A snapshot of governance

Compliance statement

During the year ended 31 December 2023, we have reported against the UK Corporate Governance Code 2018 ("the Code") issued by the Financial Reporting Council. The Code can be found at www.frc.org.uk.

We applied each principle and complied with provisions throughout 2023 as required by the Listing Rules.

The Board agrees that the Annual Report taken as a whole is fair, balanced and understandable and gives all stakeholders the information necessary to assess the Group's business model, strategy and performance. The full report provides the information required for shareholders to assess the Group's overall performance against its strategy.

In January 2024, the FRC published a new UK Corporate Governance Code that will mainly apply for financial years commencing on or after 1 January 2025. We will report on compliance with that in due course and are well placed to do so.

Major Board decisions

The major decisions taken by the Board and its Committees during 2023 included:

1. **Divestment of non-core businesses and restructuring.**
2. **Developed succession plans for the Board.**
3. **Approval of 2023 half year and 2022 full year results.**
4. **£125.0 million equity raise.**
5. **Developed Group-wide ESG initiatives.**
6. **External audit tender process.**

The following table outlines where shareholders can find and evaluate how the Company has applied the principles of the Code and where key content can be found in this report:

Board leadership and Company purpose

	Page(s)
Code principle A – Effective and entrepreneurial board	
Section 172 statement	86
Board of Directors	76 to 77
Code principle B – Company's purpose, values and strategy	
About Videndum – what we do and for whom	4 to 11
Section 172 statement	86
Purpose, values and culture	78 to 79
Code principle C – Necessary resources to meet objectives and prudent and effective controls	
Strategic Report	4 to 71
Audit, risk and internal control	102 to 111
Code principle D – Effective engagement with stakeholders	
Section 172 statement	86
Our stakeholders	42 to 43
Code principle E – Workforce policies and practices	
Employee engagement	63 and 88
Workforce policies	69 and 70
Whistleblowing	70 and 104

Division of responsibilities

	Page(s)
Code principle F – Chairman's leadership	
Board governance	81
Division of Board responsibilities	92 to 94
Code principle G – Division of responsibilities	
Board governance	81
Board of Directors	76 to 77
Division of responsibilities	92 to 94
Code principle H – Non-Executive Directors	
Section 172 statement	86
Time commitments	99
Code principle I – Role of the Group Company Secretary	
Effective resources and controls	80
Board governance	81

Composition, succession and evaluation

	Page(s)
Code principle J – Director appointment process	
Nominations Committee report – Board appointments and succession	95 to 101
Code principle K – Board skills, experience and knowledge	
Nominations Committee report – Board of Directors' skills, experience and knowledge	98
Code principle L – Board evaluation	
Nominations Committee report – Board evaluation	99

Audit, risk and internal control

	Page(s)
Code principle M – Policies around internal and external audit functions	
Audit Committee report – effectiveness of internal and external audit functions	102 to 111
Code principle N – Fair, balanced and understandable reporting	
Fair, balanced and understandable assessment of the Company's position and prospects	109
Code principle O – Management of risk	
Principal risks of the Company	36 to 41
Audit Committee report	102 to 111

Remuneration

	Page(s)
Code principle P – Remuneration policies and practices aligned to strategy	
Remuneration report – remuneration policies and practices	112 to 142
Code principle Q – Determination of remuneration	
Remuneration report – policy on executive remuneration	116 to 124
Code principle R – Independent judgement on remuneration	
Remuneration report – independence around remuneration outcomes	112

Board of Directors

Ian McHoul

BSc, ACA

N

Role: Chairman and Chairman of the Nominations Committee

Appointed: 25 February 2019 – tenure of 5 years and two months (appointed Chairman from 21 May 2019)

Nationality: British

Skills and experience: Ian is currently a non-executive director and the chairman of the Audit Committee of Bellway plc. He was a non-executive director and chairman of the Audit Committee of Young & Co's Brewery PLC until January 2024. He was formerly a non-executive director and Senior Independent Director of Britvic PLC (2014 to 2022) and a non-executive director of Wood Group PLC (2017 to 2018) and Premier Foods plc (from 2004 to 2013). He held several roles in his executive career including Chief Financial Officer at Amec Foster Wheeler plc between 2008 and 2017 and Group Finance Director at Scottish & Newcastle plc from 2001 to 2008.

Ian will not seek reappointment at the 2024 AGM and will cease to be a Director at the conclusion of the 2024 AGM.

Stephen Bird

MA

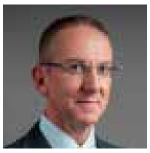
N

Role: Group Chief Executive

Appointed: 14 April 2009 – tenure of 15 years

Nationality: British

Skills and experience: Stephen is currently Senior Independent Director of Headlam plc and a member of the English National Ballet's Finance and General Purposes Committees. Previously he was Divisional Managing Director of Weir Oil & Gas. Prior to this he worked in senior roles at Danaher Corporation, Black & Decker and Technicolor Group and was also a non-executive director and Senior Independent Director of Dialight plc. Stephen has an MA from St John's College, Cambridge.



Andrea Rigamonti

MEng, ACMA

Role: Group Chief Financial Officer

Appointed: 13 December 2022 – tenure 1 year and 4 months

Nationality: British, Italian

Skills and experience: Andrea re-joined Videndum from Senior plc in October 2021 in the role of Deputy Group Finance Director, having previously worked with Videndum between 2004 and 2015 in the Head Office Finance team, notably as the Group Financial Controller between 2010 and 2015. Prior to Videndum, Andrea was with Sony UK, and a Financial Analyst with Morgan Stanley. A Chartered Management Accountant, Andrea graduated in Engineering, Economics and Management from the University of Oxford.

Teté Soto

BA, MBA

A N R

Role: Independent Non-Executive Director

Appointed: 24 November 2022 – tenure of 1 year and 5 months

Nationality: Spanish, British

Skills and experience: Teté is Chief Marketing Officer at The Access Group and was formerly Chief Executive Officer of Amigo Technology Limited, a cloud-based technology platform. Between 2013 and 2021 Teté held several roles at O2 including Transformation Director, Customer Marketing Director and General Manager, Online and Multichannel. Prior to O2, Teté worked at AllSaints as Global eCommerce Director and Dixons as Head of eCommerce Strategy & Planning. Teté holds a degree in Law and Business Administration from ICADE and an MBA from INSEAD

Anna Vikström Persson

LLM

A N R

Role: Independent Non-Executive Director

Appointed: 1 May 2023 – tenure of 11 months

Nationality: Swedish

Skills and experience: Between 2018 and 2021, Anna was Chief Human Resources Officer for Pearson plc, and between 2011 and 2016 Executive Vice President, Head of Human Resources at Sandvik AB. Between 2009 and 2014 Anna was an independent non-executive director for Knowit AB, a public listed IT consultancy group in the Nordics and Baltics. Between 2006 and 2011 she was Executive Vice President, Head of Human Resources at SSAB AB and prior to that worked at Ericsson Group AB in various HR roles culminating as Vice President, Human Resources & Organisation, Sweden. Anna was born in South Korea, raised in Sweden and studied in the US and Germany. Anna holds a Masters in Law from Lund University as well as professional HR qualifications from both London Business School and Michigan Business School.

Caroline Thomson

BA, D.Univ

A N R

Role: Independent Non-Executive Director, Chair of Remuneration Committee, Responsible for Employee Engagement

Appointed: 1 November 2015 – tenure of 8 years and 5 months

Nationality: British

Skills and experience: Caroline is currently a Fellow of the Royal Television Society and a trustee of the National Gallery Trust and of Tullie House Gallery in Cumbria. She was formerly Executive Director of English National Ballet where she is now a trustee. Until 1 March 2023 Caroline was Chair of Digital UK (Now Everyone TV), and a non-executive director of UKGI and Chair of its Remuneration Committee. Until September 2012 Caroline was Chief Operating Officer at the BBC, serving 12 years as a member of the Executive Board. Caroline received an honorary doctorate from York University in 2013 and was made an honorary Fellow of the University of Cumbria in 2015. From 2016 to 2019 she was Chair of Oxfam. Caroline is a Deputy Lieutenant for Cumbria.

Stephen Harris

MA, MBA

N

Role: Independent Non-Executive Director and Chairman Designate

Appointed: 9 November 2023 – tenure of 5 months

Nationality: British

Skills and experience: Stephen is currently Chief Executive Officer at Bodycote plc and will step down from Bodycote's board at their AGM on 31 May 2024. Between 1984 and 1995, Stephen held several senior management positions at APV Inc., following which he was appointed to the board of Powell Duffryn plc as an executive director. He then joined Spectris plc as an executive director between 2003 and 2008, and has also been a non-executive director of Brixton plc from 2006 to 2009 and of Mondi plc from 2011 to 2021.

Stephen is a Chartered Engineer and holds an MA in Engineering from Cambridge University and an MBA from the University of Chicago Booth School of Business.

Stephen will take over as Chairman from Ian McHoul, who previously announced that he will stand down at Videndum's 2024 AGM.

Richard Tyson

BSc (Hons), DipM, FRAes

A N R

Role: Independent Non-Executive Director, Senior Independent Director

Appointed: 2 April 2018 – tenure of 6 years

Nationality: British

Skills and experience: Richard is Chief Executive Officer of Oxford Instruments plc, having been appointed to that role on 1 October 2023. He was previously Chief Executive Officer of TT Electronics plc, holding that position from 2014 to 2023. He was formerly President of the Aerospace & Security Division of Cobham plc from 2008 to 2014 and a member of their Executive Committee. He was previously responsible for TRW Aeronautical Systems' (formerly part of Lucas Industries) European aftermarket business before joining Cobham plc in 2003 to run its Flight Refuelling Division. Richard is a fellow of the Royal Aeronautical Society and a Governor of St Swithun's Independent School for Girls in Hampshire.

Graham Oldroyd

FIMechE, MCSI, MBA

A N R

Role: Independent Non-Executive Director

Appointed: 12 October 2023 – tenure of 6 months

Nationality: British

Skills and experience: Graham is an independent non-executive director of The Global Smaller Companies Trust PLC listed on the London Stock Exchange. He holds director positions in unlisted companies, including as Chair of Ideal Standard International NV, as a non-executive director at Tunstall Integrated Healthcare Holdings Ltd, and Chair at MCF Limited. Formerly, Graham was a non-executive director of PHS Group Investments Ltd, Nobina AB and Henderson Alternative Strategies Trust plc (where he was Chair of the Audit Committee from 2014 – 2020). He was a partner with 23 years' service at European private equity fund manager Bridgepoint until June 2013.

A graduate in Engineering from Cambridge University, Graham also holds an MBA from INSEAD Business School. He is a Chartered Engineer, a Fellow of the Institution of Mechanical Engineers, and a Member of the Chartered Institute for Securities & Investment.

Dr Erika Schraner

PhD

A N R

Role: Independent Non-Executive Director, Chair of Audit Committee

Appointed: 1 May 2022 – tenure of 1 year and 11 months

Nationality: British, Swiss, American

Skills and experience: Erika is currently a non-executive director of JTC plc and Chair of its Nomination Committee. She is also Senior Independent Director and interim Audit Committee Chair of Bytes Technology plc and a non-executive director of Pod Point plc and HgCapital Trust plc, where she chairs the Management Engagement Committee. She was formerly a non-executive director of Aferian plc where she chaired the Audit Committee. Erika has over 25 years' experience in senior leadership positions, spending nearly two decades in Silicon Valley, focused on technology, M&A, growth strategy and transformation. Erika has a PhD in Management Science and Engineering from Stanford University and began her executive career with IBM, followed by roles at REL Consultancy Group, Computer Sciences Corporation and Symantec Corporation.

Erika will not seek re-election at the 2024 AGM and will cease to be a Director at the conclusion of the AGM.

Key to Committee membership

- A Audit Committee
- N Nominations Committee
- R Remuneration Committee
- ◯ Chairman of the Board

Leadership, purpose, values and culture

Videndum's purpose is to support our customers by providing premium branded hardware products and software solutions to the content creation market. We have a clearly defined strategy to execute this purpose and our values and culture underpin the sustainable delivery of this purpose.

1. Purpose

Why we do what we do

Our purpose is to enable our customers to capture and share exceptional content by being the leading provider of premium hardware and software solutions to the content creation market.

2. Strategy

How we do what we do

Manufacturing and selling our products and solutions globally via multiple distribution channels, our own sales teams and via e-commerce, through both our own and third-party websites.

Our core customers include broadcasters, film studios, production and rental companies, photographers/videographers, independent content creators, vloggers/influencers, professional sound crews and enterprises. Our product portfolio includes camera supports, video transmission systems and monitors, live streaming solutions, smartphone accessories, robotic camera systems, prompters, LED lighting, mobile power, carrying solutions and backgrounds, audio capture and noise reduction equipment.

3. Values

The qualities that define us and what we try to achieve

Videndum provides world-class product performance with a keen eye for being customer focused. We lead in fast-changing markets and have global reach and capability. We always do business the right way, with transparency, integrity and respect and in line with our Code of Conduct.

4. Culture

Who we are as an organisation

Our employees are entrepreneurial and have a passion for our products. Videndum fosters an environment for employees to be forward-thinking, collaborative and supportive with an inclusive approach.

Alignment of culture with purpose, values and strategy

Videndum's culture is reflected in our employees' engagement, motivation, retention and productivity. The Board reinforces our culture and values through the way it collectively makes decisions – including decisions made on strategy, operations, governance and conduct. The culture of the Group is monitored and assessed by the Board via:

- Regular meetings with senior management, including attendance at Board and Committee meetings as appropriate.
- Discussing the outcomes of regular employee surveys and acting on any findings.
- Employee engagement sessions with a member of the Board with insights from these sessions.
- Consideration of feedback from key investors and wider stakeholders when shaping Group-wide policies, procedures and practices.
- Reviewing the Company's whistleblowing service and any cases or investigations from the service.
- Prompt payment to suppliers.
- Training records for Board members.
- Internal and external auditor reviews and findings.
- Regular risk and compliance reports from the Head of Group Risk Assurance.
- Assessing cultural indicators such as:
  - Management's attitude to risk and the Group's overall risk appetite;
  - Compliance with the Group's policies including communication and training on our Code of Conduct; and
  - Key Performance Indicators including health and safety performance, employee retention, engagement and feedback.

Further information on how the Board factors stakeholders into its decisions can be found on pages 84 to 86.

Having a clear purpose which aligns with our values and with a strategy to back it up, helps to instil confidence in our stakeholders. It helps to explain why we exist, why we do what we do and how we intend to meet our objectives. All employees are encouraged to embrace the Company's culture to ensure our long-term success.

During 2023, the Board received feedback on our culture from methods including but not limited to results of employee surveys and employee engagement sessions held virtually at key operating sites with Caroline Thomson as the Non-Executive Director charged with responsibility for employee engagement. Due to the macroeconomic environment affecting the business, the Board as a collective did not have the chance during 2023 to visit any of our key sites. However, it is anticipated that these visits will recommence during 2024.

Videndum refreshed and recommunicated its Code of Conduct to all employees in early 2024. This was supported with online training and testing to embed the Code of Conduct and the right behaviours with our employees. The Code of Conduct sets out expectations on behaviours in all aspects of how employees conduct themselves. As well as employees, this is also available to all stakeholders including customers and suppliers. The Code of Conduct is published in all languages commonly spoken in the Group and is available on our website.

More information on Videndum's culture can be found at:

Videndum's governance framework and governance practices on pages 80 to 82

Board activity in 2023 on pages 84 and 90

Videndum's approach to people, leadership and succession in the Nominations Committee report on pages 96 to 101

Videndum's risk and internal controls in the Audit Committee report on pages 102 to 111

The focus on health and safety, the environment and sustainability across the Group in the Responsible business report on pages 44 to 71

Videndum's approach to executive remuneration in the Remuneration report on pages 112 to 142

Videndum Production Solutions win Corporate Star Award for Best Employee Engagement Programme – Action4Good

The role of the Board

Our Board, outlined on pages 76 to 77, is made up of experienced professionals who bring a diverse range of skills, perspectives and industry knowledge to our boardroom. In accordance with the Code, the role of the Board is to promote the long-term sustainable success of the Company, generate value for shareholders and make a meaningful contribution to wider society. Collectively, the Board has the right balance of experience that Videndum needs in the areas of finance, technology, strategy and operations, people management and global commerce, which assists us in the implementation of our strategy.

Changes to the Board during 2023 included the following:

Anna Vikström Persson joined the Board as an independent Non-Executive Director with effect from 1 May 2023 and became a member of the Audit, Remuneration and Nominations Committees.

Graham Oldroyd was appointed an independent Non-Executive Director with effect from 12 October 2023 as well as becoming a member of the Audit, Remuneration and Nominations Committees.

On 26 September 2023, the Company announced Ian McHoul's intention not to seek re-election at the Company's 2024 Annual General Meeting due to personal reasons. Following a detailed search, the Company announced the appointment of Stephen Harris to the Board as an independent Non-Executive Director and Chairman Designate with effect from 9 November 2023. Stephen will take over as Chairman of the Board from Ian McHoul as soon as is practicable and appropriate.

Erika Schraner has informed the Board of her intention not to seek re-election at the forthcoming 2024 AGM.

All Directors of the Company aside from Ian McHoul and Erika Schraner as outlined above, in accordance with the Company's Articles of Association, will stand for reappointment as Directors at the Company's AGM to be held on 19 June 2024 and further details can be found in the AGM Notice.

The Board has separate roles and a clear division of responsibilities in order to properly fulfil its duties, including the division of responsibilities between the Chairman and Group Chief Executive. This is outlined in more detail on pages 92 to 94. It is the role of the Chairman to manage the Board and to ensure its effectiveness. Together with the Group Chief Executive and the Group Company Secretary, the Chairman ensures that all Directors:

- Receive accurate, timely and clear information.
- Actively participate in the decision-making process.
- Are kept well informed of all key business and operational developments.

Board meeting agendas are agreed in advance of meetings by the Chairman and Group Chief Executive facilitated by the Group Company Secretary to ensure each Board meeting is as efficient as possible. Agendas and supporting papers are circulated to all Board members in good time in advance of meetings. All Board members are expected to offer constructive challenge to any proposals and strategic decisions made by executive management. Apart from the remuneration of Directors there were no instances when a Director had to abstain from voting on a matter due to a conflict of interest during 2023. The Board has a defined policy for dealing with conflicts or potential conflicts of interest. At the start of every Board meeting all Directors are reminded about their duties under Section 172 of the Companies Act 2006 including the need to disclose any conflicts of interest.

The equity raise of £125.0 million that completed on 8 December 2023 was a conflict of interest, since each Director participated in the equity raise. The equity raise offer price of £2.67 per New Ordinary Share represented a discount of approximately 3.3% to the Closing Price of an Existing Ordinary Share of £2.76 on 20 November 2023 (being the last Business Day before publication of the Prospectus). In accordance with the Company's Articles of Association, having declared their interest, each Director was authorised to participate in the decision-making associated with the equity raise.

The Group Company Secretary maintains a record of any declared conflicts of interest.

Effective resources and controls

The Board has satisfied itself that the Company's purpose is aligned with business practices through a variety of resources, including regular updates from senior management as appropriate. These strategic and operational updates are discussed by the Board in scheduled Board meetings and ad hoc Board meetings as necessary, such as those held around the equity raise in late 2023.

The Board governance arrangements support the development and delivery of strategy by ensuring accountability and responsibility for decisions from within the organisation and also by leveraging the skills, knowledge and experience from all Board members. Further information on the skills and experience of all Board members can be found on pages 76 to 77 and 95. Board members are encouraged to openly express their views and opinions on the business, the strategy, the operation of the Group or a proposed course of action.

The Board sets itself clear annual objectives and measures its performance against those objectives on a regular basis at scheduled Board meetings. More information on Board performance and effectiveness can be found on pages 99 to 101.

Board governance

Our governance framework encourages robust governance practices across the business. The Board has overall responsibility for governance in the Group, led by the Chairman and supported by the Group Company Secretary.

The Board has delegated certain responsibilities to its Nominations, Audit and Remuneration Committees. Further details of the work, composition, role and responsibilities of these Committees are provided in separate reports on pages 95, 102 and 112, respectively. Each of the Committees has Terms of Reference which are reviewed annually by the Committees and the Board during the year. These are available on the Group's website: www.videndum.com/investors/corporate-governance/governance-framework/. The performance of each Committee is also assessed annually as part of the evaluation process, and the results of the internal Board and Committee evaluation carried out in late 2023 are outlined on pages 99, 104 and 110.

The Board has a schedule of matters reserved to it which is reviewed annually and can be viewed on the Group's website: www.videndum.com/investors/corporate-governance/governance-framework/. The schedule of matters reserved to the Board includes matters such as acquisitions and divestment of businesses, appointments of new Directors and approval of financial results including budgets and capital expenditure as well as any declaration of dividends. Further information on the matters reserved for the Board can be found on page 94. The Board has delegated certain of its powers to the Group Chief Executive to run the business and operations. To support his efforts, the Group Chief Executive has established the Operations Executive comprising the Group Chief Executive, Group Chief Financial Officer, Group Chief Operating Officer, Group Company Secretary and HR Director, Group Communications Director, Group General Counsel and Divisional management. The Operations Executive meets monthly and covers current performance and operational matters including health and safety. Minutes of all Board and Committee meetings, including the Operations Executive, are prepared by the Group Company Secretary following each meeting.

The Group Chief Executive reports on the work of the Operations Executive to each Board meeting to keep the Board fully informed on operational matters. On 27 February 2023, Marco Pezzana, Chief Executive Officer of the Media Solutions Division, was appointed as Group Chief Operating Officer and continued to report to Stephen Bird, Group Chief Executive. Marco retained responsibility for the Media Solutions Division as its Chief Executive Officer and took on wider responsibility for the Group's operations. This included working on strategic self-help projects to further streamline the cost-base, maximise operational efficiencies and deliver cross-Divisional synergies to accelerate Videndum's growth.

Scheduled Board and Committee meetings were held face-to-face during 2023. All short notice Board and Committee meetings and meetings of the Operations Executive are held via video conference. The Board also held pre-Board meeting dinners which enabled the Directors to informally discuss current business matters. The Board appreciates this informal environment, which creates an opportunity for members of the Operations Executive, other senior management or external advisors to attend to give updates on the business. The Non-Executive Directors continued to hold meetings between themselves following each scheduled Board meeting to raise any issues without senior management present. The Chairman provides feedback to the Group Chief Executive on these discussions and take any actions necessary to address matters raised.

The Directors make extensive use of electronic Board packs, providing fast and secure access to all Board and Committee papers, alongside any other key and confidential updates to enable the running of the business. The Chairman of the Board and the Chairs of each of the Committees set the agendas for all Board and Committee meetings with support from the Group Company Secretary. The information on the business shared with the Board is sufficient to allow effective debate and challenge to management.

The information contained within the Board and Committee packs includes detailed budgets, forecasts, strategy papers, reviews of the Group's financial position, corporate development opportunities and operational performance, and annual and half yearly reports. A detailed monthly report is prepared and circulated to all Directors from the Group Chief Executive, Group Chief Financial Officer, Group Company Secretary and Group General Counsel, plus a Health and Safety report. The Board receives further information from time to time as and when necessary.

The role of the Board continued

Videndum's governance structure is as follows:

Videndum plc
The Board of Directors

Chaired by Ian McHoul

Membership:
Chairman, Group Chief Executive, Group Chief Financial Officer, independent Non-Executive Directors

Approve all financial results, dividends and financial matters for the Group and tracks progress of the business against the strategy

Engagement with the Group's key stakeholders

Approval of the financing for the Group

Nominations Committee

Chaired by Ian McHoul

Membership:

Chairman, Group Chief Executive and the independent Non-Executive Directors

Oversees and reviews the composition of the Board

Oversees succession planning of the Board

Oversees the leadership skills requirements and succession planning of key senior management for the Group

Terms of reference for each of the Nominations, Audit and Remuneration Committee are available on our website – videndum.com/investors/corporate-governance

Read more on page 95

Audit Committee

Chaired by Erika Schraner

Membership:

The independent Non-Executive Directors

Responsible for integrity of narrative reporting and financial statement and financial controls

Oversees risk management and control systems including internal audit progress and effectiveness

Reviews external auditor effectiveness and oversees external auditor transition

Read more on page 102

Remuneration Committee

Chaired by Caroline Thomson

Membership:

The independent Non-Executive Directors

Reviews framework and policy on Executive Director and senior management remuneration and benefits to ensure alignment with strategy and performance

Reviews and benchmarks incentive arrangements and ensures they fit with the Group's strategy and culture

Ensures Executive Director remuneration takes into account remuneration across the wider employee base

Read more on page 112

Operations Executive

The Operations Executive is led by the Group Chief Executive and comprises the Group Chief Financial Officer, Group Chief Operating Officer, Divisional CEOs, Group Communications Director, Group General Counsel, Group Company Secretary and HR Director and several other senior managers from each Division. It has overall responsibility for the daily management of the business and the implementation of the Group's strategy.

ESG Committee

Chaired by the Group Chief Executive, the committee comprises of the Group Chief Financial Officer, Group Company Secretary and HR Director, Group Communications Director, Group Communications and ESG Manager, Group Risk Assurance Manager and Divisional Management, including Divisional ESG coordinators. The ESG Committee oversees the Group's ESG programme including external ESG reporting. See page 44 for more information.

Group Company Secretary

All Directors have access to the advice and services of the Group Company Secretary and any Director may initiate an agreed procedure to seek independent professional advice sought at the Company's expense. Clearance to such advice being sought must be given in advance by the Chairman. The Group Company Secretary's role is to support the Chairman, the Board, its Committees and individual Directors in discharging their duties effectively including governance matters. In accordance with the UK Corporate Governance Code, the Group Company Secretary's appointment and removal is a matter to be considered by the whole Board.


Image: Felix Belloin

Board activity in 2023

During 2023 the Board covered a range of issues at its scheduled and short notice meetings including:

Strategy

Throughout the year multiple updates were provided to the Board on all Divisions' financial and operational performance. Due to the macroeconomic environment and US writers' and actors' strikes, and the subsequent effects on the business, a number of strategic short notice Board meetings were held to discuss and adapt the Group's near-term strategy as necessary. The Board held a deep dive strategic review in June 2023 covering each of its Divisions as well as a Blue Sky strategy review meeting in May 2023.

Operational

The Board did not have the collective opportunity to visit any of its main sites in 2023, however it anticipates that with the recovery of the business, the visits will resume in the second half of 2024. During 2023, the Board received regular updates on operational performance from the Group Chief Executive and Group Chief Operating Officer.

ESG and financial reporting

The Board approved the 2022 financial results, the 2022 Annual Report and Accounts as well as the 2023 AGM Notice, going concern and the Viability statement in February 2023. The Board received regular updates on the Group's ESG initiatives, building on the 2021 and 2022 disclosures and issuing standalone ESG and TCFD reports in April 2023. The Board also considered and approved the delayed release of the Company's 2023 half year and year-end results.

People

The Board received an update on the all-employee survey carried out, and also received feedback from Caroline Thomson on the employee engagement session carried out in Creative Solutions in October 2023.

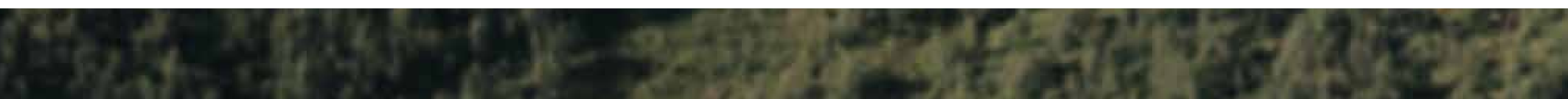
Financial

The Board approved the detailed process including publication of a prospectus for the equity raise for £125.0 million during December 2023.

Group Chief Executive, Stephen Bird, receives a product update from Divisional Chief Executive, Nicola Dal Toso at the Production Solutions site in Bury St Edmunds, UK.

Marco Pezzana, Chief Operating Officer and Media Solutions Divisional Chief Executive awards an employee whose pictures appear in a local exhibition – Cassola Fotografia.

Stephen Bird, Group Chief Executive, hosting a Town Hall for Media Solutions colleagues in Cassola, Italy.



Attendance at 2023 Board and Committee meetings

	Board		Audit		Remuneration		Nominations	
	Scheduled	Short notice	Scheduled	Short notice	Scheduled	Short notice	Scheduled	Short notice
Number of meetings	6	10	4	3	4	1	2	2
Directors:								
Ian McHoul[1]	6 (6)	10 (10)	–	–	–	–	2 (3)	0 (2)
Erika Schraner[2]	6 (6)	10 (10)	4 (4)	3 (3)	4 (4)	0 (1)	2 (2)	2 (2)
Teté Soto	6 (6)	10 (10)	4 (4)	3 (3)	4 (4)	1 (1)	2 (2)	2 (2)
Caroline Thomson	6 (6)	10 (10)	4 (4)	3 (3)	4 (4)	1 (1)	2 (2)	2 (2)
Richard Tyson	6 (6)	10 (10)	4 (4)	3 (3)	5 (5)	1 (1)	2 (2)	2 (2)
Stephen Bird	6 (6)	10 (10)	–	–	–	–	2 (2)	2 (2)
Andrea Rigamonti	6 (6)	10 (10)	–	–	–	–	–	–
Anna Vikström Persson (joined 1 May 2023)	5 (5)	9 (9)	3 (3)	3 (3)	3 (3)	0 (0)	2 (2)	2 (2)
Graham Oldroyd[3] (joined 12 October 2023)	1 (1)	5 (5)	0 (1)	0 (0)	1 (1)	0 (0)	0 (0)	2 (2)
Stephen Harris (joined 9 November 2023)	1 (1)	1 (1)	1 (1)	0 (0)	1 (1)	0 (0)	0 (0)	0 (0)

The number shown in brackets denotes the number of meetings the Director could have attended during 2023. Where a Director was unable to attend a meeting, their input to the business of the meeting was given in advance of the meeting to the Chairman or Chair of the Committee as appropriate.

