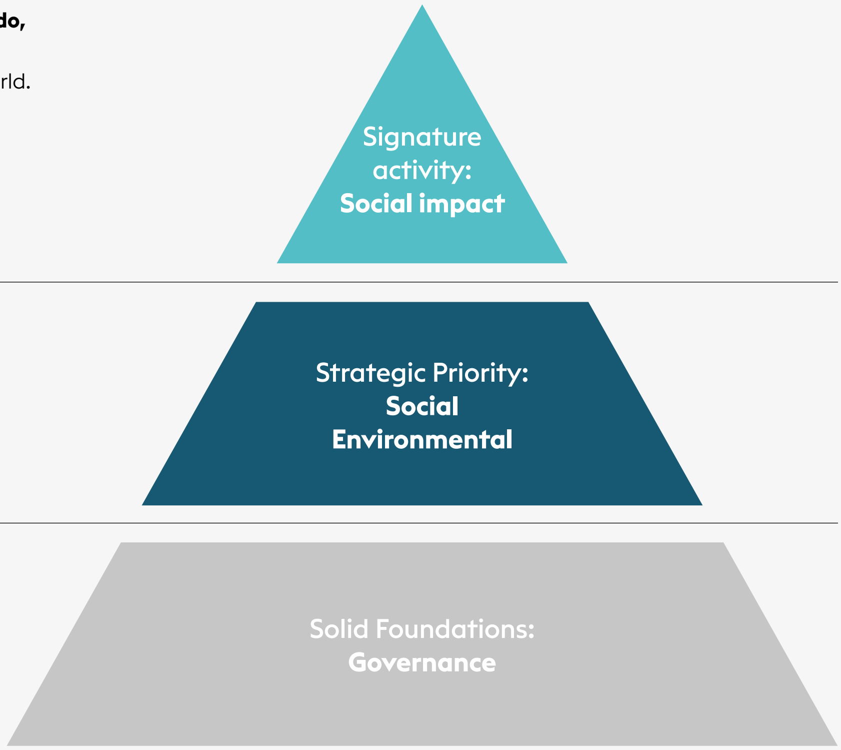
Supporting young people to thrive in a digital world.

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

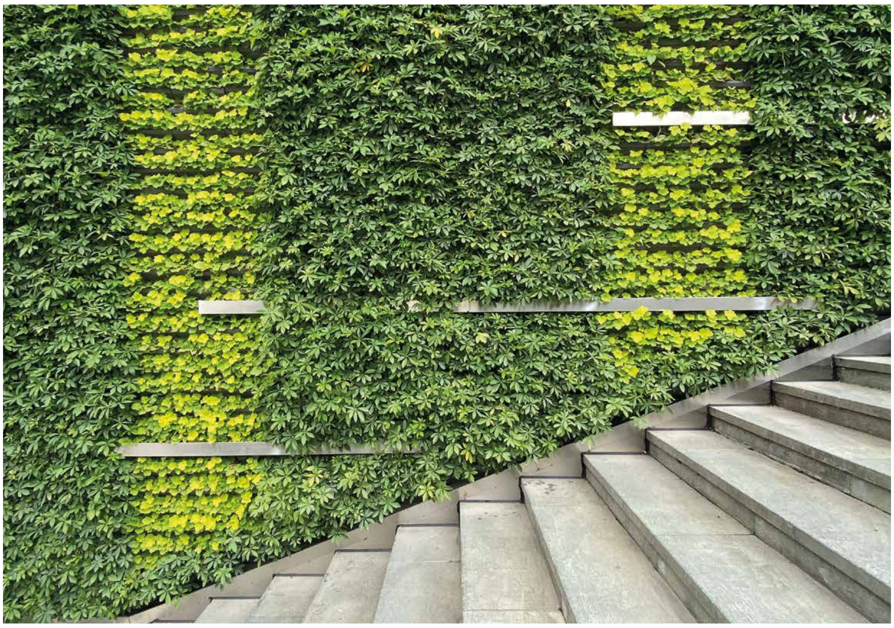
Climate change resilience

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.



