ASCENTIAL

Accelerating our strategy, navigating through change

Annual Report 2020

Act today,
win tomorrow.

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

Financial highlights

Revenue[1]
£263.7m

Reported revenue reduction[1]
(31%)

Adjusted EBITDA[1, 2]
£28.5m

Adjusted EBITDA Margin[1, 2]
10.8%

Adjusted Diluted Earnings Per Share
1.9p

Net Debt
£229.3m

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

Operational highlights

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

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

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

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

Duncan Painter
Chief Executive Officer

Company overview

Who we are

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

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

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

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

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

The Ascential Solution

Digital Commerce
Measurement, optimisation and execution to drive digital commerce growth.

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

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

Retail & Financial Services
Industry-specifc information to drive performance.

Segmental review
Page 24

Revenue by geography

United Kingdom
13%

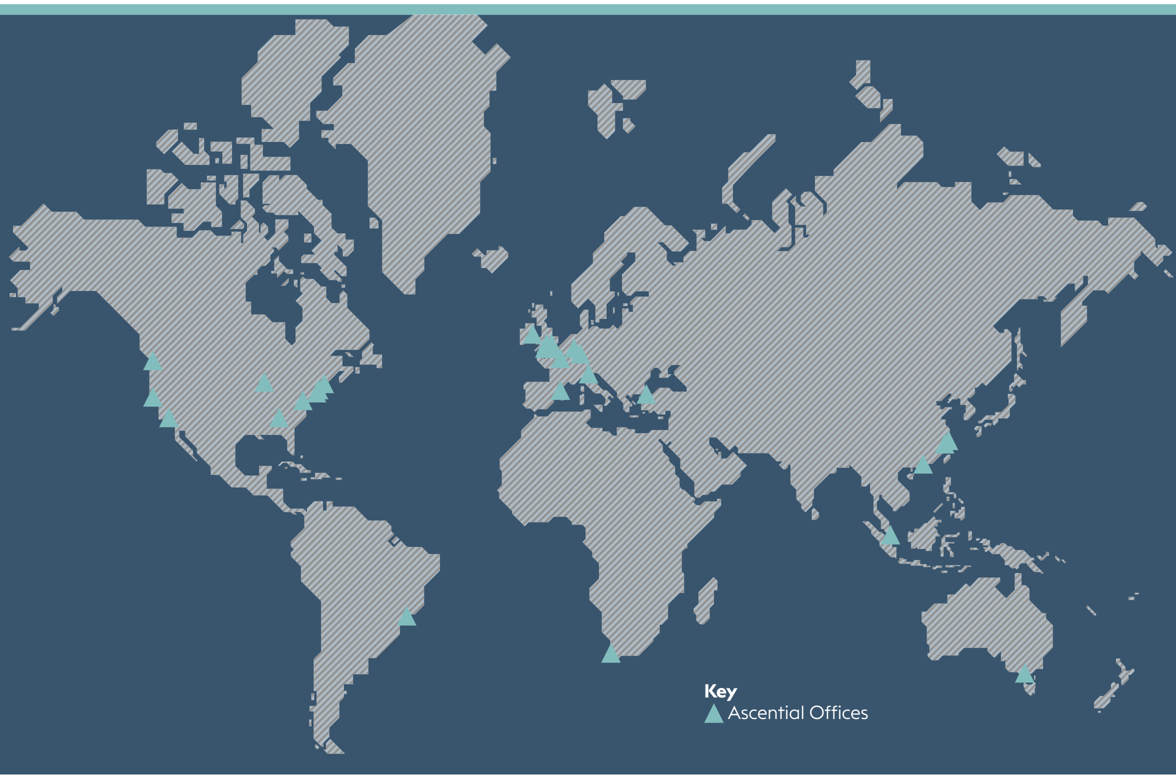
Other Europe
15%

United States and Canada
54%

Asia Pacific
13%

Middle East and Africa
2%

Latin America
3%



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

Revenue

£103m

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

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

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

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

Revenue

£88m

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

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

Coloro
Intuitive and intelligent tools for every colour requirement.

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

Revenue

£54m

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

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

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

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

Revenue

£18m

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

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

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

Countries we operate in

115

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

Employees across five continents

>2,000

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

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

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

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

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

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

Strategic focus delivering

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

Duncan Painter
Chief Executive Officer

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

Channel shift supports strategic positioning

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

2020 in perspective

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

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

Our responsibility

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

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

Capital allocation and deployment of resources

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

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

Execution against our 2020 objectives

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

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

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

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

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

Financial Results

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

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

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

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

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

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

Management and Board

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

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

2021 Priorities and Outlook

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

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

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

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

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

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

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

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

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

Duncan Painter
Chief Executive Officer
12 March 2021

The Investment Case

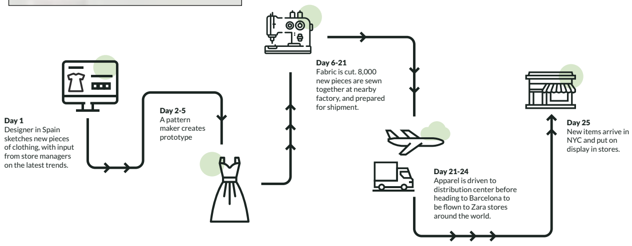
Clear long-term vision

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

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

Trusted by leading businesses Ascential has:

- best in class capabilities for the major platforms of Amazon, Alibaba and JD.com
- the widest and most comprehensive platforms for trading, measurement and share across the new entrants



Market leaders

Trusted by leading businesses

flywheel AN ASCENTIAL COMPANY

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

EDGE BY ASCENTIAL

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

YIMIAN AN ASCENTIAL COMPANY

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

WGSN AN ASCENTIAL COMPANY

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

LIONS AN ASCENTIAL COMPANY

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

WARC AN ASCENTIAL COMPANY

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

MONEY 20/20 AN ASCENTIAL COMPANY

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

Structural Growth

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

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

Digital Commerce

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

Product Design

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

Marketing

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

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

Robust business model

Digital information company

Digital Commerce largest and fastest growing business segment

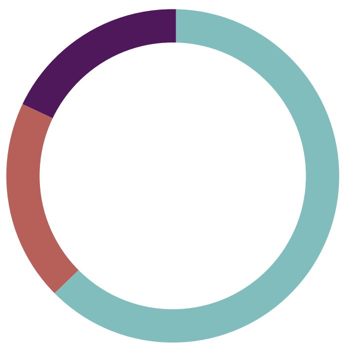
2021*

* Analyst estimate range (March 2021)

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

Growing proportion of digital based products provide resilient base

2021*



* Analyst estimate range (March 2021)

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

Stakeholder Engagement and S172

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

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

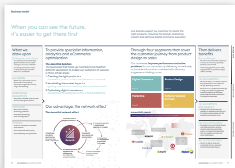
Effective stakeholder engagement helps us gain a better understanding of the impact of our decisions on stakeholder interests as well as understanding their needs and concerns. By understanding our stakeholders, we can factor into Board discussions the potential impact of our decisions on each stakeholder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

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

Our methods and outcomes

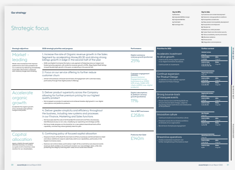
The methods we use to engage with each of these stakeholder groups and the outcomes from that engagement are set out in the following pages. In addition to this information on stakeholder engagement, other sections of this Annual Report are relevant to this statement and should be read in conjunction:

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



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

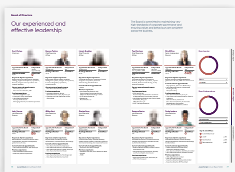
Strategy – this summarises our long-term strategy, and the progress we have made in implementing that strategy (page 20)



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

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

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



1

Our customers

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

Customer forums & feedback

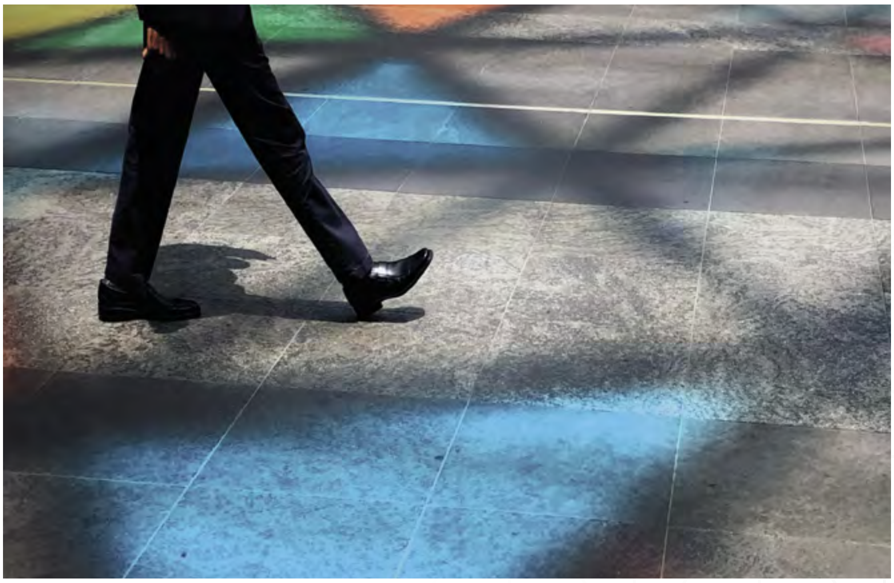
How we engage

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

Outcomes from engagement

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

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



Key accounts

How we engage

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

Outcomes from engagement

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

2

Our people

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

Health & Safety

How we engage

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

Outcomes from engagement

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

Internal communications

How we engage

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

Outcomes from engagement

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

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

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

Building a dialogue with our people

How we engage

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

Outcomes from engagement

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

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

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

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

Diversity & Inclusion

How we engage

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

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

Outcomes from engagement

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

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

Staff networks & forum

How we engage

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

Outcomes from engagement

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

Our people
Page 56

3

Our investors

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

How we engage

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

Outcomes from engagement

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

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

Governance Report
Page 82

4

Our partners and suppliers

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

How we engage

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

Outcomes from engagement

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

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

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

Business Model
Page 20

5

Wider society

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

Corporate Responsibility framework

How we engage

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

Outcomes from engagement

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

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

Volunteering day

How we engage

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

Outcomes from engagement

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

Fundraising

How we engage

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

Outcomes from engagement

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

Corporate Responsibility
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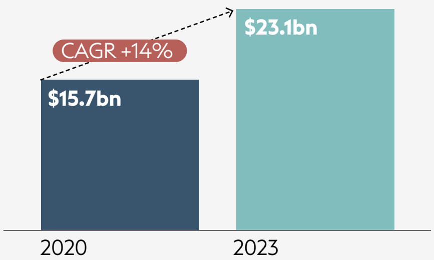
Digital revolution

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

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

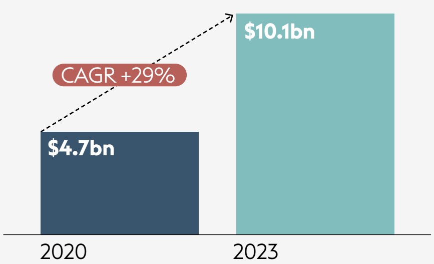
Size of Ascential's Global Markets and Forecast 2020-2023



Market: eCommerce Optimisation |
Ascential Segment: Digital Commerce

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

Global market for eCommerce Optimisation

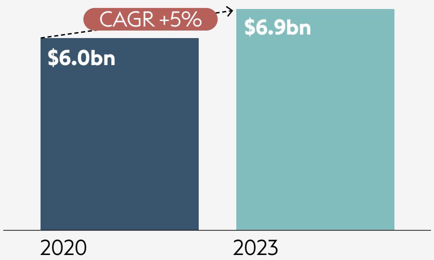


1 Review of Ascential's Markets by PwC, December 2020. The PwC market data quote in this document is sourced from a publicly available market report that can be found on www.ascential.com. PwC owes no duty of care to anyone other than Ascential in relation to this report.

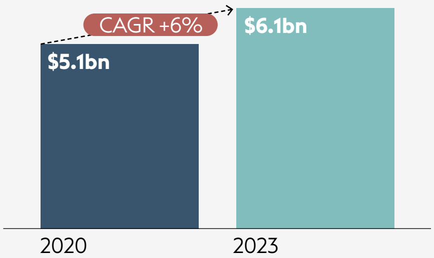
The **dominance of digital marketplaces** has also accelerated, with Tier 1 marketplaces (such as Amazon, Alibaba and JD.com) seeing faster growth in 2020, with record levels of spend and traffic confirming the advances in the underlying channel shift to eCommerce. Major marketplaces continue to invest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

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

Product Design and
Consumer Insights market



Marketing Optimisation Market



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

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

Globally, the Product Design and Consumer Insights market consists of businesses that provide insights, data, analytics, and advisory on consumer trends to help consumer brands design products. This market is estimated to be worth $6.0bn in 2020 and is forecast to grow at 5% CAGR[1] over the next three years. Ascential is focused on the higher growth parts of this segment through data-driven trend intelligence and consumer insights, which are expected to outpace market growth at the expense of more traditional market research players.

Market: Marketing Optimisation | Ascential Segment: Marketing

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

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

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

Other Specialist Markets | Ascential Segments: Retail & Financial Services

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

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

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

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

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

Segmental review
Page 26

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

What we draw upon

Colleagues and culture

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

Our Brands

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

Relationships and partners

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

Technology

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

Financial

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

* BrandZ Top 100 Most Valuable Global Brands

To provide specialist information, analytics and eCommerce optimisation

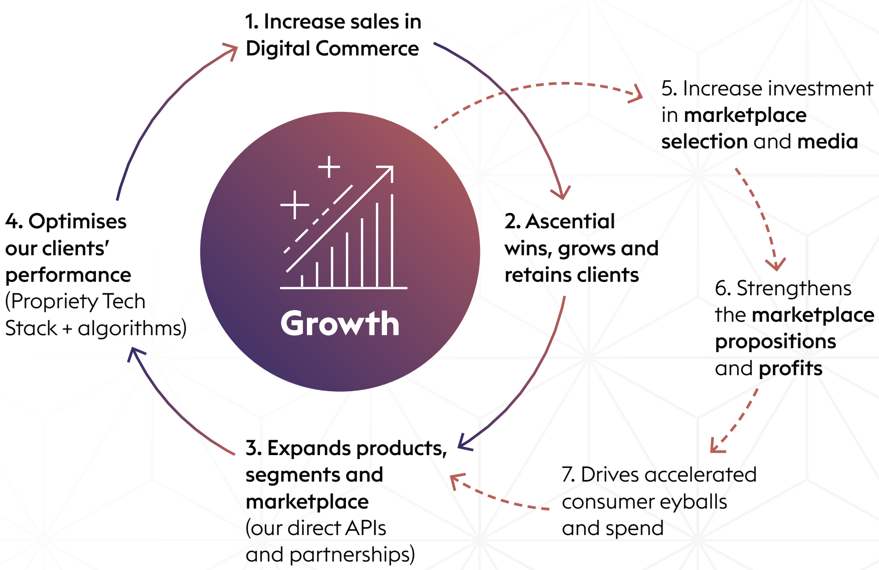
The Ascential Solution

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

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

Our advantage: the network effect

The Ascential network effect



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

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

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

Digital Commerce

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Product Design

Page 28

Marketing

Page 30

Retail & Financial Services

Page 32

Ascential's reach

Partnering in over 100 countries with major eCommerce ecosystems

That delivers benefits

For our people

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

For our customers

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

For our partners and suppliers

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

For our communities

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

For our shareholders

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

Strategic focus

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

Key to KPIs

1 / Revenue

2 / Adjusted EBITDA margin

3 / Adjusted EBITDA

4 / Net Debt

Key to risks

1 / Customer end-market development

2 / Economic and geopolitical conditions

3 / Competition/substitution

4 / New product and capability development

5 / Acquisitions and disposals

6 / People risk

7 / Reliance on data providers

8 / Cyber threat and information security

9 / Venue availability, security and access

10 / Business resilience

11 / Financial risk

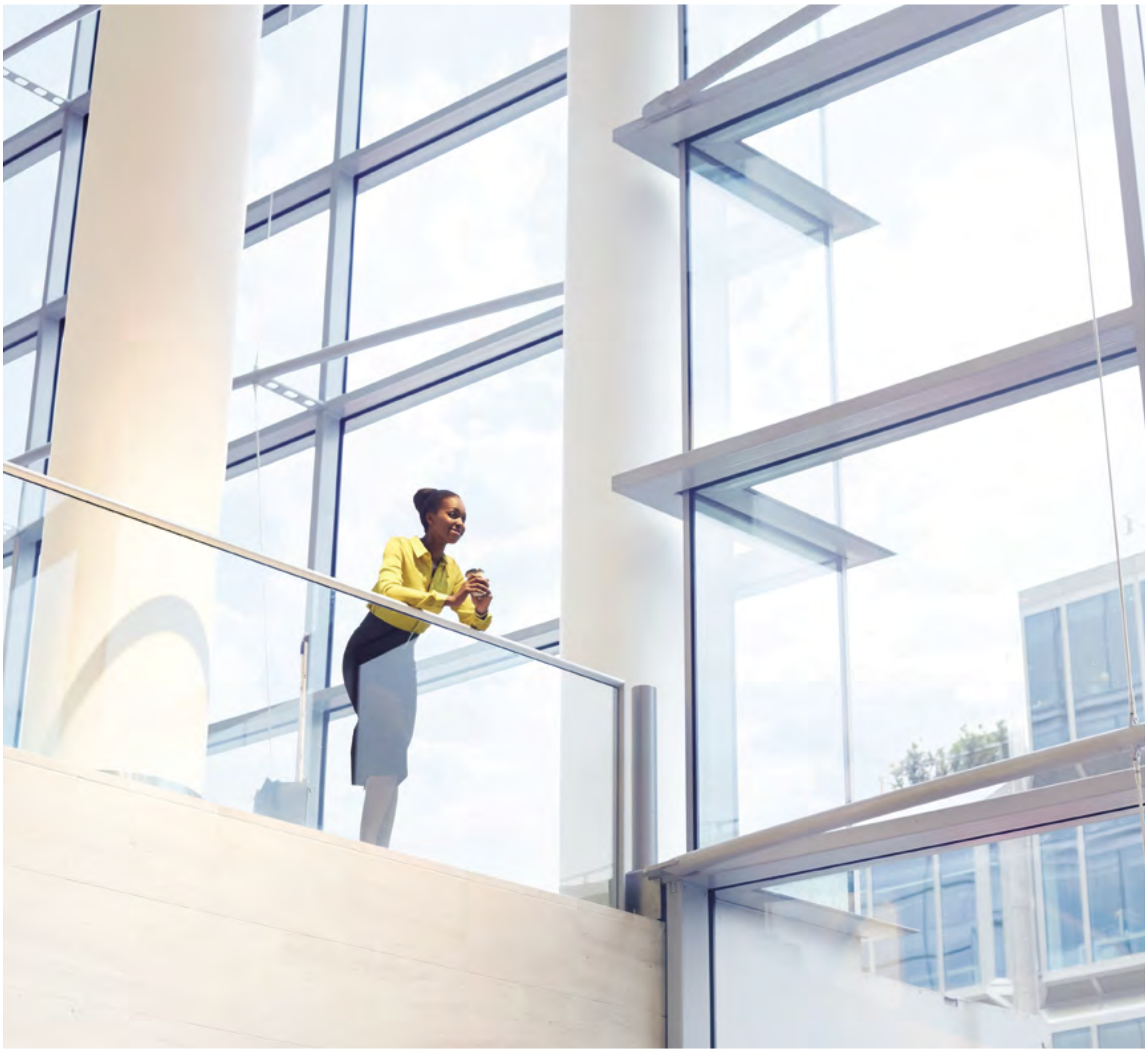
12 / Regulation and compliance

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

Measuring our success

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

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



Financial Review
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Risks
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Revenue

£263.7m

2019	380.3
2020	**263.7**

Description
Income generated from normal, continuing business operations.

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

Adjusted EBITDA Margin

10.8%

2019	28.7
2020	**10.8**

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

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

Adjusted EBITDA

£28.5m

2019	109.0
2020	**28.5**

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

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

Net debt

£229.3m

2019	170.6
2020	**229.3**

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

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

Dashboard

Revenue streams by type | **Growth review**

Revenue

£103m

● Digital subs & platforms	93%
● Advisory	7%

Reported revenue growth

+32%

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

Revenue

£88m

● Digital subs & platforms	92%
● Advisory	8%

Reported revenue growth

+3%

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

Revenue

£54m

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

Reported revenue growth

(60%)

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

Revenue

£18m

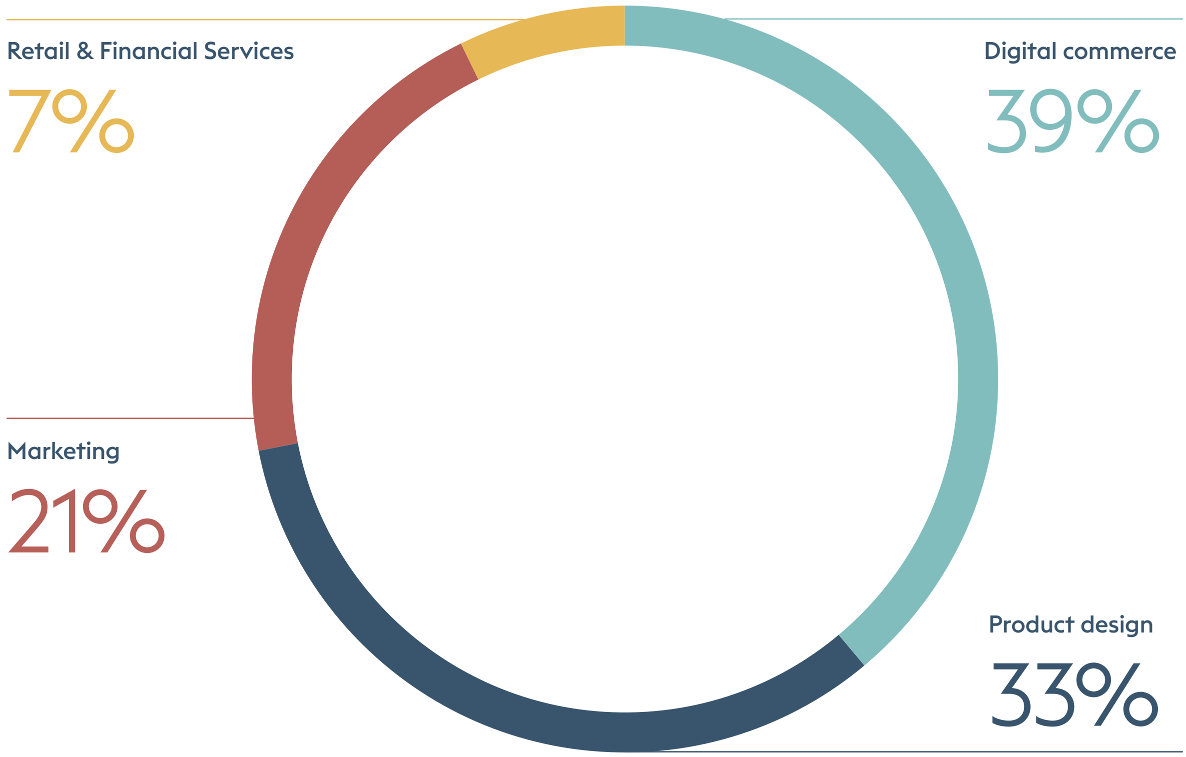
● Digital subs & platforms	79%
● Advisory	12%
● Events	9%

Reported revenue growth

(78%)

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

Proportion of Ascential Revenue



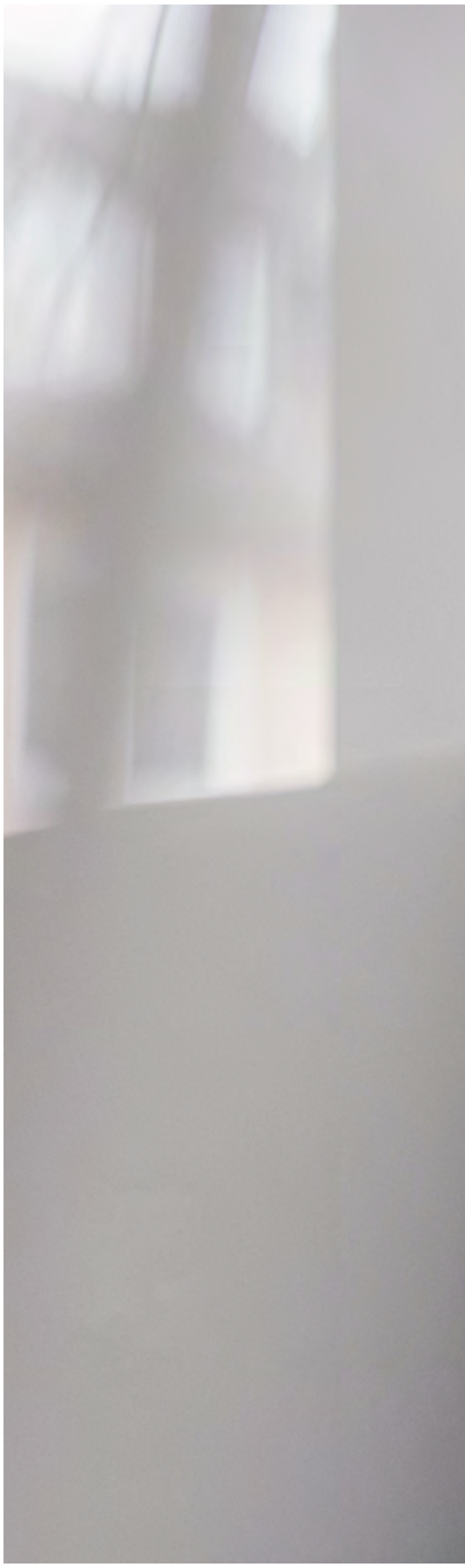
Segmental performance overview

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

Group financial overview 2020

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

Digital Commerce



Digital Commerce grew revenues by 23% on an Organic basis and 25% including Yimian and Indigitous on a Proforma basis. Two-thirds of the growth was from new customers with one-third being expansion of our existing customer base. Profits grew significantly, driven by the high level of revenue growth which more than offset continuing investment in geographic and platform expansion.

During 2020 the Digital Commerce businesses came together under the joint leadership of Chip DiPaula and Patrick Miller (the co-founders of Flywheel Digital). In September Digital Commerce Live was launched, a week-long series of online content sessions exploring the future of the sector aimed at key customers and hosted by staff from across Edge, Flywheel and Yimian. Subsequently, the whitepaper Retail 5.0 was published, which highlighted the key considerations for CPG customers to succeed in eCommerce, in particular the necessity for marketplace-specific trading strategies.

Flywheel saw extremely strong growth over the year, adding 94 new customers, continuing its expansion in Europe, India and Japan and launching services on emerging digital platforms such as Walmart, Kroger and Instacart. Notable customer wins in the year included Kellogg's.

Early in 2020, we extended our coverage into the active lifestyle category, with the acquisition of Indigitous, an Amazon-focused managed service provider based in Seattle. Flywheel's business model is highly leveraged towards customer success. Its revenue model split between variable revenue streams from full-service retail and media only engagements (c.80%) and those with fixed price retainers (c.20%). Therefore, a further driver of growth has been the accelerated shift in consumers' activity to online channels, particularly in the personal health and household categories, which reached record levels in 2020.

In 2020, Edge restructured its Retail Insight business and closed its loss-making retailer Price & Promotion services in the US market, thus focusing solely on serving consumer brands, (with retailers and other service providers now served through the Retail & Financial Services business unit).

Proforma Revenue Growth

25%

Overall, Edge enjoyed solid trading in billings, particularly in the second half after the completion of the integration of its products and services. Digital Shelf, Edge's largest product, achieved double-digit billings growth, while new business overall returned to strong double-digit growth in the second half of the year. The business completed all major customer-facing elements of its integration programme in the first half, with the launches of Market Share 2.0 and Digital Shelf 2.0 to customers early in the year. These achievements have been key in addressing customer needs, arising from the substantial uplift in eCommerce data flows throughout the pandemic period. Overall, Edge acquired 56 new customers in the year, with significant wins including Dyson, Carlsberg and Beiersdorf, as well as global customer agreements with Coca-Cola and Adidas. The partnership with Yimian continues to be a successful channel, providing Market Share insight for our global brand customers and, and, following the acquisition of Intellibrand, we plan to expand Edge services to include coverage of Food Service Aggregators.

Yimian added 22 new customers in the year, including cross sells with Edge customers L'Oréal and Reckitt Benckiser. The business more than doubled its size in 2020 launching market share services in South East Asia as well Offline) coverage in China. It was recognised as one of the 50 leading Retailtech enterprises by KPMG China. In 2021 we plan to consolidate our China platform and expand services into South East Asia.

Product Design

WGSN, a leading global supplier of trend forecasts, market intelligence and consumer insight, helps customers understand the future demands of consumers. Information is delivered principally through digital subscriptions (over 90% of revenue) to around 6,200 customers in over 90 countries.

Product Design had a solid year overall, growing revenue organically by 1%, underpinned by its subscription base, which more than offset the pandemic-influenced 9% decline in its Mindset advisory business. Subscriptions were 92% of 2020 revenue (2019: 91%). The small reduction in profit over the prior year reflected a higher charge for bad debts as a result of the pandemic as well as investment in new products. Our addressable market within Product Design is estimated to be $6.0 billion growing at 5% per annum over the period from 2020 to 2023.

Subscription revenues saw overall growth tempered to 2% as tougher trading conditions from the earlier part of the year weighed on revenues, despite billings recovering materially at the end of the year with Q4 billings growth of 6%. The take-up of non-apparel focused subscriptions, such as Insight and Beauty continues to be the chief engine of growth with the fashion product in continued decline. Subscription renewal rates have remained strong during the pandemic, although overall slightly below historic norms of c. 90%. WGSN also achieved record Net Promoter Scores from its subscribers for the year, up 6 points on 2019, underlining the value of the information we deliver to customers and the strength of the WGSN brand. In terms of the advisory business, there were indications of a recovery in demand towards the end of the year, while the smaller Coloro business grew extremely strongly.

We have continued to develop our product offerings throughout the year adding increasingly authoritative quantitative data to our trend forecasting solutions with investment in decision science and collaboration with Edge underpinning new offerings like the Trend Curve. In June, we successfully launched the new Food & Drink product, continuing our strategy to address adjacent markets, utilising data from other Ascential products (such as Edge) and following the launches of Beauty and Trend Curve in 2019.

Beauty has now exceeded 400 customers, expanding into five languages and growing billings to c.£3m, while Food & Drink has now exceeded 100 customers, providing global trend insights, curated data and industry expertise, for brands to develop the products and services that consumers will eat, drink and experience in the near future. Additionally, in Q4 2020 we launched Start by WGSN, an offering focused on smaller and micro brands.

Looking ahead, we will continue to explore new market segments where our expertise in trend forecasting can be adapted, with a new product covering consumer electronics targeted for launch in 2021, and pursue initiatives to double the rate of new business acquisition.

Digital subscriptions % of revenue

90%

Marketing

Lions, through both the awards and festival in June and its digital products and advisory business, is the global benchmark for creativity in the branded communications industry while WARC is the global authority on marketing effectiveness for brands, agencies and media platforms. MediaLink is a leading strategic advisory firm that serves the media and marketing ecosystem.

Despite the continuing strong performance of digital subscriptions through WARC and The Work, the Marketing segment was significantly impacted by the government restrictions arising from the Covid-19 pandemic, specifically the cancellation of the 2020 Lions festival. The associated economic conditions, which have been keenly felt by the marketing industry, have also adversely impacted MediaLink's advisory business. As a result, revenue in the Marketing business unit declined by 59% overall and made a small loss at the Adjusted EBITDA level. Our addressable market within Marketing is estimated to be $5.1 billion growing at 6% per annum over the period from 2020 to 2023.

In the absence of the physical edition of the festival in 2020, Lions revenue in 2020 came principally from The Work's subscription-driven revenues together with the Advisory in Creative Excellence practice, where major clients included AB InBev and PepsiCo. Given the absence of both awards and face-to-face events and to drive year-round engagement with the brand, Lions launched LIONS Live: a broadcast programme of interviews with industry leaders, masterclasses and other original digital content that attracted an audience of over 80,000 from the marketing community and generated revenue from sponsorship. The success of this initiative confirms the brand's strength as the focal point for the creative industry and gives us significant audience to build digital revenues from in the future.

Looking to 2021, the Lions awards will cover work created over two years from March 2019 to April 2021. The awards will be fully digital with our global juries operating in a virtual format, a solution that has been successfully applied at Lions' Eurobest awards in December 2020 and those at Spikes Asia and Dubai Lync in early 2021. We are planning for a hybrid virtual and, if possible, physical event to ensure we meet the needs, plans and restrictions of our clients and partners. Our launch of Lions Membership Services is planned to deliver year-round digital engagement with the platform.

WARC recorded strong revenue growth, underpinned by the performance of subscription renewals and supported by the first full year of its advisory offering and expansion into brands and new geographies. In common with other businesses, WARC saw record levels of engagement in its digital content and frew its NPS score by 6 point. Highlights in the year included a programme to educate brand marketers on diversity and activism, with a key initiative in partnership with Cannes Lions (and bodies such as the 4A's Foundation) to bring industry knowledge to Historically Black Colleges and Universities via access to WARC and Lions' The Work platforms at zero cost.

WARC also collaborated with Lions Live, where it launched the Creative Effectiveness Ladder, a universal code to unlock successful marketing strategies, and supported several insight sessions delivered to Edge's customers, including the Digital Commerce Accelerator summit focusing on the development of eCommerce in China. WARC finished the year with the 10th edition of the Marketer's Toolkit: "navigate through uncertainty", including insights from our Digital Commerce businesses, as well as Lions, MediaLink and WGSN, providing an overview of the challenges to consider, opportunities to explore and actions to take in 2021.

MediaLink saw challenging trading conditions associated with the Covid-19 pandemic and specifically economic pressures on its core customer base. This was manifested by lower levels of retainer business, and reduced project and search activity, while the absence of the Cannes Lions festival, a major platform for the industry, reduced the opportunity to drive new business. Nevertheless, June saw the launch of the MediaLink Beach Online delivering tailored activation meetings to clients and a curated series of insights from senior figures engaging the wider industry.

Towards the end of the year the business began to see the return of significant advisory project work, suggesting the disruption the pandemic has brought to the industry is beginning to drive demand for MediaLink's transformation expertise. Most recently, MediaLink was appointed the official C Space partner for the first wholly virtual edition of CES, in January 2021, emphasising the pivotal role it plays in the wider industry.

Retail & Financial Services

The Retail & Financial Services segment comprises Money20/20 and Retail Week World Retail Congress as well as the Alternative Data team (previously reported in the Product Design segment) and the retail customers previously within the Digital Commerce business. Money20/20 is the leading point of reference for digital payments product strategy worldwide.

Money20/20's US and European congresses, which focus on the evolution of consumer payment and financial services across multiple channels, were not able to run in 2020 due to the restrictions arising from the Covid-19 pandemic. In the absence of physical events, customer engagement was channelled through the brand's virtual content, achieving record levels of audience reach. In October, we successfully launched MoneyFest, a week-long virtual series of talks, seminars and networking opportunities for the Fintech community which attracted over 12,000 participants. Additionally, The Money Pot podcast, which addresses the current forces and ideas shaping the future of money, achieved downloads over seven times the level seen at its launch in 2019.

Looking forward to 2021 we are taking the opportunity to relaunch and streamline Money20/20 and will focus our efforts on running the European and US editions with both Asia and China editions on hold for now.

The scale of rebound in 2021 will depend on the removal of restrictions on the hosting of large-scale events, the global economy, the rates of vaccine deployment worldwide and customers' propensity to travel and attend large-scale events this coming Autumn. In this regard, we are fortunate that Money20/20 is the most significant annual event in our industry and that payments technology continues to be an attractive end market.

Retail Week and World Retail Congress (WRC) serve the needs of UK and Global retailers and their ecosystem. The live events WRC Rome and Retail Week Live were cancelled for 2020 as a result of the restrictions arising from Covid-19 pandemic and will run in September 2021 and October 2021 respectively. Following cancellation of the live WRC event in 2020, the digital event WRC Connected was launched attracting over 4,000 attendees. The subscription business of Retail Week continued to experience revenue declines driven by the weak underlying retail environment, which has been further impacted by the pandemic restrictions.

Alternative Data serves our financial services clients information delivered primarily through digital subscriptions. With the financial services industry proving robust in an otherwise turbulent year, this brand achieved over 50% revenue growth, increasing its customer base by c.40% and achieving value renewal rate in excess of 100%.

The businesses serving retail customers previously within the Digital Commerce business (Price & Promotion and Retail Insights products) experienced challenging trading in the year. The focus in 2021 is to leverage the existing strong retail relationships across the Retail & Financial Services business unit, driving growth back into these brands.

Discontinued Operations

Built Environment & Policy Segment

The Built Environment & Policy Segment comprised the Groundsure, Glenigan and DeHavilland digital information products.

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

All three brands in the segment were sold in the first quarter of 2021 and we are pleased to have found new owners for each of the Built Environment & Policy businesses who will continue to nurture their strong teams and potential. The sale of these businesses represents a significant moment in the realisation of our strategic goals, meaning we are now wholly focused on our core business areas that serve customers across digital marketplaces.

	Year ended 31 December (£'m)		Growth (%)		
	2020	2019	Reported	Organic	Proforma
Revenue	**37.4**	35.9	+4%	+1%	+1%
Adjusted EBITDA	**19.7**	17.0	+16%	+14%	+14%
Adjusted EBITDA Margin	**53%**	47%	–	–	–
Adjusted EBITDA including stranded costs	**21.5**	19.5	–	–	–

Financial review

Mandy Gradden
Chief Financial Officer

In 2020, we demonstrated delivery against our long-term strategic priorities and resilience against a challenging backdrop. Although revenue and profits declined due to the impact of Covid-19 restrictions on events, the Digital Commerce segment grew very strongly and Product Design was highly resilient.

Overview

The results for the year are set out in the consolidated statement of profit or loss and show, for continuing operations, revenue of £263.7m (2019: £380.3m) and an operating loss of £166.5m (2019: operating profit of £1.8m). The major charges creating the operating loss were revaluation of deferred consideration of £97.6m (2019: £33.1m), impairment of goodwill and intangibles in the retail business of £28.4m (2019: £nil) and annual amortisation of acquired intangibles of £33.7m (2019: £35.6m). These significant items are discussed in detail below.

Adjusted EBITDA was £28.5m (2019: £109.0m) reducing in large part due to the cancellation of our events in the year. We delivered solid cash flow performance in 2020 with free cash outflow from continuing operations after tax and capex of £0.7m (2019: inflow £73.4m), an operating cash flow conversion on continuing activities of 90% (2019: 86%).

A core KPI and strategic goal of the Company is Organic revenue growth rate. We believe that this is the most efficient method of growth, measures the underlying health of the business and is a key driver of shareholder value creation. Organic revenue growth rate eliminates the impact of acquisitions (counting them only once they have been owned for 12 months) and disposals and that element of growth which is driven by changes in foreign exchange rates. It is an Alternative Performance Measure and is discussed in more detail on page 45. Proforma growth rate is measured in a similar way to Organic growth rate but assumes that the Group's acquisitions were all made on 1 January 2019 and is therefore a measure of the rate of growth of the brands owned today.

Adjusted EBITDA is also an Alternative Performance Measure and is used in the day-to-day management of the business to aid comparisons with peer companies, manage banking covenants and provide a reference point for assessing our operational cash generation. It eliminates items arising from portfolio investment and divestment decisions and, from changes to capital structure. Such items arise from events which are non-recurring or intermittent, and while they may generate substantial income statement amounts, do not relate to the ongoing operational performance that underpins long-term value generation.

Continuing operations

The results for the year are summarised in the table below.

£'m	2020	2019*	Growth rate Reported*	Organic	Proforma
Revenue	**263.7**	380.3	(30.7%)	(32.2%)	(31.1%)
Adjusted EBITDA	**28.5**	109.0	(73.8%)	(75.5%)	(73.0%)
Operating (loss) / profit	**(166.5)**	1.8	nm	nm	nm

* Restated for discontinued operations (see Note 10).

Segmental results

In September 2020, a comprehensive reorganisation of Ascential into five new divisions was announced which resulted in a change in the way our operating results were regularly reported and reviewed. By December 2020, we had created and committed to plans to discontinue and dispose of the Built Environment & Policy segment, which was subsequently achieved in three separate transactions announced in December 2020, January 2021 and February 2021. The Group therefore now has four continuing reportable segments namely Digital Commerce, Product Design, Marketing and Retail & Financial Services. Information regarding the results of each is included below.

£'m 2020	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate costs	Continuing operations
Revenue	**103.1**	**88.1**	**54.3**	**18.2**	**–**	**263.7**
Organic growth	**23%**	**1%**	**(59%)**	**(77%)**		**(32.2%)**
Proforma growth	**25%**	**1%**	**(59%)**	**(77%)**		**(31.1%)**
Adjusted EBITDA	**22.9**	**38.0**	**(0.8)**	**(14.3)**	**(17.3)**	**28.5**
Organic growth	**75%**	**(6%)**	**(101%)**	**(157%)**		**(75.5%)**
Proforma growth	**85%**	**(4%)**	**(101%)**	**(157%)**		**(73.0%)**
Adjusted EBITDA margin	**22%**	**43%**	**nm**	**nm**		**10.8%**
Depreciation and software amortisation	**(6.3)**	**(4.7)**	**(6.1)**	**(2.3)**	**(3.1)**	**(22.5)**
Adjusted operating profit	**16.6**	**33.3**	**(6.9)**	**(16.6)**	**(20.4)**	**6.0**
2019*						
Revenue	78.1	85.7	135.9	81.1	(0.5)	380.3
Adjusted EBITDA	12.3	38.2	50.7	25.1	(17.3)	109.0
Adjusted EBITDA margin	*16%*	*45%*	*37%*	*31%*		*28.7%*
Depreciation and software amortisation	(4.0)	(4.0)	(7.5)	(2.8)	(3.5)	(21.8)
Adjusted operating profit	8.3	34.2	43.2	22.3	(20.8)	87.2

* Restated for new operating segments and discontinued operations (see Note 10).

Revenue

The Company benefits from diverse revenue streams across its segments ranging from digital subscriptions to live events to advisory. Most of these revenue streams have recurring or repeat characteristics and benefit from our focus on customer retention.

	2020 £'m	2019 £'m	Proforma Growth
Digital Subscriptions & Platforms	**95.6**	72.0	25%
Advisory	**7.5**	6.1	24%
Digital Commerce	**103.1**	**78.1**	**25%**
Digital Subscriptions & Platforms	**81.3**	78.4	2%
Advisory	**6.8**	7.3	(9%)
Product Design	**88.1**	**85.7**	**1%**
Digital Subscriptions & Platforms	**17.0**	15.8	8%
Advisory	**35.0**	49.8	(29%)
Benchmarking Awards	**1.0**	29.2	(97%)
Events	**1.3**	41.1	(97%)
Marketing	**54.3**	**135.9**	**(59%)**
Digital Subscriptions & Platforms	**14.3**	14.8	(3%)
Advisory	**2.2**	2.2	2%
Events	**1.7**	64.1	(97%)
Retail & Financial Services	**18.2**	**81.1**	**(77%)**
Advisory	**–**	(0.1)	2%
Events	**–**	(0.4)	nm
Intersegment Sales	**–**	**(0.5)**	nm
Digital Subscriptions & Platforms	**208.2**	**181.0**	**(11%)**
Advisory	**51.5**	**65.3**	**(21%)**
Benchmarking Awards	**1.0**	**29.2**	**(97%)**
Events	**3.0**	**104.8**	**(97%)**
Total	**263.7**	**380.3**	**(31%)**

* Restated for new operating segments and discontinued operations (see Note 10).

Digital Commerce is now our largest segment and revenues here grew very strongly by 25% with revenue from Product Design also robust. However our overall revenues from continuing operations fell to £263.7m (2019: £380.3m), a decrease of £116.6m or 30.7% with £130.0m of the reduction driven by the impact of Covid-19 on our events in the Marketing and Retail & Financial Services segments. Adjusting for currency impacts and acquisitions, revenue declined by 32.2% and 31.1% on an Organic and Proforma basis respectively.

Adjusted EBITDA

The Covid-19 driven revenue reduction of £116.6m between 2019 and 2020 was accompanied by an intense focus on costs which consequently reduced by £36.1m compared to 2019 and by more than £50m against that planned for 2020. As a result, Adjusted EBITDA decreased by £80.5m to £28.5m (2019: £109.0m).

Adjusted EBITDA margin decreased from the prior year to 10.8% (2019: 28.7%). This reflects the loss of EBITDA in the Marketing and Retail & Financial Services segments while margins in the pure-play digital businesses remained stable and we continue to see the evidence of the superior margin opportunities in scaled, mature, digital subscription businesses like Product Design.

Adjusted EBITDA is reconciled to statutory operating profit as shown in the table below:

£'m	2020	2019
Adjusted EBITDA	**28.5**	109.0
Depreciation and software amortisation	**(22.5)**	(21.8)
Adjusted operating profit	**6.0**	87.2
Amortisation	**(33.7)**	(35.6)
Exceptional items	**(140.4)**	(41.4)
Share-based payments	**1.6**	(8.4)
Statutory operating (loss) / profit	**(166.5)**	1.8

* Restated for discontinued operations (See note 10)

Amortisation of acquired intangible assets

The amortisation charge of £33.7m (2019: £35.6m) on acquired intangible assets decreased mainly due to the impact of fully amortised assets. The Company undertakes a periodic review of the carrying value of its intangible assets of £674.1m (2019: £760.7m) and an impairment of £28.4m has been recorded in Exceptional items.

Exceptional items

The charge for exceptional items in 2020 totalled £140.4m (2019: £41.4m) as set out in the table below and further explained in Note 5.

£'m	2020	2019*
Deferred and contingent consideration	**97.6**	33.1
Impairment of Retail & Financial Services assets	**28.4**	–
Restructuring costs	**7.0**	–
Property impairments and onerous contracts	**4.8**	–
Acquisition and disposal transaction and integration costs	**2.6**	8.3
Exceptional items relating to continuing operations	**140.4**	41.4

The charge for deferred and contingent consideration of £97.6m (2019: £33.1m) predominantly (£88.2m) represents the revaluation of the earnout liability on the acquisition of Flywheel Digital due to the significantly better than expected performance of this business in 2020 and forecast in 2021. This is in part driven by the accelerated end market for Digital Commerce arising from the Covid-19 pandemic. The remaining £9.4m of the charge relates to revaluation and acquisition-related contingent employment costs on the acquisitions of MediaLink, Yimian and Indigitous.

The Covid-19 pandemic has, on the other hand, exacerbated the long-standing difficulties faced by bricks and mortar retailers. This has impacted our Retail & Financial Services segment where we have recognised impairments of tangible and intangible assets totalling £28.4m (2019: £nil).

Restructuring costs represent the one-off expenses of redundancy programmes in the year to respond to the economic conditions and impacts from the Covid-19 pandemic whereby we reduced our headcount by almost 200 roles.

Property impairments and onerous contracts represent the re-evaluation of our property right of use assets and the provisioning for onerous charges in relation to a change in our employee working strategy. This has been driven primarily by the ability of our workforce to effectively work from home over the pandemic and the consequent lower future expected utilisation of our real estate and relates to offices expected to remain permanently closed.

Acquisition and disposal transaction and integration costs comprise fees and advisory services conducted in 2020 relating to the acquisitions of Indigitous, Intellibrand and X Target, as well as integration costs for Yimian and, in H1, Edge. Additionally, in respect of Discontinued operations, similar costs were incurred relating to the disposal of the Groundsure, Glenigan and DeHavilland businesses and the acquisition of Mining Searches UK.

Share-based payments

The credit for share-based payments of £1.6m (2019: £8.4m charge) incorporates the Share Incentive Plan, the SAYE and the Performance Share Plan. The reduction in the charge reflects revised expectations on the vesting of the Performance Share Plan awards due to the expected performance of the Group versus the non-market based target performance conditions (for example the EPS performance condition for the 2018 and 2019 awards based on EPS growth to 2020 and 2021 respectively has not and is not expected to be met in either case because of the impacts of Covid-19).

As explained in the Alternative Performance Measures section, we treat share-based payments as an adjusting item because they are significant non-cash charges and credits driven by a valuation model that references Ascential's share price and so is subject to volatility rather than referencing current operational performance.

Finance costs

The Adjusted net finance cost for the year was £15.7m (2019: £10.3m) as set out in the table below:

£'m	2020	2019
Interest payable on external borrowings	**(7.4)**	(6.8)
Interest receivable	**0.3**	0.9
Amortisation of loan arrangement fees	**(0.8)**	(1.1)
Discount unwind on deferred and contingent consideration	**(7.9)**	(5.5)
Discount unwind of lease liability	**(1.1)**	(1.3)
Discount unwind of property provisions	**(0.1)**	(0.1)
Fair value loss on derivative financial instruments	**(0.3)**	–
Net foreign exchange gain	**0.2**	2.0
Remeasurement of trade investments to fair value	**1.4**	1.6
Adjusted net finance costs	**(15.7)**	(10.3)

The interest payable on the Group's borrowings was £7.4m (2019: £6.8m) with the increase due to the higher levels of cash and debt held in the first half of the year to assure liquidity in the early days of the Covid-19 pandemic. The increase in the unwind of the discount on deferred and contingent consideration totalling £7.9m (2019: £5.5m) was driven by the significant revaluation adjustment made in respect of Flywheel Digital.

Amortisation of loan arrangement fees relates to the unwind of fees capitalised in respect of the new five-year multi-currency revolving credit facility ("RCF") of £450m which was taken out in January 2020 (see Liquidity section below for further details).

In addition to the Adjusted net finance costs set out and described above, we have also included in Adjusting items a charge of £1.9m in respect of the write-off of unamortised arrangement fees upon early refinancing of our 2016 debt facilities in January 2020 and the subsequent covenant amendments agreed in April 2020.

Taxation

A tax credit of £1.5m (2019: charge of £17.1m) was incurred on continuing Adjusted loss before tax of £9.9m (2019: profit before tax of £77.8m) resulting in an Adjusted effective tax rate for the year of 15.2% (2019: 22.0%) which compares to the effective tax rate of 19.2% on reported losses as can be seen in the table below.

Analysis of tax charge (£'m)	2020	2019
Adjusted (loss) / profit before tax	**(9.9)**	77.8
Tax credit / (charge) on Adjusted (loss) / profit before tax	**1.5**	(17.1)
Effective tax rate (%)	**15.2%**	22.0%
Adjusting items	**(174.4)**	(85.7)
Tax credit on Adjusting items	**33.9**	18.5
Effective tax rate on Adjusting items	**19.4%**	21.6%
Reported loss before tax	**(184.3)**	(7.9)
Tax credit on reported loss before tax	**35.4**	1.4
Effective tax rate on reported loss before tax	**19.2%**	(17.7%)

Cash tax paid was £3.3m (2019: £3.2m) reflecting taxes paid in the UK, where instalment payments were due for the prior year, as well as taxes paid outside of the UK in respect of the current year. Due to current year losses, the Group did not benefit this year (2019: £4.5m) from the utilisation of historic tax losses in the UK and US. However, these are expected to continue to benefit the Group's cash flow over the medium term.

The Group has a total recognised net deferred tax asset of £50.4m (2019: £19.8m) relating to UK and US losses, accelerated capital allowances, US acquired intangibles, and deferred and contingent consideration offset by deferred tax on non-deductible acquired intangibles.

Going forward we expect our effective tax rate to be between 25% and 26% with the potential to increase if US Federal tax rates are increased above 21% and the recently announced increase to UK Corporation tax to 25% in 2023 is enacted.

Discontinued operations

As part of its focus of resources and investment on its strategic priorities, the Group's non-core segment of Built Environment & Policy has been classified as held for sale in accordance with IFRS 5. The sale of Glenigan was announced in December 2020 with the sales of Groundsure and DeHavilland having since been confirmed in early 2021.

The results of the discontinued Built Environment & Policy segment are included as a single line items within Profit After Tax but can be summarised as follows:

£'m	2020	2019
Revenue	**37.4**	35.9
Adjusted EBITDA	**21.5**	19.5
Depreciation and amortisation	**(1.1)**	(1.1)
Exceptional items (including disposal costs)	**(3.0)**	(0.2)
Share-based payments	**–**	(0.1)
Profit before tax	**17.4**	18.1
Tax	**(3.9)**	(3.5)
Profit after tax	**13.5**	(14.6)

Foreign currency translation impact

The Group's reported performance is sensitive to movements in both the Euro and US Dollar against pounds Sterling with significant historical acquisitions denominated in US Dollars and events revenues in Euro and US Dollars. For most of 2020, Sterling was in line with the 2019 average Euro and US Dollar exchange rates but strengthened in December as a result of Brexit finalisation as can be seen in the table below:

	Weighted average rate			Year-end rate		
Currency	**2020**	2019	Change	**2020**	2019	Change
Euro	**1.13**	1.12	0.7%	**1.12**	1.18	(5.3%)
US Dollar	**1.29**	1.28	0.8%	**1.36**	1.32	3.2%

For illustrative purposes, the table below provides details of the impact on revenue and Adjusted EBITDA if the reported results were restated for Sterling weakening by 1% against the US Dollar and Euro in isolation.

£'m	2020 Revenue	2020 Adjusted EBITDA	2019 Revenue	2019 Adjusted EBITDA
Increase in revenue/ Adjusted EBITDA if:				
Sterling weakens by 1% against USD in isolation	**1.6**	**0.5**	1.9	0.8
Sterling weakens by 1% against EUR in isolation	**0.3**	**0.2**	1.2	0.8

Furthermore, each 1% movement in the Euro to pounds Sterling exchange rate has a £1.5m (2019: £1.5m) impact on the carrying value of borrowings. Each 1% movement in the US Dollar has a circa £0.9m impact on the carrying value of borrowings (2019: £0.7m).

Earnings per share

Total diluted loss per share was 34.0p (2019: earnings of 2.0p).

Total Adjusted diluted earnings per share was 1.9p (2019: 18.8p) with the reduction predominantly due to the cancellation of events in light of the Covid-19 pandemic. Continuing Adjusted diluted loss per share was 2.3p per share (2019: earnings of 15.1p per share).