1 Ian McHoul did not attend one of the scheduled Nominations Committee and the two short notice Nominations Committee meetings as they related to his succession plans. These meetings were chaired by the Senior Independent Director, Richard Tyson.

2 Erika Schraner could not attend one short notice Remuneration Committee meeting held in April 2023 due to a prior engagement, however Erika provided her feedback and input to the Committee Chair in advance of the meeting.

3 Graham Oldroyd could not attend one scheduled Audit Committee meeting in December 2023 due to a pre-existing commitment which existed before his appointment to the Board. Graham provided his input to the Audit Committee Chair in advance of the meeting.

Image: The Tillmann Brothers

Section 172 statement

The Board confirms that during the year ended 31 December 2023, it has acted in good faith to promote the long-term success of the Company for the benefit of its key stakeholders that have been identified on pages 42 to 43 as its shareholders, employees, customers, suppliers and the communities and environments in which we operate all while having due regard to the matters set out under Section 172 (a) to (f) of the Companies Act 2006:

Relevant Disclosure(s)			Page(s)
A	The likely consequence of any decision in the long term	Purpose and values Strategic framework/Market opportunity Dividends Our stakeholders	Page 78 and 79 Page 8 to 11 Page 33 Page 42 to 43
B	The interests of the Company's employees	Our people Employee engagement Employee health and wellbeing Diversity and inclusion	Page 42 and 62 Page 63 and 88 Page 63 Page 64
C	The need to foster the Company's business relationships with suppliers, customers and others	Customer engagement Supplier engagement and relationships Anti-bribery and corruption and modern slavery	Page 42 Page 42 Page 69
D	The impact of the Company's operations on the community and the environment	Responsible business Supporting our communities/giving back	Page 60 Page 66
E	The desirability of the Company maintaining a reputation for high standards of business conduct	Values and culture at Videndum Code of Conduct and whistleblowing service Workforce policies	Page 78 Page 69 and 70 Page 69 and 70
F	The need to act fairly as between members of the Company	Shareholder engagement AGM Rights attached to shares	Page 87 Page 146 Page 143

How the Board considers Section 172 matters

Methods used by the Board to perform their duties under the Companies Act 2006 include:

- The Board actively considers the Group's purpose, values and corporate culture when reviewing the Company's policies, particularly relating to business conduct, which underpins the way Videndum does business.
- The Audit Committee has oversight of the Company's risk assurance and management framework and the actions that are in place, or that will be put in place, to mitigate risk (including any emerging risks where appropriate) in the short, medium and long term.
- Blue Sky strategy sessions and detailed Divisional and Group strategy reviews held where senior management present updates to the Board, and the Board discuss mid to long-term strategy for all Divisions, including cross-Divisional synergy possibilities.
- The Board considers all ESG matters carefully as it continues to develop its ESG programme across the Group, as outlined in Responsible business from page 44.
- Members of the Board engage directly with employees and shareholders and receive feedback from the Group Chief Executive and Group Chief Financial Officer on meetings with investors and analysts, as well as regular updates and reports from the Operations Executive and external advisers on engagement with other stakeholders such as customers, suppliers and the wider communities in which Videndum operates.

During the second half of the year, it was apparent that the wider macroeconomic environment was having an adverse effect on the Company's financial position. The Board took the decision not to pay a 2023 interim dividend to shareholders to conserve cash. The Board also considered and approved the decision to undertake an equity raise, which culminated in raising £125.0 million and helped to strengthen the Company's Balance Sheet. This demonstrated the Board's proactivity in considering all stakeholders in its decision making and ultimately, the consequences of its decisions in the longer-term viability of the Group.

After a rigorous and successful external audit tender process carried out in May 2023, the Audit Committee unanimously recommended the appointment of PricewaterhouseCoopers LLP as the Company's auditor to the Board for consideration and ultimate approval. The Board approved the appointment of PricewaterhouseCoopers LLP and the audit transition has been progressing to plan. The full year 2023 results will be Deloitte's last audit for Videndum and PricewaterhouseCoopers LLP's appointment as external auditor will be put forward as a resolution to shareholders at the Company's 2024 AGM.

Further details on stakeholder engagement and how the Board considers its duties under Section 172 when making major decisions can be found on pages 42 and 43 and throughout our Annual Report as outlined above.

The Board and our stakeholders

Shareholder engagement

Meeting with shareholders

Videndum has an active and open dialogue with shareholders and their views are regularly sought on key issues such as strategy, governance and financial performance. As illustrated throughout the £125.0 million equity raise process, they have been supportive and are an important source of capital, without whom the Company could not grow and invest in future success. The Board receives a monthly shareholder analysis report from our corporate broker which records movements in the shareholder register and also notes when investor engagement has occurred and any notable views expressed.

There is a detailed investor relations programme in place to provide all shareholders with regular updates on operational and financial performance, including regular market announcements, presentations, face-to-face meetings with investors, roadshows, the AGM and the upkeep of a detailed investor relations section on the Group website.

Throughout 2023, the Board communicated extensively with all key investors to ensure they remained informed and supportive of all key business decisions.

Investor meetings and roadshows

During 2023, the Board continued to engage with numerous institutional investors both virtually and face-to-face. These were centred around major events such as the 2022 full year results, 2023 half year results and the £125.0 million equity raise process, and were attended by the Group Chief Executive, Group Chief Financial Officer, and Group Communications Director.

The Chairman additionally met with several shareholders during 2023 to hear their views and discuss business progress.

Annual General Meeting ("AGM")

The Company's AGM was held on 11 May 2023 at 41 Portland Place, London W1B 1QH. All resolutions at the 2023 AGM were passed with a majority of votes in favour. The detailed outcome of resolutions at the 2023 AGM is available on our website under "Corporate Governance". The 2024 AGM will be held at 116 Pall Mall, London, SW1Y 5ED on Wednesday, 19 June 2024 at 9.00am. Voting at the AGM is carried out by way of a poll. Shareholders are encouraged to submit their votes by proxy ahead of the AGM to ensure their views are received in advance.

We also held a General Meeting on 7 December 2023 associated with the approval of the £125.0 million equity raise. The outcome of voting at this meeting is also available on our website.

The Board, in the event of a 20% or more vote against a resolution at a General Meeting of shareholders, would consider that a material level and would seek to engage with shareholders to understand the nature of concerns raised by the against votes and what actions, if any, should be taken to address such concerns. No such vote against or concerns were raised during 2023.

Annual Report

The Annual Report is available to all shareholders. It is normally published in March/April each year. Through electronic communication initiatives, we aim to make our Annual Report as accessible as possible. Shareholders can opt to receive a hard copy in the post or can download PDF copies via email or from our website. Additionally, if a shareholder holds their shares via a nominee account and encounters difficulty receiving the Annual Report via their nominee provider, they are welcome to contact the Group Company Secretary to request a copy.

Corporate website

The Videndum website, www.videndum.com, has a dedicated investor section which includes all of our Annual Reports, results presentations, and our financial and dividend calendar for the upcoming year. The website also outlines our business strategy and model, product portfolio and Company announcements, and has a detailed section covering our ESG activities.

Senior Independent Director

If shareholders have any concerns, which the normal channels of communication to the Group Chief Executive or Chairman have failed to resolve, or for which contact is inappropriate, then our Senior Independent Director, Richard Tyson, is available to address them. He can be contacted via email at info@videndum.com or via the Group Company Secretary.

The Board and our stakeholders continued

Employee engagement

We have an experienced, diverse and highly trained employee base. They are Videndum's greatest asset and are critical to our success. Our employees are incentivised and motivated to help contribute to successfully delivering our strategy, performance and strong reputation. In order to reach all employees, the Board utilises a combination of formal and informal engagement methods as set out below, the principal method as defined by the Code being engagement with a Non-Executive Director – Caroline Thomson. The Board continually reviews its employee engagement mechanisms to ensure they remain effective and open for employees to provide feedback. The Board considers that these engagement methods with employees as presently structured are effective in engaging with Videndum's workforce, providing ample opportunity for the view of employees to be shared with the Board.

Dedicated Non-Executive Director

Caroline Thomson is the independent Non-Executive Director charged with gathering the views of our employees. Caroline annually meets with a number of employees at several sites to receive first-hand employee feedback.

In October 2023, Caroline held several employee engagement sessions with employees in the Creative Solutions Division based in Irvine, California and Cary, North Carolina. The sessions covered a range of issues including new starters to the business and induction process, health and safety, culture in the workplace, remuneration and benefits, Group and divisional communications, diversity and sustainability. Feedback from each session was shared with Divisional senior management and the Board to understand employees' views and to 'check the pulse' of employees' views. These sessions are extremely valuable and give the Board greater insight into the views and morale of employees, and help to shape and develop the Board's decision making and to address any concerns on matters such as remuneration, benefits, working environment and overall Group strategy. We plan on holding similar sessions in 2024 and in future years.

Read more on page 63

Employee surveys

We gather feedback from all employees to assess their levels of engagement. We conduct an annual all-employee survey, covering a range of issues including health and safety and wellbeing, the right culture for the organisation, communications and satisfaction with working at Videndum. Responses from these surveys are analysed by HR and plans developed to act on feedback.

Read more on page 63

How we engage with employees

Whistleblowing

Our independent whistleblowing service offers an anonymous reporting line for employees to raise any concerns or allegations of wrongdoing directly with the Board. The service allows concerns to be raised via telephone or online reporting.

Read more on page 70 and 104

All-employee communication and Divisional townhall meetings

The Group Chief Executive regularly communicates with all employees to provide an update on business performance and operations. These are usually centred around year-end and half year reporting but are held at other times of the year. In addition, the Group Chief Executive visits several sites every year and meets with employees to update them on performance and to hear first-hand their views of the business. Divisional CEOs also hold all-employee Divisional townhall meetings during the year for the same purpose in an informal environment.

Intranet

The Divisional intranet is used as a platform for employees to access our policies and be kept informed of the latest Group news.

A combination of feedback from our annual employee surveys, interaction with Caroline Thomson and other communication methods outlined, illustrates that our employee engagement programme is valued by employees and the Board. We are confident that our employees are able to engage with the Board and senior management, enabling the Company's business and performance to be understood and the views of employees to be expressed and considered.

Image: Pie Aerts

The Board's major decisions in 2023

The following major decisions were taken by the Board and its Committees during 2023, taking into consideration the duties to all key stakeholders under Section 172 of the Companies Act 2006:

1.

Divestment of non-core businesses and restructuring

In October 2023, Lightstream was sold for consideration of US$500,000. Amimon was also held for sale. The Board determined that neither Lightstream or Amimon were core businesses for the Group. In the UK, the Rycote windshield production was moved to the Ashby-de-la-Zouche factory and in the US, audio R&D and microphones production moved to the audio centre of excellence in Portland, the manufacturing of Wooden Camera products moved from Dallas, US to the Cartago site in Costa Rica and Videndum Media Solutions' US distribution moved out of New Jersey to the Savage facilities in Arizona.

Read more on page 13 and 29

2.

Developed succession plans for the Board

The Nominations Committee developed succession plans for the Board and during the year there were several changes in Directors, including the appointment of a new Chairman Designate. The Nominations Committee also considered an update on talent and succession plans for executive talent below Board level.

Read more on page 96

3.

Approval of 2023 half year and 2022 full year financial results

The Board approved the full year results for year ended 31 December 2022 in February 2023 and the interim results for 2023 in September 2023. The Board also considered and approved trading updates to the market during the year, particularly around the impact of the US writers' and actors' strikes.

Read more on page 84

4.

£125.0 million equity raise

In response to the macroeconomic headwinds facing the business in 2023, the Board approved an equity raise of £125.0 million to help strengthen the Group's Balance Sheet. The equity raise was supported by investors and completed in December 2023.

Read more on page 84

5.

Developed Group-wide ESG initiatives

Despite other challenges, in 2023 we continued to enhance our ESG programme across the Group and we will publish our third detailed ESG report in May 2024. Notable success included the launch of Salt-E Dog and the installation of solar panels at the Feltre facility in Italy.

Read more on page 44

6.

External audit tender process

The Audit Committee carried out an external audit tender in May 2023 and recommended to the Board that PricewaterhouseCoopers LLP be appointed as the external auditor with effect from the 2024 AGM.

Read more on page 111

Image: Chris Grubisa

Board roles and the division of responsibilities

There is clear division of responsibilities for the Board between Executive and Non-Executive Director roles, providing a framework for accountability and oversight.

The roles of Group Chief Executive and Chairman are separate and their responsibilities are well-defined, set out in writing and regularly reviewed by the Board. The Chairman is responsible for the leadership of the Board and the Group Chief Executive manages and leads the business and its operations.

Non-Executive

Ian McHoul
Chairman of the Board and Chairman of the Nominations Committee

- Responsible for the effective operation of the Board and ensuring it is well-balanced to deliver the Group's strategic objectives.
- Encourages an ethical culture that promotes transparency, open debate and challenge.
- Ensures that the Board plays a part in the development of strategy and offers constructive challenge.
- Ensures effective engagement between the Board and all stakeholders.
- As previously announced, Ian McHoul will step down from the Board at the conclusion of the 2024 AGM and will be succeeded by Stephen Harris.
- As Chairman of the Nominations Committee, leads the work of the Committee in connection with Board composition and succession planning.

Caroline Thomson
Non-Executive Director tasked with Employee Engagement and Chair of the Remuneration Committee

- Attends key employee and business events.
- Monitors the effectiveness of employee engagement programmes and surveys.
- Provides updates to the Board on employee engagement matters and any employee issues.
- As Chair of the Remuneration Committee, guides the work of the Committee in connection with Directors' remuneration.

Richard Tyson
Senior Independent Director

- Acts as a "sounding board" for the Chairman in all matters of governance and serves as an intermediary for the other directors and shareholders, as well as leads the evaluation of the Chairman's performance.
- Acts as the Chairman if the Chairman's position is in any way conflicted.
- Available to shareholders if they have concerns that have not been resolved through normal channels of communication with the Company.
- In 2023, Richard Tyson, as Senior Independent Director, led the search process for a new Chair of the Board.

Erika Schraner
Chair of the Audit Committee

- Acts as an independent point of contact in the Group's whistleblowing procedures.
- As Chair of the Audit Committee, leads the work of the Committee in connection with the integrity of narrative reporting, internal controls, oversight of the internal audit function and work of the external auditor.
- Responsible for leading the integrity of narrative reporting, internal controls, oversight of the internal audit function and external auditor.
- Erika Schraner will not seek re-election at the 2024 AGM. The Board has started the search for a new Chair of the Audit Committee.

Independent Non-Executive Directors (Graham Oldroyd, Stephen Harris, Teté Soto and Anna Vikström Persson)

- Offer constructive challenge and advice to the Executive Directors, assisting in development of Group-wide strategy and monitoring performance.
- Act with the highest levels of integrity and governance and help to ensure this culture is promoted within the Group.
- Oversee and set levels of remuneration for senior management.
- Oversee development of succession planning for senior management and executive roles.
- Review integrity of financial reporting and disclosures.
- Ensure that financial and risk appetite and mitigating controls are appropriate and robust.

Executive

Stephen Bird
Group Chief Executive

- Provides Executive leadership across the Group.
- Informs the Chairman and Board of strategic and operational issues facing the Group.
- Develops and executes the Group's strategy and commercial objectives and implements decisions of the Board and its Committees.
- Ensures that the right corporate culture is set from the top.
- Manages the Group's risk profile and ensures actions are compliant with the Board's risk appetite.
- Leads investor relations activities – engaging with shareholders.
- Leads the Group's ESG programme.

Andrea Rigamonti
Group Chief Financial Officer

- Supports the Group Chief Executive in developing and implementing strategy.
- Provides financial and risk control leadership to the Group and guides the Group's business and financial strategy.
- Responsible for financial planning and analysis, financial reporting, and tax and treasury functions, as well as IT.
- Oversees the capital structure of the Group.
- Engages with key stakeholders alongside the Group Chief Executive.

Marco Pezzana
Group Chief Operating Officer

- Supports the Group Chief Executive to drive synergies between the Divisions.
- Leads the Group-wide review of operations and develops recommendations to improve operating and financial performance.
- Works with the Group Chief Financial Officer to set and prepare budgets and strategic plans.
- Oversees the Group's R&D programme and launch of new products to market.

Divisional CEOs

- Support the Group Chief Executive in developing and executing strategy.
- Lead the Divisional operational and financial performance.
- Manage, motivate and develop employees.
- Develop business plans in collaboration with the Board.
- Oversee the daily activities throughout the Group.
- Ensure that the policies and procedures developed and set by the Board are communicated and adopted across the Group.
- Help to foster the Group's culture throughout the organisation.

Jon Bolton
Group Company Secretary and HR Director

- Secretary to the Board and its Committees.
- Ensures compliance with Board procedures.
- Provides advice on regulatory and governance matters to the Board and senior management.
- Oversees the Company's governance framework.
- Responsible for Group HR, employee share schemes, Group risk management, insurance programme and pension schemes.
- Helps determine and foster the right culture and values throughout the Group.

Jennifer Shaw
Group Communications Director

- Supports the Group Chief Executive to develop and articulate Group strategy.
- Supports the Group Chief Executive and the Group Chief Financial Officer with investor relations and engages with key stakeholders.
- Works with the Group Chief Executive to develop and execute external and internal communications strategy.
- Provides communications leadership to the Divisional teams.
- Helps foster the right culture and values throughout the Group.

Board roles and the division of responsibilities continued

Role and independence of Non-Executive Directors

All Non-Executive Directors bring their unique experience and skillset to Videndum's strategy, which in turn strengthens the stewardship of the Company and overall performance of the Group. The Board considers that Ian McHoul, Stephen Harris, Erika Schraner, Teté Soto, Anna Vikström Persson, Graham Oldroyd, Caroline Thomson and Richard Tyson are independent in accordance with the recommendations of the 2018 UK Corporate Governance Code. Except for Caroline Thomson, each of these Non-Executive Directors' tenure on the Board is less than six years and as outlined on pages 98. Caroline Thomson has been on the Board since November 2015.

The Chairman annually leads the process of objectively evaluating the performance of each Director. The 2023 internal Board evaluation as detailed on page 99 covers the performance assessment of each Director. Upon their respective appointment dates, Anna Vikström Persson, Graham Oldroyd and Stephen Harris were deemed to be independent Non-Executive Directors in accordance with the recommendations of the 2018 UK Corporate Governance Code.

Relationship between the Board and Operations Executive

The following diagram illustrates the dynamic between the Board and Operations Executive and the responsibilities they are each tasked with:

Board and the Operations Executive

The Board considers there to be an appropriate balance between Executive and Non-Executive Directors required to lead the business and safeguard the interests of shareholders.

As at 31 December 2023, the Board was comprised of the Chairman, seven independent Non-Executive Directors and two Executive Directors. This meets the requirement of the 2018 UK Corporate Governance Code for at least half the Board, excluding the Chairman, to be independent Non-Executive Directors.

The Operations Executive, led by the Group Chief Executive, is responsible for running the business of the Group. The Operations Executive meets on a monthly basis and individual members of the Operations Executive attend Board meetings on a regular basis to provide updates on their businesses. The Board delegates all operational matters to the Group Chief Executive except for those matters reserved for the Board. The Group Chief Executive in turn uses the Operations Executive to help deliver on operational matters.

The Board

The Board has overall responsibility for setting the Group's strategy, taking risk appetite into consideration and setting objectives for the business. It delegates overall delivery of the strategy to the Group Chief Executive who is supported by the Operations Executive.

Operations Executive

The Operations Executive has responsibility for day-to-day management of the business, including employees and delivery of the strategy set by the Board. It is comprised of the Group Chief Executive, Group Chief Financial Officer, the Group Communications Director, Group Company Secretary and HR Director, Group Chief Operating Officer, Group General Counsel, Divisional CEOs and other senior management across the business.

Matters reserved for the Board

The Board has a formal schedule of matters reserved for its approval which includes:

- Setting of the Group's strategy, objectives, and review and approval of annual budgets.
- Review of progress against strategy and budgets.
- Approval of financial results and dividends declared.
- Changes in Board composition including any key roles on advice from the Nominations Committee.
- Consideration of mergers, acquisitions and disposals.
- Approval of material litigation.
- On advice of the Audit Committee, the operation and maintenance of the Group's risk appetite and profile.
- Setting the Group's purpose, values and culture.

Operations Executive activities during 2023

- Collectively responsible for the daily operation of the Group's Divisions.
- Developed the Group's strategy and budget for approval by the Board.
- Reviewed the financing positions of all key areas of the business.
- Monitored operational and financial results against plans and budgets.
- Reviewed regulatory and legal developments.
- Reviewed and approved capital expenditure within the delegated authority's framework.
- Developed leadership skills and future talent of the business, ensuring strong succession planning.
- Monitored and measured the effectiveness of risk management and various control procedures.
- Oversight of the Group's health and safety performance.

Composition, succession and evaluation

Overview

The Nominations Committee is responsible for monitoring Videndum's Board, its Committees and senior management to ensure that they have the appropriate breadth and balance of skills, knowledge and experience to lead the Group effectively, both now and in the longer term.

Nominations Committee

The Nominations Committee comprises the following members:

Ian McHoul (Chairman)

Stephen Bird, Stephen Harris, Caroline Thomson, Richard Tyson, Erika Schraner, Teté Soto, Anna Vikström Persson and Graham Oldroyd.

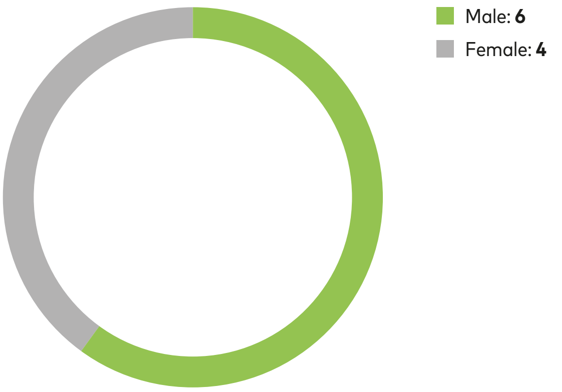
Role of the Nominations Committee

- Ensure the right balance and composition of the Board, which includes size of the Board, skills, knowledge, experience and diversity, ensuring that it remains relevant and appropriate and making any recommendations to the Board regarding any changes.
- Lead the process with respect to appointments to the Board, including the role of the Chairman.
- Succession planning for the Board, including Committee Chairs, and senior management including recruitment, talent development and identification of potential candidates internally or externally and making such recommendations to the Board.

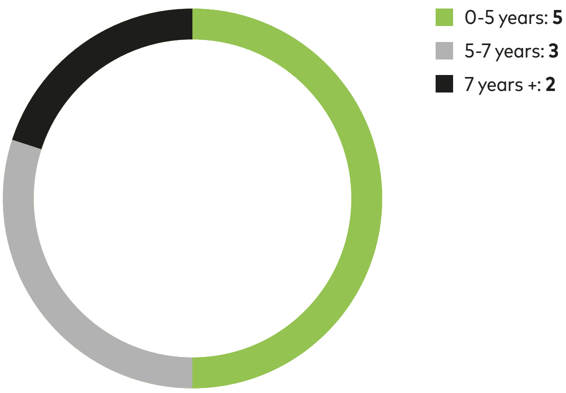
Board skills and experience

- International commercial experience
- Technology and e-commerce
- B2B and B2C markets
- Broadcast and photographic experience
- Marketing/Digital Marketing
- Finance and accounting
- Manufacturing
- Listed company best practice
- ESG
- M&A and private equity
- People and culture

Board gender diversity



Board tenure



Nominations Committee Chairman's letter

Ian McHoul

Chairman of the Nominations Committee

Dear Shareholder

The Nominations Committee is responsible for setting and monitoring the Board's balance of skills, experience and knowledge in order to provide the diversity of thinking and perspective required to provide effective leadership. The Nominations Committee operates under terms of reference that are available on our website.

Succession planning and Director appointments

An important area of work for the Nominations Committee under my Chairmanship is succession planning around the Board and senior management across the Company. We need to have a management team with the right skills, diversity and experience to sustainably operate and grow the business. In 2023, the Committee received updates on talent and succession plans across the senior management teams in the Divisions. The Board and its Committees have regular exposure to the senior management team to see and hear first-hand from our executive talent.

As Chairman of the Nominations Committee, I lead the Committee in the process of reviewing the structure, size and composition (including skills, knowledge, experience and diversity) of the Board and in making recommendations to the Board with regard to any changes. This also covers succession planning for Directors and senior executives in the Group.

Once the Board has identified the need for a new Director, I as Chairman, engage the support of an external executive search consultant to facilitate the search. A clear brief on the role is drafted with the skills and personal attributes that the Board is looking for and taking into account Board diversity. This is followed up with a search process to identify suitable candidates. Initial candidate interviews are held with myself as Chairman, and the Group Chief Executive, where appropriate. Following this, a shortlist is created, taking into account the skills of each candidate and perceived cultural fit with the Board and senior management. Following further meetings a preferred candidate would be chosen and each member of the Board would then meet with, or speak to, the preferred candidate individually to ensure that a person with the right skills, diversity and dynamic fit with the Board was appointed. This same process would occur whether the role was Executive or Non-Executive in nature. However, if the search was for the role of Chairman, the search would be conducted by the Senior Independent Director with the support of the Board. Subject to the outcome of each search, a formal recommendation on an appointment is made by the Nominations Committee to the Board for approval.

The Nominations Committee used the services of Hedley May in 2023 and followed the process above for the recruitment of Anna Vikström Persson. The same process was followed but using the services of Spencer Stuart for the appointments of Graham Oldroyd and Stephen Harris. Neither the Company nor any individual Director has any relationship with Hedley May or Spencer Stuart.

The Committee oversaw the recruitment processes for Anna Vikström Persson, who joined the Board on 1 May 2023 as an independent Non-Executive Director; Graham Oldroyd, who joined the Board on 12 October 2023 as an independent Non-Executive Director and finally, Stephen Harris, who joined the Board on 9 November 2023 as a Non-Executive Director and Chairman Designate, with the purpose to succeed myself as Chairman. For the recruitment of Stephen Harris, since it related to my own succession, Richard Tyson as Senior Independent Director led that process with the support of the Group Chief Executive.

As Chairman Designate, Stephen Harris has a period of handover with me before taking over as Chairman of the Board.

Both Anna Vikström Persson and Graham Oldroyd have undertaken inductions to the Group, involving site visits and meeting with senior management and advisors. Stephen Harris has also commenced an induction process with the Group involving site visits and meeting with senior management.

Diversity and inclusion

The Nominations Committee and the Board consider the issue of diversity for every appointment. The objective is to ensure that the Board appoints the best person for every role and to optimise the collective Board strength. As part of this, the Board has adopted the following policy on diversity and inclusion, which is the same for the Board and all its Committees.

Videndum recognises the importance of a fully diverse and inclusive workforce in the successful delivery of its strategy. The effective use of all the skills and talents of our employees is encouraged and this extends to potential new employees. It is essential that the best person for the job is selected regardless of race, gender, religion, age, sexual orientation, physical ability or nationality. Videndum is fully committed to equal opportunity where talent is recognised. The Board keeps under regular review the issue of diversity including at Board and senior management level and throughout the entire workforce, taking into account, among other things, Lord Davies' review, Women on Boards, the Hampton-Alexander review, FTSE Women Leaders and the Parker and McGregor-Smith reviews on ethnic diversity. We report upon this issue annually in our Annual Report. Our Diversity and Inclusion Policy is available on our website: www.videndum.com/responsibility/our-people/. More information on diversity in the workplace is provided in our 2023 ESG Report, to be published in May 2024.

The Responsible business section on page 64 contains further information on diversity, including the disclosure of gender diversity statistics at all levels across the business in accordance with the requirements of the Companies Act 2006.

Under the Listing Rules, there is a requirement to disclose gender and ethnic diversity at Board and executive management level. The following tables set out the gender and ethnic diversity of both the Board and the Operations Executive as at 31 December 2023.

As at 31 December 2023, the roles of Chairman, Group Chief Executive, Senior Independent Director or Group Chief Financial Officer are occupied by male members of the Board. While the Listing Rules set an expectation for one of these roles to be occupied by women (or those self-identifying as women), that at least 40% of individuals on the Board of Directors are women and that at least one individual on the Board of Directors is from a minority ethnic background. The Board and Nominations Committee has to plan succession over a period of time and to appoint the best person for the role, irrespective of gender, race or some other characteristic. The Board currently comprises 40% women. This follows the appointments of Graham Oldroyd and Stephen Harris in late 2023 and remains under review as and when new Board opportunities arise and is supported by the succession planning activities of the Nominations Committee. One Director – Anna Vikström Persson – has identified as being from a minority ethnic background.

The Chairs of both the Remuneration and Audit Committees are currently occupied by women – Caroline Thomson and Erika Schraner, respectively. The Board and Nominations Committee will have this issue in mind when planning succession around roles on the Board going forward. The Board comprises a diverse mix of international backgrounds including UK, US, Swiss, Swedish, Italian and Spanish heritage.

The information set out in the tables below was collected by the Group Company Secretary requiring each member of the Board and Operations Executive to complete forms identifying their gender and ethnicity in accordance with the Listing Rules as at 31 December 2023.

Engagement with key stakeholders

During 2023, we engaged with several major shareholders on Board succession matters. We used the feedback received to help shape our succession planning.

Committee performance

The performance of the Nominations Committee was considered through the annual Board evaluation process, which in 2023 was the subject of an internal review. From the responses provided, it was found that the Committee was well-managed and effectively covered Board and senior executive succession plans. In conclusion, it was found that the Nominations Committee was operating effectively.

