






Making What Matters

ITV plc Annual Report & Accounts 2024

Entertain & CONNECT

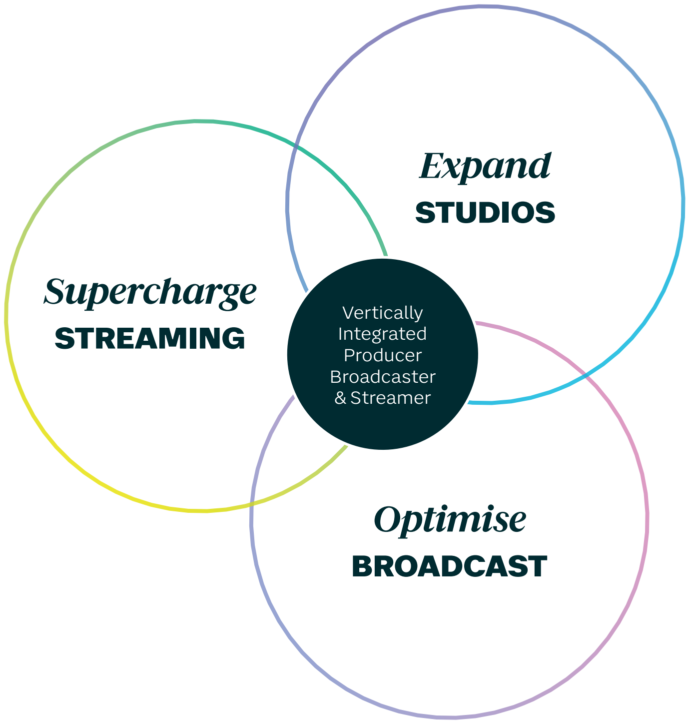
Our purpose
is Making What Matters, entertaining and connecting with millions of people in the UK and globally, reflecting and shaping culture and building brands with brilliant content and creativity.

Our 2026 vision
is to be a leader in UK advertiser funded streaming and an expanding global force in content.

Our strategy
ensures that ITV is best placed to capitalise on the opportunities presented by the rapidly changing viewing, content production and advertising environments.

▲ **I'M A CELEBRITY...GET ME OUT OF HERE!** had its 24th series on ITV in 2024. It was the biggest entertainment show of the year.

OUR MORE THAN TV STRATEGY



Read more on our strategy on page 9

Key financials[1]

Group external revenue
£3,488m
-4% (2023: £3,624m)

Cost savings
£60m
(2023: £24m)

Group adjusted EBITA
£542m
+11% (2023: £489m)

Net debt
£431m
(2023: £553m)

Adjusted EPS
9.6p
+23% (2023: 7.8p)

Profit to cash conversion
83%
(2023: 102%)

Statutory operating profit
£318m
+34% (2023: £238m)

Leverage
0.7x
(2023: 1.0x)

Statutory EPS
10.4p
+100% (2023: 5.2p)

Dividend
5.0p
(2023: 5.0p)

Contents

Alternative performance measures

1. We use both statutory and adjusted measures in our Strategic Report. The latter, in management's view, reflects the underlying performance of the business and provides a more meaningful comparison of how the business is managed and measured day-to-day. A full reconciliation between our statutory and adjusted results is provided in our Alternative Performance Measures section. Our KPIs (which are based on adjusted metrics) are set out in the KPIs section

FURTHER READING

Read our **Social Purpose Impact Report** at: itvplc.com/socialpurpose

Read our **Pay Gap Report** at: itvplc.com/investors/governance

Online
We maintain a corporate website containing our financial results and a wide range of information of interest to all stakeholders, including institutional and private investors: **www.itvplc.com**

Strategic Report
The Strategic Report is prepared in line with the relevant provisions of the Companies Act 2006 and the 2018 Corporate Governance Code and the Company has had regard to the guidance issued by the Financial Reporting Council. It is intended to provide shareholders and other stakeholders with a better understanding of the Company, its position in the markets in which it operates, and its prospects.

Forward-looking statements
This Annual Report contains certain statements that are or may be forward looking statements. Words such as "targets", "expects", "aim", "anticipate", "intend", or the negative of these terms and other similar expressions of future performance or results, and their negatives, are intended to identify such forward-looking statements. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting ITV. Although ITV believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. They are not historical facts, nor are they guarantees of future performance; actual results may differ materially from those expressed or implied by these forward-looking statements. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward looking statements. Such factors include, but are not limited to, those discussed under our Risks and Uncertainties on pages 49 to 53.

Forward-looking statements speak only as of the date they are made and, except as required by applicable law or regulation, ITV undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Nothing in this report should be construed as a profit forecast.

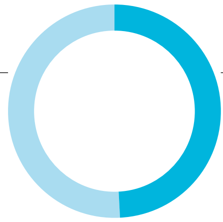
An introduction to ITV and its business model

Who we are

ITV is a vertically integrated producer broadcaster and streamer, consisting of ITV Studios and Media & Entertainment (M&E).

ITV TOTAL REVENUE[1]

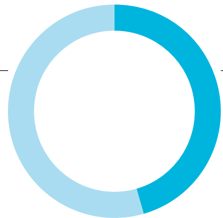
ITV Studios
£2,038m
(2023: £2,170m)



M&E[2]
£2,102m
(2023: £2,090m)

ITV GROUP ADJUSTED EBITA[3]

ITV Studios[4]
£299m
(2023: £286m)



M&E
£250m
(2023: £205m)

1. A full reconciliation between our adjusted and statutory numbers is included in our APMs section
2. Includes £556 million of digital revenues (2023: £498 million). 2023 digital revenue was reported as £490 million and has been restated to include previously omitted digital advertising revenue streams. Refer to the KPIs section for further details
3. Group Adjusted EBITA includes £(7) million related to unrealised profit in stock adjustments (2023: £(2) million)
4. 2024 ITV Studios EBITA includes £13 million impact of Audio-Visual Expenditure Credits, refer to the Finance Review for further details

Our divisions

ITV Studios

ITV Studios is a scaled and global creator, owner and distributor of high-quality TV content. It operates in 13 countries, across more than 60 labels, and has a global distribution network. It is diversified by genre, geography and customer in the key creative markets around the world.

ITV Studios is the largest commercial producer in the UK, one of the largest unscripted producers in the US and one of the top three producers in the majority of the international markets in which it operates. ITV Studios has established relationships with key content buyers and leading creative talent in those markets, and with a combined content library of over 95,000 hours, it is also one of the pre-eminent global distributors.

Media & Entertainment

ITV is the UK's largest commercial broadcaster and BVOD* streamer, delivering unrivalled audience scale and reach. Through M&E, we make content available to viewers through ITVX – our free advertiser-funded streaming service, our free-to-air linear TV channels, and our third-party partners, enabling them to watch however and wherever they choose.

ITV offers advertisers a unique combination of mass reach, targeted advertising, and commercial and creative partnerships, in a brand-safe environment across ITVX and our linear TV channels. We also offer advertising around our content on YouTube, providing increased scale and reach for advertisers.

* Broadcaster video on demand

59%
of revenue generated outside the UK
(2023: 58%)

20
formats sold in 3+ countries
(2023: 19)

14.3m
monthly active users
(2023: 12.5m)

1,686m
total streaming hours
(2023: 1,506m)

25%
total revenue from streamers
(2023: 32%)

30%
of revenue from scripted productions
(2023: 37%)

92%
of the top 1,000 commercial broadcast TV programmes
(2023: 91%)

32.2%
share of commercial viewing
(2023: 32.6%)

Refer to the Operating and Financial Performance Review for further details on our divisions

An introduction to ITV and its business model continued

Our strategic assets and competitive advantages

ITV's business model is based on a unique set of strategic assets and competitive advantages, enabling us to grow our diversified revenue streams and create value for our shareholders.

By developing, owning, managing and distributing the rights to content, we can maximise the value of our programme brands across ITV Studios, Streaming and Broadcast. This ensures ITV is a more diversified business and enables us to drive value from different revenue models.

GROUP

- Integrated producer, broadcaster and streamer model creates valuable synergies
- Strong, trusted brand, products and culture
- A high-performing, agile, creative and diverse workforce

ITV STUDIOS

- Industry-leading creative talent that creates and produces content across a range of genres
- Operates in the growing segments of the content market – premium scripted and unscripted content
- Broad global customer base with major networks, streamers and broadcasters
- Creates and owns the rights to world-class content

MEDIA & ENTERTAINMENT

- Trusted brand with a strong British content offering
- Unique commercial proposition
- Strong commercial relationships with advertisers and partners
- Owns Planet V, which is the second largest programmatic targeted addressable platform in the UK
- Strong data capabilities with one of the largest first-party datasets in the UK

Using our strategic assets and competitive advantages we aim to grow...

Our diversified revenue streams

ITV STUDIOS

Original production
We create and produce original scripted and unscripted content commissions for a diverse customer base of global streamers, major networks, as well as local free-to-air and pay TV broadcasters and operators across our production bases.

Formats
We create some of the world's most successful unscripted formats, which we license globally to maximise the value from our programme rights.

Distribution
We own the rights to a significant catalogue of programmes that we license to broadcasters and streamers internationally through our global distribution network.

Digital
We monetise our ITV Studios brands and extensive catalogue of 95,000+ hours via YouTube channels, social media, gaming and streaming platforms through our digital studios label: Zoo 55.

MEDIA & ENTERTAINMENT

Advertising
ITVX and our free-to-air linear TV channels drive significant digital and linear advertising revenues, due to our ability to deliver mass audiences and targeted advertising at scale.

Advertising partnerships
Through our partnership with YouTube, we work alongside ITV Studios' Zoo 55 label to sell the advertising around all our content on YouTube.

Commercial and creative partnerships
Using the power of our brands, we help advertisers engage with audiences in different ways. We provide unique and innovative commercial and creative partnerships across ITVX and our free-to-air linear TV channels. These include sponsorship, product placement and advertiser-funded programming.

Subscription, competitions and third-party revenues
We generate streaming subscription revenue, monetise our consumer interactions through competitions, and receive third-party revenue from platforms for carrying our channels.

Supported by our risk management framework

ITV operates in an increasingly complex business environment. Thus, our risk management framework provides the business with the tools to identify, assess, manage and continually review our risks.

Management and the Board can adapt the strategy to ensure we are striking the right balance between risk-taking and risk mitigation, and that any underlying risks in the strategy are being appropriately managed, thereby enabling the successful delivery of the strategy.

Our business model enables us to create value for all our key stakeholders. This includes our customers, viewers and subscribers, partners, citizens, shareholders, debt providers and analysts, legislators and regulators, as well as our colleagues, programme participants and everyone we work with

See our Stakeholder Engagement section for further details on ITV's key stakeholders and how we engage with them

Investor proposition

Reasons to INVEST

ITV is delivering profitable growth for shareholders through:

1 DRIVING SIGNIFICANT BENEFITS FROM OUR UNIQUE POSITION:

- As the UK's largest commercial broadcaster and BVOD* streamer, and as a scaled global production business

*Broadcaster video on demand

2 GROWING OUR LEADING, SCALED AND DIVERSIFIED GLOBAL STUDIOS BUSINESS:

- ITV Studios is on track to deliver 5% CAGR organic revenue growth between 2021 and 2026, growing faster than the market
- ITV will deliver a margin of 13–15%

3 DRIVING STRONG MOMENTUM IN STREAMING:

- Delivering significant growth in digital viewing and digital advertising, providing data-driven targeted advertising at scale through Planet V (ITV's addressable advertising platform) in a trusted, brand-safe environment
- On track to deliver at least £750 million of digital revenue by the end of 2026

4 OPTIMISING BROADCAST AS WE CONTINUE TO ATTRACT MASS LINEAR TV AUDIENCES:

- Which remain highly valuable to advertisers as they grow their businesses, and drives cash generation for the Group

5 INCREASING PROFIT OVER THE MEDIUM TERM:

- As we continue to rebalance the business towards the growth drivers of ITV Studios and advertiser-funded streaming, and deliver further efficiencies

6 ROBUST BALANCE SHEET, GOOD CASH GENERATION AND DISCIPLINED CAPITAL ALLOCATION FRAMEWORK:

- Reprofiled debt, pension scheme in surplus, and operating within investment grade metrics, provide a strong platform for future growth and attractive returns to shareholders
- Sustaining a 5.0p ordinary dividend that can grow over time; £198 million of £235 million share buyback completed by 31 December 2024

Refer to Our More than TV Strategy on page 8
KPIs on page 12
Operating and Financial Performance Review on page 16
Finance Review on page 40, for further details on the above

Chair's Statement

In September 2025 we will celebrate ITV's 70th birthday. Over seven, often turbulent, decades our company has displayed a rare combination of tenacity, adaptability and creativity to allow it to succeed and prosper. These characteristics were to the fore again in 2024.

Andrew Cosslett
Chair

We opened the year with *Mr Bates vs The Post Office*, arguably the most impactful TV drama ever produced, provoking public outrage and immediate and welcome government intervention and changes to law. *Mr Bates* generated the most enormous pride inside the organisation, showing vividly as it did, the impact and value ITV has as a Public Service Broadcaster (PSB).

For 70 years ITV has entertained, influenced and shaped Britain, and Mr Bates was a classic example of the Company at its best. Our pride is heightened by the knowledge that we do what we do without taking money from the public purse. Since it began in 1955, ITV has used only the talent of its people and its commercial wit to make its way in the world. And that continues today.

The ability to adapt is a key factor in long-term success. The media industry landscape has changed dramatically over recent years and we have had to keep pace. Last year, in addition to broadcasting award-winning programmes like *Mr Bates,* we invested further in our Studios division, which now comprises over 60 production labels around the world, and also in ITVX, our high-performing streaming business, which enjoyed a very successful second year. These investments are strategically vital, and were made possible by the delivery at the same time of a complex, internal efficiency and transformation programme. This programme was carefully and thoughtfully managed by our leadership team and the Board acknowledges their efforts over a prolonged and intense period. Many colleagues were impacted by the changes called for, and we thank everyone involved for their tolerance, understanding and support.

In a challenging macro environment, total external revenues for 2024 were down 4%. Group adjusted EBITA for the year, however, grew by 11% with increases in profitability seen in both Studios and Media & Entertainment. Well over half our profits now come from Studios and our digital business. Our balance sheet remains strong and we generated £325 million of free cash in the year.

We have now completed the majority of our £235 million share buyback and I know that our shareholders value our dividend. The Board has proposed a final dividend of 3.3p taking the full year value of the dividend to 5.0p, in line with 2023.

The Media Act received Royal Assent in the last days of the previous Parliament, and we were very pleased that it did. This is a key piece of legislation that helps modernise the regulation of the media industry and offers PSBs like ITV a more level playing field on which to compete. We applied to renew our PSB Licence in 2023 and after the passing of the Act, Ofcom renewed the PSB Licence, committing us to ten more years as a PSB. We now look to Ofcom to provide robust implementation of the Act's provisions.

Such a busy and consequential year would not have been possible without the leadership of Carolyn and her senior team. I would like to thank them for their extraordinary efforts in challenging circumstances. And I must also thank everyone more broadly at ITV. Great businesses are built by great people and we are fortunate to have so many we can count on. So thank you. Your passion and commitment make all the difference...happy 70th.

Andrew Cosslett
Chair of the Board

Market review

The markets in which we operate are dynamic, highly competitive, and continue to evolve at pace. High-quality content remains essential for all platforms to attract and engage viewers at scale. Ongoing shifts in viewing habits, and the constantly changing advertising landscape, present both opportunities and challenges for ITV.

TREND 1:

Global demand for content

The global content market is large and attractive with all platforms needing a mix of content to succeed in a very competitive market. While overall market growth has slowed compared to historical levels, we expect to see growth in the key segments in which ITV Studios operates, including content licensing (especially digital and FAST[1] channels), as well as continued demand from streaming platforms for unscripted content and premium scripted content.

2024 was impacted by the 2023 US writers' and actors' strikes, which delayed productions from 2024 to 2025, along with softer demand from free-to-air broadcasters (FTA) in Europe.

The global content market grew by 3% in 2024 with spend on sports rights from global streaming platforms driving a significant proportion of the growth. Demand for acquired, or library, content also increased. Original commissioning spend from linear TV operators declined, which impacted ITV's revenue performance in 2024.

1. FAST – Free ad-supported streaming TV

Size of global content market in 2024

$233 billion

2023: $227 billion (Source: Ampere Analysis: Feb 2025 – excludes spend from film studios)

How we are responding

Delivery of ITV Studios' strategic priorities will ensure ITV gains market share over the medium term. By expanding our scripted and unscripted business, and further diversifying our customer base, ITV can capture the growth in content spend in key segments in which we operate, as explained above.

Growing our global formats ensures we have a range of high-value formats which we can monetise internationally through production, format sales and licensing. Our distribution business and digital studios, Zoo 55, can also capitalise on the value of our extensive catalogue of formats, scripted content and ITV Studios IP. This contributes to our higher overall ITV Studios margin relative to our industry peers.

As a vertically integrated producer, broadcaster and streamer, ITV Studios also benefits from demand for its content from ITV's FTA linear TV channels and our free advertiser-funded streaming service, ITVX, providing M&E with a strong and secure content supply.

Link to risk: 1 | **Link to strategy:** E

TREND 2:

Fragmentation in viewing and changing habits

While the average viewing time per person per day to broadcast, streaming and video-sharing platforms remains stable at around 4 hours 16 mins per day, the way viewers consume content has evolved rapidly. Traditional linear TV viewing has experienced a decline over the last few years, with this shift being offset by growth in digital platforms. This reflects an increasingly fragmented competitive landscape, which offers viewers unprecedented choice. From PSBs (e.g. BBC, ITV) and global streaming platforms (e.g. Netflix, Disney+) to video-sharing platforms (e.g. YouTube, TikTok), the breadth of available content and viewing options gives audiences an unparalleled level of choice and flexibility to curate their own personalised viewing experience across platforms, anytime, anywhere.

Average viewing time per person per day

4 hours 16 mins

2023: 4 hours 17 mins (Source: BARB, 16+)

How we are responding

As the largest commercial broadcaster and BVOD streamer in the UK, we offer viewers the flexibility to watch content whenever and wherever, while maximising commercial value.

ITVX has over 22,000 hours of free content (up from 11,000 at launch), which has led to significant growth year-on-year in monthly active users of our streaming service, up 14% and streaming hours, up 12% year-on-year.

Live viewing, whether via ITVX or on linear TV channels, remains a major focus: ITV is home to more commercial audiences of scale than any other broadcaster or streaming platform in the UK.

In 2025, we will invest around £1.250 billion in high-quality, trusted content across a wide range of genres, including large family entertainment shows, sport, drama and news, which will drive both video on demand and live viewing on ITVX, and mass audiences on linear TV channels.

Link to risk: 3 | **Link to strategy:** S O

TREND 3:

The UK advertising market

The UK advertising market was worth c.£41 billion in 2024, growing at 11% year-on-year (compared to +6% in 2023 vs. +8% in 2022). This was a compound annual growth rate (CAGR) of 8% over the past decade. This growth has largely been driven by online (digital) advertising, which was up around 15% in 2024 (following +12% growth in 2023) and a 16% CAGR over the last ten years.

Online is the largest category of advertising spend, being 77% of the market, followed by TV advertising which is 12% of the market. (Source: Q3 2024 AA WARC report).

Overall growth varies by advertising medium, with TV impacted, in part, by the increased macroeconomic uncertainty in Q4 2024, and lower business confidence following the UK Budget.

Market forecasts for 2025 (e.g. AA WARC, media agencies) expect growth in UK advertising, driven by online advertising.

Global streaming platforms, such as Netflix, Amazon and Disney+ have recently introduced ad-supported streaming tiers, increasing competition within the TV advertising market.

2024 UK advertising market

£41 billion

2023: £36 billion (Source: AA WARC Q3 2024)

How we are responding

ITV offers our advertising clients: mass reach, targeted advertising at scale, and commercial and creative partnerships in a brand-safe environment. This remains a considerable market differentiator, along with our deep, established relationships with advertisers and agencies – something which no other competitor can offer.

ITVX delivers the scale and breadth of digital audiences, which provides inventory for Planet V, our addressable advertising platform, to create and deliver targeted advertising at scale. This underpins our ability to compete for digital video budgets and gain share in this growing addressable advertising market, illustrated by our 15% growth in digital advertising revenue in 2024.

ITV will also sell advertising around ITV's content on YouTube (through Zoo 55), creating a new opportunity to grow our share of digital advertising revenues.

ITV's FTA linear TV channels offer unique scale and reach, and it remains a cost-efficient and important part of marketing campaigns.

Link to risk: 2 | **Link to strategy:** S O

Key

E Expand Studios globally S Supercharge Streaming O Optimise Broadcast

Refer to the Strategy section in the CEO's Statement and to the Operating and Financial Performance Review for further detail

Chief Executive's statement

2024 has been a successful year – financially, operationally and creatively, driven by strong execution. This reflects ITV's significant strategic progress despite the rapidly changing market in which we operate.

Carolyn McCall
Chief Executive

ITV delivered double-digit earnings growth across the Group, with record profits in Studios, and an increase in the profits and margin of M&E. ITV Studios performed well despite the expected one-off impact of US strikes and softer demand from free-to-air broadcasters, which reflects the scale, quality, diversification and resilience of the business.

ITVX continued to drive strong growth in digital viewing and revenue and is delivering attractive returns. ITVX viewing has grown faster than all the other major video-on-demand services and streaming platforms since its launch. Broadcast has maintained its strength in delivering mass reach and continued strong cash generation.

Creatively, we have had a standout year producing and distributing critically acclaimed content globally that continues to set us apart in the market, and 2024 has demonstrated that the programmes we produce and distribute can change attitudes, outcomes, and even the law.

Financial Highlights

ITV's transformation has made it more agile and resilient, which have been key to its success over the years, and this is evident in its 2024 financial performance.

Group adjusted EBITA* grew 11% to £542 million following our year of peak net investment in 2023 and adjusted EPS was up 23% at 9.6p.

Total ITV Group revenue was down 3% and total external revenue declined by 4%, with 2% growth in total advertising revenue offset by the expected decline in ITV Studios revenue. Within M&E, ITVX continued to drive strong growth in digital viewing, which was up 12%, and in digital advertising revenue, which grew 15% year-on-year. Digital advertising now makes up 26% of total advertising revenues.

* Includes £13 million of Audio Visual Expenditure Credits, refer to APMs for further details

Our statutory results benefited from the profit on the sale of BritBox International in March 2024, with statutory profit before tax up 170% to £521 million and statutory EPS increasing by 100% to 10.4p.

Cash generation was strong with 83% profit to cash conversion and £325 million of free cash flow. ITV has a robust balance sheet with net debt of £431 million, and net debt to adjusted EBITDA leverage of 0.7x at 31 December 2024.