Acquisitions and disposals

We regularly assess opportunities to acquire high-growth products and capabilities to serve our key end markets of Digital Commerce, Product Design and Marketing. In 2020 we incurred initial cash consideration of £19.5m, comprising £16.8m on investments and £2.7m on the acquisition of businesses (net of cash acquired).

Jumpshot

In January 2020, the Group sold its investment in Jumpshot back to Avast plc for cash consideration equivalent to the cost of investment.

Mining Searches UK

In January 2020 the Group acquired 100% of the Cornwall Mining Services Limited ("Mining Searches UK"), a specialist data provider in the mining industry to augment its offering in the Built Environment & Policy segment. The Group paid cash consideration of £1.7m upfront and consolidated £0.5m of cash on acquisition, resulting in a net £1.2m cash outflow. There was, in addition, deferred consideration of £0.9m, of which £0.6m was paid late in 2020 and the remaining £0.3m is due to be paid in 2022. Mining Searches UK, including the deferred consideration outstanding, is presented within the liabilities of the Built Environment & Policy disposal group held for sale as at 31 December 2020 and was subsequently sold as part of the Groundsure disposal in January 2021.

Indigitous

In February 2020, the Group purchased 100% of Indigitous, LLC ("Indigitous") for initial cash consideration of £1.5m. Indigitous is an Amazon-focused managed service provider based in Seattle specialising in the active lifestyle category and has been integrated into Flywheel Digital in our Digital Commerce Segment. Earnout consideration is payable in cash contingent on the performance of the business for the financial years 2020 to 2022, payable in 2021 to 2023, with a minimum consideration of $250,000 per year, with total consideration capped at $10m. Half of the earnout is additionally linked to the ongoing employment of the founders.

Hudson

Hudson MX is a software business providing media buying and media accounting solutions through a cloud-based SaaS platform. In 2019 we invested £8.0m for a minor equity interest and in 2020 we made a further £14.6m investment – £0.5m in further equity and £14.1m advanced as convertible loans. Following an agreement reached in January 2021, we have the right to make further investments in Hudson in 2021 as well as the ability to buy out other shareholders for a specified price up to January 2022. Hudson was accounted for as a trade investment in 2020.

Acquisitions after the year end
In December 2020, the Group announced that it had agreed to acquire Hangzhou Duozhun Data Technology Co. Ltd. ("X Target"). X Target specialises in media trading execution and provides similar capabilities for China as our Flywheel Digital brand does for Western eCommerce platforms. This acquisition is for an initial cash consideration of £11.9m, plus earnout payments payable over three years resulting in an estimated total consideration (including the initial consideration) of between £29m and £35m. The total consideration payable for the company, in the event that maximum targets are reached, is capped at £55m. The acquisition was completed on 26 February 2021.

Also in December 2020, the Group agreed to acquire Intellibrand, based in Brazil, which provides eCommerce analytics solutions for brands across Latin America. The acquisition is for an initial cash consideration of £4.6m with a further £2.4m of earnout payments payable over three years resulting in an estimated total consideration of £7m. The acquisition completed on 15 January 2021.

Disposal of Built Environment & Policy businesses
On 15 December 2020, the Group entered into an agreement to sell Glenigan to Byggfakta Group for £72.9m in cash. Following regulatory clearance required by the buyer, the sale is expected to complete on 17 March 2021. On 20 January 2021, the Group sold Groundsure to a subsidiary of ATI Global Limited for a purchase price of £170m comprising an initial cash consideration of £140m (subject to customary closing adjustments) plus a £30m interest-bearing vendor loan note repayable on or prior to 31 December 2023. On 12 February 2021, the Group sold DeHavilland to the alternative asset management group Bridgepoint for £15m in cash.

Deferred consideration
In order to reduce the risk inherent in acquisitions, the Company's preferred structure for M&A is to enter into long-term earnout arrangements with the founders of acquired companies and to link this to both the post-acquisition performance of the acquired company and the continuing employment of the founders. Accounting for the earnout is complex and requires considerable judgements to be made about the expected future performance of the acquired company at the point of acquisition – this is especially difficult in the type of high growth, early stage companies that Ascential acquires. The earnout is accounted for in three ways:

1. A liability for deferred consideration is established on the balance sheet at the point of acquisition based on that element of the earnout which is not dependent on the continuing employment of the founders. This amounted to £136.2m at December 2020 (2019: £103.2m). Any change in estimate is recorded as an exceptional item and in 2020 we recorded a charge of £64.1m (2019: £13.0m) driven by the outperformance of Flywheel Digital in the year.
2. This liability is discounted to present value with the reversal of this discount being recorded as Other finance costs within the interest charge. This amounted to a charge of £7.9m in 2020 (2019: £5.5m).
3. Finally, that element of the deferred consideration that is contingent on the continuing employment of the founders is charged to the consolidated statement of profit or loss as an exceptional item over the service life of those founders (typically three years). This amounted to a charge of £33.5m in 2020 (2019: £20.1m).

In total, contingent on the future performance of Flywheel, Yimian, MediaLink, Intellibrand and X Target, the Company expects to pay out contingent consideration for acquisitions to date including:

- c.£122m in 2021;
- c.£30m in 2022; and
- c.£20m thereafter.

Cash flow
Continuing operations
The Company generated Adjusted operating cash flow from continuing operations of £25.7m (2019: £94.2m), being a 90% operating cash flow conversion (2019: 86%) with the positive impact of the deferral of pre-booked revenue for Cannes Lions 2020 into 2021 offset by refunds on Money20/20 and the adverse working capital impact of the very high growth of the Flywheel Digital business.

After continued investment in product development in our digital subscription products, internal productivity tools and property in Shenzhen and Shanghai, capex remained broadly consistent with the prior year at £23.1m (2019: £17.6m).

As a result, the Company consumed free cash flow on continuing operations of £0.7m (2019: generated £73.4m) as shown in the table below:

£'m	2020	2019
Adjusted EBITDA	28.5	109.0
Working capital movements – Flywheel Digital media reimbursables	(7.3)	(5.8)
Working capital movements – other	4.5	(9.0)
Adjusted operating cash flow from continuing operations	25.7	94.2
Operating cash flow conversion (%)	90%	86%
Capital expenditure	(23.1)	(17.6)
Tax paid	(3.3)	(3.2)
Free cash flow from continuing operations	(0.7)	73.4
Free cash flow conversion (%)	(3%)	67%

Discontinued operations

The Company generated adjusted operating cash flow from discontinued operations of £20.9m (2019: £19.0m).

£'m	2020	2019
Adjusted EBITDA	21.5	19.5
Working capital movements	0.6	(0.5)
Adjusted operating cash flow from discontinued operations	20.9	19.0
Operating cash flow conversion (%)	97%	97%
Capital expenditure	(0.9)	(0.9)
Tax paid	–	–
Free cash flow from discontinued operations	20.0	18.1
Free cash flow conversion (%)	93%	93%

Total operations

The cash flow statement and net debt position are summarised as follows.

£'m	2020	2019
Free cash flow from continuing operations	(0.7)	73.4
Free cash flow from discontinued operations	20.0	18.1
Free cash flow from total operations	19.3	91.5
Acquisition of investments	(16.8)	(64.5)
Disposal of equity-accounted investments	55.1	–
Acquisition of businesses net of cash acquired	(2.7)	(16.8)
Deferred and contingent consideration paid including contingent employment cost	(69.1)	(31.8)
Exceptional costs paid	(12.4)	(11.3)
Disposal costs paid	–	(2.3)
Cash flow before financing activities	(26.6)	(35.2)
Net proceeds from borrowings	25.7	–
Net interest paid	(12.0)	(6.2)
Dividends paid	–	(22.9)
Lease liabilities paid	(8.9)	(9.0)
Proceeds of issue or sale of shares	1.3	1.2
Share repurchase	(9.2)	–
Net cash flow	(29.7)	(72.1)
Opening cash balance	111.7	182.0
FX movements	(1.8)	1.8
Closing cash balance	80.2	111.7
Borrowings	(312.7)	(283.8)
Capitalised arrangement fees	3.2	1.2
Derivative financial instruments	–	0.3
Net debt*	(229.3)	(170.6)

* Including £2.0m of cash held for sale as part of the discontinued BEP segment.

Returns to shareholders

Dividends

The Board normally targets a dividend pay-out ratio of 30% of Adjusted profit after tax split one-third following interim results and two-thirds following final results. However, as a result of the Covid-19 pandemic, the ensuing cancellation of the Cannes Lions festival and Money20/20 Europe and USA and the consequent impact on profits and debt covenants, as well as the impact of the resultant cost reduction measures, the Board suspended dividends and decided not to declare the previously announced final dividend for 2019. Having considered its capital allocation priorities and the uncertain economic environment, the Board has decided not to pay a dividend in respect of 2020. The Board will keep shareholder cash returns continually under review.

Share repurchase programme

At the start of the year, after consistently strong levels of cash flow conversion, combined with disciplined capital allocation, and following the sale of the Jumpshot investment in January 2020, our leverage was well below historic levels. We recognise that the delivery of shareholder value requires a balanced approach to investing in growth and returning excess capital to shareholders whilst maintaining a strong balance sheet. After a review of our capital allocation policy, the Board decided to utilise part of its authority to make on-market purchases of our ordinary shares. We originally anticipated spending up to £120m in a share repurchase programme but suspended this in March 2020, having repurchased shares worth £9.2m, as the impact of the Covid-19 pandemic on our financial performance became clear.

Strong balance sheet and access to liquidity

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt-to-equity balance. The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent comprising capital, reserves and retained earnings. The Group's policy is to borrow centrally to meet anticipated funding requirements. These borrowings, together with cash generated from the operations, are on-lent at market-based interest rates and on commercial terms and conditions or contributed as equity to subsidiaries.

In January 2020, we entered into a new five-year multi-currency revolving credit facility ("RCF") of £450m with an accordion to raise further debt amounts up to the greater of £120m or 150% of EBITDA. The previous term loan and RCF facilities were repaid and cancelled in January 2020. At 31 December 2020, the borrowings under the new facility were subject to interest at 2.5% over LIBOR and £312.7m of the RCF had been drawn.

The facility covenants include a maximum net leverage of 3.25x with the benefit of an additional 0.5x leverage spikes for relevant acquisitions and a minimum interest cover of 3.00x and are tested semi-annually.

To address the uncertain business environment, deal with temporarily elevated leverage and ensure maximum flexibility in the medium term, across a broad range of business planning scenarios, we agreed the following covenant amendments with our banking group (subject to minimum liquidity of £100m at December 2020 and £125m thereafter):

- At the December 2020 testing point – a full waiver of the leverage and interest cover covenants.
- At the June 2021 testing point – the leverage covenant ratio limit has been relaxed to 4.75x.
- At the December 2021 testing point – the leverage covenant ratio limit has been relaxed to between 3.50x and 4.50x depending on the scale of profits from live events in 2021.
- At the June 2022 testing point – if either Money20/20 Europe or USA do not take place in 2021, the leverage covenant limit at June 2022 will be 3.75x.

At the December 2020 testing point, the minimum liquidity requirements have been met with £217.5m of available liquidity.

Risk management

The Board is responsible for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. Ascential's business activities, performance and position, together with the factors likely to affect its future development, are set out on page 2 to 35. The financial risk management objectives, policies and processes in place for assessment, management and monitoring of risks, including the risks resulting from Brexit and Covid-19, are also described on page 55 and more fully in Note 29 of the consolidated financial statements.

The Group is exposed to risks arising from the international nature of its operations and the financial instruments which fund them. These instruments include cash and borrowing and items such as trade receivables and trade payables which arise directly from operations. External borrowings are denominated 46% in Euros with the balance split between US Dollars (28%) and pounds Sterling (26%). The Company reviews and protects a proportion of its exposure to interest rate rises on the cost of borrowings through use of derivatives such as interest rate caps where appropriate. Principal risks (including strategic, operational, legal and other risks) are shown on pages 50 to 55.

Going concern

There continues to be uncertainty surrounding the resolution of the Covid-19 outbreak and the impact to the wider global economy. The Directors have considered a number of severe but plausible scenarios and taken into account the strong condition of our balance sheet, our 2020 refinancing, the recent disposal of the Built Environment & Policy segment, the diversification and digital nature of many of our business models and proactive steps taken already to provide covenant headroom and adjust our cost base as well as further potential mitigating actions.

The Directors believe that the Company is well placed to manage its business risks successfully and have assessed the Group's prospects and viability over a three-year period.

The Board's assessment of the Group's prospects and stress test scenarios, together with its review of principal risks and the effectiveness of risk management procedures, show that the Group has adequate resources to continue in operational existence for the foreseeable future, including the period exceeding 12 months from the date when the financial statements are approved. Accordingly, the Directors continue to adopt the going concern basis for the preparation of the financial statements.

Mandy Gradden
Chief Financial Officer
12 March 2021

Alternative performance measures

Ascential aims to maximise shareholder value by optimising potential for return on capital through strategic investment and divestment, by ensuring the Company's capital structure is managed to support both strategic and operational requirements, and by delivering returns through a focus on organic growth and operational discipline. The Board considers it helpful to provide, where practicable, performance measures that distinguish between these different factors – these are also the measures that the Board uses to assess the performance of the Company, on which the strategic planning process is founded and on which management incentives are based. Accordingly, this report presents the following non-GAAP measures alongside standard accounting terms as prescribed by IFRS and the Companies Act, in order to provide this useful additional information.

Adjusted profit measures

The Group uses Adjusted profit measures to assist readers in understanding underlying operational performance from continuing operations. These measures exclude income statement items relating to items arising from portfolio investment and divestment decisions, and from changes to capital structure. Such items arise from events which are non-recurring or intermittent, and while they may generate substantial income statement amounts, do not relate to the ongoing operational performance that underpins long-term value generation. The income statement items that are excluded from Adjusted profit measures are referred to as Adjusting items.

Both Adjusted profit measures and Adjusting items are presented together with statutory measures on the face of the profit and loss statement. In addition, the Group presents a non-GAAP profit measure, Adjusted EBITDA, in order to aid comparisons with peer group companies and provide a reference point for assessing the operational cash generation of the Group. Adjusted EBITDA is defined as Adjusted Operating Profit before depreciation and amortisation. The Group measures operational profit margins with reference to Adjusted EBITDA.

Adjusting items are not a defined term under IFRS, so may not be comparable to similar terminology used in other companies' financial statements. Details of the charges and credits presented as Adjusting items are set out in Note 5 to the financial statements. The basis for treating these items as Adjusting is as follows:

Exceptional items

Exceptional items are recorded in accordance with the Group's policy set out in Note 5 to the financial statements. They arise from portfolio investment and divestment decisions, from changes to the Group's capital structure, as well as material events that are expected to be non-recurring and outside the course of ordinary operating activities. They do not reflect underlying operational performance.

Amortisation of intangible assets acquired through business combinations

Charges for amortisation of acquired intangibles arise from the purchase consideration of a number of separate acquisitions. These acquisitions are portfolio investment decisions that took place at different times over many years, so the associated amortisation does not reflect current operational performance.

Share-based payments

Ascential operates several employee share schemes. Income statement charges or credits relating to such schemes are a significant non-cash charge or credit and are driven by a valuation model which references the Ascential share price and future performance expectations. The income statement charge or credit is consequently subject to volatility and does not fully reflect current operational performance.

Gains and losses on disposal

Gains and losses on disposal of businesses arise from divestment decisions that are part of strategic portfolio management and do not reflect current operational performance.

Finance costs

As part of the Group's early refinancing of its 2016 debt facility in 2020, unamortised arrangement fees relating to the previous facility were written off and fees for subsequent covenant amendments were incurred. These one-off items do not reflect the current operational performance of the Group.

Tax related to Adjusting items

The elements of the overall Group tax charge relating to the Adjusting items are also treated as Adjusting. These elements of the tax charge are calculated with reference to the specific tax treatment of each Adjusting item, taking into account its tax deductibility, the tax jurisdiction concerned, and any previously recognised tax assets or liabilities.

Adjusted cash flow measures

The Group uses Adjusted cash flow measures for the same purpose as Adjusted profit measures, in order to assist readers of the accounts in understanding the ongoing operational performance of the Group from continuing operations. The two measures used are Adjusted Cash Generated from operations, and Free Cash Flow. These are reconciled to IFRS measures as follows:

£'m	2020	2019
Cash generated from operations	**11.1**	90.4
Less: cash generated from discontinued operations	**(19.8)**	(19.0)
Add back: acquisition-related contingent consideration cash flow	**23.1**	11.5
Add back: other exceptional cash flow	**11.3**	11.3
Adjusted cash generated from operations	**25.7**	94.2
Net cash generated from operating activities	**7.8**	87.2
Less: cash generated from discontinued operations	**(19.8)**	(19.0)
Less: capital expenditure	**(23.1)**	(17.6)
Add back: acquisition-related contingent consideration cash flow	**23.1**	11.5
Add back: other exceptional cash flow	**11.3**	11.3
Free cash flow	**(0.7)**	73.4

£'m	2020	2019
Adjusted cash generated from operations	**25.7**	94.2
EBITDA	**28.5**	109.0
Operating cash conversion	**90%**	86%

£'m	2020	2019
Free cash flow	**(0.7)**	73.4
Adjusted EBITDA	**28.5**	109.0
Free cash flow conversion %	**(3%)**	67%

The Group monitors its operational efficiency with reference to operational cash conversion, defined as Free Cash Flow as a percentage of Adjusted EBITDA.

Organic growth measures

To assess whether the Company is achieving its strategic goal of driving organic growth, it is helpful to compare like-for-like operational results between periods. Income statement measures, both Adjusted and Reported, can be significantly affected by the following factors which mask like-for-like comparability:

- acquisitions and disposals of businesses lead to a lack of comparability between periods due to consolidation of only part of a year's results for these businesses;
- changes in exchange rates used to record the results of non-sterling businesses result in a lack of comparability between periods as equivalent local currency amounts are recorded at different sterling amounts in different periods; and
- event timing differences between periods.

Ascential therefore defines Organic growth measures, which are calculated with the following adjustments:

- results of acquired and disposed businesses are excluded where the consolidated results include only part-year results in either the current or the prior year;
- prior year and current year consolidated results are restated at constant exchange rates for non-sterling businesses; and
- prior year results are adjusted such that comparative results of events that have been held at different times of year are included in the same period as the current year results.

Organic growth is calculated as follows:

2020 £'m	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate Costs	Total – continuing operations
Revenue						
2020 – reported	**103.1**	**88.1**	**54.3**	**18.2**	**–**	**263.7**
Exclude acquisitions	***(5.0)***	***(3.0)***	**–**	**–**	**–**	***(8.0)***
2020 -Organic basis	**98.1**	**85.1**	**54.3**	**18.2**	**–**	**255.7**
Organic revenue growth	*23%*	*1%*	*(59%)*	*(77%)*	–	*(32.2%)*
2019 – *as restated*	78.1	85.7	135.9	81.1	(0.5)	380.3
Include acquisitions	*2.1*	–	–	–	–	*2.1*
Currency adjustment	*(0.5)*	*(1.2)*	*(2.0)*	*(0.7)*	–	*(4.4)*
2019 – Organic basis	79.7	84.5	133.9	80.4	(0.5)	378.0
Adjusted EBITDA						
2020 – reported	**22.9**	**38.0**	**(0.8)**	**(14.3)**	**(17.3)**	**28.5**
Exclude acquisitions	***(1.3)***	***(1.6)***	**–**	**–**	**–**	***(2.9)***
2020 – Organic basis	**21.6**	**36.4**	**(0.8)**	**(14.3)**	**(17.3)**	**25.6**
Organic EBITDA growth	*75%*	*(6%)*	*(101%)*	*(157%)*	*2%*	*(75.5%)*
2019 – as restated	*12.3*	*38.2*	*50.7*	*25.1*	*(17.3)*	*109.0*
Include acquisitions	0.4	–	–	–	–	0.4
Currency adjustment	*(0.3)*	0.3	*(1.3)*	*(0.1)*	0.5	*(0.9)*
2019 – Organic basis	12.4	38.5	49.4	25.0	(16.8)	108.5

Proforma growth measures

Proforma growth is measured in a similar way to Organic growth but assumes that the Company's acquisitions or disposals were all made on the first day of the comparative accounting period and is a measure of the rate of growth of the brands owned today. Proforma growth is calculated as follows:

2020 £'m	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate Costs	Total
Revenue						
2020 – reported	**103.1**	**88.1**	**54.3**	**18.2**	**–**	**263.7**
Include acquisitions	***0.4***	**–**	**–**	**–**	**–**	***0.4***
2020 – Proforma basis	**103.5**	**88.1**	**54.3**	**18.2**	**–**	**264.1**
Proforma revenue growth	***25%***	***1%***	***(59%)***	***(77%)***	**–**	***(31.1%)***
2019 – as restated	*78.1*	*85.7*	*135.9*	*81.1*	*(0.5)*	*380.3*
Include acquisitions	*5.4*	*3.0*	–	–	–	*8.4*
Currency adjustment	*(0.5)*	*(1.3)*	*(2.0)*	*(0.7)*	–	*(4.5)*
2019 – Proforma basis	*83.0*	*87.4*	*133.9*	*80.4*	*(0.5)*	*384.2*
Adjusted EBITDA						
2020 – reported	**22.9**	**38.0**	**(0.8)**	**(14.3)**	**(17.3)**	**28.5**
Include acquisitions	***0.1***	**–**	**–**	**–**	**–**	***0.1***
2020 – Proforma basis	**23.0**	**38.0**	**(0.8)**	**(14.3)**	**(17.3)**	**28.6**
Proforma EBITDA growth	***85%***	***(4%)***	***(101%)***	***(157%)***	***2%***	***(73.0%)***
2019 – as restated	*12.3*	*38.2*	*50.7*	*25.1*	*(17.3)*	*109.0*
Include acquisitions	0.4	1.1	–	–	–	1.5
Currency adjustment	(0.3)	0.4	*(1.3)*	*(0.1)*	0.5	(0.8)
2019 – Proforma basis	*12.4*	*39.7*	*49.4*	*25.0*	*(16.8)*	*109.7*

Glossary of alternative performance measures

Term	Description
Organic revenue growth	Revenue growth on a like-for-like basis
Organic EBITDA growth	Adjusted EBITDA growth on a like-for-like basis
Proforma revenue growth	Revenue growth on a like-for-like basis assuming the Company's acquisitions or disposals were all made on the first day of the comparative accounting period
Proforma EBITDA growth	Adjusted EBITDA growth on a like-for-like basis assuming the Company's acquisitions or disposals were all made on the first day of the comparative accounting period
Exceptional items	Items within Operating profit / (loss) separately identified in accordance with Group accounting policies as set out in Note 1
Adjusting items	Exceptional items, Amortisation of intangible assets acquired through business combinations, Share-based payments, Gains and losses on disposal, Write-off of unamortised arrangement fees on re-financing, Covenant amendment fees and Tax related thereto
Adjusted operating profit / (loss)	Operating profit / (loss) excluding Adjusting items
Adjusted EBITDA	Adjusted operating profit / (loss) excluding depreciation and amortisation
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of Revenue
Adjusted profit / (loss) before tax	Profit / (loss) before tax excluding Adjusting items
Adjusted tax charge	Tax charge excluding Adjusting items
Adjusted effective tax rate	Adjusted tax charge expressed as a percentage of Adjusted profit before tax
Adjusted EPS	EPS calculated with reference to Adjusted Profit / (loss) for the period
Adjusted cash generated from operations	Cash generated from operations with cash generated from discontinued operations, acquisition -related contingent consideration and other exceptional cash flows excluded
Operating cash conversion	Adjusted cash generated from operations expressed as a percentage of Adjusted EBITDA
Free cash flow	Net cash generated from operating activities including capital expenditure. Net cash generated from discontinued operations, acquisition-related contingent consideration and other exceptional cash flow are excluded
Leverage	The ratio of Net debt to Adjusted EBITDA before, in both cases, accounting for the impact of IFRS 16
Net debt	Net debt comprises external borrowings net of arrangement fees, cash and cash equivalents and derivative financial instruments. Net debt excludes lease liabilities

Identifying and managing risk

Identifying and managing risk is an integral part of our corporate governance as it helps us deliver long-term shareholder value and protect our business, people, assets, capital and reputation. In order to achieve our strategic objectives, and seize market opportunities, risk must be both accepted to a reasonable degree within our risk appetite and balanced by proportionate reward.

Risk governance
It is the responsibility of all of our colleagues to manage risks within their domain. Ultimately, accountability for risk management resides with the Board, which is responsible for ensuring that there is an adequate and appropriate risk management framework and culture in place.

Our risk governance framework is set out below. At the top of the structure is our Board, which holds overall responsibility for our risk management and internal control systems. The Board sets risk appetite and the tone of risk management, as well as completing assessments of our principal risks.

The Audit Committee assists the Board by monitoring the adequacy and effectiveness of internal control and risk management systems, as well as the effectiveness of the Internal Audit function. Our Operational Risk Committees identify risks and risk owners, controls and mitigations to manage risks, agree action plans to strengthen controls or address deficiencies, review progress with action plans and identify emerging risks.

Risk governance framework

The Board
- Holds overall responsibility for Ascential's risk management and internal control systems
- Defines risk appetite taking into account the Company's strategic objectives
- Sets the tone and influences the culture of risk management
- Assesses the principal risks, including emerging risks

Audit Committee
- Monitors the adequacy and effectiveness of internal control and risk management systems
- Ensures that a robust assessment is undertaken of the principal risks facing the Company
- Monitors and reviews the effectiveness of the Internal Audit function

Operational Risk Committees
- Identify risks and risk owners
- Score impact of risk on a mitigated and unmitigated basis according to consistent risk scoring methodology
- Identify controls and mitigations to manage risk
- Agrees action plans to strengthen controls or address deficiencies
- Reviews progress with action plans and current risks
- Identify emerging risks

Internal controls and compliance

Internal and external audit activities

Risk assurance

The Internal Audit function provides assurance as to the effectiveness of the internal control environment through its primary responsibilities whereby it:

- reviews and assesses the internal control environment with a focus on control effectiveness, quality and continuous improvement;
- determines whether controls are appropriate to provide financial, managerial and operating information that is accurate, reliable and timely;
- determines whether risks are appropriately identified and managed;
- assesses whether assets are appropriately safeguarded; and
- evaluates the systems established to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on Ascential.

The Audit Committee receives and analyses regular reports from management and Internal Audit on matters relating to risk and control and reviews the timeliness and effectiveness of corrective action taken by management. The Audit Committee also considers the findings and recommendations of the External Auditor throughout the year in relation to the design and implementation of effective financial controls. Further detail on these activities is included within the Audit Committee report on page 86.

Long-term viability statement

The Directors have assessed the prospects and viability of the Group in accordance with Provision 31 of the UK Corporate Governance Code. This assessment has been based on a three-year timeframe, covering the period to 31 December 2023, which is considered appropriate because it aligns with the Company's strategic planning and financial forecasting horizon, and because, in relation to viability, it provides a sufficiently long period for stress testing scenarios to be modelled through at least one complete business cycle.

The Company's prospects have been assessed mainly with reference to the Company's strategic planning and associated long-range financial forecast. This incorporates a detailed bottom-up budget for each part of the business. The budgeting and planning process is thorough and includes input from most operational line managers as well as senior management, and forms the basis for most variable compensation targets.

The Board participates in both strategic planning and reviews the detailed bottom-up budgets. The outputs from this process include full financial forecasts of EBITDA, Adjusted and statutory earnings, cash flow, working capital and net debt.

The Directors consider that the planning process and monthly forecast updates provide a sound underpinning to management's expectations of the Group's prospects.

The Directors carried out a robust assessment of the principal risks facing the Group, including those that could threaten its business model, future performance, solvency or liquidity. This assessment was made with reference to the Company's current position and prospects, strategy and principal risks, including how these are managed.

The Directors also assessed the potential impact on the Company's prospects should certain risks to the business materialise.

This was done by considering specific scenarios aligned to the principal risks identified on pages 50 to 55, applied to stress test the long-range financial forecast. Of these, the six scenarios considered to have the most serious impact on the financial viability of the Company were modelled in detail.

The specific scenarios were:

- a global recession, designed to capture the impact of the most serious plausible manifestation of macro-economic risks;
- a serious safety and security incident at a major event;
- the loss of a major customer;
- a substantial breach of cyber security and associated loss of data;
- a significant change in underlying data sources resulting in reduced data availability for our eCommerce services; and
- major events being cancelled at short notice, for instance from disease outbreaks such as a prolonged Covid-19 impact, with no equivalent alternative available.

For each scenario, the modelling captured the impact on key measures of profitability, cash flow, liquidity and debt covenant headroom. Scenarios included the effects of plausible mitigation plans where available. In all cases modelled, the Group was able to continue to fund its operations and to comply with debt covenant requirements. Based on this assessment of prospects and stress test scenarios, together with its review of principal risks and the effectiveness of risk management procedures, the Directors confirm that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period to 31 December 2023.

Principal risks and uncertainties

We assess our principal risks in terms of their potential impact on our ability to deliver our strategic objectives.

The Board has made a robust assessment of the principal risks facing the business including those related to its business model, future performance, solvency or liquidity, and considered them in the formulation of the Long-Term Viability Statement set out on the previous page.

The following pages summarise our principal risks and uncertainties with mitigating actions, as identified by the Board for the year ended 31 December 2020. The list is not exhaustive and may change during 2021 as the risk landscape evolves.

The Covid-19 pandemic has impacted several of our principal risks and these impacts are discussed in more detail below. In accordance with our crisis management plan, our response to Covid-19 was coordinated across the business at three levels:

Gold – strategic direction by Executive Directors: "This is what we will do"

Silver – operational coordination by the Covid-19 Response Team: "This is how we will do it"

Bronze – tactical delivery by Senior Leaders: "Do it"

A dedicated Silver project team was activated from the early stages of the pandemic, when it first emerged in China in January 2020. Their primary objective was to keep our colleagues safe and to minimise the impact on our business operations.

Some of the key actions taken in response to the pandemic were:

- Provided guidance and support to staff who were working remotely;
- Monitored and followed guidance from government agencies and other health organisations
- Focused on continuing to support our customers and deliver continued excellent service and product
- Reduced management pay on a temporary basis
- Suspended the 2019 final dividend
- Suspended the share buy-back programme
- Obtained debt covenant waivers and amendments for December 2020 and June 2021
- Extensive scenario planning around the impact of no live events in 2020.

The Board also considered an updated impact analysis of the risks associated with Britain exiting the European Union. The assessment was updated to reflect changes in our business model and operations as well as any clarifying new information that had been made public. The conclusion of the updated analysis remained that the most significant threat to Ascential is the increased broader economic uncertainty including risk of recession, exacerbated by the existing Covid-19 related recession. The impact of this threat continues to be mitigated by the diversification of Ascential's business, both geographically and across sectors and industries (see the business model and market review sections for more detail). Additionally, recession planning forms part of Ascential's risk management process and the influence of Brexit on recession risk has been considered and monitored as part of this process. A range of reasonably possible outcomes was also considered when performing sensitivity analysis on long-range financial projections (see the long-term viability statement for more detail).

The Board considers the following to be the Company's principal risks:

Risk	Change since December 2019	
	Unmitigated	**Mitigated**
1. Customer end-market development	Unchanged ↔	Unchanged ↔
2. Economic and geopolitical conditions	Increased ↑	Increased ↑
3. Competition/substitution	Increased ↑	Unchanged ↔
4. Execution of new product and capability development	Increased ↑	Increased ↑
5. Acquisition and disposals	Unchanged ↔	Unchanged ↔
6. People risk	Increased ↑	Increased ↑
7. Reliance on data providers	Unchanged ↔	Unchanged ↔
8. Cyber threat and information security	Increased ↑	Unchanged ↔
9. Venue availability, security and access	Increased ↑	Increased ↑
10. Business resilience	Increased ↑	Unchanged ↔
11. Finance risk	Increased ↑	Increased ↑
12. Regulation and compliance	Unchanged ↔	Unchanged ↔

Business and strategic

1. Customer end-market development

Description of risk
Our customers operate in a variety of end markets, each with their own competitive pressures affecting customer preferences and spend. Growth for our customers is anchored in understanding in great detail the many paths to purchase consumers will take as they watch, buy and communicate online. Achieving an integrated consumer to product view is becoming increasingly critical.

Examples of risks
- Failure to develop an appropriate pipeline of successful products to meet and anticipate the needs of our customers
- Change in how consumers watch, buy and communicate online may necessitate further product development
- Largest consumer brands may in-house ecommerce analytics capabilities

Actions taken to manage risk
- Continued investment in technology, decision science and methodologies to make Ascential brands indispensable partners for our customers
- Extension of the Ascential proposition through product development and bolt-on acquisitions
- Strong account management strategy and direct engagement with customers

Link to strategy
Our strategic objective to be a world-class business that improves performance and solves problems for our customers relies heavily on our ability to anticipate and respond to our customers' changing needs.

Risk movement from 2019
Stable

2. Economic and geopolitical conditions

Description of risk
Across our business we are exposed to the effects of political and economic risks. These include the impact of the Covid-19 pandemic, changes in the regulatory and competitive landscape and the impact of international trade policy.

Examples of risks
- Financial recession in our key markets leading to reduced spending power for customers
- Global political uncertainty regarding trade policy
- Actions by hostile states negatively impacts our people, products or intellectual property
- Change in US Administration's approach to trade policy

Actions taken to manage risk
- Recession modelling and scenario planning is a key part of the Budget process
- Impact of recession is distributed across Ascential brands with some brands' proposition more attractive in a recessive environment
- Brexit impact assessment conducted which concluded Brexit was not a material risk
- Monitor geopolitical landscape to develop plans to respond to specific threats or opportunities

Link to strategy
Our strategic objective to accelerate organic growth requires us to operate effectively within different global political situations which change constantly.

Risk movement from 2019
Increased

3. Competition / substitution

Description of risk
We are exposed to a varied and dynamic competitive landscape, ranging from niche providers and new entrants in eCommerce analytics to data aggregators and consultancy firms.

Examples of risks
- Marketplaces open up full suite of programmatic tools that are comparable to parts of our Digital Commerce proposition with no incremental cost to the end user
- Competitors determine the 'land grab' of eCommerce is worth no profit and offer eCommerce services at no additional charge as part of their broader engagement
- Pricing pressure increases as competitive intensity grows

Actions taken to manage risk
- Continuous improvement of capabilities to demonstrate why specialist proposition provides value
- Development of path to purchase insights acts as a barrier to competitive propositions
- Continued investment in technology and decision science to offer competitive advantage
- Diversification of proposition across multiple marketplaces
- Close monitoring of competitive landscape and emerging technology to identify threats and opportunities

Link to strategy
Our strategic objective to be a world-class business that improves performance and solves problems for our customers relies heavily on our ability to anticipate and respond to our customers' changing needs.

Risk movement from 2019
Stable

Business and strategic continued

4. Execution of new product and capability development

Description of risk
Development of new products and capabilities is a key driver for Organic growth, which is central to our long-term sustainability.

Examples of risks
- Failure to deliver key new product development would negatively impact our ability to provide full eCommerce capabilities to our customers
- New products do not meet customers' needs due to technical or operational weakness
- New products do not generate sufficient financial return
- New product development moves the business into a different area which exposes the Company to greater reputational risk

Actions taken to manage risk
- Experienced and high calibre Chief Product Officer recruited
- Product strategies defined
- Formal project plans for all new product development, with appropriate gating and milestones
- Data Protection Officer involved with new product development to confirm compliance by design

Link to strategy
Our strategic objective to be a world-class business that improves performance and solves problems for our for our customers relies heavily on our ability to anticipate and respond to our customers' changing needs.

Risk movement from 2019
Increased

5. Acquisitions and disposals

Description of risk
We continue to review how best to build out our capabilities to better serve our customers. Whilst we do this primarily through Organic investment, we continue to review potential acquisition opportunities to accelerate our progress or provide further unique information. We may divest brands which are no longer core to our strategy.

Examples of risks
- Failure to identify appropriate acquisitions or to conduct effective pre-acquisition due diligence
- Failure to achieve the expected benefits or synergies
- Failure to preserve sources of competitive advantage
- Failure to integrate acquired businesses effectively

Actions taken to manage risk
- We have a strong and experienced M&A team who take a disciplined approach to identifying and testing acquisitions to ensure they are appropriate, a strategic fit and will be earnings enhancing
- Detailed cross functional due diligence is undertaken prior to acquisition
- Integration of acquired businesses are subject to post-acquisition review programme
- Strong track record of disposal of non-core assets

Link to strategy
Our strategic objective to apply a tightly focussed capital allocation process to achieve our goals and maximise value creation depends on our ability to identify the right acquisitions, to conduct thorough due diligence and to integrate acquisitions effectively.

Risk movement from 2019
Stable

6. People

Description of risk
People management, effective succession planning and the ability to attract and retain talent are critical to our ability to execute our strategy and achieve our objectives.

Examples of risks
- Loss of key talent, high attrition and/or lack of appropriate succession planning could lead to a strategic skills shortage
- Loss of intellectual capital due to poor retention of talent
- Poor corporate responsibility practices may reduce ability to attract and/or retain top talent
- Employee morale impacted by lack of bonus, redundancies, furloughs and pandemic working

Actions taken to manage risk
- Executive Director capacity increased through appointment of a new, board-level COO
- Restructure of senior leadership team into five strong Business Units to reduce CEO span of control and to drive increased clarity and accountability
- Succession planning for senior leadership team
- Corporate Responsibility governance structure approved and a Corporate Responsibility manager recruited to drive progress with strengthening ESG performance
- Increased communication and support for employees throughout pandemic working period

Link to strategy
All of our strategic objectives rely on us attracting and retaining the right talent to execute against our strategy and meet the needs of our customers.

Risk movement from 2019
Increased

Operational

7. Reliance on data providers

Description of risk
Our eCommerce analytics products utilise data from a number of suppliers. A change in availability of this data or the structure of how the data is provided can impact the accuracy or availability of our products and/or increase costs.

Examples of risks
- Increase in blocking technology impacts data collection
- Marketplaces prohibit Ascential brands from data scraping
- Data provider increases utility of the data they provide, reducing the competitive advantage of our eCommerce analytic products

Actions taken to manage risk
- Well-resourced Data Science team
- Development of Sales Engine to reduce dependency on certain data points to deliver a more accurate and stable algorithm
- Additional data sources sourced to augment accuracy of models
- Outsource of data collection to a number of market specialists – providing expertise in different global regions and with different collection requirements.
- Continue to build strategic relationships with data suppliers to gain earlier visibility of changes

Link to strategy
Our strategic objectives to accelerate organic growth and to be a market leader require us to consistently deliver accurate and valuable eCommerce analytic products that are differentiated from competitor products.

Risk movement from 2019
Stable

8. Cyber threat and information security

Description of risk
An external cyber attack, insider threat or supplier breach could cause service interruption or the loss of confidential data. Cyber threats could lead to major customer, financial, reputational and regulatory impact.

Examples of risks
- Loss of intellectual property
- Major data privacy breach
- Significant impact on business operations from malware or ransomware attack
- Targeted cyber attacks by hostile states on international organisations including foreign governments, customers and key suppliers

Actions taken to manage risk
- Maintenance and testing of network security, network resilience and business continuity plans
- Monitoring of emerging threats to ensure our preparations and responses are current
- Regular, comprehensive training programme for our employees on information security practices
- Implementation of Data Loss Prevention software
- Adoption of additional authentication tools to reduce the likelihood of remote attacks
- Regular penetration and vulnerability testing
- Focus on cloud governance and logging

Link to strategy
All of our strategic objectives rely on our ability to operate compliantly and to provide safe and effective products and solutions to our customers.

Risk movement from 2019
Stable

Operational continued

9. Venue availability, security and access

Description of risk
Our events are held at specific locations which may become unavailable for use or available only on uneconomic terms. Travel disruption or safety risks from a variety of causes including natural disasters, communicable diseases, civil disorder, political instability or terrorism may prevent both customers and our employees from reaching the event location or being unwilling to travel.

Examples of risks
- Terrorist attacks during or shortly before events could result in fatalities, injuries, reputational damage and loss of revenue
- Civil disorder or organised protests disrupt an event or make accessing the venue difficult
- Government restrictions prohibit people from attending large scale events in response to a pandemic such as Covid-19.
- A global pandemic means that people are unable or unwilling to travel and attend large-scale events.
- Health & Safety incidents occur during the event

Actions taken to manage risk
- Global threat monitoring throughout the year to identify any significant risks and to inform Safety and Security plan for each event
- Protective intelligence monitoring prior to and during an event with appropriate measures and contingency plans developed and agreed with the venue and local government
- Ascential Secure standard approve and published which reflects industry best practice communicable disease mitigation measures
- Safety Risk Assessment and Event Safety & Security Plan completed prior to each event
- Insurance cover in respect of certain event cancellation risks

Link to strategy
All of our strategic objectives rely on our ability to operate compliantly and to provide safe environments for our events.

Risk movement from 2019
Increased

10. Business resilience

Description of risk
Our operations may be disrupted by an adverse event whether that be IT service interruption, disruption to physical locations or interruption in the provision of service from our key suppliers. We need to build resiliency to reduce the potential impact of such an event and be prepared to respond to any such event effectively.

Examples of risks
- Website receiving payments (e.g. LIONS awards and delegate passes) is inaccessible
- Pandemic leads to enforced extended working from home
- Natural disaster impacts key operational location
- Key supplier failure, for example, insolvency of key supplier, that we had been unprepared for.

Actions taken to manage risk
- Cloud Architectures are built in a resilient fashion and all architectures are documented to identify and understand risk
- Remote working policy in place which enables employees to work effectively from home for extended periods
- Group crisis management plan to manage how the senior leadership team directs the business through any major incident or crisis which may severely disrupt operations, threaten business performance or damage reputation
- Technical incident response process in place
- Long-term contacts in place with key suppliers, professionally procured and with rigorous Service Level Agreements and diligence as part of RFP process
- Operational resilience of our key outsourced partner through deployment of "Secure Borderless Workspaces", which ensures a secure remote environment is ready for them
- Financial security of key suppliers under constant review. Alerting set up for all key suppliers so Ascential Procurement are notified of any change in circumstance

Link to strategy
All of our strategic objectives rely on our ability to operate resiliently and minimise the impact of any significant crisis or event.

Risk movement from 2019
Stable

Financial

11. Financial risk

Description of risk
Insufficient balance sheet strength and liquidity negatively impacts the Company's ability to execute strategy or ability to continue to trade as a going concern. Material exposures to different currencies and fluctuations in these currencies affect the reported financial results. Tax law and administration is complex and tax authorities may challenge our application of tax law, potentially leading to lengthy and costly disputes and material tax changes.

Examples of risks
- Significant loss of revenue and/or profit causes breach of banking covenants or lack of sufficient liquidity to execute strategy
- Uncertain macroeconomic environment could lead to increased complexity in accounting judgements
- Fraudulent financial reporting leads to elevated earnout payments
- Material fluctuations in currency (particularly US Dollar, Sterling and Euro) affect reported profitability
- Challenge by tax authority on application of tax law

Actions taken to manage risk
- Debt facilities have been refinanced to provide additional liquidity through 2025 and covenant amendments at December 2020, June and December 2021 and June 2022 have been agreed
- Robust stress testing and sensitivity analysis when valuations and assessments for financial reporting are reliant on uncertain macroeconomic environment
- The impact of movements in US Dollar and Euro currencies is calculated and reported to investors for transparency
- Approach to foreign exchange risk is set out in Note 28 on page 155
- Experienced tax function supported by professional advisers
- Full, accurate and timely disclosures made in submissions to tax authorities who we work with collaboratively to achieve early agreement and certainty on complex matters wherever possible

Link to strategy
Our strategic objectives to accelerate Organic growth and to be a market leader require us to consistently deliver accurate and valuable eCommerce analytic products that are differentiated from competitor products.

Risk movement from 2019
Increased

Legal and compliance risks

12. Regulation and compliance

Description of risk
As a global business, we are subject to different regulations across multiple jurisdictions. Operating across this increasingly complex and dynamic legal and compliance environment can lead to fines, penalties, reputational risk and competitive disadvantage. The regulatory landscape can change leading to our current business model becoming less profitable or unsustainable.

Examples of risks
- Violation of anti-corruption policy
- Breach of data privacy policy
- Change in regulatory landscape regarding data collection and usage
- Regulatory antitrust / competition law remedies force a significant marketplace to change their practices which negatively impacts a Ascential digital commerce brand
- Evolving sanctions law prohibits transactions with some existing or potential customers

Actions taken to manage risk
- Potential antitrust remedies may benefit other marketplaces to offset negative impact
- Experienced legal team supported by professional advisers monitor changes in regulation and emerging best practice in the sector and in key policy areas
- Strengthened compliance framework including refreshed compliance policies and training
- Group monitoring and auditing programmes in place
- Confidential independent reporting channels for employees to report concerns
- Employee training and awareness programme

Link to strategy
All of our strategic objectives rely on us to comply with applicable laws and regulations and to do the right thing as part of our licence to operate.

Risk movement from 2019
Stable

Our people

We work hard to attract and retain the best people in the industry so we can deliver the best products and services to our customers. We aim to be a destination employer in every one of our key operating territories and markets.

In what has been a difficult year for everyone around the world we are proud of how our employees have responded to the challenges wrought by Covid-19 – both in terms of their adaptation to working from home and their continued dedication and focus on our clients.

Setting Direction and Engagement

Direction and engagement starts with communication. During 2020, our normal communication channels of town halls, newsletters, conferences continued but we increased the frequency of global video communication from our CEO and Senior Leadership Team, to ensure clear direction and inclusion of all employees who are having to work remotely during the Covid-19 pandemic. Each area of the business also continues to regularly host virtual all-staff meetings (known as Town Halls) and team briefings to share news and progress against priorities.

We held our all-company conference in January 2020 and that enabled more than 1,500 individuals to hear and engage in the strategy and the year's plans and goals for the business from the very beginning of the annual business cycle. The company conference aligns objectives and interests, as well as giving our people an exceptional opportunity to network, share learnings and collaborate whilst deepening their understanding of our business goals. Our Conference and Awards have become an important part of our journey to a more informed and connected Ascential.

This January event was followed up with a virtual Leadership Conference in June for our 200 strong global leadership community to learn about our new business priorities in light of Covid-19 and to hear from key customers.

In the second half of the year we refocused our HR Business Partnering team to be aligned with our Business Units ensuring that the people agenda was focused on the unique needs of each of our brands. This has enabled us to provide targeted HR support and build people plans aligned to the strategy of each Business Unit. Alongside these Business Partnering teams, we have ensured that we are leveraging best practice capability, systems and processes provided by our centralised teams of Learning & Development, Reward and Operations.

Our people's opinions matter

We make it a priority to hold regular updates to both inform our people on business progress and answer any questions they may have, as well as to gather their ideas on improving customer and internal engagement.

We conduct and act upon our annual employee engagement survey, which, along with face-to-face feedback, helps us understand what people think, and what they want to achieve in their careers with us, to inform the ongoing development of our culture across all brands and geographies. We ran our global engagement survey in October 2020 and our aggregated engagement score improved again, to 81 (our target being 80 out of 100) with scores around Line Manager Quality, Integrity, Inclusion, Motivation and Loyalty indicators all at 85+.

% of employees proud to work at Ascential

91%

We have a set of seven Ascential Behaviours which underpin our culture, and we scored 85+ when asking our people whether their managers and leaders act in accordance with them. Overall, we are pleased with our year-on-year progress on staff engagement in what has been an unprecedented year and each Business Unit has a clear plan to drive further improvement in 2021 across the relevant areas that will have a positive impact on their employees.

The work we do to maintain a highly engaged workforce contributed to a reduction in voluntary turnover through 2020. It reduced 6% to 11% across Ascential and remains under the 15% benchmark we aimed for. Sadly the impact of Covid-19 necessitated an intensive programme of cost reductions and we regrettably made a limited number of positions redundant in the year.

As agreed with the Board, in October 2020 we established an Employee Voice Forum, the Ascential Forum. The purpose of the Forum is to further amplify the voice of our people, in particular giving front-line employees the opportunity to share their views and ideas directly with a Board member (Rita Clifton) across three issues: strategy, performance and culture. Twenty delegates were chosen by self-nomination based on colleague endorsements and a global jury. They represent our global and diverse workforce, with an emphasis on more junior colleagues and colleagues in areas where we are growing, for example within the digital commerce industry.

Our values and leadership beliefs

The Ascential Behaviours were fully launched in 2018 and have gathered good momentum since then. They allow us to define how we do things at Ascential, supplementing people's understanding of what we do. These Beliefs are now clearly presented on all key websites as well as being directly incorporated into our people processes such as Performance Appraisal and Development Review. We believe that this framework as well as the regular employee communication and work flexibility offered by management to employees during the Covid-19 pandemic, is an important contributing factor to the continuance of our very high scores for Organisational Integrity (87%) in our annual engagement survey. They give people extra confidence in their leaders, where most agreed our senior leadership teams, across brand and functions, demonstrated and supported these beliefs and behaviours (88%), and why so many of our people are proud to work here (91%).

Valuing the diversity our people bring

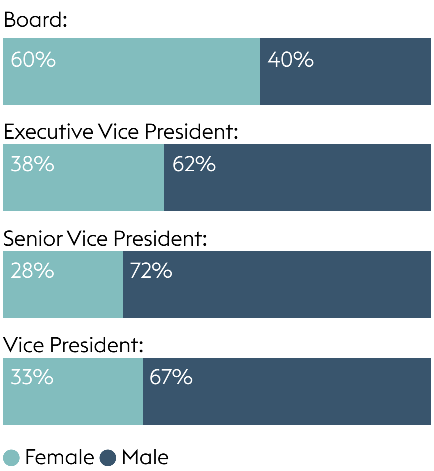
At Ascential, our goal is to help the world's top consumer brands and their ecosystems, understand what's important and how to act on these insights. This year we have applied this approach to Diversity and Inclusion, highlighted in our Corporate Responsibility Strategy as one of our strategic goals. For Ascential, the business case for diversity is clear. Research suggests time and again that diverse teams are more productive, more innovative and ultimately better support customers.

We have a history of acting on insight from our people and we conducted a diversity audit of our people via an employee survey that guaranteed anonymity. Understanding more about who works at Ascential helped us to understand representation – where we are lacking, or doing well. This helped us to set meaningful Diversity and Inclusion ("D&I") targets and goals to tackle real D&I challenges.

83% of employees completed the survey which gave us the opportunity to ensure that we are responding to, not reacting to, recent global events, and the needs of our people and business. We will learn from the rich information our people have shared this year, so that we can adapt our plans and ensure in all areas of our business that we are driving diversity, embracing inclusion and ensuring equitable structures for all. For more information on our Diversity and Inclusion work, please visit page 62 of this report.

In tandem with this Diversity and Inclusion work, we are re-imagining the way we're working at Ascential in response to Covid-19. As well as addressing the evolution of our workplaces and working practices, this work will also support our Diversity and Inclusion objectives, and contribute to building a truly inclusive culture. By removing potential barriers to entry such as location, access to particular offices, traditional working hours, we hope to attract a wider range of talent to Ascential.

In 2020 Ascential's overall gender split was 54% Female, 46% Male, remaining pretty consistent with previous years. As outlined in our Diversity and Inclusion report, we see this gender balance change as we move up the organisation. The figures below show where we need to continue our focus, i.e. within our senior levels of leadership:



For the third year running we have published our UK Gender Pay Gap report, full details can be found on page 16 of our Diversity & Inclusion report. In this report you'll find out more on our approach to understanding any pay gaps, and our proposed actions.

Following the appointment of two new independent Non-Executive Directors in January 2021, our board is further strengthened as one of the most diverse on the London Stock Exchange, enabling us to continue to benefit throughout Ascential from the wealth of experience this group brings together.

Employee development

We are committed to offering our people training in the skills they need to do their jobs and opportunities to develop and grow their skills beyond the here-and-now to have fulfilling careers. Like everything else, Covid-19 also impacted how we deliver on this promise, which we did, seeing a year-on-year increase in engagement with Learning & Development of 7%.

For the third year in a row, we ran our "LearnFest" on the second day of the conference in January, a highly effective, and hugely efficient way of providing critical skills development to our people so they are equipped to work well in the dynamic and fast-moving markets we operate in. Topics ranged from personal development subjects (e.g. "The Psychology of Happiness") to commercial and technical subjects (e.g. "China Briefing", "Retail Wars"). Participants were able to attend up to three sessions; based alongside their Functional and Brand Town Halls. All sessions were received well, with the top-rated session led by colleagues from Edge, which is no surprise as we know Ascential employees like learning from internal experts of varying seniority, from different brands and parts of the world.

After the January in-person LearnFest we pivoted L&D content delivery and reached 3.5 times more learners while maintaining quality (88% recommendation score). The total number of learners attending a training session in 2020 was 5,693. The length of learning sessions ranged from 45 minutes to three hours. By keeping sessions short, we kept our people 'on the shop floor' and allowed the new skills to be immediately applied.

Having taken all learning virtual, we ran a LearnFest Digital in September reaching approximately 1,500 learners, and we plan to repeat this in September 2021 to keep equipping our colleagues with the critical skills they need.

Throughout 2020, development needs changed dramatically along with fundamental changes to the ways of working, and we reacted quickly. Within days of the UK going into lockdown, we ran webinars on topics such as selling in tough conditions and coping with stress and uncertainty so that colleagues could sustain their performance and tackle difficult times with a strong mindset.

When it became apparent that virtual working was here to stay, we responded to requests for training in virtual presentation skills to best serve clients and in emotional intelligence to function well as remote teams. This also became the subject of the second season of our in-house podcast "You're on Mute" offering simple tips and techniques for working virtually with the people we used to sit side by side with. The need for virtual people management skills increased in the autumn, and we ran several webinar series for different brands.

In 2020 the second Ascential mentoring scheme was rolled out. Previously only available to more senior employees, the programme was re-purposed to make it accessible to mentees at all levels, with an aim to aid career development across the business. 2020 closed with 236 mentees, from 31 different locations, matched with 82 mentors – offering support to over three times as many mentees as we did in 2019.

As a result of the accelerated awareness of the Black Lives Matter Movement, we saw an urgent demand from across the business for more Diversity and Inclusion education. We responded swiftly, bringing in a D&I thought leader to facilitate an initial 'reflection and healing' session on Juneteenth which created momentum to hold further webinars on Conscious Inclusion, Allyship and Inclusive Leadership for all employees in the Americas and EMEA.