Ian McHoul
Chairman of the Board and Nominations Committee Chairman
22 April 2024

Reporting table on gender representation

	Number of Board members	% of the Board	Number of senior positions on the Board (Chair, CEO, SID, CFO)	Number in Executive management	% of Executive management
Men	6	60%	4	10	83.34%
Women	4	40%	0	2	16.66%
Not specified/prefer not to say	0	0%	0	0	0%

Reporting table on ethnicity representation

	Number of Board members	% of the Board	Number of senior positions on the Board (Chair, CEO, SID, CFO)	Number in Executive management	% of Executive management
White British or other White (inc. minority-white groups)	9	90%	4	11	91.66%
Mixed/Multiple ethnic groups	0	0%	0	1	8.33%
Asian/Asian British	1	10%	0	0	0%
Black/African/Caribbean/Black British	0	0%	0	0	0%
Other ethnic group, inc. Arab	0	0%	0	0	0%
Not specified/prefer not to say	0	0%	0	0	0%

Nominations Committee Report

Key activities of the Nominations Committee

	Page(s)
Board succession and appointment process of new Non-Executive Directors	**96**
Performance of the Nominations Committee	**99**
Board composition	**76 to 77**
Diversity and inclusion	**96 to 97**
Board and Committee evaluation	**99**

Board skills, knowledge and experience

Each Director brings a complementary set of skills and diversity to the Board, having served in companies of varying size, complexity and market sector. When combined, these skills give the Board the comprehensive skillset required to deliver the strategic objectives of the Group and to ensure its continued success. More insight into the Board's overall culture and dynamic, composition, skills, knowledge and performance was drawn from the 2023 internal Board evaluation. The Nominations Committee continues to monitor Board structure and succession plans, including internal talent development and succession plans of senior management below Board level.

Marco Pezzana, Chief Executive Officer of the Media Solutions Division, was appointed as Group Chief Operating Officer on 27 February 2023. Marco continues to report to Stephen Bird, Group Chief Executive and retains responsibility for the Media Solutions Division as its Chief Executive Officer. He assumed wider responsibility for the Group's operations including working on strategic self-help projects to further streamline the Company's cost base, maximise operational efficiencies and deliver cross-Divisional synergies to rationalise and accelerate Videndum's growth.

The Nominations Committee continued in 2023 to review plans around Board succession for both Executive and Non-Executive Directors while being mindful of the Company's business needs. This culminated in various Board changes as outlined on page 96. The Nominations Committee continues to assess succession around the Board, Operations Executive and other senior management with regular updates on talent and also meeting with key talent.

Appointments

Under the Company's Articles, the Board has the power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, subject to a maximum number of 15 Directors. Any Director so appointed holds office only until the next AGM and shall then put themselves forward to be reappointed by shareholders. The current Board comprises a Chairman, Group Chief Executive, Group Chief Financial Officer and seven independent Non-Executive Directors. Details of their appointments are set out below:

Chairman or Non-Executive Director	Appointment date	First renewal of term	Second renewal of term	Subsequent renewal of term
Ian McHoul (Chairman) [1]	25 February 2019	25 February 2022	25 February 2025	Annually from 25 February 2026 onwards
Caroline Thomson	1 November 2015	1 November 2018	1 November 2021	Annually from 1 November 2022 onwards
Richard Tyson	2 April 2018	2 April 2021	2 April 2024	Annually from 2 April 2025 onwards
Erika Schraner [2]	1 May 2022	1 May 2025	1 May 2028	Annually from 1 May 2029 onwards
Teté Soto	24 November 2022	24 November 2025	24 November 2028	Annually from 24 Nov 2029 onwards
Anna Vikström Persson	1 May 2023	1 May 2026	1 May 2029	Annually from 1 May 2030 onwards
Graham Oldroyd	12 October 2023	12 October 2026	12 October 2029	Annually from 12 October 2030 onwards
Stephen Harris (Chairman Designate)	9 November 2023	9 November 2026	9 November 2029	Annually from 9 Nov 2030 onwards

Executive Director	Appointment date	Subsequent renewal of term
Stephen Bird (Group Chief Executive)	14 April 2009	Appointed under a service contract
Andrea Rigamonti (Group Chief Financial Officer)	13 December 2022	Appointed under a service contract

1 Ian McHoul will not stand for reappointment at the 2024 AGM and will cease to be a Director from the close of the 2024 AGM.

2 Erika Schraner has also informed the Board that she will not seek re-election at the 2024 AGM and will cease to be a Director from the close of the AGM.

The Chairman and the other Non-Executive Directors are appointed for an initial period of three years which, with the approval of the Nominations Committee and the Board, would normally be extended for a further three years. If it is in the interests of the Company to do so, appointments of the Chairman and Non-Executive Directors may be extended beyond six years, with the approval of the Nominations Committee, the Board and the individual Director concerned, subject to annual reappointment by shareholders.

Under the Company's Articles, each Director is required to stand for annual reappointment at every AGM. The annual renewal of terms for a Non-Executive Director will take into account ongoing performance, continuing independence and the needs and balance of the Board as a whole. The explanatory notes in the AGM Notice state the reasons why the Board believes that the Directors proposed for re-election should be reappointed.

As stated previously, Ian McHoul will not be seeking reappointment at the Company's 2024 AGM and will cease to be a Director at the conclusion of the 2024 AGM. Stephen Harris will succeed Ian McHoul as Chairman.

Erika Schraner will not seek re-election at the 2024 AGM. The Board has started a search for a new Chair of the Audit Committee.

Director induction

Upon appointment, each Director is provided with an extensive, tailored induction to the Group. This includes meeting with senior Head Office and Divisional management, meeting the Company's main external advisors including Investec and Jefferies as well as the external auditor, and visits to the key operational facilities in the Group. The Group Company Secretary coordinates this induction process.

Board training

Ongoing training for new and existing Directors is available on request. Directors receive details of relevant training and development courses from both the Group Company Secretary and from the Company's advisors. Any requests for training are discussed at Board or Committee meetings and we ensure that each Director has the required skills and knowledge to enable them to operate efficiently on the Board. The Group Company Secretary maintains a register of training undertaken by Directors to facilitate this discussion. During 2023, the Board collectively received training sessions on product technology, cyber security, investor relations, ESG matters and the broadcast and photographic markets as well as accounting and legal updates from the Company's external auditor and legal advisor. The Board also receives regular written updates on governance, regulatory and financial matters as they are published.

Time commitments

All Directors demonstrated strong time commitment to their roles on our Board and Committees and their attendance at meetings is set out on page 85 of this report. Due to the pressures on the business in 2023, there were a number of short notice Board and Committee meetings and all Directors accommodated these meetings where possible.

The Directors have also given careful consideration to their external time commitments to confirm they are able to devote an appropriate amount of time to their roles on our Board and Committees. The Nominations Committee reviews on an ongoing basis Directors' time commitments and confirms that they are fully satisfied with the amount of time each Director devoted to the business.

Board and Committee evaluation 2023

In 2023, an internal Board evaluation was conducted and consisted of the following:

- Evaluation of the performance of the Board;
- Evaluation of the performance of the Audit, Remuneration and Nominations Committees; and
- Evaluation of the Chairman.

The evaluation was carried out by way of Directors completing a series of questionnaires coordinated by the Group Company Secretary and the following points came out of the evaluation:

Performance and Strategy:

- Macroeconomic challenges in 2023 put the Board and business under increased stress significantly impacting performance and progress against strategy.
- Further work around strategy, particularly emerging market dynamics (including artificial intelligence) is needed.
- While the Board was not pleased with the need for the Group to raise £125.0 million of equity in response to challenges faced by the business, the process around this was well executed.

Governance:

- Governance is satisfactory, but further work is needed around risk management particularly at macro market levels and risk around cyber security remains an issue. Given the challenges in 2023, the Board and organisation needs to be open to further learnings.
- ESG programme, despite the challenges faced by the business, remained on track with progress towards goals made.
- Given the challenges faced in 2023, the Board's opportunity to see operations first-hand and to meet with the wider employee base was adversely impacted. Despite this, the Board remained informed about the views of employees through employee surveys and the Non-Executive responsible for employee engagement.

Priorities for 2024:

- Ensuring a strong financial recovery for the business.
- Undertaking a detailed review of Group strategy in light of market dynamics and shaping the business accordingly.
- A successful transition around the composition of the Board, notably with Stephen Harris succeeding Ian McHoul as Chairman.
- Developing plans around executive talent and succession.
- Ensuring a successful transition of the external auditor from Deloitte to PricewaterhouseCoopers.

The last externally facilitated evaluation was in 2021 and it is the plan to carry out an externally facilitated evaluation in 2024.

Nominations Committee Report continued

Board performance against 2023 Board objectives

The Board annually sets itself objectives against which to measure its own performance and effectiveness and to remain focused on the key issues facing the Group. The objectives set are shaped by feedback given through Board evaluations. These objectives are tracked during the year and progress reported on at each scheduled Board meeting. The following table sets out the agreed Board objectives for 2023 and progress made throughout the year.

2023 Board objective	Progress during 2023
Board succession Continue to develop plans and execute around Board succession ensuring that the collaborative culture and dynamic is preserved and the Board's performance continues to be optimised. Ensure that new appointments receive an appropriate induction to the Group.	– Anna Vikström Persson joined the Board as an independent Non-Executive Director with effect from 1 May 2023. – Graham Oldroyd joined the Board as an independent Non-Executive Director with effect from 12 October 2023. – Ian McHoul will not seek reappointment as a Director at the 2024 AGM. Stephen Harris was appointed to the Board as an independent Non-Executive Director and Chairman Designate with effect from 9 November 2023. – Erika Schraner will not seek re-election at the 2024 AGM. The Board has started a search for a new Chair of the Audit Committee. – Each newly appointed Director has or is receiving an induction to the Group including site visits and meetings with senior employees.
Executive team succession Progress succession plans for the Group CEO tied into delivery of the Group's strategic ambition. Develop the executive team such that there is a succession transition to new leadership if and when the CEO decides to step down.	– The Board received regular updates on Board and senior management succession along with talent and succession plans throughout the Group. – Marco Pezzana attended all Board meetings from February 2023 in his position as Group Chief Operating Officer.
Strategy (1) Develop proposals to maximise value for Creative Solutions and execute as appropriate. Develop Group-wide strategy, with options dependent on the outcome of the Creative Solutions process.	– The Board's Blue Sky strategy sessions covered extensive updates from across the Group including Creative Solutions. – Divisional strategy updates given in June 2023. – The Board took the decision to exit all non-core markets, specifically medical and gaming and to concentrate R&D investment and capital expenditure where the Company holds competitive advantage. – Lightstream was sold in October 2023 to Xsolla for US $500,000 and Amimon is held for sale.
Strategy (2) Develop and execute as appropriate, proposals to reorganise the Group so as to optimise both revenue opportunities and cost efficiencies.	– Throughout the year, the Board reviewed plans to restructure the Group as appropriate in response to the macroeconomic challenges faced.

2023 Board objective	Progress during 2023
Growth and Performance Progress towards delivery on the 2022 Capital Markets Day aspiration to become a £600.0m revenue/£100.0m operating profit business by 2025. Deliver an outturn for 2023 making progress towards the strategic ambition but delivering performance in line with the 2023 budget and shareholder expectations including managing the Group's net debt, against the backdrop of a challenging global economy in 2023.	– The Group's plans were significantly held back due to the impact of macroeconomic headwinds and the writers' and actors' strikes in 2023. – In the second half of the year, the Board's attention turned to the requirement for an equity raise of £125.0 million to strengthen the Group's Balance Sheet.
Customers, Markets, R&D, Technology Develop the Board's understanding of its customers, markets, major R&D projects and technology impacting each of its Divisions with regular updates.	– During 2023, the Board received information and insight into existing and emerging technologies, including artificial intelligence, which could be utilised by, or posed a threat to the Group either in its operations or products. – The Board received updates on R&D and key customer trends from each of the Divisions as part of Divisional strategic reviews.
Governance Continue to develop and evolve the Group's governance arrangements and reporting including ESG programme and risk management.	– The Board oversaw the Group's governance, risk and ESG programme throughout the year reporting in line with the UK Corporate Governance Code. – The Board received training on key updates to the UK governance horizon, including the 2024 UK Corporate Governance Code. – Progress on ESG programme with published ESG and TCFD Reports in April 2023 and progress towards carbon neutral and net zero targets including installation of solar panels at the Feltre site in Italy. – The Audit Committee oversaw a deep dive into the control environment during 2023 with areas for improvement identified and corrective measures implemented. – The Audit Committee oversaw an audit tender in 2023, culminating in the recommendation to appoint PricewaterhouseCoopers LLP as the Group's auditor from the 2024 AGM.
Risk Continue to assess the Group's risk appetite and tolerance tied to the Group's operations and strategic growth plans.	– The Board considered and approved the Group's principal risks in the 2022 Annual Report and Accounts and as part of the 2023 half year results. – The Group's overall risk appetite was reviewed at the Board meeting in December 2023. – Divisional strategic reviews in 2023 covered Divisional strategic and operational risks.

Audit, risk and internal control

Overview

The Audit Committee plays a pivotal role in the Group's governance framework, providing sound independent oversight of the Group's financial reporting mechanisms, system of internal controls to safeguard shareholders' investments and the Company's assets and employees. Furthermore, it manages the relationship with the external auditor to assess their effectiveness and to annually assess their independence and objectivity.

Audit Committee

The Audit Committee comprises solely independent Non-Executive Directors of the Company namely:

Erika Schraner (Chair). Erika Schraner will not seek re-election at the 2024 AGM. The Board has started the search for a new Chair of the Audit Committee.

Richard Tyson, Caroline Thomson and Teté Soto. Anna Vikström Persson and Graham Oldroyd joined the Audit Committee upon their appointments to the Board on 1 May 2023 and 12 October 2023, respectively.

Other members of the Board, Operations Executive and other senior management including the Head of Group Risk Assurance, the Group Head of Tax, the Group Head of IT and Cyber Security, and the Company's external auditor, Deloitte, attend meetings of the Audit Committee by invitation only.

Role of the Audit Committee

Financial reporting

- Ensures the financial integrity of the Group through the regular review of its financial processes and performance.
- Reviews and approves the financial statements in the Annual Report and Accounts, and that the Annual Report, taken as a whole, is fair, balanced and understandable and complies with all applicable UK legislation and regulation as necessary.
- Advises the Board on the Group's viability and going concern status.
- Reviews the appropriateness of accounting policies and practices.
- Ensures that the Group has appropriate risk management and internal controls, through the oversight of the internal audit function.
- Oversees the preparation of TCFD disclosures.

External audit

- Manages the relationship with the external auditor, reviewing the scope and terms of its engagement and monitors its performance through regular effectiveness reviews.
- Reviews and monitors the objectivity and independence of the external auditor, including provision of non-audit services.
- Ensures the successful transition of external audit services from Deloitte LLP to PricewaterhouseCoopers LLP.

Role of the Audit Committee

Financial risks

- Oversees and reviews controls relating to financial risks and risks relating to finance IT systems including cyber security.
- Reviews the operational effectiveness of key controls in place to manage financial risks.

Governance and best practice

- Keeps up to date with developments regarding control environment through updates from the external auditor.
- Keeps in touch with shareholders sentiments through updates and advice from the Company's brokers.
- Ensures that an appropriate whistleblowing service is in place for employees and third parties.
- Oversees third-party reputational risks and anti-bribery procedures.

Audit Committee Chair letter

Dr Erika Schraner

Audit Committee Chair

Dear Shareholder

On behalf of the Committee, I am pleased to present our report for the year ending 31 December 2023.

The Audit Committee plays a critical role in ensuring the integrity and transparency of the Group's financial reporting, as well as overseeing the effectiveness of the Group's internal control and risk management systems. Our mandate is to provide independent oversight of the Group's financial reporting and disclosure processes, as well as to monitor compliance with laws, regulations and ethical standards. This report is intended to provide shareholders with an insight into how key topics are considered during the year and how the Committee discharged its responsibilities.

2023 was a turbulent year for the business as it was faced with several challenges. The Committee focused early in 2023 on the financial reporting and disclosures associated with the 2022 Annual Report to ensure that they were fair, balanced and understandable. The Committee, the Board, Operations Executive and the Company's external auditor, Deloitte, concluded that the 2022 financial statements were a true and fair reflection of the state of the Group and had been properly prepared in accordance with IFRS accounting standards and in conformity with the requirements of the Companies Act 2006.

The Committee also oversaw the overall risk management of the Group in 2023. Risk appetite and tolerance are directly discussed at Board level. Apart from the ordinary operational risks subject to the annual risk management review process, the business was exposed to increasing risks from geo-political tensions, economic headwinds, US writers' and actors' strikes and continued risk surrounding cyber security. The Committee reviewed the Operations Executive's response to these risks and is satisfied that appropriate mitigation is being taken.

During 2023 after certain risks had been identified and as requested by the Board, the Committee performed a detailed evaluation of the Group's internal control and compliance framework. Ernst & Young LLP was retained to provide support, assistance and advice. During the latter part of 2023, the Committee oversaw the implementation of the continuous improvements.

The combination of macroeconomic headwinds and the US writers' and actors' strikes together contributed to management and subsequently, the Board, determining at the 2023 half year that a material uncertainty existed that may cast significant doubt on the Group's ability to continue as a going concern, such that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The key judgements surrounding the material uncertainty were the length and depth of the ongoing writers' and actors' strikes, as well as the length of time over how long it takes to recover once the strikes end, and the recovery from the broader macroeconomic challenges faced by the Group.

At the time of approving the financial statements for the year ended 31 December 2023, given the sensitivities of forecasts on key assumptions, which are linked to the precise timeline and pace of recovery from the strikes and the financial impact on the Company of any slower than expected recovery, and macroeconomic conditions, the Board also determined that a material uncertainty exists which may cast doubt on the Group's ability to continue as a going concern such that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Group announced on 8 August 2023 that the release of its results for the six-month period ended 30 June 2023 had been delayed because more time was required to finalise its half year financial reporting. On 13 March 2024 it also announced that the release of its results for the year ended 31 December 2023 had been delayed because more time was required to finalise its full year financial reporting, including the treatment of certain adjusting items relating to FY 2023.

The Audit Committee further supported the Board with the £125.0 million equity raise and publication of a prospectus on 21 November 2023.

Review of material issues

The Audit Committee has a key role in ensuring that the Group's narrative reporting provides a fair, balanced and understandable assessment of the Group's position and prospects, and in establishing that the financial statements offer a true and fair view of the Group's financial affairs. As part of this process, we considered the significant financial judgements made during the year, along with other key financial reporting issues.

We also considered, on a regular basis, the potential for fraud in revenue recognition, scope for management override of controls and compliance with legislation and regulations.

Further details of the main activities and information on the other significant issues that the Committee considered during the year can be found on pages 109 to 110.

Audit Committee Chair letter continued

External auditor transition

As previously reported, Deloitte LLP, informed the Audit Committee in September 2022 that from 2024 it would no longer be able to act as auditor for the Company. The Audit Committee on behalf of the Board conducted a formal audit tender process, which included gathering information, and receiving presentations and technical demonstrations of audit techniques and processes from various audit firms in May 2023. The audit tender process is detailed on page 111. The Committee and the Board unanimously agreed that PricewaterhouseCoopers LLP will become the successor external audit firm and a resolution will be put to a shareholder vote at the 2024 AGM for their appointment and to allow the Board to set their remuneration accordingly.

Engagement with key stakeholders

I welcome questions from shareholders on the Committee's activities. If shareholders wish to discuss any aspect of this report, they can do so via the Group Company Secretary. I will be present at the Company's 2024 AGM and will be happy to answer any questions from our shareholders.

I have informed the Board of my intention not to seek re-election at the forthcoming AGM. I intend to pursue new opportunities as Videndum, supported by a successful equity raise, enters a new phase. The Board has started the search for a new Chair of the Audit Committee.

ESG, climate change and TCFD

The ESG Committee reviews Videndum's effectiveness and controls in matters relating to ESG across the business. The Committee reports to the Board on a regular basis and the Audit Committee has oversight of reporting on TCFD and financial risks tied to climate change. You can read more on our TCFD programme and progress made from page 47 and in our standalone ESG and TCFD reports for 2023.

2023 Annual Report

After reviewing the reports from management and following discussions with the external auditor, the Committee is satisfied that:

- The external auditor remains independent and objective in their work.
- The financial statements for the year ended 31 December 2023 have appropriately addressed any critical accounting judgements and key sources of estimation uncertainty.
- The correct and appropriate accounting policies for all Divisions have been adopted.

Whistleblowing

Any cases of whistleblowing in the Group are notified to me, as well as the Group Chief Executive and Group Company Secretary. All cases are investigated thoroughly and outcomes reported to me and remedial actions taken as appropriate. The Board is kept abreast of any whistleblowing reports and outcomes of any investigations. There were eight whistleblowing reports during 2023. All cases were thoroughly investigated, internally with the support of independent third party service providers as required.

Committee performance and effectiveness

The performance of the Committee was considered through the annual Board evaluation process, which in 2023 was the subject of an internal review. From the responses provided, I am pleased to report that the Audit Committee was found to be operating effectively with rigorous challenge from the Committee members. Significant time had been given to debate on risk assurance throughout the Group, including controls, cyber security and mitigation actions.

Overall, the Committee finds that the Group's financial reporting, internal controls and risk management systems, are effective and the governance practices are appropriate. The Audit Committee will continue to monitor these areas closely to ensure that the Group remains committed to transparency, accountability, and sound financial management. In 2024, the Committee will continue to focus on evolving risk management, internal controls, cyber security, business continuity and TCFD reporting. It will seek in particular, to address the FRC's new UK Corporate Governance Code issued in January 2024 and ensure that the Board has greater visibility into the risk management process and material controls. It will also oversee the external auditor transition from Deloitte to PricewaterhouseCoopers.

The Committee's objectives are set annually, the progress of which is reviewed at every Committee meeting. The Committees' 2023 objectives and performance against them are set out on page 110. The Committee has set itself objectives for 2024 and will report on them in the 2024 Annual Report.

I would like to thank the Committee members, the rest of the Board and our external service providers for their support during 2023.

Dr Erika Schraner
Audit Committee Chair
22 April 2024

Audit Committee Report

How the Committee operates

The Audit Committee is composed solely of independent Non-Executive Directors who collectively have a wide range of skills and experience including finance and accounting, leadership, and technology. Erika Schraner satisfies the requirement of having appropriate and relevant financial and governance experience, and leadership skills, as well as a commitment to ongoing education and development to effectively carry out her role. Additionally, she has provided guidance in the overall enhancement of the Group's cyber security. Page 77 sets out her full biographical details.

The schedule of Audit Committee meetings is built around the key dates in the financial reporting and audit cycle. During 2023, the Committee met on four scheduled occasions, in February, June, August and December. There were three additional Audit Committee meetings also held during the year to discuss the external audit tender, whistleblowing investigations and for the review and recommendation to the Board for the approval of the half-year financial statements, following a delay from the scheduled August 2023 meeting.

Forward planning of agenda items guides the business to be considered at each meeting and is regularly reviewed and developed. This assists and facilitates the work of the Committee, enabling it to give thorough consideration to matters of particular importance to the Company.

The Committee receives information in advance of its meetings from management and from the external auditor and other service providers including the main audit report. The Committee meets privately with the external auditor at least annually and receives feedback from management when considering areas for review.

Erika Schraner maintains close contact with the Group Chief Financial Officer, Group Chief Executive, Head of Group Risk Assurance and members of the senior audit team at Deloitte LLP as well as PricewaterhouseCoopers LLP as the new incoming external auditor. These meetings inform the work of the Committee by identifying key areas of focus and emerging issues.

The Committee regularly invites the external audit engagement partner, Alistair Pritchard, the Chairman of the Board, the Group Chief Executive, the Group Chief Financial Officer, the Group Chief Operating Officer, the Group Financial Controller, and the Head of Group Risk Assurance to its meetings.

Meetings of the Committee are held in advance of the main Board meetings to allow the Committee Chair to provide a report on the key matters discussed to the Board, and for the Board to consider any recommendations made. All of this, along with ongoing challenge debate and engagement, allows the Committee to discharge its responsibilities effectively.

Scheduled Audit Committee meetings held in 2023

20 February 2023	21 June 2023	7 August 2023	11 December 2023
Financial and narrative reporting			
– Received the accounting presentation and judgemental issues report, and the report on going concern and viability for the year ended 31 December 2022. – Recommended the approval of the 2022 Annual Report and Accounts, agreeing when taken as a whole is fair, balanced and understandable. – Reviewed the letter of representation issued to the external auditor for the full year results prior to being agreed by the Board.	– Received an accounting update and report on going concern, discontinued operations and factoring.	– Received the accounting presentation and judgemental issues report, and the report on going concern for the half year ended 30 June 2023. – Reviewed the letter of representation issued to the external auditor for the half year results prior to being agreed by the Board.	– Tax and Treasury updates.
External audit			
– Received a full year report from the external auditor on the 2022 financial statements and accounting disclosures. – Reviewed effectiveness of external auditor	– Discussed the results of the audit tender process and made a recommendation to the Board to appoint PricewaterhouseCoopers LLP as the new auditor. – Presented the 2023 half year audit plan and initial planning report on the 2023 full year audit. – Presented update on TCFD to be reported on in the 2023 Annual Report and Accounts. – Considered an update on potential audit fees for 2023.	– Received half year report from the external auditor on the 2023 half year financial statements and accounting disclosures. – Discussed and approved the audit fees for 2023.	– Received the final planning report on the 2023 external audit. – Considered the 2023 year-end process to date by the external auditor. – Discussed the external audit transition process for the first half of 2024.

Audit Committee Report continued

20 February 2023	21 June 2023	7 August 2023	11 December 2023
Governance			
– Agreed the disclosures in the 2022 Audit Committee report.	– Update on governance and proposed changes to the UK Corporate Governance Code.	– Group whistleblowing update.	– Update on whistleblowing, third-party reputational risk management and anti-bribery and corruption programme. – TCFD programme update including preparation of TCFD disclosures. – Approved Committee objectives for 2024. – Updates on governance by external auditor.
Risk management and internal control			
– Conducted a bi-annual review of the principal and operational risks identified across the Group. – Update on cyber security and insurance cover. – Received the risk assurance report of internal audit activities from 2022 and plans for 2023 and status of key controls. – Approved the 2023 internal audit programme.	– Risk assurance update against the 2023 risk assurance programme. – Update on cyber security.	– Bi-annual review of the principal risks identified across the Group and progress against agreed 2023 risk assurance programme. – Update on cyber security.	– Risk assurance update against 2023 risk assurance programme and agreed the risk assurance and internal audit programme for 2024. – Received full year report of internal audit activity in 2023, internal audit plans for 2024 and status of key controls. – Update on cyber security and reviewed business continuity plans for 2024.

Risk management and control

The Board delegates responsibility to the Audit Committee for oversight of the Group's system of internal controls to safeguard shareholders' investments and Company assets. The Audit Committee formally reviews the effectiveness of the Group's internal controls twice a year. There are systems and procedures in place for internal controls that are designed to provide reasonable control over the activities of the Group and to enable the Board and Audit Committee to fulfil their legal responsibility for the keeping of proper accounting records, safeguarding the assets of the Group and detecting fraud and other irregularities.

This approach provides reasonable assurance against material misstatement or loss, although it is recognised that as with any successful company, business and commercial risks must be taken and enterprise, initiative and the motivation of employees must not be unduly stifled. It is not our intention to avoid all commercial risks and judgements in the course of the management of the business.

The Board has completed a robust assessment of the Company's emerging and principal risks and has adopted a risk-based approach to establishing the system of internal controls. The application and process followed by the Board in reviewing the effectiveness of the system of internal controls during the year were as follows:

- Each Division is charged with the ongoing responsibility for identifying the existing and emerging risks it faces and for putting in place procedures to monitor and manage those risks. This includes climate change risks identified at a site level.
- The responsibilities of senior management in each Division to manage existing and emerging risks within their businesses are periodically reinforced by the Operations Executive.
- Major strategic, operational, financial, regulatory, compliance and reputational risks are formally assessed during the annual long-term business planning process around mid-year. These plans and the attendant risks to the Group are reviewed and considered by the Board.
- Large financial capital projects, property leases, product development projects, significant restructuring and all acquisitions and disposals require advance Board approval.
- The process by which the Board reviews the effectiveness of internal controls has been agreed by the Board and is documented. This involves regular reviews by the Board of the major business risks of the Group, including emerging risks, together with the controls in place to mitigate those risks. In addition, each Division conducts a self-assessment of its internal controls. Every year, the results of these assessments are reviewed by the Head of Group Risk Assurance who provides a report on the status of internal controls and internal controls self-assessment to the Group Chief Financial Officer and the Chair of the Audit Committee. The Board is made aware of any significant matters arising from the self-assessments. The risk and control identification and certification process is monitored and periodically reviewed by Group financial management.
- A register of risks facing the Group, as well as each individual business, and an evaluation of the impact and likelihood of those risks is maintained and updated regularly by the Head of Group Risk Assurance. The Group's principal risks and uncertainties and mitigation for them are set out on pages 36 to 41 of this Annual Report and this includes consideration of risks relating to climate change.

The Board has established a control framework within which the Group operates. This contains the following key elements:

- Strategic planning process, including horizon scanning, identifying key actions, initiatives and risks, including emerging risks and opportunities, to deliver the Group's long-term strategy. This involves a comprehensive review of macroeconomic , social and political trends. The Group has identified artificial intelligence as an emerging risk and opportunity, which may also affect demand for specific products within the Group. This risk is being monitored proactively. The threat of geopolitical instability was also identified as an emerging risk.