In line with ITV's dividend policy, the Board has proposed a final dividend of 3.3p (2023: 3.3p), giving an ordinary dividend of 5.0p per share for the full year 2024 (2023: 5.0p) – a total payment of around £190 million. Since 2018, we have returned over £1.4 billion to shareholders, which includes £198 million of our £235 million share buyback programme as at 31 December 2024.

Our Progress in Delivering Our Purpose, Vision and More Than TV Strategy

Our purpose is Making What Matters, entertaining and connecting with millions of people in the UK and globally, reflecting and shaping culture and building brands, with brilliant content and creativity.

We announced Phase Two of our More Than TV strategy three years ago with the vision that by 2026, ITV will be a leader in UK advertiser-funded streaming, and an expanding global force in content.

To deliver our vision and strategy, we are focused on three pillars:

- Expand our UK and global production business
- Supercharge our Streaming business
- Optimise our Broadcast business

These pillars are underpinned by a number of priorities (detailed further on page 9), for which we have key performance indicator (KPI) targets to deliver by 2026. ITV has made strong strategic progress and the 2024 results demonstrate the significant achievements we have made.

We have transformed ITV into a much leaner, digital, more diversified and adaptable business, fit for the future with good opportunities for profitable growth, strong cash generation and attractive returns to shareholders.

Expand ITV Studios

In ITV Studios we have built a scaled, global, diversified and resilient business, driven by very strong creative output, and being focused on delivering good growth and taking market share, benefitting from our significant competitive advantages.

ITV Studios is the largest commercial producer in the UK, one of the largest unscripted producers in the US, and in the top three producers in the key creative markets in which it operates. We produce a broad range of content for a diversified customer base. Over the last two years, around 35% of ITV Studios' revenue has come from the expanding scripted market and around 30% from growing streaming platforms.

In 2024 we saw creative successes with programmes such as Mr Bates vs The Post Office, ITV's biggest drama in over 20 years; Fool Me Once, one of Netflix's most watched shows of all time; Season 6 of Love Island US, the number one reality series across all streaming platforms in the US; and Citadel Diana, Amazon Prime Video's biggest global launch for an Italian original ever.

We continue to successfully attract and retain talent. Our unique blend of creative independence, an entrepreneurial culture, and the resources of a global studio allows our talent to thrive. Recent acquisitions include Hartswood Films in the UK, the producer of Sherlock, and one of the fastest-growing producers Eagle Eye Drama, the producer of Professor T.

Chief Executive's Statement continued

The global content market is large and attractive and we anticipate growth in the key segments of the market in which we operate. This includes premium scripted content and unscripted formats driven by the strong demand from streaming platforms, and catalogue sales, particularly with strong growth in digital distribution.

We have an exciting pipeline of new and returning programmes across scripted and unscripted for a broad range of customers, such as One Piece S2 for Netflix, Rivals S2 for Disney+ and Destination X for the BBC and NBC.

In addition, we have a catalogue of over 95,000 hours, including world-class unscripted IP, and a leading drama library. Having a scaled quality catalogue, gives us really exciting new revenue opportunities as distribution becomes increasingly digital with continuous technological change.

In January 2025, ITV Studios launched Zoo 55, a new digital studios label. Through Zoo 55, we digitally publish ITV content and third party content, globally into social channels, direct to the consumer. This is through social video, free ad supported or FAST channels and through games. Zoo 55 centralises all these activities and supercharges our ability to distribute and monetise it much more effectively. In 2024, Zoo 55 delivered around £60 million of high-margin digital revenue, up c.30% year-on-year, and we expect to double this by the end of 2027, as we launch more channels and games in more territories.

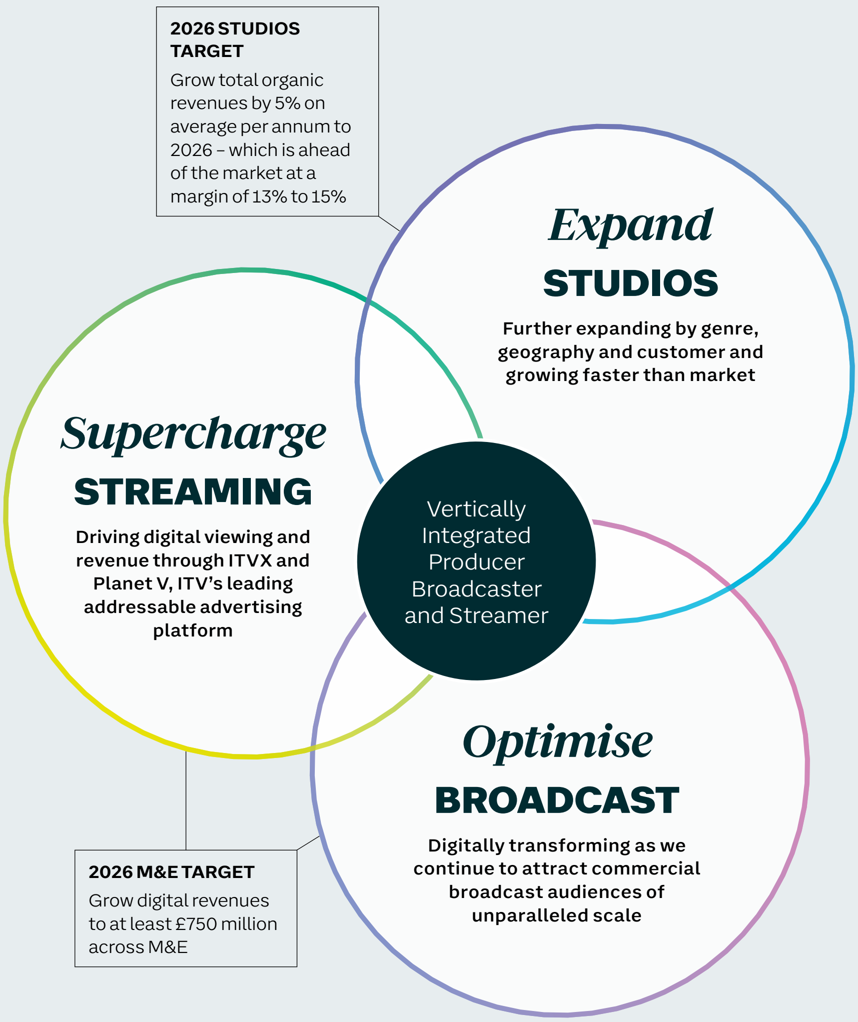
ITV Studios is on track to deliver its key financial targets of total organic revenue growth of 5% on average per annum from 2021 to 2026 – ahead of the market, and at a margin of 13 to 15%. We remain focused on the four strategic priorities (as detailed on the adjacent page) and are confident in our ability to continue growing our market share and deliver exceptional content globally.

Media & Entertainment (M&E)
ITV M&E is the UK's largest commercial broadcaster and BVOD streamer, delivering unrivalled audience scale and reach. It is underpinned by two strategic pillars; Supercharge Streaming and Optimise Broadcast, both of which are critical to our continued success in a rapidly changing market.

The media landscape has changed profoundly since we launched our strategy. Declining linear TV viewing coupled with growth in digital viewing, the proliferation of streaming services (19 new entrants in the UK since 2018 with five having ad-tiers), and the growing influence of platforms like YouTube (viewing up nearly 20% since 2022), have dramatically reshaped the competitive environment.

ITV's strategy recognises these rapid changes and has been laser focused on capitalising on the opportunities and managing and

Our More Than TV strategy



Chief Executive's Statement continued

ITV Studios – Strategic priorities and KPI targets

Expanding UK and global productions is central to ITV's strategy. ITV Studios' ambition is to be a leading force in the creation and ownership of intellectual property (IP), global content production and distribution. We are achieving this by focusing on our four strategic priorities to drive revenue and profit growth.

	PRIORITIES	WHY IT'S IMPORTANT	FY 2026 TARGET	FY 2024
STUDIOS	**1. Grow our scripted business**	To meet the growing global demand for scripted content, particularly from streaming platforms	400 high-end scripted hours per annum	296 hours (2023: 316 hours)
STUDIOS	**2. Grow our global formats business**	To maximise international monetisation of high-value formats	20 formats sold in three or more countries	20 formats (2023: 19 formats)
STUDIOS	**3. Further diversify our customer base**	To capture the growth in content spend from local and global streaming platforms	30% of total revenues from streaming platforms	25% (2023: 32%)
STUDIOS	**4. Attract and retain leading talent**	Key to creative success of a studios business	N/A	N/A

WHAT IT DRIVES

Growth in total organic revenue of 5% on average per annum to 2026[1] which is ahead of the market

Delivers adjusted EBITA[2] margins of 13% to 15%

In 2024, total organic revenue declined 5% at an adjusted EBITA margin of 14.7%

Media & Entertainment – Strategic priorities and KPI targets

ITV's M&E strategy is based on two core pillars: Supercharge Streaming and Optimise Broadcast, with strategic priorities to drive growth in digital revenues and maintain strength in linear.

	PRIORITIES	WHY IT'S IMPORTANT	FY 2026 TARGET	FY 2024
STREAMING	**1. Attract more monthly active users to ITVX**	ITV's reach is key to retaining and attracting advertisers	Grow monthly active users to 20 million	14.3 million (2023: 12.5 million)
STREAMING	**2. Increase the time users spend on ITVX**	ITV's scale is key to retaining and attracting advertisers	Grow total streaming hours to 2 billion hours	1,686 million hours (2023: 1,506 million hours)
STREAMING	**3. Increase UK subscriber base**	Monetising ITV viewers who are willing to pay for ad-free and additional content	Grow subscribers to 2.5 million	1.0 million (2023: 1.3 million)
BROADCAST	**4. Maintain our strength in delivering mass linear audiences**	ITV's mass linear audiences remain very important to UK advertisers	Maintain a share of at least 80% of the top 1,000 programmes	92% (2023: 91%)
BROADCAST	**5. Maintain ITV's position in UK broadcast market**	ITV's scale remains very important to UK advertisers	Maintain a share of commercial viewing of 33%	32.2% (2023: 32.6%)

WHAT IT DRIVES

Growth in digital revenues to at least £750 million by 2026

Revenues from linear TV advertising, commercial and creative partnerships, and sponsorship

In 2024, total digital revenues were £556 million, up 12% year-on-year

1. Average annual growth rate from 2021
2. Refer to APMs for detail on our adjusted measures

Refer to our KPIs section on page 12 for further details of our KPIs and their performance year-on-year

Chief Executive's Statement continued

mitigating the risks. Our priority was to transform our streaming and addressable advertising proposition to enable us to retain our existing viewers and advertisers while attracting new ones, and growing our addressable market to drive digital revenues. Through ITVX and Planet V, we've established a formidable position in the UK ad-funded streaming market.

ITVX has transformed the viewer experience, offering over 22,000 hours of free content, up from around 1,000 hours in 2019. It has a sophisticated personalisation and recommendations engine, and is on nearly 100% of all platforms. This has driven significant growth in digital viewing and in 2024, streaming hours and MAUs were up 12% and 14% year-on-year respectively.

Planet V has been critical to the success of ITVX. The platform has over 2,000 users in the UK who have access to data from over 40 million ITVX registered users, one of the UK's largest first-party data sets, and over 20,000 addressable targeting options. This has enabled us to attract over 1,000 new advertisers since launch and deliver double-digit growth in CPMs. And as it's wholly owned, we keep 100% of the revenue.

When we launched ITVX we expected the point when in-year incremental digital revenues would exceed in-year incremental costs of ITVX, to be in 2026. We achieved this milestone in 2024, delivering strong growth in viewing and revenues in line with our plan, but with less investment than initially planned. We did this by optimising our content and tech spend, adapting to the changing market and taking advantage of opportunities to reduce spend. By the end of 2025, we will have recouped the cumulative investment in ITVX, much earlier than expected.

We will continue to drive strong growth in digital viewing and revenue in ITX by focusing on our key value drivers – content, marketing, distribution, product and monetisation.

In addition to ITVX, we are actively developing new digital revenue streams to drive profitable growth. We are making hundreds more hours of long and short form ITV content available on YouTube, with ITV Commercial selling the advertising around it. This offers advertisers the opportunity to engage with ITV's unparalleled premium brand safe content on YouTube, and for ITV this increases our addressable market.

We are also developing opportunities for organic growth, beyond advertising, by reshaping our business unit, Interactive, to drive revenue through high value partnerships that leverage our scaled platform, our powerful brand and IP and our first party data. By moving beyond advertising, we aim to create innovative collaborations that deliver value, enhance customer experiences and unlock new digital revenue streams. For example we are further developing ITV Win as a premium destination for competitions and gaming. We now have the capability and culture to deliver a more entrepreneurial approach.

These revenues will contribute to our key M&E financial target of at least £750 million of digital revenues by 2026, which we are on track to deliver.

Alongside ITVX we are focused on maintaining our strength in delivering mass audiences which are highly valuable for advertisers. In 2024, we delivered 92% of the top 1,000 commercial audiences across key genres of sport, entertainment, reality, and drama. This robust performance cements ITV's unique market-leading position in UK broadcast.

Across M&E we have significant competitive advantages. We are the commercial leader in scale and reach on the TV set where the majority of all viewing still takes place. Our share of commercial big screen adult viewing is 22%, bigger than Netflix, Amazon Prime and Disney+ combined. We have a trusted brand and a strong track record for producing and distributing content which appeals to UK audiences. We have a unique commercial proposition offering mass reach, and commercial and creative partnerships all in a brand-safe and measured environment. Our extensive first-party data provides valuable insights for commissioning and windowing, driving viewing, it also improves marketing effectiveness. By augmenting our data with other first-party data, we can deliver highly valuable targeted advertising at scale, which is even more effective for advertisers.

We are focused on delivering profitable growth and expanding the margin, benefitting from these significant competitive advantages, developing new revenue opportunities and driving efficiencies.

Cost and Efficiency programme

We continue to focus on reducing costs and driving efficiencies through our ongoing transformation and cost efficiency programme as we reprioritise our resource allocation to better align with our strategy and viewer dynamics.

We delivered £60 million of savings in 2024 which is £10 million ahead of plan, and we have now completed our initial £150 million savings plan – one year early. Savings during the year were achieved through reductions in transmission costs, technology and operational efficiencies, organisational redesign across the business and simplifying ways of working. These savings have funded investments, increased margins and more than offset inflation in both businesses.

In 2025, we expect £30 million of new savings which is a combination of new initiatives and the annualised benefits from 2024 savings.

Regulation

The Media Act 2024, which was passed into law in July 2024, updates the legal and regulatory framework for television, particularly how it is delivered online. This should help ensure that content from PSBs, including ITV, will be included and easily discoverable on all major streaming platforms, on fair commercial terms. We remain fully engaged with Ofcom and the Government throughout the processes necessary for its full implementation.

In September 2024, the new Government confirmed its intention to implement advertising restrictions on less healthy foods (LHF) from October 2025. Advertising of LHF products will be restricted pre-9pm on Ofcom-regulated TV and streaming services, and at all times online.

▲ **MR BATES VS THE POST OFFICE** is ITV's biggest drama in over 20 years with an average audience of over 15 million viewers on ITV.

Chief Executive's Statement continued

The Advertising Standards Authority (ASA) is currently consulting on how it intends to implement the forthcoming restrictions on LHF advertising, which may include restricting brand advertising in some circumstances. We will engage with the consultation.

Our Social Purpose

ITV aims to inspire positive change and shape culture for good through its linear TV channels ITVX, and its prominent position as a Public Service Broadcaster in the UK. Our social purpose is focused on four areas: Mental Wellbeing, Better Futures, Climate Action, and Diversity, Equity and Inclusion (DEI).

In 2024, our Mental Wellbeing campaigns, which included the iconic Britain Get Talking, led to over 47 million people taking positive action for their mental health. World Wide Fund for Nature won our Head First award of £1 million of airtime to promote mental wellbeing in advertising with their campaign launched in Q4 2024. Within Better Futures, Soccer Aid for UNICEF surpassed an incredible milestone of over £100 million raised since it started.

ITV is committed to integrating climate action within all areas of the business. We have championed new production methods to cut our emissions such as remote production and using electric vehicles on set. We are also driving change on-screen, embedding climate-related content across all genres. Our recently published Climate Transition Plan will guide our efforts to prioritise impactful climate actions while driving value for the business and our stakeholders.

We continue to implement our global DEI strategy, championing diversity through our mainstream content, creating equitable opportunities at ITV and across the industry, and creating an inclusive culture at ITV. Our newly established Diversity Development Fund has led to the commissioning of programmes such as Romesh Ranganathan's Parents' Evening.

More detail is included in the Social Purpose section on page 31

Duty of Care

ITV takes its responsibilities related to Duty of Care and Speaking Up very seriously, with significant focus from the Board and Executive Committee. We have robust and established processes in place to support the physical and mental health of everyone working for and with ITV, including those who help produce our shows and those who take part in them. We also provide confidential and anonymous channels through which concerns can be reported, and we ensure that we look into all complaints raised.

In 2024, we continued to prioritise awareness and engagement with our Speaking Up programme. This included launching a dedicated Complaints Handling Unit and Framework. A review by Dr Paul Litchfield during the year concluded that we provide a very high level of duty of care to participants of our shows.

Our Chief People Officer, Ade Rawcliffe, now chairs the Duty of Care Operating Board and we ensure the continuous evolution of our care practices. Duty of Care also remains a principal risk that the Board monitors regularly. Further details can be found in the Risks and Uncertainties section on page 53.

▲ **ITV NEWS** is a trusted and impartial news source. Streaming hours of News on ITVX increased by 34% year-on-year in 2024.

Colleagues

Over the 70 years of ITV's history, our people have been the bedrock of the business and fundamental to ITV's success. This remains true to this day, and I am incredibly grateful to all our colleagues for their hard work, resilience, and professionalism, particularly given the uncertainty in a rapidly changing environment, which has resulted in restructuring and a focus on efficiency and productivity.

We've achieved a huge amount in 2024 in continuing to deliver our strategy effectively, and everyone should feel really proud of what we have accomplished together.

Our Ambassador network has grown stronger and is a vital part of how the Board and I engage with our colleagues. During the year, we also ran a series of Roadshows across ITV globally, and I thoroughly enjoyed meeting many of our colleagues from all areas of the business.

We recently launched 'Making What Matters' internally, which captures what sets us apart and makes ITV a special place to work. I am pleased that in our 2024 Pulse Engagement survey, 75% of colleagues who responded feel they belong at ITV.

In 2025, we will continue to prioritise and invest in our colleagues by further driving a culture of open communication and collaboration, providing learning and development opportunities, and championing diversity and inclusion to ensure that ITV is a workplace where everyone feels welcome and respected.

It is through our collective efforts that we will continue to execute our More Than TV strategy and ensure that ITV thrives in the industry for the next 70 years.

Outlook

We are really proud of the strategic progress we have made to date. We have transformed ITV from an analogue business to a successful digital business where we have built the capability and created an adaptable and agile culture while nurturing and growing our creative power.

As we continue to grow ITV Studios and our digital revenues, ITV is becoming a more resilient business with production and digital now accounting for close to two-thirds of our revenue. This is underpinned by the powerful reach and strong cash generation of Broadcast.

We see lots of opportunities for further organic growth, and with our significant competitive advantages and clear strategic pillars, we are in a really strong position to deliver profitable growth, strong cash generation and attractive returns to shareholders.

Carolyn McCall
Chief Executive

Key Performance Indicators

Our KPIs and related targets for 2026 align our performance and accountability with our strategic priorities. This is detailed further in the Strategy section of the Chief Executive's Statement.

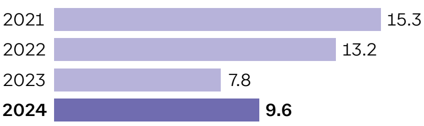
All KPIs are reported on a six-month basis. The following are reported quarterly: ITV Studios total revenue growth, total digital revenue, total streaming hours, share of commercial viewing and share of top 1,000 commercial broadcast TV programmes.

For further details on the performance of our KPIs, see the Operating and Financial Performance Review, pages 16 to 30

ITV GROUP

ADJUSTED EPS[1]

9.6p +23% on 2023

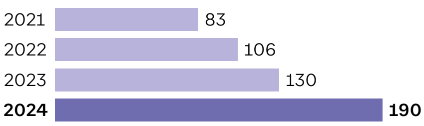


Adjusted EPS represents the adjusted profit after tax[1] attributable to each equity share in the year. It is an important measure as we aim to create long-term value for our shareholders.

Performance
Adjusted EPS increased by 23% from 7.8p to 9.6p. This was driven by year-on-year growth in total advertising revenue, combined with an increase in the EBITA[1] of ITV Studios and M&E, and significant cost savings across the Group.

COST SAVINGS

£190m cumulative savings since 2018



Cost savings are permanent savings to the business. Managing our cost base and mitigating the impact of inflation is key, as we aim to run our business as efficiently as possible, and fund investments in line with our strategic priorities.

Performance
We delivered £60 million of permanent efficiencies in 2024 and £190 million since 2018.

The £60 million comprised £20 million of our initial £150 million plan – now fully completed – and £40 million of savings as part of our ongoing strategic restructuring and efficiency programme.

We expect to deliver a further £30 million of non-content savings in 2025, which is a combination of new initiatives and annualised benefits from the 2024 savings.

2026 Target
Deliver over £150 million of cumulative savings between 2018 and 2026.

PROFIT TO CASH CONVERSION[1]

83%

One of ITV's strengths is its cash generation. Profit to cash conversion serves as a key indicator in measuring our effectiveness in exercising tight management of working capital balances. It is calculated as our adjusted cash flow as a proportion of adjusted EBITA[1].

Performance
Profit to cash conversion was 83% in the year. Working capital had a significant outflow year-on-year, driven by an increase in production inventories predominantly in the US following the actors' and writers' strike in 2023.

2026 Target
Maintain at around 85%.

1. A full reconciliation between our adjusted and statutory results is provided in the APMs section

Key Performance Indicators continued

EXPAND STUDIOS UK AND GLOBAL PRODUCTION

ITV STUDIOS TOTAL ORGANIC REVENUE GROWTH[2]

-5% on 2023

2021	31
2022	14
2023	3
2024	**-5**

ITV Studios total organic revenue growth measures the scale and success of our global Studios business. It includes revenues from programmes sold to M&E, which as a vertically integrated producer, broadcaster and streamer, is an important part of our business.

Performance
Total organic revenue was down 5%, driven by the impact of the 2023 US writers' and actors' strikes, which delayed around £80 million of revenue from 2024 to 2025. This was combined with lower demand from free-to-air broadcasters in Europe and strong comparatives from the phasing of high-value deliveries year-on-year. Organic revenue excludes the impact of a £30 million unfavourable foreign exchange movement and £20 million of acquisitions and disposals in the year.