The momentum didn't stop there and we also offered sessions for our APAC colleagues, delivered by a regional D&I and Communications expert in both English and Mandarin – a first for us as we strive to include all colleagues. This was complemented by a D&I keynote and conversation at Ascential's first digital Learning Live event in September, experienced by 75% of employees globally.

Encouraging collaboration
This year we made the technology switch from primarily Microsoft to the Google Suite of products. This unified set of Google tools is now the default platform across the business, and was rolled out worldwide to all employees – with Google Meet launched two months ahead of schedule to aid remote working. This has enabled greater collaboration, communication and document sharing – which was all the more important in such a virtual year.

Share ownership
One of our business beliefs is that when the Company prospers, we want everyone who has contributed to prosper. We therefore run UK and International Sharesave and US Stock Purchase saving plans for employees wishing to invest in Ascential plc shares. These plans enable our people in most locations around the world to save a set sum each month and in future years buy shares at a discounted purchase price. Approximately 30% of all eligible employees participate. From 2021 we will also be awarding shares to winners of our internal Elite Awards programme.

Benefits
As part of an attractive overall employment package, people are offered a range of benefits. We seek to offer solutions that suit our different generations, so benefits are frequently reviewed and introduced, extended or removed depending on demand and feedback. Our goal is to have all employees in any given country operate on consistent terms and conditions and we have harmonised many of our US employees onto improved benefits during the year.

Employee recognition
We offer regular recognition and rewards based on outstanding work.

The biggest moment of recognition each year is the Ascential Awards, which is open to all employees. Judged by leaders and Ascential experts of varying seniority levels across our Business Units and regions, alongside our Chairman Scott Forbes, the Ascential Awards serve as the ultimate spotlight on the achievements of individuals and teams. Winners are announced in a dedicated awards ceremony during the annual Ascential Conference. Categories include commercial, creative, collaboration and customer service successes, ensuring that every person at Ascential feels they have an opportunity to be represented, with each year seeing a consistent increase in entries. The 2021 Ascential Awards ceremony took place as a virtual event to recognise our employees' outstanding contributions throughout the Covid-19 pandemic.

We also recognise and reward the brilliant work of our people each quarter, through the Elite Awards. A small group of winners is selected based on their exemplary and impactful work that quarter. Elite winners were traditionally rewarded with an in-person experience, but since the move to remote working, each winner in 2020 received £300 in vouchers, or local equivalent. We will move to offering shares for Elite prizes from 2021.

Employee Health, Safety and Wellbeing – how we responded to Covid-19
In line with the Ascential Crisis Management Plan, we activated a dedicated 'Silver' project team when Covid-19 first emerged in China in early 2020 and we moved to home working across the globe several weeks before it was mandated by governments. Our primary objective was to keep our employees safe and to minimise the impact on our business operations. In doing so, our response was guided by the advice issued by international and national public health authorities.

The cornerstone of our response strategy was to provide clear and consistent communications to our people across the world, in order to manage expectations and reduce uncertainty. Our communications plan included weekly video briefings from the CEO, cascading of key messages by senior management, strong focus on measures to promote health and wellbeing, and support for all employees by our Safety Champions and HR Business Partners. Once the immediate threat started to diminish, our focus switched to planning a managed safe return to office working. In 2021 we will continue to monitor all aspects of Covid-19 risk and assess the effectiveness of emerging mitigation measures, including vaccine development and testing.

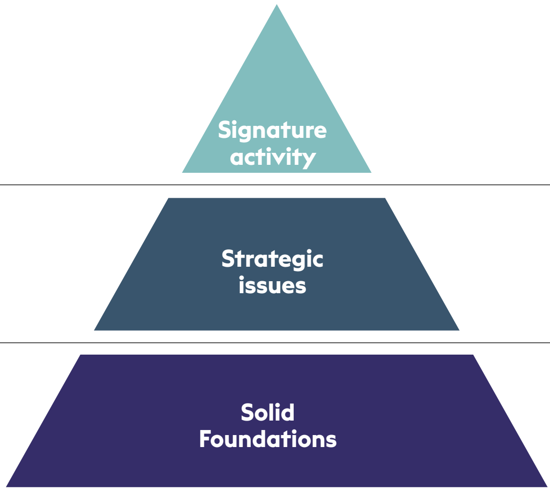
Overall Engagement Score

81%

Corporate and Social Responsibility report

Ascential's Corporate Responsibility approach informs our decisions and assesses the impact our activities have on our customers, employees, suppliers, society and the environment. The outcome is ethical behaviour and transparency which contributes to sustainable business.

Our Corporate Responsibility framework:



3 — A focus which is unique to us based on what we do, how we do it and where we operate.

2 — Things that we believe will provide us with a competitive/brand advantage.

1 — Things that all companies need to do, but done with real commitment.

In 2019 we launched our Corporate Responsibility framework and in 2020 we embedded it across the business. The focus for the past year has been in two key areas. Firstly, putting in place enabling structures and governance, with clear accountability, a shared vision and the right people. Secondly, we have taken the time to ensure we're responding, not reacting, to recent events, including the acceleration of the Black Lives Matter movement. This focus, has rightly, prioritised our Diversity and Inclusion work. Thanks to the Company's history in this area, we have been able to swiftly broaden our approach from gender to also include race and ethnicity and set out clear objectives for the ways in which we'll improve this particular area of diversity. You can read more on page 62 about our approach and ongoing objectives in this area of work.

As events of 2020 unfolded, our partnership with The Prince's Trust remained vitally important. We have for the eighth year taken part in The Prince's Trust Million Makers programme and the necessary virtual fundraising has enabled us to get the entire company involved, raising money for employability programmes for disadvantaged young people in the UK. Thanks to the generosity of our colleagues and partners we have raised over £205,000 for the charity in 2020, vastly exceeding our target for this year. We continue to look for complementary partnerships across all our regions, looking for the right organisations who can support our goal to support young people to thrive in the digital economy.

As our company continues to develop and adapt to the ever-changing global situations in which we operate, we know that our Corporate Responsibility framework sets us up to manage upcoming opportunities. We are able to do more and to manage the impact we have in our local communities and the environments in which we work by minimising our footprint and maximising our impact for good.

Paul Harrison
Chief Operating Officer
12 March 2021

Solid foundations

Headline achievements in 2020:

- Using the Dow Jones Sustainability Index as a framework, we created a prioritised roadmap for our Corporate Responsibility work.
- Hired a full time Corporate Responsibility Manager whose role it is to work across Ascential to drive priorities, share best practice and consolidate action.
- Appointed both a Board and an Executive Sponsor for our Corporate Responsibility work.
- Gained Board sign-off for an Ascential-wide Corporate Responsibility Governance structure.

Activities in detail:

The Corporate Responsibility internal audit identified that our key priorities were developing our environmental management strategy, clarifying the governance structures for our Corporate Responsibility work and broadening our approach to Diversity and Inclusion. You'll see in the Diversity and Inclusion section, the results of that wider approach. In the Sustainability section, you can read more about our developing environment strategy and below you'll see how we've clarified our governance structures.

Following the first Corporate Responsibility board update in November 2020, our Chief Operating Officer Paul Harrison was appointed Board sponsor for this area of work, with our Chief People Officer Tracey Gray appointed as the Executive sponsor. A reporting rhythm has been established, which will keep the Board updated on objectives and progress.

With the appointment of these new sponsors, we have re-aligned our existing Corporate Responsibility Committees and Steering Groups to focus on our key strategic issues. We have established a Diversity and Inclusion Steering Group and Committee; details can be found in our Diversity and Inclusion report. In early 2021 we established a Sustainability Committee and Steering group to replicate the effective work in the Diversity and Inclusion space. These groups are managed by our new Corporate Responsibility Manager, who will ensure alignment and provide overarching reporting, in line with our strategic objectives.

Objectives for 2021:

- Continue to build in-house capacity to embed Corporate Responsibility activities across the business.
- Empower Corporate Responsibility Ambassadors to use central frameworks to deliver local activities.
- Assess existing compliance frameworks and policies to make sure they remain relevant and visible to colleagues and customers.
- Use external benchmarks such as MSCI and Sustainalytics to audit internal activity and help identify key priorities.
- Publish the details and remits of our existing Corporate Responsibility Committees and Steering Groups.
- Publish and implement a new employee Code of Conduct.
- Upgrade our existing whistleblowing tool to ensure compliance with new regulations and offer more efficient case management functionality.

Strategic issue

Diversity & Inclusion

Headline achievements in 2020:

Measurement and reporting:

- Ran our first Diversity Data Survey in August 2020, with an 83% employee completion rate.
- Published our first dedicated Diversity & Inclusion report, which launched our new Diversity and Inclusion objectives and set a clear vision.
- The Hampton-Alexander Review once again showed that Ascential ranks well in the FTSE 250 for women on boards; our board is currently 60% women.

Education:

- Rolled out Conscious Inclusion training for all, delivered by recognised expert Reggie Butler. 75% of Ascential attended Reggie's LearnFest session with more than half of all staff participating in his Conscious Inclusion conversations.
- Inclusive Culture, Leadership & Diversity Business Planning training is underway for our Senior leadership.
- Rolled out Mentoring opportunities across the business, resulting in 226 mentees, with 82 mentors, across 31 locations.

Governance:

- Established our Diversity & Inclusion Governance up to Board level, from our Diversity and Inclusion Committee and Steering Group through to appointing our Board level sponsor, Chief Operating Officer Paul Harrison.
- Supported our existing Employee Resource Networks, Pride and Black in Business to formalise their own governance structures and appoint Executive Sponsors.

Activities in detail:

Our central approach to Diversity & Inclusion has been to focus on Ascential's in-house diversity endeavours under three key headings as outlined above; measurement and reporting, education and governance. This has then allowed Business Units to focus on what's right for their teams and their customers, enabling local activity that makes a tangible difference, supported by a global roadmap.

These activities have been culture and industry specific dependent. They include WGSN's Future Makers programme, an external mentoring programme for diverse talent and Cannes Lions quick action to share powerful and topical Black Lives Matter and Diversity content from Lions Live early in the summer.

Developing our Diversity & Inclusion strategy

To help us understand where we can make a specific impact, we gathered a range of insights to inform our strategy. This included external audits gathered by expert partners, data from our own Diversity Data survey and a number of internal listening conversations. It's with this information that we now know exactly where to focus our attention to support an inclusive culture and meet the needs of our diverse workforce. It's crucial that we took the time to gather the right data to help define our Diversity & Inclusion strategy – it stops the guesswork and allows us to focus on the issues relevant to our business, industry, and communities.

Our new Diversity & Inclusion vision:

For Ascential, diversity is core to us. Our value as an employer and to our customers is greater when we draw on the full range of our collective perspectives and experiences. We continue to be committed to attract, retain, develop and engage a diverse workforce, and we will work constantly to ensure that everyone at Ascential feels comfortable to be themselves. This is the right thing to do to ensure a sustainable future for our organisation and to make a positive impact for our people, customers, and society.

Our new Diversity & Inclusion commitments:

To employees: We will co-create an inclusive culture with equitable systems throughout our workforce, so that people are comfortable in bringing their authentic selves to Ascential, to thrive, and progress their career.

To customers: We will deliver the ideas, perspectives and cultural richness that our customers – and their customers – need to future-proof their products and services.

To society: We will play our part in imagining and developing a brighter, more equal society, starting with our own company and the industries we work in. We will report openly and regularly on our progress to enable others to learn from us and hold us to account.

Objectives for 2021:

- Details of all our Diversity & Inclusion objectives can be found in our Diversity & Inclusion report.
- Our key focus at the start of 2021 will be addressing the need identified in both our Diversity Data, and Engagement Survey for more support with career development. This will see us roll out both a process to proactively forecast, attract and recruit for diverse talent and an equitable process to identify and support internal talent to develop their career
- We commit to publishing a yearly progress review against our Diversity & Inclusion targets. This will enable us to monitor progress and adjust activity and objectives accordingly in order to meet our 2030 goals in a targeted and relevant way.

Case study:
Diversifying our content: Retail Week

2020 brought specific attention to the lack of progress for people of colour in retail. We wanted to use our platform as a catalyst for change in the retail industry and amplify and celebrate the voices of people of colour. In September 2020 we sent an email to our entire database asking everyone to join us in our pledge.

We gave ourselves a target that 20% of our speakers had to come from racially diverse communities. This time last year, 8% of our speakers were from these communities. Following our work we now have 25% of our speakers for our digital event in April – Retail Connected, coming from a racially diverse background.

In order to achieve this, we revised the entire brochure and said we would challenge submissions where the proposed speaker was white. We mentioned this in our marketing communications, and made sure that the speakers we put on our marketing materials represented the communities we were looking to represent.

In addition, we reviewed all the channels we use to gain speakers and focused our efforts. We knew relying solely on the retail sector we would not be able to achieve our goal, so we started to look further afield for people with a great story to tell. We contacted groups like Creative Equals, My G Work, The Barber Shop and Allyship to help introduce us to new speakers, not necessarily in retail. We also looked beyond the C suite – the retail boardroom in the UK is largely non-diverse, so reaching out to more junior speakers has enabled us to access a wider pool of people who are more representative of the world around us.

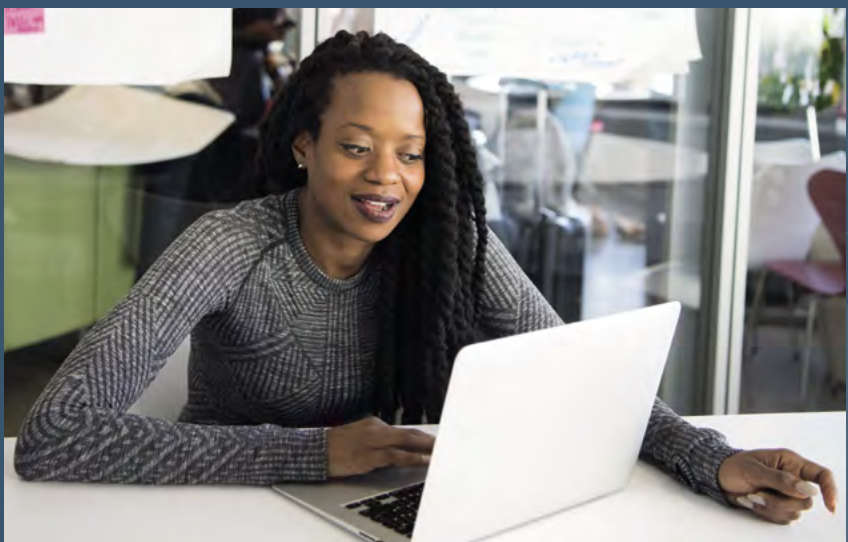
RWRC is committed to using our platform as a catalyst for change in the retail industry, to celebrate and champion individuals from diverse backgrounds.

Case study:
WARC's commitment to Racial Equality

In June 2020 , WARC set up the WARC Change Makers, diversity and inclusion action committee with employee representatives from London, New York and Shanghai. Firstly, the group developed and published WARC's Five Commitments to Racial Equality. These commitments were the first such move by an Ascential brand and were the foundations for action, covering their team, their content, their products, their company and their market influence.

Once the foundations were set, WARC and Lions, along with the Association of National Advertisers Educational Foundation (AEF) and the 4A's Foundation, teamed up to bring industry knowledge to HBCUs (Historically Black Colleges and Universities) by offering WARC and The Work to students for free. This equates to a US$1 million annual commitment, no strings attached and in perpetuity.

Since mid-2020, the brand has made determined progress across five key areas to ensure WARC's content reflects a more diverse range of marketers, both day to day and on major content releases. This includes building a contact book of 100+ diverse marketing leaders to call on as WARC judges and contributors.



"This partnership will provide HBCUs with practical educational tools to assist in enhancing our marketing programs. Our curriculum today requires business case studies and other current marketplace resources for student success. It is my hope that this initiative and others will help improve the access of our students to marketing careers across the industry."

Van B. Sapp
President, HBCU Business Dean's Roundtable

Strategic issue

Sustainability

Headline achievements from 2020:

- In 2019, Cannes Lions and Money20/20 operated our most sustainably conscious events to date. The high ambitions for improving on this in 2020, have been postponed to 2021 when our events will take place again, in person.
- WGSN has continued to provide support to our global client base, enabling them to create sustainable products and services. This year WGSN performed a thorough audit across all content with a view to broadening, deepening and refining our sustainability coverage. Our cross-vertical monthly Sustainability Bulletin has proven to continue to be one of WGSN's most popular reports.
- Groundsure completed an environmental baseline review and is developing its ISO14001 system.
- Gained Board sign-off on our approach to Environment Management including the Governance structure and aligning with TCFD reporting.
- In January, two of our internal specialists ran The Greta Effect: A Beginner's Guide to Big Issues at the annual LearnFest. The session focused on the growing demand for sustainability, and how to drive change.

Activities in detail:

This year, we have identified the support structures we need in place in order to effectively manage our impact on the environment. We therefore designed, and gained Board approval for, a new governance structure for this area of work. The purpose of establishing this structure is: to enable us to implement identified activities; effectively manage our impact on the environment and the impact that climate change may have on our business; and to keep across changes in investor and client demands in order to respond to those requests and manage future requirements.

What we've found has worked well in implementing our Diversity and Inclusion work this year is having both a Steering Committee made up of key senior stakeholders, along with a working group with more junior representation from across the business. We have therefore designed a similar model for this area of work which has been implemented in early 2021.

In addition to establishing the working governance structures, we have also sought to understand our existing position on environmental management. We have completed the Carbon Disclosure Project assessment for the first time, which marks the beginning of more visible reporting in this area and has helped us to understand areas which need improvement.

WGSN's Sustainability Board, established in 2017, continues to be a thought leader for our business. Established in 2017 and continuously evolving, the Board is a dedicated steering group of in-house, cross-industry, sustainability ambassadors. They ensure that WGSN's research and reporting enable clients to improve their environmental contribution and shift to circular design within the industries they service. The Board has this year aligned with UN Sustainability Goal 12, 'Responsible Consumption and Production'. By encouraging a circular design system with their clients, they are embedding sustainability principles at all stages of product design from sourcing and manufacture through to purchase and post purchase.

Objectives for 2021:

- Early in 2021, we have established the Environmental Governance structures outlined to the Board in November 2020.
- Complete climate related disclosures for the 2021 financial year consistent with the approach set out by the Taskforce on Climate-related Financial Disclosures (TCFD).
- We will work to accurately measure the impact of our largest events, allowing us to create a specific plan to make each one more sustainable.
- We will use the learning we have gained from WGSN to support all our brands to further develop the services they can provide their customer base, to enable them to better manage their environmental impact.
- In 2021 the WGSN Sustainability Board will be launching a range of initiatives that will continue to upskill our team; from educational, networking events and workshops to a comprehensive sustainability glossary to enhance the depth of our reporting, plus cross-industry reports to inspire sector transformation. It is our goal to become the global go-to forecasting authority on sustainability strategy for all of the industries we serve.

Signature activity

Supporting young people in a digital world

Headline achievements from 2020:

- Raised over £125,000 for The Prince's Trust entirely virtually, in our eighth year participating in The Million Makers programme.
- Enabled our teams to design and deliver early talent programmes which worked for their Business Units and regions.
- Continued to grow our Apprenticeship programme in the UK .

Activities in detail:

For the eighth year running we entered The Prince's Trust Million Makers fundraising competition and at the time of this publication had raised over £212,000. This takes the total we have raised for the charity over the past eight years over £1,600,000 and we remain a Gold Patron.

Fundraising in a virtual world required the tenacity and innovation the Ascential Million Makers teams are known for. Events this year, for the first time, involved global colleagues and included Movement to Move, a global sponsored fitness challenge which saw our colleagues virtually visit every office, an online Gala night and silent auction. Whilst events remained online, we were still able to involve our partners and clients in supporting our activities through sponsorship and invites to our online events.

Our partnership with the Million Makers programme is developing again in early 2021, as we support the Trust to attain Continuous Professional Development (CDP) accreditation for the programme. This will give Million Makers participants the opportunity to attend a series of Skills Sessions and TED style seminars with top business leaders leading to a professional accreditation at the end of the programme.

Our support for Goals 4 Girls also continued in 2020. Goals 4 Girls is an award-winning development programme, raising the aspirations of young women and girls, through football and education. Founded by Francesca Brown through the support of The Prince's Trust we have continued to partner with both Francesca and Goals4Girls to ensure the work we started through The Prince's Trust becomes sustainable long term. This year Goals 4 Girls provided a powerful online Diversity and Inclusion workshop for our colleagues, with young people speakers from their programmes. The event was donated by Goals 4 Girls, and colleagues donated to attend, raising over £1600 for The Prince's Trust.

In addition to our global support of The Prince's Trust and Goals 4 Girls we have continued our ethos of enabling our brands and regions to support charities in their local communities, providing support where they see a need. Examples include Flywheel, where the brand matches their colleagues, and their under 18 children's charitable giving up to $1,000 per year. In 2020 this resulted in Flywheel matching donations of $16,522, the brand also donated another $50,000 direct to charity, of which $20,000 went to the NAACP Baltimore Chapter to buy masks for Black Lives Matter supporters. In São Paulo, the local Social Responsibility Committee have partnered with local refugee support institutions such as PARR and ACNUR, providing professional training and counselling – which has led to two refugees from these programmes securing roles in our São Paulo office.

Due to the circumstances of 2020, we paused our global roll-out of a work experience programme. While both colleagues and many students are home-based we need to understand how we can best support students in experiencing the world of work. However, we have continued to grow our Apprenticeship programme in the UK and have worked to roll out equivalent employment and education programmes in other regions. An internship programme will be launching in 2021 in a number of brands in the US.

Objectives for 2021:

- Continue to support local roll-out of early talent programmes, providing central frameworks and guidance but enabling local delivery.
- Continue to partner with The Prince's Trust forming a new Million Makers team, to keep up our long history of successful fundraising.
- We will continue our work to find similar organisations to partner with in North America, Brazil and China, aligned to our ethos of improving social mobility and employability of disadvantaged young people in our digital world.
- Colleagues are given one volunteering day each year, to use how they wish. We will grow our own global volunteering opportunities, encouraging our people to support initiatives that closely align to our signature activity.

Streamlined Energy and Carbon Reporting (SECR)

Operating responsibly

Greenhouse gas emissions statement

This carbon report establishes a baseline for Ascential to meet the reporting requirements under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 to implement the UK government's policy on Streamlined Energy and Carbon Reporting (SECR). Also references the global carbon emissions reported from previous years.

In 2019, Ascential completed the mandatory ESOS notification to the Environment Agency, following the completion of site-specific audits to identify potential areas of energy efficiency improvements across the UK operations. These recommendations included LED lighting, A/C temperatures and transport data gathering.

With the impact of Covid-19 in 2020 the implementation of these has been delayed and further carbon reduction initiatives and recommendations are being considered.

Since 2018, we have eliminated our Company vehicle fleet which has led to a significant decrease in our Scope 1 emissions. Since 2019, we have been working to establish clear governance around our sustainability agenda, and strengthen our data collection practices. By gathering raw data from our global real estate, we are confident that the data we have gathered this year provides a solid baseline from which to work to reduce emissions going forward.

Methodology and scope

The adopted methodology used is based on the Greenhouse Gas Protocol Corporate Reporting Standard reporting on equivalent CO_2 emissions from organisational boundary. Information has been gathered in the same format as for compliance with the ESOS Regulations, for Scope 1 & 2 emissions, collated into kWh for all corresponding UK and global based operations, directly owned or operated by Ascential (i.e. the organisational boundary).

These have been converted to equivalent tonnes of carbon dioxide (tCO_2e) using the published UK Government GHG Conversion Factors for Company Reporting for 2020, along with data published for international emissions (GCV). Partial scope 3 emissions relating to UK business travel and global air travel have also been identified.

SECR report

Global Greenhouse Gas (GHG) Emissions Summary:

The table below includes combustion of fuels (Scope 1), purchase of energy including electricity, heat and cooling (Scope 2) and business travel and hotel emissions (Scope 3)

	2018	2019	**2020**	Unit	% var
Emissions Type					
Scope 1[1]	48.22	12.56	**5.15**	Tonnes of CO_2	-59%
Scope 2[2]	686.73	522.54	**724.9**	Tonnes of CO_2	+39%
Total 1&2	734.95	565.1	**730**	Tonnes of CO_2	+29%
			23.6% from UK		
Intensity Factors					
Total area	24,932	23,023	**22,577**	Square metres	–
Total headcount	1644	1,719	**1,991**	Full time equivalents	–
Carbon intensity 1	29.47	24.55	**32.33**	Total $kgCO_2e/m^2$	+32%
Carbon intensity 2	447.05	328.74	**366.65**	Total $kgCO_2e$/FTE	+12%
Scope 3 emissions					
Global Car travel [3]	–	–	**17.05** **From 98,100km**	Tonnes of CO_2	–
Global Air travel [4]	–	–	**1495** **From 7,801,850km**	Tonnes of CO_2	–
Global Rail travel	–	–	**5.91** **From 190,000km**	Tonnes of CO_2	–
Global Hotel Nights	–	–	**44.57** **From 1,869 nights**	Tonnes of CO_2	–
Total Scope 3	–	–	**1,562**	Tonnes of CO_2	–
Total Scope 1, 2 & 3	–	–	**2,292**	Tonnes of CO_2	

1 Scope 1 emissions from natural gas only.
2 Scope 2 emissions data includes some pro-rata data on landlord supplied energy including an average kWh/m² rate for offices without metered billing.
3 Global Business Car Travel is collated from leased company cars as managed assets along with grey fleet expenses returns from staff using their own transport. Appropriate fuel rates applied.
4 Global air travel emissions are based on appropriate carbon conversation factors for the relevant haul classifications of the flights undertaken.

Looking ahead:

Having established our Sustainability Committee and Steering group in early 2021, we will be using the latest Global Greenhouse Gas Emissions Report to build out clear targets for carbon reduction in 2021 and implement the associated action plans.
For full details on our work on Sustainability, please read page 65.

Compliance framework

Our formal compliance framework continues to facilitate a structured and consistent approach to managing compliance throughout Ascential. The framework is structured around 11 Compliance Pillars under which we focus our priorities. Where appropriate we have policies governing each area and further information is provided below.

Third Party Code of Conduct

	People	Acting with integrity	Good operational governance
Code of Conduct	●	○	○
Whistleblowing	●	○	○
Competition Law	○	●	○
Anti-Bribery and Corruption	○	●	○
Financial Crime	○	●	○
Listing Requirements (inc.MAR)	○	●	○
Economic Sanctions	○	●	○
Data Security	○	○	●
Data Privacy	○	○	●
Health and Safety	○	○	●
Physical Security	○	○	●

Third Party Code of Conduct

Our Third Party Code of Conduct outlines our ethical approach to doing business and explains the standards we strive to ensure that all our suppliers should abide by, and we also expect our suppliers' suppliers to adhere to it. The main principles of this Code are:

No forced, involuntary or child labour
- There is no forced, involuntary or debt bonded labour in any form including slavery or trafficking of persons. There are no workers under the age of 15, or where it is higher, the mandatory school leaving age in the local country. The use of legitimate workplace apprenticeship programmes, which comply with all laws and regulations, is supported.

Freedom of association
- Workers, without distinction, have the right to associate freely, join or not join labour unions, seek representation and join workers' councils as well as the right of collective bargaining in accordance with local laws.

Diversity and equality
- There is equality of opportunity and treatment regardless of physical attributes or condition (including pregnancy), gender, religion (or absence of such beliefs), political opinion, nationality, sexual orientation, age or ethnic background. Equal pay for work of equal value is supported. Discrimination or intimidation towards and between employees is opposed, including all forms or threats of physical and psychological abuse.

Read more
The full Third Party Code of Conduct is available on our website: **ascential.com**

Business integrity

- There is no tolerance of any form of corruption, bribery, fraud, extortion or embezzlement and business is conducted in a manner that avoids conflicts of interest.
- Fair competition.
- Fair business, advertising and competition are supported.

Intellectual property, privacy and data security

- There is respect for and protection of intellectual property rights, data and confidential information to safeguard it against and prohibit loss and unauthorised use, disclosure, alteration or access. Our intellectual property and confidential information are handled and data processed on our behalf only for the purposes for which they were made available, received or collected in accordance with the reasonable directions provided by us.

Business continuity

- Any disruptions of business are prepared for (including but not limited to natural disasters, terrorism or cyber attacks). Risks are frequently assessed, and appropriate controls put in place and regularly tested.

Quality, health, safety and environment

- All required quality, health, safety and environment related permits, licences and registrations are obtained, maintained and kept up to date and their operational and reporting requirements are followed. Proper provision is made for the health, safety and welfare of employees, visitors, contractors, the community and the environment. Health, safety and environmental risks are regularly assessed, and appropriate controls are put in place bearing in mind the prevailing knowledge of the industry and of any specific hazards.

Whistleblowing policy

We have a formal whistleblowing policy which encourages all staff to report suspected wrongdoing, in the knowledge that their concerns will be taken seriously and investigated appropriately, and that their confidentiality will be respected. Wrongdoing includes failure to comply with legal obligations or regulations, including bribery and corruption. The policy also aims to reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken. We have in place a confidential helpline operated by an independent third party. All incidents that are reported to us are investigated, managed and tracked to completion. The Audit Committee receives a report of all such incidents, together with the actions taken to investigate and resolve the complaint.

Anti-bribery and corruption

We have a formal anti-bribery and corruption policy which applies to all Ascential companies, Ascential employees and associated third parties. We define a bribe as anything of value given in an attempt to affect a person's actions or decisions in order to gain or retain a business advantage. We define corruption as the misuse of a public office or power for private gain or the misuse of private power in relation to business outside the realm of government.

Our anti-corruption policy prohibits offering, promising or giving a bribe; requesting, agreeing to receive, or accepting a bribe; and bribing a foreign public official to obtain or retain business or a business-related advantage. The policy highlights areas where there is a higher risk of corruption:

- Journalists and editorial staff: specific risks that certain conduct may amount to bribes, for example the use of payments to improperly receive information, influence editorial decisions, write or publish an article with a particular focus not in keeping with journalistic integrity or reveal source information.
- Operations and procurement: employees who contract with associated third parties to supply services are required to be transparent about gifts or free services offered to incentivise staff to pick that supplier or venue over another and must comply with the Gifts and Hospitality policy.
- Facilitation payments: these are unofficial payments made to public officials to secure or expedite the performance of a duty or function. Facilitation payments are specifically prohibited.
- Due diligence and contract terms: all written contracts with third parties should include anti-bribery and corruption representations and warranties allowing for immediate termination of the contract if another contracting party or their agent pays or accepts bribes in connection with our business.
- Gifts and Hospitality: our Gifts and Hospitality policy is communicated to all employees, along with annual and new employee induction training to raise awareness. The policy and training communicates to employees (i) that gifts or entertainment given or received must not give a feeling of an obligation or an incentive to behave in a certain way, (ii) the value limits of gifts and hospitality that employees may give and receive, and (iii) the requirement, prior to giving or receiving above certain limits, to declare on a centrally maintained register and obtain approval.
- The policy also provides details of how employees can ask advice or report any suspected bribery or corruption to an independent third-party helpline, and explicitly confirms that no employee will be penalised for losing business by refusing to accept or offer a bribe.
- The Ascential Board has appointed the Audit Committee to review this policy and the Audit Committee periodically monitors and audits compliance.
- There were no reported breaches of the Bribery Act during 2020.

Modern Slavery

- We have a zero-tolerance approach to Modern Slavery of any kind. Our work to eliminate Modern Slavery is supported by customers, suppliers and Ascential employees. We assess the risk of Modern Slavery in our internal operations and our external supply chain against criteria including: (i) geography (countries where bonded labour is more prevalent); (ii) sectors (the nature of product or service procured or supplied and whether it is typically associated with unfair labour practices); and (iii) the nature of our business operations. Our assessments are informed by sources such as the Walk Free Foundation.
- High and medium risk suppliers are required to adopt our Third Party Code of Conduct and to complete a questionnaire designed to identify any areas of non-compliance with that code, as well as confirm that our supply chain is slavery and human trafficking free. We reserve the right to terminate the business supplier relationship without consequence or liability if a supplier fails to fulfil the minimum standards we expect. Our full Modern Slavery Statement, which has been approved by the Board of Ascential, is available on our website ascential.com/aboutus

Tax strategy

The Board is ultimately responsible for Ascential's tax strategy and we are committed to maintaining full compliance with all relevant laws and regulations in the countries in which we operate.

We take a low-risk approach to tax planning and we have a strategic objective to achieve a low-risk status as determined by HMRC's Business Risk Review process. We seek to obtain this status through:

- Paying the right amount of tax on time
- Submitting all tax returns on a timely basis
- Ensuring that tax returns include sufficient detail to enable the tax authorities to form an accurate view of the affairs of the company filing the return with an adequate supporting audit trail and sign-off process
- Maintaining tax accounting arrangements which are robust and accurate and comply with local regulations and the Senior Accounting Officer provisions in the UK
- Working closely with the tax authorities at all times

We seek to ensure that our tax affairs are transparent and sustainable for the long term. We publish our tax strategy on our website to allow stakeholders, including shareholders, governments, colleagues and the communities in which Ascential operates, to understand our approach to taxation.

We are committed to maintaining a working environment underpinned by decency and fairness and where equality and diversity are recognised, encouraged and valued.

Equal opportunities

We are committed to maintaining a working environment underpinned by decency and fairness and where equality and diversity are recognised, encouraged and valued. We actively encourage equality of opportunity for all employees and job applicants. We have a formal equal opportunities policy which prohibits discrimination against anyone on the basis of the protected characteristics of: disability; gender re-assignment; marriage or civil partnership status; pregnancy or maternity; race, colour, nationality, ethnic or national origin; religion or belief; sex; sexual orientation; and age. The policy defines different forms of discrimination including direct discrimination, indirect discrimination, harassment, victimisation and failure to make reasonable adjustments. We consider diversity and inclusion to be a strategic issue for Ascential and more information on our Diversity & Inclusion initiatives is given on page 62.

Data privacy, personal data and cyber security

Data is integral to Ascential, and our colleagues analyse and share data every day in providing services to customers. It is critical to our business that we protect this data, managing it responsibly, and ensuring we are collecting and storing it in the most compliant, secure and effective way.

Our global cyber security, data privacy and data protection policies are standardised across our brands and apply across our whole technology estate. We keep these policies relevant by undertaking regular audits, the results of which are shared annually with the Audit Committee.

Our suppliers commit to following our data security and privacy controls. We manage this process through our initial supplier due diligence and ongoing through contract management.

Data is integral to Ascential, and our colleagues analyse and share data every day in providing services to customers. It is critical to our business that we protect this data, managing it responsibly, and ensuring we are collecting and storing it in the most compliant, secure and effective way.

Data privacy:
Ascential's group wide data privacy standards and procedures are key to the management and maintenance of data privacy and security and are the foundation to our approach and governance in this area. Our eight commitments to data privacy and protection are:

- Being lawful
- Being fair and transparent
- Respecting individual rights
- Minimising data collection, keeping accurate and up-to-date data, and following retention policies
- Protecting personal data
- Appropriate safeguard for cross-border data transfers
- Good governance
- Accountability

Personal data:
We have in place group-wide privacy policies which apply to all personal data processed by the Ascential group as a data controller for our own purposes.

Ascential takes steps to ensure it only processes personal data for specific and lawful purposes which are defined and explained to individuals when we process their data. Our use of such personal data is limited to those purposes and if this changes, we make sure the new purposes are provided to individuals prior to the commencement of such processing.

We are clear to respect the rights that individuals have in relation to their personal data and have processes in place to recognise and respond to individuals wishing to exercise these rights. We ensure that personal data is kept up to date and not retained for longer than the purposes for which it was collected.

Cyber security:
The last Cyber security audit was completed in 2020 and presented to the Audit Committee in May of the same year, this was part of the regular internal audit programme and cycle of continuous improvement.

All employees are required to undertake data privacy and security training as part of their induction and then cyber security training on a yearly basis thereafter. Our colleagues are kept up to date with new policy changes as required.

We have global information security policies and procedures to manage and maintain data security breaches. We are committed to implementing leading data security safeguards and continue to deploy technical solutions to strengthen the management of data security and data privacy risk. These include multi-factor authentication, data loss prevention, access and controls to systems and regular auditing of account access, and monitoring of compliance with our cloud security framework.

Health & Safety

We continue to maintain our group-wide Health & Safety policies and supporting procedures, both of which are underpinned by clear governance, regular safety risk assessments and a formal incident reporting and investigation process. All employees, and new starters continue to be required to complete Health and Safety training.

The backdrop of the Covid-19 global pandemic provided a clear operational focus throughout the year and demonstrated the strength of both our crisis management organisation and of our robust approach to safety management across all areas of the business.

A particular focus for the year was mental health and wellbeing; supporting the movement to home working with online desk assessments and the provision of suitable office equipment and technology; and the safe reopening of our offices.

More detail on how we protected the Health and Safety of our people throughout the pandemic is included in the 'Our People' section on page 56.

Governance Report

Governance

Chairman's letter

Scott Forbes
Chairman

Strong governance, alongside the Company's values and behaviours, underpins the integrity of our operations, and delivers and preserves shareholder value.

Dear Shareholder,

We have been able to demonstrate our commitment to corporate governance through our full compliance with the UK Corporate Governance Code ("the Code") since our IPO in February 2016 and this has continued throughout 2020, with the exception of a temporary three-month non-compliance with Code Provision 24 relating to the independence of Paul Harrison which is explained at the end of this report. The requirements of the Code are summarised on page 78, along with a reference to where we set out in detail how we have complied with its various provisions.

2020 has of course been overshadowed by the Covid-19 pandemic and its significant impact on so many people and businesses across the world. We last met physically as a full Board in February 2020, when the impact of the pandemic was not yet clear. The Board held an additional meeting on 30 March to fully consider the implications of the developing pandemic and agree what actions should be taken in response. One of the key decisions prompted by Covid-19 was whether it would be necessary to cancel the Cannes Lions event scheduled to be held in June 2020. After consultation with major customers the decision was taken at the beginning of April to cancel the June 2020 Cannes Lions event. In light of the financial implications for the Company of this action, at the same time the Board announced a suspension of the previously announced 2019 final dividend, suspension of previously proposed salary increases for directors and a temporary 25% reduction in the Executive Directors' salaries and Non-Executive fees. Subsequently the Company agreed a cost reduction programme as well as a waiver and relaxation of its banking covenants to deal with the financial implications of event cancellation in 2020.

While still covering all the matters that needed to be covered as part of the Company's governance cycle, the Board has spent time at all subsequent meetings reviewing business performance scenarios and resultant impacts on the Company's financings as the impacts of Covid-19 have unfolded during this unprecedented period of uncertainty.

Against this backdrop and excluding the impact of the cancellation of our live events in 2020, we have delivered well against the priorities we set for the year by increasing the rate of Organic revenue growth in the Sales Segment, focusing on our service offering to further reduce customer churn, delivering product superiority across the Company and delivering greater simplicity and efficiency throughout the business. You can read more about our performance in the Chief Executive's statement on pages 4 to 7.

Leadership

The Directors continue to provide strong leadership, with an effective mix of experience and capabilities. As explained in last year's report, the Nomination Committee had identified that Board composition could be strengthened by adding leading eCommerce knowledge, consumer retail experience and/or significant experience of operating in Asia. Following a formal search process, which is described in more detail on page 88, Charles Song joined the Board on 1 October 2020.

In September 2020, we announced the appointment of Paul Harrison, an existing Non-Executive Director and Chair of the Audit Committee, as Chief Operating Officer and Executive Director with effect from 11 January 2021. Paul has significant experience driving growth in innovative digital businesses and this appointment will add further depth and breadth to the senior management team. As a result of this appointment, the Nomination Committee identified the need to appoint two additional Non-Executive Directors with strong financial acumen and experience to firstly succeed Paul as Chair of the Audit Committee and more generally strengthen the composition of the Audit Committee. Following the search process explained on page 88, Suzanne Baxter and Funke Igdodaro were appointed with effect from 5 January 2021. Details of the newly appointed Directors' skills and experience are set out on page 77.

The Nomination Committee will continue to regularly review the composition, balance, skills and experience of the Board to ensure that we maintain the optimum Board composition for future periods.

We have continued to focus on career development and succession planning to ensure that we have a healthy talent pipeline for senior management and Board roles. The work we have done in this area is explained in the Nomination Committee report on page 89.

Effectiveness

It is a key part of good governance that the Board and its Committees undertake an annual evaluation to ensure that it continues to operate effectively. In accordance with the Code and our three-year performance evaluation cycle, this evaluation was performed internally for 2020 as we engaged Korn Ferry to facilitate the Board performance evaluation for 2019. The Board evaluation process confirmed that the Board has worked effectively during the year, with a committed Board who are very engaged with the Ascential business. All Directors will offer themselves for re-election at the forthcoming Annual General Meeting. Full details of the evaluation methodology and its outcome are set out on page 89.

The Non-Executive Directors devote considerable time to developing their knowledge and understanding of the business. In addition to formal Board meetings, the Directors attend an annual offsite meeting to review strategy and normally hold one of their meetings at an overseas location of the business. These extended meetings also give the Board the opportunity to hear directly from external speakers, including key customers or experts in a particular sector which is relevant to Ascential's growth plans. Details of the Board's engagement with the business are set out on page 81.

Accountability

The Board considers principal and emerging risks throughout the year, as well as formally reviewing principal risks and the risk management framework. The Audit Committee reviews the system of internal controls and reports this work to the Board, which then reviews the effectiveness of internal controls in place throughout the year.

You can read more about our principal risks and risk management framework on pages 48 to 49, and on the work of the Audit Committee on pages 83 to 87.

Diversity

Our practice of conducting periodic internal and externally facilitated Board Strategy reviews has become a proven way of ensuring that our Board is continuously composed of Directors with a diversified range of capabilities as well as business, board and life experience. We believe that Directors with diversified experience best position the Board to assist the Company to achieve its evolving business strategy and success. Our collective view is that diversity, including gender and ethnic diversity, immunises the Board against 'group think' and promotes a culture which keeps business practices current and in tune with wider societal norms. A board that is diversified is an ideal platform for global expansion and recognising and adapting to changing consumer behaviours and is better prepared to respond to evolving industry trends and act upon new business opportunities.

As at 31 December 2020, Board composition was 50% female and 13% ethnic minority. Following our recent appointments in January 2021, Board composition is currently 64% female and 18% ethnic minority. This demonstrates good progress with developing a more diverse Board composition however we are clear that more needs to be done at every level throughout the business. We have taken time to ensure that we are responding, not reacting, to recent events including the acceleration of the Black Lives Matter movement. We conducted a Diversity Data Survey in August 2020 as the first important step in enabling understanding and prioritisation of next steps. You can read more about our Diversity & Inclusion statistics and commitments on page 62.

Relations with shareholders

As Chairman, I am responsible for effective communication with shareholders and for ensuring that the Board understands the views of major shareholders. We run an extensive investor activity programme throughout the year, which is set out on page 14
I have met with major shareholders during the year as part of the consultation on proposed changes to our remuneration policy and the Board receives feedback from me and the Executive Directors and is further informed by the Company's brokers who report feedback from investors on an unattributed basis.

You can read more about how we engage with our investors on page 82.

Conclusion

I hope you find this report useful in understanding the arrangements and processes we have in place, and what we have done to comply with the recommendations of the Code. I believe that your Board remains effective and continues to work well. We have the right balance of skills, expertise and professionalism to continue to deliver strong governance whilst supporting the Executive Directors to execute the strategy we have designed to deliver sustainable long-term performance.

Scott Forbes
Chairman
12 March 2021

Our experienced and effective leadership

Scott Forbes
Chairman

Appointed to the Board
January 2016

Independent
Yes (on appointment)

Meetings attended
10/10

Committees
N

Key areas of prior experience
Board and committee chairing, business strategy, digital marketplaces, operations, finance, mergers and acquisitions and investor relations.

Current external appointments
- Chairman, Cars.com
- Non-Executive Director, ATG

Previous experience
- Chairman, Rightmove plc
- Chairman, Orbitz Worldwide
- Non-Executive Director, Travelport Worldwide
- Managing Director, Cendant Corporation

Duncan Painter
Chief Executive Officer

Appointed to the Board
October 2011

Independent
No

Meetings attended
10/10

Committees
–

Key areas of prior experience
eCommerce, digital media, consumer intelligence systems, mergers & acquisitions, business integration, operations, transformation.

Current external appointments
- Non-Executive Director, ITV plc

Previous experience
- Managing Director, Sky plc
- Global Product Leader, Experian plc
- Founder and Chief Executive Officer, Clarity Blue

Mandy Gradden
Chief Financial Officer

Appointed to the Board
January 2013

Independent
No

Meetings attended
10/10

Committees
–

Key areas of prior experience
Chartered accountant, corporate finance, mergers & acquisitions, financial restructuring, transformation.

Current external appointments
- None

Previous experience
- Non-Executive Director, and Chair of Audit Committee, SDL plc
- CFO, Torex Retail Holdings Limited
- CFO, Detica Group plc
- Dalgety plc
- Price Waterhouse

Judy Vezmar
Non-Executive Director

Appointed to the Board
January 2016

Independent
Yes

Meetings attended
10/10

Committees
R N

Key areas of prior experience
Remuneration, voice of consumer, talent management, portfolio management, global account sales.

Current external appointments
- Non-Executive Director, SSP Group plc

Previous experience
- CEO, LexisNexis International
- Executive, Xerox Corporation

Gillian Kent
Non-Executive Director

Appointed to the Board
January 2016

Independent
Yes

Meetings attended
10/10

Committees
A R

Key areas of prior experience
Digital media, marketing, brands, remuneration, transformation, technology.

Current external appointments
- Non-Executive Director, Dignity plc
- Non-Executive Director, Mothercare plc
- Non-Executive Director, NAHL Group plc
- Non-Executive Director, SIG plc

Previous experience
- Non-Executive Director, Pendragon plc
- Non-Executive Director, Coull Ltd

Charles Song
Non-Executive Director

Appointed to the Board
October 2020

Independent
Yes

Meetings attended
2/2

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

Previous experience
- President and CEO, China Resources Bank
- Tencent
- HSBC

The Board is committed to maintaining very high standards of corporate governance and ensuring values and behaviours are consistent across the business.

Paul Harrison
Chief Operating Officer

Appointed to the Board
January 2016 as NED
January 2021 as COO

Independent
No (from 1 October 2020)

Meetings attended
10/10

Committees
–

Key areas of prior experience
Chartered accountant, corporate finance, mergers & acquisitions, capital markets, financial restructuring, audit, voice of consumer.

Current external appointments
– None

Previous experience
– CFO, Just Eat plc
– Senior Independent Director and Chair of Remuneration Committee, Hays plc
– Non-Executive Director and Chair of Audit Committee, Hays plc
– CFO, Wandisco plc
– CFO, The Sage Group plc

Rita Clifton
Senior Independent Director

Appointed to the Board
May 2016

Independent
Yes

Meetings attended
10/10

Committees
A N R

Key areas of prior experience
Brands, branding, business leadership, global account sales, CPG voice of consumer.

Current external appointments
– Deputy Chair, John Lewis Partnership
– Non-Executive Director, Nationwide Building Society
– Chair, Brandcap

Previous experience
– Non-Executive Director, Asos plc
– Vice Chair and Strategy Director, Saatchi & Saatchi
– CEO and Chair, Interbrand
– Non-Executive Director, Sustainable Development Commission
– Fellow, World Wildlife Foundation

Suzanne Baxter
Non-Executive Director

Appointed to the Board
January 2021

Independent
Yes

Meetings attended
n/a

Committees
A

Key areas of prior experience
Chartered accountant, corporate finance, mergers & acquisitions, business services, audit, transformation.

Current external appointments
– External Board member, Pinsent Masons International LLP
– Non-Executive Commissioner, Equality and Human Rights Commission

Previous experience
– Audit Committee Chair, WH Smith plc
– CFO, Mitie Group plc

Funke Igodaro
Non-Executive Director

Appointed to the Board
January 2021

Independent
Yes

Meetings attended
n/a

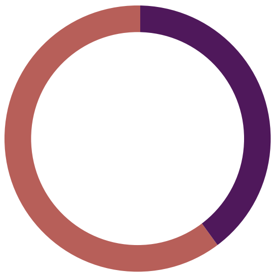
Committees
A

Key areas of prior experience
Chartered accountant, finance, strategy, mergs & acquistions, business and technology transformation.

Current external appointments
– Audit and Risk Committee Chair, Massmart Holdings Limited
– Non-Executive Director, Old Mutual Limited
– Non-Executive Director, Sabvest Limited

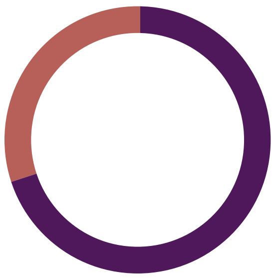
Previous experience
– CFO, Tiger Brands Limited
– CFO, Primedia Limited
– Executive Director, Barloworld Limited
– Executive Director, EMTS Limited

Board gender



Male	4
Female	6

Board independence



Independent	7
Non-Independent	3

Key to committees

Committee Chair	
A Audit	p.83
N Nomination	p.88
R Remuneration	p.90

Governance framework

How we comply with the UK Corporate Governance Code

The UK Corporate Governance Code 2018 applied to Ascential for the year ending 31 December 2020. This section of the report explains how we have complied with the Code by summarising the provisions of the Code and linking to where we describe how we have complied in more detail.

Section 1: Board Leadership and Company Purpose

A successful company is led by an effective and entrepreneurial board, whose role it is to promote the long-term sustainable success of the company, generating value for shareholders and contributing to wider society. (See the Directors' biographies on pages 76 to 77 for more information.)

The board should establish the company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All Directors must act with integrity, lead by example and promote the desired culture. (See the governance framework on pages 79 to 82 for more information.)

In order for the company to meet its responsibilities to shareholders and stakeholders, the Board should ensure effective engagement with, and encourage participation from, these parties. (See the stakeholder engagement section on pages 10 to 15 for more information.)

The Board should ensure that workforce policies and practices are consistent with the company's values and support its long-term sustainable success. The workforce should be able to raise any matters of concern. (See the sections on Our People on pages 56 to 59 and the Whistleblowing section of the Audit Committee Report on page 87 for more information.)

Section 2: Division of Responsibilities

The Chair leads the Board and is responsible for its overall effectiveness in directing the Company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the Chair facilitates constructive Board relations and the effective contribution of all Non-Executive Directors, and ensures that Directors receive accurate, timely and clear information (See the governance framework on pages 79 to 82 for more information.)

The Board should include an appropriate combination of Executive and Non-Executive (and in particular, Independent Non-Executive) Directors, such that no one individual or small group of individuals dominates the Board's decision-making. There should be a clear division of responsibilities between the leadership of the Board and the executive leadership of the Company's business. (See the governance framework on pages 79 to 82 for more information.)

Non-Executive Directors should have sufficient time to meet their Board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold management to account. (See the governance framework on pages 79 to 82 for more information.)

The Board, supported by the Company Secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently. (See the governance framework on pages 79 to 82 for more information.)

Section 3: Composition, Succession and Evaluation

Appointments to the Board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan should be maintained for Board and senior management. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths. (See the Chairman's introduction to governance on page 75 and the Nomination Committee report on page 88 for more information.)

The Board and its committees should have a combination of skills, experience and knowledge. Consideration should be given to the length of service of the Board as a whole and membership regularly refreshed. (See the Chairman's introduction to governance on page 74 and the Nomination Committee report on page 88 for more information.)

Annual evaluation of the Board should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each Director continues to contribute effectively. (See the Chairman's introduction to governance on page 74 and the Nomination Committee report on page 89 for more information.)

Section 4: Audit, Risk and Internal Control

The Board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions and satisfy itself on the integrity of financial and narrative statements. (See the Audit Committee Report on pages 83 to 87 for more information.)

The Board should present a fair, balanced and understandable assessment of the Company's position and prospects. (See the Audit Committee Report on pages 86 for more information.)

The Board should establish procedures to manage risk, oversee the internal control framework and determine the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term strategic objectives. (See the Risk Management section on pages 48 to 50 for more information.)

Section 5: Remuneration

Remuneration policies and practices should be designed to support the strategy and promote long-term sustainable success. Executive remuneration should be aligned to company purpose and values, and be clearly linked to the successful delivery of the company's long-term strategy. (See the Annual Statement from the Chair of the Remuneration Committee on page 90 and the Directors' Remuneration Policy on pages 92 to 99 for more information.)

A formal and transparent procedure for developing policy on executive remuneration and determining director and senior management remuneration should be established. No Director should be involved in deciding their own remuneration outcome. (See the Directors' Remuneration Policy on pages 92 to 99 for more information.)

Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances. (See the Remuneration Report on page 102 for more information.)

A strong governance framework

Role and operation of the Board

The Board has ultimate responsibility for the overall leadership of Ascential. It oversees the development of a clear strategy, monitors operational and financial performance against agreed goals and objectives, and ensures that appropriate controls and risk systems exist to manage risk.

The Board has agreed a schedule of matters reserved for its decision or approval:

- Strategy, annual budgets and medium-term plans
- Annual and interim results
- Material acquisitions and disposals and contracts
- Establishment of risk appetite, review of principal risks and approval of both
- Ensuring that a sound system of internal control and risk management is maintained
- Changes relating to the Company's capital structure
- Approval of dividend policy
- Changes to Board composition

At the date of this report, the Board comprises 10 Directors; the Chairman, the Chief Executive, the Chief Financial Officer; the Chief Operating Officer and six independent Non-Executive Directors.

On 28 September 2020, the Board approved the appointment of Paul Harrison as Chief Operating Officer with effect from 11 January 2021. Paul has continued in his role as Non-Executive Director until that date. In light of his forthcoming appointment as COO, the Board has determined that Paul Harrison is not considered to be an independent Non-Executive Director from 1 October 2020 in accordance with the Code, notwithstanding that he has continued to act with an independent mindset throughout the year.

With support from the Company Secretary, the Chairman sets the annual Board calendar and Board meeting agendas. He ensures that enough time is devoted, both during formal meetings and throughout the year, to discuss all material matters including strategic, financial, operational, risk, people and governance.

The Directors indicated as part of the Board evaluation process that the board materials are relevant, clear and well-presented and contribute to a constructive debate and strong Board engagement.