- Organisational structure with clearly defined lines of responsibility, delegation of authority and reporting requirements.
- Defined expenditure authorisation levels.
- Operational review process covering all aspects of each business conducted by the Operations Executive on a regular basis throughout the year.
- Comprehensive system of financial reporting including weekly flash reports, monthly reporting, quarterly forecasting and an annual budget process. The Board approves the Group budget, forecasts and strategic plans. Monthly actual results are reported against prior year, budget and latest forecasts, and are circulated to the Board. These forecasts are revised where necessary but formally once every quarter. Significant changes and adverse variances are reviewed by the Group Chief Executive and Operations Executive and remedial action is taken where appropriate. Group tax and treasury functions are coordinated centrally. There is regular cash and treasury reporting to Group financial management and monthly reporting to the Board on the Group's tax and treasury position.

This system has been in place for the year under review and to the date of approval of the Annual Report.

The Audit Committee is satisfied that an adequate framework is in place to manage risks and internal controls, however it was agreed during 2023 that additional resources would need to be deployed to this area, in order to meet increased regulatory requirements and increased risks, and other ad hoc requirements such as investigatory work. As a result, the Group increased Risk Assurance headcount, and increased budget assigned to internal audits conducted with the support of co-source internal audit providers. The Group also recognised that additional work is needed in order to reinforce a culture of compliance, therefore additional budget was assigned to training on ethics and recommunicating the Group's Code of Conduct. Some further improvements will be made in 2024 as the Group responds to the 2024 UK Corporate Governance Code, and will further strengthen its risk management processes.

The Board carries out a periodic assessment of the Group's risk appetite, which includes the identification of the risk thresholds against each organisational objective. Key elements of the risk appetite (for example, our commitment to innovation, compliance and sustainability practices) are summarised in the overview section of the Principal risks and uncertainties.

Internal controls and risk, and risk management

The Committee's role is to review the effectiveness of the internal control, compliance and risk management systems which it carries out in support of the Board's formal review of significant risks and material controls. The Committee values the internal audit function and has enhanced this proposition in 2024 by increasing headcount and making use of co-source functions to further support and drive enhancements across controls. The internal audit plan is based on a review of the Group's key risks which are considered high risk or have not been subject to a recent audit. During the internal and external audits, a number of control findings were identified.

Management have committed to fully addressing control findings raised by our auditors at the prior period end through their audit response plan. Key controls have been implemented in 2023, most noticeably relating to the strengthening of revenue related controls during the latter stages of H2 2023. Furthermore, in relation to revenue, an external independent firm was appointed in 2023 who assessed the design of the newly initiated controls, with no issues noted. The Committee was consulted on the initial plan for H2 2023 implementation and received regular updates from management on implementation.

Following internal and external year-end audits, further findings were identified, and areas of continuous improvement noted. Management is developing a robust plan to address the findings and will be regularly communicating updates to the Audit Committee. As most of these areas occur bi-annually, management is confident that a strong plan will be implemented in 2024 to address these observations. The key findings relate to the judgemental areas, and specifically relate to inventory provisioning, review controls over going concern, acquired intangibles impairments, and adjusting items. It is recognised that further improvements are required to address these control findings and the Committee will continue to oversee actions taken to remediate the remaining control observations. Set out below is a summary of the key features of the Group's internal controls and risk management system.

Internal audit

Internal audit is independent of management and has a reporting line to the Chair of the Audit Committee, providing independent and objective assurance and advice on the adequacy and effectiveness of governance and risk management. An internal audit plan for 2023 was prepared and agreed with the Audit Committee at its February 2023 meeting and progress against the internal audit plan was tracked throughout the year.

The Head of Group Risk Assurance conducted several internal audits and additional assurance reviews during 2023, the details of which were presented to the Audit Committee. The internal audits included reviews of the appropriateness and effectiveness of controls within the Group including, but not limited to purchasing and payments, sales and cash collection, inventory management, accounting and reporting, human resources, and IT systems and processes.

The Audit Committee reviews the output of the internal audit function to assess the quality of deliverables and breadth of assurance provided. In early 2024, resource in the internal audit function was expanded by one headcount and through the use of an internal audit co-source provision.

External audit

Deloitte were appointed as the Company's external auditor at the Company's AGM in May 2018, following a formal tender process. In September 2022, Deloitte LLP informed the Company that it would not continue to audit the Company after FY23. The Audit Committee considered changing the external audit for the FY23 audit and several external audit firms were contacted. They informed the Company that while they would be interested in the FY24 audit, there would not be sufficient time and resources to complete risk assessment procedures, and the orderly transition for FY23.

With that, a resolution to reappoint Deloitte for a further 12 months was submitted at the Company's AGM on 11 May 2023. Alistair Pritchard was appointed as the engagement audit partner with effect from the 2023 AGM, taking over as lead engagement partner from David Halstead. Deloitte's final audit will be for the financial year ended 31 December 2023. The Board recommends to shareholders the appointment of PricewaterhouseCoopers LLP as external auditor with effect from the Company's 2024 AGM.

Communications with the Financial Reporting Council ("FRC")

During 2023, the FRC wrote to the Company in relation to the disclosure around non-current tax assets in relation to EU State Aid investigation and Directors' remuneration around the estimated value of the 2020 LTIP award in the Company's 2022 Annual Report and Accounts. Following the Company's response to this matter, the FRC responded to our explanations and closed their enquiries. Enhanced disclosure with regard to the EU State Aid non-current tax asset disclosure has been made to the 2023 Annual Report and Accounts. The 2023 Remuneration report also clarifies the exact value of the 2020 LTIP award that vested on 21 September 2023 to Executive Directors. In their letter, the FRC also highlighted for consideration our presentation of certain other items in the Financial Statements and, following this, we have made a small number of minor disclosure improvements in the 2023 Financial Statements. The Audit Committee reviewed and approved the changes proposed by management. The review carried out by the FRC provides

Audit Committee Report continued

no assurance that the Annual Report and Accounts were correct in all material respects; the FRC's role is not to verify the information provided but to consider compliance with reporting requirements.

Audit independence and fees

The Audit Committee reviews reports on the audit firm's own internal quality control procedures together with the policies and processes for maintaining independence and monitoring compliance with relevant requirements. Deloitte has confirmed its independence as external auditor of the Company in a letter addressed to the Directors. 2023 saw a substantial increase in fees paid to the external auditor. The primary drivers for the incremental audit work resulted from enhanced work around going concern and the associated disclosure, extended work on adjusted items, enhanced procedures around revenue following its elevation to a key audit matter, and a lower materiality and threshold being applied by Deloitte to perform their testing. Additionally, non-audit fees were paid to Deloitte for their role as the Reporting Accountant in 2023.

The fees payable for 2023 and previous years are as follows:

	2023	2022	2021	2020	2019	2018
Fees payable to Deloitte for the audit of the Company's financial statements	£1.4m	£0.9m	£0.5m	£0.2m	£0.1m	£0.1m
Fees payable to Deloitte for audit of subsidiaries	£1.0m	£0.8m	£0.8m	£0.5m	£0.5m	£0.4m
Fees related to corporate finance transactions	£0.9m	£nil	£nil	£nil	£nil	£0.2m
Fees related to non-audit services	£0.5m	£0.1m	£0.1m	£0.1m	£0.1m	£0.3m
Total fees payable to Deloitte	£3.8m	£1.8m	£1.4m	£0.8m	£0.7m	£1.0m

Non-audit services

As required by the Code, the Audit Committee has a formal policy governing the engagement of our external auditor, Deloitte, to supply non-audit services and to assess the threats of self-review, self-interest, advocacy, familiarity and management. Written permission must be obtained from the Chair of the Audit Committee and Group Chief Financial Officer before the external auditor is engaged for any non-audit work. There is a cap on permissible non-audit services of a maximum of 70% of the average of the fees paid in the last three consecutive financial years for the external audit services. The policy ensures that any non-audit work provided by Deloitte does not impair their independence or objectivity and is divided into two parts:

Excluded services	Appropriate services
Include: – Internal accounting or other financial services. – Design, development or implementation of financial information or internal control systems. – Internal audit services or their outsourcing. – Forensic accounting services. – Executive or management roles and functions. – IT consultancy. – Litigation support services and other financial services such as broker, financial advisor or investment banking services.	With approval from the Chair of the Audit Committee and Group Chief Financial Officer, these include: – Accounting advice in relation to acquisitions and divestments. – Corporate governance advice. – Defined audit-related work and regulatory reporting. – Reporting accountant services. – Compliance services. – Valuation and actuarial services. – Transaction work (M&A and divestments). – Fairness opinions and contribution reports. – Work closely related to the audit.

During 2023, the non-audit services policy was followed with no exceptions. During 2023, £0.5 million (2021: £0.1 million) was paid to Deloitte in respect of non-audit work compared to an audit fee of £2.4 million (2022: £1.7 million). This non-audit work mainly comprised the review of the half yearly financial statements and additional assurance-related services.

The approval of Deloitte LLP to act as the Reporting Accountant in relation to Videndum's £125.0 million equity raise in 2023 was approved by the Audit Committee and the Financial Reporting Council. The associated fees totalled £0.9m.

External auditor effectiveness

The effectiveness of the external auditor and the audit process is assessed by the Audit Committee, meeting the audit partner and senior audit managers regularly through the year. Annually, the Committee assesses the qualifications, expertise, resources and independence of the Group's external auditor, as well as the effectiveness of the audit process through discussion with the Group Chief Financial Officer. The Chairman of the Committee also meets with the Deloitte engagement partner.

Every couple of years, a detailed survey is performed of all employees who have interacted with the external auditors, the main purpose being to identify opportunities to improve the audit process. We review the output of the audit process, as presented to the Audit Committee, to ensure that there is a clear logical planning and scoping process. This allows the Audit Committee to ascertain that all areas of audit risk are being addressed.

Management was instrumental in delivering the external audit and the key attributes have been drawn out below:

- The management team involved in the audit process is well organised, prepares good quality papers and is committed to the value of independent audit and the development of respected professional relationships with the auditors.
- The audit timetable set by management allows sufficient time for robust quality control and takes into account the auditor's input about the time needed to conduct a quality audit.
- Management is proactive in seeking early input from the auditor, for instance on the application of new accounting standards or accounting for complex, unusual or sensitive transactions. The auditor is afforded sufficient time to consult with specialists and experts and conclude on these areas, raising relevant issues for the audit committee to pursue further with management where appropriate.
- Management takes seriously the control observations and deficiencies raised by the external auditor, together with any

challenges regarding the control environment or individual controls raised by internal audit or by the audit committee, and remediates deficiencies or weaknesses in a timely fashion.

- Encouraged by the audit committee, management considers all proposed audit adjustments and prefers to book all but trivial audit adjustments.

Throughout the external audit, the Audit Committee has provided rigorous challenge around certain judgements made, as an example around the going concern material uncertainty conclusion, the budget supporting going concern and the associated disclosures. The Audit Committee assessed the improved disclosures which resulted from both the FRC review of the 2022 annual report and through the external auditor's review and satisfied themselves with the enhanced disclosure.

However, the culmination of the challenging environment required management and the external auditor further time to complete the half-year and year-end 2023 audits and delayed the announcement of both results.

The Audit Committee is satisfied that the external audit process for 2023 was effective in meeting Governance requirements and fully addressing audit risk areas.

2023 Annual Report and Accounts – fair, balanced and understandable

The Committee provides assurance to the Board that the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position, financial performance, business model and strategy. The Committee concentrated its review of the full year results on the financial statements only and the process which underpinned the drafting of the Going Concern and Viability statement. The Board understands the Audit Committee's review process and reviews the Annual Report to ensure that it is fair, balanced and understandable. The contents of the financial statements and the Going Concern and Viability statements were reviewed by the Committee at the 19 April 2024 meeting. The Board as a whole is responsible for preparing the Annual Report and Accounts. The Committee reported to the Board that, based on its review of the evidence, it was satisfied that 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 performance, business model and strategy.

Significant accounting issues

Significant accounting issues and judgements are identified by the finance team, or through the external audit process and are reviewed by the Audit Committee. The significant issues considered by the Committee in respect of the year ended 31 December 2023 are set out below:

Significant accounting issue	How it was addressed
Going concern	The Audit Committee considered whether it was appropriate to prepare the financial statements on a going concern basis. Management prepared a number of severe but plausible downside scenarios. Management presented and discussed the forecasts with the Audit Committee and noted that there is a possibility under certain scenarios whereby the Group's covenants are breached. The material uncertainty relates to the timing of the recovery from the challenges faced in 2023 and it is due to this uncertainty that the Audit Committee deemed that a material uncertainty exists on going concern and that adequate disclosure is presented within the financial statements. The Audit Committee recommended to the Board that a material uncertainty exists. Refer to note 1 for further information. The forecast was performed through to 2026, which is the time period over which the viability assessment is reviewed. The Board concluded that is was appropriate to prepare the financial statements on a going concern basis.
Working capital valuation	The Audit Committee critically reviewed the carrying value of the Group's working capital. This took into account management's assessment of the appropriate level of provisioning including collectability of receivables and inventory obsolescence throughout the year and with special emphasis on the 2023 year-end process. With regard to inventory, the gross levels held by inventory type, the provisions recorded against obsolescence, and inventory days analysis were also presented to the Committee. In addition, the external auditor presented their findings with regard to the key audit testing over working capital covering all the major locations. The Audit Committee concurred with management's assessment of the Group's working capital position. Refer to section 3.3 for further disclosure and quantification around working capital and the exiting of the motion controls inventory.
Provisions and liabilities	The Audit Committee considered the judgemental issues relating to the level of provisions and other liabilities. The more significant items include restructuring, tax-related, and grant repayment provisions, and taxation. For each area management presented to the Audit Committee the key underlying assumptions and key judgements and, where relevant, the range of possible outcomes. The external auditor also presented on each of these areas and their assessment of these judgements. The Audit Committee has used this information to review the position adopted in terms of the amounts charged and recorded as provisions, acknowledging the level of subjectivity that needs to be applied. The Audit Committee has agreed with the conclusions reached by management and the associated disclosure in the financial statements. The provision has decreased from £7.9 million in 2022 to £5.5 million at the end of 2023. Refer to section 3.5 for further detail.
Adjusting items and discontinued operations	The Audit Committee considered the validity of adjusting items and discontinued operations that were reported in 2023. Adjusting items from continuing operations included within profit before tax were £20.1 million which relate to the amortisation of intangibles assets that are acquired in a business combination (£4.0 million), impairment of assets (£7.3 million), acquisition related charges (£1.3 million), integration, restructuring costs and other costs (£4.9 million), and amortisation of loan fees on borrowings for acquisitions and other interest (£2.6 million). The Committee robustly challenged management around certain adjusting items, specifically on certain restructuring projects. Refer to section 2.2 for further detail. The external auditor presented their findings with regard to key audit testing over adjusting items and the treatment of discontinued operations. The Committee agreed with management's accounting and disclosures.

Audit Committee Report continued

Significant accounting issue	How it was addressed
Capitalisation of development costs	The Committee considered whether the development costs capitalised during the year complied with IAS 38. Management presented a list of the key projects that had been capitalised, along with an assessment of future profitability to support the value on the Balance Sheet. The external auditor also presented their findings. The Committee agreed with management's accounting treatment and related disclosures. Adjusting items from discontinuing operations included within profit before tax were £54.5 million which relate to amortisation of intangible assets (£2.2 million), acquisition related charges (£1.4 million), goodwill impairment (£26.8 million), acquired intangibles impairment (£14.0 million), development costs impairment (£9.1 million), fixed assets impairment (£0.3 million), integration costs (£0.4 million) and amortisation of loan fees on borrowings for (£0.3 million). The treatment of discontinued operations in relation to Lightstream, Amimon, and Syrp were considered, and the Committee agreed with the proposed reporting treatment.
Acquired intangibles	The Committee critically reviewed management's assessment of acquired intangible assets tested for impairment. The external auditor also presented their assessment. The Committee concurred with management's assessment.
Deferred tax	The Committee critically reviewed management's recognition of deferred tax assets. During 2023, the Group's deferred tax asset increased by £2.2 million to £55.4 million. Management has also considered the FRC Thematic review published in September 2022 in relation to IAS 12 and has increased disclosures surrounding the deferred tax asset recognition and sensitivities, including in relation to the material uncertainty around going concern. The external auditor also presented their assessment. The Committee concurred with management's assessment.

Audit Committee objectives

The following table sets out the agreed Audit Committee objectives for 2023 and an assessment of progress against each.

2023 Audit Committee objective	Progress during 2023
External Auditor Carry out an external audit tender process in early 2023 and ensure an orderly handover from Deloitte LLP.	An audit tender process was carried out in May 2023 with the Committee recommending the appointment of PricewaterhouseCoopers LLP as external auditor with effect from the 2024 AGM, subject to shareholder approval. Five audit firms were invited to participate in the tender including two challenger firms. Three proceeded to the final stage, including one challenger firm. The selection committee included the Audit Committee members and management representatives. Input from the Divisions was also considered.
Cyber security Track progress on the Group's cyber security initiatives at each meeting in the year. Define a plan and provide updates on NIST assessment and propose adjustments to the approach to cyber security as appropriate.	The Committee received regular updates on cyber security initiatives during 2023 and was tasked with implementing various solutions in all Divisions to streamline cyber security. During 2023, cyber awareness training was rolled out to all employees. NIST assessments continued throughout the year and will continue into 2024.
Risk management and Business continuity Continue to review the key risks affecting the Group including the macro-economic background, inflation and regulations in the UK and internationally. Assess the adequacy and efficacy of current risk appetite and update this as necessary.	Risk management and business continuity updates were received regularly through the year from the Head of Group Risk Assurance. The Committee recommended to increase the staff in the Risk Assurance function and to retain a third party internal audit firm to add capacity to the team ahead of the 2024 UK Corporate Governance Code changes. Both recommendations were taken on board by management and are expected to be completed in early 2024.
ESG / TCFD Obtain regular updates on ESG and TCFD initiatives in the Group and ensure the climate change framework is appropriate for the Group.	Regular updates were provided to the Committee throughout 2023 by the Head of Group Risk Assurance and in preparation for the year end reporting for 2023.
Governance Keep abreast of the main governance updates in the UK.	The Committee received updates on UK corporate governance from Deloitte LLP, particularly on the 2024 UK Corporate Governance Code.
Management of personnel Manage effectively changes in the Committee's composition, within the finance and risk assurance teams and with the external auditor.	There were several Board and Committee changes in the year and the Committee recommended the approval of PricewaterhouseCoopers LLP as external auditor of the Company, with effect from the 2024 AGM, subject to shareholder approval.

Audit tender process – 2023 for financial year-end 2024 onwards

In 2023, the Audit Committee led a thorough competitive tender process, supported by the Head of Group Risk Assurance, Group Company Secretary and other members of senior management, taking into account the FRC's guidelines on audit tenders during the process.

A timetable for the tender process was produced with the purpose to secure a successor firm to Deloitte for the 2024 year-end audit onwards. The timetable allowed sufficient time to enable any new auditor firm to fully prepare to assume responsibility for a complex and international audit across the Group and to plan for an orderly transition of non-audit services if there were to be a change of auditor.

The Audit Committee, after an initial evaluation, decided on three firms, giving careful consideration to all potential firms that were invited to tender. The Chair of the Audit Committee held meetings with audit partners from candidate firms, supported by the Group Chief Financial Officer, Group Financial Controller and Head of Group Risk Assurance, to assess interest and capability to tender for the audit with a focus on geographical coverage, capability and resources to conduct a complex and international audit.

Following review, the Committee gave approval for a request for proposal to be issued to the shortlisted candidate firms that were eligible to tender. These were issued to candidate firms in March 2023, including full details of the selection criteria to be applied by the Committee.

To ensure that every candidate firm received sufficient information about the Group to adequately inform their tender proposal, each firm attended a series of meetings with members of the Committee and senior management across the Group to discuss key topics. The firms were also provided with equal access to a broad range of information about the Group and the scope of its audit requirements through a data room. Management invited the firms to present to them across a number of areas, such as a use of information technology within the external audit. The firms were invited, and welcomes the opportunity, to visit key locations in the UK, Italy and USA.

The Committee reviewed the tender proposals from each of the candidate firms and met in May 2023 to receive presentations from each firm, led by the proposed Audit Partner of each firm. All members of the Audit Committee attended the presentations as well as key members of senior management involved in the process.

Each firm was rated by the Audit Committee on their audit approach, audit service, fees, capability and competence, team set up, behaviour and deliverables and were rated accordingly.

Audit Committee recommendation

Following a thorough review of each of the candidate firms' proposals and presentations, review of the FRC's review of the firms, results the partners received from internal reviews and partner availability, the Audit Committee was satisfied that each firm had fully participated in the tender process, had demonstrated the capability, geographical reach and capacity to act as the external auditor and, where applicable, would be able to demonstrate independence within required timeframes if selected. Senior management held debrief sessions with each tendering firm to provide feedback to independent partners on the overall process.

At the June 2023 Audit Committee, the Audit Committee subsequently and unanimously recommended PricewaterhouseCoopers LLP as the preferred audit firm, giving supporting justification for the recommendation. The Audit Committee's recommendation was accepted by the Board and a resolution proposing the appointment of PricewaterhouseCoopers LLP as the external auditor for financial year-ending 31 December 2024, will be put forward to shareholders for approval at the Company's 2024 AGM.

Remuneration report

Annual statement

Caroline Thomson

Remuneration Committee Chair

Dear Shareholder

Videndum's Directors' Remuneration report for 2023 comprises three separate sections:

- Section 1 – my annual statement setting out the work of the Remuneration Committee in 2023 and priorities for 2024.
- Section 2 – the Directors' Remuneration Policy ("the Policy") that sets out the Company's policy on Directors' remuneration that was approved by shareholders at the Company's AGM in May 2023.
- Section 3 – the 2023 Annual Report on Remuneration sets out the remuneration paid to Directors in 2023 as well as details of how the Committee intends to implement our Policy for 2024. Shareholders will have the opportunity for an advisory vote on the Directors' Remuneration report at the 2024 AGM.

2023 proved to be a very challenging year for Videndum with several macroeconomic headwinds significantly impacting the financial performance of the business. These included weakened consumer confidence, higher interest rates and retailers and distributors destocking across our three Divisions. The effects of this were compounded by the US writers' and actors' strikes that started in May 2023 and ran through to the end of the year and severely impacted the Company's performance. These events and the Group's financial position resulted in the Directors seeking approval from shareholders to a £125.0 million equity raise that completed on 8 December 2023. The Directors believe that this equity raise will allow Videndum to focus its resources on strategic execution and long-term value creation for shareholders from our market-leading, premium brands focused on the content creation market.

As a consequence, remuneration for the Executive Directors was impacted in several ways. Appropriate performance conditions could not be set as a result of the business uncertainty. This and the material decline in the Company's share price meant that no LTIP awards were made in 2023 to Executive Directors. The weakened financial performance of the Group has also meant that no bonus has been earned in respect of 2023 by the Executive Directors. The structure and outcomes for executive remuneration in 2023 under our Remuneration Policy are therefore aligned to the experience of our shareholders. It is also noteworthy that both Executive Directors significantly participated in the equity raise demonstrating their confidence and commitment to the Company. Indeed, all the Directors and some senior managers together contributed £1.2 million of proceeds.

The Group Chief Executive and his senior leadership team worked tirelessly during 2023 against this challenging backdrop and it is clear to the Board and Remuneration Committee that management was and is fully committed to ensuring that Videndum remains well placed to recover from these events.

During 2023 we renewed our Directors' Remuneration Policy at the 2023 AGM with over 99% of shareholders voting in favour of the new policy. The 2023 AGM also approved the 2022 Remuneration report with over 97% support and renewed the Long Term Incentive Plan rules with over 99% support. The Remuneration Committee is grateful for this level of support which gives assurance that the Committee has structured the Company's remuneration arrangements in the right way to deliver remuneration in line with the Company's performance and aligned to shareholders interests.

Remuneration outcomes for 2023 performance

At the start of 2023, the Committee awarded a salary increase to Stephen Bird of 5% with effect from 1 April 2023 to reflect the same level of increase given to the wider employee population and to ensure that his remuneration remained in line with CEOs of similar sized companies. Andrea Rigamonti's salary was not increased as he had only just been appointed to the role of Group Chief Financial Officer in December 2022.

Having set financial targets for the 2023 Annual Bonus Plan at its February 2023 meeting it became evident that due to macroeconomic challenges and the impact of the writers' and actors' strikes the Company would not achieve threshold profit targets for the 2023 Annual Bonus Plan.

The Committee acknowledges the extraordinary efforts of the Executive Directors and senior management throughout 2023 to protect the business and that performance in respect of the Cash Conversion* metric and Personal Objectives would have merited payment of a partial bonus. However, given the experience of shareholders and also taking into account that many of our employees were on short-time working in 2023 the Committee has determined to exercise its discretion and that no bonus should be payable to the Executive Directors in respect of 2023.

The 2023 Annual Bonus Plan was based 50% on Group adjusted profit before tax* ("PBT"), 25% on Group cash conversion* and 25% on personal objectives, and full details of the targets and outcomes are set out on page 127 to 129.

LTIP awards made in September 2020 to Executive Directors achieved 46.9% of their performance conditions that were measured to 28 February 2023 with an absolute share price of £11.63 achieved compared to a share price at the time of the award of £7.53 and vested at that level on 21 September 2023. The Committee when considering this vesting level was mindful of the deterioration in the Company's share price between the end of the performance period and the vesting date. It noted that the macroeconomic events including the US writers' and actors' strikes, were events beyond management's control. The Committee considered the need to retain and incentivise management and that the vesting profile of LTIP awards over the last five years showed zero vesting for three of those years. The level of total realised pay was also a consideration. This demonstrated that there is no history of soft targets being set for the LTIP. The 2020 LTIP award had been delayed as a consequence of the impact of COVID-19 on the business and management in the period following COVID-19 had delivered on recovering the business from the impact the pandemic had. On this basis, the Committee felt that vesting at this level was an equitable outcome for all stakeholders and in the long-term interests of the Company.

The LTIP award made on 3 March 2021 had its performance based two thirds on adjusted Earnings Per Share* ("EPS") growth and one third on the Company's Total Shareholder Return ("TSR") performance measured against a comparator group through to 31 December 2023. Neither performance condition achieved threshold and the 2021 award lapsed in its entirety on 3 March 2024.

The Committee usually makes Executive Directors and senior managers LTIP awards and RSP awards in March/April. In 2023 this was not possible due to the challenging macroeconomic conditions and particularly the impact of the US writers' and actors' strikes. The Committee was unable to set meaningful performance conditions which both stretch and motivate management. Given this situation the Committee, during 2023, decided that no LTIP awards would be made to Executive Directors. This decision was a necessity in the circumstances the business faced but is clearly not ideal in terms of retaining and incentivising the Executive Directors and senior management and the Committee will take this into account when making awards in 2024.

The Committee approved some modest retention awards of Restricted Share Plan ("RSP") awards in October 2023 to provide retention for key talent in the Group, excluding the Executive Directors. This was considered essential by the Committee to retain and motivate key talent during a particularly challenging and unsettling time for the Group. This RSP award will deliver shares to participants remaining employed with Videndum by the vesting date of March 2026.

Governance and performance of the Remuneration Committee in 2023

The Remuneration Committee during 2023 comprised the following:

Caroline Thomson – Chair

Richard Tyson, Erika Schraner, Teté Soto, Anna Vikström Persson (from 1 May 2023) and Graham Oldroyd (from 12 October 2023).

All members of the Remuneration Committee are independent Non-Executive Directors of the Company.

The Remuneration Committee has been delegated by the Board responsibility to set the remuneration framework for the Group Chief Executive, other Executive Directors and members of the Operations Executive. As Chair of the Committee, I lead this process with the support of the other Committee members. During 2023, we invited the Chairman of the Board, Ian McHoul, Group Chief Executive, Stephen Bird, Group Chief Financial Officer, Andrea Rigamonti, the Chairman Designate, Stephen Harris, the Group Chief Operating Officer, Marco Pezzana and Group Company Secretary, Jon Bolton to attend meetings and to give input unless they were conflicted in a particular matter. To further support the Committee in its duties, the Committee uses the advice and services of FIT Remuneration Consultants who provide independent advisory services on executive remuneration and wider market remuneration issues.

In my role as Chair of the Remuneration Committee, I am available to shareholders to discuss matters relating to Directors, and senior executive remuneration. During 2023 I engaged with several shareholders in the run-up to the 2023 AGM.

The Remuneration Committee held four scheduled meetings in 2023 and one short notice meeting. All members of the Committee attended all meetings in 2023 except for the short notice meeting held in April 2023 which Erika Schraner due to a pre-existing commitment was unable to attend. Despite this, Erika Schraner gave feedback in advance of the meeting on the meeting's business. Apart from normal business such as Directors' duties and conflicts of interest, minutes of previous meetings, matters arising and tracking progress against agreed Committee objectives for 2023, the following specific business was covered at each meeting:

February 2023 – approved the 2022 Annual Remuneration report submitted to the 2023 AGM; approved the Policy report to cover Directors' remuneration that was also submitted to the 2023 AGM for approval; approved new LTIP rules to be submitted to the 2023 AGM for approval; approved the outcome of the 2022 Annual Bonus Plan including an assessment of Executive Directors' personal objectives for 2022 and bonus deferral; update on the indicative outcome of 2020 LTIP awards against performance measures; considered the structure of 2023 LTIP awards and associated performance conditions; approved the final structure of the 2023 Annual Bonus Plan; and approved personal objectives for the Executive Directors for 2023.

April 2023 – short notice meeting – considered the proposed structure and performance conditions to be tied to proposed 2023 LTIP awards. Due to challenges with setting performance conditions given the uncertainty around the Company's performance, the Committee deferred making an award.