2026 Target
Grow by 5% on average per annum (from 2021).

TOTAL HIGH-END SCRIPTED HOURS

296 hrs -6% on 2023

2021	175
2022	276
2023	316
2024	**296**

Total high-end scripted hours is an important measure in assessing the success of our strategic priority, to grow our scripted business. High-end scripted hours include new commissions or returning franchises that have a higher cost per hour than continuing drama.

Performance
The number of high-end scripted hours produced by ITV Studios decreased by 6% to 296 hours in 2024, driven by the impact from the US actors' and writers' strikes and strong comparatives from the phasing of high-value scripted deliveries year-on-year, particularly to streaming platforms in the UK and US.

2026 Target
Grow to 400 hours.

% OF ITV STUDIOS TOTAL REVENUE FROM STREAMING PLATFORMS

25% -7 basis points on 2023

2021	13
2022	22
2023	32
2024	**25**

Over the medium term, the key driver of growth in the global content market is expected to be from streaming platforms. The percentage of ITV Studios total revenue from streaming platforms is an important measure of delivering its strategic priority of further diversifying its customer base and meeting its 2026 total organic revenue growth target.

Performance
The percentage of ITV Studios total revenue from streaming platforms declined to 25%, driven by the impact from the US actors' and writers' strikes and strong comparatives from the phasing of high-value deliveries in 2023, particularly in the UK and US. Offsetting some of this decline in 2024 were deliveries, such as Queer Eye and Missing You for Netflix, The Better Sister for Amazon Prime Video, and Virgin Island for Hulu.

2026 Target
Grow to 30% of ITV Studios total revenue.

ITV STUDIOS ADJUSTED EBITA[2] MARGIN %

14.7% +1.5 basis points on 2023

2021	12.1
2022	12.4
2023	13.2
2024	**14.7**

This is the key profitability measure used across the ITV Studios business. The margin is calculated on ITV Studios total revenue.

Performance
ITV Studios adjusted EBITA margin was 14.7% (2023: 13.2%) and is at the high-end of our range. This reflects an increase in higher margin catalogue sales, the actions we have taken on cost, and £13 million impact of Audio-Visual Expenditure Credits (AVEC) during the year.

2026 Target
Deliver in the 13% to 15% range.

NUMBER OF FORMATS SOLD IN THREE OR MORE COUNTRIES[3]

20 formats +5% on 2023

2021	15
2022	19
2023	19
2024	**20**

The Studios business is focused on maximising the international monetisation of high-value formats. A good measure of international success is when a format is commissioned in three or more countries in the year.

Performance
The number of formats sold in three or more countries was 20 and in line with our 2026 target. Recent formats that have sold in three or more countries include: Love Island, The Chase, and Hell's Kitchen.

2026 Target
Grow to 20 formats.

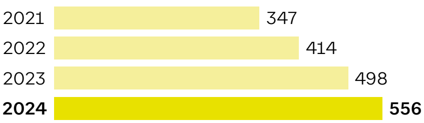
2. Our APMs are defined within the APMs section of this report. It also includes a full reconciliation between our adjusted and statutory results
3. Spin-offs such as Love Island Games, are considered distinct from the original format (i.e. Love Island) for the purpose of this indicator

Key Performance Indicators continued

M&E SUPERCHARGE STREAMING

TOTAL DIGITAL REVENUE[1]

£556m +12% on 2023



Total digital revenue comprises all revenue streams from our digital businesses, predominantly digital advertising. It is an important measure of the acceleration of our digital strategy as we supercharge streaming.

Performance
Total digital revenue grew 12% to £556 million. The growth was driven by digital advertising revenue, which was up 15%. This was marginally offset by the expected decline in subscription revenues.

2026 Target
More than double (compared to 2021) to at least £750m.

MONTHLY ACTIVE USERS (MAU)[3]

14.3m +14% on 2023

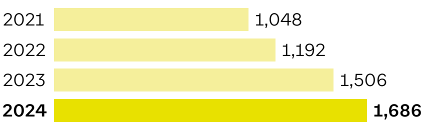
Attracting more monthly active users to ITVX is a key strategic priority. It increases reach, which is important to attract and retain advertisers and contributes to total digital revenue growth.

Performance
Monthly active users grew 14% to 14.3 million. As with total streaming hours, the growth in monthly active users has been driven by investment in the quality and scale of content on ITVX, the enhanced product and user experience, and the expanded distribution and marketing activity.

2026 Target
Double (compared to 2021) to 20m.

TOTAL STREAMING HOURS[2]

1,686m hrs +12% on 2023



Increasing the time users spend streaming ITV content is a key strategic priority. It drives scale, which is important to attract and retain advertisers, and contributes to total digital revenue growth.

Performance
Total streaming hours increased 12% to 1,686 million hours. This growth reflects our high-quality content offering, along with our investment in ITVX to enhance the product and user experience, and to expand our distribution and marketing activity. This has helped retain and attract more users, who have watched content for longer.

2026 Target
Double (compared to 2021) to 2bn hours.

UK SUBSCRIBERS[4]

1.0m -23% on 2023

UK subscribers capture total UK subscriptions to ITV streaming platforms. It is a measure of the monetisation of ITV viewers, who are willing to pay for ad-free and additional content.

With the changing market dynamics, we have prioritised our ad-funded proposition over our paid proposition to deliver the best return and drive digital revenues. Subscribers as a KPI are therefore less important.

Performance
Total UK subscribers as of 31 December 2024 was down 23% year-on-year, as we consolidated subscriptions from our standalone app, BritBox UK, into ITVX Premium. This was combined with the closing of the legacy ITV catch-up service on Amazon Prime Video Channels.

2026 Target
Double (compared to 2021) to 2.5m.

1. Total digital revenue includes revenue from digital advertising, subscriptions, linear addressable advertising, digital sponsorship and partnerships, ITV Win and any other revenues from digital business ventures. In addition, digital advertising revenue now includes previously omitted revenue streams such as commission from STV for ITV selling their video-on-demand inventory and social media advertising revenue, which qualify under the definition. The prior years have been restated to reflect the change in categorisation. Given the nature of digital revenue it will evolve over time. 2023 was previously reported as £490 million and 2022 as £411 million
2. Total streaming hours is the total number of hours viewers spent watching ITV across all streaming platforms, reported at a device level. This figure includes both ad-funded and subscription streaming. In 2023, full year results, total streaming hours were reported as 1,505 million hours, which included some estimates of total streaming viewing from third-party data providers. This figure has since been updated to reflect the final data
3. Monthly active users captures the average number of identifiable users throughout the period who accessed our owned, operated, and IP-delivered content and services each month
4. UK subscribers are users of ITVX's premium tier. It includes those who pay ITV directly, those who are paid for by an operator, and free trialists. Prior to the closure in 2024, it also included subscribers to the BritBox UK service on Amazon Prime Video Channels along with the BritBox UK standalone app. Before the launch of ITVX in December 2022, this also included ITV Hub+ subscriptions

Key Performance Indicators continued

M&E OPTIMISE BROADCAST

SHARE OF TOP 1,000 COMMERCIAL BROADCAST TV PROGRAMMES[5]

92% +1 basis point on 2023

Maintaining our strength in delivering mass commercial linear TV audiences enables ITV to attract and retain advertisers and command a premium from them.

Performance
Our 2024 share was 92%, which was up 1% point year-on-year. 2024 included critically acclaimed dramas, such as Mr Bates vs The Post Office and Until I Kill You, entertainment formats, such as Love Island and The 1% Club, and sporting events, such as the Euros, which helped to maintain ITV's strong commercial mass audience proposition.

2026 Target
Maintain a share of at least 80%.

SHARE OF COMMERCIAL VIEWING[6]

32.2% 0.4 basis points on 2023

Maintaining ITV's number one position in the UK broadcast market helps us attract and retain advertisers, and is vital to maximising advertising revenues.

Performance
Share of commercial viewing decreased marginally by 0.4% points to 32.2%. Other commercial broadcasters took share in 2024 with more viewing to sport and drama in their schedules compared to the prior year.

Target
Maintain at 33%.

5. The share of top 1,000 commercial broadcast TV programmes is measured by BARB based on viewing figures. This includes TV viewing from transmission and seven days post-transmission on catch up, as well as six weeks prior to the transmission window. It excludes programmes with a duration of <ten minutes. This metric is calculated as a 12-month rolling average to normalise seasonal scheduling
6. Share of commercial viewing is the total viewing of audiences over the period achieved by ITV's family of channels as a proportion of all ad-supported commercial broadcaster viewing in the UK. ITV Family includes ITV, ITV2, ITV3, ITV4, ITVBe, CITV, ITV Breakfast, CITV Breakfast and associated 'HD' and '+1' channels. Note that CITV closed down and became a fully on demand service on ITVX in September 2023

Operating and financial performance review

ITV made good strategic progress during 2024, driven by strong execution and industry-leading creativity.

Group financial overview[1]

ITV delivered a strong financial, operating and creative performance with an 11% increase in group adjusted EBITA[2]. ITV Studios delivered record profits, with an increase in the Media & Entertainment (M&E) margin. ITVX continued its strong revenue and viewing performance, delivering 15% growth in digital advertising revenue in the year.

In 2024, total ITV revenue decreased by 3%, mainly driven by the expected decline in ITV Studios from the impact of the 2023 US writers' and actors' strike, a softer market from free-to-air broadcasters (FTA), and strong comparatives from high-value deliveries in 2023. This offset growth in TAR, which was up 2% year-on-year, in line with expectations. Total external revenue was down 4%.

Both ITV Studios and M&E delivered improved margins year-on-year. ITV Studios adjusted EBITA, including Audio-Visual Expenditure Credits (AVEC), increased by 5% at a margin of 14.7%[3]. M&E adjusted EBITA increased by 22% reflecting the growth in TAR, lower content costs, and significant cost savings delivered across the Group.

Financial highlights

Twelve months to 31 December	**2024 £m**	2023 £m	Change £m	Change %
ITV Studios	**2,038**	2,170	(132)	(6)
M&E	**2,102**	2,090	12	1
Total Revenue	**4,140**	4,260	(120)	(3)
Internal revenue	**(652)**	(636)	(16)	(3)
Total External Revenue	**3,488**	3,624	(136)	(4)
Total non-advertising revenue	**2,320**	2,482	(162)	(7)
ITV Studios adjusted EBITA[2]	**299**	286	13	5
M&E adjusted EBITA	**250**	205	45	22
Adjusted EBITA	**549**	491	58	12
Unrealised profit in stock adjustment	**(7)**	(2)	(5)	(250)
Group adjusted EBITA	**542**	489	53	11
Group adjusted EBITA margin	**16%**	13%	–	3% pts
Statutory operating profit	**318**	238	80	34
Adjusted EPS (p)	**9.6p**	7.8p	1.8p	23
Statutory EPS (p)	**10.4p**	5.2p	5.2p	100
Net Debt at 31 December	**(431)**	(553)	122	22
Leverage	**0.7x**	1.0x	(0.3)x	

Key financials

Group external revenue
£3,488m
-4% vs 2023

Total ITV Studios revenue
£2,038m
-6% vs 2023

Total digital revenue
£556m
+12% vs 2023

Group adjusted EBITA
£542m
+11% vs 2023

Statutory operating profit
£318m
+34% vs 2023

Adjusted EPS
9.6p
+23% vs 2023

Statutory EPS
10.4p
+100% vs 2023

Net debt
£431m
31 Dec 2023: £553m

1. We measure performance through a range of metrics, particularly through our APMs and KPIs, as well as statutory results, all of which are set out and defined in the APMs and KPIs section
2. Refer to APMs for key adjustments to EBITA and adjusted EBITA
3. ITV Studios adjusted EBITA includes a £13 million impact from the change in legislation on Audio-Visual Expenditure Credits (AVEC), effective on expenditure incurred from 1 January 2024. Expenditure credits on qualifying expenditure is included within operating profit rather than within the consolidated tax charge. As a result, our EBITA, adjusted EBITA, adjusted EBITA margin, profit before tax and tax charge increase, but profit after tax and EPS is unchanged, compared to the previous High-End TV accounting treatment. Excluding the impact of AVEC, ITV Studios adjusted EBITA was flat year-on-year and Group adjusted EBITA increased by 8% to £529 million

Operating and financial performance review continued

We continue to transform and restructure the way we operate in response to changing viewer behaviour and reflecting the dynamics of the industry in which we operate. We are reshaping our cost base, enhancing profitability and investing in the growth drivers of ITV Studios and streaming. We have delivered £60 million of incremental in-year cost savings which have come from across the business, including technology and operational efficiencies, permanent reductions in discretionary spend, and organisational redesign. This comprises £20 million from our existing £150 million cost-saving target, which has now been fully delivered, and £40 million of additional savings as part of our ongoing transformation and efficiency programme, which we announced in March 2024 as we continue to digitally transform the business.

Profit in stock of £7 million (2023: £2m) increased year-on-year reflecting the renewal of several multi-year deals between Global Partnerships and M&E for content on ITVX.

Total operating exceptional items were £65 million (2023: £77 million) as guided. It includes £50 million of restructuring and transformation costs to reduce the cost base and deliver our new programme rights, finance and HR systems (see note 2.2 of the Financial Statements for further detail).

Adjusted financing costs were down in the year at £25 million (2023: £29 million), largely due to interest received on the BritBox International sale proceeds, which were held on deposit during the year in a higher interest rate environment. This offset the financing costs attributable to our loans and bonds. Statutory net financing costs were £nil compared to £45 million in 2023, with the decline driven by the fair value gains on bonds that were repaid in the year, interest accrued on acquisition-related exceptional expenses, unrealised foreign exchange losses, imputed pension interest income and fair value adjustments on financial assets and acquisition-related put option liabilities.

Our adjusted effective tax rate was 20.8% (2023: 21.5%) and the statutory effective tax rate was 22.1% (2023: (8.3)%). The higher statutory tax rate in the year was due to the change in the UK regime for tax credits on productions, which increased the effective tax rate.

Adjusted EPS for the year was 9.6p (2023: 7.8p), with statutory EPS increasing from 5.2p to 10.4p. See the Finance Review for further detail.

Our profit to cash conversion (which is an APM) was 83% (31 December 2023: 102%). In 2024, we had free cash flow of £325 million (31 December 2023: £361 million), reflecting a significant outflow of working capital as a result of the resumption of productions in the US following the strikes in 2023.

In addition, our net debt at 31 December 2024 was £431 million (2023: £553 million) and our net debt to adjusted EBITDA was 0.7x (2023: 1.0x). Net debt includes net proceeds from the sale of BritBox International, which was funding the £235 million share buyback. Refer to the Finance Review for further detail.

We have good access to liquidity. At 31 December 2024, we had cash and committed undrawn facilities totalling £1,377 million, including total cash of £427 million (2023: £1,240 million, including total cash of £340 million).

During 2024, we extended the maturity profile of ITV's debt through the issuance of a €500 million Eurobond to June 2032. The proceeds were used to repay the £230 million term loan (maturing in 2027), and retire €240 million of the €600 million Eurobond (due in 2026).

We have a clear capital allocation policy, and our priorities remain unchanged (see the Finance Review for further details).

The Board recognises the importance of the ordinary dividend to ITV shareholders. Reflecting its confidence in the business and its strategy, as well as the continued strong cash generation and share buyback during 2024, the Board has proposed a final dividend of 3.3p (2023: 3.3p), giving a full year ordinary dividend of 5.0p per share for 2024 (2023: 5.0p).

The Board remains committed to paying a full year ordinary dividend of at least 5.0p in 2025, which it expects to grow over the medium term.

Following the sale of ITV's 50% shareholding in BritBox International to BBC Studios on 1 March 2024 for a cash consideration of £255 million, the Board returned the entire net proceeds to shareholders through a £235 million share buyback. At 31 December 2024, £198 million (270 million shares) had been bought back.

We remain focused on managing our cash and costs while continuing to invest in delivering our strategic priorities. Our robust balance sheet allows us to do this while delivering returns to shareholders.

A range of downside scenarios reflecting ITV's principal risks has been modelled and considered in the assessment of ITV's long-term viability. Refer to page 58 for further details.

▲ **JOAN** is a British crime drama starring Sophie Turner. On ITVX, 95% of Joan's audience had completed the series within one week.

Operating and financial performance review continued

ITV STUDIOS

ITV Studios is a scaled and global creator, owner and distributor of high quality TV content, diversified by genre, geography and customer, with 60+ labels in 13 of the key creative markets around the world.

▲ **RIVALS** is a drama produced by Happy Prince (an ITV Studios label) for Disney+. It has been recommissioned for a second series. Image courtesy of Disney+.

ITV Studios benefits from scale, being the largest commercial producer in the UK, one of the largest unscripted producers in the US and one of the top three in the majority of the remaining international markets in which it operates. ITV Studios is a trusted supplier with well established relationships with key content buyers and leading creative talent in those markets. With a combined content library of over 95,000 hours, it is also one of the pre-eminent global distributors.

The global content market is large and attractive (c.$233 billion in 2024, Source: Ampere Analysis Feb 2025, ex film studios), with all platforms requiring a diverse mix of content to succeed in a very competitive market. While overall market growth has slowed compared to historical levels, we expect to see growth in the key segments in which ITV Studios operates, including content licensing (especially digital and FAST[1] channels), and continued demand from streaming platforms for unscripted content and premium scripted content.

ITV Studios is well-positioned to capitalise on these growth opportunities, and we are confident in our ability to continue to grow our market share, benefiting from our significant competitive advantages. This includes the creative excellence of our talent, our strong IP, our strong track record and relationships with key buyers , and our exciting creative pipeline for 2025 and beyond.

1. FAST = Free ad-supported streaming TV

Operating and financial performance review continued

Since 2021, ITV Studios revenue on a like-for-like basis (excluding acquisitions and adjusting for FX) has grown by around 4.2% CAGR, faster than the market of around 3.4% CAGR (Source: Ampere Analysis Feb 2025 – excluding spend from film studios).

Expand Studios

ITV Studios Strategy

ITV Studios' ambition is to be a leading force in the creation and ownership of intellectual property (IP), global content production and distribution. We are achieving this by focusing on our four strategic priorities to drive revenue and profit growth:

1. Growing our scripted business to meet the growth in global demand
2. Growing our global formats business to maximise the monetisation of high-value formats
3. Diversifying our customer base to capture the growth in content spend from local and global streaming platforms
4. All of which is underpinned by our ability to attract and retain leading creative talent

Each priority is underpinned by a KPI target for 2026, which reflects the key drivers of growth and value. See the Strategy section within the CEO Report for more details on our KPIs, why they are important, and how they will enable us to deliver total organic revenue growth of 5% on average per annum over the five years from 2021 to 2026 – ahead of the market, at an adjusted EBITA margin of 13% to 15%.

Growing our scripted business

Scripted content plays a key role in attracting and retaining viewers and subscribers. This, together with the increase in the number of streaming platforms, has led to a rise in original scripted commissions in the UK, US, Australia and Europe in recent years. With our global production presence and a strong track record for delivering high-quality scripted content, ITV Studios is well-positioned to cater to this demand, and importantly grow our share of the market.

ITV has a portfolio of scripted labels in the UK and internationally, which creates and produces high-quality content with global appeal for both FTA and streaming platforms.

▼ **THE VOICE** is a singing reality competition series and was the number one franchise of the year in 75 territories.

Our Global Partnerships business also invests in the funding of scripted content produced by ITV Studios and selective third parties.

We continue to see good momentum in our scripted pipeline into 2025 and beyond, with several scripted titles that performed well on their respective platforms being recommissioned. This includes: Rivals for Disney+, One Piece S2 and Suburra for Netflix, After The Flood for ITV and Ludwig for the BBC.

In 2024, ITV Studios' high-end scripted hours decreased by 6% year-on-year to 296 hours (2023: 316 hours), impacted by strong comparatives from the phasing of high-value scripted deliveries year-on-year, particularly to streaming platforms in the UK and US, as well as the US writers' and actors' strikes. Scripted deliveries of titles in 2023 such as Fool Me Once, Rivals, Franklin and Suburra, were partly offset by 2024 deliveries such as Lazarus, Sanctuary and The Better Sister.

Growing our Global Formats business

Unscripted content also remains important to ITV Studios. Through our Global Partnerships business, we monetise our portfolio of some of the world's most successful travelling entertainment formats, as well as maximise commercial opportunities from our brands. We are focused on driving growth across our unscripted offering by monetising our existing high-value formats effectively, as well as supporting the creation of new global formats.

Our portfolio of world-class brands includes our established formats such as The Voice (one of the most successful unscripted format brands in the world), Love Island, The Chase, and I'm A Celebrity... Get Me Out Of Here! These formats and spin-offs continue to sell in new territories, and attract mass audiences for our clients. They are highly sought after by both traditional broadcasters and streaming platforms, offering cost-effective content with a proven track record of audience success. We also have several new formats with the potential to be global hits. These include I Kissed A Boy/Girl; Shark! Celebrity Infested Waters, A Party to Die For, and Celebrity Sabotage.

During the year, across our Global Partnerships business, we sold 65 unique formats internationally (2023: 63), 20 of which were sold to three or more countries (2023: 19).

Operating and financial performance review continued

Further diversifying our customer base

Demand from streaming platforms for unscripted content and premium scripted content presents a significant opportunity for ITV Studios to further diversify its customer base, and continue to grow its overall market share. Over the last few years, ITV has grown its market share from streaming platforms, who we have built strong relationships with. Since 2021, and despite the decline in revenue in 2024, ITV Studios has grown its scripted and unscripted revenues from streaming platforms by 26% CAGR and 45% CAGR respectively, which is ahead of market growth of around 11% for both genres (Source: Ampere Analysis ex. film studios – Feb 2025).

In 2024, the percentage of ITV Studios total revenues from streaming platforms decreased by seven percentage points to 25% (2023: 32%). This was impacted by the US actors' and writers' strikes, and strong comparatives from the delivery of high-value scripted and unscripted titles in 2023, particularly in the UK and US. This included Franklin, Physical and Big Beasts for Apple TV+, Fool Me Once for Netflix, and Fifteen Love for Amazon Prime Video. Offsetting some of this year-on-year decline were deliveries in 2024 of scripted and unscripted titles including: Queer Eye, Missing You and Love Is Blind France all for Netflix, The Better Sister and Lazarus for Amazon Prime Video and Virgin Island for Hulu.

ITV Studios has a strong creative pipeline of scripted and unscripted titles for streaming platforms in 2025 and beyond, reflecting the trust they have in our creativity and the strength of our ideas. Future titles include: Squid Game: The Challenge S2, Sneaky Links: Dating After Dark, and Run Away all for Netflix; The Devil's Hour for Amazon Prime Video and Love Island Games USA for Peacock.

2024 PROGRAMME HIGHLIGHTS

One of Netflix's most streamed titles ever
Fool Me Once

Biggest global launch for an Italian original ever
Citadel Diana | Amazon Prime Video

#1 Franchise of the year
The Voice

The BBC's biggest new scripted title of 2024
Ludwig

#1 Reality series in the US across all streaming platforms
Season 6 Love Island USA | Peacock

Disney+'s breakout hit
Rivals

▲ **MISSING YOU** is a drama produced by Quay Street Productions (an ITV Studios label) for Netflix. Image courtesy of Netflix.