CDP
DISCLOSER
2021

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 CO_2 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 ($^{t}CO_2e$) 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	**0**	Tonnes of CO_2	-100%
		28,020	**0**	kWh	
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/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 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

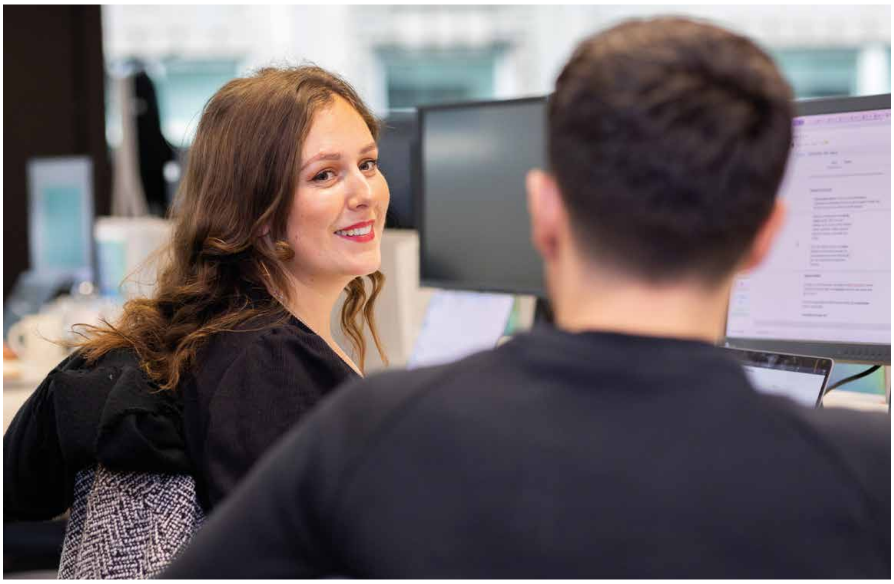
- Appointed Paul Harrison as the Executive Director with responsibility to the Board for ESG matters.
- Implemented a new global employee Code of Conduct alongside an upgraded whistleblowing tool for all staff.
- Established and evolved our Diversity and Inclusion Steering Group to reflect changing phases 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

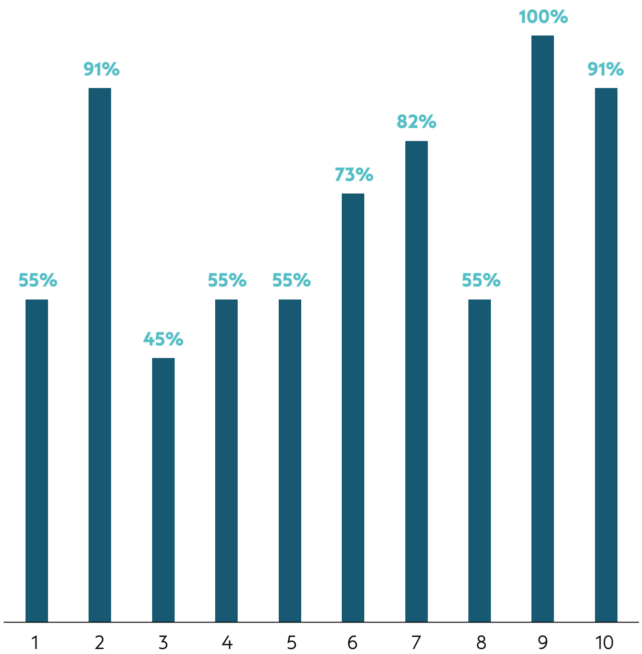
Director	Meetings attended – scheduled	%	Meetings attended – ad hoc[3]	%
Scott Forbes (Chair)	6/6	100	7/7	100
Duncan Painter (CEO)	6/6	100	7/7	100
Mandy Gradden (CFO)	6/6	100	7/7	100
Paul Harrison (COO)	6/6	100	7/7	100
Rita Clifton (NED)	6/6	100	6/7	86
Suzanne Baxter (NED)	6/6	100	5/7	72
Joanne Harris (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.