In addition to the schedule of formal Board meetings, the Chairman and the Non-Executive Directors meet periodically without the Executive Directors present, and the Senior Independent Director meets with the other Non-Executive Directors without the Chairman present.

Board roles

Chairman

The Chairman provides leadership to the Board, setting its agenda, style and tone to promote constructive debate and challenge between the Executive and Non-Executive Directors. He ensures that there are good information flows from the Executive to the Board, and from the Board to the Company's key stakeholders.

The Chairman leads an annual Board effectiveness review and is responsible for ensuring all new Directors have an appropriate tailored induction programme.

Chief Executive

The Chief Executive has day-to-day responsibility for the effective management of the business and for ensuring that the Board's decisions are implemented. He leads the development of strategy for approval by the Board, as well as working with the Chief Financial Officer to develop budgets and medium-term plans to deliver the agreed strategy.

The Chief Executive is responsible for providing regular reports to the Board on all matters of significance, to ensure that the Board has accurate, clear and timely information on all key matters.

Chief Financial Officer

The Chief Financial Officer supports the Chief Executive in developing and implementing strategy, as well as overseeing the financial performance of the Group. She leads the development of the finance function to provide insightful financial analysis that informs key decision making.

The Chief Financial Officer works with the Chief Executive to develop budgets and medium-term plans to deliver the agreed strategy.

The Chief Financial Officer also leads investor relations activities and communication with investors alongside the Chief Executive.

Chief Operating Officer

The Chief Operating Officer works in partnership with the CEO and CFO to develop and implement strategy. He has responsibility for leading and driving continuous improvement through the adoption of key technologies and execution of our technology platforms. The Chief Operating Officer also has responsibility for Product Management, People strategy, Marketing, Diversity & Inclusion, ESG and non-organic growth activities.

Senior Independent Director

The Senior Independent Director acts as an adviser for the Chairman and is available to the other Non-Executive Directors, including acting as an intermediary where necessary. She is also available as an intermediary to shareholders if they have concerns which the normal channels through the Chairman or Chief Executive have failed to resolve or would be inappropriate. She is also the nominated Director to engage with the Ascential Employee Form and report feedback directly to the Board.

Independent Non-Executive Directors

The Non-Executive Directors scrutinise and monitor the performance of management, including the constructive challenge of the Executive Directors. They bring independence and a different perspective to the Board and oversee the integrity of financial information, financial controls and systems of risk management.

Company Secretary

The Company Secretary supports the Chairman and is available to all Directors to provide governance advice and assistance. She works with the Chairman and the Chairs of the Board Committees to develop agendas and ensures that the Board receives sufficient, pertinent, timely and clear information. She also ensures compliance with the Board's procedures as well as applicable rules and regulations.

Governance structure

Principal Board Committees

Audit Committee
Chaired by Suzanne Baxter

Roles and responsibilities
- Reviews the Group's financial reporting and recommends to the Board that the Reports and Accounts be approved
- Reviews and reports to the Board on the effectiveness of internal controls
- Assesses the independence and effectiveness of the internal and external auditors

Audit Committee Report
Page 83

Remuneration Committee
Chaired by Judy Vezmar

Roles and responsibilities
- Sets the Remuneration Policy for the Group
- Sets the individual remuneration of the Executive Directors and senior management
- Engages and consults with shareholders on proposed material changes to Remuneration Policy
- Approves awards under the Group's share-based incentive plans

Remuneration Committee Report
Page 90

Nomination Committee
Chaired by Scott Forbes

Roles and responsibilities
- Reviews the composition of the Board and its Committees
- Ensures that appropriate procedures are in place for the nomination, selection, training and evaluation of Directors
- Reviews Executive Directors and Senior Management succession planning.

Nomination Committee Report
Page 88

Reinforcing a Healthy Culture

Established reporting mechanisms within the corporate governance framework are key to Board oversight of cultural matters, which are underpinned by our beliefs and behaviours: focus, facts, all-in, no silos, be creative, transparency, trust & openness, and empathy. Culture is established by leadership and by example but this also needs to be underpinned by clear policies and codes of conduct.

Risk Management

Risk management is an integral component of our corporate governance. We have a formal risk management framework to manage risks in accordance with the Board-set risk appetite. The Audit Committee receives regular updates on risk management and the Board reviews the principal and emerging risks for the Group.

Ethics, Whistleblowing, Fraud, Bribery

There is a full suite of formal compliance and legal policies which all employees are subject to, including Anti Bribery, Privacy, Data Protection and Sanctions. Employees can report incidents of wrongdoing through both internal and external mechanisms, including an independent hotline operated by Protect. The Audit Committee monitors and reviews the Company policies, incidents and trends arising from any such incidents and reports its findings to the Board.

Our People's opinions

We hold regular updates to both inform our employees on business progress and answer any questions they may have. We conduct and act upon our annual employee engagement survey which helps us understand what people think. We have also established the Ascential Employee Forum which is facilitated by the Senior Independent Director to ensure there is a direct route for employee voice in the Boardroom.

How the Board monitors culture

Measuring our culture

We measure compliance with our key policies and procedures, as well as Health & Safety incidents. Our employee engagement survey includes specific questions that help us measure our culture such as 'we see leaders living our values', 'we feel listened to' and 'we feel proud to work here'. We believe that this framework is an important contributing factor to the very high scores for Organisational Integrity (87%) in our engagement survey.

Aligning remuneration and culture

The Ascential Beliefs and Behaviours are directly incorporated into key people processes such as Performance Appraisal (linked to base salary increases) and Development Review. Both of these processes focus not just on what has been achieved, but how our people act and demonstrate alignment to the Ascential Beliefs.

Promoting the success of the Company

The Directors are very aware of their duty to promote the success of the Company for the benefit of the members as a whole, having regard to the interests of employees, the impact of the Company's operations on the community and the environment, and maintaining a reputation for high standards of business conduct. The need to balance the interests of sometimes conflicting stakeholders is an inherent part of the Board's decision-making processes.

The management and day-to-day running of the Group, including the development and implementation of strategy, monitoring the operating and financial performance, and the prioritisation and allocation of resources, has been delegated to executive management. Certain Board responsibilities are delegated to formal Board Committees, which play an important governance role through the work they carry out.

Board activity during the year

The Board spent its time during the formal meetings held in 2020 on the following activities:

Strategy

- Held a two-day offsite meeting to refine strategy and assess capabilities and opportunities, with key focus on the Digital Commerce, Product Design and Marketing segments;
- Approved the 2021 annual budget, capital allocation policy and updated medium-term plans in the context of the agreed strategy;
- Approved the cancellation of Cannes Lions and Money20/20 live events in response to Covid-19 restrictions;
- Approved disposal of investment in Jumpshot Inc;
- Approved the disposal of Glenigan, Groundsure and DeHavilland to allow capital to be allocated to core areas of the Company and in particularly the fast-growing Digital Commerce segment;
- Approved strategic investment in digital commerce businesses X Target and Intellibrand, and further investment in Hudson MX (Marketing Segment);
- Reviewed the Company's progress against its Diversity & Inclusion strategy; and
- Deep dive of Cannes Lions and Money20/20.

For more information on our strategy see page 20.

People

- Received feedback from the Senior Independent Director following Ascential Employee Forum meetings;
- Met with a range of senior management from across the business;
- Our Directors met with a range of senior management from across the business;
- The Chairman participates as a juror for the annual Ascential awards, designed to recognise performance across the organisation and every geography; and
- Received updates from the EVP, People on people strategy, succession planning and engagement.

For more information on Our People see page 56.

Corporate Responsibility

- Approved formal Corporate Responsibility governance structure;
- Received an update on progress against Corporate Responsibility strategy; and
- Agreed approach for complying with Task force for Climate-related Financial Disclosure recommendations in 2021.

Risk

- Detailed review of Cyber Risk appetite and risk management;
- Reviewed and approved the risk management framework and the principal risk register;
- Reviewed the Group's annual insurance programme; and
- Reviewed the effectiveness of internal controls, including but not limited to a report from the Audit Committee.

For more information on risk management see page 48.

Shareholder engagement

- Reviewed reports from the Company's brokers and advisers on shareholder and analyst feedback following results presentations;
- Reviewed regular investor relations reports relating to share price, trading activity and movements in institutional investor shareholdings;
- Received reports from the Executive Directors following meetings with investors;
- Approved notice of 2020 Annual General Meeting.

For more information on our investor relations programme see page 14.

Performance

- Reviewed business performance, stress tests and financing scenarios in light of Covid-19;
- Approved financial outlook and financing strategy based on extensive scenario planning;
- Monitored operating and financial performance against plans;
- Approved the year end and interim results; and
- Approved the 2019 Annual Report.

For more information on our performance, see the Chief Executive's statement on pages 04 to 07 and the KPIs on page 22.

Board attendance during the year

In more usual times, we expect all Directors to attend every meeting in person except where a meeting is called on short notice. Due to Covid-19 restrictions, the majority of Board meetings during the year have been held virtually via video conference. If a Director is unable to attend a meeting, he or she is provided with the same information as the other Directors in advance of the meeting and given the opportunity to express their views before the meeting, usually to the Chairman who will share with the other Directors at the meeting.

There were six scheduled meetings during the year plus an additional four meetings which were called to deal with specific matters arising including actions taken in response to Covid-19. All directors attended all meetings during the year and since their appointment.

Understanding the views of the Company's key stakeholders

The Board recognises the importance of considering the Company's responsibilities to both its shareholders and its wider stakeholder group and this has always been an integral part of our culture and decision-making process. Details of how the Board takes account of stakeholder interests are set out on pages 10 to 15 of the Strategic Report. The ways we engage with our people are explained further in the Our People section on pages 56 to 59. We believe that these methods of engagement were effective at bringing the voice of the employees into the Boardroom throughout the year. The establishment of the Ascential Employee Forum and the appointment of Rita Clifton as the designated Non-Executive Director for employee engagement further strengthened these engagement mechanisms during 2020.

Induction and development

There is a formal induction process for new Directors which is tailored to their personal experience, knowledge and role on the Board. Charles Song, Suzanne Baxter and Funke Ighodaro joined the Board during 2020/early 2021 and subsequently met with senior executives across the Group to develop their understanding of the business, strategy, key risks and challenges. They have also been provided with key company documents such as the schedule of matters reserved for the Board, Committee terms of reference, key obligations and duties of a Director briefings and the Company's compliance policies.

The Board's forward agenda is designed to include deep dive reviews on all material aspects of the Group to develop Directors' understanding of the business and ensure they meet with a range of senior management.

Directors' conflicts of interest

The Board has a procedure in place for Directors to declare conflicts of interest and for such conflicts to be considered for authorisation. A Director may be required to leave a Board meeting if a matter upon which a conflict has been declared is discussed. External appointments or other significant commitments of the Directors require prior approval by the Chairman. The current external appointments of the Directors are set out on page 76.

Internal Control Statement

The Board acknowledges its responsibility for establishing and maintaining the Group's system of internal controls and it receives reports identifying, evaluating and managing significant risks within the business. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against misstatement or loss.

The Board, assisted by the Audit Committee, has carried out a review of the effectiveness of the system of internal controls during the year ended 31 December 2020 and the period up to the date of approval of the consolidated financial statements contained in the Annual Report. The Board confirms that no significant weaknesses or failings were identified as a result of this review.

For more information on the system of internal controls in place please see page 86 of the Audit Committee report.

Investor Relations

In addition to the activities explained on page 14, there is an ongoing investor relations programme of meetings with institutional investors and analysts, and participation in conferences covering a wide range of issues within the constraints of publicly available information including strategy, performance and governance.

Institutional shareholders and analysts have regular contact with the Executive Directors and the Head of Investor Relations. All shareholders are kept informed of significant developments by announcements and other publications on our website ascential.com/investors. There are defined procedures in place to ensure that the requirements of the Market Abuse Regulations are met.

The Board receives regular reports from the Head of Investor Relations, covering movements in the holdings of institutional shareholders and other trading activity. The Board is also provided with current analyst opinions and forecasts, as well as feedback from FTI and from its joint corporate brokers Goldman Sachs International and Numis Securities Limited. This includes direct feedback from investors and analysts on a non-attributed basis. All of the Directors are available to meet with shareholders although contact with the Non-Executive Directors would normally be through the Chairman (Scott Forbes) or the Senior Independent Director (Rita Clifton) in the first instance.

Annual General Meeting ("AGM")

The AGM of the Company will take place at 9am on Thursday 6 May 2021 at 1 Wilder Walk, London W1B 5AP. All shareholders have the opportunity to vote by proxy, at the AGM.

All proxy votes received in respect of each resolution at the AGM are counted and the balance for and against, and any votes withheld, are indicated. At the meeting itself, voting on all the proposed resolutions is conducted on a poll rather than a show of hands, in line with recommended best practice.

All Directors will be in attendance at the AGM and available to answer shareholders' questions. The Notice of the AGM can be found in a separate booklet which is posted to shareholders at the same time as this report and is also available on the Ascential website. The Notice of AGM sets out the business of the meeting and an explanatory note on all resolutions. Separate resolutions are proposed in respect of each substantive issue. Results of resolutions proposed at the AGM will be published on the Ascential website after the meeting.

UK Corporate Governance Code Compliance Statement

We have complied with all principles and provisions of the 2018 UK Corporate Governance Code ("the Code") throughout the financial year ended 31 December 2020 with the exception of Code Provision 24 which requires all members of the Audit Committee to be independent Non-Executive Directors. As explained previously in this report, Paul Harrison was classified by the Board as a non-independent Non-Executive Director on 1 October 2020 following his appointment as COO taking effect in January 2021. Paul remained as Chairman of the Audit Committee during the last quarter of 2020 whilst an Audit chair successor was recruited. There was one Audit Committee meeting during this period and Paul continued to operate with an independent mindset, along with the other two members of the Audit Committee who are both considered to be independent Non-Executive Directors.

This Corporate Governance Statement and the cross-referenced reports within set out our approach to applying the Code.

Louise Meads
Company Secretary
12 March 2021

Report of the Audit Committee

Suzanne Baxter
Chair of the Audit Committee

Dear Shareholder,

I am pleased to introduce the Report of the Audit Committee for 2020 which describes its activities and areas of focus during the year.

The Committee has continued to support the Board in fulfilling its corporate governance responsibilities, including those in the areas of risk management and internal control framework; internal audit; financial reporting practices; the preparation and compliance of the Company's Annual Report and Accounts; and the external audit process.

Paul Harrison was the Chair of the Audit Committee throughout 2020 and until I joined the Board as an Independent Non-Executive Director and Chair of the Audit Committee on 5 January 2021. During 2020, the members of the Committee were Paul Harrison, Gillian Kent and Rita Clifton. Funke Ighodaro and I joined the Audit Committee on 5 January 2021 at which point Paul Harrison stepped down. I would like to thank Paul for his leadership of the Committee and for his support and counsel as part on my induction programme and in taking on the role as Committee Chair.

All current members of the Committee are independent Non-Executive Directors who bring a wide knowledge and significant business experience in financial reporting, risk management, internal control and strategic management. As explained on page 79, Paul Harrison was classified by the Board as a non-independent Non-Executive Director on 1 October 2020 and therefore the Committee did not comprise solely independent Non-Executive Directors during the last quarter of 2020. The Board considers that the Committee members as a whole have competence relevant to Ascential's sector. Paul Harrison fulfilled the requirement to bring recent and relevant financial experience to the Committee during 2020, and both I and Funke Ighodaro fulfil that requirement going forward. You can read more about the experience of the Committee members in their biographies on pages 76 to 77.

All Committee members were present at the five meetings held in 2020. At the invitation of the Committee, the Chief Executive Officer, Chief Financial Officer and senior representatives of the finance and general management teams also attend meetings, as do representatives of both internal and external audit. The Committee holds meetings with the external auditor and the Head of Internal Audit independent of management, and these discussions assist in ensuring that reporting, and risk management processes are subject to rigorous review throughout the year.

The principal and emerging risks facing the Company are robustly assessed by the Board as a whole. More detail on these risks and the risk management framework is set out on page 48. The ongoing monitoring and effectiveness review of the Group's risk management and internal control systems are described on page 86. The assessment of risk and the review of the risk management systems feeds into the process for assessing the longer-term viability of the Company, which is described further on page 49.

The Committee conducts an annual evaluation of its performance as part of the wider Board effectiveness review. The review of performance in 2020 was conducted internally and confirmed that the Committee is working effectively. More detail on the evaluation process can be found in the Corporate Governance Report on page 75.

The Coronavirus pandemic has presented challenges in preparing and auditing financial statements and has created a more uncertain economic backdrop to some of the judgements included in the financial statements. In order to provide flexibility in the year-end timetable to ensure that all necessary work has been undertaken to an appropriate standard, the timelines for preparing the financial statements for the year ended 31 December 2020 was extended by three weeks. This has allowed additional flexibility to consider the acquisitions and disposals made around the year end and to mitigate any potential impact on the timetable arising from Covid-19 -related illness, additional caring responsibilities and/or other inefficiencies that arise from remote working and other Government imposed restrictions.

The key focus areas for the Committee are set out in this report. It is expected that these will remain key areas of focus for the Committee in 2021, as well as oversight of the finance transformation programme as it moves towards its first implementation date.

2020 Key activities

- Considered papers from management on the significant financial judgements made during the year
- Conducted a review of the Annual Report and Accounts to confirm that it was fair, balanced, understandable, and provides the information necessary for stakeholders to assess the Company's position, performance, business model and strategy
- Reviewed the Viability Statement and the key judgements included therein
- Considered the impact of Covid-19 on the Group and reviewed scenario planning prepared in support of the going concern assessment for the interim results in July 2020 and at the year end
- Recommended the approval of the 2019 Annual Report and the 2020 interim results to the Board
- Reviewed the effectiveness of internal controls and risk management framework
- Considered the independence, plans and performance of the external auditor and approved their fees
- Reviewed external and Internal Audit findings and met privately with the internal and external auditors
- Reviewed an update on Compliance
- Reviewed progress and received updates on the finance transformation programme
- Approved the internal audit plan for 2021

Audit Committee focus during 2020

Area of focus	Matters considered	Outcome
Financial Reporting	The appropriateness and disclosures of accounting policies, significant financial judgements and key estimates with a particular focus on: • Going concern and long-term viability; • Carrying value of goodwill and acquired intangible assets; • Recognition and valuation of deferred and contingent consideration; • Accounting for investments in Hudson MX; • Disclosure of discontinued operations; • Alternative performance measures.	The accounting policies, judgements and estimates are appropriate and balanced. The financial statements are prepared on a going concern basis. The Annual Report, taken as a whole, is fair, balanced and understandable and is compliant with relevant accounting standards and other legal or regulatory financial reporting requirements, including the UK Corporate Governance Code.
Risk and control environment	The effectiveness of the Group's systems of internal control. The effectiveness of the risk management framework and the processes for identifying and managing risks. The process and assumptions underlying the preparation of going concern and viability statements.	Reported to the Board that an effective system of risk management and internal control has been in place throughout the year. Reported to the Board that an appropriate process is in place to make the going concern and viability statements.
Internal audit	The effectiveness of the Internal Audit function, its key findings and resolution of those matters. The alignment of the internal audit plan to the key risks of the Group.	An effective culture and process is in place for resolving key findings of internal audit reviews. The internal audit plan is well designed and aligned to the key risks of the Group.
External audit	The approach, scope and risk assessments of external audit and the effectiveness and independence of the external auditor. The extent of the non-audit services provided by the external auditor.	Approved KPMG's audit plan and scope. Compliance with the Group's non-audit services policy.

Significant financial judgements in 2020

The significant reporting judgements considered by the Committee are set out below.

The Committee received and considered detailed papers from management on each of these areas of accounting judgement along with a paper from KPMG setting out the results of their audit work and their comments on the accounting treatment adopted.

Issue	Judgement
Going concern	The Board is required to assess going concern at each reporting period to consider whether the going concern basis of accounting is appropriate and also to report to shareholders if there is any material uncertainty. In response to the impacts of Covid-related restrictions, a much broader range of scenarios was considered to model potential impacts on the Group of continued restrictions around live events as well as realistically possible mitigating responses and material sensitivities to the forecast scenarios. In particular, the Committee reviewed these scenarios in the context of the significant available liquidity from the new banking facilities put in place at the beginning of 2020 and the recently amended covenants thereon. The Committee also considered reasonably plausible severe case scenarios to the projections presented by management and available mitigations at the discretion of management to apply. The Committee agreed with management's conclusion that the accounts should be prepared on a going concern basis.
Carrying value of goodwill and acquired intangible assets	The Committee reviewed the carrying value of goodwill and other intangible assets for impairment, including a detailed review of the assumptions underlying the "value in use" calculations for businesses identified as cash generating units ("CGU") and the identification of those CGUs. The key assumptions underlying the calculations are primarily the achievability of the long-term business plan including anticipated revenue growth rates, CGU specific discount rates, and long-term growth assumptions. For further information, please see Note 13 of the consolidated financial statements on pages 144 and 146. The Committee reviewed management's analysis and underlying assumptions, and was satisfied that the goodwill and acquired intangibles of two elements of the Retail & Financial Services segment were impaired, resulting in a write down of £9.6m in the RWRC CGU and £18.8m in the RFS Price & Promotion CGU. The Committee also reviewed the clarity and adequacy of the impairment disclosure.
Recognition and valuation of deferred and contingent consideration	Where an acquisition agreement provides for an adjustment to the consideration, contingent on future performance over the contractual earn-out period, the Group accrues the fair value, based on the estimated additional consideration payable as a liability at the acquisition date. To the extent that deferred contingent consideration is payable as part of the acquisition cost and is payable after one year from the acquisition date, the deferred consideration is discounted at an appropriate discount rate and carried at net present value in the consolidated balance sheet. The liability is measured against the contractually agreed performance targets at each subsequent reporting date with any adjustments recognised in the consolidated statement of profit or loss. Acquisition-related employment costs are contingent on future performance of the acquired business against the contractually agreed performance targets over the earn-out period but are also dependent on the continued employment of the founders over the contractual earn-out period. Consequently they are treated as a remuneration expense in the consolidated statement of profit or loss. The estimation of the liability requires the Group to make judgements concerning future business performance over the deferred contingent consideration period. In respect of acquisitions in previous years, the Committee reviewed significant calculations in respect of deferred consideration and acquisition-related contingent employment costs in light of changes in forecast performance, in order to ensure these continued to be appropriate. The Committee reviewed the proposed changes to the fair value of the deferred and contingent consideration which is based on a Board approved five Year Plan and is satisfied with its valuation and recognition in the Financial Statements.
Accounting for Investments in Hudson MX	At the year end, the Group had made investments in the equity and debt of Hudson MX and held 19.8% of the voting rights in that company. Further Trade investments in Hudson MX were approved by the Board in February 2021. The investments in Hudson MX were classified as Trade Investments at 31 December 2020 and 2019, reflecting, amongst other factors, management's view that Ascential did not have significant influence over the financial and operating strategy decisions of that business. The Committee discussed the nature of the investments made by the Group and considered the commercial relationship that existed between the two organisations. It challenged management on the key assumptions made and concurred with the treatment adopted.
Discontinued operations	Following a strategic decision made in 2020 to dispose of the Built Environment & Policy (BEP) CGU and the instigation of a formal process, the Committee considered the classifications and disclosure of the results and assets of BEP as discontinued operations and assets held for resale respectively. The Committee was satisfied that the classification and disclosure, including the relevant post balance sheet event disclosure, adopted by management was appropriate.
Alternative performance measures	The Group uses certain non-GAAP measures of performance, as, in the opinion of the Directors, this provides a better understanding of the underlying performance of the business, and provides better comparability with other peer group companies. The use and definition of these measures is a matter of judgement. The Committee ensures that there is equal prominence given to adjusted and statutory performance measures, and that there are full reconciliations between the two. The Committee discussed these measures with both management and advisers, to ensure that the measures were reasonable, and reviewed their use in the context of the overall Annual Report to ensure that this was consistent with the Code requirement to be fair, balanced and understandable.

Viability Statement
We reviewed the process undertaken and conclusions reached to support the Company's Viability Statement which can be found in full on page 49. Our review included:

- challenging management on whether the three-year time period adopted remained appropriate and aligned with the long-term forecasting of the Group;
- challenging whether management's assessment of the principal and emerging risks facing the Group and their potential impact was appropriate;
- considering whether there were any additional risks which could impair solvency or which, whilst not necessarily principal risks in themselves, could become severe if they occur in conjunction with other risks;
- considering the likelihood of the risks occurring in the time period selected and the severity of the impact in the event that they did occur;
- challenging management as to the appropriateness of the assumptions used in stress testing and modelling scenarios; and
- review of the disclosure to ensure it was sufficiently fulsome and transparent.

Fair, balanced and understandable
The Board asked the Committee to consider whether the 2020 Annual Report is fair, balanced and provides the necessary information for shareholders to assess the Company's position and prospects, business model and strategy. In performing this review, the Committee considered the following questions:

- Is the Annual Report open and honest with the whole story being presented?
- Have any sensitive areas been omitted that are material?
- Is there consistency between different sections of the Annual Report, including between the narrative and the financial statements, and does the reader get the same message from reading the two sections independently?
- Is there a clear explanation of key performance indicators and their linkage to strategy?
- Is there a clear and cohesive framework for the Annual Report with key messages drawn out and written in accessible language?

Following this review, and the incorporation of the Committee's comments, we were pleased to advise the Board that, in our view, the Annual Report is fair, balanced and understandable in accordance with the requirements of the UK Corporate Governance Code.

Internal controls
The Board, with the assistance of the Audit Committee, regularly monitors and reviews the policies and procedures making up the Group's internal control and risk management system. To support this monitoring, the Audit Committee reviewed reports from senior management, Internal Audit and KPMG, which included analysis of the impact of Covid-19 on the Group's internal control environment.

The major components of the internal controls systems include:

- clearly defined operational structure, accountabilities and authority limits;
- detailed operational planning and forecasting;
- thorough monitoring of performance and changes in outlook; and
- established risk management processes.

Specific matters considered in relation to controls effectiveness included:

- control self-assessment process and findings;
- regular compliance reports;
- review of tax risks and compliance issues;
- review of treasury controls;
- review of tax controls;
- review of risk in relation to the application of controls to prevent the facilitation of tax evasion.
- review of integration of acquisitions;
- key developments in IT controls;
- fraud, ethical issues and whistleblowing occurrence;
- health and safety governance; and
- management of legal claims.

A formal control self-assessment process was in place during the year in relation to financial controls. This process describes each control objective, the controls required to meet the objective, the frequency of operating the control and the evidence to be retained by management to demonstrate the control exists. Management teams across the Group self-assess their compliance with this framework twice a year and the results are reviewed in detail by Internal Audit.

Progress towards completion of actions identified to improve internal control is regularly monitored by management and the Audit Committee, who provide assurance to the Board. The Board considers that none of the areas of improvement identified constitute a significant weakness.

External audit
The Committee is responsible for ensuring that the external auditor provides an effective source of assurance for the Group's financial reporting and controls, including that the necessary independence and objectivity is maintained. The Committee is also responsible for recommending the appointment, reappointment or removal of the external auditor, and negotiating and agreeing the external audit fees. The Group last undertook a formal tender of external audit services in 2019 after which KPMG were reappointed for a second term. Ian Griffiths was first appointed as the Senior Statutory Auditor with effect from the year ended 31 December 2018.

KPMG attend each scheduled meeting of the Committee and presented their reports on the Group's half-year and full-year financial results, as well as their planning reports in advance of each audit. The Committee meet with KPMG without management present at least once a year. These sessions provide an opportunity for open dialogue and we typically discuss KPMG's relationship with executive management and particular audit risks identified. The Committee also challenge KPMG on the independence of their audit. In addition, the Chair of the Audit Committee meets with the audit engagement partner outside of the formal Committee environment at least once per year and I met with Ian Griffiths, the senior statutory auditor both prior to and subsequent to my appointment. The Committee also meet with management without KPMG present to discuss their view of KPMG's effectiveness and quality of work delivered, as well as reviewing the results of a survey of finance staff throughout the Group.

As part of our work to manage the external auditor relationship, and the annual effectiveness review, we consider whether there are adequate safeguards to protect auditor objectivity and independence. In conducting our annual assessment, we consider feedback from the Chief Financial Officer, the level and nature of non-audit fees accruing to the external auditor, KPMG's formal letter of independence, and the length and tenure of the external auditor and of the audit engagement partner.

The Committee has approved a formal non-audit services policy to mitigate any risks threatening, or appearing to threaten, the external audit firm's independence and objectivity arising through the provision of non-audit services which either create conflicts of interest between the external audit firm and the Group or place the external audit firm in the position of auditing its own work. The non-audit services policy sets out which services are prohibited and cannot be provided by the external auditor. The auditor is generally only engaged for audit and related activities (such as annual covenant compliance audits). However, if there is a case to use the external auditor to provide non-audit services, permission is required prior to the engagement of the external auditor in accordance with the following table:

Value of non-audit services	Approver
<£25,000	Group Financial Controller or Chief Financial Officer
£25,000 – £50,000	Chair of the Audit Committee
>£50,000	Audit Committee

When considering whether permission should be granted, the approver will assess whether the provision of such services impairs the auditor's independence or objectivity, whether the skills and experience make the auditor the most suitable supplier of the non-audit service, the fee to be incurred and the criteria which govern the compensation of the individuals performing the audit.

A breakdown of total audit and non-audit fees paid to KPMG during 2020 is set out in Note 4 to the financial statements. These non-audit services were pre-approved in accordance with the non-audit services policy and principally comprised the review of the half-year interim financial statements of the Group.

Internal Audit

A formal Internal Audit function was in place during the year, utilising a co-sourcing arrangement supported by EY as the Group's externally appointed service partner. The purpose of the Internal Audit function is to consider whether the system of internal control is adequately designed and operating effectively to respond to the Group's principal risks, and to provide independent objective assurance to senior management and to the Board through the Audit Committee. Internal Audit accomplishes its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. In order to provide a greater level of independence for Internal Audit, its personnel as well as the co-sourced party report to the General Counsel, who also acts as Director of Internal Audit and is accountable to the Committee in respect of that role. The General Counsel is invited to attend all Audit Committee meetings and also meet independently with the Chair of the Audit Committee.

The Committee approves the annual Internal Audit Plan and receives a report on Internal Audit activity and progress against that Plan. It monitors the status of internal audit recommendations and management's responsiveness to their implementation. It also challenges management where appropriate to provide assurance that the Group's control environment is robust and effective.

Whistleblowing

The Committee has approved a whistleblowing policy which encourages all staff to report suspected wrongdoing, in the knowledge that their concerns will be taken seriously and investigated appropriately, and that their confidentiality will be respected. The policy also aims to reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken. Ascential operates a confidential helpline operated by an independent third party, as well as providing contact details for the Chair of the Audit Committee within the policy. The Committee receives reports on any whistleblowing incidents that are reported during the year. Any significant issues relating to potential fraud would be escalated to me as the Audit Committee Chair immediately.

Suzanne Baxter
Chair of the Audit Committee
12 March 2020

Report of the Nomination Committee

Scott Forbes
Chair of the Nomination Committee

Dear Shareholder,

I am pleased to introduce the Report of the Nomination Committee for 2020.

The role of the Nomination Committee is primarily to review the Organisation and Succession plans, and the structure, size and composition of the Board and Committees to ensure that resources are appropriate to support achievement of the Company business strategy and meet other governance and organisation objectives.

Board composition
The Committee had previously undertaken an externally facilitated Board Strategy review to consider Board composition and the extent to which the range of Board capabilities and experience were appropriate for the Company's evolving business and business strategy, both currently and for the future. The determination of the more recent Board Strategy reviews was that the Board's balance of skills and experience could be further strengthened by adding directors possessing experience in eCommerce, finance, consumer retail, and operating in mainland China and Asia. Board Services search firms were appointed to recruit appropriate candidates from diverse backgrounds based on a formal role specification including the aforementioned priorities.

Short lists of candidates were interviewed by the Board Chairman, Senior Independent Director, CEO and CFO. The Committee recommended and the Board approved the appointment of Charles Song to the Board in July 2020, with effect from 1 October 2020. Charles has over 25 year's experience in global capital markets, investment banking, commercial banking and corporate finance, having held a number of senior roles in global and local financial institutions across Asia with particular experience in Chinese technology businesses. The Nomination Committee subsequently appointed two other non-executive directors that match the priority qualifications identified in the recent Board Strategy reviews.

In September 2020, the Board approved the appointment of Paul Harrison, an existing Non-Executive Director, as Chief Operating Officer with effect from 11 January 2021. The appointment of a Chief Operating Officer adds further depth and breadth to the senior management team necessary to manage Ascential's evolution to digitally-focused, multi-national business capable of driving long-term growth. In his new role, Paul has taken responsibility for the Company's people strategies, mergers & acquisitions and other Group functions including marketing, content and technology, previously reporting directly to Duncan Painter, Ascential's CEO. Paul has significant experience driving growth in innovative digital business, in senior financial, strategic and non-executive director roles over the past twenty years.

The Nomination Committee recruited additional directors in 2020 leading to two appointments on 5 January 2021. Suzanne Baxter replaced Paul as Chair of the Audit Committee. Suzanne has substantial listed company experience, gained in both executive and non-executive roles and has held a range of commercially focused financial and operational roles in the support services sector where she supported businesses through transformative acquisitions and organic growth. Suzanne has also served as the Audit Committee Chair of WH Smith plc from 2013 to 2021. She is a Fellow of the Institute of Chartered Accountants in England and Wales.

Funke Ighodaro was appointed as Non-Executive Director and will serve as a member of the Audit and Remuneration Committees. She has significant Finance experience and recent, relevant financial expertise that will strengthen the Audit Committee. Funke has previously served as CFO of several listed companies on the

Johannesburg Stock Exchange and has extensive, multi-national experience and expertise in finance, strategy, mergers and acquisitions, and business and technology transformation. She is a Fellow of the Institute of Chartered Accountants in England and Wales.

Organisation and Succession planning

Paul Harrison was appointed as COO, and the senior leadership team was restructured in response to the continued evolution of the Company's business strategy including rapid development of Digital Commerce across the US and other geographies. The senior leadership team was revised to align more closely with our client engagement structure and clear spans of control were maintained throughout the organisation. A thorough succession planning exercise for our senior leaders was undertaken which considered each individual's potential and ability to grow, as well as development plans to maximise an individual's ability to contributed and prepare them for further promotion. Emergency and planned succession options for the Executive Directors and the senior leadership were evaluated and approved.

Board appointments policy

The Committee continues to ensure that the Board consists of directors that collectively possess a relevant and priority range of capabilities, industry knowledge, business and life experience, necessary for the effective oversight of the Group. The Board undertakes an externally facilitated Board Strategy review at least once every three years and continuously considers when gaps in director experience and capabilities arise due to Board rotation, changes in the business strategy and other reasons. The Board Strategy review is the basis for development of director candidate role specifications and provides the basis for recruitment by independent, professional Board Director search firms and platforms. The Committee's recruitment reflects its commitment to maintain and achieve gender and diversity targets appropriate for the multi-national and multi-cultural character of Ascential's business.

Non-Executive Director appointments to the Board are for an initial term of up to three years. Non-Executive Directors are typically expected to serve two three-year terms, although the Board may invite the Director to serve for an additional period on the recommendation of the Committee. Non-Executive Directors are appointed under formal appointment letters which are available for inspection at the registered office of the Company during normal business hours and at the AGM.

External Directorships

The Committee maintains a consent process and monitors the number of external directorships held by each Director and regular performance evaluations are used to assess Non-Executive Directors' performance and whether directors have sufficient available time to fulfil their duties. External appointments or other significant commitments of the Directors require the prior approval of the Chairman, or, in the case of the Chairman, the Senior Independent Director.

All Directors received votes cast in favour of their re-election in excess of 97% at the 2020 AGM.

Board effectiveness

The Board undertakes an externally facilitated evaluation of its Board, Committees and individual Directors at least once every three years and an internal evaluation in all other years. The last performance evaluation led by an external specialist firm was in 2019. Evaluation methodology includes questions that enable the Board and the external firm to assess progress based on recurring performance criteria as well as the introduction of format and new questions that ensure fresh perspective. Directors consistently re-evaluate key strengths of the Board, year over year improvements, suggestions for continued skills and Board development and identification of current and potential future business risks. Feedback is submitted to the external facilitator and/or the Company Secretary and is otherwise anonymous. The Board receives the feedback in an anonymised format and the Chairman leads the Board discussion at which an action plan is agreed to address any areas requiring improvement. The Senior Independent Director Chairs a meeting to discuss the Chairman's performance annually.

The outcome of the 2020 evaluation was that the Board was effective and strategically focussed, with a diverse set of skills, styles and backgrounds, which has been further enhanced by recent recruitments.

Confirmation of Independence

The UK Corporate Governance Code recommends that a majority of the members should be independent Non-Executive Directors and that it is chaired by the Board Chairman or a Non-Executive Director. The Nomination Committee is chaired by the Board Chairman, Scott Forbes, and the other members are Rita Clifton and Judy Vezmar, both independent Non-Executive Directors.

Attendance at Committee meetings

The Committee meets at least annually. During 2020, the Committee met twice formally, and all members were in attendance at both meetings as well as discussions outside of the formal meeting cadence.

In addition to Committee members and the Company Secretary, the Chief Executive and Chief People Officer often attend meetings at the invitation of the Committee.

Scott Forbes
Chairman of the Nomination Committee
12 March 2021

Report of the Remuneration Committee

Judy Vezmar
Chair of the Remuneration Committee

We believe that a very long-term remuneration framework provides a true alignment with shareholders and a long-term business strategy.

Dear Shareholder,

I am pleased to present the Remuneration Committee's report for the year ended 31 December 2020.

What does this report include?

This report includes details of payments made to our Executive and Non-Executive Directors for the 2020 financial year as well as an explanation of how the Remuneration Policy was applied throughout the year. It also includes a proposal for a change to the Remuneration Policy to replace the existing three-year Performance Share Plan for Executive Directors with a Ten-year Equity Plan.

This annual statement and the annual report on remuneration (set out on pages 100 to 106) will be subject to an advisory vote at this year's AGM on 6 May 2021. The Directors' Remuneration Policy will be subject to a binding vote at the AGM as we are proposing a revised policy, which is set out on pages 92 to 99.

Business performance

2020 has presented unprecedented challenges for companies and people across the globe. The cancellation of all of our 2020 live events has significantly impacted our financial results, with reported revenues down 31% compared to 2019 and a reduction in Adjusted EBITDA of 74%. Within these headlines results however, the Company has shown notable resilience and delivered strongly against long-term strategic priorities in a transitional year.

The pandemic restrictions both accelerated and more clearly illuminated the migration in consumer behaviour onto digital platforms. This further underpins our strategic position in the eCommerce market place. Excluding the impact of deferred and cancelled events, revenues were up modestly overall, at 3% reflecting the very strong performance of the Digital Commerce segment, where revenue grew by 25% (on a proforma basis). The acquisitions since the year end of X Target in China and Intellibrand in Brazil has further extended capabilities and geographic reach for Digital Commerce. The disposal of non-core assets in the Built Environment & Policy business unit (Groundsure, Glenigan and DeHavilland) has strengthened the Company's balance sheet and supports ongoing investment in organic growth and targeted acquisitions. We believe that we are in an excellent position to continue to capitalise on the competitive advantage that we have established to date and we operate within a total addressable market estimated to be $15.7 billion growing at 14% per annum over the period from 2020 to 2023.

For more information on the Company's performance, priorities and outlook please see the CEO's statement on pages 4 to 7.

Remuneration Response to Covid-19

As part of a cost reduction programme, the Directors (including Non-Executive Directors) and other senior management volunteered to reduce their salaries by 25% for six months from 1 April 2020 to 30 September 2020. This was at a time when some of our employees were furloughed under the UK government's Coronavirus Job Retention Scheme and equivalent schemes.

The cancellation of our live events in 2020 and the consequent reduction in revenue and profit has resulted in no bonus being payable to Executive Directors in respect of the year ended 31 December 2020. The Remuneration Committee is not proposing to make any adjustments to the bonus targets set for the year. The Annual Incentive Plan that operates for employees more widely in the business was linked to achievement of the same bonus targets as the Executive Directors and therefore these colleagues also received a 0% bonus payout in relation to 2020.

The Performance Share Plan ("PSP") award granted in March 2018 was based on a three-year performance period ended 31 December 2020, with a challenging cumulative adjusted earnings per share target accounting for 75% of the award and the remainder subject to relative Total Shareholder Return ("TSR"). The impact of the live events calculation resulted in none of the EPS part of the award vesting. The Company's relative total shareholder return over the period ranked 73 out of 172 companies, which is a vesting result of 48.68% of the TSR element. This results in an overall vesting level of 12.17% of the original award. More detail on the PSP vesting calculation is given on page 102. The Executive Directors are subject to a two-year holding period for these vested shares, net of any shares sold to meet tax and social security liabilities.

The Committee did not use discretion in relation to FY 2020 remuneration outcomes. The product of our success in delivering this transformation was to achieve above market shareholder returns over the period. Given the impact of Covid-19 was to render both the FY 2020 annual bonus targets and three-year 2018 PSP EPS targets unachievable, the Committee was comfortable that the significantly reduced remuneration earned was appropriate and proportionate in relation to recognising the business progress achieved but also the wider stakeholder experiences during the relevant performance periods

Executive Director Changes

In September, we announced the appointment of Paul Harrison as Chief Operating Officer to bring further depth to our senior management team as well as his value and experience of driving growth in other innovative digital businesses. His remuneration package was set in accordance with the Directors' Remuneration Policy and is explained in more detail on page 106.

Committee membership changes

The Remuneration Committee is chaired by Judy Vezmar, and the other members are Gillian Kent and since October 2020, Rita Clifton, all of whom are independent Non-Executive Directors. Paul Harrison was a member of the Committee during 2020 when he was in the role of Non-Executive Director but did not participate in any discussions in relation to his potential remuneration package in connection with joining Ascential in an executive capacity. Paul ceased to serve on the Committee ahead of his transition to his new role of Chief Operating Officer. The Committee has therefore solely comprised Independent Non-Executive Directors throughout the year.

Directors' Remuneration Policy for 2021

In light of the ongoing strategic transformation of our business since our initial public offering, we considered taking a bespoke approach to remuneration in late 2019. We ultimately decided to further evaluate the correlation between strategic progress and the three-year performance criteria associated with our performance share plan and actual executive director remuneration. This evaluation showed that, despite success being achieved through bold actions led by Executive Directors, the rewards to Executive Directors have not been commensurate with our strategic accomplishments. We are very satisfied with Ascential's progress relative to the ambition of our transformative strategic plan, even more so because we maintained strong discipline, consistently generating strong profits and free cashflow. We are well positioned to expand our global leadership as provider of specialist information, analytics and eCommerce optimisation platforms to the world's leading consumer brands and their ecosystems. In contrast, PSPs are not considered to be generating rewards that are commensurate with the long-term value delivered by the Executive Directors.

We believe that a very long-term remuneration framework provides a true alignment with shareholders and a long-term business strategy, especially a transformational strategy. A ten-year programme is superior to a three-year plan which serves as a proxy indicator of long term shareholder success but is not a substitute for the real thing. We are therefore proposing to adopt the Ten-Year Equity Plan which is a ten-year share programme that aligns executive reward with long-term sustainable company value to replace our current PSP for at least the next five years. More details on the rationale for this programme and the details of its operation are set out on page 92. We conducted an extensive consultation with our investors representing over 70% of our issued share capital. We recognise that our proposed model is innovative compared to the traditional three-year PSP, or even a standard restricted share plan. We appreciate the high levels and quality of engagement we had with our major investors and have taken their feedback, suggestions and support into account in finalising our approach.

We are not proposing any other changes to the Directors Remuneration Policy approved at the AGM in May 2020, which, in other aspects, is well aligned with current corporate governance best practice expectations. Full detail of the revised policy is set out on pages 92 to 97. I hope to receive your support in approving the proposed Directors' Remuneration Policy at the Annual General Meeting on 6 May 2021.

Judy Vezmar
Chair of the Remuneration Committee
12 March 2021

Directors' remuneration policy

Subject to a binding vote at the 2021 AGM

This part of the Remuneration Report sets out Ascential's Remuneration Policy for its Executive and Non-Executive Directors. The policy has been developed taking into account the principles of the 2018 UK Corporate Governance Code, and guidelines from major investors. The Directors' Remuneration Policy will be put to a binding shareholder vote at the AGM in May 2021, and, subject to shareholder approval, will take effect from that date. As explained on page 91, the only change being proposed to the existing policy is to replace future awards of Performance Shares to Executive Directors with awards under the Ten-Year Equity Plan.

Policy Overview

When setting the policy for Directors' remuneration, the Committee takes into account the overall business strategy and risk tolerance, considering the long-term interest of the Company with a view to adequately attracting, retaining and rewarding skilled individuals and delivering rewards to shareholders. The Committee's remuneration principles include designing a policy which will:

- provide a simple remuneration structure which is easily understood by all stakeholders;
- attract, retain and motivate executives and senior management in order to deliver the Company's strategic goals and business outputs;
- promote the long-term success of the business;
- provide an appropriate balance between fixed and performance-related, and immediate and deferred remuneration to support a high-performance culture;
- adhere to the principles of good corporate governance and best practice;
- align executives with the interests of shareholders and other external stakeholders; and
- consider the wider pay environment, both internally and externally.

What is the rationale for the Ten-Year Equity Plan?

The current strategy has been evolving since the Company's IPO in 2016 when management recognised an unsatisfied demand amongst our global Consumer Product Goods clients (CPG) and Retailers for data and know-how that better prepares them to promote, market and sell merchandise across rapidly evolving digital commerce platforms. With the support of the Board, management embarked on an ambitious strategic plan to transform the Company from a portfolio of exhibitions, festivals and information service businesses to the world's leading digital commerce and data analytics platform.

In executing this strategy, the Company divested higher profit, lower growth rate portfolio brands that offered neither digital commerce capabilities nor CPG/Retail customer relationships. Proceeds from divestitures substantially funded acquisitions of businesses engaged in digital commerce. The profile of acquired businesses tends to have lower profit but much higher growth rates and are strategically value-add to Ascential. During this active process when the Company captured global leadership across major geographies, we maintained capital allocation discipline and delivered strong organic growth and cash flow whilst continuing to innovate on behalf of CPG/Retail customers. The Company's strategic plan contemplates further development of the breadth of its digital commerce and data capabilities through both M&A, organic investments and potentially further refinements of its legacy portfolio as we further extend market leadership globally.

The Company targets strong growth over one or three-year periods and has the potential for more substantial growth if execution of its pioneering strategic plan achieves its goals over a longer period of time. The Remuneration Committee believes that delivery of objectives executed over the longer term is particularly relevant to Ascential's business profile. Accordingly, we want to encourage decision-making and rewards that are consistent with value we expect to create on behalf of investors over the long-term as the strategic vision is realised. The Remuneration Committee seeks to align the measurement period for executive performance with investors who invest on the basis of the Company's long-term strategic plan and our Executive Directors are prepared to make an extraordinary long-term commitment.

As we continued to evaluate the correlation between the performance delivered by the Executive Directors and the reward structure the Company has had in place, it was evident that the rewards received by Executive Directors were often not commensurate with the Remuneration Committee and Board's assessment of performance including achievements relative to strategic goals. Furthermore, it became increasingly evident that a three-year performance cycle, which is typical of a traditional long-term equity plan does not align particularly well with Ascential's strategy as described above. Although possible, the Remuneration Committee further considered the complexity of decision-making about the quantum and timing of the various divestitures and acquisitions. The Company's strategy has been to reform the business closer to pure play digital commerce and other activities in support of consumer brands and retail, and that strategy will continue in an effort to extend leadership globally. Therefore, the Remuneration Committee determined that a fair and motivational reward system relevant to Ascential's business is not encumbered or enhanced by interim financial cycles, and the majority of the benefits are available closer to the 10th anniversary of the grant.

In devising the plan, the Remuneration Committee considered that a financial underpin is relevant to a three-year plan because three years is a proxy for long-term value, and because a financial underpin ensures that executive directors are not rewarded undeservedly when share prices rise despite financial performance below expectations. Conversely, rising shareholder value reflects cumulative executive performance and decision-making over many years and over a number of positive and negative cycles, thus being the most true measure of alignment with shareholders. For this reason, the financial underpin for a 10-year program is justifiably the share price, the same as for investors.

The grant under the Ten-Year Equity Plan ("the Award") is intended to be the only equity grant for five years (no further grants under any long-term equity plan including the previous Performance Share Plan. The notional value of award is equivalent to five years' of awards that would have been issued under the previous PSP. Whilst traditional Restricted Share Plans are usually granted at a reduced quantum to reflect the reduction in risk to expected value for the participant, the Committee concluded that it would not be fair to discount the quantum under the Ten-Year Equity Plan because the extraordinary time commitment required of each Executive Director means that the risk to expected value compared to a traditional PSP is not reduced, and in fact, is arguably increased.

Although 15% of the share award grants vest in 15% tranches at each of the first four grant anniversary dates and 40% at the fifth anniversary date, the release date (date hold period ends) is five years after the vesting date. The net effect is that the weighted average release date for vested shares is close to year 9. Vested shares are subject to the full holding period in the event of leaving employment, clawback provisions and subject to strict Bad Leaver provisions (if the Executive leaves to take any job even with a non-competing business.)

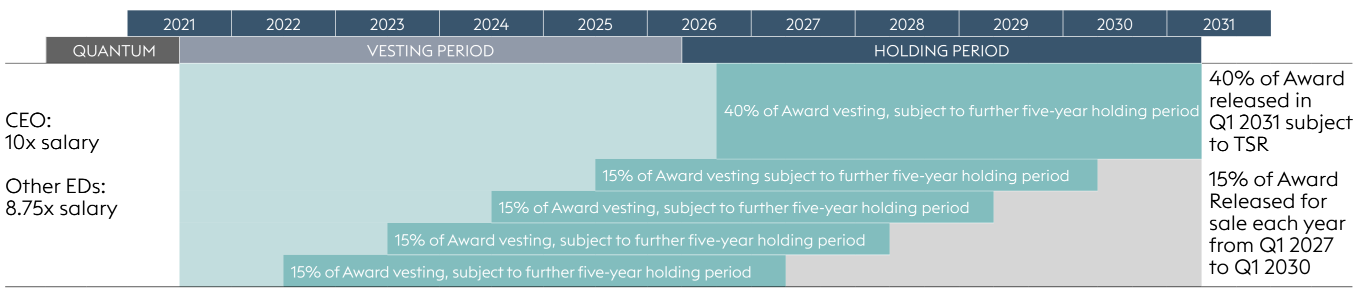
Following investor consultation, the Remuneration Committee agreed that the final 40% of the award that vests at the fifth anniversary of grant (and is subject to a further five-year holding period) is forfeited at the end of the five-year holding period in entirety or in part, to the extent that total shareholder return over the period to 2031 is less than 8% per annum. The forfeiture formula operates on a straight-line basis between 0% per annum and 8% per annum total shareholder return.

There are no proposed changes to any other component of the Executive Directors' remuneration framework; base pay, annual bonus and pension benefits remain set at conservative levels relative to the Company's peer group.

A summary of the Ten-Year Equity Plan is set out below:

In designing the above, the Committee is satisfied that the Remuneration Policy and its application takes due account of the six factors listed in the UK Corporate Governance Code:

- **Clarity** – the new policy has the benefit of simplicity and so is well understood by our management team and has been clearly articulated to our shareholders in consultation.
- **Simplicity** – the allocation of shares that vest based on remaining in employment avoids the complexities of setting long-term targets in the context of executing a long-term strategic transformation programme which as a result of actively managing the portfolio of businesses necessitates complex adjustments to long-term financial targets as businesses are acquired and divested. This reduces the incentive effect (as it is hard to track performance) and so the 10-Year Equity Plan is much better aligned with our long-term goal of sustained value creation and simplifies our incentive structure substantially at the same time.
- **Risk** – our Remuneration Policy is designed to ensure that inappropriate risk-taking is not encouraged and will not be rewarded via (i) the balanced use of both short and long-term incentive plans, (ii) the significant role played by equity in our incentive plans over a 10-year period (together with shareholding guidelines) and (iii) malus/clawback provisions.
- **Predictability** – our incentive plans are subject to individual caps, with our share plans also subject to market standard dilution limits. The scenario charts on page 97 illustrate how the rewards potentially receivable by our Executive Directors vary based on performance delivered and share price growth.
- **Proportionality** – there is a clear link between individual awards, delivery of strategy and our long-term performance. In addition, the significant role played by the value of reward through equity with post-employment holding requirements, together with the structure of the Executive Directors' service contracts, ensures that poor performance is not rewarded.
- **Alignment to culture** – Ascential has a relentless focus on delivering for our clients and this is fully aligned with our Remuneration Policy in that employee personal success is directly linked to the Ascential Beliefs and Behaviours through the short-term incentive plans and targets we operate. This is especially the case at the most senior levels within our business.



What are the elements of Executive Directors' Pay?

Element	Purpose and link to strategy	Operation	Opportunity
Base Salary	Provides a competitive and appropriate level of basic fixed pay appropriate to recruit, retain and reward Directors of a suitable calibre to deliver the Company's strategic goals and business outputs. Reflects an individual's experience, performance and responsibilities within Ascential.	Set at a level which provides a fair reward for the role and which is competitive amongst relevant peers. Normally reviewed annually with any changes taking effect from 1 April each year. Set taking into consideration individual and Company performance, the responsibilities and accountabilities of each role, the experience of each individual, his or her marketability and Ascential's key dependencies on the individual. Reference is also made to salary levels amongst relevant peers and other companies of equivalent size and complexity. The Committee considers the impact of any base salary increase on the total remuneration package.	Increases will normally be in line with the general increase for the broader employee population, taking into account factors such as performance of the Company and external factors such as inflation. More significant increases than standard may be awarded from time to time to recognise, for example, development in role and change in position or responsibility, as are also considered for the wider workforce for the same reasons. Current salary levels are disclosed in the Annual Report on Remuneration.
Benefits	Provides market competitive and appropriate benefits package.	Benefits provided may include private medical insurance, life assurance and income protection insurance. The benefits provided may be subject to minor amendment from time to time by the Committee within this policy. In addition, Executive Directors are eligible for other benefits which are introduced for the wider workforce on broadly similar terms. The Company may reimburse any reasonable business-related expenses incurred in connection with their role (including tax thereon if these are determined to be taxable benefits).	There is no overall maximum level of benefits provided to Executive Directors, and the level of some of these benefits is not pre-determined but may vary from year to year based on the overall cost to the Company. However, the Committee monitors annually the overall cost of the benefits provided to ensure that it remains appropriate.
Pension	Provides a competitive and appropriate pension package.	Each Executive Director has the right to participate in the pension scheme operated by the Company either via a contribution into the Company's defined contribution plan, or via an alternative cash allowance.	Pension contributions and/or cash allowances are set at 9% of base salary for existing Executive Directors taking into account their service in post and the approach to pensions applied to the wider UK workforce. For Executive Directors who join after the 2020 policy is approved, the Company contribution will align with the pension provision to the wider UK workforce with executives eligible to receive a maximum Company contribution to a pension scheme or a cash payment on the following scale: • 5% of salary: less than 5 years' service • 7% of salary: less than 10 years' service; and • 9% of salary: greater than 10 years' service
All-employee share plans	Encourages employee share ownership and therefore increases alignment with shareholders.	Ascential may from time to time operate tax-approved share plans (such as HMRC approved Save As You Earn Option Plan and Share Incentive Plan) for which Executive Directors could be eligible.	The schemes are subject to the limits set by HMRC or appropriate tax authority from time to time.