▲ **CITADEL DIANA** is an Italian spin-off of the American spy thriller series Citadel. It was produced by Cattleya (an ITV Studios label) for Amazon Prime Video. Image courtesy of Amazon Prime.

Operating and financial performance review continued

▲ **QUEER EYE** is an unscripted format produced by ITV America (part of ITV Studios) for Netflix. Image courtesy of Netflix.

► **DOUGLAS IS CANCELLED** is a comedy drama series, produced by Hartswood Films, which was acquired by ITV Studios in 2024.

Digital Studio – Zoo 55
Our Global Partnerships business focuses on leveraging our extensive content library of 95,000+ hours, and maximising the value of ITV Studios IP. In early 2025, ITV Studios launched a new digital content label, Zoo 55, to drive high-margin growth from the global digital distribution market, as we distribute content to more platforms and audiences globally. This is a growing area of the content market, with the global online video advertising market expected to grow by nearly 50% by 2029.

Zoo 55 will encapsulate our existing portfolio of 160+ owned and operated social video channels (e.g. YouTube, Meta and TikTok), which had over 25 billion views in 2024, 100+ ad-supported channels, and 20 branded and thematic FAST channels (e.g., Pluto and Roku) in 18 territories. We also have 18 active mobile games (e.g. Love Island and The Chase) where we license our IP to third-party games producers.

Zoo 55 is also using digital innovation and AI to deliver data-backed content creation and automated clipping.

Zoo 55 delivered around £60 million of high margin digital revenue in 2024, up c.30% year on year, and we expect to double this by the end of 2027, as we launch more channels and games in more territories.

Attracting and retaining leading talent

A key part of ITV Studios' investment strategy and its overall success is its ability to attract and retain the best creative talent. ITV Studios offers talent a unique combination of creative independence, an entrepreneurial culture, a label structure, and the resources of a global studio business. This includes access to ITV Studios' global distribution network, and in the UK, the benefit of being part of a vertically integrated producer broadcaster and streamer.

ITV has successfully integrated its new labels, many of which were established through recent talent deals, delivering an impressive slate of programmes with many more commissions in development. Recent and upcoming include: Virgin Island, a co-production between ITV America and Plimsoll Productions in the UK; Fool Me Once, After The Flood and Run Away from Quay Street Productions; as well as Rivals from Happy Prince, and 113 from Windlight Pictures in Germany. This strong pipeline demonstrates ITV Studios' commitment and success in nurturing and leveraging top creative talent to produce engaging, high-quality content.

We continuously manage our portfolio of labels to strengthen our creativity. During the year, we acquired the UK-based scripted independent studios, Hartswood Films, producer of Sherlock. We also acquired a majority stake in UK scripted producer Eagle Eye Drama, the producer of Professor T and Hotel Portofino. As part of the deal, ITV Studios also acquired a majority stake in Belgium-based production company Happy Duck Films, the production services partner on Eagle Eye's slate.

In the US, ITV Studios sold back its minority shareholding in Blumhouse TV to Blumhouse Holdings. Blumhouse and ITV America continue their unscripted partnership delivering the series Worst Roommate Ever, which achieved success on Netflix and has secured a series spin-off.

Operating and financial performance review continued

ITV Studios financial performance

Twelve months to 31 December	2024 £m	2023 £m	Change £m	Change %	Organic Change[1] %
ITV Studios UK[2]	**868**	962	(94)	(10)	(12)
ITV Studios US	**391**	395	(4)	(1)	2
ITV Studios International	**380**	445	(65)	(15)	(10)
Global Partnerships	**399**	368	31	8	10
Total ITV Studios revenue[2]	**2,038**	2,170	(132)	(6)	(5)
Total ITV Studios costs	**(1,739)**	(1,884)	145	8	7
Total ITV Studios adjusted EBITA[3]	**299**	286	13	5	5
ITV Studios adjusted EBITA margin	**14.7%**	13.2%	–	1.5% pts	–

Twelve months to 31 December	2024 £m	2023 £m	Change £m	Change %
Internal revenue	**646**	629	17	3
External revenue	**1,392**	1,541	(149)	(10)
Total ITV Studios revenue	**2,038**	2,170	(132)	(6)

Twelve months to 31 December	2024 £m	2023 £m	Change £m	Change %
Scripted[4]	**621**	802	(181)	(23)
Unscripted	**1,054**	1,057	(3)	–
Core ITV[5] and Other	**363**	311	52	17
Total ITV Studios revenue	**2,038**	2,170	(132)	(6)

ITV Studios performed well, despite the expected difficult market backdrop in 2024. Total ITV Studios revenue was down 6% due to the expected impact from the 2023 US writers' and actors' strikes, a softer market from FTA broadcasters, and strong comparatives from the phasing of deliveries year-on-year.

Total ITV Studios revenue includes a £55 million revenue benefit from the transfer of ITV sports production from M&E in 2024, of which £53 million is eliminated in intersegment revenue. This transfer means all production labels are now within ITV Studios, and it creates production and digital opportunities, enabling Zoo 55 to leverage the sports archive.

Internal revenue was up 3%, which includes the benefit of the transfer of ITV sports production from M&E. Total Studios external revenue was down 10%.

Total organic revenue at constant currency was down 5%, adjusting for a £30 million unfavourable foreign exchange movement and £20 million of acquisitions and disposals.

Reflecting our presence in key global production markets, 59% of ITV Studios revenue was generated outside the UK (2023: 58%).

ITV Studios adjusted EBITA (including AVEC)[3] was up 5%, with an adjusted EBITA margin of 14.7%, reflecting an increase in the mix of higher-margin catalogue sales and the actions we have taken on cost. During 2024, £25 million of permanent cost savings were delivered relating to production efficiencies, permanent reductions in discretionary spend, and organisational redesign savings.

There was a £5 million unfavourable impact from foreign exchange on adjusted EBITA in the year.

We continue to look at ways to drive efficiencies and improve margins over the medium term. This includes rationalising our property footprint, using technology and data to drive cost and revenue efficiencies, utilising our production hubs for our key global formats, taking further steps to digitise our production processes, as well as using remote editing more routinely, and the operational use of AI to optimise production processes where possible. We remain committed to our adjusted EBITA margin guidance of 13% to 15%.

ITV Studios UK

ITV Studios UK produces a diverse range of new and established scripted and unscripted titles for global streaming platforms and FTA broadcasters.

In 2024, ITV Studios UK saw a decline in revenue of 10% to £868 million [2] (2023: £962 million). Excluding acquisitions made during the year, ITV Studios revenue was down 12% at £848 million. The decline was driven by strong comparatives from the phasing of a number of high-value deliveries in 2023. This included Fool Me Once and Squid Game: The Challenge for Netflix, Vigil for the BBC, The Stolen Girl and Rivals for Disney+ and I'm A Celebrity... Get Me Out Of Here! South Africa for ITV.

Offsetting some of this decline in 2024 were deliveries including Code of Silence and Until I Kill You for ITV, Missing You for Netflix, Lazarus for Amazon, Ludwig for the BBC and Sanctuary for AMC.

1. The organic change assumes exchange rates remain consistent with the comparative period and removes the impact of acquisitions in the current or comparative period
2. Excluding the revenue benefit from the transfer of ITV Sports Production from M&E, effective from 1 January 2024, total ITV Studios revenue was down 9% and ITV Studios UK revenue was down 15%
3. ITV Studios adjusted EBITA also includes a £13 million impact from the change in legislation on AVEC. Excluding the impact of AVEC, ITV Studios adjusted EBITA was flat year-on-year with a 14% margin. Refer to Alternative Performance Measures for key adjustments to EBITA and adjusted EBITA
4. Includes high-end scripted and other scripted revenues
5. Core ITV includes the soaps and Daytime shows produced by ITV Studios for ITV1

Operating and financial performance review continued

ITV Studios US

ITV Studios US provides scripted and unscripted content to all the major networks and cable channels in the US, along with every major streaming platform.

During the year, ITV Studios US total revenue declined by only 1% to £391 million (2023: £395 million), and was up 2% to £402 million, when adjusted for the unfavourable foreign exchange impact. This was in spite of the impact of the 2023 US writers' and actors' strikes, which delayed around £80 million of revenue from 2024 to 2025. ITV America (unscripted) had a strong performance in the year, with the delivery of shows such as The Voice for NBC, Love Island for Peacock, Hell's Kitchen for Fox, and Worst Roommate Ever for Netflix. This was combined with the delivery of Snowpiercer for AMC and The Better Sister for Amazon Prime Video by ITV Studios America (scripted).

Overall, ITV Studios America revenue declined, reflecting delayed productions from the impact of the strikes and the phasing of large, unrepeated scripted deliveries year-on-year, including Franklin and Physical for Apple TV+ and Ten Year Old Tom for Max.

ITV Studios International

ITV Studios International produces original scripted and unscripted content across our non-UK and non-US production bases.

Growing our International scripted business allows us to benefit from the demand for locally produced content with global appeal, and we have scripted projects in production and development with many global and local streaming platforms.

Revenue within ITV Studios International decreased by 15% to £380 million in 2024 (2023: £445 million), and by 10% to £400 million when adjusted for acquisitions and disposals and the unfavourable impact of foreign currency. Deliveries in 2024 included ACAB in Italy, Inganno (the Italian adaptation of Gold Digger from the UK), My Kitchen Rules Australia and Scared of the Dark in Germany, based on the UK format. This was offset by fewer deliveries across the portfolio year-on-year, due to lower demand from free-to-air broadcasters in Europe.

▲ **LUDWIG** is a detective comedy drama series produced by Big Talk Productions (an ITV Studios label). It was the BBC's biggest new drama of the year and has been recommissioned for a second series.

Global Partnerships

Global Partnerships saw strong revenue growth in 2024, up 8% year-on-year to £399 million (2023: £368 million) and 10% to £406 million when adjusted for the unfavourable impact of foreign currency.

The business benefited from growth in catalogue sales, leveraging the breadth and depth of its extensive catalogue with sales to other broadcasters and streaming platforms globally, including the renewal of multi-year deals with customers such as ITVX and BritBox International (owned by the BBC). It also benefited from the international distribution of scripted titles, such as Ludwig, Snowpiercer and After The Flood. Finished programme sales of unscripted titles including Love Island, Hell's Kitchen and The Graham Norton Show have all sold well to streaming platforms, ad-funded video on demand platforms and FAST channels globally.

Outlook

- ITV Studios remains on track to deliver total organic revenue growth of 5% on average per annum from 2021 to 2026, ahead of the market, at a margin of 13-15%
- In 2025 we expect to see good revenue growth, ahead of the market. Revenue, profit and margin will be weighted to H2, with the H2 margin being higher than H1, due to the weighting of cost savings and high-margin deliveries
- The 2025 full year margin will be lower than 2024 and still within the 13-15% range. This reflects the change in sales mix, as the market recovers following the US strikes, with a lower proportion of high-margin catalogue sales, and a higher proportion of lower-margin scripted deliveries
- We have very strong creative output and an exciting pipeline of productions for 2025 and beyond. This is expected to include:
  - In the UK, Destination X for the BBC and NBC in the US, Run Away for Netflix, Rivals S2 for Disney+, and The Reluctant Traveller for Apple TV+
  - In the US, Sneaky Links: Dating After Dark and One Piece S2 for Netflix, What Drives You for Roku, and Love Island Games for Peacock
  - Internationally, Paris Police 3 for Canal+, Gomorrah Le Origine for Sky Italia, and key formats such as The Voice and Love Island delivering across multiple countries
  - Global Partnerships will see an increased pipeline of new content produced by ITV Studios, with titles including The Hack, Cold Water and Code of Silence, along with new formats Celebrity Sabotage and Shark! Celebrity Infested Waters

MEDIA & ENTERTAINMENT

ITV is the UK's largest commercial broadcaster and streamer, delivering unrivalled audience scale and reach. Through M&E, we make content available to viewers through ITVX – our free advertiser-funded streaming service, our free-to-air linear TV channels and our third-party partners, enabling them to watch however and wherever they choose.

▲ **EUROS 2024** had a peak audience of over 21 million for the England men's semi-final against the Netherlands on ITV.

M&E Strategy

ITV's M&E strategy is designed to respond to changing viewer behaviour and the evolving needs of advertisers. It is based on two strategic pillars: Supercharge Streaming and Optimise Broadcast.

Across ITVX and our linear TV channels, ITV M&E offers viewers unparalleled choice in how and when they watch, combined with a strong reputation for brilliant content suited to British audiences.

This has led to ITV M&E being a commercial leader in scale and reach, with a 22% share of commercial big screen viewing, bigger than Netflix, Amazon Prime and Disney+ combined (Source: BARB, Adults 16+), and a weekly reach of nearly 40 million across linear TV and ITVX. This is an invaluable proposition for advertisers, providing them with a unique combination of mass reach, targeted advertising at scale, and commercial and creative partnerships in a brand-safe and reliably measured environment.

Operating and financial performance review continued

Our strategic pillars have KPIs and 2026 targets, which measure the key drivers of growth and value. See the Strategy section within the CEO Statement for more details on these KPIs, why they are important, and how they will enable us to grow digital revenues to at least £750 million by 2026, as well as drive non-digital revenues.

Supercharge Streaming

Growing and enhancing our streaming proposition, ITVX

ITVX continued to perform very strongly during 2024. It:

- *Attracted more users* – Monthly active users (MAUs) increased by 14% to 14.3 million year-on-year (2023: 12.5 million)
- *Increased viewing* – Total streaming hours grew by 12% to 1,686 million (2023: 1,506 million[1])
- *Attracted harder-to-reach audiences* – Streaming hours amongst the 25–54 demographic increased by 22%, and among men increased by 26%. Over 50% of ITVX's audience is under 55, compared to 33% for total television
- *Increased engagement and content discovery* – We have seen the power of our key programmes bringing viewers to ITVX, who then go on to watch other content. For example, 77% of those Love Island viewers and 61% of Euro 2024 viewers went on to watch additional content on ITVX

This increased reach and viewing of ITVX, provide advertisers with valuable addressable and scaled audiences, in a brand-safe and measured environment. Our robust data and analytics capabilities enable us to offer high-value, highly targeted inventory and this contributed to a 15% increase in digital advertising revenue, and helped drive 12% growth in digital revenues year-on-year.

In 2024, incremental digital revenues exceeded ITVX incremental costs, two years earlier than expected. By the end of 2025, we will have recouped the cumulative incremental investment in ITVX, much earlier than anticipated. We have grown digital revenues in line with our plan, with lower investment in content and technology than originally planned.

This was achieved by optimising spend through having one content budget across linear TV and streaming, enabling us to reach audiences more efficiently, wherever they choose to watch. We reduced the number of ITVX exclusives, and tested different windowing and release patterns to maximise viewing across both linear TV and streaming. We also acquired more content and boxsets for ITVX, which deliver a high volume of hours at a lower cost. Contract renegotiations and the rationalisation of technology partners have led to efficiency gains and reduced costs over time.

To sustain and build on ITVX's performance, we will focus our ITVX investment, which is fully embedded in our cost base, on our key value drivers – content, marketing, distribution, product and monetisation. Data is key to optimising these. We have over 40 million registered users, one of the largest first-party data sets in the UK. Data helps improve our commissioning decisions, maximise the effectiveness of marketing, enhance our distribution and prioritise our product developments. In addition, augmenting our scaled data sets with other first-party data sets has allowed us to deliver targeted advertising at scale. Refer to our recent ITVX webinar for further insight on how we use data to enhance our ITVX key value drivers, available at *www.itvplc.com/investors/presentations-and-events/2024*

We have focused our efforts on attracting 25 to 54-year-old viewers to ITVX, as they present the biggest growth and advertising opportunities, with over 26 million in the UK. This age group increasingly turns to streaming first, with a strong preference for Reality, Sport, Drama and Entertainment – genres that closely align with ITV's strengths. They are also commercially valuable, enhancing our monetisation potential.

Content

There are over 27,000 hours of content available on ITVX (including over 5,000 hours exclusively on the premium ad-free tier), curated to attract and retain commercially valuable audiences. This includes live and on-demand content from our five linear TV channels, FAST channels, exclusive ITVX content (including spin-off shows from our linear TV channels, live sport, comedy, true crime and US box sets), ITVX Kids, and over 250 films, creating one of the UK's largest free film libraries.

Since ITVX's launch in 2022, we have dramatically improved the content offering, constantly testing, learning and adapting our content proposition and windowing strategy alongside our linear TV channels, using our data to optimise our content spend and viewing.

2024 PROGRAMME HIGHLIGHTS

ITV's biggest new drama in over 20 years
Mr Bates vs The Post Office

UK's biggest entertainment show
I'm A Celebrity... Get Me Out Of Here!

Biggest peak audience on any channel
England vs Netherlands Euros semi-final

UK's biggest soap
Coronation Street

UK's biggest quiz show on TV
The 1% Club

UK's biggest daytime show
The Chase

1. In 2023, total streaming hours were reported as 1,505 million hours, which included some estimates from third-party data providers. This figure has since been updated to reflect the final data

Operating and financial performance review continued

ITVX News is an integral part of ITVX and an important driver of viewing, with News streaming hours up 34% year-on-year. ITVX News has proved valuable in delivering public service content to broader audiences, and has recently been named the most influential voice in UK journalism on TikTok.

In 2024, ITVX benefitted from the strong linear TV schedule of drama, sport, entertainment and reality along with a number of Hollywood film franchises and US boxsets, which contributed to the strong growth in viewing metrics during the year.

ITVX's content strategy over the next two years will focus on increasing viewing through a regular cadence of new content, improving viewer retention through the windowing of our new drama releases and our deep and broad content catalogue, as well as optimising scheduling to increase reach, delivering content to viewers wherever and however they choose to watch.

▲ **RED EYE** is a thriller drama series. It is the 3rd most-watched series on ITVX ever.

Marketing

Marketing is an important tool to attract more commercially valuable viewers and getting them to engage with ITVX for longer.

We increased our marketing investment by around £15 million in 2024 to drive both streaming and linear viewing.

During the year, we focused our marketing investment on ITVX brand campaigns and around our high-profile, flagship programmes, while enhancing digital and reactive marketing to promote shows gaining traction through news or social media trends. With improved data capabilities and using generative AI tools, we now target viewers more effectively – especially across social media channels where we have reduced our cost per acquisition by 70%. We also launched ITV Insiders, collaborating with over 120 top UK digital influencers to promote our shows. These efforts have boosted our spontaneous consideration – which measures how many viewers, unprompted, consider ITVX as a viewing destination. We are the only broadcaster to achieve double-digit growth, while some key streaming competitors have declined.

In 2025 we will refresh our brand to attract more 25 to 54-year-old viewers, and continue investing in marketing to increase awareness and engagement of the service. We will also focus on the measurement and effectiveness of our marketing investment, using third-party econometric modelling, to ensure we optimise the efficiency of our spend, and maximise our return on investment.

Distribution

ITVX is available in nearly all UK homes through broad distribution including Sky Q, PlayStation 4 and 5, Apple Vision Pro and Freely – a new TV streaming service which combines live TV and on-demand services of the FTA broadcasters.

We partner with third-party platforms to drive the prominence and discoverability of ITV content with improved data integration. Making it easier for viewers to find and access our content on other platforms plays a key role in driving additional viewing to ITVX. For example, one of our top dramas being supported editorially by Sky led to a 70% increase in viewing performance versus other comparable dramas.

There remains an opportunity for further integration with third-party platforms as we look to introduce new continue-watching features on these platforms, and embed more of our content to drive viewer growth.

Product

In 2024, we focused on enhancing the user journey and personalisation on ITVX to keep viewers engaged for longer. We integrated an industry-leading recommendations engine which drove over 20 million incremental streaming hours since implementation.

Building on this momentum, in 2025, we will leverage our extensive viewing data to further refine the personalisation and recommendations offering, to drive even greater growth in viewing and retention.

Monetisation

To increase the monetisation of our inventory on ITVX, during 2024, we introduced Pause Ads, which seamlessly plays static ads when a user pauses content; on our FAST channels, we rolled out ad replacement to almost 80% of users; and we also launched linear addressable advertising on YouView and Virgin Media. We were also the first UK broadcaster to introduce subtitles on adverts, something that is extremely important to our advertising clients.

In 2025, we will continue to innovate for our advertisers creating more monetisable digital inventory. We will launch digital ad insertion on simulcast viewing for our family of channels[1] and linear addressable on Sky Glass and Sky Stream.

ITVX Premium

ITVX Premium offers users the opportunity to enjoy all ITVX programming ad-free, in addition to exclusive content and access to BritBox UK (content from the ITV and BBC libraries).

As previously announced, during 2024 we simplified our ITVX Premium offering by closing the BritBox UK service on Amazon Prime Video Channels along with the BritBox UK standalone app. This has allowed us to improve the overall user experience for those subscribers who migrated to ITVX Premium. The actions we have taken have had a short-term impact on subscriptions and our subscription revenue. At 31 December 2024, UK streaming subscriptions declined to 1.0 million from 1.3 million at 31 December 2023.

Since ITVX's launch, our priority has been the ad-funded service to deliver the best return and drive digital revenues. While this will continue, we will also focus on driving profitable subscription revenue growth by minimising churn and maximising value from new and existing subscribers.

1. Excluding ITV1

Operating and financial performance review continued

Optimise Broadcast

Continuing to deliver unrivalled audiences with high-quality programming

We operate the largest family of free-to-air commercial television channels in the UK. These channels provide unparalleled audience scale and reach, as well as targeted demographics demanded by advertisers. Despite the growth in streaming viewing, linear TV remains important for both our viewers and advertisers.

To optimise Broadcast and maintain our USP of delivering mass audiences for advertisers, we continue to invest in live content, such as sports and large entertainment shows, as well as drama, factual and news. In 2024, we invested £1.268 billion in our content budget across all our linear TV channels and ITVX in order to drive these mass audiences on our linear TV channels, and live and on demand viewing on ITVX. We saw good performances from programmes such as Mr Bates vs The Post Office, which was the UK's biggest drama in 2024, I'm A Celebrity... Get Me Out Of Here!, which was the UK's biggest entertainment show, and England vs Netherlands Euros semi-final, the biggest peak audience on any channel.

We have maintained our significant share of the top 1,000 commercial broadcast TV programmes, delivering 92% in 2024 (2023: 91%). Our share of commercial viewing was 32.2% (2023: 32.6%) and we continue to have the largest share of commercial viewing versus our commercial competitors.