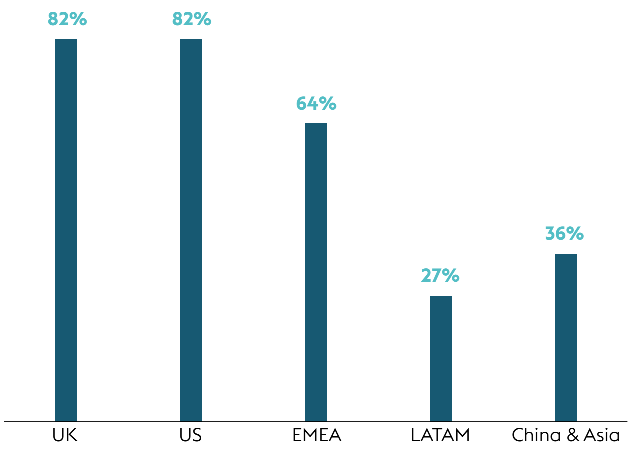
[3] Ad hoc meetings are typically called to approve acquisitions. Due to the nature of the transaction process, these meetings are often called at relatively short notice; however the Directors will have already been briefed on the proposed acquisition. Prior to the meeting, all directors unable to attend 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

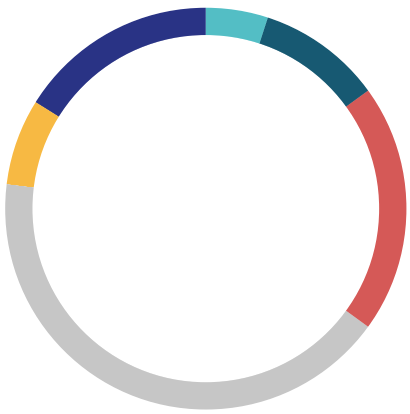
Geographical experience



Time

2021

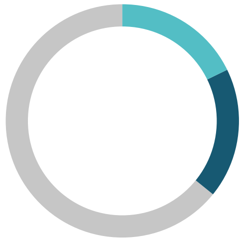
Corporate governance	5%
Capital allocation and budget	10%
Performance, operations & risk	20%
Strategy	42%
Investor relations	7%
Acquisitions	16%



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
January 2016 as NED
January 2021 as COO

Independent
No (from 1 October 2020)

Meetings attended
13/13

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
- PricewaterhouseCooper

Rita Clifton
Senior Independent Director

Appointed to the Board
May 2016

Independent
Yes

Meetings attended
12/13

Committees
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
January 2021

Independent
Yes

Meetings attended
11/13

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
- 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
January 2021

Independent
Yes

Meetings attended
12/13

Committees
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
1 April 2021

Independent
Yes

Meetings attended
11/11

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

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.

How the Board monitors culture

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.

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?

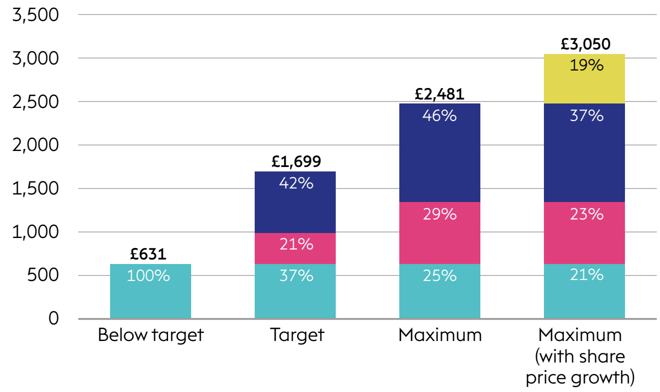
The Remuneration Committee considers the Executive Directors' remuneration in the context of the wider employee population. All of the Company's employees have the opportunity to participate in share-based rewards such as SAYE, and the wider leadership team of the Company participate in annual bonus 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?