Element	Purpose and link to strategy	Operation	Opportunity
Annual bonus	Incentivises the execution of key annual goals by rewarding performance against targets aligned to delivery of strategy. Compulsory deferral of a portion of bonus into Ascential shares provides alignment with shareholders.	Paid annually, bonuses will be subject to achievement of stretching financial performance measures. The Committee also has discretion to introduce non-financial and/or strategic measures in future years. It is intended, however, that financial measures will determine the majority of the annual bonus opportunity. 50% of the bonus will normally be deferred into awards over shares under the Deferred Annual Bonus Plan ("DABP"), with awards normally vesting after a three-year period. Executive Directors have the flexibility to voluntarily elect to defer up to 100% of any bonus earned into shares for three years. Recovery and withholding provisions are in operation across the annual bonus and the DABP in certain circumstances, including where there has been a misstatement of accounts, an error in assessing any applicable performance conditions, or in the event of misconduct on the part of the participant. The Committee has discretion to adjust bonus outcomes having had regard to overall corporate performance.	The maximum bonus payable to Executive Directors is 125% of base salary with 50% of maximum payable for on-target performance (62.5% of salary). 0% of salary is paid for threshold performance. Dividends may accrue on DABP awards over the vesting period and be paid out either as cash or as shares on vesting.
Ten-Year Equity Plan	Rewards the achievement of sustained long-term performance that is aligned with shareholder interest. Facilitates share ownership to provide further alignment with shareholders. Retains and motivates Executive Directors over a long-term period.	One-off award of conditional shares with a vesting profile of 15% per year in years 1 to 4, with the remaining 40% vesting at the end of year 5. Following vesting, a further five-year holding period will apply to the awards where by Executive Directors will be restricted from selling the net of tax shares which vest. The 40% tranche vesting at the end of year 5 and releasable at the end of year 10 is subject to a total shareholder-return performance-based clawback. Recovery and withholding provisions operate in certain circumstances, including where there has been a misstatement of accounts, an error in assessing any applicable performance conditions, or in the event of misconduct on the part of the participant. These provisions apply for at least three years from the date on which an award vests.	The maximum opportunity is 10x base salary for the Chief Executive Officer and 8.75x base salary for other Executive Directors Dividends may accrue on the award over the vesting period and be paid out either as cash or as shares on vesting in respect of the number of shares that have vested.
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 executives' post cessation of employment.	Executives leaving employment as good leavers (e.g. due to retirement) will continue to hold share awards until the later of their original vesting date or the conclusion of a holding period on the vested shares. Deferred share bonus awards and any Performance Share awards granted under prior year Director Remuneration Policies or the Ten-Year Equity Plan will only be eligible to vest at the normal vesting date (i.e. three years from grant and subject to performance in the case of the PSP, and the vesting profile explained above in relation to the Ten-Year Equity Plan). Vested Performance Shares and Ten-Year Equity Plan shares subject to a holding period will remain subject to the holding period (i.e. vesting and release will not be brought forward from year 5 to year 3 in the case of Performance Shares, or from years 6 to year 10 in the case of the Ten-Year Equity Plan). An exceptional circumstances provision will apply so that these provisions could be overridden (e.g. in the event of death). Bad leavers' unvested share awards will lapse on cessation of employment.	Not applicable

What discretion does the Committee retain in operating the incentive plans?

The Committee operates Ascential's various incentive plans according to their respective rules. To ensure the efficient operation and administration of these plans, the Committee retains discretion in relation to a number of areas. Consistent with market practice, these include (but are not limited to) the following:

- Selecting the participants;
- The timing of grant and/or payments;
- The size of grants and/or payments (within the limits set out in the policy table above);
- The extent of vesting based on the assessment of performance;
- Determination of good leaver and, where relevant, the extent of vesting in the case of the share-based plans;
- Treatment in exceptional circumstances such as change of control, in which the Committee would act in the best interests of Ascential and its shareholders;
- Making the appropriate adjustments required in certain circumstances (e.g. rights issues, corporate restructuring events, variation of capital and special dividend);
- Cash settling awards; and
- The annual review of performance measures, weightings and setting targets for the discretionary incentive plans from year to year.

Any performance conditions may be amended or substituted if one or more events occur which cause the Committee to reasonably consider that the performance condition would not without alteration achieve its original purpose. Any varied performance condition would not be materially less difficult to satisfy in the circumstances.

How does the Committee choose performance measures and set targets?

The performance metrics (including underpins) used for the annual bonus plan and the Ten-Year Equity Plan have been selected to reflect Ascential's key performance indicators.

The annual bonus is based on performance against a stretching combination of financial measures, with the flexibility to include non-financial performance measures if considered to be appropriate. The financial measures are set taking account of Ascential's key operational objectives but will typically include a measure of profitability (such as EBITDA which is also closely correlated with the generation of cash) and/or revenue (which reflects the Company's growth focus) as these are key performance indicators. In 2021, the annual bonus will be measured on revenue (50%) and profit (50%) targets.

The performance underpin for the Ten-Year Equity Plan is based on absolute total shareholder return which has been selected as it reflects the output from a successful execution of Ascential's long-term transformation strategy.

A sliding scale of challenging performance targets is set for both of these measures and further details of the targets applied are set out in the Annual Report on Remuneration.

What about pre-existing arrangements?

In approving this Directors' Remuneration Policy, authority is given to the Remuneration Committee to honour any commitments entered into with current Directors that pre-date the approval of the policy. Details of any payments to current or former Directors will be set out in the Annual Report on Remuneration if and when they arise.

Are the view of shareholders taken into account?

The Committee values and is committed to dialogue with shareholders. In preparing the 2021 Directors' Remuneration Policy we have sought feedback from our major shareholders representing over 70% of our issued share capital and the shareholder representative bodies IVIS and ISS and Glass Lewis. We will continue to carefully consider any shareholder feedback received in relation to the AGM this year and in future. In addition, the Committee will continue to engage proactively with shareholders and ensure that shareholders are consulted in advance, where any material changes to the Directors' Remuneration Policy are proposed. Through the process of review this year, the Committee Chair has consulted with shareholders who in aggregate hold a majority of our shares and they were largely supportive of our proposal.

How are wider employment conditions taken into account?

The Committee seeks to ensure that the underlying principles which form the basis for decisions on Executive Directors' pay are consistent with those on which pay decisions for the rest of the workforce are taken. For example, the Committee takes into account the general salary increases for the broader employee population when conducting the salary review for the Executive Directors. During 2020, previously announced Board pay rises were deferred and the Executive and Non-Executive Directors accepted a temporary 25% reduction in base salary/fees at the time that pay rises were frozen for all employees.

The Company operates UK and International Sharesave and US Stock Purchase saving plans for employees wishing to invest in the Company's shares. A formal employee consultation on remuneration is not operated; however, employees are able to provide feedback on the Company's remuneration policies to their managers or the Human Resources department informally, as well as through the employee engagement survey and formal performance review process. The Ascential Employee Forum was established during the year which has provided an additional channel for consulting with employees on issues affecting them, including Remuneration Policy. Fixed ratios between the total remuneration levels of different roles in Ascential are not applied, as this may prevent us from recruiting and retaining the necessary talent in competitive employment markets. We have however adopted a formal job banding framework, which helps to ensure that remuneration is appropriate and consistent across the organisation.

The Executive Directors' Remuneration Policy (as set out on pages 92 to 99) reflects differences compared to the broader employee base that are appropriate to leadership to ensure alignment with shareholder interests. A greater weight is placed on performance-based pay through the quantum and participation levels in incentive schemes.

How does the executive pay policy differ from that for other Ascential employees?

The Remuneration Committee considers the Executive Directors' remuneration in the context of the wider employee population. All of the Company's employees have the opportunity to participate in share-based rewards such as SAYE and the wider leadership team of the Company participate in annual bonus arrangements. The Remuneration Policy for the Executive Directors is more heavily weighted towards variable pay than for other employees, to make a greater part of their pay conditional on the successful delivery of business strategy. This aims to create a clear link between the value created for shareholders and the remuneration received by the Executive Directors.

How much could an Executive Director earn under the Remuneration Policy?

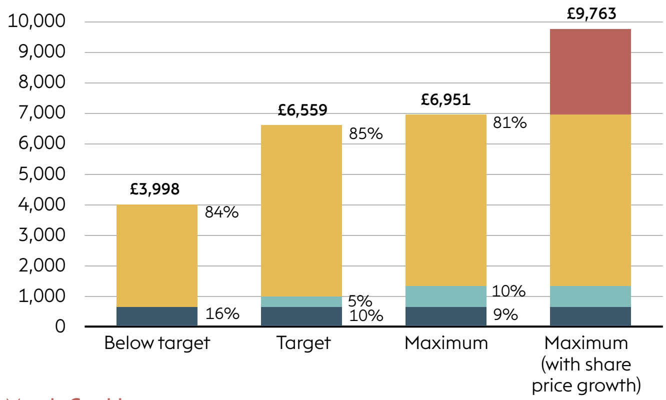
A significant proportion of total remuneration is linked to Company performance, particularly at maximum performance levels.

The chart below illustrates how the Executive Directors' potential reward opportunity varies under three different performance scenarios: fixed pay only, on-target and at maximum. Illustrations are intended to provide further information to shareholders regarding the pay for performance relationship. Actual pay delivered will be influenced by changes in share price and the vesting levels of awards.

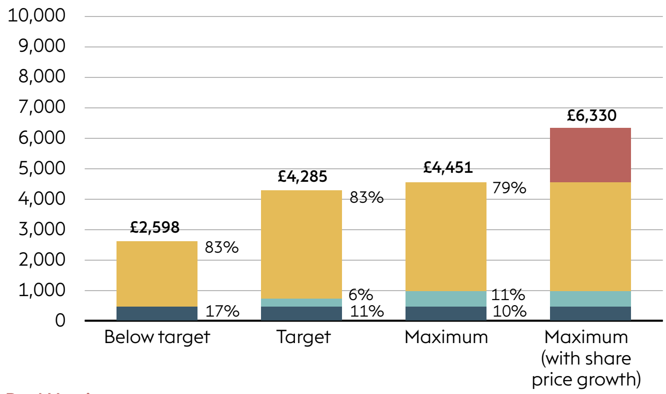
The Executive Directors can participate in the two all-employee share schemes on the same basis as other employees. The value that may be received under these schemes is subject to tax approved limits. For simplicity, the value that may be received from participating in these schemes has been excluded from the below chart.

The below charts are presented in accordance with The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and therefore includes (a) annual figures for salary and bonus and (b) the full 2021 award under the Ten-Year Equity Plan. Awards under the Ten-Year Equity Plan are made once every five years and therefore the chart shows five-years' worth of award value. The rationale for the Ten-Year Equity Plan along with details of the extended vesting profile and holding periods of awards granted thereunder, are set out on pages 93 and 94.

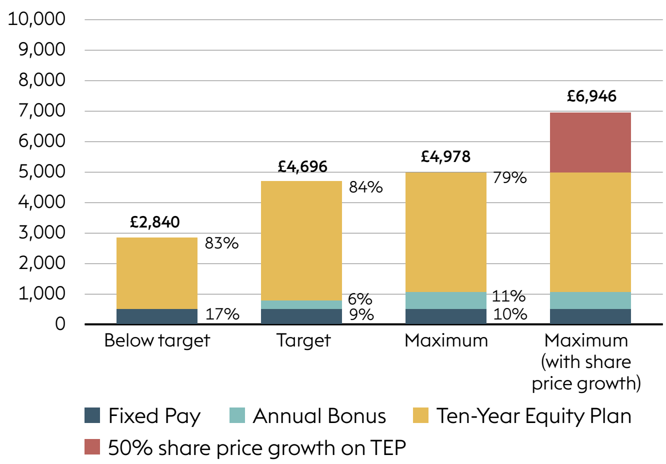
Duncan Painter
CEO £'000



Mandy Gradden
CFO £'000



Paul Harrison
COO £'000



What would a new Executive Director be paid?

The ongoing remuneration package for a new Executive Director would be set in accordance with the terms of Ascential's shareholder-approved Remuneration Policy at the time of appointment and the maximum limits set out therein. It is the Remuneration Committee's policy that no ongoing special arrangements will be made, and in the event that any deviation from standard policy is required to recruit a new hire on an ongoing basis, approval would be sought at the Annual General Meeting.

Base salary levels will be set in accordance with Ascential's Remuneration Policy, taking into account the experience and calibre of the individual. Salaries may be set at a below market level initially with a view to increasing them to the market rate subject to individual performance and developing into the role by making phased above inflation increases.

Benefits will be provided in line with those offered to the other Executive Directors, taking account of local market practice.

What would the ongoing incentive arrangements be for a newly-appointed Executive Director?

Currently, for an Executive Director, annual bonus payments will not exceed 125% of base salary and participation in the Ten-Year Equity Plan would not exceed 10x base salary for the Chief Executive Officer and 8.75X for other Executive Directors (not including any arrangements to replace forfeited entitlements).

Where necessary, specific annual bonus may be used for an individual for the first year of appointment if it is appropriate to do so to reflect the individual's responsibilities and the point in the year in which they joined the Board. A Ten-Year Equity Plan award can be made shortly following an appointment (assuming the Company is not in a close period).

What payments could a newly appointed Executive Director receive beyond the policy?

The Committee retains flexibility to offer additional cash and/or share based awards on appointment to take account of remuneration or benefit arrangements forfeited by an Executive on leaving their previous employer. If shares are used, such awards may be made under the terms of the PSP or as permitted under the Listing Rules.

Such payments would take into account the nature of awards forfeited and would reflect (as far as possible) performance conditions, the values foregone and the time over which they would have vested or been paid. Awards may be made in cash if the Company is in a prohibited period at the time an Executive joins the Company.

The Committee may also agree that the Company will meet certain relocation, legal, tax equalisation and any other incidental expenses as appropriate so as to enable the recruitment of the best people including those who would need to relocate.

What about an internal appointment?

In the case of an internal Executive Director appointment, any variable pay element awarded in respect of the prior role may be allowed to pay out according to its terms, and adjusted as relevant to take into account the appointment. In addition, any other ongoing remuneration obligations existing prior to appointment may continue. Where a temporary internal promotion occurs, base salary may be subject to an adjustment to better reflect the temporary role or an additional allowance may be payable to reflect the additional responsibilities for the period they operate.

Are the Executive Directors allowed to hold external appointments?

Executive Directors are permitted to accept external appointments with the prior approval of the Board and where there is no impact on their role with Ascential. The Board will determine on a case-by-case basis whether the Executive Directors will be permitted to retain any fees arising from such appointments and, where any such fees are retained, they will be disclosed in the Annual Report on Remuneration.

What are the Directors' terms of employment? What are their notice periods?

The Executive Directors have entered into service agreements with an indefinite term that may be terminated by either party on 12 months' written notice. Contracts for new appointments will be terminable by either party on a maximum of 12 months' written notice.

	Date of service contract / appointment	Notice Period	Unexpired term of contract at 31 December 2020
Executive Directors			
Duncan Painter	21 Jan 2016	12 months	Rolling contract
Mandy Gradden	21 Jan 2016	12 months	Rolling contract
Paul Harrison	11 Jan 2021	12 months	Rolling contract

What payments will an Executive Director receive when they leave the Company?

An Executive Director's service contract may be terminated summarily without notice and without any further payment or compensation, except for sums accrued up to the date of termination, if they are deemed to be guilty of gross misconduct or for any other material breach of the obligations under their employment contract.

The Company may suspend the Executive Directors or put them on a period of garden leave during which they will be entitled to salary, benefits and pension only.

If the employment of an Executive Director is terminated in other circumstances, compensation may include base salary due for any unexpired notice period, pro-rata bonus (normally based on performance assessed after the year end), and any amount assessed by the Committee as representing the value of other contractual benefits which would have been received during the period. The Company may choose to continue providing some benefits instead of paying a cash sum, representing their cost. The cash element of any annual bonus paid to a departing Executive Director would normally be paid at the normal payment date, and reduced pro-rata to reflect the actual period worked.

Any statutory entitlements or sums to settle or compromise claims in connection with a termination (including, at the discretion of the Committee, reimbursement for tax or legal advice and provision of outplacement services) would be paid as necessary.

Executive Directors' service contracts are available for inspection at Ascential's registered office during normal business hours and will be available for inspection at the AGM.

How are outstanding share awards treated when an Executive Director leaves Ascential?

Any share-based entitlements granted to an Executive Director under Ascential's share plans will be treated in accordance with the relevant plan rules. Usually, any outstanding awards lapse on cessation of employment. However, in certain prescribed circumstances, such as death, injury, disability, retirement with the consent of the Committee, the sale of the entity that employs him/her out of Ascential or any other circumstances at the discretion of the Committee, "good leaver" status may be applied.

For good leavers under the Ten-Year Equity Plan, awards would be treated as follows:

Circumstance		Between Q1 2021 – Q1 2026	Between Q1 2026 – Q1 2031
"Good leaver" (redundancy, ill-health, genuine retirement to the satisfaction of the Committee, death, any other reason – see below)	15% tranches	15% tranches which have not vested lapse, and usual holding period requirements continue for vested shares (other than death or terminal illness, where shares may be released early)	15% tranches released on normal time-horizons (other than death, where shares may be released early)
	40% tranche	40% tranche lapses	40% tranche released in Q1 2031 (normal time), subject to application of TSR underpin
Resignation	15% tranches	15% tranches which have not vested lapse, and usual holding period requirements continue for vested shares	15% tranches released on normal time-frame
	40% tranche	40% tranche lapses	40% tranche released in Q1 2031 (normal time), subject to application of TSR underpin

For good leavers under the DABP, unvested awards will vest at the original vesting date unless the Committee exercises its discretion and allows the award to vest in full on, or shortly following, the date of cessation. However, in line with the Company "post cessation of employment share ownership guideline" it is envisaged this would only be applied in exceptional circumstances.

In determining whether a departing Executive Director should be treated as a "good leaver", the Committee will take into account the performance of the individual and the reasons for their departure.

What happens to their outstanding share awards if there is a takeover or other corporate event?

Outstanding awards on a takeover or winding up of the Company will vest early to the extent that the performance condition has been satisfied, and would normally be reduced on a pro-rata basis to reflect the period of time which has elapsed between the grant date and the date of the takeover or other corporate event, relative to the normal vesting date of each tranche of the award although the Committee would retain discretion to waive time pro-rating of an award if it regards it as appropriate to do so in the particular circumstances.

In the event of a demerger, special dividend or other event which, in the opinion of the Committee, may affect the current or future value of shares, the Committee may decide that awards will vest on a basis which would apply in the case of takeover. In the event of an internal corporate reorganisation, awards will be replaced by equivalent new awards over shares in a new holding company, unless the Committee decides that awards should vest on a basis which would apply in the case of a takeover.

How are the Non-Executive Directors Paid?

Element	Purpose and link to strategy	Operation	Opportunity
Non-Executive Director fees	To attract and retain a high-calibre Chairman and Non-Executive Directors by offering market competitive fee levels.	The Company Chairman is paid an annual fee. The Non-Executives (including the Senior Independent Director) are paid a basic fee, with the Chairs of the main Board Committees, the Senior Independent Director and the Non-Executive Director designated as the employee representative, paid additional fees to reflect the extra responsibilities and time commitments. If there is a temporary yet material increase in the time commitments for Non-Executive Directors, the Board may pay extra fees on a pro-rata basis to recognise the additional workload. The level of fees is reviewed periodically by the Committee and CEO for the Company Chairman, and by the Company Chairman and Executive Directors for the Non-Executive Directors, and is set taking into consideration market levels in comparably sized FTSE companies, the time commitment and responsibilities of the role and to reflect the experience and expertise required. The Company Chairman and the Non-Executive Directors are not eligible to participate in incentive arrangements or to receive benefits, save that they are entitled to reimbursement of reasonable business expenses and any tax thereon.	The fees are subject to maximum aggregate limits as set out in the Company's Articles of Association (£2,000,000). The Committee is guided by the general increase for the broader employee population, but on occasions may need to recognise, for example, changes in responsibility, and/or time commitments. Current fee levels are disclosed in the Annual Report on Remuneration.

What would a new Chairman or Non-Executive Director be paid?

For a new Chairman or Non-Executive Director, the fee arrangement would be set in accordance with the approved Remuneration Policy in force at that time.

What are the terms of appointment for the Chairman and Non-Executive Directors?

All Non-Executive Directors have letters of appointment with the Company for an initial period of three years (save for the Chairman who is appointed for a nine-year term), subject to annual re-election by the Company at a general meeting.

The appointment of each Chairman and Non-Executive Director may be terminated by either party with three months' written notice. The appointment of each may also be terminated at any time if he or she is removed as a Director by resolution at a general meeting or pursuant to the Articles, provided that in such circumstances the Company will (except where the removal is by reason of their misconduct) pay the Chairman or Non-Executive an amount in lieu of his or her fees for the unexpired portion of his or their notice period.

Directors' letters of appointment are available for inspection at the registered office of Ascential during normal business hours and will be available for inspection at the AGM.

Dates of Directors' service contracts/letters of appointment

	Date of service contract / appointment	Notice Period	Unexpired term of contract at 31 December 2020
Non-Executive Directors			
Scott Forbes	11 Jan 2016	3 months	n/a
Rita Clifton	12 May 2016	3 months	n/a
Judy Vezmar	11 Jan 2016	3 months	n/a
Gillian Kent	11 Jan 2016	3 months	n/a
Charles Song	1 Oct 2020	3 months	n/a
Suzanne Baxter	5 Jan 2021	3 months	n/a
Funke Ighodaro	5 Jan 2021	3 months	n/a

Annual report on remuneration

Subject to an advisory vote at the 2021 AGM

This report has been prepared in accordance with the provisions of the Companies Act 2006 and the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). This report has also been prepared in line with the recommendations of the 2018 UK Corporate Governance Code.

This part of the Directors' Remuneration Report sets out a summary of how the Directors' Remuneration Policy was applied during 2020. The policy in place for the year was approved by shareholders at the 2020 AGM. This Annual Report on Remuneration will be subject to an advisory vote at the 2021 AGM. Various disclosures in this report about the Directors' remuneration have been audited by Ascential's independent auditor, KPMG LLP. Where information has been audited, this has been clearly indicated.

What is the composition of the Remuneration Committee?

The Committee is made up of independent Non-Executive Directors and there is cross-membership with the Audit Committee, whose remit includes review of risk management, to ensure that there is alignment between the Group's key risks and its Remuneration Policy. Regular attendees include the external remuneration adviser, Chief Executive and EVP, People. No attendee is present when their own individual remuneration is being discussed.

What is the role of the Remuneration Committee?

The Remuneration Committee ("the Committee") has responsibility for determining the overall pay policy for Ascential. In particular, the Committee is responsible for:

- determining the framework or broad policy for the fair remuneration of Ascential's Executive Directors and Chairman, and certain other senior management including the direct reports of the Chief Executive Officer;
- approving their remuneration packages and service contracts, giving due regard to the UK Corporate Governance Code as well as the Financial Conduct Authority's rules and associated guidance;
- ensuring that the Remuneration Policy is adequate and appropriate to attract, motivate and retain personnel of high calibre and provides, in a fair and responsible manner, reward for their individual contributions;
- reviewing the ongoing appropriateness and relevance of the Remuneration Policy, overseeing any major changes in remuneration and employee benefits structures throughout Ascential;
- consulting with shareholders and their advisory bodies in advance of significant changes to Remuneration Policy;
- approving the design of, and determining targets for, performance-related pay schemes operated by Ascential and approving the total annual payments made under such schemes; and
- reviewing the design of all share incentive plans for approval by the Board and shareholders. For any such plans, the Committee determines each year whether awards will be made and, if so, the overall amount of such awards, the individual awards to Executive Directors and other senior management, and the performance targets to be used.

Committee attendance during the year

The Committee held three formal meetings during the year, and additionally met several times to discuss the remuneration policy proposal and consultation. All members attended all meetings.

Key activities of the Committee

The Committee's key activities during the 2020 financial year were:

- creating a revised remuneration plan that is relevant and appropriate for executives and shareholders, including extensive consultation with major investors;
- reviewing base salaries for Executive Directors and senior management;
- approving the bonus outturn for Executive Directors and senior management;
- setting bonus targets for Executive Directors and approving them for senior management;
- approving awards under the Company's share plans; and
- approving this Remuneration Committee Report.

Total remuneration for the financial year to 31 December 2020 (Audited)

The following table reports the total remuneration receivable in respect of qualifying services by each Director for the year ended 31 December 2020.

£'000		Salary & fees[1]	Taxable benefits[2]	Pension[3]	Total Fixed Pay	Annual Bonus[4]	Long-Term Incentive[5]	Total Variable Pay	Total Remuneration
Executive									
Duncan Painter	2020	483	7	50	540	-	107	107	647
	2019	548	10	49	607	177	897	1,074	1,681
Mandy Gradden	2020	335	5	34	374	-	63	63	438
	2019	370	5	33	408	120	537	657	1,065
Non-Executive									
Scott Forbes	2020	156	–	–	156	–	–	–	156
	2019	178	–	–	178	–	–	–	178
Rita Clifton	2020	50	–	–	50	–	–	–	50
	2019	57	–	–	57	–	–	–	57
Paul Harrison	2020	72	–	–	72	–	–	–	72
	2019	62	–	–	62	–	–	–	62
Gillian Kent	2020	46	–	–	46	–	–	–	46
	2019	52	–	–	52	–	–	–	52
Judy Vezmar	2020	55	–	–	55	–	–	–	55
	2019	62	–	–	62	–	–	–	62
Charles Song	2020	14	–	–	14	–	–	–	14
	2019	–	–	–	–	–	–	–	–
Total	**2020**	**1,211**	**12**	**84**	**1,307**	**–**	**170**	**170**	**1,477**
Total	2019	1,329	15	82	1,426	297	1,434	1,731	3,157

1 Salary & fees includes a temporary reduction in base salary and fees of 25% for 6 months from 1 April 2020 to 30 September 2020 as part of the Board's response to the impact of the Coronavirus pandemic. Fees paid to Paul Harrison include £17,300 consulting fees in relation to consultation on a strategic project in December 2020.
2 Benefits includes private medical insurance, life assurance, income protection insurance and use of a company driver.
3 Pension amounts are the cash allowance paid in lieu of pension contributions which are calculated as 9% of salary.
4 No bonus was payable in respect of 2020 as targets were not met as a result of the impact of the cancellation of live events during the year.
5 The PSP award granted in March 2018 has a performance period ended 31 December 2020 and will vest in March 2021 at a level of 12.17%. As vesting is post the year end, an average share price for Q4 2020 has been used to calculate the long-term incentive value in the above table. See page 102 for details of the performance conditions. The long-term incentive value of the prior year has been restated using the actual share price on the vesting date of 3 March 2020 (£2.97)

Duncan Painter is also a non-executive director of ITV plc and received fees totalling £62,209 in 2019 (2019: £69,997) from that external appointment. Mandy Gradden was also a non-executive director of SDL plc up until 3 November 2020 and received fees totalling £48,700 in 2020 from that external appointment (2019: £57,000).

How was the annual bonus payment determined? (Audited)

The bonus elements with targets for the year, performance against these targets, and the resulting payouts are set out below.

	Weighting	Threshold		Target		Maximum		Actual		
Target	%	Required result (£'m)	Payout as % of maximum	Required result (£'m)	Payout as a % of maximum	Required result (£'m)	Payout as a % of maximum	Actual result (£'m)	Payout as a % of maximum	payout as % of target
Revenue	50	402.7	0	447.4	50	451.9	100	263.7	0	0
EBITA	50	103.9	0	115.4	50	118.3	100	45.6	0	0
Total									**0**	**0**

The Committee confirmed that a zero payout level for the 2020 bonus was appropriate given the reduction in 2020 Revenue and Adjusted EBITA as a result of the impact of Covid-19. At the time of setting the targets the Committee considered the target ranges to provide an appropriate balance between being achievable at the bottom end of the performance ranges and providing a stretch target at the top end of the ranges. At the time they were set the targets were considered similarly demanding to those set for 2019 allowing for changes to the Company's portfolio of businesses and, for any bonuses to become payable, a threshold EBITDA was set at £103.9m which was ahead of the threshold target set in 2019 of £1.2m.

What equity awards have been included in the single figure table? (Audited)

The Executive Directors received an award in 2018 under the Performance Share Plan ("PSP") which vests to the extent performance conditions are met over the period to 31 December 2020. The 2018 award was based on EPS and relative TSR performance. Overall, 87.83% of the award will lapse based on Ascential's performance as summarised in the table below.

Performance measure	Weighting	Threshold performance	Threshold vesting	Maximum performance	Actual performance	Proportion of award to vest
Adjusted EPS growth	75% of award	8% p.a.	25%	12% p.a.	(53%)	0%
Relative TSR vs FTSE 250	25% of award	Median ranking	25%	Upper quartile ranking	Rank: 73 out of 172 companies	48.68%
Total						**12.17%**

With regards to the EPS performance target, the Committee considered whether any adjustments were necessary to ensure that material events during the measurement period had not made the performance conditions materially more or less difficult to satisfy. However, having considered the adjustments that would need to be made to adjust for material M&A activity during the period (e.g. by removing Ascential Exhibitions from the base year EPS, and adding acquisition case EPS for subsequent acquisitions during the performance period) so as to ensure that the targets were no more or less challenging than when they were set having had regard to the M&A activity it was clear that the targets would not be met. As a result, the Committee did not use discretion to adjust the targets and confirmed 0% vesting in relation to the EPS target.

The 2018 PSP awards will therefore vest as follows:

Director	Shares awarded	Percent vesting	Shares due to vest	Value from share price increase	Dividend equivalents	Total value on vesting
	Number / value on award	% of award	Number / value on award	£	Number / value on vest	Number / value on vest
Duncan Painter	263,078	12.17%	32,016	(£20,368)	1,365	33,381
	£1,049,997		£127,785		£4,580	£132,364
Mandy Gradden	155,216		18,889	(£12,017)	805	19,694
	£619,498		£75,393		£2,701	£78,094

1 Value of share price decrease based on a 399.12p share price at the time of grant of the award in March 2018, to the three-month average share price to 31 December 2020 of 335.5p.
2 Value of shares based on a three-month average share price to 31 December 2020 of 335.5p. This value will be restated next year based on the actual share price on the date of vesting.

The vested shares will be subject to the Company's two-year holding requirement.

What equity awards have been granted during the year? (Audited)

The Executive Directors received the following awards under the Performance Share Plan ("PSP") and the Deferred Annual Bonus Plan ("DABP") during the year. The Awards made under the DABP relate to the mandatory deferral of 50% of the bonus payable to Executive Directors in relation to the financial year ended 2019 into shares.

	Type of award	Number of shares	Face value (£)	Face value as a % of salary[1]	Threshold vesting	End of performance period
Duncan Painter	PSP	381,626	1,102899	200%	25%	30 September 2023
	DABP	61,409	177,472	32%	–	–
Mandy Gradden	PSP	225,229	650,912	175%	25%	30 September 2023
	DABP	20,709	59,849	16%	–	–

1 Face value as a percentage of salary has been calculated on the Directors' annual salary on the usual grant date of March 2020, notwithstanding that the DABP and PSP awards were granted in October 2020. Duncan Painter elected to defer 100% of his bonus into deferred shares.

The 2020 PSP and DABP awards were both granted as conditional awards. The average closing share price for the five business days immediately preceding the date of grant for both awards was £2.89. Awards under the DABP are not subject to performance criteria as they are the element of the 2019 performance related to annual bonus paid as deferred shares which will normally vest three years after the date of grant.

The Remuneration Committee deferred its plans to award shares to the Executive Directors under the Company's PSP and DABP plans, normally granted in March 2020, in response to the uncertainty presented by Covid-19 and the consequent challenges with establishing appropriate performance conditions for the PSP award. In light of the continuing challenges with forecasting earnings over a three-year period, the Remuneration Committee concluded that the most appropriate performance criterion for this grant is 100% relative total shareholder return (measured against the constituents of the FTSE 250 Index excluding Investment Trusts) with performance to be measured over the three-year period running from the date of grant (1 October 2020). This is intended to ensure alignment with shareholders during a period of continued uncertainty. The relative total shareholder return performance condition will also be subject to a financial underpin that will require the Remuneration Committee to consider the vesting outcome to be appropriate in light of the underlying financial performance of the Company over the three-year period. If this is not the case, the Remuneration Committee has the ability to reduce vesting.

The 2020 PSP awards are therefore subject to the following performance criteria:

Performance criteria	Weighting	Threshold (25% vesting)	Stretch (100%)	Measurement period
Relative Total Shareholder Return[1]	100%	Median	Upper quartile	Average Net Return Index of Company and each member of the constituent group ("Average Return") during the three-month period ending on 30 September 2020 to the Average Return during the three-month period to 30 September 2023

1 The Comparator Group for the purposes of the TSR performance condition is the constituents of the FTSE 250 Index (excluding investment trusts).

What other interests do the Directors have in Ascential share plans? (Audited)

The Executive Directors both participate in the Ascential Save As You Earn scheme on the same terms as those open to the wider workforce. Share options are granted at an option price which is a 20% discount on the share price on the date of offer. Options normally vest following the conclusion of a three- year savings contract and will ordinarily be exercisable for a period of six months after the vesting date.

The table below summarises the outstanding awards made to the Executive Directors.

Duncan Painter

Scheme	Interests at 1 Jan 2020	Granted in year	Lapsed in year	Exercised in year	Interests at 31 Dec 2020	Date of grant	Exercise price (£)	Vesting date	Expiry date
PSP	415,574	–	–	(415,574)	–	21-Mar-16	nil	21-Mar-19	20-Mar-26
PSP	307,219	10,856	(50,984)	267,091	–	07-Mar-17	nil	07-Mar-20	06-Mar-27
PSP	263,078	–	–	–	263,078	08-Mar-18	nil	08-Mar-21	n/a
PSP	314,693	–	–	–	314,693	29-Mar-19	nil	29-Mar-22	n/a
PSP	–	381,626			381,626	1-Oct-20	nil	1-Oct-23	n/a
DABP	19,201	–	–	–	19,201	07-Mar-17	nil	07-Mar-20	06-Mar-27
DABP	37,842	–	–	–	37,842	08-Mar-18	nil	08-Mar-21	n/a
DABP	19,549	–	–	–	19,549	29-Mar-19	nil	29-Mar-22	n/a
DABP	–	61,409	–	–	61,409	1-Oct-20	nil	1-Oct-23	n/a
SAYE	8,823	–	–	(8,823)	–	30-Sep-16	2.04	01-Nov-19	30-Apr-20
SAYE	5,921	–	–	–	5,921	26-Sep-19	3.04	01-Nov-22	30-Apr-23
Total	**1,391,900**	**453,891**	**(50,984)**	**(691,488)**	**1,103,319**				

Mandy Gradden

Scheme	Interests at 1 Jan 2020	Granted in year	Lapsed in year	Exercised in year	Interests at 31 Dec 2020	Date of grant	Exercise price (£)	Vesting date	Expiry date
PSP	243,924	–	–	–	243,924	21-Mar-16	nil	21-Mar-19	20-Mar-26
PSP	184,081	6,505	(30,549)	–	160,037	07-Mar-17	nil	07-Mar-20	06-Mar-27
PSP	155,216	–	–	–	155,216	08-Mar-18	nil	08-Mar-21	n/a
PSP	185,712	–	–	–	185,712	29-Mar-19	nil	29-Mar-22	n/a
PSP	–	225,229			225,229	1-10-20	nil	1-Oct-23	n/a
DABP	13,099	–	–	–	13,099	07-Mar-17	nil	07-Mar-20	06-Mar-27
DABP	25,606	–	–	–	25,606	08-Mar-18	nil	08-Mar-21	n/a
DABP	13,184	–	–	–	13,184	29-Mar-19	nil	29-Mar-22	n/a
DABP	–	20,709	–	–	20,709	1-Oct-20	nil	1-Oct-23	n/a
SAYE	8,823	–	–	(8,823)	–	30-Sep-16	2.04	01-Nov-19	30-Apr-20
SAYE	5,921	–	–	–	5,921	26-Sep-19	3.04	01-Nov-22	30-Apr-23
Total	**835,566**	**252,443**	**(30,549)**	**(8,823)**	**1,048,637**				

The closing share price of Ascential's ordinary shares at 31 December 2020 was 384.0p and the closing price range from 1 January 2020 to 31 December 2020 was 177p to 421p.

Ordinary shares required to fulfil entitlements under the PSP, DABP, SAYE and SIP may be provided by Ascential's Employee Benefit Trusts ("EBT"). As beneficiaries under the EBT, the Executive Directors are deemed to be interested in the Ordinary Shares held by the EBT which, at 31 December 2020, amounted to 1,219,261 . Assuming that all awards made under Ascential's share plans vest in full, Ascential has utilised 3.9% of the 10% in ten years and 3.1% of the 5% in five years dilution limits.

What pension payments were made in 2020? (Audited)
The table below provides details of the Executive Directors' pension benefits:

	Cash in lieu of contributions to Defined Contribution type pension plan (£'000s)
Duncan Painter	50
Mandy Gradden	34

Each Executive Director has the right to participate in Ascential's defined contribution pension plan or to elect to be paid some or all of their contribution in cash. Pension contributions and/or cash allowances are capped at 9% of salary.

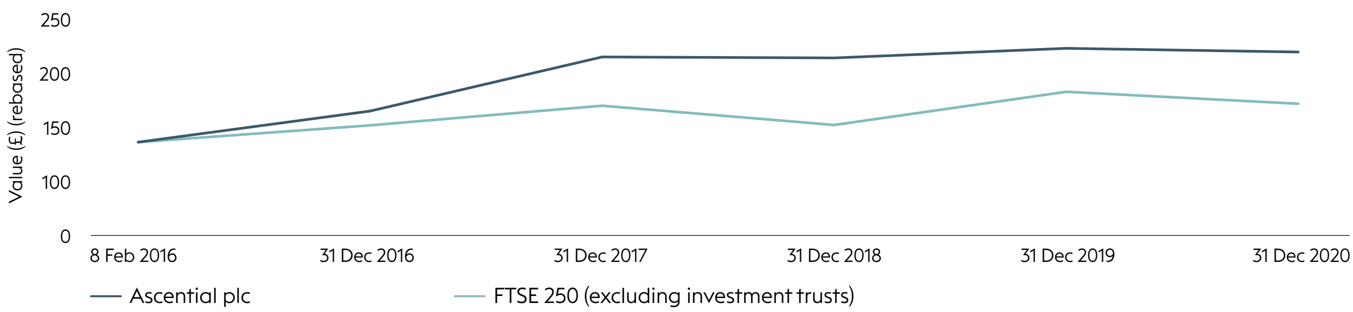
Were there any payments made to past Directors during 2020? (Audited)
There were no payments made to any past Directors during the year.

What are the Directors' shareholdings and is there a guideline? (Audited)
Details of the Directors' interests in shares (including those of their connected persons) are shown in the table below.

				Outstanding awards		
Director	Beneficially owned at 31 Dec 2020	Beneficially owned at 31 Dec 2019	Shareholder guideline achieved?	PSP	DABP	SAYE
Duncan Painter	3,752,346	3,636,081	Yes	959,397	138,001	5,921
Mandy Gradden	781,120	772,294	Yes	970,118	72,598	5,921
Scott Forbes	206,050	206,050	n/a	–	–	–
Rita Clifton	–	–	n/a	–	–	–
Paul Harrison	2,820	2,820	n/a	–	–	–
Judy Vezmar	50,000	50,000	n/a	–	–	–
Gillian Kent	–	–	n/a	–	–	–
Charles Song	–	–	n/a	–		
Total	**4,792,336**	**4,667,245**		**1,929,515**	**210,599**	**11,872**

To align the interests of the Executive Directors with shareholders, each Executive Director must build up and maintain a shareholding in Ascential equivalent to 200% of base salary. Until the guideline is met, Executive Directors are required to retain 50% of any PSP and DABP share awards that vest (or are exercised) net of tax.

How does the CEO's pay compare to Ascential's performance?
This graph shows a comparison of Ascential's total shareholder return (share price growth plus dividends paid) with that of the FTSE 250 (excluding investment trusts) since Admission. This index has been selected as it comprises companies of a comparable size and complexity and provides a good indication of Ascential's relative performance.



This graph shows the value, by 31 December 2020, of £100 invested in Ascential plc at the IPO Offer Price on 08 February 2016, compared with the value of £100 invested in the FTSE 250 (excluding investment trusts). Source: Datastream (Thomson Reuters)

The total remuneration figure for the CEO for each year since IPO is shown below. The total remuneration figure includes the annual bonus which was awarded based on performance in those years. Where that bonus was subject to deferral, it is shown in the year in which it was awarded.

	2016	2017	2018	2019	**2020**
Total Remuneration (£'000)	565	856	2,167	1,681	647
Annual bonus (% of maximum)	20	48	20	26	**0**
Long Term Incentive Plan (% of maximum vesting)	n/a	n/a	100	83	**12**

How does the change in the Directors pay compare to that for Ascential employees?

The movement in the salary and annual bonus for the Directors between the current and previous financial year compared to the change in average salary for all employees is shown below.

	Average percentage change 2019-2020		
	Salary/fee	Taxable benefits	Annual Bonus
Duncan Painter	(11%)	nm	(100%)
Mandy Gradden	(8%)	nm	(100%)
Scott Forbes	(12%)	n/a	n/a
Rita Clifton	(12%)	n/a	n/a
Paul Harrison	16%	n/a	n/a
Judy Vezmar	(12%)	n/a	n/a
Gillian Kent	(12%)	n/a	n/a
Charles Song[2]	n/a	n/a	n/a
All employees	(4%)	nm	nm

What is the ratio of CEO pay to the average UK employee?

The below table sets out the CEO's total remuneration as a ratio to UK employees' total remuneration on the 25th, 50th and 75th percentile.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
1 January to 31 December 2020	Option A	27.64	16.02	9.91

The salary and total pay of the employee on each of the 25th, 50th and 75th percentiles are shown below:

Percentile	Total Salary	Total Pay
25th	22,087	23,275
Median	37,500	40,167
75th	61,823	64,914

We have adopted Method A to calculate the above ratios as it is the most statistically accurate. This means that we have calculated total pay for all UK employees, using the same methodology that is used to calculate the CEO's single figure, using 31 December 2020 as the reference date. We will comment on changes in the median ratio in future years when prior year comparison data is available.

Our principles for pay setting and progression are consistent across the organisation as a whole. Underpinning our principles is a need to provide a competitive total reward so as to enable the attraction and retention of high calibre individuals without over-paying and providing the opportunity for individual development and career progression. The pay ratios reflect the changes in individual accountability which is recognised through our pay structures which include greater variable pay opportunity for more senior positions. This is reflected in the fact that the CEO's variable pay opportunity is higher than those employees noted in the table reflecting the weighting towards long-term value creation and alignment with shareholder interests inherent in his role. We are satisfied that the median pay ratio is consistent with our wider pay, reward and progression policies for employees. All our employees have the opportunity for annual pay increases, career progression and development opportunities.

What changes have there been in the fixed pay of Directors?

£000's Director	2020	%	2019	%	2018	%	2017	%	2016[1]
Chairman									
Scott Forbes	156	(12)	178	3	173	2	170	nm	150
Executive Directors									
Duncan Painter	540	(11)	607	3	591	7	554	nm	449
Mandy Gradden	374	(8)	408	2	398	6	375	nm	304
Non-Executive Directors									
Rita Clifton	50	(12)	57	2	56	2	55	nm	35
Paul Harrison	55	(12)	62	2	61	2	60	nm	53
Judy Vezmar	55	(12)	62	2	61	2	60	nm	53
Gillian Kent	46	(12)	52	2	51	2	50	nm	44
Charles Song[2]	14	n/a	n/a		n/a		n/a		n/a

1 Directors appointed for part of the year
2 Appointed 1 October 2020
3 Fees paid to Paul Harrison include £17,300 consulting fees in relation to consultation on a strategic project in December 2020 which have been excluded from the above table to aid comparability.

How much does Ascential spend on pay and dividends? (Audited)

	2020	2019
Total employee costs	£177.3m	£175.0m
Dividend per ordinary share[1]	-	1.8p

1 The 2019 figure of 1.8p is the interim dividend per ordinary share paid in respect of the 2019 financial year. In March 2020, as part of the Covid-19-related cash preservation measures, the Board decided not to declare the final dividend for the year ended 31 December 2019 of 4.0p that had been previously announced. There was no interim dividend in respect of the year ended 31 December 2020 and the Board are not proposing a final dividend.

What advice did the Committee receive?
Korn Ferry are the appointed advisers to the Remuneration Committee and provide advice and information on market practice, the governance of executive pay and the operation of employee share plans. The total fees paid to Korn Ferry in respect of their services for the 2020 financial year were £63, 364 plus VAT. Korn Ferry provides other consulting services to the Board in relation to its recruitment of Non-Executive Directors which is provided by an entirely separate team independent from the team advising the Committee. As a result, the advice to the Committee is therefore considered independent. Korn Ferry are signatories to the Remuneration Consultant's Code of Conduct, which requires that advice be objective and impartial.

What votes were received in relation to the Directors' Remuneration Policy at the 2019 AGM and the Annual Report on Remuneration at the 2020 AGM?

	Remuneration Policy	%	Annual Report on Remuneration	%
Votes cast in favour	365,711,635	97.1	375,339,447	99.7
Votes cast against	10,790,339	2.9	1,162,527	0.3
Total votes cast	376,501,974	100.0	376,501,974	100.0
Abstentions	537,988		–	

How will the Directors' Remuneration Policy be used in the 2021 financial year?
Base salary
The base salaries of the CEO and CFO will be increased by 0.7% in 2021, below the 2%-3% awarded to the wider workforce. The CEO and CFO's base salary will therefore be £555,310 and £411,863 respectively with effect from 1 April 2021. Paul Harrison, who was appointed as Chief Operating Officer with effect from 11 January 2021, has a base salary of £450,000 per annum. The salary is at a lower rate than the individual received at his former employer taking into account the relative size and complexity of his former employer compared to Ascential.

Annual bonus plan
The annual bonus plan will continue to be subject to a maximum of 125% of base salary and measured against stretching financial targets. 50% of the bonus will be based on Adjusted EBITDA and 50% will be based on revenue. Half of any bonus earned will be deferred into shares which vest after a three-year period.

The Committee has chosen not to disclose, in advance, the performance targets for the forthcoming year as these include items which the Committee considers commercially sensitive. An explanation of bonus payouts and performance achieved, along with the targets set, will be provided in next year's Annual Report on Remuneration.

Ten-Year Equity Plan
Subject to approval at the AGM on 6 May 2021, awards under the Ten-Year Equity Plan will be made to the Executive Directors as described on page 92.

Chief Operating Officer joining arrangements
As a result of his decision to leave Just Eat Takeaway (JET), Paul Harrison forfeited shares that, on joining Ascential, would have had an aggregate value of £1.5m, with 40% of these shares due to vest on 5 September 2021 and 60% on 14 March 2022. No performance conditions had been set in respect of these shares at the point when Paul Harrison left JET and no such conditions have subsequently been conveyed. During his discussions with Ascential at that time, it was agreed in principle that, should he join Ascential as Chief Operating Officer, he would be compensated for any value forfeited on leaving his employer.

As a result, after taking into account the period of time between leaving his former employer and joining Ascential, the Committee agreed to provide compensation for the value forfeit but on a reduced basis. Accordingly, Paul will receive an award over 184,177 shares which will vest on 5 September 2021 and 129,159 Ascential shares that will vest on 14 March 2022. Vesting is contingent on remaining in employment and subject to performing in line with the Board's expectations following appointment. The number of shares which were converted to Ascential shares on his date of joining of 11 January 2021 had a value on that date of circa £1.13m, which is an approximate 25% discount to the value forfeited in recognition of the elapse of time between leaving his former employer and joining Ascential.

The format and structure of the award is consistent with the Company's remuneration policy in that the value forfeited, the timing of receipt of the shares and the structure of the award mirrors what was forfeited and also reflects the timing of the appointment. The awards will be granted under an individual arrangement put in place by the Company in accordance with Listing Rule 9.4.2 to enable the arrangement to mirror the vesting schedule of the awards forfeited and will be settled using market purchase shares. The net of tax number of shares will be retained towards complying with the Company's share ownership guide

What are the current and future Non-Executive Director fees?
As the fees of the Chairman and Non-Executive Director were reviewed and increased in 2020, there will be no change in fees payable in 2021.

	2021	**2020**	% Change
Board Chairman	220,000	**220,000**	–
NED Basic fee	55,000	**55,000**	–
Additional fee for Senior Independent Director	10,000	**10,000**	–
Additional fee for Committee Chairs	10,000	**10,000**	–

This Directors' Remuneration Report was approved the Board of Directors on 12 March 2021 and signed on its behalf by Judy Vezmar, Chair of the Remuneration Committee.

Directors' report

Index to principal Directors' Report and Listing Rule disclosures

Relevant information required to be disclosed in the Directors' Report may be found in the following sections:

Information	Section in Annual Report	Pages
Business model	Strategic Report	20
Principal risks and uncertainties	Strategic Report	50
Disclosure of information to auditor	Directors' Report	108
Directors in office during the year	Corporate Governance Report	79
Directors indemnities	Directors' Report	107
Corporate responsibility	Strategic Report	60
Greenhouse gas emissions	Corporate Responsibility Report	67
Financial instruments – risk management objectives and policies	Notes to the Financial Statements	155
List of subsidiaries and branches outside of the UK	Notes to the Financial Statements	163
Future developments of the Company	Strategic Report	20
Employment policies and employee involvement	Strategic Report and Directors' Report	56 and 108
Stakeholder engagement	Strategic Report	10
Structure of share capital, including restrictions on the transfer of securities, voting rights and interests in voting rights	Directors' Report	107
Political donations	Directors' Report	108
Rules governing changes to Articles of Association	Directors' Report	108
Going concern statement	Strategic Report	43
Post balance sheet events	Notes to the Financial Statements	159

The above information is incorporated by reference and together with the information on pages 107 to 109 forms the Directors' Report in accordance with section 415 of the Companies Act 2006.

Strategic Report

The Strategic Report is set out on pages 2 to 71 and was approved by the Board on 12 March 2021. It is signed on behalf of the Board by Duncan Painter, Chief Executive Officer.

Cautionary statement

The review of the business and its future development in the Annual Report has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for these strategies to succeed. It should not be relied on by any other party for any other purpose. The review contains forward looking statements which are made by the Directors in good faith based on information available to them at the time of the approval of these reports and should be treated with caution due to inherent uncertainties associated with such statements. The Directors, in preparing the Strategic Report, have complied with s417 of the Companies Act 2006.

Directors' indemnities

The Company maintained appropriate insurance to cover Directors' and Officers' liability for itself and its subsidiaries and such insurance was in force for the whole of the year ended 31 December 2020.

The Company also indemnifies the Directors under deeds of indemnity for the purposes of section 236 of the Companies Act 2006. Such indemnities contain provisions that are permitted by the director liability provisions of the Companies Act 2006 and the Company's Articles of Association.

Share capital and rights attaching to shares

Details of the Company's share capital and movements during the year are set out in Note 23 to the financial statements, which is incorporated by reference into this report. This includes the rights and obligations attaching to shares and restrictions on the transfer of shares. The ordinary shares of £0.01 each are listed on the London Stock Exchange (LSE: ASCL.L). The ISIN of the shares is GB00BYM8GJ06.

All ordinary shares (this being the only share class of the Company) have the same rights (including voting and dividend rights and rights on a return of capital) and restrictions as set out in the Articles.

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

Subject to legislation, the Articles and any resolution of the Company, the Directors may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise deal with or dispose of any shares to such persons, at such times and generally on such terms as the Directors may decide. The Company may issue any shares which are to be redeemed, or are liable to be redeemed, at the option of the Company or the holder, on such terms and in such manner as the Company may determine by ordinary resolution and the Directors may determine the terms, conditions and manner of redemption of any such shares. No such resolutions are currently in effect.

Subject to recommendation of the Board, shareholders may receive a dividend. Shareholders may share in the assets of the Company on liquidation.

Voting rights

Each ordinary share entitles the holder to attend, speak and vote at general meetings of the Company. A resolution put to the vote of the meeting shall be decided on a poll rather than a show of hands in line with recommended best practice.

On a poll, every member who is present in person or by proxy shall have one vote for every share of which they are a holder. The Articles provide a deadline for submission of proxy forms of not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting. No member shall be entitled to vote at any general meeting either in person or by proxy, in respect of any share held by him, unless all amounts presently payable by him in respect of that share have been paid. Save as noted, there are no restrictions on voting rights nor any agreement that may result in such restrictions.

Shares held by the Employee Benefit Trust ("EBT")

The Group has an Employee Benefit Trust which can hold shares to satisfy awards under employee share schemes. At 31 December 2020, the EBT held 1,219,261 shares. Voting rights in relation to any shares held in the EBT are exercisable by the trustee; however, in accordance with best practice guidance, the trustee abstains from voting.

Restrictions on transfers of securities

The Articles do not contain any restrictions on the transfer of ordinary shares in the Company other than the restrictions imposed by laws and regulations.

Interest in voting rights

Details of the share capital of the Company are set out in Note 23 to the Financial Statements.