Over the last few years, linear TV audiences in the UK have gradually declined, with audiences spending an increasing amount of time on streaming platforms, both ad-funded and paid. In 2024, total ITV viewing (which includes viewing of all ITV content, across all devices) was down 6% to 12.3 billion hours[2]. Total broadcaster viewing (broadcaster viewing across all devices) declined by 2%, and total broadcaster and subscription streaming service viewing (viewing of all broadcaster and subscription streaming service content across all devices) was down 1% year-on-year (Source: BARB). ITV's decline was greater than the market, due to a stronger viewing performance year on year from other broadcasters, who saw an increase in the volume of sport in their schedule. This included the Paralympics on Channel 4 and the Olympics on the BBC which significantly boosted their viewing hours.

ITV has prioritised its content investment on driving valuable mass commercial audiences and digital viewing, this has impacted total viewing to our off-peak linear TV schedule.

We have an exciting schedule for 2025 to engage, inform and entertain our audiences. This includes new and returning entertainment and reality programmes such as Shark! Celebrity Infested Waters (made by ITV Studios) and The Fortune Hotel, new and returning dramas including Code of Silence and Unforgotten, along with sporting events including the women's Euros, the FA Cup and Carabao Cup.

Strong linear and online advertising proposition

While the advertising market is becoming more competitive, ITV is in a good position to be able to compete for advertising in a long-term growing advertising market with its unique combination of mass reach, targeted advertising and commercial and creative partnerships. ITV has deep relationships with agencies and advertisers; provides brand-safe and measured advertising and has a strong track record of commissioning and producing content which appeals to UK audiences.

Mass reach

As the viewing and advertising landscape becomes increasingly fragmented, the mass scale and reach offered by television, and particularly ITV, becomes even more valuable to advertisers. To support this, we have built, and continue to invest in, a range of measurement tools focused on measuring and demonstrating the outcome and effectiveness of advertising, which is key to growing our advertising revenues. Additionally, we have recently partnered with Sky and Channel 4 to launch a pilot joint measurement panel, called Lantern, aimed at tracking the short-term impact of TV advertising on sales. Recent research[3] confirms that TV advertising remains the most effective advertising channel for brands, with the return on investment being 1.5x higher than digital.

With global streaming platforms entering the advertising market and introducing ad-supported tiers to their subscription plans, ITV's USP as the largest commercial public service broadcaster in the UK remains incredibly important and the advertising proposition ITV offers clients is unparalleled, and something that no streamer can match.

▲ **UNTIL I KILL YOU** is a true-crime drama produced by World Productions (an ITV Studios label) for ITV. 80% of the ITVX audience completed the series in a week.

2. In 2024, total ITV viewing was measured exclusively using BARB data. Previously, this data was not available and total ITV viewing was measured using a combination of BARB data and ITV's internal data. BARB data for total ITV viewing has now been made available for 2023 and 2022. The 2023 base has been restated to 13.0 billion hours versus 13.1 billion hours previously reported. 2022 is 13.6 billion hours versus 13.8 billion hours previously reported
3. Profitability 2: The New Business Case for Advertisers

Operating and financial performance review continued

▲ **THE 1% CLUB** is a quiz show on ITV. It was the biggest quiz on TV in 2024, watched by over six million viewers.

Targeted advertising – Planet V

Planet V is ITV's wholly owned programmatic addressable advertising platform. It is a self-service platform allowing agencies and advertisers to seamlessly and cost-effectively buy highly targeted video advertising on ITVX. Planet V utilises ITV's extensive data assets and capabilities to provide compelling advertising products for advertisers, which it augmented with other first-party data sets. Being wholly owned ensures that all the returns generated by the platform go directly to ITV without any value leakage through third-party commissions.

The platform is used by over 2,000 users in the UK and offers agencies and advertisers access to over 20,000 data-targeting options to create sophisticated audience segments. Advertisers can also incorporate their own first-party data in a GDPR-compliant environment using our data provider, InfoSum (an identity infrastructure provider) and monitor their campaigns through a custom-built user interface. We are able to drive higher-value CPMs through this increasingly sophisticated and valuable ad inventory.

With the expansion of ITVX's online inventory and reach, ITV is well positioned to meet the increasing demand for targeted advertising. Planet V has attracted over 1,000 new advertisers to ITV since its launch, delivered double-digit growth in our CPMs and we have booked nearly £1.5 billion in revenue through the platform.

Planet V provides access to our growing range of innovative addressable products (ITV Ad Labs Products). This includes:

- *Automated Contextual Targeting,* which is an AI-powered solution to analyse scenes in our shows to identify the most perfect content environment for advertisers to sit adjacent to
- *Retail Match (previously Matchmaker),* which securely matches ITV's existing registered first-party audience, with profiles from Boots' Advantage Card and Tesco's Dunnhumby Clubcard databases, creating category shopper audience segments for targeting in ITVX (e.g. ice cream buyers)
- *Proximity Shopper,* which identifies optimal postcodes to target your ITVX advertising using Circana sales data from all major supermarkets, convenience stores and service stations. Advertisers can utilise a range of variables to optimise their campaign, including brand and competitor sales, targeting the areas with the greatest opportunity

Commercial and creative partnerships

ITV's Commercial team delivers strategic commercial and creative partnerships to advertisers, who want to use ITV's unrivalled scale, reach and targeting capabilities to establish and grow their own brands. This includes product placement, and ad-funded programming that leverage the strength of our programme brands to help advertisers connect with audiences in unique ways. As a vertically integrated producer broadcaster and streamer, we have the advantage of owning the IP of programming, and having editorial, commercial, creative, and production teams working together, creating valuable opportunities for advertisers.

Advertising partnerships

In Q4 2024, ITV entered into a new distribution and commercial partnership with YouTube, bringing hundreds more hours of long and short-form ITV content to the platform. This is aligned with our strategy to maximise reach and offer viewers greater choice, ensuring our content is accessible to all audiences wherever they choose to watch. ITV Studios' Zoo 55 will manage the content on these channels (refer to the earlier ITV Studios section for further details).

ITV Commercial will sell advertising around ITV's content on YouTube and has launched a dedicated YouTube sales team. For advertisers this offers the opportunity to engage with ITV's unparalleled premium brand safe content on YouTube and for ITV this increases our addressable market.

To date on YouTube, ITV Commercial has:

- Extended our reach to key valuable demographics with younger and more male audiences
- Attracted new to TV advertisers
- Secured budgets that would have otherwise been invested directly with YouTube

We are also developing opportunities beyond advertising. Using our brand, IP, marketing capabilities, first-party data, talent, and partnerships, we see opportunities to drive engagement and profitable revenue growth. This includes accelerating our strategy within our Interactive business by further developing ITV Win as a premium destination for competitions and gaming, and Kerching, a consumer-facing affiliate marketing brand in partnership with Kindred, which we launched last year, designed to save online shoppers money.

Refer to our recent ITV Commercial webinar for further insight on our commercial proposition, available at: *www.itvplc.com/investors/presentations-and-events/2024*

Operating and financial performance review continued

M&E financial performance

Twelve months to 31 December	**2024 £m**	2023 £m	Change £m	Change %
Total advertising revenue	**1,820**	1,778	42	2
Subscription revenue	**48**	59	(11)	(19)
SDN	**43**	48	(5)	(10)
Partnerships and other revenue	**191**	205	(14)	(7)
M&E non-advertising revenue	**282**	312	(30)	(10)
Total M&E revenue	**2,102**	2,090	12	1
Content costs	**(1,268)**	(1,293)	25	2
Variable costs	**(153)**	(153)	–	–
M&E infrastructure and overheads	**(431)**	(439)	8	2
Total M&E costs	**(1,852)**	(1,885)	33	2
Total M&E adjusted EBITA[1]	**250**	205	45	22
Total adjusted EBITA margin	**11.9%**	9.8%	-	2.1% pts

Twelve months to 31 December	**2024 £m**	2023 £m	Change £m	Change %
Digital advertising revenue[2]	**482**	420	62	15
Subscription revenue	**48**	59	(11)	(19)
Other	**26**	19	7	37
Total digital revenue	**556**	498	58	12

Total M&E revenue was up 1% in 2024 with total advertising revenue (TAR) up 2% and broadly in line with expectations. Digital revenue was up 12% in the year to £556 million (2023: £498 million). Within this, digital advertising revenue saw strong growth, up 15% year-on-year. M&E non-advertising revenues were down 10%, driven by the expected decline in subscription and partnership revenues, as we improved the viewer proposition and monetisation of ITVX. Further detail on the year-on-year movement in revenue is detailed below.

Total M&E costs were down 2% in 2024. Within this, content costs were down 2%, as we have optimised our spend and windowing strategy across linear TV and ITVX with one content budget.

Variable costs were flat year-on-year, with the planned increase in marketing and an increase in our variable costs of streaming, offset by cost savings.

M&E infrastructure and overhead costs decreased by 2%, with staff and linear supply chain inflation and investments in our Commercial outcome proposition, being more than offset by the delivery of permanent cost savings. Across M&E, we delivered £35 million of savings which relate to operational efficiencies associated with our transponders, organisational redesign and a reduction in discretionary spend.

As a result of the revenue growth and reduction in costs, M&E adjusted EBITA grew 22% and the margin increased from 9.8% to 11.9%.

▲ **LOVE ISLAND ALL STARS** Love Island All Stars is a reality series spin-off from the globally successful format, Love Island. In 2024, Love Island UK reached 17 million viewers and generated over 300 million streams.

1. Refer to APMs for key adjustments to EBITA and adjusted EBITA
2. Digital advertising revenue (a component of digital revenue) now includes previously omitted revenue streams such as commission from STV for ITV selling their video-on-demand inventory and social media advertising revenue, which qualify under the definition. The prior years have been restated to reflect the change in categorisation. Given the nature of digital revenue it will evolve over time. 2023 digital advertising revenue was previously reported as £415 million and digital revenue was reported as £490 million

Operating and financial performance review continued

▲ **CORONATION STREET** is the UK's largest Soap and has been on ITV since 1960.

Total advertising revenue (TAR)

TAR was up 3% in Q1 and up 17% in Q2 with strong advertiser demand for the Euros. Q3 was flat and Q4 was down 7%, impacted by the 2023 Rugby World Cup comparative, which gave ITV1 and ITVX their biggest audiences of the year. In addition, Q4 2024 advertising bookings were impacted by the uncertainty in the lead-up to and post the UK budget.

Most TAR categories were up year-on-year. FMCG-related categories were up, with Household Stores up 32% and Food up 5%. Entertainment and Leisure was up 13% and within that, gambling was up 22% with increased spend around the Euros. Retail was up 15%, with increased spend from the supermarkets, which was up 11%, and Cars grew by 7% with increased spend by electric vehicle brands.

Categories which saw a decrease in spend year-on-year include Telecommunications, down 28% with lower spend from some mobile operators. Finance was down 3% with a decline in spend from some insurance companies and retail banks. After seeing annual growth in advertising spend since the COVID-19 pandemic, Airlines and Travel was down 4% year-on-year. E-commerce companies, excluding gambling, decreased 8% in the year with the largest declines from online holiday companies.

Subscription revenue

Subscription revenue is generated directly from the premium tier of ITVX, and prior to their closure in 2024, revenue also came from the standalone BritBox UK app, and BritBox UK and ITV catch-up services on Amazon Prime Video Channels.

We took the decision to close these services to simplify the paid streaming proposition for customers, which impacted our subscription revenue in 2024, decreasing by 19% to £48 million (2023: £59 million).

SDN

SDN generates revenue by licensing multiplex capacity to broadcast channels, radio stations and data providers on digital terrestrial television (DTT) or Freeview. SDN customers include ITV and third parties. SDN's current multiplex licence has been renewed until 2034.

In 2024, external revenue (non-ITV) declined by 10% to £43 million (2023: £48 million), as expected. This decrease is primarily due to long-term contracts with third parties coming to an end and being renewed at current market rates. This trend is expected to continue, with additional long-term contracts set to end during 2026.

Partnerships and other revenue

Partnerships and other revenue includes revenue from platforms, such as Sky and Virgin Media O2, competition revenue, third-party commission, e.g. for services we provide to STV.

As expected, Partnerships and other revenues declined by 7% to £191 million (2023: £205 million), following our decision to revise our partnership agreements to enable us to deliver digital advertising to a larger proportion of ITVX viewers through Planet V. In addition, competition revenue was lower year-on-year. 2024 also included some one-off net payments from Global Partnerships for content broadcast on our channels; this is not expected to repeat at the same level in 2025.

BritBox International

On 1 March 2024, ITV announced the sale of its 50% shareholding in BritBox International to the BBC Studios for £255 million. ITV Studios will continue to receive an ongoing revenue stream from BritBox International similar to 2023 levels for the use of ITV-owned content under new extended licensing agreements.

Prior to its sale, BritBox International was ITV's joint venture with the BBC. It provided an ad-free subscription streaming service offering the most comprehensive collection of British content available in the US, Canada, Australia, South Africa and the Nordics (made up of Sweden, Finland, Denmark and Norway).

Outlook

- We will continue to deliver good growth in digital viewing and revenue and remain on track to deliver at least £750 million of digital revenues by 2026
- TAR is expected to be broadly flat year-on-year for the four months to the end of April 2025, with Q1 down around 2% year-on-year. TAR will be impacted by tough comparatives against the Euros in June/July and the introduction of tighter advertising restrictions on less healthy foods (LHF) in October 2025
- We expect content costs to be around £1.250 billion in 2025, down £15 million year-on-year, as we further optimise our content spend across our linear TV channels and ITVX, with lower sports costs following the men's Euros in 2024. First half content costs will be broadly flat year on year

Social purpose

At the heart of ITV's purpose to reflect and shape culture is our Social Purpose, which is all about shaping culture for good: changing ITV for the better and using our content and reach to inspire positive change in the wider world.

Our social impact is tracked through extensive, regular research commissioned from YouGov and other partners. Performance and plans are reviewed by the Board annually. Progress against diversity targets is reviewed quarterly by the Executive Committee. The Audit and Risk Committee reviews our climate-related financial disclosures, compliance with all relevant regulatory requirements and the external assurance of our carbon footprint.

Our Social Purpose agenda focuses on four key priorities (detailed below) where we can have the biggest impact. Our goals align with nine of the UN's Sustainable Development Goals (SDGs) and are where we believe ITV can make the most significant contribution. Refer to our 2024 Social Purpose Impact Report for further details on all our Social Purpose priorities. It is available at: *www.itvplc.com/socialpurpose/overview*

Refer to our 2024 Diversity Acceleration Plan report for further details on ITV's Diversity, Equity & Inclusion work and Diversity Commissioning Spend. It is available at: *www.itv.com/inclusion/articles/diversity-acceleration-plan*

Mental *Wellbeing*

Creating a culture where we all do more to look after our mental wellbeing

OUR GOALS

- **Audiences**
  Prompt action through content and campaigns
- **Industry**
  Work with partners to raise awareness and drive action
- **Internal**
  Provide initiatives, events and training to support colleague wellbeing

UN SDGS

TARGETS

- To prompt people to take **20 million** actions to support their mental wellbeing

2024 RESULTS

46 million
positive actions taken by people to support their mental wellbeing[1]

Just over 1 million
people took a mate on a date in response to this year's Britain Get Talking campaign[2]

25 hours of airtime
dedicated to conversations around mental health as part of the Loose Women Talkathon in aid of Britain Get Talking

£1 million airtime
given to our Head First award-winner, World Wide Fund for Nature to promote mental wellbeing in advertising

Better *Futures*

Supporting the next generation in our industry, across the UK and around the world

OUR GOALS

- **Around the world**
  Raising money to support children's futures through Soccer Aid for UNICEF
- **Across the UK**
  Promote healthy behaviours in children through campaigns such as, Eat Them To Defeat Them and The Daily Mile
- **In the community**
  Mentor in the industry and volunteer time in the community

UN SDGS

TARGETS

- **Increase** the amount raised for Soccer Aid for UNICEF
- **Deliver 500** mentoring partnerships (by end of 2025)

2024 RESULTS

Over £15 million
raised for Soccer Aid for UNICEF, an increase year-on-year

44%
of parents said their child ate more vegetables as a result of seeing the Eat Them to Defeat Them advertising[3]

15,500
more children are doing the Daily Mile as a result of our 2024 campaign[4]

90
mentoring partnerships completed in 2024, with c.430 to date

862
colleagues volunteered their time to help others

Social purpose continued

Climate *Action*

Shows with the biggest impact on audiences and the smallest impact on the planet

OUR GOALS

- **Net Zero**
  Science Based decarbonisation by 2030 and 2050
- **Circular Economy**
  90% waste reused or recycled by 2030
- **Supply Chain**
  100% sustainable by 2030
- **Culture**
  Embed a culture of climate action on-screen and off-screen

UN SDGS

7 Affordable and clean energy; 12 Responsible consumption and production; 13 Climate action

TARGETS

- **Net Zero**
  Reducing emissions we control by **46.2%** and those we can influence by **28%** by **2030**, and all emissions by **90%** by **2050**
- **100%** sustainable supply chain by **2030**
- **Zero** waste by **2030**
- **100%** of the shows **we produce** and **commission** in the UK are **albert certified**
- **Increase visibility** and **impact** of **climate action content** on-screen

2024 RESULTS

56%
Scope 1 & 2 emissions reduction compared to our baseline year

26%
Scope 3 emissions reduction compared to our baseline year

37%
of waste recycled

95%
of the UK programmes we produced and **85%** of the programmes we broadcast were albert certified

>6,100
colleagues completed climate action training

Diversity *Equity & Inclusion*

Content by, with and for everyone, connecting and reflecting modern audiences

OUR GOALS

- **Mainstream content**
  Champion diversity through our mainstream content
- **Creating opportunities**
  Create equitable opportunities across the industry
- **Inclusive culture**
  Create an inclusive culture at ITV and improve representation
- **Accessibility**
  Build accessibility and disability equity into everything we do

UN SDGS

5 Gender equality; 10 Reduced inequalities

TARGETS

- Improve representation in ITV's workforce, on-screen and off-screen by the end of 2027[5]:
  - **DISABILITY** – **12%** Deaf, Disabled, Neurodivergent, or with a long-term health condition
  - **CLASS** – **33%** from working class backgrounds
  - **ETHNICITY** – **20%** People of Colour at the 'All colleagues' level at ITV. 15% People of Colour at senior levels
  - **GENDER** – **50%** Women
  - **LGBTQ+** – **7%** Lesbian, Gay, Bisexual, Transgender or Queer
- Invest **£80 million** of ITV's content commissioning budget from 2022 to 2024 through our Diversity Commissioning Spend (DCS)[6] and **£500,000** of new investment through our Diversity Development Fund (DDF) to drive racial and disability equity across the TV industry (our new period will cover 2025 to 2027)

2024 RESULTS

Exceeded the targets for Disability, Gender and LGBTQ+ in 2024. Refer to the UK Diversity table on the following page

Invested **£83 million** through ITV's DCS from 2022 to 2024

ITV's DCS included **£64 million invested** with 13 diverse-led production companies

Invested over £500,000 from 2022 to 2024 through ITV's DDF, funding over 30 projects including the pilot of Romesh Ranganathan's Parents' Evening, leading to a series commission

1. Jan-Dec 2024 YouGov nationally representative polls of c.1,000 UK adults, extrapolated using BARB Establishment UK population size
2. Aug 2024 YouGov poll, total sample 1,047 nationally representative UK adults with 258 answering. Extrapolated using BARB Establishment UK population size
3. Survey of 3,100 parents with children aged 5-11; March/April 2024
4. Ineos data
5. We have extended our targets to 2027 (from 2025) to ensure alignment with the launch of the next phase of ITV's Diversity Commissioning Spend, which will deliver a further £80 million of investment across 2025-27. We will continue to monitor our targets and may update them in line with UK benchmarks.
6. Our previously named Diversity Commissioning Fund (DCF) has been renamed to Diversity Commissioning Spend (DCS) to clarify that the DCS is ring-fenced existing spend, whereas the Diversity Development Fund (DDF) is new investment. For more information on the DCS and DDF, see our 2024 Diversity Acceleration Plan report

Social purpose continued

UK Diversity Table

		ITV UK workforce			On and off-screen	
Characteristic	2027 Target[1]	All colleagues (2024)	Managers (2024)	Senior Leaders (2024)[2]	On-screen (Diamond Sixth Cut, 2022-23)[3]	Off-screen (Diamond Sixth Cut, 2022-23)[3]
Age 50+	–	22.5%	28.3%	53.5%	19.8%	21.4%
Deaf, Disabled or Neurodivergent	12%	12.6%	10.3%	7.5%	8.6%	6.5%
People of Colour	20%: All colleagues 15%: Senior levels	14.5%	11.3%	13.5%	27.4%	16.1%
Lesbian, Gay, Bisexual, Trans or Queer (LGBTQ+)[4]	7%	9.7%	9.3%	6.3%	23.8%	21.0%
Women	50%	52.7%	48.7%	49.3%	51.7%	47.7%
Working class background[5]	33%	28.7%	30.8%	20.8%	N/A[5]	N/A[5]

Our UK workforce figures include UK permanent and PAYE fixed-term employees only as of 31 December 2024 (it does not include freelance, contingent or agency workers) and are based on the number of employees who chose to share diversity data, including those who select 'prefer not to say'. Due to rounding, figures do not always total 100%.

1. These targets were previously set for the end of 2025. Given the significant challenges ITV faced in 2024 with industry-wide pressures, an organisational restructure and hiring freeze, and to ensure close alignment with the launch of the next phase of ITV's Diversity Commissioning Spend, which delivers a further £80 million of investment across 2025-27, we are updating the timeframe to meet our existing targets to the end of 2027. As we achieve more of our targets we may continue to update them in line with UK benchmarks
2. Our Senior Leader population is a defined group of approximately 200 colleagues including the Executive Committee (ExCo), colleagues who report to an ExCo member and/or are on the list of top FTE salaries (excluding on-screen talent). Our Manager population is approximately 800 colleagues distinct from our Senior Leaders. We updated these categories in 2023 following guidance from Ofcom – while there is some overlap with our previous categories, these figures are not directly comparable to previous reports
3. On-screen and off-screen representation is measured using Diamond, an industry-wide system for monitoring diversity in broadcasting. This data is from the latest Seventh Cut report. Diamond collects diversity data from cast, contributors, crew and production companies. Diamond does not currently measure class / socio-economic background, but we are ensuring this will be included in the current project to update Diamond. The LGBTQ+ figures combine the Diamond figures for LGB+ and transgender populations. More information about Diamond can be found at: www.creativediversitynetwork.com/diamond
4. Our LGBTQ+ target combines sexual orientation and gender identity. We measure these separately and combine these categories
5. When analysing our class data, we excluded responses from people who answered 'don't know', 'not applicable', 'prefer not to say', etc. This enables us to compare with national benchmarks. This method is slightly different to how we analyse other diversity characteristics (based on all colleagues who share data, including those who respond 'prefer not to say') as those questions do not have a 'don't know' option. We followed expert advice on how to analyse and interpret this information. Class is not measured on-screen and off-screen through Diamond yet, so our 33% target applies to our workforce including senior leaders

Note: Under the Companies Act 2006, we are required to report on the gender breakdown of our senior managers – this statutory definition is broader than our definition of Senior Leaders. Of our global workforce of 6,133 who shared their gender (2,794 men, 3,339 women), 335 were senior managers (187 men, 166 women), which includes senior leaders and directors on the Boards of undertakings of the Group (to the extent there are additional individuals), but exclude individuals who sit as directors on the Board of the Company.