August 2023 – considered an update on the proposed 2023 LTIP award and associated performance conditions; the Committee decided it could not set LTIP awards at this time; approved the final vesting level for the 2020 LTIP award.

October 2023 – update on executive remuneration trends provided by FIT Remuneration Consultants; considered an update on proposed 2023 LTIP awards; approved the making of RSP awards to senior executives in the business (excluding Executive Directors); and considered the impact upon share schemes with a potential equity raise for the Company.

December 2023 – considered the proposed structure for the 2024 bonus plan; considered an update on the 2023 bonus plan and potential outcome; 2024 pay rises for Executive Directors and Operations Executive members; decided that no 2023 LTIP awards could be made due to macroeconomic uncertainty; and adjustment of share awards following the £125 million equity raise.

Minutes of each meeting are prepared by the Group Company Secretary and circulated to Committee members following each meeting.

The Remuneration Committee annually sets itself objectives and in 2023, it set the following ones and has measured progress against each.

Remuneration report continued

2023 Remuneration Committee objectives	Progress during 2023
1. Preparation of a new Directors' Remuneration Policy including new LTIP rules and involving consultation with major shareholders ahead of the final Policy being approved by the Committee in February 2023 and submitted for approval at the 2023 AGM.	The updated Policy and LTIP rules were put to shareholders at the Company's AGM on 11 May 2023 and both resolutions were approved with over 99% support from shareholders voting.
2. Prepare and publish a Remuneration report for 2022 setting out clear disclosures and narrative to support remuneration paid (including 2022 bonus) and that ensures sufficient shareholder support at the 2022 AGM.	Remuneration report for 2022 received over 97% support from shareholders at the 2023 AGM demonstrating significant support to the operation of Directors' remuneration and the associated disclosures.
3. Ensure that 2023 incentives (covering the LTIP and Annual Bonus Plan) are set at an appropriate level with suitably stretching performance conditions that balance interests of shareholders and also incentivise management to deliver stretching performance.	Challenging market conditions during 2023 made the setting of performance conditions for the LTIP impossible given the severe downturn in performance. Consequently, no LTIP awards were made in 2023. While financial targets for the 2023 Annual Bonus Plan were set, the downturn in performance culminating in the raising of £125 million of equity means that no bonus was paid for 2023.

2023 Remuneration Committee objectives	Progress during 2023
4. Review the performance of the Committee's remuneration adviser, FIT Remuneration Consultants.	FIT Remuneration Consultants provided independent advice to the Committee throughout 2023 including advice on a new Policy report and Annual Remuneration report, both of which received significant support from shareholders at the 2023 AGM. FIT Remuneration Consultants further provided guidance to the Committee in dealing with remuneration matters against the background of challenging market conditions and the outcome of executive remuneration is reflective of the Company's performance in 2023.
5. Ensure that incentive arrangements drive growth in the business.	Market challenges for 2023 undermined the performance for the business. Incentive arrangements with the exception of the 2020 LTIP award have not achieved threshold performance conditions and have either lapsed or are unlikely to vest.
6. Put in place appropriate retention and incentive arrangements tied to Creative Solutions.	RSP awards for Creative Solutions employees vested in 2023 and secured retention of talent within Creative Solutions with minimal regretted leavers for the business.
7. Progress with succession around committee membership including the chair.	During 2023 Anna Vikström Persson and Graham Oldroyd joined the Committee with a view to progressing succession for the Committee.

Apart from the process of setting itself objectives and measuring progress against each, the Remuneration Committee was also subject in 2023 to an internal evaluation led by the Chairman and Group Company Secretary. The internal evaluation involved a questionnaire to each Committee member. The output from the 2023 Remuneration Committee evaluation included:

- The Remuneration Committee performed well in 2023, meeting high standards in terms of governance despite a very challenging business environment.
- Remuneration Committee meetings are well run with good governance and a rigorous cycle of business followed and the Committee Chair effectively leads the Committee.
- The Remuneration Committee has taken into account the views and experience of shareholders and remuneration outcomes for 2023 are in line with shareholders and other stakeholders experience.
- The Directors' Remuneration Policy is well structured and delivered outcomes in 2023 in line with performance of the business. A priority for the Committee in 2024 is to support the business recovery with appropriately set performance conditions tied to variable remuneration.
- The performance of the Committee's advisor, FIT Remuneration Consultants, was good and supported the Committee on executive remuneration during a challenging year for the Group.
- Succession for the Committee Chair is an issue that requires attention in 2024.

An externally facilitated evaluation will be conducted in 2024.

Implementation of the Policy in 2024

The Committee has approved salary increases for the Executive Directors to be implemented with effect from 1 July 2024 (a deferral of six months) to ensure that the business is showing recovery from 2023 and also to be aligned with the wider workforce. Stephen Bird's salary will be increased by 4% reflecting the same rate for employees and taking into account inflation and remuneration packages for very experienced chief executives. The Committee noted in the 2022 Annual Report that it would look over time to increase Andrea Rigamonti's remuneration in accordance with the policy as Andrea's experience, contribution and importance to the Group increases. The Committee therefore has approved an increase with effect from 1 July 2024 of 10% for Andrea Rigamonti taking into account his remuneration package agreed upon his appointment in December 2022 and to reflect his increasing value to the business and his experience in the role.

Having reviewed fees paid by the market for similar sized companies, the time commitment required by the Chairman and Non-Executive Directors and the Company's current financial performance, it has been agreed that the fees paid to the Chairman and Non-Executive Directors will not be increased in 2024.

The 2024 Annual Bonus Plan for Executive Directors must support the recovery of the business following the challenges experienced in 2023 and deliver against challenging targets for 2024 as well as incentivising and driving the right behaviours. Its structure has similar financial targets as used in 2023 (Group adjusted PBT, free cash flow and personal objectives) and is tied to delivery of the 2024 budget. The 2024 Annual Bonus Plan is structured so that Profit and free cash flow conversion measures are independently assessed. Financial targets and personal objectives for the 2024 Annual Bonus Plan, against which actual performance will be measured, will be disclosed in the 2024 Remuneration report. Malus and clawback provisions will also operate on the 2024 Annual Bonus Plan.

The Committee intends to make awards under the LTIP to the Executive Directors and Restricted Shares to the senior leadership team in 2024 and will take into account the fact that no LTIP awards were made in 2023. The structure of LTIP awards to the Executive Directors will be in line with the Directors' Remuneration Policy and details of the award including performance conditions will be announced to the market when the awards are made. The 2024 LTIP award will take account of both the fall in the share price and the absence of any award in 2023.

Committee priorities for 2024

The Committee in 2024 will focus on the following matters:

- Securing shareholder approval at the 2024 AGM for the 2023 Annual Remuneration report.
- After a period of disruption building a more stable remuneration policy on firm foundations which has the confidence of shareholders and helps motivate and retain key managers.
- Ensuring that the 2024 Annual Bonus Plan drives performance and rewards recovery of the business especially given challenging market conditions.
- Granting LTIP awards in 2024 with suitable award levels and performance conditions that motivate and retain management and drive the recovery of the business.
- Succession planning for the Committee.

Annual General Meeting

The Company's AGM in 2024 will consider an advisory vote on the Annual Remuneration report covering Directors' remuneration paid in 2023. I encourage all shareholders to vote in favour of this resolution. I will attend the AGM and be available to answer questions on remuneration issues either at the meeting itself or ahead of the AGM should any shareholder wish to contact me at info@videndum.com.

Caroline Thomson
Remuneration Committee Chair
22 April 2024

* In addition to statutory reporting, Videndum plc reports Alternative Performance Measures ("APMs") which are not defined or specified under the requirements of International Financial Reporting Standards ("IFRS"). The Group uses these APMs to aid the comparability of information between reporting periods and Divisions, by adjusting for certain items which impact upon IFRS measures, to aid the user in understanding the activity taking place across the Group's businesses. APMs are used by the Directors and Management for performance analysis, planning, reporting and incentive purposes. A summary of APMs used and their closest equivalent statutory measures is given in the Glossary on pages 226 to 232. APMs are indicated by a * throughout this report.

Directors' Remuneration Policy

2023 Directors' Remuneration Policy ("the Policy")

The following is a summary of the Policy that covers remuneration for Directors of the Company for a three-year period from the Company's AGM on 11 May 2023 until the Company's AGM in 2026. The full Policy, as approved by shareholders, is available on the Company's website – www.videndum.com – and is contained in the 2022 Annual Report.

Should there be a need to change the Company's 2023 Policy ahead of the 2026 AGM, shareholders will be asked to approve a revised Policy.

This report contains further information required under the Listing Rules and the 2018 UK Corporate Governance Code.

2023 Remuneration Policy table for Executive Directors

Base salary

Base salary is set at a level to secure the services of talented Executive Directors with the ability to develop and deliver a growth strategy.

Operation	Maximum opportunity	Performance measures
Fixed contractual cash amount usually paid monthly in arrears. Normally reviewed annually, with any increases taking effect from 1 January each year, although the Committee may award increases at other times of the year if it considers it appropriate. This review is dependent on continued satisfactory performance in the role of an Executive Director. It also includes a number of other factors, including experience, development and delivery of Group strategy and Group profitability, as well as external market conditions and pay awards across the Company.	The Committee has not set a maximum level of salary and the Committee will usually award salary increases in line with average salary increases awarded across the Company. Larger increases may, in certain circumstances, be awarded where the Committee considers that there is a genuine commercial reason to do so, for example: – Where there is a significant increase in the Executive Director's role and duties. – Where an Executive Director's salary falls significantly below market positioning. – Where there is significant change in the profitability and/or size of the Company or material change in market conditions. – Where an Executive Director was recruited on a lower than market salary and is being transitioned to a more market standard package as he or she gains experience.	Not applicable

Benefits

To provide Executive Directors with ancillary benefits to assist them in carrying out their duties effectively.

Operation	Maximum opportunity	Performance measures
Executive Directors are entitled to a range of benefits including car allowance, private health insurance and life assurance. Other ancillary benefits may also be provided where relevant, such as income protection, expatriate travel or accommodation allowances. Executive Directors are entitled to participate on the same terms as all employees in the Sharesave Plan or any other relevant all-employee share plan.	There is no maximum level of benefits set, given that the cost of certain benefits will depend on the individual's particular circumstances. However, benefits are set at an amount which the Committee considers to be appropriate, based on individual circumstances and local market practice. Executive Directors' participation in the UK all-employee Sharesave Plan is capped by the rules of the Sharesave Plan (currently £500 per month maximum). An International Sharesave Plan also operates for non-UK employees.	Not applicable

Annual bonus

To provide a material incentive to drive Executive Directors to deliver stretching strategic and financial performance and to grow long-term sustainable shareholder value.

Half of any earned annual bonus (after tax) is deferred into the Deferred Bonus Plan held in the form of shares and focuses the Executive Director on long-term value delivery and growth.

Operation	Maximum opportunity	Performance measures
Paid annually based on performance in the relevant financial year. The amount is determined based on published full year results after the financial year end. Award levels and performance measures are reviewed annually. The Committee ensures that performance measures remain aligned to the Company's business objectives and strategic priorities for the year. Up to half of the annual bonus paid (after tax) is deferred into awards under the Deferred Bonus Plan for a period of three years on a mandatory basis unless the Committee determines an alternative deferral period is appropriate. Awards may be granted in the form of conditional awards, nil-cost options, forfeitable shares or similar rights. After a period of three years, the awards vest in the form of shares in the Company. The Committee retains full discretion to amend the bonus payout (upwards or downwards), if in its opinion any calculation of payout does not produce a fair result for either the individual or the Company, taking into account the overall business performance of the Company. Any such use of discretion will be clearly reported in the next published Remuneration report. Participants may also receive the value of any dividends which would have been paid on shares in respect of which the award vests, which may be calculated assuming reinvestment of the dividends in the Company's shares on a cumulative basis. Such dividends are paid out in the form of additional shares in the Company. In the event of any material misstatement of the Company's financial results, serious reputational damage to the Company caused by a breach of the Company's Code of Conduct or otherwise, a miscalculation or an assessment of any performance conditions that was based on incorrect information, or the occurrence of an insolvency or administration event, malus and clawback provisions may apply for three years from the date of payment of any bonus or the grant of any deferred bonus share award permitting the Committee to reduce, cancel or impose further conditions on awards.	An absolute maximum of 125% of base salary to be paid in each year.	Measures and targets for the annual bonus are set annually by the Committee. Annual bonus measures may be based on the achievement of annual targets set against the Group's adjusted profit before tax*, cash conversion and/or strategic or personal objectives. The Committee reserves the right to change measures or introduce new metrics for each financial year to ensure alignment with the short-term priorities of the business. The Committee reviews targets and objectives annually to ensure the annual bonus remains appropriate and challenging. Targets are typically measured over a one-year period. Payments range between 0% for threshold and 125% of base salary for maximum performance. Awards granted under the Deferred Bonus Plan are not subject to any further performance conditions.

Directors' Remuneration Policy continued

Long Term Incentive Plan ("LTIP")

To provide a long-term performance and retention incentive for the Executive Directors involving the Company's shares.

To link long-term rewards to the creation of long-term sustainable shareholder value by way of delivering on the Group's agreed strategic objectives.

Operation	Maximum opportunity	Performance measures
Under the LTIP, awards are made over a fixed number of shares, which will vest based on the achievement of performance conditions over a performance period of, typically, at least three years. The performance conditions are set by the Committee at the start of the performance period. Awards can take the form of a conditional award of shares, a nil-cost option or similar rights. Awards may be settled in cash (for participants in territories that prohibit settlement in shares). Participants may also receive the value of any dividends which would have been paid on shares in respect of which the award vests, which may be calculated assuming reinvestment of the dividends in the Company's shares on a cumulative basis. The Committee retains full discretion to amend the vesting outcome upwards or downwards if, in its opinion, any calculation or payout does not produce a fair result for either the individual or the Company, taking into account the overall business performance of the Company. Any such use of discretion will be clearly reported in the next published Remuneration report. For Executive Directors, awards are normally subject to a mandatory two-year holding period for any shares that vest. In the event of any material misstatement of the Company's financial results or serious reputational damage to the Company caused by a breach of the Company's Code of Conduct or otherwise, a miscalculation of an assessment of any performance conditions that was based on incorrect information, or the occurrence of an insolvency or administration event, malus and clawback provisions may apply for up to three years from the vesting of an award permitting the Committee to reduce or impose further conditions on awards.	The maximum value of shares over which awards may be granted in respect of each year is 150% of base salary. 200% is permitted in exceptional circumstances determined by the Committee.	LTIP awards may be based on financial, non-financial and/or share price-based performance conditions as determined from time to time by the Committee. The Committee will determine the choice of measures and their weighting prior to each grant and reserves the right to change the balance of the measures as it deems appropriate, such that no measure accounts for less than 25% of the total award. Currently, 33% of the award is subject to the Company's Total Shareholder Return ("TSR") compared to a comparator group measured over a three-year performance period. 67% of the award is subject to targets set against growth (adjusted by the Committee as it considers appropriate) in the Company's adjusted basic Earnings Per Share* ("EPS") over the same three-year performance period. The Remuneration Committee additionally adopts a discretionary underpin on vesting of the LTIP, whereby the Committee will assess the Group's underlying performance in finalising vesting outcomes. In particular, the Committee will assess the Group's ROCE* performance when approving outcomes under the EPS element of awards. At threshold, up to 25% of the award will vest, increasing on a straight-line basis up to 100% for performance in line with maximum. Below threshold none of the award will vest. There is no retesting of any performance measure.

Pension contribution

To provide a benefit comparable with market rates, helping with the recruitment and retention of talented Executive Directors able to deliver a long-term growth strategy.

Operation	Maximum opportunity	Performance measures
Usually paid monthly in arrears. Executive Directors may receive a contribution into the Company's Defined Contribution Plan, a personal pension arrangement and/or a payment as a cash allowance.	All Executive Directors receive a pension contribution of 8% of base salary which is in line with pension contributions provided to the wider UK employee workforce. Salary is the only pensionable element of Executive Director remuneration.	Not applicable.

Notes to the Directors' Remuneration Policy table for Executive Directors

Under the Company's share plans the Committee may: (1) in the event of any variation of the Company's share capital, demerger, delisting, special dividend or other event which may affect the price of shares, adjust or amend awards in accordance with the terms of the plan; and (2) amend a performance condition if an event occurs which causes it to consider an amended condition would be more appropriate and not materially less difficult to satisfy. Any such amendment would be reported in a subsequent Remuneration report. The equity raise of £125.0 million on 8 December 2023 is one such event and adjustment of existing share scheme awards is set out on page 134 of this Report.

When determining Executive Director remuneration policy and practices, the Remuneration Committee takes into account a range of factors as follows:

Clarity – remuneration arrangements are transparent, as set out in the policy table above. The Committee has taken into account the views of shareholders consulting on the content of the policy and further considered remuneration arrangements amongst the wider Videndum workforce. An example of this includes aligning the Executive Directors pension contribution with that of the wider UK employee workforce.

Simplicity – the remuneration structure for the Executive Directors is simple and clearly explained, comprising a mix of short-term and long-term incentives aligned to the Company's strategic objectives. As detailed in the illustrative remuneration performance scenarios on page 121, a significant proportion of Executive Directors remuneration is tied to the achievement of annual and long-term financial performance for the Company.

Risk – remuneration arrangements are structured to avoid excessive risk taking – both reputational and other risks. Malus and clawback provisions operate on the Annual Bonus Plan and LTIP and Executive Directors are required to defer a significant proportion of their annual bonuses for three years and to hold shares vesting under the LTIP for a further two-year holding period, thereby aligning their interests with the long-term interests of shareholders.

Predictability – Videndum's Policy sets out a range of outcomes for Executive Directors, only rewarding for significant growth in the Company. The illustrative remuneration performance scenarios in the table on page 121 sets this out and when determining remuneration outcomes, the Committee ensures to consider that they are aligned to the Company's performance and the experience of shareholders and other stakeholders.

Proportionality – Videndum's Policy and outcomes for Executive Directors remuneration are proportionate and do not reward poor performance. Notably, bonus deferral and the requirement to hold shares vesting under the LTIP for a further two-year holding period from vesting, as well as building up share interests in the Company representing at least 200% of base salary ensure that Executive Directors are focused on the long-term performance of the Company.

Alignment to culture – the Company's incentive schemes are structured to be aligned with the Company's culture, driving the right behaviours. Malus and clawback provisions operate over both the Annual Bonus Plan and LTIP. Performance conditions tied to both also reflect long-term performance being delivered. A proportion of the Executive Directors annual bonus is tied to delivery of ESG targets.

Legacy plans

The Committee reserves the right to make any remuneration payments and payments for loss of office notwithstanding that they are not in line with the Policy set out above where the terms of the payment were agreed: (1) before the Policy came into effect; or (2) at a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company. For these purposes payments include the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are agreed at the time the award is granted. Andrea Rigamonti, who was appointed an Executive Director on 13 December 2022, has an RSP award given to him on 16 November 2021 before he became a Director of the Company. This award will vest to him on 1 July 2024. Details of this legacy award for Andrea Rigamonti are set out on page 136.

Shareholding requirements (including after-employment ceases)

Executive Directors during their tenure are expected to build a shareholding in the Company representing 200% or more of their base salary. All net of tax vested LTIP awards, DBP awards and exercised Sharesave options should be retained by the Executive Director until this requirement has been met. This level of shareholding aligns Executive Directors with the interests of shareholders and ensures that Executive Directors are focused on long-term shareholder value.

Post-employment, Executive Directors are expected to maintain a material level of shareholding in the Company for at least two years from the date of departure made up of the following elements:

- Awards held under the DBP will only vest on their normal vesting dates and will not be accelerated to the date of departure. Upon vesting, such shares are to be retained until at least the second anniversary of the departure date.
- For an Executive Director who is a good leaver, LTIP awards will vest on their normal vesting date and be subject to performance testing, pro rata treatment to the date of leaving and be subject to a two-year holding period (subject to that two-year holding period not being beyond two years from when the individual ceased to be an Executive Director).
- Awards that have already vested under the LTIP are normally subject to a two-year holding period following vesting (but not longer than two years from the date of departure).
- For the avoidance of doubt, any shares purchased by an Executive Director using their own personal funds will not be subject to this post-employment shareholding policy.

The Chairman and Non-Executive Directors are not subject to any such shareholding requirement. However, they are encouraged to hold shares in the Company. Details of Directors shareholdings are set out on page 132 of this Report.

Performance measures

The Annual Bonus Plan is based on both personal and Group financial measures. Typically, the majority of the bonus will be based on financial measures such as Group adjusted profit before tax*. The measures have been chosen to provide a balance between incentivising the delivery of the Group's key financial priorities in any particular year and important individual strategic objectives. The Committee may vary the specific measures and targets year-on-year to ensure that they reflect the key financial and strategic priorities for the Company in any given year. The selection of measures and the setting of targets takes into account the Company's business priorities and risk appetite.

LTIP awards traditionally are based on adjusted basic Earnings Per Share* growth and on TSR performance against a specific comparator group. The Committee considers these to be important measures of performance for the Company over the longer term. While TSR links a portion of the LTIP to the creation of value for shareholders, adjusted basic Earnings Per Share* growth is a Key Performance Indicator for the Group with the combination providing an appropriate balance between growth and returns. The Committee has also adopted a discretionary underpin on vesting of the LTIP, whereby the Committee will assess the Group's underlying performance in finalising vesting outcomes.

Directors' Remuneration Policy continued

In particular, the Committee will assess the Group's ROCE* performance when approving outcomes under the EPS element of awards. While the Committee does not disclose a formulaic target in advance, the Committee will ensure that it provides full retrospective disclosure around its decision-making process, including a summary of the ROCE* trajectory over the performance period. Any changes to these measures will be aligned with the long-term strategy of the Group.

Provisions for the withholding and recovery of sums from the Directors (malus and clawback) are as set out on page 141.

Remuneration Policy for the Chairman and Non-Executive Directors

The table below sets out a description of the Chairman and Non-Executive Directors' remuneration.

Neither the Chairman nor the Non-Executive Directors participate in any Annual Bonus Plan or the Company's share plans.

Role	Purpose	Operation
Chairman	To recruit and retain an independent Non-Executive Chairman reflecting the responsibilities and time commitment for the role. To lead an effective Board enabling delivery on the Group's growth strategy and creation of long-term sustainable shareholder value.	While the Board has not set a maximum level of fee payable to the Chairman, the Board will review the level of fee paid usually on an annual basis and determine whether that is sufficient in terms of market conditions and also the time commitment for the role. The Chairman's fee is an all-inclusive consolidated amount. It is paid in cash, not shares, usually on a monthly basis in arrears. Fees are benchmarked against FTSE-listed companies of a similar size and complexity to Videndum. Any future increases will take into account the need to ensure that the fee remains competitive and reflects the time commitment for the role. The Chairman's remuneration also covers his chairmanship of the Nominations Committee.
Non-Executive Directors	To recruit and retain independent Non-Executive Directors reflecting the responsibilities and time commitment for the role to contribute to an effective Board and to deliver on the Group's growth strategy and creation of long-term sustainable shareholder value.	Fees paid to Non-Executive Directors of the Company consist of the following: – A base fee. – An additional fee for the role of the Senior Independent Director. – An additional fee for chairing the Audit and Remuneration Committee or for the designated Non-Executive Director tasked with oversight of employee engagement. Fees are usually reviewed annually and are benchmarked against FTSE-listed companies of a similar size and complexity to Videndum. All fees are paid in cash, not shares, usually on a monthly basis in arrears.
Benefits	To reimburse the Chairman and Non-Executive Directors for reasonable expenses incurred and bear any costs associated with tax, where relevant.	Expenses are reimbursed as and when incurred relating to the Company's business (including travel and hotel accommodation).

Illustrative remuneration performance scenarios

The following charts set out scenarios for the remuneration of Stephen Bird and Andrea Rigamonti for 2024 in line with the Policy. This includes scenarios for full vesting of LTIP awards based on an award at 150% of salary for Stephen Bird and 125% for Andrea Rigamonti, with one chart showing no share price appreciation and one chart showing a 50% share price appreciation. The charts also reflect Stephen Bird's and Andrea Rigamonti's salary for 2024 (increased with effect from 1 July 2024).

Stephen Bird

Basic remuneration

Minimum base salary (with effect from 1 July 2024)	533,800 (88%)
Benefits	£35,653 (5%)
Pension (8% of salary)	£42,704 (7%)
Total fixed pay (minimum)	**£612,157**

On-target performance:

Fixed pay	£612,157 (53%)
Annual bonus	£333,625 (29%)
LTIP	£200,175 (18%)
Total on target pay	**£1,145,957**

Maximum pay:

Fixed pay	£612,157 (29%)
Annual bonus	£667,250 (32%)
LTIP	£800,700 (39%)
Total maximum pay	**£2,080,107**

Maximum pay (including 50% share price appreciation for LTIP award):

Fixed pay	£612,157 (25%)
Annual bonus	£667,250 (27%)
LTIP	£1,201,050 (48%)
Total maximum pay	**£2,480,457**

Andrea Rigamonti

Basic remuneration

Minimum base salary (with effect from 1 July 2024)	£342,000 (86%)
Benefits	£25,670 (7%)
Pension (8% of salary)	£27,360 (7%)
Total fixed pay (minimum)	**£395,030**

On-target performance:

Fixed pay	£395,030 (55%)
Annual bonus	£213,750 (30%)
LTIP	£106,875 (15%)
Total on target pay	**£715,655**

Maximum pay:

Fixed pay	£395,030 (32%)
Annual bonus	£427,500 (34%)
LTIP	£427,500 (34%)
Total maximum pay	**£1,250,030**

Maximum pay (including 50% share price appreciation for LTIP award):

Fixed pay	£395,030 (27%)
Annual bonus	£427,500 (29%)
LTIP	£641,250 (44%)
Total maximum pay	**£1,463,780**

Notes to illustrative remuneration performance scenarios:

- Fixed pay – base salary as at 1 July 2024 for Stephen Bird and Andrea Rigamonti.
- The total value of benefits received in the year ended 31 December 2023 which included car allowance, private healthcare, income protection and any Sharesave options granted during 2023.
- Pension contribution of 8% for Stephen Bird and Andrea Rigamonti which is in line with the contribution given to the wider UK workforce.
- Annual bonus
  - At threshold – nil.
  - On target – 50% of maximum payout (representing 62.5% of base salary).
  - At maximum – 100% of the maximum payout (representing 125% of base salary).
- LTIP
  - At minimum – nil.
  - On target – 25% vesting under the LTIP (representing 37.5% of base salary for Stephen Bird and 31.25% of base salary for Andrea Rigamonti) and set out at face value, with no share price growth.
  - At maximum – 100% of the maximum payout (representing 150% of base salary for Stephen Bird and 125% of base salary for Andrea Rigamonti) and set out at face value, with no share price growth or dividend assumptions.
  - At maximum with share price appreciation – 100% of the maximum payout (representing 150% of base salary for Stephen Bird and 125% of base salary for Andrea Rigamonti) and showing a 50% appreciation in the share price over the LTIP vesting period.

Directors' Remuneration Policy continued

Consideration of employment conditions elsewhere in the Company

The Committee, when determining Executive Directors' remuneration, takes into account remuneration and employment terms and conditions, including levels of pay for all employees of the Company. The Committee is kept informed of:

- Salary increases for the general employee population.
- Company-wide benefits including pensions, share incentives, bonus arrangements and other ancillary benefits.
- Overall spend on annual bonus.
- Participation levels and outcomes in the Annual Bonus Plan and the LTIP.

When setting the remuneration of the Executive Directors, the Committee has regard to general employment terms and conditions within the Company as set out above. However, it is recognised that the roles and responsibilities of Executive Directors are such that different levels of remuneration apply, with a greater proportion of remuneration tied to the financial performance of the Company. The Committee did not consult with the Company's employees when drawing up the Directors' Remuneration Policy set out in this report. Caroline Thomson is the Non-Executive Director with responsibility for employee engagement, and as part of that role holds regular staff engagement sessions through which she is informed on remuneration issues for the wider Group workforce and keeps the Board fully updated. The detail of this role is given on page 88 of this Annual Report.

Policy on outside appointments

The Committee believes it is beneficial both for the individual and the Company for an Executive Director to take up one external non-executive appointment. Remuneration received by an Executive Director in respect of such an external appointment would be retained by the Director. Stephen Bird is an independent non-executive director and senior independent director of Headlam plc and in this role he receives an annual fee of £50,000 as an independent non-executive director and an annual fee of £10,000 as senior independent director. Under the terms of his service contract, Andrea Rigamonti, with the agreement of the Chairman and Group Chief Executive, may take up one external non-executive appointment of a listed company. As of the date of this report Andrea Rigamonti had not taken up any such external non-executive appointment.

Remuneration Policy for senior managers and other employees of the Group

The Remuneration Policy for senior managers in the Company is similar to that of the Executive Directors although the incentive potential is lower as are salary levels in accordance with levels of responsibility and complexity. They participate in the Annual Bonus Plan with the same structure as the Executive Directors, as well as the LTIP or participation in a RSP, and therefore a significant element of their remuneration is also dependent upon the financial performance of the Company and the Company's share price in addition to individual performance.

Remuneration for all other employees is set taking into account local market conditions to ensure that pay and benefits attract and retain employees in those local markets and help deliver the Group's agreed strategy. A large proportion of employees are able to participate in bonus plans that are tied to Company, Divisional and business unit financial performance as well as individual performance against personal objectives. The structure of bonus plans varies across the employee workforce to achieve different objectives.