As at 31 December 2020 and 12 March 2021, the Company received notifications in accordance with the FCA's Disclosure Guidance and Transparency Rule 5.1.2 of the following interests in the voting rights of the Company.

Shareholder	As at 31 December 2020 Percentage of voting rights over ordinary shares of £0.01 each	As at 12 March 2021 Percentage of voting rights over ordinary shares of £0.01 each
Jupiter Fund Management Plc	17.94%	17.94%
Ameriprise Financial, Inc	5.06%	5.06%
Black Rock Inc	5.23%	5.78%
Majedie Asset Management Ltd	n/a	5.11%
T Rowe Price Associates, Inc	5.07%	5.07%
AXA Investment Managers	4.95%	4.95%
Ninety One UK Ltd	4.92%	4.92%
Kayne Anderson Rudnick Investment Management LLC	4.00%	4.00
Franklin Templeton Institutional, LLC	3.91%	3.91%
Norges Bank	3.35%	3.35%

Changes to the Company's Articles

The Company's Articles of Association may only be amended by a special resolution at a general meeting of shareholders. A resolution to approve and adopt amended Articles of Association will be proposed at the AGM on 6 May 2021. Full details of the proposed changes are set out in the notice of AGM dated 12 March 2021.

Authority to allot shares

Under the Companies Act 2006, the Directors may only allot shares if authorised to do so by shareholders in a general meeting. The authority conferred on the Directors at a general meeting of shareholders held on 6 May 2020 expires on the date of the forthcoming AGM, and ordinary resolution 17 seeks a new authority to allow the Directors to allot ordinary shares up to a maximum nominal amount of £2,685,751 (268,575,124) shares, representing approximately two-thirds of the Company's issued share capital at 11 March 2021, of which 134,287,562 shares (representing approximately one-third of the Company's issued ordinary share capital) can only be allotted pursuant to a rights issue.

Political donations

The Company's policy is to not make political donations and it has not done so during 2020, nor has it made any contributions to a non-EU political party during the financial year.

Significant contracts

The only significant contract to which the Company is a party that takes effect, alters or terminates upon a change of control of the Company is the Revolving Credit Facility dated 14 January 2020, which contains customary prepayment, cancellation and default provisions including mandatory repayment of all loans provided on a change of control.

Employment practices

All employment decisions are made irrespective of colour, race, age, nationality, ethnic or national origin, sex, gender identity, mental or physical disabilities, marital status or sexual orientation. For employees who may have a disability, the Group ensures proper procedures and equipment are in place to aid them. When it comes to training, career development and promotion, all employees are treated equally and job applications are always judged on aptitude. Further details on the Group's policies on engagement and employment practices are set out on pages 56 to 59.

Auditor

Each of the Directors has confirmed that:

a. so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and

b. the Director has taken all reasonable steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with section 418 of the Companies Act 2006.

Post balance sheet events

There were four events after the reporting date: the acquisition of Hangzhou DuozhunData Technology Co. Ltd and Intellibrand, the disposal of Groundsure and the completion of the disposal of Glenigan. Please see Note 30 for more detail.

Annual General Meeting

The AGM of the Company will take place at 9am on 6 May 2021 at The Prow, 1 Wilder Walk, London W1B 5AP, United Kingdom.

The Notice of AGM can be found in a separate booklet which is being mailed out at the same time as this report. It is also available at ascential.com. The Notice sets out the resolutions to be proposed at the AGM and an explanation of each resolution. The Directors consider that all of the resolutions set out in the Notice of AGM are in the best interests of the Company and its shareholders as a whole. To that end, the Directors unanimously recommend that shareholders vote in favour of each of them.

Directors' Responsibilities Statement

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

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law and have elected to prepare the parent Company financial statements in accordance with UK accounting standards and applicable law, including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. In addition, the Group financial statements are required under the UK Disclosure Guidance and Transparency Rules to be prepared in accordance with International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union ("IFRSs as adopted by the EU").

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of their profit or loss for that period. In preparing each of the Group and parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union ("IFRSs as adopted by the EU");
- for the parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the parent Company financial statements;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

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

Responsibility Statement of the Directors in respect of the annual financial report

We confirm to the best of our knowledge:

- The financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- The Strategic Report includes a fair review of the development and performance of the issuer and the undertakings included in the consolidation taken as a whole, together with description of the principal risks and uncertainties that they face.

We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

The Directors' Report of Ascential plc was approved by the Board and signed on its behalf by

Louise Meads
Company Secretary
12 March 2021

Financial statements

Financial statements

Independent auditor's report

to the members of Ascential plc

1. Our opinion is unmodified

We have audited the financial statements of Ascential plc ("the Company") for the year ended 31 December 2020 which comprise the Consolidated Statement of Profit or Loss, Consolidated Statement of Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows, Parent Company Balance Sheet, Parent Company Statement of Changes in Equity and the related notes, including the accounting policies in note 1 to the Group financial statements and note 2 to the parent Company financial statements.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2020 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union;
- the parent Company financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of, and as applied in accordance with the provisions of, the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation to the extent applicable.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were first appointed as auditor by the directors on 16 July 2016. The period of total uninterrupted engagement is for the five financial years ended 31 December 2020. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview	
Materiality: Group financial statements as a whole	£2.5m (2019:£2.0m) 0.9% (2019: 4.6%) of revenue from continuing operations (2019: normalised profit before tax from continuing operations)
Coverage	74% (2019:86%) of revenue from continuing operations 74% (2019:89%) of normalised profit before tax from continuing operations

Key audit matters vs 2019		
Event driven	**New:** Going concern – impact of uncertainties due to Covid-19 pandemic	↑
	Valuation of contingent consideration for Flywheel and Yimian acquisitions	↔
	New: Impairment of goodwill and other assets relating to Retail Week & WRC and RFS Price & Promotion	↑
Recurring risk	Flywheel Digital revenue recognition	↓
Parent Company recurring risk	Recoverability of cost of investment in subsidiary and intra-group debtors	↔

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit ; and directing the efforts of the engagement team. We summarise below the key audit matters, in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
Going concern – impact of uncertainties due to COVID-19 pandemic *Refer to page 85 (Audit Committee Report) and page 125 (accounting policy).*	**Disclosure quality** The financial statements explain how the directors have formed a judgement that it is appropriate to adopt the going concern basis of preparation for the Group and the parent Company. The judgement is based on an evaluation of the inherent risks to the Group and parent Company's business model and how those risks might affect the Group and parent Company's financial resources or ability to continue operations over a period of at least a year from the date of approval of the financial statements. The risks most likely to adversely affect the Group and parent Company's available financial resources over this period are: • the length of time that the impact of COVID-19 will significantly disrupt the Group's events businesses including the barriers to running these events, and the size and success of these events; • the financial and operational resilience of the Group's other businesses during a significant global downturn; and • the impact on the Group's ability to meet the Group bank debt covenants during the directors' forecast period which is not less than twelve months from the date of approval of the financial statements. This could threaten the availability of existing facilities in the absence of agreement of changes to facility terms and existing covenants. The risk for our audit was whether or not those risks were such that they amounted to a material uncertainty that may cast significant doubt about the ability to continue as a going concern. Had they been such, then that fact would have been required to have been disclosed. Clear and full disclosure of the assessment undertaken by the directors and the rationale for the use of the going concern assumption, represents a key financial statement disclosure requirement. There is a risk that insufficient details are disclosed to allow a full understanding of the assessment undertaken by the directors.	Our procedures included: • **Funding assessment:** We considered the directors' assessment of COVID-19 related sources of risk to the Group's financial and operational resilience compared with our own understanding of these risks and knowledge of the business. Our procedures included: – We agreed the Group's committed level of financing, the availability of facilities and related covenant requirements to signed agreements. – We critically assessed the ability of the Group to meet the revised terms and financial covenants within existing facility agreements in reasonably foreseeable downside scenarios brought about by the COVID-19 pandemic. These included challenging and assessing the ability of the Group to withstand an extended and prolonged period of economic downturn with no events taking place. – Through enquiry and inspection of recent management information, our evaluation included challenge of the assumptions and an evaluation of the ability of the directors to take any assumed mitigation actions based on our own expectations based on our knowledge of the entity and experience of the industry in which it operates. – Through enquiry and inspection of the latest banking agreements and the changes to the terms of both the facility agreements and the related covenants, we considered the intent of the Group's lenders to continue to support the Group with existing facilities. • **Key dependency assessment:** The continued operation of the Group business is a critical factor in assessing the risk of failure; as is the continued availability of the Group's £450m Revolving Credit Facility (refer above) throughout the assessment period. Our procedures included: – We gained an understanding of and assessed the Group's plans and progress to try to ensure the continued operation of the Group in the face of the disruption caused by COVID-19; and – Using our industry experience, we challenged and evaluated the degree to which reasonably foreseeable downside scenarios that may impact the Group were factored into the financial resilience modelling that the Group has performed. • **Historical comparisons:** We assessed the directors' actual forecasts to date versus actual cashflows during the COVID-19 pandemic. • **Benchmarking assumptions and our sector experience:** We evaluated and challenged the assumptions used in cash flow forecasts using our knowledge of the business and our sector experience and assessing the potential risk of management bias. • **Sensitivity analysis:** We considered sensitivities over the level of available financial resources indicated by the Group's financial forecasts taking account of reasonably possible (but not unrealistic) adverse effects that could arise from these risks individually and collectively. This included an assessment of the Group's ability to continue to meet its debt covenants through considering a more severe downside to stress test the modelling. • **Evaluating directors' intent:** Through enquiry we evaluated the achievability of the actions the directors may consider they would take to improve the position as risks materialise. • **Assessing transparency:** We critically assessed the completeness and accuracy of the matters covered in the going concern disclosure by agreeing to supporting evidence and performing inquiries of the directors, which included challenging the transparency of assumptions in the severe but plausible downside stress scenarios performed in making this assessment. We performed the tests above rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Our findings** • We found the going concern disclosure without any material uncertainty to be acceptable (2019 result: acceptable).

	The risk	Our response
Valuation of contingent consideration for the Flywheel and Yimian acquisitions *Refer to page 85 (Audit Committee Report), page 127 (accounting policy) and page 150 (financial disclosures).*	**Forecast-based valuation** The Group has recognised significant contingent consideration liabilities in respect of the Flywheel and Yimian acquisitions which are substantially all of the Level 3 total deferred and contingent consideration liability of £96.5m (2019: £68.4m) disclosed in note 20. There is inherent uncertainty involved in forecasting revenue of an acquired business, which determines the fair value of the liability as at the balance sheet date. The effect of these matters is that, as part of our risk assessment, we determined that the fair value of the contingent consideration liability has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The financial statements (note 20) disclose the range of outcomes estimated by the Group.	Our procedures included: • **Assessing forecasts:** We challenged the changes in the forecast revenue growth compared to the forecasts used as the basis for the initial contingent consideration calculation, current forecasts, and assessed against the recent performance of the business. • **Assessing the discount rate:** We challenged the reasonability of the discount rate used by conducting sensitivity analyses based on our independently developed rate and the Group's impairment discount rate. • **Test of details:** We agreed the basis of the earn out calculation and values of key inputs such as potential consideration values to signed agreements, taking into account changes in the agreements made in the year. • **Assessing transparency:** We assessed the adequacy of the Group's disclosures about the potential range of overall future payments, and the estimates and judgements made by the Group in this regard. We performed the tests above rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Our results** • As a result of our work we found the carrying amount of contingent consideration recognised to be acceptable (2019: acceptable)

	The risk	Our response
Flywheel Digital revenue recognition *Refer to page 126 (accounting policy).*	**Flywheel Digital revenue** Professional standards require us to make a rebuttable presumption that the fraud risk from revenue recognition is a significant risk. We consider the risk to be in respect of overstatement of current year revenues for the Flywheel Digital business which is subject to a higher level of management pressure given the focus on the year on year growth of this newly acquired and high growth business. The risk has been heighted as the Ascential Group's other revenue streams being impacted by COVID-19 economic downturn comparative to the Digital Commerce segment. Revenue is the largest driver of the Flywheel Digital earnout payment to be made by the Group and thus increases the incentive of those who will receive that payment to overstate the revenue. We continue to perform procedures over the recognition of other revenue streams of the Group. However, given the nature of revenue recognition, we have not assessed the other revenue streams as one of the most significant risks in our current year audit and, therefore, we have not separately identified that revenue in our report this year.	Our procedures included: • **Test of details:** We selected a sample of sales invoices during the period to assess whether revenue has been recognised in the correct financial period, by checking the date, amount, description and quantity to relevant documentation, such as contract, proof of payment or other third-party acknowledgement of receipt. • **Test of details:** We select a substantive sample of revenue related accounts such as accounts receivable, deferred income and accrued revenue to assess whether revenue has been recognised or deferred in the appropriate financial year, by checking the date, amount, description and quantity to relevant documentation, such as contract, proof of payment or other third-party proof of delivery of the service. We performed the tests above rather than seeking to rely on any of Flywheel's controls because of the nature of the control environment. The Group anticipates transferring Flywheel's accounting processes and systems to a new group-wide platform in 2021/22. Accordingly, it was more appropriate to obtain audit evidence through the procedures described above. **Our results** • As a result of our work we found the amount of revenue recognised for Flywheel Digital in the current financial year to be acceptable (2019: acceptable)

	The risk	Our response
Impairment of goodwill and other assets relating to Retail Week & WRC and RFS Price & Promotion (£28.4 million; 2019: Nil) Refer to page 85 (Audit Committee Report), page 127 (accounting policy) and pages 144 to 146 (financial disclosures).	**Forecast-based assessment** The recoverability of goodwill and other assets relating to the Retail Week & WRC and RFS Price & Promotion cash generating units ("CGUs") is assessed using forecast financial information within a discounted cash flow model ("the model"). The model is highly sensitive to changes in key assumptions, relating to forecast financial performance, in particular revenue growth and operating margins, as well as external factors such as future growth of the category as a whole (including how strongly, or otherwise, the businesses recover from the COVID-19 pandemic), discount rates and terminal growth rates. In the current year the Group has recognised an impairment loss of £28.4 million against the goodwill and other assets. This primarily reflects global restrictions arising from the COVID-19 pandemic impacting the wider retail and events industries. The valuation of the CGUs – and consequent impairment loss – is subject to a high degree of estimation uncertainty. Where a substantial impairment must be recognised, there may be incentive for the Group to use assumptions that are excessively cautious, leading to an overstatement of the impairment. Conversely, if assumptions are over-optimistic, the impairment loss may be understated. The effect of these matters is that, as part of our risk assessment, we determined that there exists a reasonably possible set of changes in these key assumptions that would result in a change to the valuation and associated impairment loss well in excess of our materiality for the financial statements as a whole and possibly many times that amount. The financial statements (note 13) disclose the sensitivity estimated by the Group. It is also important that disclosures give relevant information and reflect uncertainties inherent in the impairment assessment and its outcome.	Our procedures included: • **Methodology implementation:** We assessed the principles and integrity of the model are in accordance with the relevant accounting standards. • **Methodology implementation:** Following the restructuring of the Group and the redetermination of the RFS Price & Promotion CGU, we challenged the composition of assets that are allocated to the CGU by our own expectations based on our knowledge of the entity and experience of the industry in which it operates. • **Sensitivity analysis:** We considered the sensitivity of each assumption, identified changes to these assumptions since previous forecasts, and focused our attention on those assumptions we considered to be most sensitive, judgemental or otherwise prone to management bias. • **Historical comparisons:** we evaluated the track record of historical assumptions used against actual results achieved, such as the performance of various CGUs prior to and during the COVID-19 pandemic, against the historical results and budgets. – We compared the recent performance of these CGUs against plan and evaluated this in relation to forecast growth. – We challenged the operating margin projections by reference to those achieved historically both and during the COVID-19 pandemic. • **Personnel interviews:** We compared judgements made centrally to direct discussion with local Finance Directors. We considered and challenged the Group's assumptions with reference to alternative views provided locally. • **Our valuation expertise:** We independently derived a reasonable range of appropriate discount rates with the assistance of our valuation specialists, compared these to those calculated by the Group and identified any differences in assumptions between the calculations. • **Assessing transparency:** We assessed whether the Group's disclosures reflected the risks inherent in the assessment of the recoverable amount of goodwill and other assets. We performed the tests above rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. **Our results** • We found the goodwill and other assets balances, and the related impairment charge, to be acceptable (2019: we found the Group's conclusion that there is no impairment of goodwill and other assets to be acceptable).

	The risk	Our response
Recoverability of cost of investment in subsidiary and intra-group debtors Investment (£452.8 million; 2019 £452.8 million) Intra-group debtors (£223.4 million; 2019: £208.4 million) Refer to page 162 (accounting policy) and pages 163 and 164 (financial disclosures).	**Low risk, high value** The amount of the parent Company's investment in its subsidiary, which acts as an intermediate holding company for the rest of the parent Company's subsidiaries, represents 67% (2019: 68%) of the parent Company's assets. The carrying amount of the intra-group debtors balance comprises the remaining 33% (2019: 32%). Their recoverability is not at a high risk of significant misstatement or subject to significant level of judgement. However, due to their materiality in the context of the parent Company financial statements, this is considered to be the area that had the greatest effect on our overall parent Company audit.	Our procedures included: • **Tests of detail:** We compared the carrying amount of parent Company's only investment with the subsidiary's draft balance sheet and whether its net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount and assessing whether the Group headed by the subsidiary has historically been profit-making. • **Tests of detail:** We assessed a sample of the highest value intra-group debtors representing 100%(2019: 99%) of the Group debtor balance to identify, with reference to the relevant debtors' draft balance sheet, whether they have a positive net asset value and therefore coverage of the debt owed, as well as assessing whether those debtor companies have historically been profit-making. • **Comparing valuations:** We compared the carrying amount of the investment in the subsidiary to the Group's market capitalisation as adjusted to exclude the liabilities of the parent Company, being an approximation of the recoverable amount of the investment. We performed the tests above rather than seeking to rely on any of the parent Company's controls because of the nature of the balance meant that detailed testing is inherently the most effective means of obtaining audit evidence. **Our results** • We found the directors' conclusion that there is no impairment to the carrying amounts of the investment in the subsidiary and the intra-group debtors to be acceptable (2019: acceptable).

Following a reorganisation in the Group, as the Edge goodwill is now monitored as part of the Digital Commerce businesses, we therefore we have no longer assessed this goodwill as a key audit matter in our current year audit and, therefore, it is not separately identified in our report this year. We continue to perform procedures over impairment risk of goodwill and other non-current assets and in particular this year have identified the impairment of goodwill and other assets relating to Retail Week & WRC and RFS Price & Promotion as a key audit matter (see above).

3. Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £2.5m (2019: £2.0m), determined with reference to a benchmark of Group revenue, of which it represents 0.9% (2019: 4.6% of Group profit before tax, normalised to exclude acquisition related contingent employment costs and capital costs). We now consider Group revenue to be the most appropriate benchmark as it provides a more stable measure than Group profit before tax given the fall in profits of the non digital commerce businesses and the high growth of the digital commerce businesses.

The parent Company is a component of the Group audit. Materiality of £125,000 (2019: £1,000,000), has been applied to the audit of the parent Company. This is lower than the materiality we would otherwise have determined by reference to total assets, and represents 0.02% of the parent Company's total assets (2019: 0.2%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 75% (2019: 75%) of materiality for the financial statements as a whole, which equates to £1.9 m (2019: £1.5m) for the group and £93,750 (2019: £750,000) for the parent Company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

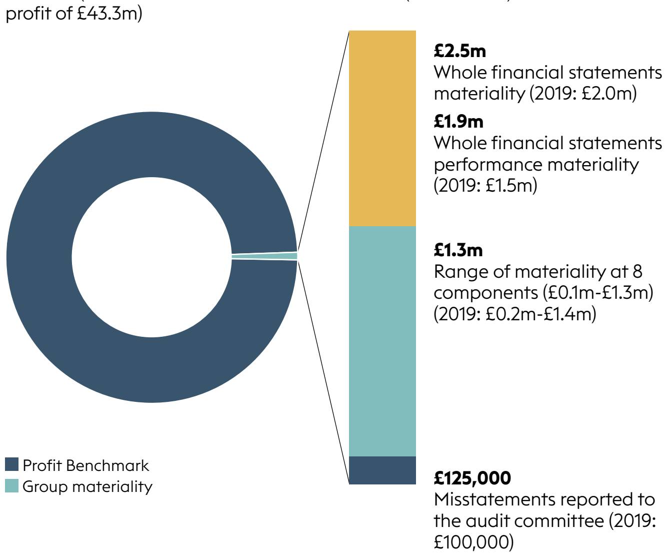
We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £125,000 (2019: £100,000), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Of the Group's 82 (2019: 81) reporting components, we subjected 7 (2019: 10) to full scope audits for group purposes and 1 (2019: 5) to specified risk-focused audit procedures. The latter was not individually financially significant enough to require a full scope audit for group purposes, but did present specific individual risks that needed to be addressed.

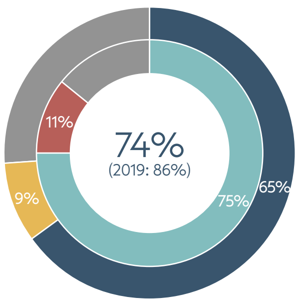
The components within the scope of our work accounted for the percentages illustrated below.

Profit benchmark
£263.7m (2019: Normalised profit of £43.3m)

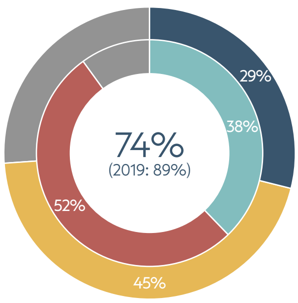
Group Materiality
£2.0m (2018: £2.0m)



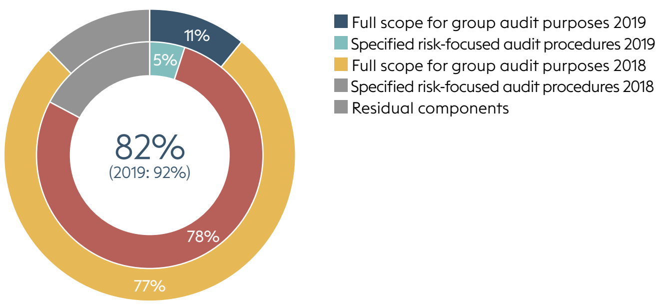
Group revenue



Group profit before tax on continuing operations



Group total assets



The remaining 26% (2019: 14%) of total Group revenue, 26% (2019: 11%) of Group profit before tax and 18% (2019: 13%) of total Group assets is represented by 74 (2019: 66) reporting components, none of which individually represented more than 3% (2019: 5%) of any of total Group revenue, Group profit before tax or total Group assets. For the residual components, we performed analysis at an aggregated Group level to re-examine our assessment that there were no significant risks of material misstatement within these.

The work on all components including the parent Company was performed by the Group team (2019: all). All audit procedures were performed remotely including using video and telephone conference meetings on account of travel restrictions (2019: none).

4. Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the parent Company or to cease their operations, and as they have concluded that the Group's and the parent Company' financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

An explanation of how we evaluated management's assessment of going concern is set out in the related key audit matter in section 2 of this report.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or parent Company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the directors' statement in note 1 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and
- parent Company's use of that basis for the going concern period, and we found the going concern disclosure in note 1 to be acceptable; and
- the related statement under the Listing Rules set out on page 43 is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the parent Company will continue in operation.

5. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee and internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board, audit committee and nomination committee minutes.
- Considering remuneration incentive schemes and performance targets for management, directors and sales staff including the adjusted earnings per share target for management remuneration.
- Using analytical procedures to identify any usual or unexpected relationships.
- Using our own forensic specialists to assist us in identifying fraud risks based on discussions of the circumstances of the Group and parent Company.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that Flywheel Digital revenue is recorded in an inappropriate financial year and the risk that Group and component management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as the related accrued revenue.

We also identified a fraud risk related to contingent consideration in response to possible pressures to understate contingent consideration liabilities.

Further detail in respect of the valuation of contingent consideration for the Flywheel and Yimian acquisitions is set out in the key audit matter disclosures in section 2 of this report.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the Group-wide fraud risk management controls

We also performed procedures including:

- Identifying journal entries to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.
- Assessing significant accounting estimates for bias.

We discussed with the audit committee matters related to actual or suspected fraud, for which disclosure is not necessary, and considered any implications for our audit.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations
We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law and certain aspects of company legislation recognising the nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

We discussed with the audit committee other matters related to actual or suspected breaches of laws or regulations, for which disclosure is not necessary, and considered any implications for our audit

Context of the ability of the audit to detect fraud or breaches of law or regulation
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

6. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report
Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report
In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer-term viability
We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the directors' Long-term viability statement on page 49 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the Principal Risks disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the directors' explanation in the directors' Long-term viability statement of how they have assessed the prospects of the Group,

over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the directors' Long-term viability statement set out on page 49 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and parent Company's longer-term viability.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the annual report describing the work of the Audit Committee, including the significant issues that the audit committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review.

We have nothing to report in this respect.

7. We have nothing to report on the other matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

8. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 109, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

9. The purpose of our audit work and to whom we owe our responsibilities

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

Ian Griffiths (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

15 Canada Square
London E14 5GL
United Kingdom

12 March 2021

Consolidated statement of profit or loss

For the year ended 31 December 2020

(£ million)	Note	2020 Adjusted results	2020 Adjusting items	2020 Total	Restated* 2019 Adjusted results	Restated* 2019 Adjusting items	Restated* 2019 Total
Continuing operations							
Revenue	3	**263.7**	**–**	**263.7**	380.3	–	380.3
Cost of sales		**(106.6)**	**–**	**(106.6)**	(143.4)	–	(143.4)
Sales, marketing and administrative expenses		**(151.1)**	**(172.5)**	**(323.6)**	(149.7)	(85.4)	(235.1)
Operating profit / (loss)		**6.0**	**(172.5)**	**(166.5)**	87.2	(85.4)	1.8
Adjusted EBITDA	3	**28.5**	**–**	**28.5**	109.0	–	109.0
Depreciation and amortisation	3	**(22.5)**	**(33.7)**	**(56.2)**	(21.8)	(35.6)	(57.4)
Exceptional items	5	**–**	**(140.4)**	**(140.4)**	–	(41.4)	(41.4)
Share-based payments	7	**–**	**1.6**	**1.6**	–	(8.4)	(8.4)
Operating profit / (loss)		**6.0**	**(172.5)**	**(166.5)**	87.2	(85.4)	1.8
Share of the (loss) / profit of joint ventures and associates	15	**(0.2)**	**–**	**(0.2)**	0.9	(0.3)	0.6
Finance costs	8	**(17.6)**	**(1.9)**	**(19.5)**	(14.8)	–	(14.8)
Finance income	8	**1.9**	**–**	**1.9**	4.5	–	4.5
(Loss) / profit before taxation		**(9.9)**	**(174.4)**	**(184.3)**	77.8	(85.7)	(7.9)
Taxation	9	**1.5**	**33.9**	**35.4**	(17.1)	18.5	1.4
(Loss) / profit from continuing operations		**(8.4)**	**(140.5)**	**(148.9)**	60.7	(67.2)	(6.5)
Discontinued operations							
Profit / (loss) from discontinued operations, net of tax	10	**16.7**	**(3.2)**	**13.5**	15.1	(0.5)	14.6
Profit / (loss) for the year		**8.3**	**(143.7)**	**(135.4)**	75.8	(67.7)	8.1
Profit / (loss) attributable to:							
Owners of the Company		**7.6**	**(143.7)**	**(136.1)**	75.6	(67.7)	7.9
Non-controlling interest		**0.7**	**–**	**0.7**	0.2	–	0.2
Earnings / (loss) per share (pence)							
Continuing operations							
– Basic	11	**(2.3)**	**(35.0)**	**(37.3)**	15.1	(16.7)	(1.6)
– Diluted	11	**(2.3)**	**(35.0)**	**(37.3)**	15.1	(16.7)	(1.6)
Discontinued operations							
– Basic	11	**4.2**	**(0.9)**	**3.3**	3.7	(0.1)	3.6
– Diluted	11	**4.2**	**(0.9)**	**3.3**	3.7	(0.1)	3.6
Total							
– Basic	11	**1.9**	**(35.9)**	**(34.0)**	18.8	(16.8)	2.0
– Diluted	11	**1.9**	**(35.9)**	**(34.0)**	18.8	(16.8)	2.0

*Restated for discontinued operations (see Note 10).

The accompanying notes on pages 125 to 159 are an integral part of these consolidated financial statements. Adjusting items are detailed in Note 5.

Consolidated statement of other comprehensive income

For the year ended 31 December 2020

(£ million)	2020 Adjusted results	2020 Adjusting items	2020 Total	2019 Adjusted results	2019 Adjusting items	2019 Total
(Loss) / profit for the year from continuing operations	**(8.4)**	**(140.5)**	**(148.9)**	60.7	(67.2)	(6.5)
Profit / (loss) for the year from discontinued operations	**16.7**	**(3.2)**	**13.5**	15.1	(0.5)	14.6
Profit / (loss) for the year	**8.3**	**(143.7)**	**(135.4)**	75.8	(67.7)	8.1
Other comprehensive expense						
Items that may be reclassified subsequently to profit or loss:						
Foreign exchange translation differences recognised in equity from continuing operations	**(10.5)**	**–**	**(10.5)**	(8.2)	–	(8.2)
Total other comprehensive expense, net of tax	**(10.5)**	**–**	**(10.5)**	(8.2)	–	(8.2)
Total comprehensive (expense) / income for the year	**(2.2)**	**(143.7)**	**(145.9)**	67.6	(67.7)	(0.1)
Total comprehensive (expense) / income attributable to:						
Owners of the Company	**(2.9)**	**(143.7)**	**(146.6)**	67.4	(67.7)	(0.3)
Non-controlling interest	**0.7**	**–**	**0.7**	0.2	–	0.2

The accompanying notes on pages 125 to 159 are an integral part of these consolidated financial statements.

Consolidated statement of financial position

As at 31 December 2020

(£ million)	Note	2020	2019
Assets			
Non-current assets			
Goodwill	13	467.4	512.9
Intangible assets	13	206.7	247.8
Property, plant and equipment	14	5.5	8.4
Right of use assets	27	15.4	21.6
Investments	15	32.4	67.9
Investment property	27	0.8	2.1
Deferred tax assets	9	55.0	42.7
Other receivables		0.7	–
		783.9	903.4
Current assets			
Inventories	16	2.1	4.1
Trade and other receivables	17	197.9	141.4
Assets classified as held for sale	10	40.2	–
Other investments, including derivatives		–	1.4
Cash and cash equivalents	18	78.2	111.7
		318.4	258.6
Total assets		1,102.3	1,162.0
Liabilities			
Current liabilities			
Trade and other payables	19	137.3	85.7
Deferred income		91.2	98.5
Deferred and contingent consideration	20	113.5	63.1
Lease liabilities		6.7	9.4
Liabilities classified as held for sale	10	13.3	–
Current tax liabilities		2.4	6.1
Provisions	22	7.4	1.0
		371.8	263.8
Non-current liabilities			
Deferred income		0.6	0.7
Deferred and contingent consideration	20	22.7	40.1
Lease liabilities		13.7	17.4
External borrowings	21	309.5	282.6
Deferred tax liabilities	9	4.6	22.9
Provisions	22	1.6	2.4
		352.7	366.1
Total liabilities		724.5	629.9
Net assets		377.8	532.1
Equity			
Share capital	23	4.0	4.0
Share premium	23	3.0	1.7
Merger reserve		9.2	9.2
Group restructure reserve		157.9	157.9
Translation reserve		(45.7)	(35.2)
Treasury share reserve		(0.1)	(0.1)
Retained earnings		248.2	394.0
Non-controlling interest		1.3	0.6
Total equity		377.8	532.1

The accompanying notes on pages 125 to 159 are an integral part of these consolidated financial statements. The consolidated financial statements on pages 120 to 159 were approved by the Board of Directors on 12 March 2021 and were signed on its behalf by Directors: Duncan Painter and Mandy Gradden.

Consolidated statement of changes in equity

For the year ended 31 December 2019

(£ million)	Share capital	Share premium	Merger reserve	Group restructure reserve	Translation reserve	Treasury share reserve	Retained earnings	Non-controlling interest	Total equity
	Attributable to owners of the Company								
At 1 January 2019	**4.0**	**0.5**	**9.2**	**157.9**	**(27.0)**	**(0.1)**	**401.0**	**–**	**545.5**
Profit / (loss) for the year	–	–	–	–	–	–	7.9	0.2	8.1
Other comprehensive expense	–	–	–	–	(8.2)	–	–	–	(8.2)
Total comprehensive (expense) / income	–	–	–	–	(8.2)	–	7.9	0.2	(0.1)
Issue of shares	–	1.2	–	–	–	–	–	–	1.2
Acquisition of subsidiary with non-controlling interest	–	–	–	–	–	–	–	0.4	0.4
Share-based payments	–	–	–	–	–	–	7.7	–	7.7
Taxation on share-based payments	–	–	–	–	–	–	0.3	–	0.3
Dividends paid	–	–	–	–	–	–	(22.9)	–	(22.9)
At 31 December 2019	**4.0**	**1.7**	**9.2**	**157.9**	**(35.2)**	**(0.1)**	**394.0**	**0.6**	**532.1**
(Loss) / profit for the year	–	–	–	–	–	–	(136.1)	0.7	(135.4)
Other comprehensive expense	–	–	–	–	(10.5)	–	–	–	(10.5)
Total comprehensive (expense) / income	–	–	–	–	(10.5)	–	(136.1)	0.7	(145.9)
Issue of shares	–	0.7	–	–	–	–	–	–	0.7
Share repurchase	–	–	–	–	–	–	(9.2)	–	(9.2)
Treasury shares sold	–	0.6	–	–	–	–	–	–	0.6
Share-based payments	–	–	–	–	–	–	(1.4)	–	(1.4)
Taxation on share-based payments	–	–	–	–	–	–	0.9	–	0.9
At 31 December 2020	**4.0**	**3.0**	**9.2**	**157.9**	**(45.7)**	**(0.1)**	**248.2**	**1.3**	**377.8**

The accompanying notes on pages 125 to 159 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2020

(£ million)	Note	2020	Restated* 2019
Cash flow from operating activities			
Loss before taxation on continuing operations		**(184.3)**	(7.9)
Profit before taxation on discontinued operations	10	**17.4**	18.1
Adjustments for:			
Amortisation of acquired intangible assets	13	**33.9**	35.8
Amortisation of software intangible assets	13	**11.4**	11.6
Amortisation of right of use assets	27	**7.6**	7.3
Depreciation of property, plant and equipment	14	**4.4**	3.8
Impairment of assets	13, 14, 27	**31.9**	–
Deferred and contingent consideration: revaluation and contingent employment costs	20	**97.6**	33.1
Share-based payments	7	**(1.6)**	8.5
Share of the loss / (profit) in equity-accounted investees, net of tax		**0.2**	(0.6)
Net finance costs	8	**17.6**	10.3
Cash generated from / (used in) operations before changes in working capital, provisions and deferred and contingent consideration		**36.1**	120.0
Deferred and contingent consideration paid	20	**(23.1)**	(11.5)
Changes in:			
Inventories		**2.2**	(0.3)
Trade and other receivables		**(70.8)**	(25.2)
Trade and other payables**		**61.0**	10.2
Provisions		**5.7**	(2.8)
Cash generated from operations		**11.1**	90.4
Cash generated from operations before exceptional operating items		**25.7**	94.2
Cash inflows for discontinued operations		**19.8**	19.0
Cash outflows for acquisition-related contingent employment costs	20	**(23.1)**	(11.5)
Cash outflows for other exceptional operating items from continuing operations		**(11.3)**	(11.3)
Cash generated from operations		**11.1**	90.4
Tax paid		**(3.3)**	(3.2)
Net cash generated from operating activities		**7.8**	87.2
Cash flow from investing activities			
Acquisition of businesses, net of cash acquired	12	**(2.7)**	(16.8)
Deferred and contingent consideration paid	20	**(46.0)**	(20.3)
Acquisition of investments	15	**(16.8)**	(64.5)
Disposal of equity-accounted investments	15	**55.1**	–
Acquisition of software intangibles and property, plant and equipment		**(24.0)**	(18.5)
Disposal of businesses net of cash disposed of		**–**	(2.3)
Net cash used in investing activities		**(34.4)**	(122.4)
Cash flow from financing activities			
Proceeds from external borrowings	21	**311.5**	–
Repayment of external borrowings	21	**(285.8)**	–
Proceeds from issue of shares		**0.7**	1.2
Proceeds from sale of SIP shares		**0.6**	–
Share repurchase		**(9.2)**	–
Interest and arrangement fees paid		**(12.0)**	(6.2)
Lease liabilities paid		**(8.9)**	(9.0)
Dividends paid to shareholders	24	**–**	(22.9)
Net cash used in financing activities		**(3.1)**	(36.9)
Net decrease in cash and cash equivalents		**(29.7)**	(72.1)
Cash and cash equivalents at 1 January		**111.7**	182.0
Effect of exchange rate changes		**(1.8)**	1.8
Cash and cash equivalents at 31 December* **		**80.2**	111.7

* Restated for discontinued operations (see Note 10).
** Net of interest payable and inclusive of deferred income.
*** Includes £2.0m of cash and cash equivalents classified as held for sale.

The accompanying notes on pages 125 to 159 are an integral part of these consolidated financial statements.

Notes to the financial statements

For the year ended 31 December 2020

1. Basis of preparation and accounting policies

Basis of preparation

These consolidated financial statements have been prepared in accordance with applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRS") and prepared in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union ("IFRSs as adopted by the EU").

Ascential plc (the "Company") is a public company, which is listed on the London Stock Exchange and incorporated in the United Kingdom. The registered office is located at The Prow, 1 Wilder Walk, London W1B 5AP. The Company principally provides information services which provide industry-specific business intelligence, insights and forecasting through data and digital subscription tools. The principal activities are information services for product design, marketing, digital commerce, and retail & financial services.

The consolidated financial statements are presented in pounds sterling ("GBP"), which is the Company's functional currency, and have been rounded to millions to the nearest one decimal place except where otherwise indicated.

The consolidated financial statements have been prepared on a going concern basis (see further details below) and under the historical cost convention, with the exception of items that are required by IFRS to be measured at fair value, principally certain financial instruments.

Going concern

After considering the current financial projections and facilities available and severe but plausible sensitivities, the Directors of the Company are satisfied that the Group has sufficient resources for its operational needs and will remain in compliance with the financial covenants in its bank facilities for at least the next 12 months from the date of approving these financial statements. The process and key judgements in coming to this conclusion are set out below. Further to this, the Directors have assessed the Group's prospects and viability over a three-year period and the viability statement can be found on page 49.

The Board is required to assess going concern at each reporting period. These assessments are significantly more difficult currently given the uncertainties about the impact of Covid-19, the extent and duration of social distancing measures and the impact on the economies in which we operate. The level of judgement to be applied has therefore increased considerably. The Directors have considered three main factors in reaching their conclusions on going concern – liquidity, covenants and scenario planning – as set out below.

Liquidity

In January 2020, the Group entered into a new 5-year multi-currency revolving credit facility ("RCF") of £450m plus an accordion to raise further debt amounts, at the option of the lenders, of up to the greater of £120m or 150% of EBITDA. The maturity of the facility may be extended for a further one or two year term on the second anniversary of the facility, subject to individual lender approval. At 31 December 2020 the borrowings were subject to interest at a margin of 2.50% over LIBOR. These facilities provide ample liquidity when judged against the net debt of the Company of £229.3m at 31 December 2020.

Covenants

The more sensitive aspects of the Company's financing are the application by the lenders of covenant tests to these facilities and the most sensitive covenant is Net Debt Leverage (broadly, the ratio of Net Debt to Adjusted EBITDA). This is primarily because Adjusted EBITDA in 2020 has reduced considerably, largely as a result of event cancellation. The facility covenants include a maximum net leverage of 3.25x with the benefit of additional 0.5x leverage spikes for relevant acquisitions and a minimum interest cover of 3.00x and are tested semi-annually. To address the uncertain business environment and ensure maximum flexibility in the medium term, across a broad range of business planning scenarios, the Group agreed the following covenant amendments with its banking group (subject to minimum liquidity of £100m at December 2020 and £125m thereafter):

- At the December 2020 testing point – a full waiver of the leverage and interest cover covenants.
- At the June 2021 testing point – the leverage covenant ratio limit has been relaxed to 4.75x.
- At the December 2021 testing point – the leverage covenant ratio limit has been relaxed to between 3.50x and 4.50x depending on the scale of profits from live events in 2021.
- At the June 2022 testing point – if either Money20/20 Europe or USA do not take place in 2021, the leverage covenant limit at June 2022 will be 3.75x.

At the December 2020 testing point, the minimum liquidity requirements have been met with £217.5m of available liquidity.

Scenario planning

In assessing going concern, the Directors consider a variety of plausible scenarios in the context of the Covid-19 pandemic. These scenarios are not the forecasts of the Company and are designed to stress test liquidity and covenant compliance. The two most relevant scenarios reviewed to test going concern are as follows:

- **Successful vaccine rollout 2021** – the scenario envisages a robust recovery in global economic activity from the Summer of 2021. The scenario assumes that Cannes Lions takes place in June 2021 and that Money20/20 takes place in Europe in September 2021 and in the US in October 2021.
- **Severe case: slow rollout and recovery** – the most severe modelled scenario that the directors currently see as plausible for going concern stress testing assumes that Covid-19 continues to impact 2021 resulting in the cancellation of all events in 2021 and most economies not returning to pre-crisis levels until 2023. The normal events roster recommences June 2022.

In their review of the downside scenarios, the Directors have considered a number of mitigations that are at their discretion, including but not limited to: future dividend cancellation, the option of the Company to pay a significant portion of the Flywheel Digital deferred consideration in its own shares, the use of debt factoring arrangements, and further restructuring and cost cutting measures. In these downside scenarios there is still sufficient headroom with regards to these covenants.

Accordingly, the Directors continue to believe that the preparation of these consolidated financial statements should be on the basis of a going concern.

Accounting policies

The principal accounting policies in the preparation of the consolidated financial statements have been applied consistently to both periods presented.

Notes to the financial statements Continued

1. Basis of preparation and accounting policies Continued

Basis of consolidation
The consolidated financial statements comprise the financial statements of the parent Company, its subsidiaries and share of the results of its associates and joint ventures drawn up to 31 December 2020 using consistent accounting policies throughout the current and preceding years.

The trading results of business operations are included in profit from continuing operations from the date of acquisition or up to the date of disposal. Intra-group balances and transactions are eliminated in full on consolidation.

Foreign currency translation
The functional currency of subsidiaries, associates and joint ventures is the currency of the primary economic environment in which they operate. The consolidated financial statements are presented in sterling, which is the presentational currency of the Group and the functional currency of the parent Company.

Foreign currency transactions are recorded at the exchange rate ruling at the date of transaction. Foreign currency monetary assets and liabilities are translated at the rates of exchange ruling at the balance sheet date. All differences are taken to the consolidated income statement except for those on foreign currency borrowings that provide a hedge against an investment in a foreign entity. These are taken directly to equity until the disposal of the investment, at which time they are recognised in the consolidated income statement. Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in equity. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate in force at the date of the initial transaction.

As at the reporting date, the assets and liabilities of overseas subsidiaries are translated into pounds sterling at the rate of exchange applicable at the reporting date and their consolidated income statements are translated at the average exchange rates for the period. The exchange differences arising from the retranslation of foreign operations are taken directly to a separate component of equity. On disposal of a foreign operation, the cumulative amount recognised in equity relating to that operation is recognised in the consolidated income statement as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate at the reporting date.

Changes in fair value of derivative financial instruments entered into to hedge foreign currency net assets, and that satisfy the hedging conditions of IFRS 9, are recognised in the currency translation reserve.

Discontinued operations
The Group classifies an operation as discontinued when it has disposed of or intends to dispose of a business component that represents a separate major line of business or geographical area of operations. The post-tax profit or loss of the discontinued operations is shown as a single line on the face of the consolidated income statement, separate from the continuing operating results of the Group. When an operation is classified as a discontinued operation, the comparative consolidated income statement is represented as if the operation had been discontinued from the start of the comparative year.

Assets and liabilities held for sale
Where the Group expects to recover the carrying amount of a group of assets through a sale transaction rather than through continuing use, and a sale is considered to be highly probable at the reporting date, the assets are classified as held for sale and measured at the lower of cost and fair value less costs to sell. No depreciation or amortisation is charged in respect of non-current assets classified as held for sale once the classification has been made.

Revenue
Revenue is measured based on the consideration specified in a contract with a customer. If multiple performance obligations exist within a contract, the revenue is allocated to the obligations based on the stand alone selling price, with any discounts allocated evenly across the obligations. For contracts with rebates and therefore variable consideration, revenue is recognised based on the best estimate of the revenue net of the rebated amount. Revenue is recognised when the Group satisfies the performance obligations, the timing of which is set out in Note 3. Digital Subscriptions & Platforms revenue is recognised evenly over the time period for which the subscription services are provided. Advisory revenue is recognised over time where we have the right to payment for performance completed to date, based on an input method of measurement. Events and benchmarking awards revenue is recognised at the point in time that the events and awards take place. Pre-paid subscription and event revenues are shown as deferred income and released to the income statement in accordance with the revenue recognition criteria above.

Barter transactions are those where goods and services, rather than cash, are exchanged between two third parties and revenue is recognised at fair value for the goods or services provided. Where goods or services are provided at a discount and dissimilar to the goods or services received, the discounted price is recorded as revenue with the corresponding amount included in operating costs.

Alternative Performance Measures
The consolidated financial statements include Alternative Performance Measures, including Adjusted EBITDA, as another measure of profitability of the trading performance of the continuing operations of the Group. Adjusted EBITDA is a non-IFRS measure, defined as the Group's operating profit before expensing depreciation of tangible fixed assets and amortisation of software, exceptional items, amortisation of acquired intangible assets, impairment of tangible fixed assets and software intangibles, share-based payments and one-off finance costs. Refer to pages 44 to 47 for further details on Alternative Performance Measures.

Exceptional items
Exceptional items are those which are considered significant by virtue of their nature, size or incidence. These items are presented as exceptional within their relevant income statement category to assist in the understanding of the performance and financial results of the Group as these types of cost do not form part of the underlying business. Examples of items that are considered by the Directors for designation as exceptional items include, but are not limited to:

- significant capital structuring costs as these can be material and are not a reflection of the underlying business;
- costs incurred as part of the acquisition and integration of acquired businesses as these can be material. Acquisition-related employment costs, which, absent the link to continued employment, would have been treated as consideration are designated as exceptional items;
- gains or losses on disposals of businesses are considered to be exceptional in nature as these do not reflect the performance of the group;

- material restructuring and separation costs within a segment incurred as part of a significant change in strategy as these are not expected to be repeated on a regular basis; and
- significant one-off items such as the impairment of intangible assets and the recognition of provisions for onerous contracts that do not reflect underlying performance.

If provisions have been made for exceptional items in previous years, then any reversal of these provisions is treated as exceptional.

Finance costs and income
Finance cost or income is recognised using the effective interest method. The 'effective interest rate' is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset, or the amortised cost of the financial liability.

Income tax
The Group is primarily subject to corporation tax in the UK, the US, Brazil and China and judgement and estimates of future profitability are required to determine the Group's deferred tax position. If the final tax outcome is different to that assumed, resulting changes will be reflected in the consolidated income statement, unless the tax relates to an item charged to equity, in which case the changes in tax estimates on those items will be reflected in equity.

Income tax on the profit or loss for the period comprises current tax and deferred tax. Income tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is tax payable based on taxable profits for the period, using tax rates that have been enacted or substantively enacted at the reporting date, along with any adjustment relating to tax payable in previous years. Taxable profit differs from net profit in the consolidated income statement in that income or expense items that are taxable or deductible in other years are excluded, as are items that are never taxable or deductible.

Using the liability method, deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except for certain temporary differences, such as goodwill that is not deductible for tax purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year in which the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

The deferred tax assets and liabilities are only offset where they relate to the same taxing authority and the Group has a legal right to offset.

Business combinations
In accordance with IFRS 3 "Business Combinations", the fair value of consideration paid for a business combination is measured as the aggregate of the fair values at the date of exchange of assets given and liabilities incurred or assumed in exchange for control. The assets, liabilities and contingent liabilities of the acquired entity are measured at fair value as at the acquisition date. When the initial accounting for a business combination is determined, it is done so on a provisional basis with any adjustments to these provisional values made within 12 months of the acquisition date and are effective as at the acquisition date. To the extent that deferred consideration is payable as part of the acquisition cost and is payable after one year from the acquisition date, the deferred consideration is discounted at an appropriate interest rate and, accordingly, carried at net present value in the consolidated balance sheet. The discount component is then unwound as an interest charge in the consolidated income statement over the life of the obligation. Where a business combination agreement provides for an adjustment to the cost of a business acquired contingent on future events, the Group accrues the fair value of the additional consideration payable as a liability at acquisition date. This amount is reassessed at each subsequent reporting date with any adjustments recognised in the consolidated income statement. If the business combination is achieved in stages, the fair value of the acquirer's previously held equity interest in the acquiree is re-measured at the acquisition date through the consolidated income statement. Transaction costs are expensed to the consolidated income statement as incurred.

Acquisition-related expenses include contingent consideration payments agreed as part of the acquisition and contractually linked to ongoing employment as well as business performance (acquisition-related employment costs). Acquisition-related employment costs are accrued over the period in which the related services are received and are recorded as exceptional costs. Payments related to this type of contingent consideration are reported within operating activites within the consolidated statement of cash flows and other consideration payments are reported within investing activities.

The non-controlling interest at acquisition date is measured at the percentage of the identifiable assets purchased and liabilities assumed.

Intangible assets

Goodwill

Goodwill arises where the fair value of the consideration given for a business exceeds the fair value of net identifiable assets of the business at the date of acquisition. Goodwill is allocated or grouped at the lowest levels, for which there are identifiable cash flows, known as cash generating units or CGUs.

Goodwill arising on acquisition is capitalised and subject to impairment review, both annually and when there are indications that the carrying value may not be recoverable. For goodwill impairment purposes, no CGU is larger than the reporting segments determined in accordance with IFRS 8 "Operating Segments". The recoverable amount of goodwill is assessed on the basis of the value-in-use estimate for CGUs to which the goodwill relates. Where the carrying value exceeds the recoverable amount the goodwill is considered impaired. Any impairment is recognised in the consolidated income statement.

Other intangibles

Intangible assets other than goodwill are those that are distinct and can be sold separately or arise from legal rights. Intangible assets acquired as part of a business combination are capitalised at fair value at the date of acquisition. Intangible assets purchased separately are capitalised at cost.

The cost of intangible assets is amortised and charged to the consolidated income statement on a straight-line basis over their estimated useful lives as follows:

Brands	1-30 years
Customer relationships	8-10 years
Content	3-10 years
Technology	3-10 years
Software	2-5 years

Notes to the financial statements Continued

1. Basis of preparation and accounting policies Continued

Useful lives are examined every year and adjustments are made, where applicable, on a prospective basis.

Website development costs (included under content and technology) relating to websites which are revenue generating are capitalised and amortised over three to five years. Development costs relating to websites which are not revenue generating are taken immediately to the consolidated income statement.

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises expenditure directly attributable to the purchase of the asset. Assets are depreciated to their estimated residual value, on a straight-line basis, over their estimated useful life as follows:

Short leasehold property	over the period of the lease
Office equipment	2-5 years

Estimated useful lives and residual values are reviewed at each reporting date.

An item of property, plant or equipment is written off either on disposal or when there is no expected future economic benefit from its continued use. Any gain or loss on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in the consolidated income statement in the year the item is derecognised.

Investments in associates and joint ventures
Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Joint ventures are arrangements in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, until the date on which significant influence or joint control ceases. Where the Group's share of losses in an associate or joint venture exceeds its investment, the Group ceases to recognise further losses unless an obligation exists for the Group to fund those losses.

Trade investments
Investments in equity instruments are measured at fair value through profit or loss unless or until such time as we are deemed to have significant influence or control over the investee.

Inventories
Inventories are stated at the lower of cost and net realisable value. Cost represents purchase cost, including attributable overheads, and is determined using a first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs necessary to make the sale.

Trade and other receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less loss allowances.

Loss allowances are calculated for lifetime expected credit losses. Expected credit losses are a probability weighted estimate of credit losses and are calculated based on actual historical credit losses over the past three years and adjusted to reflect differences between the historical credit losses and the Group's view of the economic conditions over the expected lives of the receivables. The amount of the loss is recognised in the consolidated income statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited to the consolidated income statement.

Other receivables include amounts due from customers for pass-through costs principally in relation to the purchase of media. These costs comprise amounts paid to external suppliers which are charged directly to clients. The amounts due to external suppliers in these relationships are recognised in other payables. The Group acts as principal in these transactions and therefore recognises the gross amounts in other receivables and other payables.

Cash and cash equivalents
Cash and cash equivalents include cash, cash in transit, short-term deposits and other short-term highly liquid investments with an original maturity of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents are as defined, net of outstanding bank overdrafts.

Borrowings
Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method, with the exception of debt repurchases which are recognised in the consolidated income statement in the year of the repurchase.

Provisions
Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised only when it is virtually certain. The expense relating to any provision is presented in the consolidated income statement net of any reimbursement. If the time value of money has a material effect on quantifying the provision, the provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance charge.

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

Share-based payments
Certain employees of the Group receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares. The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards with market-related vesting conditions is determined by an external consultant and the fair value at the grant date is expensed on a straight-line basis over the vesting period based on the Group's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet reporting date up to the vesting date, at which point the estimate is

adjusted to reflect the actual outcome of awards which have vested. No adjustment is made to the fair value after the vesting date even if the awards are forfeited or not exercised.

Shares held by the Employee Benefit Trust
The Employee Benefit Trust ("EBT") provides for the issue of shares to Group employees under share incentive schemes. The Company controls the EBT and accounts for the EBT as an extension to the Company in the consolidated financial statements. Accordingly, shares in the Company held by the EBT are included in the consolidated balance sheet at cost as a deduction from equity.

Leases

Definition of a lease

Under IFRS 16 a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group leases commercial office space and photocopiers. The Group has elected not to recognise right of use assets and lease liabilities for some leases of low-value assets (including photocopiers). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Group presents right of use assets that do not meet the definition of investment property as a separate line item on the statement of financial position.