ITV has published its Gender, Ethnicity, Disability, LGBTQ+ and Class Pay Gap Report: www.itvplc.com/investors/governance

For more information on our Diversity Acceleration Plan and Diversity Commissioning Spend, including further data such as intersectional data and specific breakdowns, refer to: *www.itv.com/inclusion/articles/diversity-acceleration-plan*

2024 Social Purpose Case Studies

PreLoved by ITV, ReLoved by viewers

Launched in 2024, ITV ReLoved exclusively resells ITV's old props and costumes through an eBay store and pilot in-person sales. Partnering with the PropUp Project, a not-for-profit, all proceeds support finding ethical solutions for TV and film items that might otherwise be discarded. The initiative helps ITV meet its zero-waste goals and allows fans to purchase memorabilia from their favourite shows, with over 1,000 items finding new homes.

Romesh Ranganathan's Parents' Evening

Romesh Ranganathan's Parents' Evening, was a new primetime gameshow on ITV1 and ITVX during 2024 and exemplified the success of ITV's Diversity Development Fund and Diversity Commissioning Spend. The show, featuring celebrities and their parents, secured a full commission after pilot funding, achieved an average of 1.8 million viewers, and was recommissioned for a second series, demonstrating the fund's positive impact on supporting diverse content creation.

Social purpose continued

Streamlined Energy and Carbon Reporting (SECR) – based on data for the year ended 31 December 2024

Scope		Description	Unit	2024 UK	2024 Global (excl. UK)	2024 Total	2023 UK	2023 Global (excl. UK)	2023 Total	Change UK	Change Global (excl. UK)
1		Emissions from gas, refrigerants and owned vehicles	tCO_2e	**864**	**310**	**1,174***	1,448	284	1,731	**-40%**	**9%**
2	Location-based	Electricity emissions using geographical location	tCO_2e	**3,294**	**1,118**	**4,412***	3,827	756	4,582	**-14%**	**48%**
2	Market-based	Electricity emissions using purchased electricity factor	tCO_2e	**1,627**	**1,021**	**2,648***	1,669	794	2,463	**-3%**	**29%**
1 & 2	Location-based	Total Emissions	tCO_2e	**4,158**	**1,428**	**5,586**	5,274	1,039	6,314	**-21%**	**37%**
1 & 2	Market-based	Total Emissions	tCO_2e	**2,491**	**1,331**	**3,822**	3,116	1,078	4,194	**-20%**	**24%**
		Direct & Indirect Energy Consumption	kWh	**20,303,000**	**5,404,898**	**25,707,898**	23,222,313	2,714,626	25,936,940	**-13%**	**99%**
		Total revenue	£m	**£4,140**			£4,260			**-3%**	
1 & 2	Location-based	Normalised emissions to revenue	tCO_2e/£m	**1.004**	**0.345**	**1.349**	1.238	0.244	1.482	**-19%**	**41%**
1 & 2	Market-based	Normalised emissions to revenue	tCO_2e/£m	**0.602**	**0.321**	**0.923**	0.732	0.253	0.985	**-18%**	**27%**
3		Purchased goods and services	tCO_2e		**237,567**			274,626		**-13%**	
3		Capital goods	tCO_2e		**207**			217		**-5%**	
3		Fuel and Energy-related activities	tCO_2e		**1,865**			1,856		**–**	
3		Upstream transportation and distribution	tCO_2e		**3,461**			558		**520%**	
3		Waste	tCO_2e		**136**			64		**113%**	
3		Business travel	tCO_2e		**22,746**			24,078		**-6%**	
3		Commuting	tCO_2e		**5,573**			8,564		**-35%**	
3		Upstream leased assets	tCO_2e		**12,713**			14,361		**-11%**	
3		Investments	tCO_2e		**34,386**			21,312		**61%**	
3		Total Scope 3	tCO_2e		**318,654***			345,636		**-8%**	
Total Scope 1, 2 & 3 (Market-Based)			tCO_2e		**322,476**			349,830		**-8%**	

Methodology

2024 emissions data covers global operations for which we have operational control. We have chosen to measure and report our emissions in total gross emissions in metric tonnes of CO_2e per £ revenue, which is the recommended intensity ratio for the sector.

'Location-based' calculations reflect the average emissions that using electricity creates in the country where the energy is used, while 'market-based' calculations reflect emissions based on the energy contracts ITV has chosen, such as through purchasing energy on a renewable tariff.

38% of our market-based Scope 1 and 2 data set is based on estimated data, which makes up 1% of the total data set. Estimates are calculated based on building floorsize and occupation, and published benchmarks.

Our Scope 2 market-based emissions have increased slightly due to a reduction in renewable energy evidence, but our location-based emissions have reduced, reflecting actual energy-saving activities taking place in our buildings. Our global direct and indirect energy consumption has increased due to an improved estimation methodology.

The calculation methodology for the Scope 3 category 'Purchased Goods and Services' in 2024 includes actual supplier data provided via the Carbon Disclosure Project, and the use of V7 CEDA EEIO (Environmentally Extended Economic Input Output) factors, which are the GHG-Protocol recommended factors for estimating carbon emissions based on spend data. The supplier-specific data accounted for 3.5% of ITV's total spend and was calculated using an average data method, apportioning the total direct, indirect and upstream emissions of a company based on their yearly revenue and the proportion to which ITV spent with them.

Where actual data was not available, ITV spend data was multiplied by the latest CEDA EEIO factors. Upstream leased assets and upstream transportation and distribution have increased due to more granular data from our productions and waste increased due to improved methodology. All details of methodology changes can be found in our Basis of Reporting. ITV will continue to monitor and improve our emissions data quality.

Use of Sold Product emissions are **479,089 tCO_2e** for 2024. We have removed these emissions from our SECR table in line with GHG protocol guidance, as they are not within our direct control.

Energy efficiency initiatives

- We have reduced our property portfolio across our regional sites
- Photovoltaic panels have been successfully installed on two buildings at our Leeds Campus
- LED lighting projects are underway across White City, TWR, and The Regions, enhancing energy efficiency
- We are now actively transporting energy back to the grid, contributing to sustainability efforts

*These figures have undergone limited assurance by ERM Certification and Verification Services Limited

Our people

The HEART & SOUL of ITV

Composition of our workforce

Our workforce is made up of a mixture of permanent and fixed-term employees, freelancers (individuals working on a specific project or programme for a set period of time); and contractors (companies or suppliers who provide a service to ITV) all working together to play their part.

Investing in the development of our people

We focus on building a diverse, high-performing workforce and launched a new Talent, Learning, and Development strategy, centred around three pillars:

- Leadership & Line Manager Capability – To drive efficiency, resilience and high performance
- Real Life Learning – To learn fast, seize opportunities, innovate and be creative
- Skills for the Future – To drive business growth in a digital and sustainable world

We offer development opportunities across ITV, including work experience campaigns that also support our Diversity, Equity, and Inclusion (DE&I) strategy. We have apprenticeships available in ITV Studios, Media & Entertainment, and Corporate Functions. All colleagues can access online, on-demand, and in-person development workshops, including the 'Get Future Ready' digital transformation programme, all aimed at supporting personal skills development, productivity and wellbeing.

Talking Performance (our appraisal framework) remains a key priority.

Management and leadership development

In 2024, we refreshed line manager development with in-person workshops and launched the ITV Leadership Academy. We also introduced the 'People Manager Essentials' programme to enhance core skills. Our Executive Leadership Team will complete leadership psychometric assessments to help shape personalised development plans and our future executive leadership development proposition.

The ITV Behaviours

In 2024, we updated the ITV Behaviours to align with business priorities, providing clear, actionable indicators for all colleagues:

- Inspire Performance: To create commercial growth for our business, and our people
- Empower with Accountability: By giving people ownership of opportunities and responsibility for their outcomes
- Make Fast, Informed Decisions: Guided by relevant facts, evidence and stakeholder input, rather than total consensus
- Spend Wisely, Save Widely: To create more value and impact with less cost
- Welcome New Perspectives: Through curiosity, honesty and mutual respect to spot different ways to do things

Building an inclusive culture

Ensuring we have an inclusive environment where everyone can be their authentic self and thrive, is critical to the delivery of our strategic priorities.

In 2024, we launched a refreshed DE&I training programme to enable colleagues and managers to champion inclusion and confidently speak up to address non-inclusive behaviour. This was combined with the launch of a new mandatory DE&I training module, with over 90% of all colleagues in the UK and internationally completing it by the year-end.

ITV remains committed to attracting, retaining and developing colleagues with disclosed disabilities, working with specialist providers to ensure that the recruitment process, along with all training, career development, and promotion opportunities, are accessible and inclusive.

We broadened our attraction strategy to address underrepresentation through our recruitment process, leading to an increase in People of Colour hires to 21.2% (2023: 19.2%). We are proud that women continue to represent over 50% of new hires, and aim to increase hires with disclosed disabilities from 4.9% (all figures as of 31 December 2024).

Refer to page 32 for more information on our Diversity, Equity and Inclusion strategy

Information on how the Remuneration Committee considers workforce remuneration is detailed on page 103

Engagement

2024 saw a number of key engagement activities including:

- Action planning following the bi-annual engagement and culture survey for all colleagues at the end of 2023
- Engagement and culture pulse survey
- Listening groups between colleagues and our Executive Committee

Feedback from our 2024 pulse survey indicated that colleagues feel positive about our collaborative and supportive working environment, training and development opportunities available, and our ongoing commitment to DE&I initiatives. During 2024 there were voluntary and non-voluntary redundancies as a result of the efficiency programme. Areas requiring focus in 2025 include: compensation, career progression opportunities and clearer communication.

For further information on how the Board and senior leaders engage with the workforce through our Ambassador Network, refer to page 78

Mental health, wellbeing and duty of care

Supporting the mental and physical health of colleagues remains a key priority. The Mental Health Advisory Group (MHAG) includes experts from leading mental health charities such as Mind, YoungMinds and SAMH, as well as independent advisers and representatives from across ITV and STV. In 2024 the MHAG discussed a range of subjects, including how best to support our colleagues through restructuring; mental health stigma; a review of our Duty of Care guidelines and practices, and the mental health of freelancers and production staff.

Mental Wellbeing remains at the forefront of our social purpose campaigns.

Refer to pages 31 and 32 for further information on our Social Purpose priorities

The Duty of Care Operating Board ensures the continuous evolution of our care practices. We also encourage colleagues to raise concerns via our Speaking Up framework.

Refer to pages 53 and 83 for further information about the role of the Duty of Care Operating Board and its activities in 2024

Alternative Performance Measures

The Annual Report and Accounts include both statutory and adjusted measures (Alternative Performance Measures or APMs), the latter of which, in management's view, reflect the underlying performance of the business and provide a more meaningful comparison of how the business is managed and measured on a day-to-day basis.

Our APMs and KPIs are aligned with our strategy and business divisions and together are used to measure the performance of our business and form the basis of the performance measures for remuneration. Adjusted results exclude certain items because, if included, they could distort the understanding of our performance for the period and the comparability between periods. APMs are not defined terms under IFRS and may not be comparable with similarly titled measures reported by other companies.

As adjusted results exclude certain items (such as significant legal, major restructuring and transaction items), they should not be regarded as a complete picture of the Group's financial performance. The exclusion of adjusting items may result in adjusted earnings being materially higher or lower than statutory earnings. In particular, when significant impairments, restructuring charges and legal costs are excluded, adjusted earnings will be higher than statutory earnings.

The Audit and Risk Committee has oversight of ITV's APMs and actively reviews, challenges, revises and approves the policy for classifying adjustments and exceptional items. Further detail is included in the following section.

Key adjustments for EBITA, adjusted EBITA, profit before tax and EPS

EBITA is calculated by adjusting statutory operating profit for operating exceptional items and amortisation and impairment.

Adjusted EBITA is calculated by adding back high-end production tax credits to EBITA. Further adjustments, which include the gain/loss on the sale of non-current assets, amortisation and impairment of assets acquired through business combinations and investments, and certain net financing costs, are made to remove their effect from adjusted profit before tax and adjusted EPS. The tax effects of all these adjustments are reflected in the adjusted tax charge. These adjustments are detailed below.

Adjusted EBITDA, which is used to calculate the Group's leverage, is calculated by adding back depreciation to adjusted EBITA.

Production tax credits

The ability to access tax credits, which are rebates based on production spend, is fundamental to our ITV Studios business across the world when assessing the viability of investment decisions, especially with regard to drama and comedy. ITV reports tax credits generated in the US and other countries (e.g. Italy, Canada and Spain) within cost of sales, whereas in the UK, tax credits claimed under the High-End TV (HETV) regime must be classified as a corporation tax item. In 2024, following the changes to Audio-Visual Expenditure Credits (AVEC) adopted by ITV (see below), tax credits claimed under this regime are also reported within cost of sales. In our view, all tax credits relate directly to the production of programmes. Therefore, to align treatment, regardless of production location, and to reflect the way the business is managed and measured on a day-to-day basis, UK HETV tax credits have been recognised in adjusted EBITA. Our cash measures, including profit to cash conversion and free cashflow are also adjusted for the impact of production tax credits.

Changes to the current UK system of Creative Industry tax credits

On 29 November 2023, the UK government issued final legislation to reform the current system of Creative Industry tax credits to merge the four existing schemes (Film, High-End Television (HETV), Children's Television and Animation) into a single Audio Visual Expenditure Credit (AVEC) scheme and has reviewed the qualifying criteria. The AVEC legislation was substantively enacted on 5 February 2024 and can be claimed on expenditure incurred from 1 January 2024.

The new scheme is one of expenditure credits as opposed to corporate tax relief, requiring a change to the accounting treatment to include them within statutory operating profit rather than within the consolidated tax charge.

Under the HETV regime the tax credits are treated as a credit to the tax line which results in the Group in the UK generally having a reported effective tax rate below the OECD Pillar Two minimum tax rate of 15%. The new AVEC regime treats the credits as a taxable EBITA amount and has been designed to ensure that entities are in the same post-tax position as under the old regime.

The new AVEC regime has been utilised by ITV on production expenditure incurred in 2024 at the earliest opportunity possible. See the tax section of the Finance Review and note 2.3 for further details.

Exceptional items

These items are excluded to reflect performance in a consistent manner and in line with how the business is managed and measured on a day-to-day basis. They are typically material amounts related to costs, gains or losses arising from events that are not considered part of the core operations of the business, though they may cross several accounting periods. These include, but are not limited to, costs directly related to acquisition activity, costs related to major reorganisation and restructuring programmes, material onerous contracts, significant impairments, employee-related tax provisions related to earlier financial periods (IR35) and other items such as legal settlements and non-routine legal costs (e.g. legal costs related to items which are themselves considered to be exceptional items). We also adjust for the tax effect of these items.

Alternative Performance Measures continued

See note 2.2 to the financial statements for further detail

Acquisition-related costs

We structure our acquisitions with earnouts or put and call options, to allow part of the consideration to be based on the future performance of the business as well as to lock in and incentivise creative talent. Where consideration paid or contingent consideration payable in the future is employment-linked, it is treated as an expense (under accounting rules) and therefore part of our statutory results. However, we exclude all consideration of this type from adjusted EBITA, adjusted profit after tax and adjusted EPS as, in our view, these items are part of the capital transaction and do not form part of the Group's core operations. The Finance Review explains this further. Acquisition-related costs, including legal and advisory fees on completed deals or significant deals that do not complete, are also treated as an expense (under accounting rules) and therefore on a statutory basis form part of our statutory results. In our view, these items also form part of the capital transaction or are one-off and material in nature and are therefore excluded from our adjusted measures.

Restructuring and reorganisation costs

Where there has been a material change in the organisational structure of a business area or a material initiative, these costs are highlighted and are excluded from our adjusted measures. These costs arise from significant initiatives (likely to span more than one year) to reduce the ongoing cost base and improve efficiency in the business to enable the delivery of our strategic priorities. We consider each project individually to determine whether its size and nature warrant separate treatment and disclosure.

Amortisation and impairment

Amortisation and any initial impairment of assets acquired through business combinations and investments are not included within adjusted earnings. As these costs are acquisition-related, and in line with our treatment of other acquisition-related costs, we consider them to be capital in nature as they do not reflect the underlying trading performance of the Group. Amortisation of software licences and development is included within our adjusted profit before tax as management consider these assets to be core to supporting the operations of the business.

Net financing costs

Net financing costs are adjusted to reflect the underlying cash cost of interest for the business, providing a more meaningful comparison of how the business is managed and funded on a day-to-day basis. The adjustments made remove the impact of mark-to-market gains or losses on swaps and foreign exchange, one-off fees and premiums relating to the buyback of bonds, exceptional interest and other finance costs on acquisitions, imputed pension interest and other financial gains and losses that do not reflect the relevant interest cash cost to the business and are not yet realised balances.

Reconciliation between statutory and adjusted results

Twelve months to 31 December	**2024 Statutory £m**	**2024 Adjustments £m**	**2024 Adjusted £m**	2023 Statutory £m	2023 Adjustments £m	2023 Adjusted £m
EBITA[1]	**526**	**16**	**542**	404	85	489
Exceptional items (operating)[2]	**(65)**	**65**	**–**	(77)	77	–
Amortisation and impairment[3]	**(143)**	**107**	**(36)**	(89)	25	(64)
Operating profit	**318**	**188**	**506**	238	187	425
Net financing costs[4]	**–**	**(25)**	**(25)**	(45)	16	(29)
Share of losses on JVs and associates	**(9)**	**–**	**(9)**	–	–	–
Profit on disposal of associates, joint ventures and subsidiary undertakings	**212**	**(212)**	**–**	–	–	–
Profit before tax	**521**	**(49)**	**472**	193	203	396
Tax[5]	**(115)**	**17**	**(98)**	16	(101)	(85)
Profit after tax	**406**	**(32)**	**374**	209	102	311
Non-controlling interests	**2**	**–**	**2**	1	–	1
Earnings	**408**	**(32)**	**376**	210	102	312
Shares (million), weighted average	**3,935**		**3,935**	4,023	–	4,023
EPS (p)	**10.4p**	**–**	**9.6p**	5.2p	–	7.8p
Diluted EPS (p)[6]	**10.3p**	**–**	**9.5p**	5.2p	–	7.7p

1. The £16 million (2023: £85 million) adjustment relates to production tax credits which we consider to be a contribution to production costs and working capital in nature rather than a corporate tax item. EBITA is not a statutory measure
2. Exceptional items of £65 million (2023: £77 million) largely relate to acquisition-related expenses and restructuring and transformation costs. Refer to the Finance Review
3. £107 million (2023: £25 million) adjustment relates to amortisation and impairment of assets acquired through business combinations and investments. We include only amortisation on purchased intangibles, such as software within adjusted profit before tax
4. £25 million adjustment is for non-cash interest income (2023: £16 million non-cash interest cost). This provides a more meaningful comparison of how the business is managed and funded on a day-to-day basis
5. Tax adjustments are the tax effects of the adjustments made to reconcile profit before tax and adjusted profit before tax. A full reconciliation is included in the Finance Review
6. Weighted average diluted number of shares in the year was 3,977 million (2023: 4,059 million)

Alternative Performance Measures continued

OTHER ALTERNATIVE PERFORMANCE MEASURES

Total revenue

As a vertically integrated producer broadcaster and streamer, we look at the total revenue generated by the business including internal revenue, which is predominantly made up of sales from ITV Studios to M&E. ITV Studios selling programmes to the M&E business is an important part of our strategy as a vertically integrated business and it ensures we own all the rights to the content.

A reconciliation between external revenue and total revenue is provided below.

Twelve months to 31 December	**2024 £m**	2023 £m
External revenue (Statutory)	**3,488**	3,624
Internal revenue	**652**	636
Total revenue (Adjusted)	**4,140**	4,260

ITV Studios organic revenue growth

ITV Studios organic revenue growth adjusts revenue growth for the impacts of foreign currency and acquisitions in the current or comparative period. Current period revenues are measured at constant currency which assumes exchange rates remain consistent with the comparative period. The table below shows the calculation of our organic revenue growth within ITV Studios:

Twelve months to 31 December	**2024 £m**	2023 £m	Change £m	Change %
ITV Studios total revenue*	**2,038**	2,170	(132)	(6)
Adjustment for constant currency	**30**	–	30	–
Adjustment for acquisitions and disposals	**(20)**	(9)	(11)	122
ITV Studios total revenue – organic basis	**2,048**	2,161	(113)	(5)

* Included within ITV Studios total organic revenue for 2024 is a £55 million revenue benefit following the transfer of ITV sports production from Media & Entertainment to ITV Studios UK with effect from 1 January 2024. £53 million is eliminated in intersegment revenue.

Net pension surplus/deficit

This is our defined benefit pension scheme surplus or deficit under IAS 19 adjusted for other pension assets, mainly gilts, which are held by the Group as security for future unfunded pension payments for four Granada executives and over which the unfunded pension scheme holds a charge. See note 3.8 to the financial statements.

Profit to cash conversion

This is the measure of our effectiveness at working capital management. It is calculated as our adjusted cash flow as a proportion of adjusted EBITA. Adjusted cash flow, which reflects the cash generation of our underlying business, is calculated on our statutory cash generated from operations and adjusted for exceptional items, net of capex on property, plant and equipment and intangible assets, and including the cash impact of high-end production tax credits.

Covenant net debt and covenant liquidity

Covenant net debt is our leverage as defined in our Revolving Credit Facility (RCF) agreement. This calculation is materially different to how net debt is defined on a statutory and APM basis and is relevant in demonstrating we have met the required RCF financial covenants at our reporting date and as part of the Board's viability statement assessment.

Alternative Performance Measures continued

Covenant adjusted EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation) is used to calculate our covenant compliance and our leverage, and is defined in the RCF agreement. The calculations of covenant adjusted EBITDA, covenant net debt and covenant liquidity are detailed in the tables below:

	31 December 2024 £m	31 December 2023 £m
Statutory operating profit	**318**	238
Exceptional items	**65**	77
Amortisation and impairment	**143**	89
EBITA	**526**	404
Depreciation	**47**	46
Right of use assets depreciation	**(20)**	(19)
Interest charged on lease liabilities	**(5)**	(4)
Covenant adjusted EBITDA	**548**	427

	31 December 2024 £m	31 December 2023 £m
Net debt (including IFRS 16 lease liabilities)	**(431)**	(553)
Impact of IFRS 16 lease liabilities	**105**	115
Long-term trade payables	**(33)**	(25)
Other pension asset	**45**	48
Covenant net debt	**(314)**	(415)
Covenant adjusted EBITDA*	**548**	427
Covenant net debt to adjusted EBITDA*	**0.6x**	1.0x
Cash and cash equivalents	**427**	340
Undrawn RCF	**600**	600
Undrawn CDS facility	**350**	300
Covenant liquidity**	**1,377**	1,240

* Covenant adjusted EBITDA is defined per the facility agreement. The Finance Review includes further detail on our covenant ratios
** Covenant liquidity is defined as cash and cash equivalents plus undrawn committed facilities

Finance review

This Finance Review focuses on the more technical aspects of our financial results while the operating and financial performance of the Group, M&E and ITV Studios has been discussed within the Operating and Financial Performance Review.