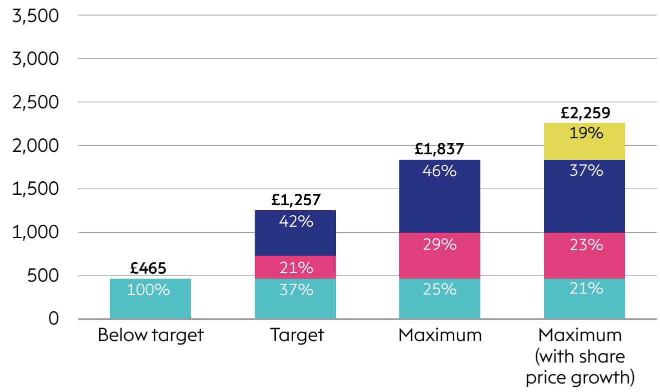
A significant proportion of total remuneration is linked to Company performance, particularly at maximum performance levels.

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.

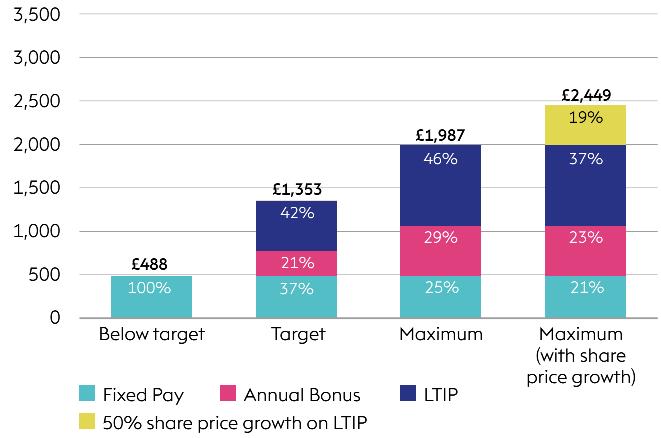
Duncan Painter
CEO £'000



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**

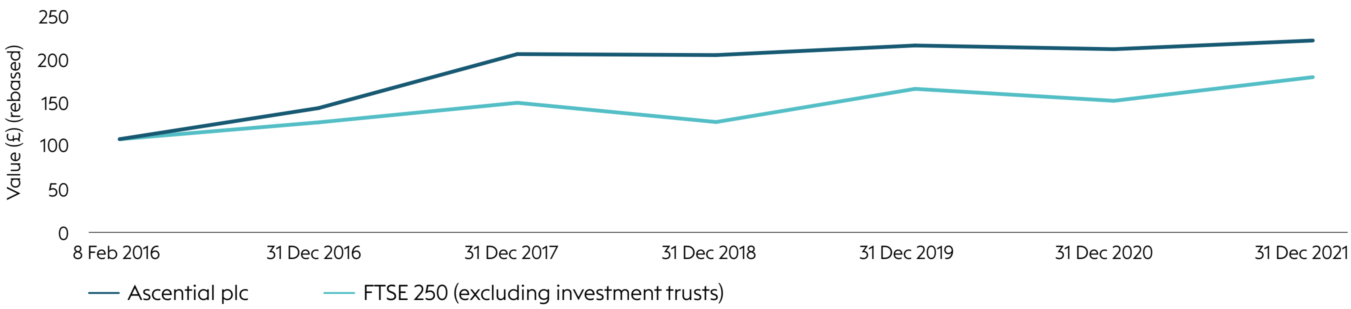
1 Paul Harrison was appointed as COO with effect from 11 January 2021 and is building his shareholding in line with the shareholding guideline.

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.

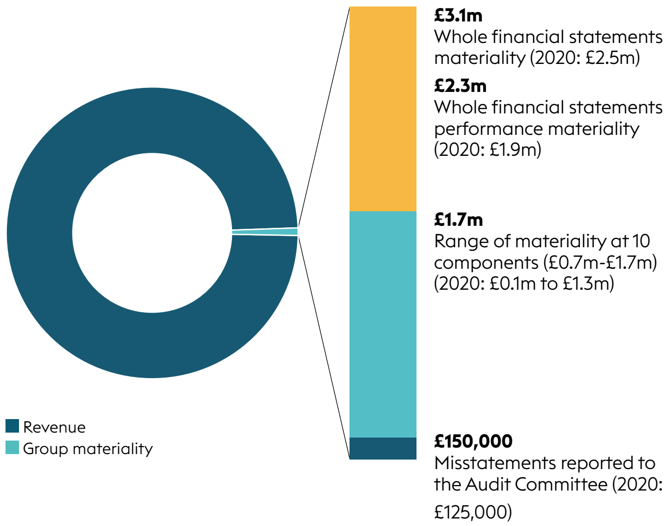
Of the Group's 92 (2020: 82) reporting components from continuing operations, we subjected 8 (2020: 7) to full scope audits for group purposes and 2 (2020: 1) to specified risk-focused audit procedures over revenue and revenue related accounts. The latter were not individually financially significant 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).