Full-time employees of the Company in the UK, US, Italy, France, Germany, Israel, Australia, Japan, Singapore and Costa Rica are able to participate in an all-employee Sharesave Plan granting employees an option to save and purchase a limited number of shares in the Company at a discount to the market price at the time an offer of the Plan is made. Further information on this Plan is given on page 133. Senior managers participate in a RSP (excluding Executive Directors). The RSP awards shares to key employees over a vesting period of up to three years and helps retain and motivate key talent to deliver on the Group's strategic growth objectives.

All full-time employees are also offered membership of a pension scheme upon joining the Company which is compliant with local legal requirements. In the UK, employees are able to join a defined contribution pension plan with the employer making an 8% fixed contribution and the employee required to make a minimum contribution of 4%. The pension contribution is based on base salary only.

The Remuneration Committee is kept informed on Remuneration Policy and arrangements for the wider employee population with regular updates to enable it to stay informed and to assist in setting Executive Directors' remuneration.

Approach to recruitment remuneration

The Committee's Policy is to seek to recruit Directors with the requisite skill and experience to lead the business and grow the value of the Company over the long term. Generally, pay on recruitment will be consistent with the Policy for Executive Directors as set out in the Policy table and set at a level to reflect overall responsibilities.

The Committee has the flexibility to set the salary of a new Executive Director at a lower level initially, with a series of planned increases implemented over the following years to bring the salary to the desired level. Consistent with the regulations, any cap on base salary does not apply. Benefits will be consistent with the Remuneration Policy. Certain additional benefits may be provided such as relocation expenses or allowances. The pension contribution for an Executive Director will be in line with the UK workforce contribution rate (currently 8% of base salary).

However, the Committee may, in its absolute discretion, include remuneration components or awards which are not specified in the Policy table, subject to the maximum level of variable pay set out in the following paragraph, where this facilitates the hiring of candidates of an appropriate calibre and skillset to deliver on the Group's strategy. The Committee will ensure this is only done where there is a genuine commercial need, and where this is in the best interests of the Company and its shareholders. The Committee does not intend to use this discretion to make a non-performance related payment (for example a "golden hello" payment).

The absolute maximum level of variable pay will be 325% of base salary (excluding any buy-out awards) which is in line with the Remuneration Policy set out on the previous page. This comprises up to 125% of base salary under the Annual Bonus Plan and up to 200% of base salary under the Company's LTIP.

In certain circumstances, the Committee may need to make payments or awards to an executive in respect of buying out remuneration arrangements relinquished on leaving a previous employer. When doing so, the Committee will aim to do so broadly on a like-for-like basis with a fair value no higher than the awards foregone. It will take a number of relevant factors into account which may include any performance conditions attached to these awards and the time at which they would have normally vested. These payments or awards are excluded from the maximum level of variable remuneration referred to above.

In the event of any such treatment, the Committee will explain in the next Annual Remuneration report the rationale for the relevant arrangements.

Executive Directors' service contracts

The Executive Directors' service contracts are as follows:

Role	Date of contract	Notice period from the Company to the Executive	Notice period from the Executive to the Company
Stephen Bird, Group Chief Executive – appointed on 14 April 2009	28 January 2009	12 months	6 months
Andrea Rigamonti, Group Chief Financial Officer – appointed on 13 December 2022	13 December 2022	12 months	6 months

The terms of the service contracts for Executive Directors do not provide for predetermined amounts of compensation in the event of early termination by the Company. The Remuneration Committee's policy in the event of early termination of employment is set out below.

For future appointments of Executive Directors, notice periods due from any new Executive Directors will be symmetrical with the notice period from the Company.

Policy on payment for loss of office

Executive Directors' notice periods under service contracts are summarised in the table above. The Committee believes that the Company's policy on payment for loss of office and the structure of notice periods is sufficient to ensure that the Executive Director has security of tenure and also that the Company has sufficient retention and notice periods to enable an orderly process for succession planning. In the Committee's opinion, any shorter notice period would not be in the Company's best interests and would risk the stable running of its operations. The Committee, however, will not give any Executive Director a service contract of greater than 12 months' notice.

In the event of termination of office, the Committee will consider the circumstances including notice period contained within the service contract, the circumstances surrounding the termination notably including the individual's performance and what is considered to be in the Company's best interests. The terms of service contracts do not provide for predetermined amounts of compensation in the event of early termination of employment. The Committee maintains full discretion as how to treat each such termination upon its merits when trying to mitigate the cost of termination but ultimately honouring contracted terms. Dealing with each specific element of remuneration for an Executive Director this would mean the following:

- Base salary, pension and other benefits (including legal fees and outplacement costs) – these will be paid for the notice period, subject to being mitigated if the Executive Director finds other suitable employment. This means that each element will continue to be paid on a monthly basis in arrears during the notice period either to the end of the notice period or if earlier to the point at which the Executive Director finds other suitable employment or a mutually agreed date within the notice period. Although not covered by the service contract, the Company will pay reasonable legal expenses and any recruitment outplacement costs to assist the Executive Director in their exit. The Committee will determine the reasonableness of such costs keeping in mind shareholders' best interests.
- Annual Bonus Plan – as a general rule, Executive Directors have no entitlement to a bonus payment in the event that they cease to be employed. However, they may be considered for a bonus payment in certain good leaver circumstances. In such cases the Committee will generally prorate an annual bonus to the date of termination and the payment of the annual bonus will usually be dependent upon the satisfaction of financial performance conditions and an assessment of the achievement of personal objectives up to the point of leaving the Company. The Committee reserves an absolute discretion in circumstances which it considers appropriate to enable a full year's annual bonus to be paid in full to an Executive Director in accordance with the limits and rules of the Annual Bonus Plan applying to the Executive Director.
- Long Term Incentive Plan – awards granted under the Company's LTIP are generally treated as follows: if a participant ceases office or employment with the Group his/her award will lapse unless he/she is deemed to be a good leaver or dies in service. An individual is a good leaver if he/she ceases employment because of ill-health, injury, disability, the sale of the employing company or business out of the Group or for any other reason at the Committee's discretion, for example early retirement, but expressly not for where a participant is summarily dismissed. Except in the case of death (where awards vest following death, unless the Committee determines otherwise), awards will normally vest on the normal vesting date, unless the Committee determines that awards should vest at the time the individual ceases employment. The Committee, when determining the level of an award to vest, will take into account satisfaction of relevant performance conditions tied to the award and the period of time that has elapsed since the award was granted until the date of cessation of employment.
- Deferred Bonus Plan – awards under the DBP will vest on their normal vesting date (unless the Committee determines that awards should vest on the individual's cessation of employment) except in the case of: (1) death – when awards will vest following an individual's death; and (2) gross misconduct – when awards will lapse.

When negotiating the exit package of an Executive Director, the Committee will ultimately aim to mitigate the cost of any termination payment while also treating fairly the Executive Director, honouring the terms of a service contract and acting in the Company's best long-term interests. The Committee will, upon reaching an agreement with an Executive Director on the terms of termination, publish details both with an announcement and with details published in the subsequent Remuneration report and this will include an explanation of any use of discretion.

Change of control

In the event of a change of control of the Company, LTIP and DBP awards will vest with the Committee taking into account, in the case of LTIP awards, the extent to which the relevant performance conditions have been satisfied and, unless the Committee determines otherwise, the period of time that has elapsed since grant. In the event of a winding-up of the Company, demerger, delisting, special dividend or other event that may affect the share price, the Committee may also allow awards to vest on the same basis.

Directors' Remuneration Policy continued

Chairman and Non-Executive Directors

The Chairman and Non-Executive Directors do not have service contracts but serve under letters of appointment.

The initial period of their appointments is three years but their appointments may, by mutual consent and with the approval of the Nominations Committee and the Board, be extended for a further three years. Appointments may be extended beyond six years by mutual consent and with the approval of the Nominations Committee and the Board, if it is in the interest of the Company to do so. Under the letters of appointment, notice can be given by either party upon one month's written notice. Apart from the disclosure under the Policy table for the Chairman and Non-Executive Directors there are no further obligations which could give rise to a remuneration or loss of office payment under the letters of appointment. All Directors are subject to annual reappointment by the shareholders at the AGM.

Copies of the Executive Directors' service contracts, the Chairman's and each Non-Executive Director's letters of appointment are available on our website at www.videndum.com.

Consideration of shareholder views

The Committee took into account the views of its shareholders concerning the 2023 Policy for the remuneration of Directors that was approved at the 2023 AGM. This followed a consultation process in late 2022 and early 2023. This consultation gave assurance to the Remuneration Committee on the structure of the Policy.

The Company received over 97% support for the 2022 Annual Report on Remuneration at the 2023 AGM, and over 99% support for the Directors' Remuneration Policy report. This indicates a strong level of support from shareholders to the Company's remuneration policy and operation of that policy.

The Committee would engage with shareholders ahead of any material change to the Policy for the Company relating to its Directors and in accordance with the UK Corporate Governance Code engages with shareholders should there be a material level of dissatisfaction from shareholders with Directors' remuneration. A material level of dissatisfaction from shareholders would be more than 20% of shareholders voting against, or abstaining on, a vote related to Directors' remuneration.

Caroline Thomson, Remuneration Committee Chair, remains available to discuss the Company's Remuneration Policy and implementation of it with shareholders.

This Annual Report on Remuneration and the Annual Statement will be put to an advisory vote at the 2024 AGM.

Annual Report on Remuneration

Directors' single figure of total remuneration (audited)

The following table sets out the single figure of total remuneration for Directors for the financial years ended 31 December 2023 and 2022.

	Salary/ fees £	Benefits[1] £	Pension[2] £	Annual bonus[3,6] £	LTIP[4] £	Total £	Total fixed remuneration	Total variable remuneration
Executive Directors								
Stephen Bird								
2023	**507,199**	**35,653**	**40,576**	**0**	**0**	**583,428**	**583,428**	**0**
2022	488,868	31,292	97,774	307,987	224,956[4]	1,150,877[4]	617,934	532,943[4]
Andrea Rigamonti (appointed 13 December 2022)[5]								
2023	**310,000**	**25,670**	**24,800**	**0**	**0**	**360,470**	**360,470**	**0**
2022	16,439	1,336	1,315	8,564	0	27,654	19,090	8,564
Chairman and Non-Executive Directors								
Ian McHoul								
2023	**181,750**	**0**	**0**	**0**	**0**	**181,750**	**181,750**	**0**
2022	175,000	0	0	0	0	175,000	175,000	0
Caroline Thomson								
2023	**69,738**	**0**	**0**	**0**	**0**	**69,738**	**69,738**	**0**
2022	67,750	0	0	0	0	67,750	67,750	0
Richard Tyson								
2023	**62,738**	**0**	**0**	**0**	**0**	**62,738**	**62,738**	**0**
2022	53,144	0	0	0	0	53,144	53,144	0
Erika Schraner (appointed 1 May 2022)								
2023	**64,738**	**0**	**0**	**0**	**0**	**64,738**	**64,738**	**0**
2022	39,007	0	0	0	0	39,007	39,007	0
Teté Soto (appointed 24 Nov 2022)								
2023	**54,738**	**0**	**0**	**0**	**0**	**54,738**	**54,738**	**0**
2022	5,395	0	0	0	0	5,395	5,395	0
Anna Vikström Persson (appointed 1 May 2023)								
2023	**36,933**	**0**	**0**	**0**	**0**	**36,933**	**36,933**	**0**
2022	0	0	0	0	0	0	0	0
Graham Oldroyd (appointed 12 October 2023)								
2023	**12,171**	**0**	**0**	**0**	**0**	**12,171**	**12,171**	**0**
2022	0	0	0	0	0	0	0	0
Stephen Harris (appointed 9 November 2023)								
2023	**7,974**	**0**	**0**	**0**	**0**	**7,974**	**7,974**	**0**
2022	0	0	0	0	0	0	0	0
Total								
2023	**1,307,979**	**61,323**	**65,376**	**0**	**0**	**1,434,678**	**1,434,678**	**0**
2022	845,603	32,628	99,089	316,551	224,956	1,518,827	977,320	541,507

Annual Report on Remuneration continued

Directors' single figure of total remuneration (audited) continued

Notes:
1 Taxable benefits include car allowance, healthcare cover and income protection.
2 Stephen Bird received a pension contribution of 20% of base salary in the year ended 31 December 2022 which was taken in the form of a cash payment. Stephen Bird's pension contribution was reduced to 8% of salary with effect from 1 January 2023. Andrea Rigamonti received a pension contribution of 8% of salary.
3 For the 2023 Annual Bonus Plan, Stephen Bird's and Andrea Rigamonti's bonus potential was 125% of base salary. 50% of the annual bonus is deferred into the Deferred Bonus Plan. Further details are set out in the "Further notes" section on the following page.
4 The 2020 LTIP award had a performance period running to 28 February 2023 and vested on 21 September 2023 at a rate of 46.9% . The 2022 Remuneration report provided an estimated value for the vesting based on performance conditions being assessed at 31 December 2022 and with an indicated vesting level of 46.8% and using a closing mid-market share price of £10.78 based on 31 December 2022. The final vesting outcome and actual value delivered to participants is updated and shown in the table above for 2022. The value in the table above has been updated to reflect the actual value received by the Executive Directors on 21 September 2023 (£3.095 per share) in contrast to the value shown in the 2022 Remuneration report. Full details of the 2020 LTIP award are set out on page 129. The LTIP award for 2021 failed to achieve its performance conditions and lapsed in full on 4 March 2024. Details are set out on page 130 of this report.
5 Andrea Rigamonti was appointed a Director on 13 December 2022 under a service contract of the same date. Remuneration disclosed reflects the term of the appointment as a Director in 2022.
6 In 2023, the Remuneration Committee used discretion not to pay a bonus under the Annual Bonus Plan to the Executive Directors. Despite a bonus being earned under certain elements (personal objectives and cash conversion*), the Committee took the view that no bonus should be paid to reflect the experience of shareholders in 2023 and employees, many of whom were on short-time working.

Each Director has confirmed in writing to the Company that the information in the single figure remuneration table is correct and that they have not received from the Company any other items of remuneration other than disclosed.

Further notes to the Directors' single figure of total remuneration table (audited)

(1) Base salary

The table below shows base salaries paid for each Executive Director in 2023.

Executive Director	2023 salary
Stephen Bird	£507,199
Andrea Rigamonti	£310,000

(2) Benefits

The single figure of total remuneration table sets out the total value of benefits received by each Executive Director in 2023. Details are as follows:

Executive Director	Car allowance	Healthcare cover	Income protection	Other (Sharesave)	Total
Stephen Bird	£25,356	£5,497	£4,800	£0	£35,653
Andrea Rigamonti	£18,323	£2,547	£4,800	£0	£25,670

(3) Pension allowance

The table below sets out the value of the cash payment in lieu of pension for each Executive Director in 2023.

Executive Director	Pension allowance
Stephen Bird (representing 8% of base salary)	£40,576
Andrea Rigamonti (representing 8% of base salary)	£24,800

Stephen Bird's pension contribution was reduced to 8% of base salary with effect from 1 January 2023 (from 20%). The level of 8% of base salary is in line with pension contributions to the wider UK employee workforce in the Group.

(4) Annual bonus

In 2023, each Executive Director was eligible to receive, subject to performance, a maximum bonus of up to 125% of base salary, half of which is deferred into the DBP. The structure of the 2023 Annual Bonus Plan was as follows:

- The financial elements of the Annual Bonus Plan for each Executive Director were based upon actual financial results achieved for Group adjusted profit before tax* and Group conversion of adjusted operating profit* into adjusted operating cash flow* (over a half year and full year average target) measured against financial targets set by the Board. The Group adjusted profit before tax* financial element represented 50% of the maximum bonus that could be earned and the Group conversion of adjusted operating profit* into adjusted operating cash flow* represented 25% of the maximum bonus that could be earned (with one-third based on half year 2023 performance and two-thirds based on the full year 2023 performance).
- Under the rules of the 2023 Annual Bonus Plan, each of the above financial performance metrics are assessed independently of one another so that should threshold not be achieved for one performance condition, that bonus could still be earned for the other financial performance condition.
- The Remuneration Committee considered that these two financial performance conditions are key financial measures for the Group driving the right behaviour in terms of achieving adjusted operating profit* and adjusted operating cash flow* generation and had the most direct impact upon shareholder value for the year ended 31 December 2023. The financial targets were set by the Board and Remuneration Committee at the beginning of 2023.
- The personal objective element of the 2023 Annual Bonus Plan for each Executive Director, representing 25% of the maximum bonus that could be earned, was based upon individual performance measured against stretching personal objectives set by the Board and Remuneration Committee, as set out in summary below.

Stephen Bird – 2023 personal objectives

Objective		Assessment
Continue to build a world-class organisation including: development of the Group Chief Operating Officer and Group Chief Financial Officer; keep the Operations Executive team motivated with increasing attention around succession. **(20%)**	→	Objective largely achieved despite the impact of macroeconomic events in 2023, notably including the promotion of Marco Pezzana to the role of Chief Operating Officer, retention of the Operations Executive and development of the Group Chief Financial Officer following his appointment in December 2022 in an extremely challenging financial year.
Deliver Group strategy including: reposition the Group's stated financial ambition with stakeholders; develop strategic thinking and execution around Creative Solutions; execute on strategic ambition for other parts of the Group including audio ambition; and development of defence strategy. **(35%)**	→	Objective significantly impacted by macroeconomic environment in 2023. The business determined to focus Creative Solutions on its core content creation market and to divest of both Lightstream (sold October 2023) and Amimon (held for sale).
Develop Group structure: with the Group Chief Operating Officer develop and deliver cross divisional operating synergies and a Group-wide operating structure to support the strategy and maximise value. **(20%)**	→	Restructuring initiatives in 2023 delivered circa £8.0 million cash savings in 2023. Wider plans to optimise the Group structure were impacted by the macroeconomic environment.
ESG: continue the development of a well-rounded Group ESG programme with publication of ESG and TCFD report in line with GRI standards; clear roadmap to carbon neutral by 2025; net zero by 2035; ensure that main operational sites have specific plans for emissions reductions tied to Group targets; develop the Group's product sustainability and life cycle of products; and progress gender diversity in the organisation particularly in the senior leadership. **(15%)**	→	Progress on the Group's ESG programme in 2023 continued to be made including publication of standalone ESG and TCFD Reports in April 2023, an 18% reduction in Scope 1 and 2 emissions in 2023 moving towards carbon neutral and net zero targets, continuing collection of Scope 3 emissions data and progress on product sustainability including the successful launch of Salt-E Dog, a sodium battery designed and built for the motion picture and television industry that delivers reliable power that is cleaner and more environmentally safe than fossil fuel or lithium generators.
Develop the Board's knowledge particularly around markets, customers, R&D and technological developments. **(10%)**	→	Objective significantly impacted by macroeconomic environment in 2023 and Board changes.

Annual Report on Remuneration continued

Andrea Rigamonti – 2023 personal objectives

Objective	Assessment
Build a world-class finance organisation: recruit a Group Financial Controller; development of direct reports; ensure appropriate delegation to direct reports; limit turnover and develop career paths for wider finance teams; and evolve Financial Planning and Analysis team. **(25%)**	Foundation steps taken towards a world class finance team notwithstanding the delays in the half-year and year-end results. Successfully recruited and inducted a Group Financial Controller and ensured clarity of reporting with four direct reports. Despite the macroeconomic challenges in 2023, successfully retained the wider finance team and elevated the team's capabilities notably responding to a series of challenging events in 2023.
Deliver 2023 performance: deliver H1 and 2023 financial performance in line with consensus; develop and execute on self-help plans; execute on an audit tender; execute term loan refinancing; and simplification of Group structure. **(20%)**	Objective significantly impacted by the macroeconomic environment in 2023 and the writers' and actors' strikes. Despite these challenges, successfully developed and delivered on self-help cost control measures with the Group Chief Operating Officer, delivering circa £8.0 million cash savings in 2023. Executed on an audit tender with the outcome being the recommended appointment of PricewaterhouseCoopers LLP. Renegotiated financial covenants tied to the Group's finance arrangements and delivered on an equity raise of £125 million.
Progress delivery of Group strategy in line with ambition: progress restructuring initiatives with the Group Chief Operating Officer; develop in conjunction with the Group CEO the Group's strategy; and minimise macroeconomic challenges upon strategic ambition. **(15%)**	Objective significantly impacted by the macroeconomic environment, but delivered on self-help cost control measures. Supported the Group Chief Executive on a strategy review particularly focusing on costs, leverage and net debt implications.
Proactively manage Investor Relations programme including: leading financial aspects of IR meetings with investors and analysts; and proactively developing the share register including with prospective investors. **(10%)**	Supported a proactive investor relations programme in 2023 culminating in the £125 million equity raise.
Progress with personal development given appointment to Group CFO role in December 2022: work with an experienced coach to broaden vision, behavioural and leadership; leverage third party resources to support development; and regular engagement with Board Chair and Audit Chair and Group Chief Operating Officer. **(20%)**	Engaged with an external mentor in 2023 to develop broader vision, behavioural and leadership competencies coupled with attendance at the Deloitte Academy to broaden skills.
Review the Group's risk management approach and activities, incorporating a formal Board review of risk appetite and risk tolerance. **(10%)**	Delivered a detailed risk appetite and tolerance update to the Board ensuring a more considered risk management process.

The personal objectives set out above are a summary and are underpinned by more detailed objectives which are considered to be commercially sensitive. The 2023 personal objectives were set by the Board and Remuneration Committee at the start of 2023. Despite both Executive Directors performing strongly in 2023, the Committee, due to the financial performance of the Company and experience of shareholders in 2023 as well as that many employees for the Group were on short-time working, decided that no bonus would be payable under the personal objectives element of the 2023 Bonus Plan.

2023 annual bonus outcome

The table below sets out the annual bonus outcome for Executive Directors in respect of the year ended 31 December 2023 including the financial trigger points used in determining whether a bonus was payable. While the Executive Directors in 2023 performed strongly during a very challenging year for the Group, the Committee, in light of the experience of shareholders and also with many of the Group's employees on short-time working, decided that no bonus was payable to the Executive Directors for 2023. This outcome does not reflect the performance of the individuals but is simply reflective of the financial performance of the Group due to external factors beyond management's control.

Name	Bonus potential	Elements of bonus potential	Threshold	Target	Maximum	Actual Group performance/ assessment of personal objective performance	Payout	Total
Stephen Bird	125% of annual salary	50% Group adjusted PBT*	£45.9m	£54.0m	£62.1m	£1.0m	£0	0%
		25% Group Conversion of adjusted operating profit* into adjusted operating cash flow*	H1: 45.0% FY: 63.0%	50.0% 70.0%	55.0% 77.0%	H1: 93.4% FY: 84.4%	£0	0%
		25% personal objectives				0%	£0	
		Payout due to Executive Director at each level	£160,410	£320,819	£641,638			
						Total	**£0**	**0%**
Andrea Rigamonti	125% of annual salary	50% Group adjusted PBT	£45.9m	£54.0m	£62.1m	£1.0m	£0	0%
		25% Group Conversion of adjusted operating profit* into adjusted operating cash flow*	H1: 45.0% FY: 63.0%	50.0% 70.0%	55.0% 77.0%	H1: 93.4% FY: 84.4%	£0	0%
		25% personal objectives				0%	£0	
		Payout due to Executive Director at each level	£96,875	£193,750	£387,500			
						Total	**£0**	**0%**

For the 2023 Annual Bonus Plan, a straight-line sliding scale operated between each of the above trigger points for both financial targets. The Board and Remuneration Committee considered and approved the above financial metric trigger points at its meeting in February 2023 and at that point in time considered that they were appropriate and sufficiently stretching for 2023. Having set the financial targets in February 2023, it became evident that a combination of challenging macroeconomic factors combined with the US writers' and actors' strikes in mid-2023 meant that the Company's financial performance would be materially lower than those set for the 2023 Bonus Plan. The material decline in the Company's share price during 2023, the suspension of dividend payments to shareholders, a large number of employees on short-time working and culminating in the Board raising £125 million from shareholders by way of an equity raise in December 2023 led the Committee to decide to exercise discretion and determine that no bonus would be paid for 2023. The Remuneration Committee acknowledged the tremendous dedication of the Executive Directors and senior management who all worked tirelessly during 2023 but it was clear to the Committee that no bonus could be paid for 2023.

In the event that a bonus is earned, half of the annual bonus (after tax) is deferred into the DBP. The deferred bonus is used to purchase award shares to be held in trust for a three-year period. No matching award shares can be earned under the DBP. After three years, the award shares are released from the trust to the Executive Directors.

(5) Long-term incentives – Long Term Incentive Plan ("LTIP") and Deferred Bonus Plan ("DBP")

The long-term incentive awards value shown in the single figure of total remuneration table relate to the following awards:

Awards made in 2020 and vesting on 21 September 2023 in respect of performance to 28 February 2023

In 2020, due to the impact of COVID-19 upon the business, the award of LTIPs to Executive Directors and senior management was delayed. This was due to difficulties in setting appropriate performance conditions tied to awards given the impact of the pandemic upon the business and its financial performance. Given this challenge, the Committee consulted with its major shareholders to consider how to structure LTIP awards for 2020 with the objective to drive management in the recovery of the business following the impact of COVID-19.

On the basis of this feedback, the 2020 LTIP awards were granted on 21 September 2020 and only vested if stretching absolute targets around share price were met and if Videndum's relative TSR was also in the top half of the FTSE 250 constituents (excluding financial services companies and investment trusts).

Annual Report on Remuneration continued

For the awards to vest in full, Videndum's share price needed to be £18 or higher on 28 February 2023 and Videndum's relative TSR needed to be at least in the upper quartile of the FTSE 250. Given the stretching nature of the targets and the exceptional circumstances the Remuneration Committee made awards to the Executive Directors of 200% of salary which is the maximum permitted under the Directors' Remuneration Policy.

The Remuneration Committee retained discretion to reduce vesting of the 2020 LTIP if it felt appropriate to do so.

The following provides details of the 2020 LTIP awards made on 21 September 2020 to the Executive Directors including performance conditions.

(1) Absolute share price target

- The first performance condition was based on the achievement of absolute share price targets by 28 February 2023, whereby 25% of the total award would vest should Videndum's absolute share price reach £9.00 and full vesting of the total award be achieved if Videndum's absolute share price reached £18. Vesting between these prices operated on a straight-line basis in accordance with the Directors' Remuneration Policy and in line with the table below.
- No shares vested if the absolute share price does not reach £9.00.
- The share price at the start and end of the performance period will be averaged over three months.

Videndum absolute share price	% of total award to vest
£9.00	25%
£10.00	33.33%
£11.00	41.67%
£12.00	50%
£13.00	58.33%
£14.00	66.67%
£15.00	75.00%
£16.00	83.33%
£17.00	91.67%
£18.00	100%

(2) Relative TSR target

- The second performance condition was that the award was also subject to a relative TSR condition, with vesting at points shown below (which remain unchanged from arrangements for existing LTIP awards and in line with existing policy). For the award to vest in full, Videndum needed to have met the absolute share price target and be in the upper quartile of the FTSE 250 Index (excluding financial services companies and investments trusts). The relative TSR ranking effectively worked as a downward modifier and none of the shares vested if Videndum's performance were below the median at the end of the performance period. This performance condition was measured from 1 July 2020 through to 28 February 2023 with the same averaging of share price over three months.
- A straight-line sliding scale operated at points between this and vesting will not occur below the median.

Videndum's TSR ranking compared to FTSE 250 constituents (excluding financial services companies and investment trusts)	% of total award to vest
Below median	0%
Median	25%
Upper quartile	100%

ROCE

- The Remuneration Committee also took into account a ROCE* underpin to ensure the underlying financial performance of the business as part of the vesting outcome. The Committee also retained a discretion to scale back the vesting of an award should it result in an unfair outcome for shareholders.

Dividends that would have been paid on shares vesting under the LTIP during the performance period are reinvested in additional shares for each of the above awards. The two-year holding period post-vesting will apply in the normal way.

There is no retesting of any performance condition under any of the above awards.

TSR is calculated on the basis of growth in the Company's share price over the performance period from 1 July 2020 through to 28 February 2023 plus dividends paid during that period and is expressed as a percentage of average compound annual growth. Share price performance is averaged over three months at the start and end of a performance period to eliminate volatility that may result in anomalous outcomes. The TSR performance is independently verified by FIT Remuneration Consultants on behalf of the Committee to determine the outcome.

Outcome

FIT Remuneration Consultants on behalf of the Committee assessed the final outcome of the 2020 LTIP award as at 28 February 2023. That assessment was that 46.9% of the 2020 LTIP award vested based on: Videndum's absolute share price for the three months ended 28 February 2023 being £11.63 and Videndum's relative TSR being ranked at the 82nd percentile against the comparator group. The remuneration table on page 125 shows the value actually delivered to the Directors in respect of the vesting 2020 LTIP award that vested on 21 September 2023. It is noted that the Company's ROCE* for the year ended 31 December 2022 was 18.8% (2021: 18%, 2020: 4.2%).

LTIP awards made in 2021 and vesting in respect of performance to 31 December 2023

For awards made in 2021, 33% of an award was subject to TSR with the Company's TSR performance ranked against the constituents of the FTSE 250 Index (excluding financial services companies and investment trusts) over a three-year performance period. Threshold performance for the TSR performance condition will be at the median point of the comparator group and will result in 25% of an award vesting. Full vesting for the TSR element will be at the upper quartile point of the comparator group. A straight-line sliding scale operated between each of the above points. Below threshold performance none of the award will vest.

67% of the award is subject to adjusted Earnings Per Share* growth over a three-year performance period ending 31 December 2023. The threshold for adjusted basic Earnings Per Share* vesting was set at 60 pence per share and full vesting for adjusted basic earnings per share* was set at 100 pence per share with a straight-line progression between each point. Below threshold performance, none of the adjusted basic Earnings Per Share* element will vest.