Chris Kennedy
Group Chief Financial Officer
and Chief Operating Officer

Our Alternative Performance Measures (APMs) section, explains the adjustments we make to our statutory results. This enables focus on the key measures that we report on and use as KPIs across the business. See earlier sections for further details.

Twelve months to 31 December	**2024 £m**	2023 £m	Change £m	Change %
ITV Studios total revenue*	**2,038**	2,170	(132)	(6)
Total advertising revenue	**1,820**	1,778	42	2
M&E non-advertising revenue	**282**	312	(30)	(10)
M&E total revenue	**2,102**	2,090	12	1
Total non-advertising revenue	**2,320**	2,482	(162)	(7)
Total Group revenue	**4,140**	4,260	(120)	(3)
Internal revenue	**(652)**	(636)	(16)	(3)
Group external revenue	**3,488**	3,624	(136)	(4)
Group adjusted EBITA	**542**	489	53	11
Group adjusted EBITA margin	**16%**	13%		3
Statutory operating profit	**318**	238	80	34
Adjusted EPS	**9.6p**	7.8p	1.8p	23
Statutory EPS	**10.4p**	5.2p	5.2p	100
Dividend per share	**5.0p**	5.0p		
Net debt as at 31 December	**(431)**	(553)	122	22

* ITV sports production transferred from M&E to ITV Studios UK with effect from 1 January 2024. Revenue of £55 million relating to sports production for M&E has been recognised in ITV Studios total revenue for the year, of which £53 million is eliminated in intersegment revenue.

Exceptional items

Twelve months to 31 December	**2024 £m**	2023 £m
Acquisition-related expenses	**(8)**	(24)
Restructuring and transformation costs	**(50)**	(25)
Property costs	**1**	(10)
Insured trade receivable	**–**	3
Transponder onerous contract	**(4)**	–
Employee-related tax provision	**1**	3
Legal settlements	**–**	(13)
Legal and other costs	**(5)**	(11)
Operating exceptional items	**(65)**	(77)
Total exceptional items	**(65)**	(77)

Finance review continued

Total exceptional items in the year were £65 million (2023: £77 million), in line with previous guidance.

Acquisition-related expenses of £8 million (2023: £24 million) are predominantly performance-based, employment-linked consideration to former owners, and professional fees related to acquisitions and potential acquisitions.

Restructuring and transformation costs of £50 million (2023: £25 million) include restructuring and other costs associated with our ongoing transformation and efficiency programme announced in March 2024 to reshape the cost base and enhance profitability across the Group. During the year, there were also transformation programme costs associated with delivering our strategy, including our new programme rights, finance and HR systems. In 2025, we expect a further £35 million of costs associated with delivering our digital transformation (c.£10 million) and ongoing transformation and efficiency programme (c.£25 million).

In the prior year, Property costs related to the London office move to Broadcast Centre and the insured trade receivable related to an exceptional credit resulting from the settlement of the remaining claim in relation to The Voice of China.

Transponder onerous contract relates to the recognition of an onerous contract provision for transponder capacity that is no longer generating revenue.

Employee tax provision is the release of £1 million of a provision that is no longer required.

Legal settlements of £13 million in 2023, related to settlements or proposed settlements on a number of significant legal cases which were considered to be outside the normal course of business.

Legal and other costs relate primarily to legal costs for matters considered to be outside the normal course of business, including Box Clever and the UK Competition and Markets Authority (CMA) Investigation.

Net financing costs

Twelve months to 31 December	**2024 £m**	2023 £m
Financing costs directly attributable to loans and bonds	**(34)**	(24)
Cash-related net financing income/(costs)	**9**	(5)
Adjusted financing costs	**(25)**	(29)
Net pension interest	**8**	8
Other net financial losses and unrealised foreign exchange	**17**	(24)
Statutory net financing costs	**–**	(45)

Adjusted financing costs were £25 million (2023: £29 million) largely due to financing costs attributable to loans and bonds. Statutory net financing costs were £nil (2023: £45 million) mainly driven by fair value gains on bonds that were repaid in the year, interest accrued on acquisition-related exceptional expenses, unrealised foreign exchange losses, imputed pension interest income and fair value adjustments on financial assets and acquisition-related put option liabilities.

JVs and associates

Our share of losses from JVs and associates in the year was £9 million (2023: £nil). This was our share of the net profits and losses arising from our investments, such as Blumhouse Television and Britbox International prior to their sale and our investment in Bedrock Entertainment. The increase in losses year-on-year primarily results from BritBox International which was profitable in the prior year, and the phasing of the delivery of productions for Blumhouse Television and Bedrock Entertainment.

Profit before tax

Statutory profit before tax increased year-on-year to £521 million (2023: £193 million) as a result of the growth in total advertising, cost savings across the Group, and a £212 million profit on disposal of joint ventures and subsidiary undertakings.

Twelve months to 31 December	**2024 £m**	2023 £m
Statutory profit before tax	**521**	193
Production tax credits	**16**	85
Exceptional items	**65**	77
Amortisation and impairment*	**107**	25
Adjustments to net financing costs	**(25)**	16
Profit on disposal of associates, joint ventures and subsidiary undertakings	**(212)**	–
Adjusted profit before tax	**472**	396

* Amortisation and impairment of £107 million arises in respect of assets from business combinations and investments. In 2024, the Group recognised an impairment of £76 million in relation to the goodwill allocated to the SDN cash generating unit ('CGU'). The impairment charge arose as a result of the downturn in the long-term outlook for the digital terrestrial television market. See note 3.3 to the Financial Statements for further details

Finance review continued

Tax

Adjusted tax charge

The total adjusted tax charge for the year was £98 million (2023: £85 million), corresponding to an effective tax rate on adjusted PBT of 20.8% (2023: 21.5%), which is lower than the standard UK corporation tax rate of 25% (2023: 23.5%) due to the repayment of £12 million of corporation tax that became recoverable following the successful case against the European Commission in respect of State Aid. We expect the adjusted effective tax rate to be around 26% in 2025 as previously guided, and it will remain slightly above the UK statutory rate of 25% in the medium term.

On a statutory basis, there is a tax charge of £115 million (2023: £16 million credit) which corresponds to an effective tax rate of 22.1% (2023: (8.3)%). This rate is higher in 2024 than in previous years due to the impact of Audio Visual Expenditure Credits (AVEC) being claimed on new productions with expenditure credits in 2024, which are accounted for as a reduction to cost of sales compared to HETV tax credits, which are accounted for in the tax line and depress the effective tax rate. The reported effective tax rate of 22.1% is lower than the UK statutory rate of 25% due to residual HETV tax credits included in the tax line on productions where AVEC was not available due to the timing of production spend.

The adjustments made to reconcile the statutory tax charge with the adjusted tax charge are the tax effects of the adjustments made to reconcile PBT and adjusted PBT, as detailed in the previous table.

Twelve months to 31 December	**2024 £m**	2024 Effective tax rate £m	2023 £m	2023 Effective tax rate %
Statutory tax charge/(credit)	**115**	22.1%	(16)	(8.3)%
Production tax credits	**16**	100%	85	100%
Charge for exceptional operating items	**13**	20.0%	12	15.6%
Credit for profit on disposal of associates, joint ventures and subsidiary undertakings	**(49)**	22.6%	–	0.0%
Charge in respect of amortisation and impairment*	**8**	7.5%	6	24.0%
Credit in respect of adjustments to net financing costs	**(5)**	20.0%	(2)	(12.5)%
Adjusted tax charge**	**98**	20.8%	85	21.5%

* In respect of intangible assets arising from business combinations and investments. Also reflects the cash tax benefit of tax deductions for US goodwill.
** As a percentage of adjusted profit before tax.

Cash tax

Cash tax paid in the year was £27 million (2023: £32 million) and is net of £78 million of production tax credits received (2023: £38 million). The majority of the cash tax payments were made in the UK. The cash tax paid is lower compared to the previous year due to the large volume of tax credits received during the year. A reconciliation between the tax charge for the year and the cash tax paid in the year is shown below.

Twelve months to 31 December	**2024 £m**	2023 £m
Tax (charge)/credit (statutory)	**(115)**	16
Temporary differences recognised through deferred tax*	**32**	7
Prior year adjustments to current tax	**(22)**	12
Current tax, current year	**(105)**	35
Phasing of tax payments	**16**	(20)
Production tax credits – timing of receipt	**62**	(47)
Cash tax paid (statutory)	**(27)**	(32)

* Further detail is included within Note 2.3 of the financial information

Finance review continued

Changes to the current UK system of Creative Industry tax credits

ITV has chosen to opt into the new expenditure credit regime, on production expenditure incurred in 2024, at the earliest opportunity where possible. Due to the timing of when expenditure occurred on productions, we will be claiming under both the HETV and AVEC regime for a period of time. The impact on statutory and adjusted results is shown in the following table.

Twelve months to 31 December	**Pro-forma statutory result* £m**	Impact of new AVEC treatment £m	Statutory result £m	HETV and other Adjustments £m	Adjusted result £m
EBITA	**473**	53	526	16	542
Exceptional items (operating)	**(65)**	–	(65)	65	–
Amortisation and impairment	**(143)**	–	(143)	107	(36)
Operating profit	**265**	53	318	188	506
Net financing income/(costs)	**–**	–	–	(25)	(25)
Share of losses on JVs and associates	**(9)**	–	(9)	–	(9)
Profit on disposal of joint ventures and subsidiary undertakings	**212**	–	212	(212)	–
Profit before tax	**468**	53	521	(49)	472
Tax	**(118)**	(13)	(131)	33	(98)
HETV tax credits	**56**	(40)	16	(16)	–
Profit after tax	**406**	–	406	(32)	374

* Pro-forma statutory result shows the statutory result if the new AVEC treatment had not been implemented

In 2024, total tax credits of £56 million were claimed, of which £16 million were claimed under the old HETV regime and £40 million (£53 million gross) were claimed under the AVEC regime. The impact of this has been to increase statutory EBITA by £53 million and statutory tax charge by £13 million, whilst increasing adjusted EBITA by a further £16 million where HETV tax credits continue to be reclassed from the tax charge to EBITA. Adjusted EBITA has increased by £13 million compared to the old HETV regime due to the AVEC claim being grossed up from £40 million to £53 million.

Base Erosion and Profit Shifting (BEPS) Pillar Two

On 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15% for large groups and for financial years beginning on or after 31 December 2023.

Based on analysis of the current year financial data, most territories in which the Group operates are expected to qualify for one of the safe harbour exemptions such that top-up taxes should not apply. In territories where this is not the case there is the potential for Pillar Two taxes to apply, but these are not expected to be material. Of the £115 million reported tax charge, less than £2 million is in respect of Pillar Two top-up taxes.

Tax strategy

ITV is a responsible business, and we take a responsible attitude to tax, recognising that it affects all of our stakeholders. To allow those stakeholders to understand our approach to tax, we have published our Global Tax Strategy, which is available on our corporate website.

www.itvplc.com/investors/governance/policies

We have four key strategic tax objectives:

1. Engage with tax authorities in an open and transparent way to minimise uncertainty
2. Proactively partner with the business to provide clear, timely, relevant and business focused advice across all aspects of tax
3. Take an appropriate and balanced approach when considering how to structure tax-sensitive transactions
4. Manage ITV's tax risk by operating effective tax governance and understanding our tax control framework with a view to continuously adjusting our approach to be compliant with our tax obligations

Our tax strategy is aligned with that of the business and its commercial activities and establishes a clear Group-wide approach based on openness and transparency in all aspects of tax reporting and compliance, wherever the Company and its subsidiaries operate. The strategy confirms that ITV does not engage in or condone tax evasion or the facilitation of tax evasion in any form and that we have in place reasonable procedures to prevent the facilitation of tax evasion. Within our overall governance structure, the governance of tax and tax risk is given a high priority by the Board, and Audit and Risk Committee (ARC). The ITV Global Tax Strategy, approved by the Board and ARC in September 2024, and as published on the ITV plc website, is compliant with the UK tax strategy publication requirement set out in Part 2 Schedule 19 of the Finance Act 2016.

Finance review continued

EPS – adjusted and statutory

Adjusted profit after tax was £374 million (2023: £311 million). Non-controlling interest, which is the net result from the non-ITV owned share in entities such as Plimsoll and Tomorrow Studios, was a share of losses of £2 million (2023: share of losses of £1 million).

Adjusted basic EPS was up 23% to 9.6p in the year (2023: 7.8p). The weighted average number of shares decreased year-on-year to 3,935 million (2023: 4,023 million) due to the share buyback programme (see further detail below). Diluted adjusted EPS in the year was 9.5p (2023: 7.7p), reflecting a weighted average diluted number of shares of 3,977 million (2023: 4,059 million).

Statutory EPS increased by 100% to 10.4p (2023: 5.2p).

A full reconciliation between statutory and adjusted EPS is included in the Alternative Performance Measures section.

Dividend per share

The Board recognises the importance of the ordinary dividend to ITV shareholders. Reflecting its confidence in the business and its strategy, as well as the continued strong cash generation, in line with ITV's dividend policy, the Board has proposed a final dividend of 3.3p per share (2023: 3.3p), giving an ordinary dividend of 5.0p per share for the full year 2024, which it expects to grow over the medium term, whilst balancing further investment to support our strategy and our commitment to investment grade metrics over the medium term.

Dividends are distributed based on the realised distributable reserves (within retained earnings) of ITV plc (the Company) and not based on the Group's retained earnings.

The dividend timetable is as follows:

Announcement	
Ex-dividend date	Thursday 10 April 2025
Record date	Friday 11 April 2025
Dividend paid	Thursday 22 May 2025

Share repurchase programme

On 7 March 2024 ITV commenced a share buyback programme to repurchase its ordinary shares up to a maximum consideration of £235 million and thereby returning the entire net proceeds from the sale of BritBox International to shareholders.

As of market close on 31 December 2024, ITV had completed £198 million of buyback, purchasing 270 million shares. Of these shares, 118 million were cancelled, thereby reducing the Group's share capital. In May 2024, 8.5 million shares were transferred to the Group's Employee Benefit Trust, and the remaining shares repurchased remain held in Treasury. The repurchased shares held in Treasury and the shares held by EBT are excluded in calculating the weighted average number of shares in issue used in the Earnings per share.

Acquisitions

As part of our strategy to expand Studios, we consider selective value-creating M&A and talent deals in both scripted and unscripted to obtain further creative talent and IP.

We have strict criteria for evaluating potential acquisitions. Financially, we assess ownership of IP, earnings growth and valuation based on return on capital employed and discounted cash flow. Strategically, we ensure an acquisition target has a strong creative track record and pipeline in content genres that return and travel, namely drama, entertainment and factual, as well as retention and succession planning for key individuals in the business.

We have generally structured our deals with earnouts or with put and call options in place for the remainder of the equity, capping the maximum consideration payable by basing a significant part of the consideration on future performance. This has allowed us to lock in creative talent and ensure our incentives are aligned, and also reduce our risk by only paying for the actual, not expected, performance delivered over time.

The majority of earnouts or put and call options are dependent on the seller remaining within the business. Where future payments are directly related to the seller remaining with the business, these payments are treated as employment costs and, therefore, are part of our statutory results. However, we exclude these payments from adjusted profits and adjusted EPS as an exceptional item, as in our view, for the reasons set out above, these items are part of the capital consideration reflecting how we structure our transactions and do not form part of the core operations.

The Group made two acquisitions in the current year. On 25 July 2024, the Group completed the acquisition of a majority shareholding of the scripted independent production company Hartswood Films in the UK, producer of Sherlock, for total consideration of £37 million. Put and call options are in place over the remaining shareholding. The acquisition of Hartswood will further enhance ITV Studios' strength in high quality, UK scripted drama, and provide for further exposure to streamers and future distribution opportunities for ITV Global Partnerships.

On 30 October 2024, the Group completed the acquisition of a majority shareholding in Eagle Eye Drama Limited and its subsidiaries, one of the UK's fastest-growing drama producers, for total consideration of £16 million. As part of the deal, the Group also acquired a majority stake in the Belgium-based production services company Happy Duck Film BV, which services Eagle Eye's global slate.

Acquisition-related liabilities or performance-based employment-linked earnouts are amounts estimated to be payable to previous owners. The estimated undiscounted future payments as at 31 December 2024 are £105 million and are sensitive to forecast profits as they are based on a multiple of earnings. The range of reasonably possible outcomes for the liability is between £85 million and £193 million. The estimated future payments, treated as employment costs, are accrued over the years the sellers are required to remain with the business. Those payments not linked to employment are recognised on acquisition at their time discounted value.

We closely monitor the forecast performance of each acquisition and, where there has been a change in expectations, we adjust our view of potential future commitments. At 31 December 2024, expected future payments were £105 million (2023: £105 million), which includes £60 million for acquisitions made in the year, offset by payments made to previous owners of £54 million, and changes in forecasts.

At 31 December 2024, £34 million of expected future payments had been recorded on the balance sheet, with the balance of £71 million to be accrued over the period in which the sellers are required to remain with the business.

Finance review continued

Disposals

During the year, the Group recognised a net profit on disposal of associates, joint ventures and subsidiary undertakings of £212 million from proceeds of £303 million. The carrying value of net assets disposed and related costs was £91 million. On 1 March 2024, the Group announced the sale of its entire 50% interest in BritBox International to its joint venture partner BBC Studios for a cash consideration of £255 million. On 25 July 2024, the Group announced that ITV Studios had sold back its minority shareholding in Blumhouse TV to Blumhouse Holdings, for a consideration of US$60 million. Blumhouse TV and ITV America will continue their unscripted partnership.

Cash generation

Profit to cash conversion

Twelve months to 31 December	2024 £m	2023 £m
Adjusted EBITA	**542**	489
Working capital movement	**(144)**	90
Adjustment for production tax credits	**62**	(47)
Depreciation*	**47**	46
Share-based compensation	**18**	16
Acquisition of property, plant and equipment and intangible assets**	**(49)**	(70)
Lease liability payments (including lease interest)	**(25)**	(26)
Adjusted cash flow	**451**	498
Profit to cash ratio (adjusted cash flow/adjusted EBITA)	**83%**	102%

* Depreciation of £47 million (2023: £46 million) includes £32 million (2023: £28 million) which relates to ITV Studios and £15 million (2023: £18 million) relating to M&E
** Except where disclosed, management views the acquisition of property, plant and equipment and intangibles as business as usual capex, necessary to the ongoing investment in the business

Cash generated from operations is reconciled to the adjusted cash flow as follows:

Twelve months to 31 December	2024 £m	2023 £m
Cash generated from operations	**386**	488
Cash outflow from exceptional items	**61**	68
Cash generated from operations excluding exceptional items	**447**	556
Adjustment for production tax credits	**78**	38
Acquisition of property, plant and equipment and intangible assets	**(49)**	(70)
Lease liability payments (including lease interest)	**(25)**	(26)
Adjusted cash flow	**451**	498

One of ITV's strengths is its cash generation, reflecting our ongoing tight management of working capital balances. We manage risk when making all investment decisions, particularly in scripted content and ITVX, through having a disciplined approach to cash and costs. Remaining focused on cash and costs means we are in a good position to continue to invest across the business in line with our strategic priorities.

In the year, we generated £451 million of operational cash (2023: £498 million) from £542 million of adjusted EBITA (2023: £489 million), resulting in a profit to cash ratio of 83% (2023: 102%). The decrease in our profit to cash ratio year-on-year reflects a significant increase in working capital during the year as a result of the resumption of productions in the US following the strikes in 2023.

Free cash flow

Twelve months to 31 December	2024 £m	2023 £m
Adjusted cash flow	**451**	498
Net interest paid (excluding lease interest)	**(18)**	(27)
Adjusted cash tax*	**(105)**	(70)
Pension funding	**(3)**	(40)
Free cash flow	**325**	361

* Adjusted cash tax of £105 million (2023: £70 million) is the total net cash tax paid of £27 million (2023: £32 million) plus receipt of production tax credits of £78 million (2023: £38 million), which are included within adjusted cash flow from operations, as these production tax credits relate directly to the production of programmes

Our free cash flow after payments for interest, cash tax and pension funding was £325 million (2023: £361 million).

Finance review continued

Funding and liquidity

Debt structure and liquidity

The Group's financing policy is to manage its liquidity and funding risk for the medium to long term. ITV uses debt instruments with a range of maturities, has access to appropriate short-term borrowing facilities and has a policy to maintain a minimum of £250 million of cash and undrawn committed facilities available at all times. We have four committed facilities in place to maintain our financial flexibility, which includes a £500 million multilateral Revolving Credit Facility (RCF). During the year, counterparties to the syndicated £500 million RCF were changed. The new counterparty has acceded to the RCF with a January 2029 maturity, which is in line with all other RCF counterparties. The Group has £100 million of committed funding via a bilateral RCF, which matures in December 2028. The two RCFs are subject to leverage and interest cover semi-annual covenant tests that require the Group to maintain a leverage ratio of below 3.5x and interest cover above 3.0x (measures as defined in the RCF documentation). At 31 December 2024, ITV's financial position was well within its covenants.

In October 2024, the Group entered into a new £200 million bilateral loan facility which matures in December 2030. Utilisation of this facility is also subject to the lender's ability to source ITV Credit Default Swaps (CDS). The new facility has a committed accreting profile which means the full £200 million will be available by 1 January 2026. At 31 December 2024, the Group had £50 million of the facility available.

The Group also has a bilateral financing facility of £300 million, which is free of financial covenants and matures on 30 June 2026.

At 31 December 2024, all facilities were undrawn (31 December 2023: undrawn), which together with cash and cash equivalents of £427 million, provided total liquidity of £1,377 million (31 December 2023: £1,240 million). This provides the Group with sufficient liquidity to meet the requirements of the business in the short to medium term under a variety of severe but plausible downside scenarios reflecting the Group's principal risks.

After acquisition-related costs, pension and tax payments, we ended the year with reported net debt of £431 million (31 December 2023: £553 million).

Net debt includes net proceeds from the sale of BritBox International which funded the £235 million share buyback. Excluding the net proceeds that had been designated to fund the remainder of the buyback, net debt is £468 million at 31 December 2024.