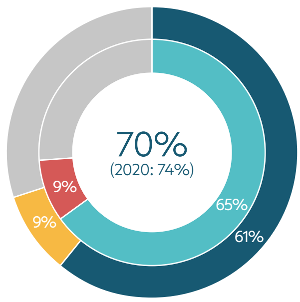
The scope of the audit work performed was predominately substantive as we placed limited reliance upon the Group's internal control over financial reporting.

Revenue benchmark from continuing operations
£349m (2020: £263.7m)

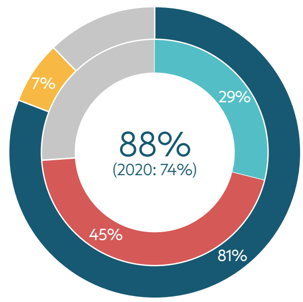
Group Materiality
£3.1m (2020: £2.5m)



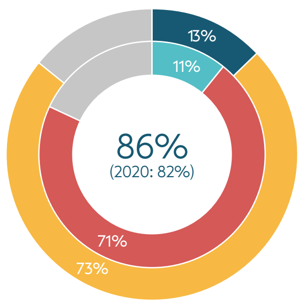
Group revenue from continuing operations

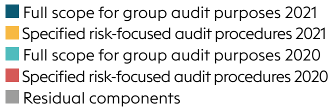


Group profit before tax from continuing operations



Group total assets





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:

	Reported*			Adjustment			Restated		
(£ million)	**Adjusted results**	**Adjusting items**	**Total**	Adjusted results	Adjusting items	Total	Adjusted results	Adjusting items	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.

Notes to the financial statements

continued

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

continued

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

continued

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 Continuing	**2021 Discontinued**	Restated* 2020 Continuing	Restated* 2020 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 Continuing	**2021 Discontinued**	Restated* 2020 Continuing	Restated* 2020 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

Notes to the financial statements

continued

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.

Notes to the financial statements

continued

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.

Notes to the financial statements
continued

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**

Notes to the financial statements

continued

16. Intangible assets and goodwill

		Acquired Intangibles					
(£ million)	Goodwill	Brands	Customer relationships	Content	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.

Notes to the financial statements
continued

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

Notes to the financial statements

continued

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

Notes to the financial statements

continued

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

continued

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.

Notes to the financial statements
continued

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%).

Notes to the financial statements

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 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

Notes to the financial statements
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.

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

FSC
www.fsc.org
MIX
Paper from responsible sources
FSC® C001785

Printed by Park Communications on FSC® certified paper.

Park works to the EMAS standard and its Environmental Management System is certified to ISO 14001. This publication has been manufactured using 100% offshore wind electricity sourced from UK wind. 100% of the inks used are HP Indigo ElectroInk which complies with RoHS legislation and meets the chemical requirements of the Nordic Ecolabel (Nordic Swan) for printing companies, 95% of press chemicals are recycled for further use and, on average 99% of any waste associated with this production will be recycled and the remaining 1% used to generate energy.

This document is printed on GalerieArt Satin paper made of material from well-managed, FSC®-certified forests and other controlled sources. The pulp used in this product is bleached using an elemental chlorine free (ECF) process.

Designed and produced by **SampsonMay**
Telephone: 020 7403 4099
www.sampsonmay.com

ASCENTIAL

Ascential plc
The Prow
1 Wilder Walk
London W1B 5AP
UK

ascential.com