Vesting will be underpinned by Remuneration Committee discretion that will take into account, in particular, ROCE performance over the performance period for the EPS* element of the award.

The Company's adjusted basic EPS* for the year ended 31 December 2023 was 8.5 pence and the Company's TSR for the three-year performance period ended 31 December 2023 was -56% and with the Company ranked at the 8th percentile against the comparator group. Neither the TSR performance condition or EPS* performance condition achieved threshold performance and so the 2021 award did not vest and lapsed in full on 4 March 2024.

LTIP award – 2023

The Committee would normally make an LTIP award to the Executive Directors following the announcement of the prior year results in March/April each year. This would be on the basis of an award representing 150% of salary for the Group Chief Executive and 125% for the Group Chief Financial Officer. The Committee at its February 2023 meeting considered the structure of such an award with performance conditions based on the following:

- Adjusted EPS* growth over a three-year period with threshold set at a certain level of EPS* and full vesting set at a higher level of EPS* and with a straight-line progression between each point.
- TSR – 33% of the award is based on the Company's TSR performance measured over a three-year performance period plus dividends paid during that period and expressed as a percentage of average compound annual growth. Share price performance is averaged over three months at the start and end of the performance period to eliminate volatility that may result in an anomalous outcome. The TSR performance is independently verified by FIT Remuneration Consultants on behalf of the Committee and is ranked against the comparator group companies' TSR performance to determine the outcome.
- Vesting of an award would normally be underpinned by Remuneration Committee discretion that takes into account, in particular, ROCE* performance over a three-year performance period for the EPS* element of the award.

Given the significant impact of macroeconomic events coupled with the writers' and actors' strikes, the Committee made no LTIP awards in 2023 on grounds that it was not possible to set meaningful performance conditions at such a turbulent time for the Group.

Deferred Bonus Plan 2023 awards

The following table provides details of the awards made under the DBP on 3 April 2023 in respect of the 2022 annual bonus. There are no performance conditions or matching shares associated with these awards. The shares are held in an Employee Benefit Trust on behalf of the Directors. The deferral represents 50% of the after tax bonus paid for the 2022 annual bonus for the Group CEO. Andrea Rigamonti's deferral of 2022 bonus was at a proportional level given his appointment as Group CFO with effect from 13 December 2022. Normally, Executive Directors are required to defer 50% of any after tax annual bonus into the DBP. The 2023 DBP award will be released on the third anniversary of the award – 3 April 2026.

Director	Type of award	Number of shares awarded	Face value[1]	End of holding period
Stephen Bird	Shares awarded using deferred Annual Cash Bonus	9,093	£80,492	100% of award on 3 April 2026
Andrea Rigamonti[2]		317	£2,805	100% of award on 3 April 2026

1 Face value has been calculated using the Company's share price at the date of the award of £8.76.

2 Andrea Rigamonti became a Director on 13 December 2022. His 2023 DBP award will remain in the Employee Benefit Trust and only vest at the end of the deferral period on 3 April 2026.

Payments to past Directors for loss of office (audited)

There were no payments to past Directors of the Company for loss of office in 2023.

Chairman and Non-Executive Directors

The Chairman and Non-Executive Directors were paid the following fees in 2023:

Role	2023 annual fee	Comment
Chairman	£184,000	Fee increased to £184,000 with effect from 1 April 2023 from £175,000 reflecting a 5% increase given to the wider UK workforce in 2023 and also benchmarked against roles for Chairman of similar sized listed companies and the time commitment for the role
Non-Executive Director	£55,400	Base fee increased to £55,400 with effect from 1 April 2023 from £52,750 reflecting a 5% increase given to the wider UK workforce and benchmarked against roles for non-executive directors of similar sized listed companies and the time commitment for the role
Chair of Audit Committee	£10,000	Fee was last increased on 1 January 2014
Chair of Remuneration Committee	£10,000	Fee was increased on 1 January 2019
Senior Independent Director	£8,000	Fee was increased on 1 January 2019
Employee Engagement Non-Executive Director	£5,000	Fee introduced with effect from 1 January 2019 to reflect new role under 2018 UK Corporate Governance Code

The above fees are reviewed annually by the Board with the support of FIT Remuneration Consultants providing market data to ensure that fees remain appropriate given the size of the Company, time commitment and the need to attract the right experience for the role. The Chairman and Non-Executive Directors do not receive any other benefits from the Company.

Annual Report on Remuneration continued

Directors' shareholding requirements and share interests (audited)

The Board has determined that Executive Directors of the Company are required to build up, over a reasonable period of time, a substantial shareholding in the Company. This shareholding requirement is to represent at least two times base salary. Stephen Bird satisfied this requirement throughout 2023 with his holding representing 223% as at 31 December 2023. Andrea Rigamonti's shareholding as at 31 December 2023 represents 53% of salary given his recent appointment on 13 December 2022 and he will work towards this shareholding requirement over the next few years. Other members of the Operations Executive are encouraged to do the same up to a level of 50% of base salary.

The Chairman and Non-Executive Directors of the Company have no such requirement and have discretion as to whether to hold shares in the Company or not. The tables below set out the interests in the ordinary shares of the Company held by each Director (or connected persons) of the Company during the year ended 31 December 2023. In December 2023 each Director participated in the equity raise that completed on 8 December 2023 and the increase in their respective shareholdings through this is reflected in the following table.

Under the 2018 UK Corporate Governance Code there is a requirement for the Company to develop a post-employment shareholding policy, encompassing vested and unvested shares. The detail of this post-employment shareholding policy is as follows and applies from the 2020 AGM.

Upon the departure of an Executive Director, the post-employment shareholding policy will operate as follows:

- Shares held in the Employee Benefit Trust under the DBP will continue to be held in trust and will be released to the former Executive Director in accordance with their normal vesting dates. The former Executive Director will be expected to hold any vested DBP shares at least until the second anniversary of their departure date.
- Shares that have vested to an Executive Director under the LTIP and are subject to the two-year post vesting holding period will continue to be required to be held by the former Executive Director until the expiry of the two-year post vesting holding period.
- In the event that an Executive Director is treated as a "good leaver" under the LTIP, then any outstanding LTIP awards that have not vested will be prorated to the date of leaving and remain subject to satisfaction of performance conditions. Subject to those conditions being achieved at the normal vesting date, shares will typically be released at the earlier of the expiry of the normal two-year post vesting holding period and the second anniversary of their departure date.
- Shares purchased by an Executive Director using their own personal funds shall not be subject to this post-employment shareholding policy.

Executive Directors' shareholdings as at 31 December 2023 (audited)

Executive Director	Share ownership requirement (% of salary)	Number of shares owned outright (including connected persons)	Number of shares beneficially owned (DBP award shares)	Number of shares unvested and subject to performance (LTIP shares)	Number of shares under option (Sharesave)	Number of shares under Restricted Share Plan (RSP)	Ownership requirements met (based on shares owned outright and DBP award shares)
Stephen Bird	200%	306,364	22,745	153,018	0	0	223%
Andrea Rigamonti	200%	46,842	317	13,388	990	8,680	53%

Chairman and Non-Executive Directors' shareholdings as at 31 December 2023 (audited)

Director	1 January 2023 or date of appointment if later	31 December 2023
Ian McHoul (Chairman)	20,000	38,726
Erika Schraner	3,805	7,550
Teté Soto	268	5,436
Caroline Thomson	8,407	15,897
Richard Tyson	2,654	6,399
Graham Oldroyd (appointed 12 October 2023)	0	37,453
Anna Vikström Persson (appointed 1 May 2023)	0	26,217
Stephen Harris (appointed 9 November 2023)	0	112,359

- The closing mid-market share price on 29 December 2023 (the last trading day of the year) was £3.48 and the calculation of the percentage shareholding requirement achieved for the Executive Directors is based on this closing mid-market share price.
- The shares shown in the beneficial holdings table above were acquired by the Directors using their own funds and in the case of the Executive Directors, also through share incentive schemes (or similar) – see the disclosures below.
- Stephen Bird's share interests include 22,745 shares (at 31 December 2023) purchased in the market using deferred Annual Cash Bonus and held by the Employee Benefit Trust; the trust used to hold shares in respect of awards made under the DBP. These shares will vest out of the DBP in 2024, 2025 and 2026, respectively. Neither these shares nor any of the other shares held by Stephen Bird have any performance conditions attached to them. During the year ended 31 December 2023 Stephen Bird had the following share dealings:
  - On 3 April 2023 exercised and retained award shares under the DBP for 2020 over 5,676 ordinary shares and 347 dividend shares.
  - On 3 April 2023 acquired 9,093 ordinary shares through the DBP that are held in the Employee Benefit Trust.
  - On 29 September 2023 transferred 20,000 shares to his former spouse in compliance with a court order.
  - On 29 September 2023 retained 38,394 ordinary shares following the exercise of the 2020 LTIP award that vested at a rate of 46.9%.
  - 2,000 shares of Stephen Bird's holding are held by his spouse.

- Andrea Rigamonti's share interests include 317 shares (at 31 December 2023) purchased in the market using deferred Annual Cash Bonus and held by the Employee Benefit Trust, the trust used to hold shares in respect of awards made under the DBP. These shares will vest out of the DBP in 2026. Neither these shares nor any of the other shares held by Andrea Rigamonti have any performance conditions attached to them. During the year ended 31 December 2023 Andrea Rigamonti had the following share dealings:
  - On 1 March 2023 acquired 3,500 ordinary shares.
  - On 3 April 2023 acquired 317 ordinary shares through the DBP that are held in the Employee Benefit Trust.
  - On 9 May 2023 acquired 3,500 ordinary shares.
- On 8 December 2023, following shareholder approval at a General Meeting on 7 December 2023, each Director subscribed for new ordinary shares in the Company at a price of £2.67 per share. This direct placement was tied into the £125 million equity raise also approved by shareholders at that same General Meeting. Each Director's respective subscription was as follows:-
  - Ian McHoul – 18,726 ordinary shares.
  - Stephen Harris – 112,359 ordinary shares.
  - Stephen Bird – 93,632 ordinary shares.
  - Andrea Rigamonti – 37,453 ordinary shares.
  - Caroline Thomson – 7,490 ordinary shares.
  - Richard Tyson – 3,745 ordinary shares.
  - Erika Schraner – 3,745 ordinary shares.
  - Teté Soto – 3,745 ordinary shares.
  - Anna Vikström Persson – 26,217 ordinary shares.
  - Graham Oldroyd – 37,453 ordinary shares.
- There has been no change to the Directors' shareholdings described in the table above in the period from 31 December 2023 to 22 April 2024, the date of signing of this report.

Sharesave

The Group operates an all-employee savings-related share option scheme in the UK ("Sharesave") and a similar international plan in respect of overseas employees in certain countries (US, Italy, Costa Rica, Japan, France, Singapore, Israel, Australia and Germany). The Scheme and Plan are open to all the Group's employees in those countries, including the Executive Directors, and approximately 1,100 of the Group's employees participate in this valuable benefit. As at 31 December 2023 Stephen Bird's and Andrea Rigamonti's participation in the UK Scheme is shown below.

Director	Date of grant	At 1 January 2023 (shares)	Options exercised during the year	Options lapsed during the year	Options granted or adjusted during the year	At 31 December 2023 (shares)	Exercise price (pence)	Market price at date of grant (pence)	Date from which exercisable	Expiry date
Stephen Bird	24 September 2020	2,282	0	2,282	0	0	552	690[1]	1 November 2023	30 April 2024
Andrea Rigamonti[4]	27 September 2021	984	0	0	6	990	1272	1600[2]	1 November 2024	30 April 2025

1 The market price for the grant of shares under option was calculated on the basis of the three-day average of the closing mid-market share price from 26 August 2020 to 28 August 2020 inclusive. A 20% discount was applied to this price under this HMRC approved Sharesave Plan. Stephen Bird lapsed his sharesave option in December 2023.

2 The market price for the grant of shares under option was calculated on the basis of the three-day average of the closing mid-market share price from 25 August 2021 to 27 August 2021 inclusive. A 20% discount was applied to this price under this HMRC approved Sharesave Plan.

3 There is no performance condition attached to the exercise of the Sharesave Plan, which is an all-employee plan.

4 Andrea Rigamonti's sharesave option was adjusted as a consequence of the open offer element of the £125.0 million equity raise with effect from 8 December 2023 in line with HMRC approved methodology. The original exercise price was £12.80.

Annual Report on Remuneration continued

Long Term Incentive Plan

Each year the Executive Directors are made a conditional award of shares in the Company. For 2020 and 2021, and to encourage the Executive Directors to recover the business as quickly as possible from the impact of the COVID-19, it was agreed that LTIP awards for the Executive Directors would represent 200% of salary. LTIP awards are subject to satisfaction of performance conditions over a three-year performance period as summarised above. The LTIP awards for 2022 reverted to a pre-pandemic level representing 125% of salary. Due to challenging macroeconomic circumstances in 2023 no LTIP awards for 2023 were made. The following table sets out the outstanding awards under the LTIP as at 31 December 2023 for the Executive Directors. As explained on page 131 of this Report, no LTIP awards were made in 2023.

Director	Date of award	Awards at 1 January 2023	Awards exercised during the year	Associated dividend shares with the exercised award	Awards lapsed during the year	Awards made during the year[3]	At 31 December 2023	Market price on which award made (pence)	Market price at exercise date (pence)	Face value of award	Percentage of interest that vests if threshold performance achieved	End of performance period
Stephen Bird	21 Sept 2020[1]	126,023	59,124	13,546	66,899	–	–	753	309.5	200% of annual salary	25%	28 February 2023
	3 March 2021[2]	96,273	–	–	–	648	96,921[3]	986	–	200% of annual salary	25%	31 December 2023
	11 March 2022	55,722	–	–	–	375	56,097[3]	1097	–	125% of salary	25%	31 December 2024
Total		**278,018**	**59,124**	**13,546**	**66,899**	**1,023**	**153,018**					
Andrea Rigamonti (appointed 13 December 2022)	11 March 2022	13,299	–	–	–	89	13,388[3]	1097	–	N/A	25%	31 December 2024
Total		**13,299**	**–**	**–**	**–**	**89**	**13,388**					

1 The LTIP award made on 21 September 2020 had a performance period running to 28 February 2023 and vested at a level of 46.9% on 29 September 2023.

2 The LTIP award made on 3 March 2021 failed to achieve its performance conditions and lapsed in full on its third anniversary of 3 March 2024.

3 Following the £125.0 million equity raise that completed on 8 December 2023, outstanding LTIP awards for 2021 and 2022 were adjusted to reflect the open offer element of the equity raise in line with HMRC approved methodology.

Deferred Bonus Plan

Each year, Executive Directors are required to defer a proportion of their annual bonus into the DBP representing 50% of any after tax bonus. As explained on page 129 of this Report, no bonus was payable to the Executive Directors for 2023. The following table sets out the outstanding awards under the DBP as at 31 December 2023 for the Executive Directors.

Director	Date of award	Awards at 1 January 2023 (shares)	Awards exercised during the year	Associated dividend shares with the exercised awards	Awards lapsed during the year	Awards made during the year	At 31 December 2023	Market price on which award made (pence)	Market price at exercise date (pence)	Face value of award	Percentage of interest that vests if threshold performance achieved	End of performance period
Stephen Bird	1 April 2020[1]	5,676	5,676	347	–	–	–	581	–	50% of annual bonus	Not applicable	Shares held in Employee Trust to third anniversary of award date
	13 May 2021[2]	2,537	–	–	–	–	2,537	1394	–	50% of annual bonus	Not applicable	Shares held in Employee Trust to third anniversary of award date
	4 April 2022[3]	11,115	–	–	–	–	11,115	1351	–	50% of annual bonus	Not applicable	Shares held in Employee Trust to third anniversary of award date
	3 April 2023[4]	–	–	–	–	9,093	9,093	885	–	50% of annual salary	Not applicable	Shares held in Employee Trust to vest on third anniversary of the award
Total		**19,328**	**5,676**	**347**	**–**	**9,093**	**22,745**					
Andrea Rigamonti	3 April 2023[4]	–	–	–	–	317	317	885	–	50% of annual salary	Not applicable	Shares held in Employee Trust to vest on third anniversary of the award
Total		**–**	**–**	**–**	**–**	**317**	**317**					

1 The DBP award made on 1 April 2020 vested on its third anniversary of 1 April 2023. The award plus associated dividend shares were paid out to Stephen Bird on 3 April 2023.

2 The DBP award made to Stephen Bird on 13 May 2021 will vest on the third anniversary of the award on 13 May 2024.

3 The DBP award made on 4 April 2022 to Stephen Bird covered 50% of the bonus earned in respect of the financial year ended 31 December 2021. The award will vest on its third anniversary on 4 April 2025.

4 The DBP award made on 3 April 2023 to Stephen Bird covered 50% of the bonus earned in respect of the financial year ended 31 December 2022. Andrea Rigamonti's DBP award on 3 April 2023 represented a proportion of his bonus earned in 2022 and is tied to his appointment as a Group Chief Financial Officer on 13 December 2022. The award will vest on its third anniversary of 3 April 2026.

Annual Report on Remuneration continued

Restricted Share Plan ("RSP")

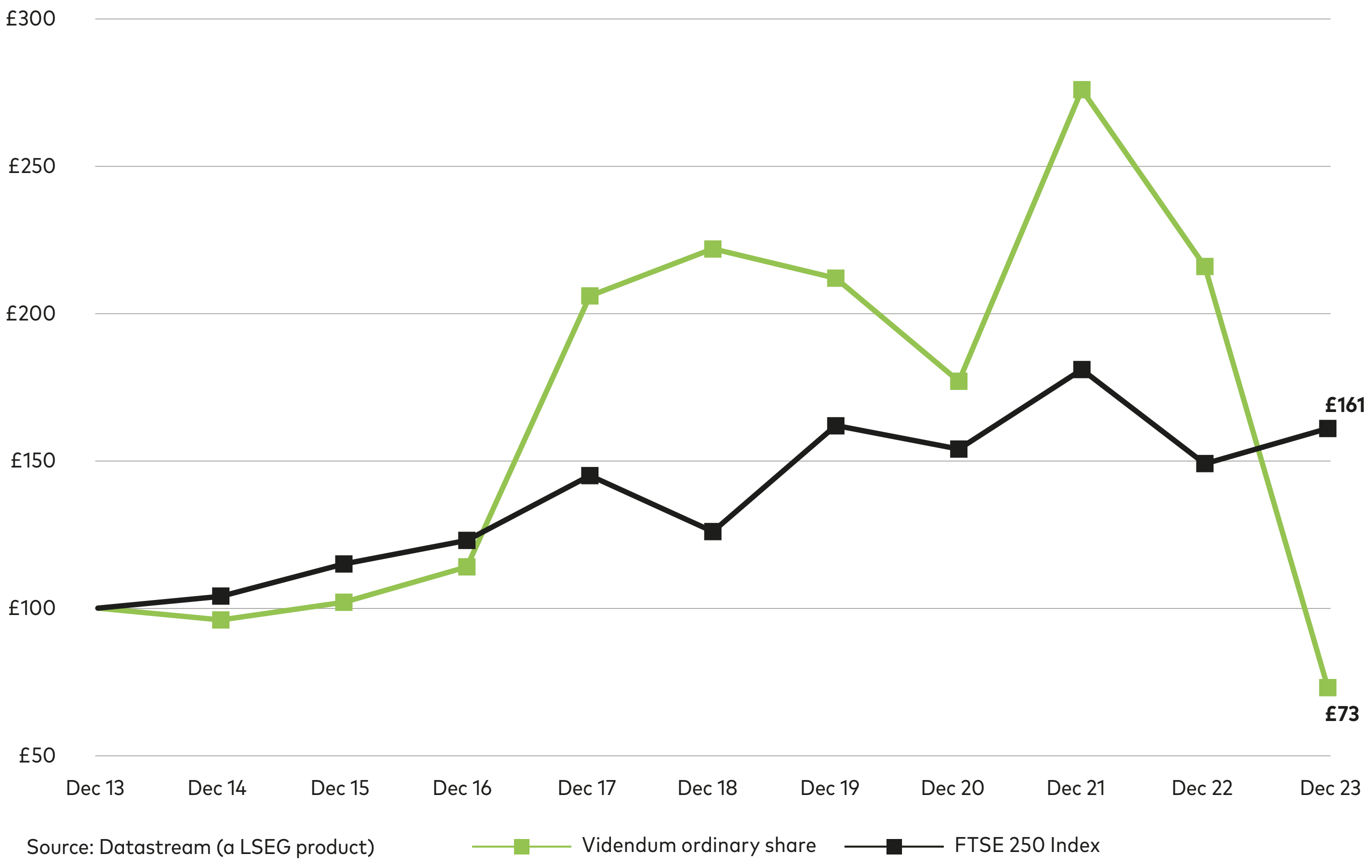
Before being appointed a Director on 13 December 2022 and not in connection with his service as a Director, Andrea Rigamonti had been given a RSP award of shares in the Company that vest on the basis of remaining in employment with Videndum at a fixed date. The RSP award was put in place when he joined Videndum in October 2021 as part of the measures to compensate for other share incentives held with a previous employer. The details of the RSP award are set out in the table below. Dividend award shares will also be given on the vesting ordinary shares based on dividends paid during the period of the award. No individual will be given an RSP award once they become a Director of the Company.

Andrea Rigamonti – Award Date	Vesting date	Number of ordinary shares	Performance condition	Share price for award
16 November 2021	1 July 2024	8,680[1]	Remaining employed at vesting date with Videndum	£14.65

[1] The number of ordinary shares awarded has been adjusted to reflect the open offer element of the £125.0 million equity raise on 8 December 2023 in line with HMRC approved methodology (original amount 8,622 adjusted to 8,680).

Ten-year performance graph of the Company's ordinary shares compared to comparator group

The Company is required to include a line graph showing the Company's ordinary share performance compared to an appropriate index over a ten-year performance period ending 31 December 2023. The graph below illustrates the Company's annual TSR (share price growth plus dividends that have been declared, paid and reinvested in the Company's shares) relative to the FTSE 250 for the preceding ten-year period ending 31 December 2023, assuming an initial investment of £100. This index has been chosen since it is the comparator group (excluding financial services companies and investment trusts) for one of the performance conditions tied to awards under the LTIP. The Committee notes that the FTSE 250 Index is a recognised broad market equity index, relatively complex and international in nature and is comparable to the Company's business operations where approximately 90% of revenues are generated outside the UK. TSR data is taken from Datastream.



Source: Datastream (a LSEG product)

Performance table setting out the total remuneration of the Group Chief Executive

The following table sets out the single figure of total remuneration paid and the amount vesting under short-term and long-term incentives (as a percentage of the maximum that could have been achieved) to the Group Chief Executive for each of the ten years ended 31 December 2023.

Year (ended 31 December)	Group Chief Executive	CEO single figure of total remuneration	Annual bonus payout against maximum opportunity % (including actual amount paid)	Long-term incentive vesting rates against maximum opportunity %
2023	Stephen Bird	£583,428	0%	0%
2022	Stephen Bird	£1,150,877	50.4%	46.9%
			£307,987	
2021	Stephen Bird	£1,166,196	95.5%	0%
			(£566,588)	
2020	Stephen Bird	£701,744	22.5%	0%
			(£133,489)	
2019	Stephen Bird	£1,151,858	21.5%	72.06%
			(£124,445)	
2018	Stephen Bird	£2,280,723	66.9%	100%
			(£377,925)	
2017	Stephen Bird	£1,596,214	88.4%	67.5%
			(£486,771)	
2016	Stephen Bird	£962,299	77.9%	0%
			(£418,450)	
2015	Stephen Bird	£636,374	20%	0%
			(£104,876)	
2014	Stephen Bird	£745,388	44.25%	0%
			(£226,378)	

Annual Report on Remuneration continued

Percentage change in remuneration of the Directors and employees

The table below shows the year-on-year percentage change in salary, benefits and annual bonus earned between the year ended 31 December 2023 and the years ended 31 December 2022, 2021 and 2020 for the Directors, compared to the average of earnings of the parent Company employees. The Remuneration Committee has selected this comparator group on the basis that each of the Directors is UK based and this provides a local market reference, is a sizeable population and a fair representation of the Group's employee base.

	2019/20 Annual salary	2019/20 Taxable benefits	2019/20 Annual bonus	2020/21 Annual salary	2020/21 Taxable benefits	2020/21 Annual bonus	2021/22 Annual salary	2021/22 Taxable benefits	2021/22 Annual bonus	2022/23 Annual salary	2022/23 Taxable benefits	2022/23 Annual bonus
Stephen Bird, Group Chief Executive	2.5%	2.5%	-7%	0%	0%	324%	3%	3%	-45%	5%	5%	-100%
Andrea Rigamonti, Group Chief Financial Officer (from 13 December 2022)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ian McHoul, Chairman	0%	n/a	n/a	0%	n/a	n/a	3%	n/a	n/a	5%	n/a	n/a
Caroline Thomson, Non-Executive Director	2.5%	n/a	n/a	0%	n/a	n/a	3%	n/a	n/a	5%	n/a	n/a
Richard Tyson, Non-Executive Director	2.5%	n/a	n/a	0%	n/a	n/a	3%	n/a	n/a	5%	n/a	n/a
Erika Schraner, Non-Executive Director (appointed 1 May 2022)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	5%	n/a	n/a
Teté Soto (appointed 24 November 2022)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	5%	n/a	n/a
Anna Vikström Persson (appointed 1 May 2023)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Graham Oldroyd (appointed 12 October 2023)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Stephen Harris (appointed 9 November 2023)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Parent Company employees	2.5%	2.5%	-36%	2.2%	2.2%	2.92%	3%	3%	-42%	5%	5%	-100%

Group Chief Executive's pay ratio disclosure

In accordance with Option C as set out in the Companies (Miscellaneous Reporting) Regulations 2018, the following table sets out Stephen Bird's (Group Chief Executive) total remuneration for the year ended 31 December 2023 compared with all UK employees of the Group at the 25th percentile, 50th percentile and 75th percentile. The data has been compiled from available data as at 31 December 2023 for all UK-based employees and no element of remuneration has been excluded from the calculation. This table will build up over a ten-year period. We have chosen Option C as it reflects all our UK workforce and is more complete in showing the Group Chief Executive's remuneration compared to the entire UK workforce. It uses bonus information for 2022 paid in March 2023 as bonus information for 2023 is not calculated until March 2023 for many UK employees. It is therefore not possible to use 2023 bonus data since the 2023 Annual Report was approved on 22 April 2024. The same principle applies for prior years disclosed. The Company believes the median ratio is consistent with the Company's wider policies on employee pay, reward and progression. We seek to pay all employees including the Chief Executive fairly for the roles they perform and taking into account a range of factors including the relevant role, their performance and internal and external measures including pay rates and pay gaps.

Year	Method	25th percentile	50th percentile	75th percentile
2019	Option C	82:1	57:1	35:1
		£27,833	£40,002	£64,086
2020	Option C	44:1	31:1	19:1
		£25,866	£36,965	£61,245
2021	Option C	28:1	19:1	12:1
		£26,361	£37,726	£58,866
2022	Option C	52:1	37:1	22:1
		£29,804	£42,020	£69,610
2023	Option C	22:1	14:1	8:1
		£26,901	£42,172	£69,489

The actual salaries paid for each UK employee at the respective quartiles for 2023 were: 25th percentile – £25,427; 50th percentile – £38,035; and 75th percentile – £59,000. The change in the pay ratios from 2019 to 2023 has been greatly impacted by COVID-19. In 2020, the Company implemented short-time working and other measures such as salary waivers in response to the pandemic. In 2021, Executive Directors did not receive any pay increase in contrast to the wider UK employee population and long-term incentives for the Executive Directors did not vest due to performance conditions not being achieved. As the Company has recovered from the impact of the pandemic in 2023 and the Group had delivered a record profit in 2022 leading to a higher proportion of variable remuneration being delivered to the Group Chief Executive, the pay ratio gap widens where annual bonuses and long-term incentives are payable. The impact of challenging macroeconomic factors in 2023 coupled with the writers' and actors' strikes in 2023 have significantly impacted the Group's performance in 2023 with the result that variable remuneration has been significantly reduced. We consider that the use of Option C and the percentiles shown for UK employees are reasonably representative.

Relative importance of spend on pay

The following table sets out for the year ended 31 December 2023 compared to the year ended 31 December 2022 the actual expenditure of the Company in terms of remuneration paid to or receivable by all employees of the Group and distributions to shareholders by way of dividends. There have been no other significant distributions and payments required to be disclosed that would assist in understanding the relative importance of spend on pay.

	Year ended 31 December 2023	Year ended 31 December 2022	% change
Total remuneration paid to all Videndum employees	£95.8m	£114.4m	-16.3%
Total dividends paid to shareholders	£0m	£18.0m	-100%

Statement of implementation of Directors' Remuneration Policy in the year ending 31 December 2024

This section provides an overview of how the Committee is proposing to implement the Remuneration Policy in 2024.

(1) Base salary

The table below sets out the 2024 base salary for each Executive Director, together with the percentage increase from 2023. Salary increases in 2024 are to be implemented with effect from 1 July 2024 and the figure in brackets shows the base salary for the period from 1 January 2024 to 30 June 2024.

Executive Director	2023 salary	Increase
Stephen Bird	£533,800 (£513,310)	4%
Andrea Rigamonti	£342,000 (£310,000)	10%

The Committee decided that in line with normal practice, a 4% increase for Stephen Bird's salary was merited for 2024 and with effect from 1 July 2024. This was based on several factors including: (i) that the wider employee population across the Group received a 4% increase for 2024; (ii) in recognition of the skills, experience and high performance of Stephen Bird and his contribution to the Group; (iii) the need to provide a remuneration package to the Executive Directors that is competitive and retains and incentivises the individuals; and (iv) in recognition of a period of sustained high inflation in the wider labour market.