The Group recognises a right of use asset and lease liability at the lease commencement date. The right of use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. Right of use assets are impaired when there is no expected future economic benefit from its continued use due to the property being vacant, or where the anticipated sublease income is less than the contractual lease payments. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Group has applied judgement to determine the lease term for some lease contracts that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right of use assets recognised.

The Group has applied the exemption not to recognise right of use assets and liabilities for leases with less than twelve months of lease term.

As a lessor

The Group sub-leases some of its properties. The right of use assets recognised from the head lease are presented in investment property and measured at fair value. The sub-lease contracts are classified as operating leases under IFRS 16. No depreciation is recognised for the right of use assets that meet the definition of investment property.

New and amended accounting standards effective during the year
The following amended standards and interpretations were also effective during the year, however, they have not had a significant impact on our consolidated financial statements.

- Amendments to References to Conceptual Framework in IFRS Standards
- Definition of a Business (Amendment to IFRS 3)
- Definition of Material (Amendments to IAS 1 and IAS 8)
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)

New and amended accounting standards that have been issued but are not yet effective
The following new or amended standards and interpretations are applicable in future periods but are not expected to have a significant impact on the consolidated financial statements.

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- Interest Rate Benchmark Reform Phase 2 (Amendments to IFRS 9, IAS 39 and IFRS 7)
- Covid-19 Related Rent Concessions (Amendments to IFRS 16)
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Reference to Conceptual Framework (Amendments to IFRS 3)
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
- IFRS 14 Regulatory Deferral Accounts

2. Critical accounting judgements and estimates

The preparation of these financial statements requires management to exercise judgement in applying the Group's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The actual future outcomes may differ from these estimates and give rise to material adjustments to the reported results and financial position of the Group. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the year in which the estimates are revised and in any future periods affected.

The areas involving a higher degree of judgement or complexity and assumptions or estimation are set out below and in more detail in the related notes. Significant updates to these judgements and estimations, in particular in light of Covid-19, are detailed where relevant in the related notes and in Note 1 above on going concern.

Critical accounting judgements

Alternative Performance Measures

The Group uses alternative performance measures which are not defined or specified under IFRS and removes adjusting items to present an adjusted result. Adjusting items include amortisation and impairment of acquired intangibles, share-based payments, one-off financing costs and exceptional items. The classification of exceptional items requires significant management judgement to determine the nature and presentation of such transactions. Exceptional items are those which are considered significant by virtue of their nature, size or incidence. These items are presented as a separate column on the face of the income statement but within their relevant income statement caption. The Board view this as a relevant analysis to assist the reader

Notes to the financial statements Continued

2. Critical accounting judgements and estimates Continued

in their understanding of the underlying performance and financial results of the Group. Note 5 provides an analysis of exceptional items.

Operating segments

In September 2020, a comprehensive reorganisation of Ascential into five new divisions was announced which resulted in a change in the way the operating results were regularly reviewed by the Group's Chief Operating Decision Maker ("CODM"). Accordingly, the business now presents five operating segments for which judgement was required to ensure that the new operating segments are appropriate and that the component parts presented historically are consistent with the future structure (see Note 3 for further details).

Cash Generating Units ("CGUs") for impairment testing

A cash generating unit is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A CGU is identified consistently from period to period for the same asset or types of assets, unless a change is justified. In September 2020 there was a comprehensive reorganisation of Ascential into five operating segments which required a review of CGUs and the allocation of goodwill. Management judged that the level at which goodwill historically relating to the business units in the Digital Commerce segment is now monitored at a segment level. Accordingly, the goodwill was allocated to the groups of CGUs within Digital Commerce (see Note 13 for future details).

Trade investments

The Group has made a series of investments where it holds less than 20% of the voting rights. Even though these rights are below the level at which significant influence is presumed to exist, management have reviewed all relevant interactions and judged that these investments should not be accounted for as associates as the Group does not have the power to participate in the financial and operating policy decisions of the business and so does not have significant influence (see Note 15 for further details).

Key sources of estimation

Valuation of contingent consideration and acquisition-related employment costs (Note 20)

Where a business combination agreement provides for an adjustment to the consideration, contingent on future performance over the contractual earn-out period, the Group accrues the fair value, based on the estimated additional consideration payable as a liability at acquisition date. To the extent that deferred contingent consideration is payable as part of the acquisition cost and is payable after one year from the acquisition date, the deferred consideration is discounted at an appropriate discount rate and carried at net present value in the consolidated balance sheet. The liability is measured against the contractually agreed performance targets at each subsequent reporting date with any adjustments recognised in the consolidated income statement.

Acquisition-related employment costs are contingent on both the future performance of the acquired business and also linked to continued employment of the founders over the contractual agreed period. They are treated as an expense and recognised as such in the consolidated income statement.

The estimation of the likely liability requires the Group to make judgements concerning the future performance of related business over both the deferred contingent consideration period and the period of employment.

Deferred tax (Note 9)

Deferred tax assets are recognised to the extent that their utilisation is probable. The utilisation of deferred tax assets will depend on the judgement whether it is more likely than not that the Group will generate sufficient and suitable taxable income of the correct type and jurisdiction in the future, taking into account any restrictions on the length of the loss-carry forward period. Various factors are used to assess the probability of the future utilisation of deferred tax assets, including past operating results, operational plans, including the potential impact Covid-19 may have on future profitability, and loss-carry forward periods.

Goodwill and acquired intangibles recoverable amount (Note 13)

Recoverable amount is the higher of value-in-use or fair value less costs of disposal. Determination of these amounts is based upon multiple estimates, including a forecast of future cash flows and judgements surrounding the appropriate discount rates to apply and terminal growth rates.

3. Operating Segments

The Group's reportable segments changed during the year to reflect the growing importance of Digital Commerce to the Group's strategy and operations and to provide greater focus on brand customers and synergy. The Sales segment disclosed in the 2019 Annual Report has been split into two new separate reporting segments: Digital Commerce and Retail & Financial Services. The Retail and Financial Services segment comprises Money20/20 and RWRC as well as the Alternative Data team (previously reported in the Product Design segment) who solely serve Financial Services clients. Additionally, the retail clients of our Digital Commerce business will now be managed and reported as part of the Retail and Financial Services segment allowing our Digital Commerce team to focus exclusively on brand customers.

The Group has five reportable segments that are used to present information to the Board (Chief Operating Decision Maker) on a monthly basis. End market risks and opportunities vary and capital allocation decisions are made on the basis of five reportable segments. The five reportable segments are Digital Commerce, Product Design, Marketing, Retail & Financial Services and Built Environment & Policy, which is now treated as a discontinued operation. The reportable segments offer different products and services and are managed separately as a result of different capabilities, technology, marketing strategies and end market risks and opportunities. The following summary describes the continuing operations in each of the Group's reportable segments:

- Digital Commerce: measurement, optimisation and execution for digital commerce growth
- Product Design: consumer product trend forecasting, data and insight to create world-class products and experiences
- Marketing: services and tools to measure and optimise marketing creativity, media and platform effectiveness and efficiency
- Retail & Financial Services: events, data and tools to improve performance and drive innovation in retail and financial services

Information regarding the results of each continuing reportable segment is included below and restated for prior periods to enhance comparability. The results of the Built Environment & Policy segment are presented within discontinued operations (refer to Note 10). Reportable segment profits are measured at an Adjusted operating profit level, representing reportable segment Adjusted EBITDA, less depreciation costs and amortisation in respect of software intangibles, without allocation of Corporate costs as reported in the internal management reports that are reviewed by the Board. Reportable segment Adjusted EBITDA and reportable segment Adjusted operating profit are used to measure performance as management believes that such information is the most relevant in evaluating the results of the reportable segments relative to other comparable entities. Total assets and liabilities for each reportable segment are not disclosed because they are not provided to the Board on a regular basis. Total assets and liabilities are internally reviewed on a Group basis.

Year ended 31 December 2020

(£ million)	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate costs	Continuing operations total	Discontinued operations	Total
Revenue	103.1	88.1	54.3	18.2	–	263.7	37.4	301.1
Adjusted EBITDA	22.9	38.0	(0.8)	(14.3)	(17.3)	28.5	21.5	50.0
Depreciation and software amortisation	(6.3)	(4.7)	(6.1)	(2.3)	(3.1)	(22.5)	(0.9)	(23.4)
Adjusted operating profit / (loss)	16.6	33.3	(6.9)	(16.6)	(20.4)	6.0	20.6	26.6
Amortisation of acquired intangible assets						(33.7)	(0.2)	(33.9)
Exceptional items						(140.4)	(3.0)	(143.4)
Share-based payments						1.6	–	1.6
Operating loss						(166.5)	17.4	(149.1)
Share of net profit in equity-accounted investee						(0.2)	–	(0.2)
Finance costs						(19.5)	–	(19.5)
Finance income						1.9	–	1.9
Loss before tax						(184.3)	17.4	(166.9)

Year ended 31 December 2019 (Restated*)

(£ million)	Digital Commerce	Product Design	Marketing	Retail & Financial Services	Corporate costs**	Continuing operations total	Discontinued operations	Total
Revenue	78.1	85.7	135.9	81.1	(0.5)	380.3	35.9	416.2
Adjusted EBITDA	12.3	38.2	50.7	25.1	(17.3)	109.0	19.5	128.5
Depreciation and software amortisation	(4.0)	(4.0)	(7.5)	(2.8)	(3.5)	(21.8)	(0.9)	(22.7)
Adjusted operating profit	**8.3**	**34.2**	**43.2**	**22.3**	**(20.8)**	**87.2**	**18.6**	**105.8**
Amortisation of acquired intangible assets						(35.6)	(0.2)	(35.8)
Exceptional items						(41.4)	(0.2)	(41.6)
Share-based payments						(8.4)	(0.1)	(8.5)
Operating profit						**1.8**	**18.1**	**19.9**
Share of net profit in equity-accounted investee						0.6	–	0.6
Finance costs						(14.8)	–	(14.8)
Finance income						4.5	–	4.5
Profit before tax						**(7.9)**	**18.1**	**10.2**

* Restated for new operating segments and discontinued operations (see Note 10).
** Corporate costs include a £0.5m elimination for intercompany trading.

Exceptional items within continuing operations of £140.4m (2019: £41.4m) include £98.5m (Restated* 2019: £37.3), £1.2m (2019: £nil), £4.9m (Restated* 2019: £3.5m), £29.3m (Restated* 2019: £nil) and £6.5m (2019: £0.6m) which are attributable to Digital Commerce, Product Design, Marketing, Retail & Financial Services and Corporate costs respectively. Finance costs, finance income, share of net profit in equity accounted investees and share-based payments are not allocated to segments, as these types of activity are driven by the Group corporate function.

Notes to the financial statements Continued

3. Operating Segments Continued

Revenue and non-current assets by location
The revenue analysis is based on the location of customers. Non-current assets analysis (excluding deferred tax and financial instruments) is based on geographical location of the business.

The Group does not have any customers from whom revenue exceeds 10% of total revenue. Included in revenue is barter revenue arising from the exchange of goods or services of £0.3m for the year ended 31 December 2020 (2019: £2.6m).

	Revenue		Non-current assets**	
(£ million)	2020	Restated* 2019	2020	2019
United Kingdom	33.1	55.6	344.4	413.9
Other Europe	39.5	64.5	88.5	95.9
United States and Canada	143.8	191.6	265.1	320.8
Asia Pacific	33.5	44.3	29.3	27.9
Middle East and Africa	5.2	8.8	–	–
Latin America	8.6	15.5	1.6	2.2
Total	263.7	380.3	728.9	860.7

* Restated for discontinued operations (see Note 10).
** Non-current assets exclude deferred tax assets of £55.0m (2019: £42.7m).

Additional segmental information on revenue
The Group's revenue is derived from contracts with customers.

Disaggregation of revenue
The following table shows revenue disaggregated by major service lines, and the timing of revenue recognition:

(£ million)	Timing of revenue recognition	2020	Restated* 2019
Digital Subscriptions & Platforms	Over time	95.6	72.0
Advisory	Over time	7.5	6.1
Digital Commerce		**103.1**	**78.1**
Digital Subscriptions & Platforms	Over time	81.3	78.4
Advisory	Over time	6.8	7.3
Product Design		**88.1**	**85.7**
Digital Subscriptions & Platforms	Over time	17.0	15.8
Advisory	Over time	35.0	49.8
Benchmarking Awards	Point in time	1.0	29.2
Events	Point in time	1.3	41.1
Marketing		**54.3**	**135.9**
Digital Subscriptions & Platforms	Over time	14.3	14.8
Advisory	Over time	2.2	2.2
Events	Point in time	1.7	64.1
Retail & Financial Services		**18.2**	**81.1**
Intercompany sales		–	(0.5)
Revenue from continuing operations		**263.7**	**380.3**

* Restated for new operating segments and discontinued operations (see Note 10).

Contract balances
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

(£ million)	Note	2020	2019
Receivables, which are included in trade and other receivables	17	70.5	74.3
Receivables, which are included in assets held for sale		9.3	–
Contract assets – accrued income	17	6.2	4.7
Contract liabilities – deferred income		91.8	99.2
Contract liabilities, which are included in liabilities held for sale	10	8.0	–

Out of the amount of the £99.2m included in Contract liabilities at 31 December 2019, £81.5m has been recognised as revenue in 2020.

4. Operating profit

Amounts charged in arriving at continuing operating profit include:

(£ million)	Note	2020	Restated* 2019
Employee costs	6	**168.7**	166.4
Depreciation and software amortisation	13, 14, 27	**22.5**	21.8
Amortisation of acquired intangible assets	13	**33.7**	35.6
Impairment losses on trade receivables and contract assets	17	**5.5**	4.6

* Restated for discontinued operations (see Note 10).

Fees paid to the auditor were as follows:

(£ million)	2020	2019
Fees paid to auditor for audit of the consolidated financial statements	**0.6**	0.6
Fees paid to auditor for audit of the Group's subsidiaries	**0.2**	0.1
Fees paid to auditor for audit-related assurance services*	**0.1**	–
Total	**0.9**	0.7

* Audit-related assurance services relate to the review of the half-year interim statements £87,620 (2019: £39,620) and covenant reviews £nil (2019: £5,200).

Details of the Company's policy on the use of the auditor for non-audit related services, the reason why the auditor was used and how the auditor's independence was safeguarded are set out on page 86.

5. Adjusting items

Adjusting items are those which are considered significant by virtue of their nature, size or incidence and are presented separately in the consolidated statement of profit and loss to enable a full understanding of the Group's financial performance. Adjusting items is not a defined term under IFRS and include share-based payment charges, amortisation of intangibles acquired through business combinations and exceptional items such as costs incurred for acquisitions and disposals, integration, non-recurring business restructuring and capital restructuring. The tax effect of Adjusting items is also included within Adjusting items (see Note 9).

Adjusting items included in operating profit / (loss) are:

(£ million)	Note	2020	Restated* 2019
Revaluation of contingent consideration	20	**64.1**	13.0
Acquisition-related employment costs accrued in the period	20	**33.5**	20.1
Total deferred consideration costs		**97.6**	33.1
Impairment of Retail & Financial Services assets		**28.4**	–
Restructuring costs		**7.0**	–
Property impairments and onerous contracts		**4.8**	–
Acquisition transaction and integration costs		**2.6**	8.3
Exceptional items		**140.4**	41.4
Amortisation of acquired intangible assets	13	**33.7**	35.6
Share-based payments	7	**(1.6)**	8.4
Adjusting items in operating profit / (loss)		**172.5**	85.4
Finance costs	8	**1.9**	–
Share of the (profit) / loss of joint ventures	15	**–**	0.3
Adjusting items in profit / (loss) before tax from continuing operations		**174.4**	85.7

* Restated for discontinued operations (see Note 10).

The revaluation of contingent consideration in the year reflects the significant outperformance of Flywheel Digital in 2020 and its expected outperformance 2021 driven in part by consumer purchasing trends moving further towards eCommerce channels as a result of the Covid-19 pandemic. This significant outperformance results in a material increase in deferred consideration payable over the next 2 years and Flywheel Digital accounts for £88.2m of the total charge of which £26.5m is attributable to a founder service condition and therefore disclosed as employment costs in the year.

Notes to the financial statements Continued

5. Adjusting items Continued

Acquisition-related employment costs incurred in the year include £26.5m, £3.8m and £1.8m, relating primarily to that element of the purchase consideration the acquisitions of Flywheel Digital, Yimian and MediaLink which, absent the link to continued employment, would have been treated as consideration. Under the sale and purchase agreements, between 25% and 50% of deferred payments are contingent on not only the results of the business in the post-acquisition period but also the continued employment of the founders.

Impairment of Retail & Financial Services assets of £28.4m relates to impairments of assets in the Retail Week & WRC and RFS Price & Promotion cash generating units as a result of global restrictions arising from the Covid-19 pandemic which have exacerbated long-standing issues faced by the wider retail industry (see Note 13 for further details).

Restructuring costs of £7.0m represent the one-off material expenses of a redundancy programme, eliminating approximately 200 roles, in order to right-size our cost base in light of the post-Covid-19 economic outlook.

Property impairments and onerous contracts of £4.8m (2019: £nil) reflect impairments of right of use assets and leasehold improvements and the creation of provisions for operating expenses that are now onerous following a reassessment of the Group's property requirements.

As part of the overall strategy of managing the Group's portfolio, we consider the costs incurred as part of the acquisition and integration of acquired businesses to be Adjusting items. Acquisition transaction costs include directly linked transaction costs such as legal and diligence fees as well as stamp duty where applicable. Integration spend is in relation to transferring acquired businesses onto the Group's IT and revenue platforms, merging of products and rebranding.

The share-based payments credit of £1.6m (2019: charge £8.4m) reflects revised expectations on the vesting of Performance Share Plan awards due to the expected performance of the Group versus the target performance conditions (see Note 7).

Finance costs of £1.9m relate to the write-off of unamortised arrangement fees upon early refinancing of the previous debt facility and subsequent covenant amendments (see Note 8).

6. Employee information and Directors' remuneration

(a) Employee costs including Directors

(£ million)	Note	2020	Restated* 2019
Wages and salaries		**151.4**	147.1
Social security costs		**14.6**	14.2
Defined contribution pension cost		**4.4**	4.1
Redundancy costs		**8.5**	1.1
Share-based payments and associated employment taxes	7	**(1.6)**	8.5
Total		**177.3**	175.0

* Restated for discontinued operations.

The total employee costs for continuing operations amounted to £168.7m (2019: £166.4m). Average employee costs per employee including discontinued operations is £81,847 (2019: £87,645).

Included within redundancy costs of £8.5m (2019: £1.1m) are £7.1m (2019: nil) of costs that have been treated as exceptional, of which £7.0m relates to continuing operations (see Note 5).

(b) Retirement benefits

The Group operates a defined contribution pension scheme in the United Kingdom and in certain other countries. The assets of the scheme are held by independent custodians and are kept entirely separate from the assets of the Group. The pension charge represents contributions due from the employer. During 2020 the total Group charge amounted to £4.4m (2019: £4.1m). At 31 December 2020 there were £0.8m of contributions outstanding (2019: £0.9m).

(c) Average monthly number of employees including Directors

(i) By geographical region

	2020 Continuing	2020 Discontinued	2019 Continuing	2019 Discontinued
United Kingdom	**856**	**176**	837	179
United States and Canada	**618**	**–**	615	–
Asia Pacific	**279**	**–**	145	–
Rest of the world	**238**	**–**	221	–
Total	**1,991**	**176**	1,818	179

(ii) By job function

	2020 Continuing	2020 Discontinued	2019 Continuing	2019 Discontinued
Cost of sales	**1,121**	**97**	990	95
Sales and marketing	**483**	**65**	474	73
Other administrative functions	**387**	**14**	354	11
Total	**1,991**	**176**	1,818	179

(d) Remuneration of Directors and key management personnel
Further details of the Directors' remuneration and share options are set out in the Remuneration Report on pages 100 to 106. Key management personnel comprised the Chief Executive Officer, Chief Financial Officer and Non-Executive Directors of the Group. The aggregate emoluments for key management are set out below:

(£ million)	2020	2019
Salaries, bonus and other short-term employee benefits	**1.3**	1.8
Share-based payments	**0.2**	2.4
Total	**1.5**	4.2

During the years ended 31 December 2020 and 2019, no Directors were members of the Group's defined contribution pension scheme. Retirement benefits were not accrued for any Director at 31 December 2020 or 2019.

The total gains on the exercise of share options by the Directors amounted to £2.1m (2019: nil).

7. Share-based payments

Analysis of (credit) / charge to the consolidated income statement

(£ million)	2020	Restated* 2019
Share Incentive Plans ("SIP")	**0.1**	0.2
Deferred Annual Bonus Plan ("DABP")	**0.2**	0.2
Performance Share Plans ("PSP")	**(2.4)**	7.6
Sharesave Scheme ("Sharesave")	**0.5**	0.4
Total (credit) / charge from continuing operations	**(1.6)**	8.4

* Restated for discontinued operations (see Note 10).

The total share-based payment credit including discontinued operations was £1.6m (2019: £8.5m charge) including a £0.2m credit for employment taxes (2019: £0.8m charge). As a result, the amount reversed from equity was £1.4m (2019: £7.7m credited to equity).

The number and weighted average exercise price of outstanding and exercisable share options and share awards are detailed below:

	2020		2019	
	Number of shares / options 000s	Weighted average exercise price £	Number of shares / options 000s	Weighted average exercise price £
Outstanding at 1 January	**11,457**	**0.52**	8,998	0.57
Granted	**5,091**	**0.62**	4,909	0.61
Options exercised or shares vested	**(2,039)**	**0.31**	(1,744)	0.71
Surrendered or expired	**(2,379)**	**1.40**	(706)	1.31
At 31 December	**12,130**	**0.47**	11,457	0.52

	2020	2019
Weighted average fair value per share / option granted during the year (£)	**2.37**	2.79

At 31 December 2020 and 31 December 2019, all of the outstanding share awards and options had either no exercise cost or an exercise price which was below the market price. At 31 December 2020 the market price was £3.84 (2019: £3.92) and the average share price for 2020 was £3.03 (2019: £3.67). For the Sharesave, the range of exercise prices for shares and options outstanding at 31 December 2020 was £2.30 to £3.44 (2019: £2.04 to £3.58). For the DABP and the PSP, all share options and share awards outstanding at 31 December 2020 had an exercise price of £nil (2019: £nil) or were conditional share awards which do not require payment from the participant to vest. The free shares awarded under the SIP do not require payment from the participant to vest.

For share awards and options outstanding at 31 December 2020, the weighted average remaining contractual life was 1.59 years (2019: 1.45 years).

Notes to the financial statements Continued

7. Share-based paymentss Continued

Measurement of fair values
The SIP, PSP, Sharesave and DABP are equity-settled plans, the fair value of which is determined at the date of grant and is not subsequently remeasured unless conditions on which the award was granted are modified.

The fair values of the SIP and Sharesave awards have been measured using the Black-Scholes model, while the PSP has been measured using Monte Carlo simulations. Non-market performance conditions were not taken into account in measuring fair values. Expected volatility is usually calculated over the period of time commensurate with the remainder of the performance period immediately prior to the date of the grant. The principal assumptions required by these methodologies for 2020 awards were:

	SIP	PSP	Sharesave	Sharesave (US)
Expected life	3 years	3 years	3 years	2 years
Risk free interest rate	n/a	(0.09%)	(0.11%)	(0.06%)
Expected volatility	n/a	38.7%	38.7%	38.7%
Expected dividend yield	0%	0%	0%	0%

Additional information about share-based payments

a) Share Incentive Plan
In 2016, the Group established the Employee Share Incentive Plan and International Employee Free Share Plan (collectively known as the "SIP") which enables employees to acquire shares of the Company, subject to service conditions. Free shares awarded to UK employees are held by an Employee Benefit Trust for the maturity period of three years. Conditional awards and cash equivalent awards granted to international employees also have a three year maturity period.

In 2020, the Group made no conditional awards (2019: 25,480) under the SIP.

b) Performance Share Plan
In 2016, the Group established the Executive Performance Share Plan ("PSP"), under which key management personnel and other senior employees are granted conditional awards, share options or a cash alternative. Awards can be granted with or without performance conditions. Where performance conditions have been set, they are either subject to a Total Shareholder Return ("TSR") market performance condition only or a combination of a TSR market performance condition and a profit related market performance condition. Executive Directors are required to hold their shares for a further two year period (net of taxes) after vesting.

During the year ended 31 December 2020, the Group granted conditional share awards over 3,695,602 (2019: 3,402,442) shares under the PSP. Of the share awards granted during the year, 606,856 are subject to a TSR market performance condition at 100%. The remaining share awards of 3,088,746 are not subject to additional performance criteria beyond service conditions (2019: 470,298). During the year ended 31 December 2019 2,932,144 were subject to a TSR market performance condition and an Earnings Per Share non-market performance condition at a weighting of 25% and 75% respectively.

c) Sharesave scheme
In 2016, the Group established the Employee Savings Related Share Option Plan, the International Savings Related Share Option Plan and the US Stock Purchase Plan (collectively known as the "Sharesave") under which employees enter into a savings contract and are granted options to acquire shares of the Company, subject to service conditions.

In 2020, the Group granted 1,312,804 (2019: 968,456) options under the Sharesave to qualifying employees. Under the UK and International plans, the options vest after three years and are exercisable within a six-month period. Under the US plan, they vest after two years and are exercisable for a three-month period.

d) Deferred Annual Bonus Plan ("DABP")
Under the DABP a portion of Executive Directors' annual bonus earned is deferred mandatorily into a share award, vesting after a three-year period. Awards are structured either as a nil-cost option or a conditional share award. During the year ended 31 December 2020, the Group granted conditional share awards over 82,118 (2019: 32,733) shares under the DABP.

8. Finance costs and finance income

(£ million)	Note	2020	2019
Interest on bank deposits		0.3	0.9
Remeasurement of trade investments to fair value		1.4	1.6
Foreign exchange gain		0.2	2.0
Finance income		1.9	4.5
Interest payable on external borrowings		(7.4)	(6.8)
Amortisation of arrangement fees		(0.8)	(1.1)
Fair value loss on derivative financial instruments		(0.3)	–
Discount unwind on contingent and deferred consideration	20	(7.9)	(5.5)
Discount unwind of lease liability		(1.1)	(1.3)
Discount unwind of property provisions	22	(0.1)	(0.1)
Adjusted finance costs		(17.6)	(14.8)
Adjusting items in relation to refinancing	21	(1.9)	–
Net finance costs from continuing operations		(17.6)	(10.3)

9. Taxation

The tax credit has been calculated by applying the full year rate to the results for the year, with specific tax adjustments for Adjusting items (amortisation of acquired intangible assets, share-based payments and exceptional items). The tax charge for the year comprises:

(£ million)	2020	2019
Current tax		
UK current tax (credit) / charge on income for the year at 19.0%	(3.8)	3.2
Overseas current tax charge on income for the year	0.7	2.3
Adjustments in respect of prior years	(0.9)	(2.6)
Total current tax (credit) / charge	(4.0)	2.9
Deferred tax		
Current year	(32.1)	(3.2)
Adjustments in respect of prior years	0.2	(1.1)
Impact of rate changes on opening balances	0.5	–
Total deferred tax credit	(31.4)	(4.3)
Total tax credit from continuing operations	(35.4)	(1.4)
Total effective tax rate	19.0%	17.7%

The effective tax rate on adjusted profit before tax for the year ended 31 December 2020 was 19% (2019: 18%). A tax credit of £33.9m is recorded in relation to Adjusting items for the year ended 31 December 2020 (2019: £18.5m).

During 2020 the following was recognised in equity relating to share-based payments:

(£ million)	2020	2019
Current tax credit	–	0.5
Deferred tax credit / (charge)	0.9	(0.2)
Total credit recognised in equity	0.9	0.3

Notes to the financial statements Continued

9. Taxation Continued

The difference between the tax as credited in the consolidated income statement and tax at the UK standard rate is reconciled below:

	2020			2019		
(£ 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*
(Loss) / profit before tax	**(9.9)**	**(174.4)**	**(184.3)**	77.8	(85.7)	(7.9)
Expected tax (credit) / charge at the UK standard rate of 19.0%	**(1.9)**	**(33.1)**	**(35.0)**	14.8	(16.3)	(1.5)
Principal differences due to:						
Impact of higher overseas tax rates	**1.6**	**(7.0)**	**(5.4)**	3.4	(3.2)	0.2
Trading losses not recognised for deferred tax purposes	**0.6**	**–**	**0.6**	5.2	–	5.2
Non-deductible impairment to goodwill	**–**	**2.8**	**2.8**	–	–	–
Non-deductible legal, professional and M&A costs	**0.5**	**1.5**	**2.0**	–	0.3	0.3
Non-deductible share-based payments expense	**–**	**(0.3)**	**(0.3)**	0.1	0.7	0.8
Non-taxable / deductible exchange (gains) / losses	**–**	**–**	**–**	(2.7)	–	(2.7)
Impact of rates changes	**(1.3)**	**1.8**	**0.5**	–	–	–
Adjustments in respect of prior years	**(1.0)**	**0.4**	**(0.6)**	(3.7)	–	(3.7)
Total tax (credit) / charge for the year	**(1.5)**	**(33.9)**	**(35.4)**	17.1	(18.5)	(1.4)
Effective tax rate	**(15.2%)**	**19.4%**	**19.2%**	22.0%	21.6%	17.7%

* Tax on discontinued operations is set out in Note 10.

The Group's effective tax rate is higher than the UK's statutory tax rate mainly due to its mix of profits coming from the US.

The Group is subject to many different forms of taxation including, but not limited to, income and corporation tax, withholding tax and value added and sales taxes. The Group has operations in 15 countries and multiple states in the US and sells its products and services into more than 100 countries. Furthermore, the Group renders and receives cross-border supplies and services in respect of affiliated entities which exposes the Group to tax risk due to transfer pricing rules that apply in many jurisdictions.

Tax law and administration is complex and often requires subjective determinations. In addition, tax audits by their nature, can take a significant period of time to be agreed with the tax authorities. Therefore, management is required to apply judgement to determine the level of provisions required in respect of its tax liabilities. The Directors' estimates of the level of risk arising from tax audit may change in the next year as a result of changes in legislation or tax authority practice or correspondence with tax authorities during specific tax audits. It is not possible to quantify the impact that such future developments may have on the Group's tax positions. Actual outcomes and settlements may differ from the estimates recorded in these consolidated financial statements. The Group currently anticipates that the outcome of these uncertainties will only be resolved after more than one year. However even where uncertainties may not be resolved within one year, material adjustments may arise as a result of a reappraisal of the assets or liabilities within the next year.

The deferred tax balances shown in the consolidated balance sheet are analysed as follows:

(£ million)	**2020**	2019
Deferred tax assets	**55.0**	42.7
Deferred tax liabilities	**(4.6)**	(22.9)
Total	**50.4**	19.8

The major deferred tax assets and liabilities recognised by the Group, and the movements in the year, are set out below:

(£ million)	Non-deductible intangible assets	US deductible intangible assets	Share-based payments	Property, plant and equipment	Tax losses	Other	Total
At 1 January 2019	**(24.8)**	**11.0**	**2.1**	**7.2**	**21.4**	**1.4**	**18.3**
Credit / (charge) to the consolidated income statement for the year	3.0	6.6	0.5	(0.6)	(7.0)	0.7	3.2
Credit to equity	–	–	(0.2)	–	–	(0.3)	(0.5)
Adjustments in respect of prior years	–	–	–	(0.1)	0.4	0.8	1.1
Acquisitions	(1.2)	–	–	–	–	–	(1.2)
Foreign exchange movements	0.1	(0.3)	(0.1)	–	(0.5)	(0.3)	(1.1)
At 1 January 2020	**(22.9)**	**17.3**	**2.3**	**6.5**	**14.3**	**2.3**	**19.8**
Credit / (charge) to the consolidated income statement for the year	**5.4**	**12.3**	**(1.1)**	**(0.2)**	**14.0**	**1.8**	**32.2**
Credit / (charge) to equity	**–**	**–**	**0.9**	**–**	**–**	**–**	**0.9**
Impact of rate changes	**(2.1)**	**–**	**0.3**	**0.7**	**0.6**	**–**	**(0.5)**
Adjustments in respect of prior years	**–**	**(0.5)**	**–**	**–**	**0.3**	**–**	**(0.2)**
Transfer to balance sheet	**–**	**–**	**–**	**–**	**–**	**(0.4)**	**(0.4)**
Foreign exchange movements	**0.1**	**(0.5)**	**–**	**–**	**(0.3)**	**(0.2)**	**(0.9)**
Discontinued operations	**–**	**–**	**(0.1)**	**(0.4)**	**–**	**–**	**(0.5)**
At 31 December 2020	**(19.5)**	**28.6**	**2.3**	**6.6**	**28.9**	**3.5**	**50.4**

The above deferred tax balances are expected to reverse as follows:

(£ million)	Non-deductible intangible assets	US deductible intangible assets	Share-based payments	Property plant and equipment	Tax losses	Other	Total
Within 12 months	(2.9)	2.0	(0.4)	1.7	6.9	–	7.3
After 12 months	(16.6)	26.6	2.7	4.9	22.0	3.5	43.1
Total	**(19.5)**	**28.6**	**2.3**	**6.6**	**28.9**	**3.5**	**50.4**

In presenting its deferred tax balances, the Group does not offset assets and liabilities as the Group has no legally enforceable right to set off the arising current tax liabilities and assets when those deferred tax balances reverse.

No deferred tax liability has been recognised in respect of temporary differences associated with investments in subsidiaries and joint ventures as, where tax would arise on the realisation of those temporary differences, the Group is in a position to control the timing of their reversal and it is probably that such differences will not reverse in the foreseeable future.

The UK Government enacted changes to the UK tax rate this year, resulting in the rate remaining at 19% (instead of the previously intended reduction from 19% to 17% from 1 April 2020). We have revalued our UK deferred tax assets and liabilities accordingly. This has resulted in a charge to P&L of £0.5m, comprising an increase in the value of the deferred tax liability on consolidated intangibles of £2.1m offset by a reduction in the value of deferred tax assets of £1.6m.

Following the inauguration of a new US president, it is possible we may see an increase in Federal tax rates above the current 21% rate. Whilst there is no proposed legislation at this time, it is possible that the rate could be increased to as high as 28%, although a more modest increase is more likely. Any increase in the US Federal rate could have a material impact on our US deferred tax balances. Each 1% increase in the rate of Federal tax would increase our US deferred tax assets by £2.1m.

In his UK Budget speech on 3 March 2021, the Chancellor announced his intention to raise the UK corporation tax rate to 25% from 1 April 2023. As this change has not yet been substantively enacted, the above deferred tax assets and liabilities remain valued using the enacted rate of 19%. If these assets were revalued to 25%, for amounts which will unwind after 1 April 2023, this would increase the net asset by approximately £1.2m.

Non-deductible intangibles represent the value of the deferred tax liability which arises on the fair value of acquired intangibles which are not deductible for tax purposes. The liability is valued at the tax rate applicable to the jurisdiction where the intangibles are located.

US deductible intangible assets represent the value of deferred tax assets on US tax deductible intangibles and deferred consideration. These deferred tax assets are recognised at a US Federal and State tax rate averaging 26%.

Deferred tax assets have been recognised on the basis that sufficient taxable profits are forecast to be available in the future to enable them to be utilised.

Notes to the financial statements Continued

9. Taxation Continued

At 31 December 2020, the Group has the following tax losses:

(£ million)	**Recognised 2020**	Recognised 2019	**Unrecognised 2020**	Unrecognised 2019	**Total 2020**	Total 2019
US net operating losses	**95.5**	49.9	**53.4**	102.5	**148.9**	152.4
UK non-trading losses	**30.0**	22.7	**–**	–	**30.0**	22.7
Irish trading losses	**–**	–	**46.6**	44.5	**46.6**	44.5
UK capital losses	**–**	–	**114.9**	114.9	**114.9**	114.9
Other Rest of World losses	**–**	–	**9.5**	6.2	**9.5**	6.2
Total	**125.5**	72.6	**224.4**	268.1	**349.9**	340.7

The above losses represent the following value at tax rates applicable at the balance sheet date:

(£ million)	**Recognised 2020**	Recognised 2019	**Unrecognised 2020**	Unrecognised 2019	**Total 2020**	Total 2019
US net operating losses	**23.3**	10.5	**11.2**	25.6	**34.5**	36.1
UK non-trading losses	**5.7**	3.7	**–**	–	**5.7**	3.7
Irish trading losses	**–**	–	**5.8**	5.6	**5.8**	5.6
UK capital losses	**–**	–	**21.8**	19.5	**21.8**	19.5
Other Rest of World losses	**–**	–	**2.6**	–	**2.6**	–
Total	**29.0**	14.2	**41.4**	50.7	**70.4**	64.9

The Group has tax losses in the US totalling £148.9m (2019: £152.4m). These comprise £50.7m losses arising in the current year and £98.2m of losses brought forward from earlier years. The movement on brought forward losses from prior year arises as a result of expiry of losses which can be carried forward for only 20 years. It has been agreed with the US tax authorities that these brought forward losses are available to offset against taxable profits subject to a restriction following the change of ownership that was deemed to have occurred upon listing of Ascential plc in 2016. In line with the US tax rules, the restriction of losses is, to a large extent, based on the valuation of the US group at the change of control date and this will be agreed with the US tax authorities in due course. In prior years, our forecasting of the future available losses, and so value of the associated deferred tax asset, had been driven by this limitation and so the valuation was a key source of estimation. Following additional earnout payments in the US, and a change to mix of profits, this is no longer the case. Our ability to utilise losses in future years is now driven by the level of taxable profits arising in the US as the increased earnout payments give rise to tax deductions which displace the loss utilisation. As a result, we have revised downwards our estimate of future utilised losses which accounts for £0.7m (2019: £2.6m) of the prior year adjustment to the deferred tax asset in respect of losses.

10. Discontinued operations and assets held for sale

As part of its growth strategy to focus resources and investment on its strategic priorities, the Group's non-core segment of Built Environment & Policy has been classified as held for sale in accordance with IFRS 5 as at 31 December 2020. This follows the Group's announcement that it had entered into an agreement to sell Glenigan on 15 December 2020 and its intention to sell the remaining segment businesses within the next twelve months from the balance sheet date. The sales of Groundsure and DeHavilland were subsequently confirmed on 20 January 2020 and 12 February 2021 respectively (see Note 30).

For operations that are classified as held for sale, management are required to determine whether the carrying value of the disposal groups can be supported by the fair value less costs to sell. For each of the transactions which have been agreed or completed, the selling price agreed with the purchasers exceeds the carrying value of the assets.

At 31 December 2020, the disposal group was stated at carrying amount and comprised of the following assets and liabilities:

(£ million)	2020
Goodwill	24.9
Intangible assets	2.2
Property, plant and equipment	0.4
Right of use assets	0.4
Deferred tax assets	0.5
Trade and other receivables	9.8
Cash and cash equivalents	2.0
Total assets held for sale	**40.2**
Trade and other payables	4.5
Deferred income	8.0
Deferred and contingent consideration	0.3
Lease liabilities	0.5
Total liabilities held for sale	**13.3**

The results of the Built Environment & Policy segment have been presented as discontinued operations within the consolidated income statement.

	2020			2019		
(£ million)	Adjusted results	Adjusting items	Total	Adjusted results	Adjusting items	Total
Revenue	37.4	–	37.4	35.9	–	35.9
Cost of sales	(9.3)	–	(9.3)	(8.6)	–	(8.6)
Sales, marketing and administrative expenses	(7.5)	(3.2)	(10.7)	(8.7)	(0.5)	(9.2)
Operating profit / (loss)	20.6	(3.2)	17.4	18.6	(0.5)	18.1
Adjusted EBITDA	21.5	–	21.5	19.5	–	19.5
Depreciation and amortisation	(0.9)	(0.2)	(1.1)	(0.9)	(0.2)	(1.1)
Exceptional items	–	(3.0)	(3.0)	–	(0.2)	(0.2)
Share-based payments	–	–	–	–	(0.1)	(0.1)
Operating profit / (loss)	20.6	(3.2)	17.4	18.6	(0.5)	18.1
Finance costs	–	–	–	–	–	–
Finance income	–	–	–	–	–	–
Profit / (loss) from discontinued operations	20.6	(3.2)	17.4	18.6	(0.5)	18.1
Taxation	(3.9)	–	(3.9)	(3.5)	–	(3.5)
Profit from discontinued operations, net of tax	16.7	(3.2)	13.5	15.1	(0.5)	14.6
Earning per share (pence)						
– Basic	4.2	(0.9)	3.3	3.7	(0.1)	3.6
– Diluted	4.2	(0.9)	3.3	3.7	(0.1)	3.6

Exceptional items in discontinued operations include costs of disposal totalling £3.0m. These include financial and commercial diligence and legal costs.

During the year discontinued operations generated cash of £19.8m (2019: £19.0m) in respect of operating activities, used £2.6m (2019: £0.9m) in respect of investing activities, primarily the acqusition of Mining Searches UK (see Note 12), and used £0.2m (2019: £0.2m) in respect of financing activities.

Notes to the financial statements Continued

11. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares. Earnings per share has been calculated with respect to total net profit or loss for the year for the Group, continuing operations and discontinued operations (see Note 10).

The weighted average number of ordinary shares in issue during the year, excluding those held by Employee Benefit Trusts, was 400.8m (2019: 401.4m). There is no dilutive impact from potentially ordinary shares as potentially ordinary shares can only be considered dilutive when their inclusion would decrease earnings or increase loss per share.

	2020			Restated* 2019		
	Adjusted results	Adjusting items	Total	Adjusted results	Adjusting items	Total
Profit / (loss) for the year attributable to owners of the Company (£ million)						
Profit / (loss) for the year – continuing operations	(9.1)	(140.5)	(149.6)	60.5	(67.2)	(6.7)
Profit / (loss) for the year – discontinued operations	16.7	(3.2)	13.5	15.1	(0.5)	14.6
Profit / (loss) for the year	7.6	(143.7)	(136.1)	75.6	(67.7)	7.9
Share number (million)						
Basic weighted average number of shares	400.8	400.8	400.8	401.4	401.4	401.4
Diluted weighted average number of shares	400.8	400.8	400.8	401.4	401.4	401.4
Earnings per share (pence)						
Basic earnings per share	1.9	(35.9)	(34.0)	18.8	(16.8)	2.0
Diluted earnings per share	1.9	(35.9)	(34.0)	18.8	(16.8)	2.0
Continuing operations						
Basic earnings per share	(2.3)	(35.0)	(37.3)	15.1	(16.7)	(1.6)
Diluted earnings per share	(2.3)	(35.0)	(37.3)	15.1	(16.7)	(1.6)
Discontinued operations						
Basic earnings per share	4.2	(0.9)	3.3	3.7	(0.1)	3.6
Diluted earnings per share	4.2	(0.9)	3.3	3.7	(0.1)	3.6

* Restated for discontinued operations (see Note 10)

12. Business combinations

Mining Searches UK

On 2 January 2020 the Group acquired 100% of Cornwall Mining Services Limited ("Mining Searches UK"), a specialist data provider in the mining industry. The Group paid cash consideration of £1.7m upfront and consolidated £0.5m of cash on acquisition, resulting in a net £1.2m cash outflow on acquisition. There is, in addition, deferred consideration of £0.9m, of which £0.6m has been paid in 2020 with the remaining £0.3m due to be paid in 2022. Mining Searches UK is part of the Built Environment & Policy segment and is presented within the disposal group held for sale at 31 December 2020. At the time of acquisition, the business was not intended to be held with a view to resale.

Indigitous

On 28 February 2020, the Group purchased 100% of Indigitous, LLC ("Indigitous") for initial cash consideration of £1.5m. Indigitous is an Amazon-focused managed service provider based in Seattle specialising in the active lifestyle category. Indigitous has been integrated into Flywheel Digital in our Digital Commerce Segment. Earn out consideration is contingent on the performance of the business for the financial years 2020 to 2022, payable in cash in 2021 to 2023, with a minimum consideration of £0.2m per year and with total consideration capped at £7.7m. Half of the earn out is additionally linked to the ongoing employment of the founders and therefore recognised in the income statement over the life of the earn out. This acquisition-related employment cost is being accrued over the period in which the related services are being received, recorded as exceptional costs. To determine the estimated contingent consideration and the acquisition-related employment cost figures, the Directors are required to make an estimate regarding the future results. Any subsequent revaluations to contingent consideration as a result of changes in such estimations are recognised in the consolidated income statement and disclosed in Note 20.

The fair values of the identifiable assets purchased and liabilities assumed of the two acquired companies as at the date of acquisition were as follows:

(£ million)	Total
Customer relationships, database costs and other intangibles	1.8
Other net assets acquired	0.8
Cash	0.5
Total identifiable net assets at fair value	**3.1**
Initial cash consideration	3.2
Contingent consideration payable in 2021 – 2023	1.6
Total consideration	**4.8**
Goodwill on acquisition	**1.7**
Acquisition of businesses (net of cash acquired)	**2.7**

Of the £1.7m (2019: £16.0m) of goodwill acquired during the period, £0.2m of goodwill (2019: £nil) is expected to be deductible for tax purposes.

The goodwill of £1.7m arising on acquisitions is attributable to workforce in place and know-how within the business.

From the date of acquisition, Mining Searches UK contributed £2.8m of revenue and £1.3m of Adjusted EBITDA. The results of Mining Searches UK are presented within discontinued operations. From the date of acquisition, Indigitous contributed £3.1m of revenue and would have contributed £3.5m of revenue if the acquisition had taken place at the beginning of the year. Indigitous has been fully integrated into the Group during 2020 and so it is not possible to determine its standalone profit performance for the year.

Since the year end, Ascential has completed further acquisitions as disclosed in Note 30. Due to the proximity of these acquisitions to the year end, no review of the purchase price allocation per IFRS 3 has yet been completed, as the information for such disclosure is not yet available and therefore not required. The details of the prior year acquisitions are set out in the 2019 Annual Report.

Notes to the financial statements Continued

13. Intangible assets and goodwill

(£ million)	Goodwill	Acquired Intangibles: Brands	Acquired Intangibles: Customer relationships	Acquired Intangibles: Content	Acquired Intangibles: Technology	Software	Total
Cost							
At 1 January 2019	744.1	169.7	132.0	60.8	40.8	74.3	1,221.7
Additions	–	–	–	–	–	12.7	12.7
Acquisitions of businesses	16.0	–	2.8	–	2.2	–	21.0
Disposals	–	–	–	–	–	(18.9)	(18.9)
Effect of movements in exchange rates	(8.2)	(2.1)	(3.2)	(0.9)	(0.8)	(1.2)	(16.4)
At 1 January 2020	751.9	167.6	131.6	59.9	42.2	66.9	1,220.1
Additions	**–**	**–**	**–**	**–**	**–**	**20.6**	**20.6**
Acquisitions of businesses	**1.7**	**–**	**1.3**	**–**	**–**	**0.5**	**3.5**
Disposals	**–**	**–**	**–**	**–**	**–**	**(4.9)**	**(4.9)**
Reclassification to assets held for sale	**(38.1)**	**(26.0)**	**–**	**–**	**–**	**(4.8)**	**(68.9)**
Effect of movements in exchange rates	**(7.4)**	**(2.4)**	**(2.7)**	**(0.9)**	**(3.0)**	**0.5**	**(15.9)**
At 31 December 2020	**708.1**	**139.2**	**130.2**	**59.0**	**39.2**	**78.8**	**1,154.5**
Accumulated amortisation & impairment							
At 1 January 2019	(239.0)	(44.1)	(33.9)	(45.2)	(20.6)	(52.9)	(435.7)
Disposals	–	–	–	–	–	20.2	20.2
Amortisation	–	(14.9)	(11.0)	(5.7)	(4.2)	(11.6)	(47.4)
Effect of movements in exchange rates	–	0.9	0.7	0.9	0.4	0.6	3.5
At 1 January 2020	(239.0)	(58.1)	(44.2)	(50.0)	(24.4)	(43.7)	(459.4)
Disposals	**–**	**–**	**–**	**–**	**–**	**4.4**	**4.4**
Amortisation	**–**	**(13.6)**	**(12.1)**	**(3.8)**	**(4.4)**	**(11.4)**	**(45.3)**
Impairment	**(14.9)**	**(5.0)**	**(4.0)**	**–**	**(3.6)**	**(0.9)**	**(28.4)**
Reclassification to assets held for sale	**13.2**	**25.6**	**–**	**–**	**–**	**3.0**	**41.8**
Effect of movements in exchange rates	**–**	**1.7**	**1.1**	**0.9**	**2.9**	**(0.1)**	**6.5**
At 31 December 2020	**(240.7)**	**(49.4)**	**(59.2)**	**(52.9)**	**(29.5)**	**(48.7)**	**(480.4)**
Net book value							
At 31 December 2020	**467.4**	**89.8**	**71.0**	**6.1**	**9.7**	**30.1**	**674.1**
At 31 December 2019	**512.9**	**109.5**	**87.4**	**9.9**	**17.8**	**23.2**	**760.7**

Included within software intangible assets at 31 December 2020 is £13.6m (2019: £10.9m) of assets under construction which were not being amortised at 31 December 2020.

Goodwill and acquired intangibles

At 31 December 2020, the Group had £644.0m of goodwill and intangible assets acquired through acquisitions (2019: £737.5m). The goodwill attributed to each of the Group's cash generating units (CGUs) is assessed for impairment annually and more frequently where there are indicators of impairment. In assessing for impairment, an estimate of the CGU's recoverable amount is determined. The recoverable amount is the higher of value-in-use and fair value less costs of disposal.

Impairment of CGUs

Impairment losses of £28.4m have been recognised for the below CGUs for the year ended 31 December 2020 (2019: £nil).

(£ million)	**2020**
Retail Week & WRC	**(9.6)**
RFS Price & Promotion	**(18.8)**
Total	**(28.4)**

Covid-19

Global restrictions arising from the Covid-19 pandemic have exacerbated long-standing issues faced by the wider retail industry. This has led to impairments for certain cash generating units in the Retail & Financial Service segment, namely Retail Week & WRC and RFS Price & Promotion.

For the other CGUs, it is expected that the adverse impact of Covid-19 will not be long-term and they have the platforms and capabilities to bounce back strongly. Moreover for Cannes Lions and Money20/20, intangibles are a small multiple of normal annual profits. Furthermore, whilst Covid-19 has impacted significant elements of the world's economy, it has accelerated the Group's strategically important Digital Commerce business.

CGUs

The Group's CGUs have been assessed based on largely independently managed cash flows. Due to the growing interdependencies of the business units within Digital Commerce, goodwill previously attributable to the individual CGUs has been allocated as a whole to the group of CGUs that form Digital Commerce and are assessed for impairment at that level. This represents the lowest level at which management monitor goodwill for internal management purposes. In addition to this, prior to 31 December 2020, the Built Environment & Policy CGU was classified as held for sale and therefore does not fall within the scope of IAS36. Nevertheless the value has been supported by the sale of these businesses units at a profit post year end.

Upon the restructure of the previous Edge CGU, £10.8m of goodwill and £7.7m of acquired intangibles assets have been allocated to the new RFS Price & Promotion CGU. The allocation of these assets has been based on the relative fair values. Management believe this is the most appropriate method of allocating these assets given the nature of these goodwill and acquired intangible assets.

At the point of the allocating goodwill to the Digital Commerce group of CGUs, management assessed that no impairments would be recorded in any of the affected CGUs under the former structure.

The below table sets out the CGUs year on year and how they align to reportable segments:

2019 CGU	2020 CGU	2020 Reportable segment
Product Design	Product Design	Product Design
Built Environment & Policy	N/A	N/A
Edge	Edge	Digital Commerce
Flywheel	Flywheel	
Yimian	Yimian	
Money20/20	Money20/20	Retail & Financial Services
Retail Week & WRC	Retail Week & WRC	
	RFS Price & Promotion	
Lions	Lions	Marketing
WARC	WARC	
MediaLink	MediaLink	

When testing for impairment, recoverable amounts for all of the Group's CGUs are measured at their value-in-use by discounting the future expected cash flows from the assets in the CGUs. These calculations use cash flow projections based on Board-approved budgets and approved plans. Fair value less costs of disposal (FVLCD) is also considered as an alternative measure of recoverable amount based on revenue or EBITDA multiples compared to recent market transactions. This is a Level 3 measurement, based on inputs which are normally unobservable to market participants. Costs of disposal have been assumed to be 10% of expected disposal proceeds.

The key assumptions and estimates used for value-in-use calculations are as follows:

Future expected cash flows

Cash flow forecasts over a five-year horizon have been prepared after considering the current economic environment in the relevant markets and the length and shape of the end market recovery from Covid-19. Cash flow forecasts were derived from the most recent Board approved plans, which have been prepared after considering the current economic environment in each of our markets. In calculating the terminal value, cash flows beyond the plan period were extrapolated using a long-term growth rate of 3% for Digital Commerce and 2.5% across remaining CGUs (2019: 3% for Digital Commerce and 2.5% across remaining CGUs). This is in line with the IMF World Economic Outlook published in October 2020, which represents the long-term rates of inflation expected in the economies in which we operate and the Company's best estimate of cash flow growth beyond the relevant plan period. The estimates of future cash flows are consistent with experience adjusted for the Group's estimate of future performance.

Notes to the financial statements Continued

13. Intangible assets and goodwill Continued

Discount rates

Inputs include risk-adjusted, pre-tax discount rates, calculated by reference to the weighted average cost of capital for each CGU, weighted to the country, or countries, in which the CGU operates. Movements in the pre-tax discount rates for CGUs since the year ended 31 December 2019 are driven by changes in market-based inputs and the company specific risk which is assessed based on economic outlook. Any unsystematic risk relating to the impact of Covid-19 on the CGUs has been inherently built in to the cash flows of each of the CGUs and therefore no additional element of risk has been included in the discount rates used at 31 December 2020.