Andrea Rigamonti's salary of £342,000 has been determined on the basis that it reflects his growing value to the Company and his experience in the role following his appointment in December 2022 and compared to market data for comparable roles with other FTSE SmallCap companies with input from the Committee's remuneration consultants. His salary on appointment was set at a level that was around 15% below his predecessor's salary reflecting Andrea Rigamonti's experience. The increase of 10% will be with effect from 1 July 2024. As noted in the 2022 Remuneration report, the Remuneration Committee would look over time to increase Andrea Rigamonti's remuneration in accordance with the Policy as Andrea's experience, contribution and importance to the Group increased.

(2) Benefits

Benefits, including car allowance, private healthcare and income protection will be paid at the same rate as in 2023.

(3) Pension allowance

Pension allowances paid to Executive Directors are set out in the table below. All Executive Directors receive a pension contribution of 8% of base salary which is in line with pension contributions provided to the wider UK employee workforce. Stephen Bird's and Andrea Rigamonti's pension contributions in the table below reflects that base salaries in 2024 as set out in (1) above.

Executive Director	Pension allowance
Stephen Bird (8% of salary)	£41,884
Andrea Rigamonti (8% of salary)	£26,080

Annual Report on Remuneration continued

(4) Annual bonus

The maximum opportunity remains unchanged at 125% of base salary. Half of any net after tax annual bonus earned for the year ended 31 December 2024 will be deferred into the DBP for a period of three years and held in the form of shares in the Company. There will be no matching award that can be earned on this deferred bonus. The table below provides information on the performance measures against which performance for the 2024 Annual Bonus Plan will be measured.

Core measures for 2024 Annual Bonus Plan	Weighting (% of overall opportunity)
Adjusted Group profit before tax*	50%
Free cash flow	25%
Role-specific personal objectives set by the Board and Remuneration Committee for the Executive Director	25%

The performance measures selected reflect the strategic and operational objectives of the Group. The profit and free cash flow measures are independently assessed. Both the Profit Before Tax and Free cash flow performance measures are to be measured against targets set for the Full Year 2024. The Committee considers that the specific targets and personal objectives for 2024 are commercially sensitive at this time and therefore has not disclosed them. The Committee will disclose these targets and objectives once a bonus has been paid and subject to the Committee considering that they are no longer commercially sensitive.

(5) Long Term Incentive Plan

Stephen Bird and Andrea Rigamonti will each receive an award of shares under the LTIP of 150% of salary in the case of the Group Chief Executive and 125% of salary for the Group Chief Financial Officer. These awards will be made in the 42-day period following the announcement of the full year results for the year ended 31 December 2023 that will be announced on 22 April 2024. The performance conditions for the 2024 LTIP awards will be as follows: 67% of the award will be subject to adjusted basic EPS* growth over a three-year performance period. The Remuneration Committee will determine the precise adjusted EPS* targets for threshold and maximum vesting in the 42-day period following the announcement of the full year results for the year ended 31 December 2023, to be announced on 22 April 2024. The remaining 33% of the award will be subject to TSR with the Company's TSR performance ranked against the constituents of the FTSE 250 Index (excluding financial services companies and investment trusts) over a three-year performance period. Threshold performance for the TSR element will be at the medium point of the comparator group and will result in 25% of an award vesting. Full vesting of the TSR element will be at the upper quartile of the comparator group. A straight-line sliding scale will operate between each of the above points. Below threshold, none of the TSR element will vest. Vesting will be underpinned by Committee discretion that will take into account, in particular, ROCE* performance over the performance period for the EPS* element of the award. Once the LTIP award is made, details will be announced to the market, including the specific performance targets. Any awards vesting under the LTIP 2024, after deduction of taxes, will be subject to a further two-year holding period, thereby more closely aligning the participants' interests with the long-term interests of shareholders. The quantum for awards to the Executive Directors for the 2024 will be confirmed at the time of the award but will be within limits for the Policy on remuneration.

(6) Chairman and Non-Executive Directors' remuneration

The fee structure for the Chairman and Non-Executive Directors for 2024 is set out in the following table. It has been agreed that fees for 2024 will not be increased from their level in 2023.

Role	2024 fee	2023 fee
Chairman (Ian McHoul)	£184,000	£184,000 (£175,000)[1]
Non-Executive Directors' base fee	£55,400	£55,400 (£52,750)[2]
Chairman Designate[5]	£210,000	–
Chair of Audit Committee	£10,000[3]	£10,000
Chair of Remuneration Committee	£10,000[3]	£10,000
Senior Independent Director	£8,000[3]	£8,000
Employee Engagement Non-Executive Director	£5,000[4]	£5,000

1 Ian McHoul became Chairman on 21 May 2019 when the Chairman's fee was £170,000 per annum. The fee was increased to £175,000 from 1 January 2022 and increased on 1 April 2023 to £184,000 per annum. This increase in 2022 and 2023 reflected a similar level given to the wider employee workforce of 3% and 5% respectively in 2022 and 2023, is in line with market data provided by FIT Remuneration Consultants for the role and reflects the time commitment for the role.

2 Following a review of Non-Executive Directors' fees with the support of FIT Remuneration Consultants, it was agreed that no fee increase for 2024 would be implemented. In 2023, a 5% increase to the base fee would be applied with effect from 1 April 2023. This aligned the Non-Executive Directors increase with the Executive Directors and wider employee workforce, also took into account market data provided by FIT Remuneration Consultants for the role and reflects the time commitment for the role.

3 The fees of the Chair of the Remuneration Committee and Senior Independent Director were last increased to their current level in 2019 to take account of the nature of each role, the time commitment, performance of the respective individuals, market rates for the complexity of the roles and the calibre of individuals. The Audit Committee Chair's fee upon review was considered to be in line with market rates and appropriate for the demands of the role and complexity of the Company.

4 In 2019, the Company appointed Caroline Thomson as the Non-Executive Director with responsibility for employee engagement in accordance with the 2018 UK Corporate Governance Code. Given the responsibility of this role and additional work associated with it, the Board approved that a fee of £5,000 per annum be payable to Caroline Thomson for that role. This fee will be paid to any other successor Non-Executive Director in future years. A full description of the activity involved with this role is given on pages 88 and 92 of the Annual Report.

5 Upon his appointment as Chairman at a date to be confirmed in 2024, Stephen Harris' fee as Chairman will be £210,000 per annum. Until such appointment, Stephen Harris will receive the Non-Executive Directors' base fee.

The Board has agreed that fees will typically be reviewed annually to ensure that they remain appropriate.

Malus and clawback

Under the rules of the Annual Bonus Plan, LTIP and DBP, awards are subject to a malus rule whereby the Remuneration Committee has the power to reduce, cancel or impose further conditions upon a bonus or award in circumstances that the Committee determines such action is appropriate, including circumstances where a material misstatement of the Company's audited financial results has occurred, or serious reputational damage to the Company has occurred as a result of a participant having breached the Company's Code of Conduct, a miscalculation or an assessment of any performance conditions that was based on incorrect information, or the occurrence of an insolvency or administration event. In addition, under the above plans, a clawback provision exists where in the same circumstances as for malus, any future award that is paid out can be clawed back from a participant for a period of up to three years from it vesting or being paid out.

Voting at Annual General Meeting

At the Company's AGM held on 11 May 2023, shareholders were asked to vote on the new Remuneration Policy Report and for an advisory vote on the Directors' Annual Remuneration report for the year ended 31 December 2022. Both resolutions were approved by shareholders on a poll at the 2023 AGM and the table below sets out the proxy votes voted for, against and withheld for the resolution.

Resolution	For proxy votes and % of votes cast	Against proxy votes and % of votes cast	Withheld proxy votes
To approve the Directors' Remuneration Policy – to cover Directors remuneration for the period from the 2023 AGM through to the 2026 AGM	38,446,561	5,001	252,150
	99.2%	0.8%	

Resolution	For proxy votes and % of votes cast	Against proxy votes and % of votes cast	Withheld proxy votes
Advisory vote on the Annual Report on Remuneration for the year ended 31 December 2022	37,802,074	927,732	41,102
	97.6%	2.4%	

As at the date of the Company's AGM on 11 May 2023 the Company had 46,596,422 ordinary shares in issue. The Remuneration Committee, in line with guidance, considers that an against vote of 20% or more of the votes cast is deemed to be significant in connection with a resolution on Directors' remuneration. In the event that a significant level of concern is raised at future AGMs, both the Chairman of the Board and the Chair of the Remuneration Committee will contact the Company's major shareholders following an AGM to understand the precise detail of the concern being raised. Subject to that, the Committee and the Board as a whole will consider how best to address the concern being raised. This may involve a revision to the Company's Policy on Directors' remuneration at a subsequent AGM or some other change which can be implemented without further shareholder consultation. The Committee and the Board are committed to an open and transparent dialogue with shareholders on material matters of concern.

The Remuneration Committee

The Remuneration Committee comprised the following members during 2023: Caroline Thomson – Chair, Richard Tyson, Erika Schraner, Teté Soto, Graham Oldroyd (from 12 October 2023) and Anna Vikström Persson (from 1 May 2023).

All of the Committee members are independent Non-Executive Directors.

The Committee, on behalf of the Board, determines the Policy, base salaries, annual cash bonus arrangements, participation in incentive schemes, pension arrangements and all other benefits received by the Executive Directors including any exit packages.

The Committee also oversees the framework of remuneration for the Operations Executive, including terms of service, pay structure, annual cash bonus, pensions, share incentive arrangements and all other benefits and also has regard to wider employee remuneration within the Group.

The Committee invites individuals to attend meetings, as it deems necessary, to assist with consideration of remuneration matters. During 2023 the following individuals attended meetings of the Committee: Ian McHoul (Board Chairman), Stephen Bird (Group Chief Executive), Andrea Rigamonti (Group Chief Financial Officer), Marco Pezzana (Group Chief Operating Officer and Divisional CEO, Media Solutions), Stephen Harris (Chairman Designate) and Jon Bolton (Group Company Secretary and HR Director). Representatives of the Committee's remuneration advisor, FIT Remuneration Consultants, also attended meetings in 2023.

The Executive Directors or members of the Operations Executive are not present when their own remuneration is being considered.

The remuneration of the Chairman and the Non-Executive Directors is determined by the Board as a whole, with the Chairman or the relevant Non-Executive Director abstaining when his or her remuneration is considered.

For further information regarding governance for the Remuneration Committee see pages 113 and 141 to 142 of this Annual Report.

Annual Report on Remuneration continued

External advisors

The Committee appointed FIT Remuneration Consultants as its external remuneration advisor in 2019. Their appointment involved the Committee Chairman reviewing several potential advisors including written proposals and interviews. Following this process, the Remuneration Committee selected FIT Remuneration Consultants. FIT Remuneration Consultants charge for their time given in providing a service to the Company and during 2023 the level of fees paid to remuneration advisors totalled £60,060 (2022: £44,759) and was charged on a time basis. This fee covered advice relating to disclosures in the 2022 Directors' Remuneration report, measurement of performance conditions associated with long-term incentive arrangements, preparation around a new Remuneration Policy including consultation with major shareholders and general remuneration advice including recruitment and retention packages. FIT Remuneration Consultants do not provide any other services to the Company. FIT Remuneration Consultants are a member of the Remuneration Consultants Group and operate under that Group's voluntary code of practice for remuneration consultants in the UK. The Committee is satisfied that the advice it received from FIT Remuneration Consultants during 2023 was objective and independent. The Company or any of its individual Directors has no other connection with FIT Remuneration Consultants other than as acting as the Committee's external remuneration advisor. The Committee also received advice and administrative support during 2023 from the Group Company Secretary and HR Director, Jon Bolton.

This Annual Remuneration report has been approved by the Remuneration Committee and signed on its behalf by:

Caroline Thomson
Remuneration Committee Chair
22 April 2024

Directors' report

Directors

The Directors who held office at 31 December 2023 and up to the date of this report are set out on pages 76 and 77 along with their biographies and photographs.

Anna Vikström Persson joined the Board as an independent Non-Executive Director from 1 May 2023 and became a member of the Audit, Remuneration and Nominations Committees.

Graham Oldroyd was appointed an independent Non-Executive Director with effect from 12 October 2023 as well as becoming a member of the Audit, Remuneration and Nominations Committees.

On 26 September 2023, the Company announced Ian McHoul's intention not to seek re-election at the Company's 2024 Annual General Meeting due to personal reasons. After a search process, as outlined in the Nominations Committee Report on page 96, the Company announced the appointment of Stephen Harris to the Board as an independent Non-Executive Director and Chairman Designate with effect from 9 November 2023. Stephen Harris will succeed Ian McHoul as Chairman on a date to be confirmed.

Erika Schraner has also informed the Board that she will not seek re-election at the 2024 AGM and will cease to be a Director from the close of the AGM.

All Directors of the Company, with the exception of Ian McHoul and Erika Schraner as outlined previously, will stand for reappointment as Directors at the Company's 2024 AGM and further details can be found in the AGM Notice.

The remuneration of the Directors including their respective shareholdings in the Company is set out in the Remuneration report on pages 112 to 142.

Directors' and Officers' liability insurance and indemnification of Directors

The Company maintains Directors' and Officers' liability insurance which gives appropriate cover for any legal action brought against its Directors. The Company has also granted indemnities to each of its Directors to the extent permitted by law. Qualifying third-party indemnity provisions (as defined in Section 324 of the Companies Act 2006) have been adopted for each Director and indemnify in relation to certain losses and liabilities which the Directors may incur to third parties in the course of acting as Directors of the Company.

Equity raise

On 7 December 2023, shareholders approved the £125.0 million equity raise which helped to strengthen the Company's Balance Sheet. The equity raise comprised a Firm Placing of 28,122,472 Ordinary Shares at £2.67 per New Ordinary Share and a Placing and Open Offer of 18,748,315 New ordinary Shares at £2.67 per New Ordinary Share. Following shareholder approval at a general meting, the equity raise completed on 8 December 2023. The price of £2.67 represented a 3.3% discount to the closing share price on 20 November 2023. Directors' participation in the equity raise is set out on page 133.

Shareholder rights

The Company's shareholders have a series of rights in connection with the governance of the Company. These are contained in statute, principally the Companies Act 2006, regulations such as the UKLA's Listing Rules and in the Company's Articles of Association. A shareholder, or shareholders acting together, can use procedures set out in the Companies Act 2006, to requisition a general meeting of the Company. The Directors are required to call such a general meeting once the Company has received requests to do so from shareholders representing at least 5% of the paid-up capital of the Company as carries the right of voting at general meetings of the Company (excluding any paid-up capital held as treasury shares).

Under the Companies Act 2006, either (i) a member or members representing at least 5% of the total voting rights of all the members having a right to vote on the resolution at the AGM (excluding voting rights attached to any treasury shares); or (ii) at least 100 members with the right to vote on the resolution at the AGM and each holding, on average, at least £100 of paid-up share capital, may require the Company to give members of the Company entitled to receive notice of the next AGM, notice of a resolution which may properly be moved at that meeting. Such a resolution may be properly moved unless it is defamatory, frivolous or vexatious or if it would be ineffective for any reason.

Such a request may be in hard copy or electronic form and must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it and must be received by the Company not less than six weeks before the meeting. A request for a matter to be included in the business of the meeting must also be accompanied by a statement setting out the grounds for the request.

Shareholders have an express right to vote annually on the Directors' Remuneration report and at least every three years they have the right to vote on the policy governing Directors' remuneration. Under the Company's Articles of Association, shareholders have the right to vote on the re-election of all Directors of the Company annually at the AGM.

It is also confirmed that under the Company's governance arrangements, including the Articles of Association, there are no anti-takeover devices or provisions to prevent a takeover of the ownership of the Company through the normal ways permitted under UK law and regulation. There are no limitations on share ownership and the issuance of new capital, subject to shareholder approval, would be to address funding needs and is not a tool for an anti-takeover measure.

Share capital and powers for the Company issuing or buying back its own shares

The Company was authorised by shareholders at the 2023 AGM to purchase in the market up to 10% of the Company's issued share capital, as permitted under the Company's Articles of Association. No shares were bought back under this authority during the year ended 31 December 2023 and up to the date of this report. The Company has only ordinary shares of 20 pence nominal value in issue and does not have any shares held in treasury. Note 4.3 to the consolidated financial statements on page 205 summarises the rights of the ordinary shares as well as the number issued during 2023. An analysis of shareholdings is shown on page 234. The closing mid-market price of a share of the Company on 31 December 2023, together with the range during the year, is also shown on page 234. For details of own shares held by the Company see note 4.3 to the consolidated financial statements.

This standard authority is renewable annually and the Directors will seek to renew it at the 2024 AGM.

The Directors were granted authority at the 2023 AGM to allot ordinary shares up to a nominal amount of £931,776, which, at the time represented 4,658,884 ordinary shares of 20 pence each. This authority will apply until the conclusion of the 2024 AGM. At the 2024 AGM, shareholders will be asked to grant an authority to allot ordinary shares up to a nominal amount of £1,884,017 (representing 10% of the Company's issued share capital).

At the 2023 AGM, a special resolution was passed to authorise the Directors to allot ordinary shares for cash without first offering them to existing shareholders in proportion to their existing shareholdings. At the 2024 AGM, shareholders will be asked to renew this authority – in line with the latest institutional shareholder guidelines – to make non-pre-emptive issues for cash only and otherwise up to a nominal amount of £942,008 (representing 5% of the Company's issued share capital).

Directors' report continued

A special resolution will also be proposed at the 2024 AGM to renew the Directors' authority to repurchase up to 10% of the Company's issued ordinary shares in the market. While the Directors have no present intention of exercising the authority to make market purchases, the authority provides the flexibility to allow them to do so in the future and any shares purchased pursuant to this authority may be held in treasury or may be cancelled.

Dividends

No final dividend has been recommended by the Board given the current financial performance of the business. The Board will look to resume dividend payments when appropriate to do so.

Substantial shareholdings

The Company had been advised under the Disclosure Guidance and Transparency Rules, or had ascertained from its own analysis, that the following held notifiable interests in the voting rights in the Company's issued share capital, as at 22 April 2022:

Shareholder	Number of voting rights	% of voting rights
Alantra Asset Management	21,463,126	22.78%
Aberforth Partners	14,638,741	15.54%
Royal London Asset Management	7,566,024	8.03%
M&G Investments	5,938,279	6.30%
Janus Henderson Investors	3,992,785	4.24%
BGF Investments	3,227,700	3.43%
Invesco	2,851,393	3.03%

Committees of the Board

The Board has established Audit, Nominations and Remuneration Committees. Details of these Committees, including membership, governance and their activities during 2023, are contained in the Governance section of this Annual Report and in the Remuneration report.

Stakeholder engagement

The Board's engagement with various stakeholders is outlined on pages 42 to 43 and pages 87 and 88.

Companies Act 2006 disclosures

In accordance with Section 992 of the Companies Act 2006 the Directors disclose the following information:

- The Company's capital structure and voting rights are summarised in note 4.3, and there are no restrictions on voting rights nor any agreement between holders of securities that result in restrictions on the transfer of securities or on voting rights.
- The Company did not purchase any of its own shares during 2023 and holds no ordinary shares in treasury.
- There exist no securities carrying special rights with regard to the control of the Company.
- Details of the substantial shareholders holding over 3% of the issued share capital and their shareholdings in the Company are listed in the table on the left.
- Shares awarded under the Company's DBP are held in a nominee capacity by the Employee Benefit Trust ("EBT"). The Trustees of the EBT do not seek to exercise voting rights on shares held in the EBT. No voting rights are exercised in relation to shares unallocated to individual beneficiaries.
- The rules concerning the appointment and replacement of Directors, amendment to the Articles of Association and powers to issue or buy back the Company's shares are contained in the Articles of Association of the Company and the Companies Act 2006.
- There exist no agreements to which the Company is party that may affect its control following a takeover bid.
- There exist no agreements between the Company and its Directors providing for compensation for loss of office that may occur because of a takeover bid.

Articles of Association

The Company's Articles of Association set out the rights of shareholders including voting rights, distribution rights, attendance at general meetings, powers of Directors, proceedings of Directors as well as borrowing limits and other governance controls. A copy of the Articles of Association can be requested from the Group Company Secretary.

Amendments to the Company's Articles of Association were approved by shareholders at the 2023 AGM to bring them into line with market best practice.

Conflicts of interest

During the year no Director held any beneficial interest in any contract significant to the Company's business, other than a contract of employment. The Company has procedures set out in the Articles of Association for managing conflicts of interest. Should a Director become aware that they, or their connected parties, have an interest in an existing or proposed transaction with the Group, they are required to notify the Board as soon as reasonably practicable.

Political donations

Further to shareholder approval at the 2021 AGM empowering the Directors to make political donations, it is confirmed that no such donations were made in the year ended 31 December 2023. The Company's policy is not to make political donations. The 2025 AGM will be asked to renew this existing authority that expires in May 2025.

Reporting requirements

The following sets out the location of additional information which forms part of the Directors' report:

Reporting requirement	Comprising	Location
Strategic report	– An indication of the Group's likely future business developments. – An indication of the Group's research and development activities. – Information on the Group's policies for the employment of disabled persons and employee involvement. – The Group's disclosures regarding greenhouse gas emissions.	Pages 2 to 71.
Non-financial information statement	– Environmental matters, employees, social matters, respect for human rights, anti-corruption and anti-bribery matters. – Business model. – Policies. – Principal risks. – Non-financial KPIs.*	Page 71.
Statement on corporate governance	– Review of the Board's governance arrangements during the year. – Review of the Board's Committee's arrangements during the year.	Pages 74 to 75 and 80 to 82.
Financial instruments	– Financial risk management objectives and policies of the Group. – The exposure of the Group to foreign currency risk, interest rate risk, and liquidity risk.	Financial risk management objectives and policies of the Group.
Responsible business	– Explanation of our approach to business ethics, employees, community and the environment.	The exposure of the Group to foreign currency risk, interest rate risk, and liquidity risk.
Employee engagement statement	– Explanation of how the Directors have engaged with employees and taken them into account when making principal decisions.	Employee engagement section on pages 88. Stakeholder engagement on pages 87.
Statement regarding fostering relationships with suppliers, customers and others	– Explanation of how the Directors have fostered the Company's business relationships with suppliers, customers, employees and others, and taken each group into account when making principal decisions.	Section 172 statement on page 86.

Going concern

The Board has, as at the date of signing these financial statements, determined that, given the sensitivities over the timeline and pace of recovery from the strikes and the financial impact on the Group (including potential covenant breaches) of a slower than expected recovery and worsening macroeconomic conditions, a material uncertainty exists which may cast significant doubt on the Group's ability to continue as a going concern such that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The full going concern and viability statement is outlined on pages 31 to 33.

* The Group uses APMs to aid the comparability of information between reporting periods and Divisions, by adjusting for certain items which impact upon IFRS measures, to aid the user in understanding the activity taking place across the Group's businesses. APMs are used by the Directors and Management for performance analysis, planning, reporting and incentive purposes. Where relevant, further information on specific APMs is provided in the Glossary on page 226. The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information and enable an alternative comparison of performance over time.

Directors' report continued

Statement of Directors' responsibilities in respect of the Annual Report and the financial statements

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 financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with United Kingdom adopted international accounting standards. The financial statements also comply with International Financial Reporting Standards ("IFRSs") as issued by the IASB. The Directors have chosen to prepare the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". 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 Company and of the profit or loss of the Company for that period. 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 apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- For the Group financial statements, state whether they have been prepared in accordance with IFRS as adopted by the EU.
- For the Parent Company financial statements, state whether applicable UK Accounting Standards have been followed.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Parent Company will continue in business.

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 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.

In addition, each of the Directors considers that the Annual Report, taken as a whole, is fair, balanced and understandable and that it provides all the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Post Balance Sheet events

On 5 January 2024 certain land and buildings of the Production Solutions Division were sold for a net sale price of £2.5 million.

There were no other events after the Balance Sheet date that require disclosure.

Disclosure of information to the auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information (as defined in Section 418(2) of the Companies Act 2006) of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Responsibility Statement of the Directors in respect of the Annual Report and Accounts

Each of the Directors, whose names and functions are listed on page 76 to 77 of the Annual Report and Accounts, confirm that, to the best of their 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 issuer and the undertakings included in the consolidation taken as a whole; and
- the Strategic report and Directors report (including the Governance report) include a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

Annual General Meeting ("AGM")

The 2024 AGM will be held at 9.00am on Wednesday, 19 June 2024 at 116 Pall Mall, London SW1Y 5ED. Should it be necessary to rearrange the venue and timing for the AGM, we will communicate this to shareholders by way of a stock exchange announcement.

The Company will be making use of the electronic voting facility provided by its registrars, Equiniti Limited. The facility includes CREST voting for members holding their shares in uncertificated form. For further information, please refer to the section on online services and electronic voting set out in the notes to the Notice of Meeting.

The notice of the AGM and an explanation of the resolutions to be put to the meeting are set out in the Notice of Meeting accompanying this Annual Report. The Board fully supports all the resolutions set out in the Notice and encourages shareholders to vote in favour of each of them as they intend to in respect of their own shareholdings. Voting at the AGM will be conducted by way of a poll and shareholders are encouraged to submit a completed proxy form in line with the Notice of AGM.

Auditor

Deloitte LLP will continue in office as auditor to complete the 2023 year-end audit, however separate resolutions will be proposed at the 2024 AGM concerning the appointment of PricewaterhouseCoopers LLP and to authorise the Board to agree their remuneration.

The Directors' report was approved and authorised for issue by the Board of Directors on 22 April 2024 and signed on its behalf by

Jon Bolton
Group Company Secretary
22 April 2024

Independent auditor's report to the members of Videndum plc

Report on the audit of the financial statements

1. Opinion

In our opinion:

- the financial statements of Videndum plc (the 'parent company') and its subsidiaries (the 'group') give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2023 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated statement of cash flows; and
- the related notes 1 to 5 and parent company notes a to q.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and United Kingdom adopted international accounting standards and IFRSs as issued by the IASB. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the group and parent company for the year are disclosed in note 2.1 to the financial statements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the group or the parent company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Material uncertainty related to going concern

We draw attention to Section 1 of the notes to the financial statements, which indicates the sensitivities of the forecasts on key assumptions, which are linked to the timeline and pace of recovery from the Strikes and the financial impact on the Group (including potential covenant breaches) of any slower than expected recovery, and worsening macroeconomic conditions.

As stated in note 1, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the group's and parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included:

- Evaluated past performance of the Group as impacted by the actors' and writers' strikes and other macroeconomic headwinds;
- Obtained the terms of the Group's financing facilities and the recent equity raise and evaluated the terms including the nature of the facilities, repayment terms and revised covenants;
- Obtained an understanding of the Directors' assessment over going concern including relevant controls (see also section 7.2);
- Challenged the assumptions in the Directors' forecasts including the base case and reasonable downside scenarios, by performing sensitivity analysis, evaluating contradictory evidence including market research, and testing historical accuracy of forecasts and testing the underlying data;
- Checking the consistency of forecasts and assumptions with each other and those used in other areas;
- Assessing the feasibility of the Directors' mitigating actions by considering additional facts or information available; and
- Assessing the appropriateness of disclosures in the financial statements.

In relation to the reporting on how the group has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to:

- The directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting; and
- The directors' identification in the financial statements of the material uncertainty related to the group's and parent company's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant section of this report.

Independent auditor's report to the members of Videndum plc continued

4. Summary of our audit approach

Key audit matter	The key audit matters that we identified in the current year were: – Going concern (see material uncertainty related to going concern section) – Valuation of inventory obsolescence provision – Revenue cut-off – Deferred taxation Within this report, key audit matters are identified as follows: Newly identified Increased level of risk Similar level of risk Decreased level of risk
Materiality	The materiality that we used for the Group financial statements was £1.3 million (2022: £2.6 million) which was determined based on a blended approach of adjusted profit before tax, revenue and net assets.
Scoping	The group has subsidiaries across several global locations. Our scoping is determined based on their contribution to revenue and net assets. Based on this, we have identified certain entities as full scope audits, certain entities where we performed audit procedures on specified balances and certain entities where we performed analytical procedures. The entities subject to either full scope audits or procedures on specified account balances collectively accounted for 84% (2022: 80%) of Group revenue and 81% (2022: 75%) of net assets. We utilised Deloitte teams in the USA and Italy for the audits of entities in those locations.
Significant changes in our approach	We have identified the material uncertainty related to going concern (section 3 of this report) and revenue cut-off as key audit matters in the current year. We continue to recognise the valuation of inventory obsolescence provision and deferred taxation as key audit matters (refer to section 5 below). We also used a different basis for materiality compared to the prior year (refer to section 6 below).

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

5.1. Valuation of inventory obsolescence provision

Key audit matter description	At 31 December 2023, the gross inventory balance from continuing and discontinuing operations was £124.3 million (2022: £130.5 million), against which there was £28.8 million (2022: £23.2 million) provision. Significant management judgement is involved in determining the adequacy of the inventory obsolescence provision across a wide range of products, held within different geographical regions, and set against a backdrop of ever-changing technology in the image capture and sharing market as well as the writers' and actors' strikes that occurred during 2023. In respect of future forecast usage management consider the provision as a percentage of sales demand for previous years, and use historic information on the consumption of inventory and inventory write offs as part of a retrospective review of discontinued and slow moving inventory items which form part of the inventory provision. Additionally management perform overlays to the provision to comply with IAS 2. Given the high level of management judgement involved, particularly in respect of forecast future usage, we deemed this a potential fraud risk for our audit. Management has highlighted inventory obsolescence provisioning as a key accounting estimate in note 1. The Audit Committee report on page 103 also refers to inventory provisioning as one of the significant issues and judgements. Further information is included in note 3.3 to the financial statements.