The pre-tax discount rates applied to the risk-adjusted cash flow forecasts and the carrying values of goodwill and other acquired intangible assets allocated to the CGUs tested for impairment at 31 December 2020 are set out below:

	2020			2019		
CGU	Pre-tax discount rate %	Goodwill	Acquired Intangibles	Pre-tax discount rate %	Goodwill	Acquired Intangibles
Product Design	**9.5**	**151.2**	**2.5**	9.5	152.8	2.8
Marketing						
Lions	**9.5**	**81.1**	**60.7**	9.9	81.1	64.0
WARC	**9.6**	**10.6**	**13.3**	10.2	10.6	16.5
MediaLink	**11.5**	**32.4**	**16.4**	12.5	33.4	19.8
Digital Commerce	**9.7**	**156.9**	**–**	n/a	n/a	n/a
Edge	**n/a**	**–**	**45.6**	11.0	118.4	69.6
Yimian	**n/a**	**–**	**4.5**	n/a	16.1	5.0
Flywheel	**n/a**	**–**	**26.5**	11.7	36.6	31.3
Retail & Financial Services						
Money20/20	**11.1**	**35.2**	**7.2**	10.9	36.3	9.5
Retail Week &WRC	**9.2**	**–**	**–**	6.4	4.0	5.4
RFS Price & Promotion	**8.9**	**–**	**–**	n/a	n/a	n/a
Built Environment & Policy	**n/a**	**n/a**	**n/a**	9.9	23.6	0.7
Total		**467.4**	**176.7**		512.9	224.6

Sensitivity to changes in assumptions

The calculation of value in use is most sensitive to the discount rate and long-term growth rates used. The Group has performed sensitivity analyses across all CGUs which have goodwill and acquired intangible assets, using reasonably possible changes in the already conservative long-term growth rates and pre-tax discount rates arising from reasonably possible trading and economic scenarios.

The Product Design CGU and Digital Commerce group of CGUs make up over 64% of the Group's total carrying value of goodwill. The estimated recoverable amount of the units exceeds their carrying amount by approximately £289.9m and £574.3m respectively. Given both units have significant headroom, there is no realistic change of assumption that would cause the units carrying amount to exceed its recoverable amount.

The carrying amount of the Retail Week & WRC and the RFS Price & Promotion CGUs were reduced to nil from impairment. Management has identified that a reasonable possible change of 11% forecast Adjusted EBITDA growth rate each year within the RFS Price & Promotion CGU would result in a reversal of impairment. A stronger than expected recovery in end markets of the Retail Week & WRC CGU could also result in an impairment reversal.

14. Property, plant and equipment

(£ million)	Note	Fixtures & fittings	Office equipment	Total
Cost				
At 1 January 2019		10.2	14.2	24.4
Additions		2.4	2.8	5.2
Acquisitions of businesses		–	0.2	0.2
Disposals		(1.3)	(3.8)	(5.1)
Effect of movements in exchange rates		(0.1)	(0.3)	(0.4)
At 1 January 2020		11.2	13.1	24.3
Additions		**1.6**	**1.5**	**3.1**
Acquisitions of businesses		**0.3**	**–**	**0.3**
Disposals		**(2.2)**	**(2.2)**	**(4.4)**
Reclassification to assets held for sale	10	**(1.0)**	**(0.7)**	**(1.7)**
Effect of movements in exchange rates		**0.1**	**–**	**0.1**
At 31 December 2020		**10.0**	**11.7**	**21.7**
Depreciation				
At 1 January 2019		(5.1)	(10.1)	(15.2)
Depreciation		(1.5)	(2.3)	(3.8)
Disposals		(0.4)	3.1	2.7
Effect of movements in exchange rates		0.1	0.3	0.4
At 1 January 2020		(6.9)	(9.0)	(15.9)
Depreciation		**(2.1)**	**(2.3)**	**(4.4)**
Disposals		**2.1**	**2.1**	**4.2**
Reclassification to assets held for sale	10	**0.7**	**0.6**	**1.3**
Impairment		**(0.9)**	**–**	**(0.9)**
Effect of movements in exchange rates		**(0.3)**	**(0.2)**	**(0.5)**
At 31 December 2020		**(7.4)**	**(8.8)**	**(16.2)**
Net book value				
At 31 December 2020		**2.6**	**2.9**	**5.5**
At 31 December 2019		4.3	4.1	8.4

Notes to the financial statements Continued

15. Investments

(£ million)	2020	2019
At 1 January	**67.9**	6.1
Acquisition of investments	**16.8**	64.8
Remeasurement of trade investments to fair value	**1.4**	1.6
Share of the profit / (loss) of joint ventures and associates	**(0.2)**	0.6
Transaction costs capitalised	**–**	1.8
Dividends received from joint ventures	**–**	(0.5)
Disposal of investments	**(56.7)**	(1.6)
Effect of movements in exchange rates	**3.2**	(4.9)
At 31 December	**32.4**	67.9

Investments as at 31 December 2020 were made up as follows:

(£ million)	2020	2019
Trade investments measured at fair value through profit or loss	**28.5**	12.6
Associates and joint ventures accounted for using the equity method	**3.9**	53.3
Convertible loan*	**–**	2.0
At 31 December 2020	**32.4**	67.9

* The option to convert the loan into equity in a new associated company was exercised in part in the second half of 2019. The remaining balance of the loan was exercised in the first half of 2020.

On 30 August 2019, the Group acquired a 35% ownership interest in Jumpshot Inc., the former marketing analytics subsidiary of Avast plc. On 30 January 2020, the Group sold that 35% ownership interest in Jumpshot back to Avast plc for cash consideration equivalent to the cost of investment and ceased to hold an option to take up a majority ownership in Jumpshot.

The Group also made a further £14.6m investment in Hudson MX. £0.5m was invested in equity and £14.1m was advanced as convertible loans.

16. Inventories

(£ million)	2020	2019
Deferred event costs	**0.3**	2.1
Physical stock	**1.8**	2.0
Total	**2.1**	4.1

17. Trade and other receivables

(£ million)	2020	2019
Current		
Trade receivables, net of the allowance for doubtful debts	**70.5**	74.3
Prepayments	**11.7**	12.4
Contract assets	**6.2**	4.7
Other receivables	**109.5**	50.0
Total	**197.9**	141.4

The carrying amounts of trade and other receivables are denominated primarily in pounds sterling and US dollars. The Directors consider that the carrying amount of receivables and prepayments approximates their fair value.

Other receivables include amounts due from customers for pass-through costs of £105.3m (2019: £43.3m). Pass-through costs comprise amounts paid to external suppliers principally in relation to the purchase of media which are charged directly to clients. The amounts due to external suppliers in these relationships are recognised in other payables (see Note 19).

Trade receivables are non-interest bearing, generally on 30 day terms and shown net of an allowance for doubtful debts. As at 31 December 2020, the allowance for doubtful debts was £6.5m (2019: £5.0m). Movements in the allowance for doubtful debts were as follows:

(£ million)	2020	2019
At 1 January	**5.0**	3.5
Provided in the year	**6.1**	5.1
Released in the year	**(0.3)**	–
Utilised in the year	**(3.9)**	(3.5)
Reclassification to assets held for sale	**(0.4)**	(0.1)
At 31 December	**6.5**	5.0

Trade receivables and contract assets of the continuing operations, net of the allowance for doubtful debts, are aged as follows:

2020 (£ million)	Loss rate	Gross carrying amount	Loss Allowance	Credit note allowance	Net trade receivables and contract assets
Current (not past due)	0.4%	58.3	(0.2)	(0.6)	57.5
1 – 30 days past due	1.0%	8.6	(0.1)	–	8.5
31 – 90 days overdue	11.9%	6.1	(0.7)	–	5.4
More than 90 days past due	50.4%	10.8	(5.5)	–	5.3
At 31 December		83.8	(6.5)	(0.6)	76.7

2019 (£ million)	Loss rate	Gross carrying amount	Loss Allowance	Credit note allowance	Net trade receivables and contract assets
Current (not past due)	0.2%	58.3	(0.1)	(0.2)	58.0
1 – 30 days past due	0.9%	12.2	(0.1)	–	12.1
31 – 90 days overdue	10.3%	6.2	(0.6)	–	5.6
More than 90 days past due	55.8%	7.5	(4.2)	–	3.3
At 31 December		**84.2**	**(5.0)**	**(0.2)**	**79.0**

Loss rates are calculated based on actual credit losses over the past three years and adjusted to reflect differences between the historical credit losses and the Group's view of the economic conditions over the expected lives of the receivables. In addition to the loss allowance, there is a credit note allowance of £0.6m (2019: £0.2m) in the net trade receivables balance.

The maximum exposure to credit risk for trade receivables and contract assets by geographical region was:

(£ million)	2020	2019
United Kingdom	9.2	18.4
Other Europe	11.1	12.6
United States and Canada	42.5	34.7
Asia Pacific	9.8	7.2
Middle East and Africa	1.0	2.5
Latin America	3.1	3.6
Total	76.7	**79.0**

Other receivables of the continuing operations, net of the allowance for doubtful debts, are aged as follows:

(£ million)	2020	2019
Current (not past due)	97.1	43.4
1 – 30 days past due	9.0	1.4
31 – 90 days overdue	1.7	1.4
More than 90 days past due	1.7	3.8
Total	109.5	**50.0**

There are no material expected credit losses for other receivables.

18. Cash and cash equivalents

Cash and cash equivalents at 31 December 2020 of £78.2m (2019: £111.7m) relate to bank balances, including short-term deposits with an original maturity date of less than three months and cash in transit.

Notes to the financial statements Continued

19. Trade and other payables

(£ million)	2020	2019
Current		
Trade payables	**6.9**	10.6
Other payables	**98.7**	42.8
Accruals	**24.3**	24.2
Interest accruals	**0.2**	0.4
Taxes and social security costs	**7.2**	7.7
Total	**137.3**	85.7

Other payables include amounts due to external suppliers in relation to pass-through costs of £93.4m (2019: £38.9m). Pass-through costs comprise amounts paid to external suppliers which are charged directly to clients. The amounts due from customers in these relationships are recognised in other receivables (see Note 17).

20. Deferred and contingent consideration

The Group has liabilities in respect of deferred and contingent consideration payments under various business acquisition contracts as set out in the table below:

(£ million)	Note	Total	Restated* Level 3
At 1 January 2019		**96.7**	**59.7**
Additions		3.3	3.3
Acquisition-related employment costs accrued in the year	5	20.1	–
Revaluation of contingent consideration recognised in the consolidated income statement	5	13.0	16.8
Discount unwind on contingent and deferred consideration	8	5.5	5.5
Acquisition-related employment cash paid in year		(11.5)	–
Deferred and contingent consideration cash paid in the year		(20.3)	(10.6)
Effect of movements in exchange rates		(3.6)	(2.3)
At 1 January 2020		**103.2**	**72.4**
Additions	12	**1.6**	**0.7**
Acquisition-related employment costs accrued in the year	5	**33.5**	**–**
Revaluation of contingent consideration recognised in the consolidated income statement	5	**64.1**	**64.1**
Discount unwind on contingent and deferred consideration	8	**7.9**	**7.9**
Acquisition-related employment cash paid in year		**(23.1)**	**–**
Deferred and contingent consideration cash paid in the year		**(46.0)**	**(44.8)**
Effect of movements in exchange rates		**(4.7)**	**(3.8)**
Transfer to liabilities held for sale		**(0.3)**	**–**
At 31 December 2020		**136.2**	**96.5**

* Restated to reclassify £4.0m of revaluation of contingent consideration as level 3.

(£ million)	2020	2019
Current	**113.5**	63.1
Non-current	**22.7**	40.1
Total	**136.2**	103.2

The total deferred and contingent consideration balance of £136.2m (2019: £103.2m) includes £96.5m (2019: £72.4m) which is categorised as Level 3 in the fair value hierarchy of financial instruments. Covid-19 has increased the level of uncertainty in the Group's projections with a consequent impact on the potential range of these Level 3 valuations. However, the majority of this balance relates to payments contingent on results of 2020 due to be paid out in 2021, for which there is much a greater degree of certainty.

The significant unobservable inputs used in the fair value measurements are the determined weighted average cost of capital and the forecast future profits, billings or revenue of the acquired businesses. The Group plan used to forecast future profits is approved by the board and assessed against market consensus on a regular basis. For details of deferred and contingent consideration on current and comparative year acquisitions within the year refer to Note 12.

The Directors consider that the carrying amount of deferred and contingent consideration of £136.2m (2019: £103.2m) approximates its fair value.

Both contingent consideration and acquisition-related employment costs are based on the future performance of the acquired business to which they relate. Performance is assessed using forecast profits and the current five-year plan which is updated annually. Forecasts are inherently a source of management estimation, resulting in a range of outcomes. The Flywheel Digital earnout is the largest payment and therefore most relevant when considering the sensitivity to fluctuations in performance. The payment due in 2021 is based on 2020 results and hence is no longer subject to such uncertainty, and a 10% increase in results in 2021 would result in an additional payment of around £8.8m in 2022 for the final Flywheel Digital payment.

21. Borrowings

In January 2020, the Group entered into a new 5-year multi-currency revolving credit facility ("RCF") of £450m plus an accordion to raise further debt amounts, at the option of the lenders, of up to the greater of £120m or 150% of EBITDA. The maturity of the facility may be extended for a further one or two year term on the second anniversary of the facility, subject to individual lender approval. At 31 December 2020 the borrowings were subject to interest at a margin of 2.50% over LIBOR.

The facility covenants include a maximum net leverage of 3.25x with the benefit of additional 0.5x leverage spikes for relevant acquisitions and a minimum interest cover of 3.00x and are tested semi-annually. To address the uncertain business environment and ensure maximum flexibility in the medium term, across a broad range of business planning scenarios, the Group agreed the following covenant amendments with its banking group (subject to minimum liquidity of £100m at December 2020 and £125m thereafter):

- At the December 2020 testing point – a full waiver of the leverage and interest cover covenants.
- At the June 2021 testing point – the leverage covenant ratio limit has been relaxed to 4.75x.
- At the December 2021 testing point – the leverage covenant ratio limit has been relaxed to between 3.50x and 4.50x depending on the scale of profits from live events in 2021.
- At the June 2022 testing point – if either Money20/20 Europe or USA do not take place in 2021, the leverage covenant limit at June 2022 will be 3.75x.

At the December 2020 testing point, the minimum liquidity requirements have been met with £217.5m of available liquidity.

The maturity profile of the Group's borrowings, consisting entirely of drawdowns from the RCF for the year ended 31 December 2020, was as follows:

(£ million)	**2020**	2019
Non-current		
Two to five years	**309.5**	282.6
Total borrowings	**309.5**	282.6

Borrowings are shown net of unamortised issue costs of £3.2m (2019: £1.2m). The carrying amounts of borrowings approximate their fair value. The Group's borrowings at 31 December 2020 were £82.5m, $117.0m and €161.0m.

Reconciliation of movement in net debt

(£ million)	Cash*	Cash in transit	Short-term deposits	Interest rate cap	Borrowings	Net debt**
At 1 January 2019	**49.4**	**7.2**	**125.4**	**–**	**(291.8)**	**(109.8)**
Exchange differences	1.7	–	0.1	–	10.4	12.2
Non-cash movements	–	–	–	0.3	(1.2)	(0.9)
Net cash movement	27.9	(6.0)	(94.0)	–	–	(72.1)
At 1 January 2020	**79.0**	**1.2**	**31.5**	**0.3**	**(282.6)**	**(170.6)**
Exchange differences	**(1.8)**	**–**	**–**	**–**	**(3.1)**	**(4.9)**
Term loan debt repayment	**–**	**–**	**–**	**–**	**285.8**	**285.8**
Net RCF debt cash flow drawdown	**–**	**–**	**–**	**–**	**(311.5)**	**(311.5)**
Fair value movement	**–**	**–**	**–**	**(0.3)**	**–**	**(0.3)**
Write off, capitalisation and amortisation of debt arrangement fees	**–**	**–**	**–**	**–**	**1.9**	**1.9**
Net cash movement	**(26.2)**	**(0.7)**	**(2.8)**	**–**	**–**	**(29.7)**
At 31 December 2020	**51.0**	**0.5**	**28.7**	**–**	**(309.5)**	**(229.3)**

* Includes £2.0m of cash classified as held for sale as at 31 December 2020.
** Refer to the Glossary of Alternative Performance Measures for the definition of Net Debt.

In addition to the net debt amount of £229.3m above, the Group has lease liabilities of £20.4m (2019: £26.8m) with movements comprising cash payments of £10.4m (2019: £9.0m), derecognition of leases of £1.2m (2019: £0.9m), additions of £5.7m (2019: £6.8m) and reclassification to liabilities held for sale of £0.5m (2019: £nil).

Notes to the financial statements Continued

22. Provisions

(£ million)	Property provisions	Other	Total provisions
At 1 January 2019	**1.7**	**4.3**	**6.0**
Provided in the year	–	0.5	0.5
Released in the year	(0.3)	(1.7)	(2.0)
Utilised in the year	–	(1.1)	(1.1)
Discounting of provisions	0.1	–	0.1
Effect of movements in exchange rates	–	(0.1)	(0.1)
At 1 January 2020	**1.5**	**1.9**	**3.4**
Transfer to liabilities held for sale	**(0.1)**	**–**	**(0.1)**
Provided in the year	**3.4**	**2.7**	**6.1**
Released in the year	**0.2**	**(0.2)**	**–**
Utilised in the year	**–**	**(0.5)**	**(0.5)**
Discounting of provisions	**0.1**	**–**	**0.1**
Effect of movements in exchange rates	**–**	**–**	**–**
At 31 December 2020	**5.1**	**3.9**	**9.0**

Provisions have been analysed between current and non-current as follows:

2020 (£ million)	Property provisions	Other	Total provisions
Current	**3.5**	**3.9**	**7.4**
Non-current	**1.6**	**–**	**1.6**
Total	**5.1**	**3.9**	**9.0**

2019 (£ million)	Property provisions	Other	Total provisions
Current	–	1.0	1.0
Non-current	1.5	0.9	2.4
Total	**1.5**	**1.9**	**3.4**

The property provisions relate to dilapidation costs on properties in the United Kingdom and onerous property costs in the United Kingdom and United States. The weighted average maturity of these obligations is approximately five years. Other provisions relate to onerous contracts and warranty costs relating to businesses disposed of, legal provisions, and redundancy provisions. The average weighted maturity of these obligations is approximately one year.

23. Share capital and reserves

Share capital

(£ million)	**2020**	2019
402,794,150 Ordinary shares of £0.01 each (2019: 403,274,977)	**4.0**	4.0
Total	**4.0**	4.0

During the year, 1,738,939 (2019: 1,876,652) and 283,526 (2019: 579,730) ordinary £0.01 shares were issued to employees under the PSP and Sharesave schemes respectively, for which cash proceeds of £0.7m (2019: £1.2m) were received. In addition, cash proceeds of £0.6m were received for the sale of SIP shares. This results in an increase in share premium by £1.3m (2019: £1.2m).

During the year ended 31 December 2020, 3.0m ordinary shares (2019: nil) were repurchased for cash consideration of £9.2m (2019: £nil) and subsequently cancelled.

Treasury share reserve
Free shares awarded under the Share Incentive Plan are held by an Employee Benefit Trust ("EBT") on behalf of UK employees for a holding period of three years. As at 31 December 2020, 129,760 shares (2019: 368,634) were held in the EBT at a cost of £0.1m (2019: £0.1m). The market value of these shares was £0.5m (2019: £1.4m).

Other reserves
The share premium account comprises the premium on allotment of shares. The group restructure reserve arose from the IPO restructure of the Group between 8 and 12 February 2016. A merger reserve was recognised, reflecting the difference between the share capital and share premium of the Company on 8 February 2016, and the share capital, share premium and non-distributable reserves of the previous Parent of the Group at the same date. The translation reserve arises on the translation into pounds sterling of the net assets of the Group's foreign operations.

24. Dividends

Amounts recognised and paid as distributions to ordinary shareholders in the year comprise:

	2020		2019	
	£ million	**Pence per share**	£ million	Pence per share
Amounts recognised as distributions to equity shareholders				
Final dividend for the year ended 31 December 2018	–	–	15.7	3.9
Interim dividend for the year ended 31 December 2019	–	–	7.2	1.8
Dividend paid	–	–	22.9	5.7

In March 2020, as part of Covid-19 related cash preservation measures, the Board decided not to declare the final dividend for the year ended 31 December 2019 of 4.0 pence per share that it had previously announced. Having considered its capital allocation priorities and the uncertain economic environment, the Board has decided not to pay a dividend in respect of 2020. The Board will keep shareholder cash returns continually under review.

25. Subsidiary and related undertakings

Full details of the subsidiaries and joint ventures of Ascential plc at 31 December 2020 are set out in Note 6 to the parent financial statements.

26. Related party transactions

The aggregate value of transactions and outstanding balances with related party entities are as follows:

	Transaction value		Balance outstanding at 31 December	
(£ million)	**2020**	2019	**2020**	2019
Asian Advertising Festival (Spikes Asia) Pte Limited				
Dividends received	–	0.5	–	–
Recharged costs	–	0.1	–	–
Profit share	–	0.1	–	0.1
Cash received on its behalf	**0.1**	–	**0.1**	–
Motivate Publishing FZ LLC				
Profit share	**(0.1)**	0.1	**(0.1)**	0.1
Recharged costs	**0.2**	–	**0.2**	–
Huajia Textile Product Development (Shanghai) Co Ltd				
Convertible loan	**(2.0)**	(2.1)	–	2.0
CTIC WGSN China Limited*				
Dividends received	–	0.5	–	–
Profit share	–	0.4	–	–
Shanghai Coloro Technology Co. Limited				
Share of losses	**(0.2)**	(0.2)	–	–
Jumpshot Inc				
Share of losses	**0.1**	(0.5)	–	–
Licencing revenue	–	0.8	–	–
Purchases of data	–	(0.2)	–	–

* CTIC WGSN China Limited became a subsidiary of the Group in 2019. Accordingly, no related party transactions are disclosed in 2020 as they are eliminated on consolidation.

Other than the compensation of key management personnel, set out in Note 6, there are no other related party transactions requiring disclosure under IAS 24 Related Party Disclosures.

Notes to the financial statements Continued

27. Leases

Leases as lessee
The Group leases commercial office space and photocopiers.

Right of use assets
Right of use assets are presented as a separate line item on the statement of financial position and tabulated below.

(£ million)	Right of use assets
Cost	
At 1 January 2019	43.1
Additions	6.8
De-recognition of right of use assets	(0.9)
Effect of movements in exchange rates	(1.0)
At 1 January 2020	**48.0**
Additions	**5.8**
De-recognition of right of use assets	**(3.9)**
Impairment	**(2.6)**
Reclassification to assets held for sale	**(1.3)**
Effect of movements in exchange rates	**(0.5)**
At 31 December 2020	**45.5**
Depreciation	
At 1 January 2019	(19.9)
Depreciation	(7.3)
De-recognition of right of use assets	0.3
Effect of movements in exchange rates	0.5
At 1 January 2020	**(26.4)**
Depreciation	**(7.6)**
De-recognition of right of use assets	**2.4**
Reclassification to assets held for sale	**0.9**
Effect of movements in exchange rates	**0.6**
At 31 December 2020	**(30.1)**
Net book value	
At 31 December 2020	**15.4**
At 31 December 2019	**21.6**

Extension options
Some property leases contain extension options after the non-cancellable contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise these options, and if so, the optional period is included within the lease term and therefore the calculation of the lease liability. The Group reassesses whether is it reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control. The Group has estimated that the potential future lease payments, should it exercise all the extension options, would result in an increase in lease liability of £5.1m (2019: £5.0m).

Leases as lessor
The Group recognises the net investment in the sub-lease within investment property. The following table sets out a maturity analysis of the lease receivables, showing the undiscounted lease payments to be received after the reporting date:

(£ million)	**2020**	2019
Less than one year	**0.8**	1.1
One to two years	**0.1**	1.0
Two to three years	**–**	0.2
Total undiscounted leases receivable	**0.9**	2.3
Unearned finance income	**(0.1)**	(0.2)
Net investment in the leases	**0.8**	2.1

The net investment in the lease is presented within Investment property in the statement of financial position. The following presents the reconciliation of the investment property:

(£ million)	2020	2019
Balance at 1 January	2.1	2.7
Payments	(1.4)	(0.7)
Interest	0.1	0.1
Balance at 31 December	0.8	2.1

28. Commitments and contingencies

Contracted commitments for assets under construction including software at 31 December 2020 totalled £0.9m (2019: £0.4m).

29. Financial instruments and financial risk management

Information about the Group's objectives, policies and processes for measuring and managing risk, the Group's exposure to the risks arising from financial instruments, and the Group's management of capital is disclosed below.

A. Market risk

a) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and the euro. Foreign exchange risk arises from future commercial transactions to which the Group is already committed, recognised assets and liabilities and net investments in foreign operations.

Foreign currency movements impact on the consolidated income statement together with its cash flow profile and leverage ratio position. The impact depends on whether there is a surplus or deficit in each currency from operating activities together with the interest and finance charge in those currencies. The Group's policy is to protect its cash flow and leverage ratio position by maintaining a proportion of currency debt in proportion to its currency earnings to obtain natural offsets.

Net debt by currency was as follows:

	2020			2019		
	Interest rate caps	Cash and borrowings	Total	Interest rate caps	Cash and borrowings	Total
Pounds sterling	–	(64.0)	(64.0)	–	(45.8)	(45.8)
US dollars	–	(44.7)	(44.7)	0.2	(38.2)	(38.0)
Euros	–	(135.3)	(135.3)	0.1	(97.7)	(97.6)
Other currencies	–	14.7	14.7	–	10.8	10.8
Total	–	(229.3)	(229.3)	0.3	(170.9)	(170.6)

For each 1% movement in the euro to pounds sterling exchange rate has a circa £1.5m (2019: £1.5m) impact on the carrying value of borrowings. Each 1% movement in the US dollar to pounds sterling exchange rate has a circa £0.9m (2019: £0.7m) impact on the carrying value of borrowings.

For illustrative purposes, the table below provides details of the impact on revenue and Adjusted EBITDA if the actual reported results were restated for sterling weakening by 1% against the US dollar and euro rates in isolation:

(£ million)	2020 Revenue	2020 Adjusted EBITDA	2019 Revenue	2019 Adjusted EBITDA
Increase in revenue / Adjusted EBITDA if:				
Sterling weakens by 1% against US dollar in isolation	1.6	0.5	1.9	0.8
Sterling weakens by 1% against euro in isolation	0.3	0.2	1.2	0.8

b) Cash flow and interest rate risk

Interest rate risk arises from medium and long-term borrowings to the extent that the underlying debt instruments are not at fixed rates of interest.

The Group has entered into interest rate caps to convert a portion of its bank borrowings from fully floating to capped rates to mitigate this risk. As at 31 December 2020, the total notional amount of outstanding interest rate caps to which the Group is committed is £207.8m (2019: £165.2m). The fair value of the interest rate caps as at 31 December 2020 was £nil (2019: £0.3m).

These interest rate caps are measured at fair value through profit or loss and are Level 2 financial instruments. These derivative instruments were not traded in an active market and the fair value is determined by using third party valuations based on forward yield curves. This technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates. All significant inputs required to fair value an instrument are observable.

In the year ended 31 December 2020, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's finance costs for the year ended 31 December 2020 would have increased or decreased by £1.6m (2019: £1.4m).

The effective annual interest rate for year ended 31 December 2020 was 2.5% (2019: 1.9%).

Notes to the financial statements Continued

29. Financial instruments and financial risk management Continued

B. Credit risk
Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. The maximum exposure to credit risk at the reporting date is the fair value of the financial assets in the consolidated balance sheet as disclosed below.

a) Treasury-related credit risk
The Group has treasury policies in place which manage the concentration of risk with individual bank counterparties. Each counterparty has an individual limit determined by their long-term and short-term ratings by Standard & Poor's and Moody's as well as their individual five year Credit Default Swap price. As at 31 December 2020, cash and cash equivalents totalled £78.2m (2019: £111.7m), of which 83% (2019: 87%) was held with banks or financial institutions with long-term ratings of A-/A3 or better or short-term ratings of A-1/P-1.

In accordance with the Group's treasury policies and exposure management practices, counterparty credit exposure limits are monitored and no individual exposure is considered significant in the ordinary course of treasury management activity. The company does not expect any significant losses from non-performance by these counterparties.

b) Trading risk
Risk arises principally from payment default by customers. The general policy of the Group is not to risk assess all new customers and so retail credit risk information has not been included in these consolidated financial statements. The company does not, however, expect any significant losses in respect of receivables that have not been provided for as shown in Note 17.

C. Liquidity risk
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity in the form of sufficient cash or funding from adequate credit facilities to meet such liabilities under both normal and stressed conditions.

Following the refinancing detailed in Note 21, the Group's major banking facilities in place as of 31 December 2020 consist entirely of the £450m 5-year multi-currency revolving credit facility and are detailed below:

	Facility		Drawn			
(£ million)	Local currency	£	Local currency	£	Final maturity	Interest
As at 31 December 2020						
RCF – GBP tranche			**£82.5**	**82.5**		
RCF – EUR tranche	**£450.0**	**450.0**	**€161.0**	**144.4**	**Jan-25**	**LIBOR + 2.5%**
RCF – USD tranche			**$117.0**	**85.8**		
Total facilities		**450.0**		**312.7**		
As at 31 December 2019						
Facility A	£66.0	66.0	£66.0	66.0	Feb-21	LIBOR plus 1.50%
Facility B	$96.0	72.7	$96.0	72.7	Feb-21	LIBOR plus 1.50%
Facility C	€171.0	145.1	€171.0	145.1	Feb-21	LIBOR plus 1.50%
Revolving credit facility	£95.0	95.0	–	–	Feb-21	LIBOR plus 1.25%
Total facilities		**378.8**		**283.8**		

The Group's external borrowings presented in Note 21 of £309.5m (2019: £282.6m) are shown net of unamortised issue costs of £3.2m (2019: £1.2m).

The Group's undrawn borrowings total £137.3 million (2019: £95.0 million) and represent the unutilised balance on the revolving credit facility which matures in 2025.

The facility covenants include a maximum net leverage of 3.25x with the benefit of additional 0.5x leverage spikes for relevant acquisitions and a minimum interest cover of 3.00x and are tested semi-annually. To address the uncertain business environment and ensure maximum flexibility in the medium term, across a broad range of business planning scenarios, the Group agreed the following covenant amendments with its banking group (subject to minimum liquidity of £100m at December 2020 and £125m thereafter):

- At the December 2020 testing point – a full waiver of the leverage and interest cover covenants.
- At the June 2021 testing point – the leverage covenant ratio limit has been relaxed to 4.75x.
- At the December 2021 testing point – the leverage covenant ratio limit has been relaxed to between 3.50x and 4.50x depending on the scale of profits from live events in 2021.
- At the June 2022 testing point – if either Money20/20 Europe or USA do not take place in 2021, the leverage covenant limit at June 2022 will be 3.75x.

At the December 2020 testing point, the minimum liquidity requirements have been met with £217.5m of available liquidity.

The following is an analysis of the contractual undiscounted cash flows from continuing operations payable under financial and derivative liabilities:

(£ million)	Less than one month	Between one and three months	Between three and twelve months	In one to two years	In two to five years	In more than five years	Total
At 31 December 2020							
Non-derivative financial liabilities							
Borrowings	**–**	**–**	**–**	**–**	**312.7**	**–**	**312.7**
Interest payments on borrowings	**1.0**	**3.2**	**11.5**	**12.2**	**19.8**	**–**	**47.7**
Trade payables, accruals and other payables	**137.3**	**–**	**–**	**–**	**–**	**–**	**137.3**
Lease liabilities	**0.2**	**1.5**	**5.4**	**6.2**	**6.7**	**5.9**	**25.9**
Deferred and contingent consideration	**0.1**	**114.5**	**5.1**	**21.9**	**4.4**	**–**	**146.0**
Derivative financial liabilities							
Derivative contracts – receipts	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total	**138.6**	**119.2**	**22.0**	**40.3**	**343.6**	**5.9**	**669.6**
At 31 December 2019							
Non-derivative financial liabilities							
Borrowings	–	–	–	283.8	–	–	283.8
Interest payments on borrowings	0.5	0.9	4.0	0.8	–	–	6.2
Trade payables, accruals and other payables	77.6	–	–	–	–	–	77.6
Lease liabilities	0.5	2.2	7.4	7.3	9.4	6.3	33.1
Deferred and contingent consideration	0.1	22.1	44.2	36.6	11.1	–	114.1
Derivative financial liabilities							
Derivative contracts – receipts	–	–	(0.3)	–	–		(0.3)
Total	78.7	25.2	55.3	328.5	20.5	6.3	514.5

The financial and derivative liabilities are shown in the period in which they are due to be repaid. The interest payments on borrowings due in less than one month represents the actual interest due, while the interest due greater than one month is an estimate based on current interest rates and exchange rates. Cash flows in respect of borrowings represent contractual payments under the Group's lending facilities in place as at 31 December 2020. Borrowings as disclosed in Note 21 are stated net of unamortised arrangement fees of £3.2m as at 31 December 2020 (2019: £1.2m).

Both contingent consideration and acquisition-related employment costs are based on the future performance of the acquired business to which they relate. Performance is assessed using forecast profits and the current three-year plan which is updated annually. Forecasts are inherently a source of management estimation, resulting in a range of outcomes. The Flywheel Digital earnout is the largest payment and therefore most relevant when considering the sensitivity to fluctuations in performance. The payment due in 2021 is based on 2020 results and hence is no longer subject to such uncertainty, and a 10% increase in results in 2021 would result in an additional payment of around £8.8m in 2022 for the final Flywheel Digital payment.

Undiscounted future payments (£ million)	2020	2019
Contingent consideration	**107.7**	82.6
Acquisition related employment costs to the extent to which they are accrued at 31 December	**38.1**	30.8
Deferred consideration which is not impacted by performance	**0.2**	0.7
Deferred and contingent consideration	**146.0**	114.1
Anticipated future payments on acquisition-related employment costs	**6.6**	14.2
Deferred and contingent consideration including anticipated future payments on acquisition-related employment costs	**152.6**	128.3

Notes to the financial statements Continued

29. Financial instruments and financial risk management Continued

D. Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt to equity balance. The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent comprising capital, reserves and retained earnings. The Group's policy is to borrow centrally to meet anticipated funding requirements. These borrowings, together with cash generated from the operations, are on-lent or contributed as equity to subsidiaries at market-based interest rates and on commercial terms and conditions.

The Group took decisions during the year to cancel dividend payments, halt the share repurchase program and utilise its external debt from the Revolving Credit Facility it entered into in January 2020 for cash preservation measures in order to manage its capital effectively.

Financial instruments by measurement basis

The carrying amount of financial instruments by category is as follows:

(£ million)	Note	2020	2019
Financial assets			
Financial assets at fair value through profit or loss			
Other investments, including derivatives		–	1.7
Interest in trade investments designated at fair value through profit or loss on initial recognition	15	28.5	12.6
Financial assets not measured at fair value			
Trade receivables	17	70.5	74.3
Other receivables	17	109.5	50.0
Contract assets	17	6.2	4.7
Cash and cash equivalents	18	78.2	111.7
Total		292.9	255.0
Financial liabilities			
Financial liabilities at fair value through profit or loss			
Contingent consideration	20	96.5	68.4
Financial liabilities at amortised cost			
Trade payables	19	6.9	10.6
Accruals	19	24.3	24.2
Interest accruals	19	0.2	0.4
Other payables	19	98.7	42.8
Deferred and contingent consideration	20	39.7	34.0
Lease liabilities	27	20.8	9.4
Borrowings	21	312.7	283.8
Total		599.8	473.6

The fair value of each category of the Group's financial instruments approximates their carrying value in the Group's consolidated balance sheet. Financial instruments in the category "fair value through profit or loss" are measured in the consolidated balance sheet at fair value. Fair value measurements can be classified in the following hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2020:

	2020				2019			
(£ million)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Other investments, including derivatives	–	–	–	–	–	1.7	–	1.7
Trade investments	–	–	28.5	28.5	–	–	12.3	12.3
Contingent consideration (Note 20)	–	–	96.5	96.5	–	–	68.4	68.4

There were no movements between different levels of the fair value hierarchy in the year.

30. Events after the reporting date

Acquisition of Digital Commerce businesses

On 15 December 2020, the Group entered into an agreement to acquire Hangzhou Duozhun Data Technology Co. Ltd. ("X Target"). X Target specialises in media trading execution and provides similar capabilities for China as our Flywheel brand does for Western eCommerce platforms. This acquisition is for an initial cash consideration of £11.9m, plus earn out payments payable over three years resulting in an estimated total consideration (including the initial consideration) of between £29m and £35m. The total consideration payable for the company, in the event that maximum targets are reached, is capped at £55m.

Also in December 2020, the Group agreed to acquire Intellibrand, based in Brazil, which provides eCommerce analytics solutions for brands across Latin America. The acquisition is for an initial cash consideration of £4.6m with a further £2.4m of earn out payments payable over three years resulting in an estimated total consideration of £7m.

The acquisition of Intellibrand completed on 15 January 2021 and the acquisition of X Target completed on 26 February 2021. Due to insufficient time since the completion date, it has not been practical to prepare the additional disclosures required by IFRS 3 Business Combinations regarding the fair values of the identifiable assets purchased and liabilities assumed.

Disposal of Built Environment & Policy businesses

On 15 December 2020, the Group entered into an agreement to sell Glenigan to Byggfakta Group for £72.9m in cash. Following regulatory clearance required by the buyer, the sale is expected to complete on 17 March 2021. On 20 January 2021, the Group sold Groundsure to a subsidiary of ATI Global Limited for a purchase price of £170m comprising an initial cash consideration of £140m (subject to customary closing adjustments) plus a £30m interest-bearing vendor loan note repayable on or prior to 31 December 2023. On 12 February 2021, the Group sold DeHavilland to the alternative asset management group Bridgepoint for £15m in cash.

The profit on the disposal of these subsidiaries will be determined on finalisation of the completion balance sheets.

Hudson

Subsequent to the year end and as part of an investment agreement signed in January, the Group invested a further £21.8m in Hudson MX. The Group has the option to invest further amounts in 2021.

Parent company balance sheet

As at 31 December

(£ million)	Note	2020	2019
Assets			
Non-current assets			
Investments	6	**452.8**	452.8
Debtors – due after more than one year	7	**0.8**	0.9
		453.6	453.7
Current assets			
Debtors – due within one year	7	**223.6**	208.6
		223.6	208.6
Liabilities			
Current liabilities			
Creditors – due within one year	8	**93.3**	70.7
		93.3	70.7
Net assets		**583.9**	591.6
Equity			
Called-up share capital	9	**4.0**	4.0
Share premium		**3.0**	1.7
Group restructure reserve		**157.9**	157.9
Reserves		**419.0**	428.0
Total equity		**583.9**	591.6

The accompanying notes on pages 162 to 165 are an integral part of these financial statements. The financial statements on pages 160 to 165 were approved by the Board of Directors on 12 March 2021 and were signed on its behalf by Directors: Duncan Painter and Mandy Gradden.

Parent company statement of changes in equity

For the year ended 31 December 2020

(£ million)	Share capital	Share premium	Reserves: Group restructure reserve	Reserves: Retained earnings	Total equity
At 1 January 2019	**4.0**	**0.5**	**157.9**	**437.6**	**600.0**
Profit for the year	–	–	–	5.5	5.5
Issue of new shares	–	1.2	–	–	1.2
Share-based payments	–	–	–	7.7	7.7
Taxation on share-based payments	–	–	–	0.1	0.1
Dividends	–	–	–	(22.9)	(22.9)
At 1 January 2020	**4.0**	**1.7**	**157.9**	**428.0**	**591.6**
Profit for the year	**–**	**–**	**–**	**1.5**	**1.5**
Issue of shares	**–**	**0.7**	**–**	**–**	**0.7**
Share repurchase	**–**	**–**	**–**	**(9.2)**	**(9.2)**
Treasury shares sold	**–**	**0.6**	**–**	**–**	**0.6**
Share-based payments	**–**	**–**	**–**	**(1.4)**	**(1.4)**
Taxation on share-based payments	**–**	**–**	**–**	**0.1**	**0.1**
Dividends	**–**	**–**	**–**	**–**	**–**
At 31 December 2020	**4.0**	**3.0**	**157.9**	**419.0**	**583.9**

The accompanying notes on pages 162 to 165 are an integral part of these financial statements.

Notes to the company financial statements

For the year ended 31 December 2020

1. Corporate information

Ascential plc (the "Company") is a company incorporated in the United Kingdom under the Companies Act 2006 and listed on the London Stock Exchange. The registered office is located at The Prow, 1 Wilder Walk, London W1B 5AP. The registered company number is 09934451. Ascential plc is the parent Company of the Ascential Group (the "Group") and its principal activity is to act as the ultimate holding company of the Group.

2. Company accounting policies

Basis of accounting

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 ("FRS 100") issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with Financial Reporting Standard 102 ("FRS 102"), the Financial Reporting Standard applicable in the UK and Republic of Ireland as issued by the Financial Reporting Council.

The Company presents its financial statements under FRS 102 issued by the Financial Reporting Council. As permitted by FRS 102, the Company has taken advantage of the following disclosure exemptions:

- Presentation of a statement of cash flows;
- Disclosure of key management personnel compensation;
- Disclosure of related party transactions between wholly-owned subsidiaries and parents within a group;
- Disclosures required under IFRS 2 "Share-Based Payments" in respect of Group settled share-based payments;
- Disclosures required by IFRS 7 "Financial Instruments: Disclosures";
- Certain disclosures required under IFRS 13 "Fair Value Measurement"; and
- Disclosure of information in relation to new standards not yet applied.

The financial statements have been prepared on a historical cost basis and on the going concern basis.

The Company's financial statements are presented in pounds sterling being the Company's functional currency.

Going Concern

A principal objective of the Group (of which the "Company" is the holding company), is to manage cash and debt to safeguard the Group's ability to continue as a going concern for the foreseeable future. The Group retains sufficient resources to remain in compliance with the financial covenants of its bank facilities. The Directors have also assessed the Group's prospects and viability over a three-year period. The Directors therefore consider it appropriate to adopt the going concern basis in preparing the financial statements. Refer to Note 1 of the consolidated financial statements.

3. Income statement

The Company has taken advantage of the exemption offered by Section 408 of the Companies Act 2006 not to present its income statement. The profit for the year ended 31 December 2020 was £1.5m (2019: £5.5m).

Fees paid to the auditor during the year for the audit of the Company accounts were £20,000 (2019: £20,000). Fees paid by the Company to the auditor for other services was £nil (2019: £nil).

4. Principal accounting policies

Investments in subsidiaries

Subsidiaries are entities that are directly or indirectly controlled by the Company. Control exists where the Company has the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. The investment in the Company's subsidiaries is recorded at cost less provisions for impairment. Carrying values are reviewed for impairment either annually, or more frequently if events or changes in circumstances indicate a possible decline in carrying values. The Company uses forecast cash flow information and estimates of future growth to assess whether investments are impaired. If the results of operations in a future period are adverse to the estimates used for impairment testing, an impairment may be triggered at that point.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Timing differences are not provided for differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Share-based payments

Certain employees of the Company receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares. The cost of equity-settled transactions with employees is measured at fair value at the date at which they are granted. The fair value of share awards with market-related vesting conditions is determined by an external consultant and the fair value at the grant date is expensed on a straight-line basis over the vesting period based on the Company's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet reporting date up to the vesting date, at which point the estimate is adjusted to reflect the actual outcome of awards which have vested. No adjustment is made to the fair value after the vesting date even if the awards are forfeited or not exercised.

4. Principal accounting policies Continued

Where the Company grants options over its own shares to the employees of its subsidiaries, it recognises an increase in the cost of investment in its subsidiaries equivalent to the equity-settled share-based payment charge recognised in the subsidiary's financial statements with the corresponding credit being recognised directly in equity. In cases where a subsidiary is recharged for the share-based payment expense, no such increase in investment is recognised.

Shares held by the Employee Benefit Trust ("EBT")
The EBT provides for the issue of shares to Group employees under share incentive schemes. The Company has control of the EBT and accounts for the EBT as an extension to the Company in the financial statements. Accordingly, shares in the Company held by the EBT are included in the balance sheet at cost as a deduction from equity.

5. Directors' emoluments

The Company has two employees other than the Directors. Full details of the Directors' remuneration and interests are set out in the Directors' Remuneration Report on pages 100 to 106.

6. Investments

(£ million)	2020	2019
At 1 January and 31 December 2020	**452.8**	452.8

The Company's subsidiaries and joint ventures are listed below. All subsidiaries are indirectly wholly owned by Ascential plc, with the exceptions of CITC WGSN China Limited which is indirectly 51% owned and Ascential Financing Limited which is directly owned.

Name	Key
United Kingdom	
4C Information Limited[1]	UK1
Ascential America (Holdings) Limited	UK1
Ascential Events (Europe) Limited	UK1
Ascential Financing Limited	UK1
Ascential Group Limited	UK1
Ascential Information Services Limited	UK1
Ascential Operations Limited	UK1
Ascential Prefco Limited[1]	UK1
Ascential Radio Financing Limited	UK1
Ascential UK Holdings Limited	UK1
Brandview Limited[1]	UK1
BEP Holdco Limited (formerly Plexus Network Limited)	UK1
Clavis Insight Limited[1]	UK1
CLR Code Limited	UK1
Cornwall Mining Services Limited[2]	UK1
De Havilland Information Services Limited[7]	UK1
Edge by Ascential Limited	UK1
ePossibilities USA Limited[1]	UK1
ePossibilities Global Holdings Limited[1]	UK1
Flywheel Digital Limited	UK1
Glenigan Limited[3]	UK1
Groundsure Limited[4]	UK1
Spotlight by Ascential Limited	UK1
Rembrandt Technology Limited	UK1
Siberia Europe Limited	UK1
The Gunn Report Limited[1]	UK1
WARC Limited	UK1
World Advertising Research Center Limited[1]	UK1
Worth Global Style Network Limited	UK1
WGSN Group Limited	UK1
WGSN Limited	UK1
United States	
Ascential Inc.	US1
CLR Code LLC	US1
Edge by Ascential, LLC	US1
Flywheel Digital, LLC	US2
Flywheel Digital, LLC	US3
HMX Merger Sub, Inc.	US1
MediaLink, LLC	US4
Siberia LLC	US1
Brazil	
Ascential Serviços de Informação Ltda	BR1
Era Serviços de Inteligência em Software S.A.[5]	BR2
Sistema Use Fashion Comércio de Informações Ltda	BR3
China	
Ascential Events (Hangzhou) Company Limited	CH1
Clavis Information Technology (Shanghai) Limited	CH2
Hangzhou Duozhun Data Technology Co., Limited[6]	CH6
Hangzhou Yincang Danmu Data Technology Co., Limited[6]	CH7
Shenzhen Yimian Network Technology Co. Limited	CH3
Stylesight Information Technology (Shanghai) Company Limited	CH4
WGSN Business Information Consulting (Shanghai) Company Limited	CH5
CTIC WGSN China Limited (51% owned)	CH8
France	
Ascential Events France SAS	FR1
Germany	
Planet Retail GmbH	GE1
WGSN GmbH	GE2
Hong Kong	
Stylesight Limited	HK1
WGSN (Asia Pacific) Limited	HK2
Ireland	
Clavis Technology Limited	IR1
India	
Top Right Group India Knowledge Services Private Limited	IN1
Jersey	
Ascential Jersey Financing Limited	JE1
Singapore	
Ascential (Singapore) Pte. Limited	SG1
South Africa	
WGSN (Pty) Limited	SA1
Spain	
WGSN Intelligence España SL	SP1
Turkey	
WGSN Group Trend Forecasting Moda Danişmanlik Hizmetleri Limited Şirketi	TR1
Joint ventures	
Shanghai Coloro Technology Co., Limited (30% owned)	JV3
Asian Advertising Festival (Spikes Asia) Pte Limited (50% owned)	JV1

Notes to the company financial statements Continued

Key	Address
UK1	The Prow, 1 Wilder Walk, London W1B 5AP, United Kingdom
US1	251 Little Falls Drive, Wilmington, New Castle, Delaware, DE19808, United States
US2	St. Paul Street, Suite 820, Baltimore, Maryland MD 21202, United States
US3	300 Deschutes Way SW, Suite 304, Tumwater, Washington WA 98501, United States
US4	2710 Gateway Oaks Drive, Suite 150N Sacramento, California, CA 95833, United States
BR1	Rua Tabapuã 841, Conjunto 15, 1° Andar, São Paulo, Brazil 04533-013
BR2	Alameda Jaú, 1754 – 10° andar – Jardim Paulista, São Paulo – SP, Brazil
BR3	Av. Unisomos, no. 950, Condomínio Padre Rick – 410, São João Batista, City of São Leopoldo, State of Rio Grande do Sul, 93022-970, Brazil
CH1	Room 601, 603, 6/F, Building 2, Jiang Ning Tower, 27 Ningtai Road, Ningwei Town, Xiaoshan, Hangzhou, Zhejiang, People's Republic of China
CH2	Room 3301, No. 10 Yu Tong Road, Jing An District, Shanghai, People's Republic of China
CH3	47/F China Energy Storage Building, 3099 KeYuan South Road, Nanshan District, Shenzhen, Guangdong, People's Republic of China
CH4	Room 617, 28 Tan Jia Du Road, Putuo District, Shanghai,People's Republic of China
CH5	Unit 39 of 7/F, No.2, Building 2, 999 Middle Huaihai Road, Xuhui District, Shanghai, People's Republic of China
CH6	Building 9, 998 Wenyi West Road, Wuchang Avenue, Yuhang District, Hangzhou, Zhejiang, People's Republic of China
CH7	Building 6, 16 Zhuantang Science and Technology Economic Zone, Xihu District, Hangzhou, Zhejiang, People's Republic of China
CH8	Floor 2-4, Building 4, 300 Dingyuan Road, Songjian District, Shanghai, People's Republic of China
FR1	6 Place du Commandant Maria, Cannes 06400, France
GE1	Eschersheimer Landstraße 42, 60322 Frankfurt, Germany
GE2	Venloer Strasse 310-316, 50823 Cologne, Germany
HK1	23rd Floor, Lee Garden Six, 111 Leighton Road, Causeway Bay, Hong Kong
IR1	9th floor, O'Connell Bridge House, D'Olier Street, Dublin 2, Ireland
IN1	Options Primo, Unit No. 501/502, 5 Floor, Vijay Nagar Flyover Bridge Cross Road, No. 21 MIDC, Andheri (E) Mumbai-400093, Maharashtra, India
JE1	44 Esplanade, St Helier, Jersey, Channel Islands JE4 9WG
SG1	63 Market Street #09-01, The Bank of Singapore Centre, Singapore 048942
SA1	Workshop17, 32 Kloof Street Gardens, Cape Town 8000, South Africa
SP1	C/ San Elías 29-35, 5°, 08006 Barcelona, Spain
TR1	Cevdetpasa Caddesi, No. 31/7 Bebek, 34342 Istanbul, Turkey
JV1	Floor 5, Building 29, No.1 Lane 618, Dingyuan Road, Songjiang District, Shanghai, People's Republic of China
JV2	182 Cecil Street, Level 17 Frasers Tower, Singapore 069547

1) Application to dissolve the company has been submitted and is pending.
2) Cornwall Mining Services was acquired on 2 January 2020 and was sold on 20 January 2021
3) An agreement to dispose of Glenigan Limited was agreed on 15 December 2020 and is expected to complete on 17 March 2021. Refer to Note 30 of the consolidated financial statements.
4) On 20 January 2021, the Group sold Groundsure Limited to a subsidiary of ATI Global Limited.
5) Era Serviços de Inteligência em Software S.A was acquired on 15 January 2021.
6) On 15 December 2020, the Group entered into an agreement to acquire Hangzhou Duozhun Data Technology Co. Ltd. ("X Target").
7) On 12 February 2021, the Group sold DeHavilland to the alternative asset management group Bridgepoint. Refer to Note 30 of the consolidated financial statements.

For the year ended 31 December 2020, the below companies were exempt from the requirement for audit of individual financial statements in accordance with section 479A of the Companies Act 2006. Ascential plc has indirect holdings in these subsidiary undertakings, with the exception of Ascential Financing Limited which is directly owned:

- WGSN Group Limited, registration number 8256689
- Rembrandt Technology Limited, registration number 11120186
- Ascential UK Holdings Limited, registration number 537204
- BEP Holdco Limited, registration number 8256709
- Ascential Financing Limited, registration number 9938180

7. Trade and other receivables

(£ million)	2020	2019
Debtors – due within one year		
Amounts due from Group undertakings	**223.4**	208.4
Prepayments	**0.2**	0.2
	223.6	208.6
Debtors – due after more than one year		
Deferred tax asset	**0.8**	0.9
	0.8	0.9
Total	**224.4**	209.5

Amounts due from Group undertakings accrue interest at various rates, are unsecured and are repayable on demand. There are no material expected credit loss provisions.

Deferred tax asset

(£ million)	2020	2019
At 1 January	**0.9**	0.6
Deferred tax credit in equity	**0.1**	(0.1)
Deferred tax credit in income statement for the year	**(0.2)**	0.4
At 31 December	**0.8**	0.9

The Directors consider that it is more likely than not that there will be sufficient taxable profits in the Group in the future such as to realise the deferred tax asset of the Company and therefore the asset has been recognised in these financial statements.

8. Creditors – due within one year

(£ million)	2020	2019
Amounts due to Group undertakings	**91.2**	67.6
Trade payables	**–**	0.2
Accruals	**0.6**	0.5
Other taxation and social security	**1.5**	2.4
Total	**93.3**	70.7

Amounts due to Group undertakings accrue interest at various rates, are unsecured and are repayable on demand.

9. Share capital
Refer to Note 23 of the consolidated Group financial statements.

10. Dividends
Refer to Note 24 of the consolidated Group financial statements.

11. Related party transactions
The Company has taken advantage of the exemption under FRS 102 and therefore has not disclosed related party transactions with wholly owned subsidiaries. The Company has no other related party transactions.

12. Commitments and contingencies
The Company is a guarantor to the facility described in Note 21.

During the year the Company was a member of the Group cash pooling arrangement. This allows the Group to combine the liquidity of companies within the Group in order to distribute such cash centrally as required.

The Company is registered with H.M. Revenue & Customs as a member of the Ascential Group Limited group for Value Added Tax and Pay As You Earn purposes and is therefore jointly and severally liable on a continuing basis for amounts owing by other members of the Group in respect of their value added tax, income tax and national insurance contributions liabilities.

13. Events after the reporting date
Refer to Note 30 of the consolidated Group financial statements, for details on non-adjusting reportable events since the year end of 31 December 2020. There were no other reportable events after 31 December 2020

Notes

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