Reported net debt

At 31 December	2024 £m	2023 £m
Gross cash	**427**	340
Gross debt (including IFRS 16 lease liabilities)	**(858)**	(893)
Net debt	**(431)**	(553)

Financing – gross debt

The Group is financed using debt instruments and facilities with a range of maturities.

During the year the Group has extended the maturity profile of ITV's debt through the issuance of a €500 million Eurobond to June 2032. The proceeds have been used to repay the £230 million term loan (that was due to mature in 2027) and retire €240 million of the Group's €600 million Eurobond (due in 2026).

Borrowings at 31 December 2024 were repayable as follows:

Amount repayable as at 31 December 2024	£m	Maturity
€500 million Eurobond*	**419**	2032
€600 million Eurobond (nominal €360 million remaining)*	**316**	2026
Other loans	**18**	Various
Total debt repayable on maturity**	**753**	

* Includes £20 million currency component liability of swaps held against euro-denominated bonds

** Excludes £105 million of IFRS16 Lease Liabilities

Capital allocation and leverage

In line with our capital allocation policy, our priorities remain as follows: to invest organically in line with our strategic priorities; manage our financial metrics consistent with our commitment to investment grade metrics over the medium term; sustain a regular ordinary dividend which can grow over the medium term; continue to consider value-creating inorganic investment against strict financial and strategic criteria; and any surplus capital will be returned to shareholders.

Our objective is to run an efficient balance sheet and manage our financial metrics appropriately, consistent with our commitment to investment grade metrics over the medium term. At 31 December 2024, our leverage, or net debt to adjusted EBITDA, was 0.7x (31 December 2023: 1.0x). Excluding the net proceeds of the sale of BritBox International that had been designated to fund the remainder of the buyback, our leverage was 0.8x at 31 December 2024.

Credit ratings

In March 2024, we published an investment grade credit rating from Fitch (BBB- stable outlook). We continue to be rated investment grade by Standard and Poor's (BBB- stable outlook) and Moody's (Baa3 stable outlook). The factors that are considered in assessing our credit rating include our degree of operational gearing and exposure to the economic cycle, as well as business and geographical diversity.

Foreign exchange

As ITV continues to grow internationally, we are increasingly exposed to foreign exchange on our overseas operations. We do not hedge our exposure to revenues and profits generated overseas, as this is seen as an inherent risk. We may elect to hedge our overseas net assets, where material.

ITV is also exposed to foreign exchange risk on transactions we undertake in a foreign currency. Our policy is to hedge a portion of any known or forecast transaction where there is an underlying cash exposure for the full tenor of that exposure, to a maximum of five years forward, where the portion hedged depends on the level of certainty we have on the final size of the transaction.

Finally, ITV is exposed to foreign exchange risk on the retranslation of foreign currency loans and deposits. Our policy is to keep these balances to a minimum and hedge such exposures where there is an expectation that any changes in the value of these items will result in a realised cash movement over the short to medium term. The foreign exchange and interest rate hedging strategy is set out in our Treasury policies which are approved by the ITV PLC Board.

Finance review continued

Production inventories, contract assets and liabilities

In 2024, contract assets decreased by £26 million, production inventories increased by £108 million and contract liabilities increased by £47 million, compared to 31 December 2023. These movements are predominantly driven by ITV Studios, reflecting higher production activity in the US following the strikes in 2023 as well as in the UK and internationally, as a result of scripted production cycles and growing commissioning activity.

Pensions

The net pension surplus of the defined benefit schemes at 31 December 2024 on an accounting basis was £182 million (31 December 2023: £209 million surplus). The decrease in the year was a result of the increase in corporate bond yields and rising gilt yields.

The net pension assets include £45 million (31 December 2023: £48 million) of gilts, which are held by the Group as security for future unfunded pension payments to four former Granada executives, the liabilities of which are included in our pension obligations.

Deficit funding contributions

The triennial valuation of the ITV Pension Scheme (the Scheme) as at 31 December 2022 has been completed. At the valuation date, the Scheme had a surplus of £83 million. This is compared to a deficit of £252 million at the previous valuation date of 31 December 2019.

As the scheme is in surplus, no deficit contributions were payable in 2024 and are not expected to be required in 2025, other than a minimal payment relating to a legacy asset backed scheme (see below). The Group's pension deficit contributions for the year to 31 December 2023 were £40 million, and for the year to 31 December 2022 were £137 million.

In 2024, £3 million was paid under the London Television Centre PFP, while the £16 million annual payment under the SDN PFP was not required. These payments will be assessed annually.

The scheme is well hedged against inflation, interest rate volatility and longevity. Refer to Note 3.8 for further details of the Group's pension schemes.

Box Clever

In December 2024, a settlement agreement was signed between ITV, the Pension Regulator (tPR), the Board of the Pension Protection Fund (PPF) and the Box Clever Trustees (Trustees) setting out the terms agreed to settle the long-running Box Clever pension dispute. Under the settlement, in summary, all current Scheme members will be transferred to the ITV Pension Scheme and will receive their full Scheme benefits. Back-payments of underpaid pension with interest will also be paid. There is also provision for estates of members who have died in the PPF assessment period.

ITV has certain termination rights if, after a data cleanse in relation to the benefits of the Scheme members, the value of the liabilities which are expected to transfer to the ITV Pension Scheme has materially increased since the date of the settlement agreement. If ITV does not proceed with the transfer, tPR will be free to recommence regulatory proceedings. ITV will also reimburse the PPF for certain amounts it has lent to the Trustee during the assessment period.

The transfer of liabilities into the ITV Pension Scheme is subject to the approval of the ITV Pension Scheme Trustee. Non-binding heads of terms have also been agreed between ITV and the ITV Pension Scheme Trustee. These propose that after transfer of the Scheme members, £25 million of additional funding will be paid to the ITV Pension Scheme (to form part of the general assets of the ITV Pension Scheme) and a surety bond provided to cover the value of transferred liabilities (until the earlier of 31 March 2027 or the completion of the next actuarial valuation).

Foreign exchange sensitivity

The following table highlights ITV Studios sensitivity, for 2025 (using internal forecasts), to translation resulting from a 10% appreciation/depreciation in sterling against the US dollar and euro, assuming all other variables are held constant. An appreciation in sterling has a negative effect on revenue and adjusted EBITA; a depreciation has a positive effect.

Currency	Revenue £m	Adjusted EBITA £m
US dollar	+/- 48-60	+/- 7-9
Euro	+/- 42-52	+/- 8-10

Subsequent events

There were no post balance sheet events to report.

Planning assumptions for the full year 2025

The following planning assumptions for 2025 are based on current expectations.

Profit and loss impact:

- Total content costs are expected to be around £1.250 billion with lower sports costs year-on-year. H1 content costs will be broadly flat on the prior year
- We will deliver £30 million of savings which is a combination of new initiatives and annualised benefits from the 2024 savings
- Adjusted financing costs are expected to be around £40 million
- The adjusted effective tax rate is expected to be around 26% over the medium term
- Exceptional items are expected to be around £45 million mainly due to costs associated with our digital transformation (c.£10 million) and ongoing transformation and efficiency programme (c.£25 million). The cash impact is expected to be a similar amount

Cash impact

- Profit to cash conversion is expected to be around 80% on average over the three years from 2023 to 2025
- Total capex is expected to be around £65million as we further invest in our digital capabilities
- The Board has proposed a final dividend of 3.3p, which will be paid in May 2025. This gives a full year dividend of 5.0p, a total of around £190 million

Chris Kennedy
Group Chief Financial Officer
and Chief Operating Officer

Non-financial and sustainability information statement

The table below, and the information it refers to, sets out our compliance with the non-financial reporting requirements in accordance with Sections 414CA and 414CB of the Companies Act 2006.

Reporting requirement	Our approach	Relevant policies	Where to find more information	Page
Climate-related Financial Disclosure	We will build a climate-resilient business by transparently integrating climate-related risk and opportunities into our strategy and operations	▪ Climate Related Financial Disclosures	▪ Climate Related Financial Disclosures	54-57
Environment	We will help tackle climate change by reducing carbon emissions from our business, products and supply chains	▪ Environmental Management Policy ▪ Supplier Code of Conduct	▪ Our Strategy ▪ Performance Against Priorities ▪ Key Performance Indicators ▪ Supplier Engagement ▪ Climate Related Financial Disclosures	8-9 16-30 12-15 72 54-57
Colleagues	We will be a more inclusive company, by breaking down barriers to employment and progression, and building skills for life	▪ Code of Ethics and Conduct ▪ Equal Opportunities Policy ▪ Diversity Policy ▪ Duty of Care Charter ▪ Speaking Up Framework ▪ Policies on Bullying, Harassment and Dignity at Work and Grievances	▪ Our Strategy ▪ Performance Against Priorities ▪ Key Performance Indicators ▪ Social Purpose ▪ Our People ▪ Stakeholder Engagement	8-9 16-30 12-15 31-34 35 69-77
Social Impact	We use ITV's scale and creativity to shape culture for good not just within ITV but across other markets that we might impact	▪ Our Social Purpose Goals align with The UN Sustainable Development Goals (SDGS) ▪ Duty of Care Charter ▪ Diversity Policy	▪ Performance Against Priorities ▪ Key Performance Indicators ▪ S172 statement	16-30 12-15 69
Human Rights	ITV is fully committed to ensuring we do not participate in the violation of human rights and expects the same of our suppliers	▪ Modern Slavery Statement ▪ Supplier Code of Conduct ▪ Code of Ethics and Conduct	▪ Stakeholder Engagement ▪ Culture ▪ Principal Risks	69-77 80-83 49-53
Anti-Bribery and Corruption	ITV promotes the highest standards of ethical business and reinforces the importance of awareness of compliance requirements and maintaining high ethical standards	▪ Code of Ethics and Conduct ▪ Anti-Money Laundering, Counter-Terrorist Financing and Anti-Fraud Policy ▪ Anti-Bribery Policy ▪ Sanctions Policy ▪ Competition Law Policy ▪ Procurement Policy ▪ Supplier Code of Conduct ▪ Speaking Up Framework	▪ Principal Risks ▪ Stakeholder Engagement ▪ Culture	49-53 69-77 80-83
Description of Business Model			▪ Business Model	2-3
Non-Financial Key Performance Indicators			▪ Key Performance Indicators	12-15
Principal Risks and Uncertainties			▪ Risk Management ▪ Principal Risks	49-53 49-53

Risk and Uncertainties Disclosure

The rapid pace of market change, combined with persistent macroeconomic pressures and global uncertainties, requires ITV to take an agile and proactive approach to implementing its strategy and managing associated risks.

Our risk management framework

Our risk management framework empowers our people to make informed, timely decisions that support our strategic objectives. It provides clear guardrails to foster innovation while ensuring risks are appropriately identified, assessed and managed, rather than acting as a constraint.

The framework ensures a strong connection between our central risk domain teams and the broader business, embedding risk management into daily operations and decision-making processes at all levels. The integrated approach strengthens our ability to anticipate and respond to evolving challenges.

How we manage risks

We adopt a dual 'top-down' and 'bottom-up' approach to risk management to enhance risk prioritisation and mitigation across ITV, ensuring alignment between strategic goals and operational realities.

- **Divisional and Functional Review:** These teams periodically assess their exposure to centrally managed risk categories and identifying significant and emerging risks that could impact performance
- **Leadership Oversight:** Divisional Leadership teams consolidate their most critical risks and uncertainties, including emerging risks, for discussion and prioritisation
- **Group Oversight:** The Group Risk team facilitates and oversees this process, ensuring a comprehensive and balanced view of risks across the organisation

Risk appetite

The Board has defined our risk appetite for each principal risk, ensuring the right balance between risk-taking and mitigation. Our risk appetite reflects a commitment to innovate and pursue opportunities while maintaining low tolerance in critical areas such as duty of care, data protection and corporate compliance. This approach allows us to be agile and responsive while safeguarding our reputation and long-term sustainability.

Continuous improvement

In 2024 we made good progress in strengthening our risk management practices to navigate an increasingly dynamic risk landscape:

- **Integrated Risk Management:** We adopted a unified approach to managing operational and principal risks, breaking down silos and ensuring alignment. This has been critical as we addressed emerging challenges, including generative AI and evolving regulatory requirements, as well as restructuring the business
- **Risk Appetite:** We advanced our understanding of critical risk events and began refining new Key Risk Indicators (KRIs) to enhance risk monitoring and response
- **Internal Control Environment:** We refined our financial and technology control frameworks to establish proportionate frameworks that provide stronger links between risks and controls
- **Crisis Preparedness:** The Group ExCo conducted simulation exercises to test and improve crisis response mechanisms, enhancing decision-making agility in high pressure scenarios

Risk leadership and governance

Risk management is embedded in our decision-making processes, with each principal risk overseen by a designated Group ExCo member. These sponsors ensure risks are defined, mitigation measures are implemented, effective and aligned with our risk appetite.

To further strengthen oversight, we established a new management-level Risk Committee in 2024, operating under delegated authority from the Group ExCo. This committee, comprising of the Group CFO/COO, the two Divisional COOs and the Group Director of Risk and Assurance, oversees principal and emerging risks, and other significant risk-related matters. Its responsibilities include:

- Conducting systematic evaluations of our Principal Risks
- Delivering actionable insights to support decision-making
- Streamlining risk reporting and communication processes

For further information on our Governance structure, including the Risk Committee's role, refer to page 66.

The Group ExCo undertakes a comprehensive review of principal and emerging risks twice a year. These thorough assessments, which include evaluating potential impacts and likelihoods using a consistent methodology, are then submitted to the Audit and Risk Committee and the PLC Board for review, challenge and subsequent approval, ensuring robust and effective oversight of our risk management processes.

Changes to principal risks during the year

In 2024, ongoing monitoring of ITV's critical risks, informed by internal and external data, led to important updates to our principal risk profile:

- **Artificial Intelligence:** Elevated from an emerging risk to a principal risk. This reflects the rapid development of GenAI technology and its transformative potential, with significant implications for our operations, content creation and overall strategy (both as opportunity and risk)
- **Transformation:** Removed as a standalone principal risk. While transformation remains a key aspect of our business, its various components are now more effectively integrated into relevant individual risks, providing a more granular and accurate refelection of their specific impacts and enabling more targeted mitigation efforts
- **Changing Viewer Dynamics:** Consolidated four M&E strategic risks into a single principal risk, reflecting the shift in audience engagement. Moving from 'viewer habits' to 'dynamics' highlights that consumption changes are driven by both organic preferences and fundamental media ecosystem transformation

Principal risks and mitigations

Set out below is a description of each of our principal risks, including an explanation of how they are being managed and mitigated. This information provides transparency into our approach to managing the most significant threats and opportunities facing ITV. These risks are not presented in order of priority or significance:

Risk and Uncertainties Disclosure continued

1. CONTENT MARKET

Sponsor:
Managing Director, ITV Studios

Overview of Risk

Fundamental changes in the content market may result in reduced opportunities, non-renewal of premium programmes, and/or impact the profitability of ITV Studios

Evolving Risk Landscape

- Content spend cuts from FTA broadcasters and streamers
- Inability to grow streamer customer base as they become a growing part of the content market
- Increased pressure on our pricing, rights and production premium
- Stable tax credit policies are essential to fund and deliver high-quality PSB content

Actions Taken & Risk Management Approach

- Continue to monitor our portfolio mix, resulting in the addition of Hartswood and Eagle Eye to our portfolio
- Launched Zoo 55 to boost digital content and extend our IP to new frontiers
- Scaled presence and engagement via new channels and improved digital social content
- Gained FAST and AVOD market share with brand and thematic channels in key territories
- Exploiting our IP across gaming platforms and the metaverse
- Continued to invest in our Digital Innovation Hub to enable growth and amplify brands
- Continue to review our operating model in light of changing market conditions
- Continued to invest in developing, attracting and retaining world-class creative talent
- Continued to grow and maintain relationships with a diverse customer base, including global streamers
- Continued to seek opportunities to increase market share and drive efficiencies across our productions

Performance & Monitoring

- ITV Studios total organic revenue growth
- ITV Studios adjusted EBITA margin %
- Total high-end scripted hours
- Number of formats sold in three or more countries
- % of ITV Studios total revenue from streaming platforms

2. COMMERCIAL

Sponsor:
Managing Director, Commercial

Overview of Risk

Increasing competition and challenging advertising market conditions impact our revenue stream

Evolving Risk Landscape

- Structural decline in broadcast advertising demand
- Increased competition for market share from the larger streamer's ad tiers and online video
- Challenges in replacing advertising revenue lost as a result of the confirmed restrictions on High in Fat, Salt or Sugar (HFSS) product advertising and potential restrictions on other advertising categories (e.g. gambling and high carbon products)

Actions Taken & Risk Management Approach

- Continue to enhance our integrated advertising proposition, offering mass reach, data-driven targeted addressability, creative brand integration and outcome-based advertising products
- Continue to invest and extend Planet V to offer unrivalled addressability at scale
- Continue to offer a unique creative proposition to advertisers through brand partnerships, product placements, sponsorships, advertiser funded programmes and digital solutions
- Continue to invest in an outcomes proposition that enables advertisers to measure the effectiveness of their campaigns
- Continue to build strategic partnerships with advertisers and agencies
- Continue to monitor the actual and potential advertising restrictions
- Continue to explore revenue diversification, including the launch of Kerching, our YouTube Strategy and growing our Media for Equity portfolio

Performance & Monitoring

- Total Advertising Revenue (TAR)
- Digital Revenue
- Category spend

3. CHANGING VIEWER DYNAMICS

Sponsor:
Managing Director, M&E

Overview of Risk

Evolving viewer dynamics, encompassing both shifting audience preferences and broader media ecosystem transformations may impact our ability to deliver the forecasted viewership for both linear and streaming resulting in failure to monetise and deliver against Commercial revenue targets

Evolving Risk Landscape

- Structural decline in linear viewing
- Rising costs associated with delivering a content pipeline needed to meet evolving viewer preferences
- Increased competition for digital viewing, impacting our ability to scale ITVX at a pace that meets strategic and financial objectives
- Challenges in maximising prominence, inclusion and securing/renegotiating favourable carriage terms
- Failure to attract and retain key talent

Actions Taken & Risk Management Approach

- Agreed a new distribution and commercial partnership with YouTube to maximise audience reach and viewing
- Continued ITVX investment, including personalisation to drive viewing
- Continue to evolve our partnership and distribution strategy to effectively position ourselves where our viewers are
- Continue to collaborate with Ofcom to modernise the PSB regulatory regime
- Collaborated with the other PSBs to develop a compelling consumer-controlled entry point to our content in readiness for the shift to IP-only viewing through Freely
- Focused on commissioning, showcasing and marketing high-quality accessible content across key genres (live sports, drama and entertainment) using audience insights, innovative funding models (e.g. partnerships, advertiser-funded programmes, co-productions) and strong studio relationships to manage rising costs and secure key talent

Performance & Monitoring

- Monthly Active Users (MAUs)
- Total Streaming Hours & UK Subscribers
- Share of commercial viewing
- Share of Top 1,000 commercial broadcast TV Programmes
- Ad viewing time trends

Risk and Uncertainties Disclosure continued

4. DATA

Sponsor:
General Counsel and Company Secretary

Overview of Risk

Failure to ensure appropriate access to consistent and trustworthy data and remaining compliant with our regulatory obligations. We must ensure the whole of ITV follows the applicable data regulations while anticipating and adequately preparing for future ones

Evolving Risk Landscape

- Using data for decision making without understanding its quality, accuracy, validity, ownership or legality, and retaining data beyond its intended purpose
- Failing to comply with data protection laws or regulations that apply to ITV
- Unintentional data exposure (corporate or personal) as a result of insufficient employee awareness of data governance and data privacy policies and legislative requirements
- Personal data breaches from sophisticated cyber-attacks

Actions Taken & Risk Management Approach

- Data use and management are structured around three core pillars – Privacy by design, Security by design and Value by design
- Data Protection Impact Assessments are conducted where the processing of personal data is deemed a 'high risk'
- A dedicated Data Privacy team partners with business units, monitors data use and provides training on data obligations
- Established policies and procedures define expected data handling practices across the organisation
- Mandatory data privacy training, awareness campaigns and specific training for teams
- Third-party due diligence and contractual agreements are implemented prior to onboarding
- An Artificial Intelligence policy and oversight process are in place
- Horizon scan and monitoring new regulations, codes of conduct and legislation are performed
- Data dependency mapping on the analytics data platform provides transparency and control of data flows

Performance & Monitoring

- Mandatory Data Protection Training
- Data Subject Requests
- Total Investigated Incidents
- Data Protection Impact Assessments

5. POLICY & REGULATION

Sponsor:
Group Director of Strategy, Policy & Regulation

Overview of Risk

We engage with regulators and policymakers to shape future regulations that protect viewers while ensuring Public Service Broadcasters (PSBs) can compete fairly and fulfil their obligations. Compliance with evolving regulation is essential to maintaining trust and delivering our strategy

Evolving Risk Landscape

- Regulation failing to keep pace with the market changes
- Adapting to evolving regulatory requirements
- Political shifts leading to significant policy or regulatory changes
- Non-compliance with standards, rules and obligations
- Meeting ongoing Public Service Broadcaster (PSB) requirements

Actions Taken & Risk Management Approach

- Continuously monitoring potential policy, legal and regulatory developments
- Assessing the impact of potential changes and proactively advocating our position during policy and legislative development
- Engaging with government and regulators on the PSB regime and other industry-related topics
- Actively participating in consultations and collaborating with industry stakeholders where appropriate, in line with competition law (e.g. in relation to the Ofcom and DCMS processes looking at the future of TV distribution)
- Conducting horizon scanning to identify future regulatory changes, assessing their impact and defining our strategic response (e.g. engaging on the future framework for AI regulation and Intellectual Property (IP))

Performance & Monitoring

- Regulatory outlook

6. CORPORATE COMPLIANCE

Sponsor:
General Counsel and Company Secretary

Overview of Risk

We seek to remain compliant with applicable laws and regulations. Key areas of activity relate to compliance with relevant legislation in respect of anti-bribery & corruption, anti-money laundering, fraud, the prevention of facilitation of tax evasion, sanctions and competition

Evolving Risk Landscape

- Third parties or colleagues engaging in unlawful or non-compliant activities while employed by or providing services for or on behalf of ITV
- Inadequate operational systems to drive and support the execution of a consistent third-party risk management process
- Lack of clear and appropriate communications fostering a culture of compliance in the business

Actions Taken & Risk Management Approach

- A culture of ethical conduct and open communication is fostered through the organisation's Code of Conduct
- The compliance programme is continuously evolved based on findings from risk assessments, monitoring, and internal audits
- Support is provided to business units for the adoption and implementation of compliance policies and standards, including the ongoing alignment of international markets and integration of new acquisitions
- Due diligence is conducted on third parties, including high-risk suppliers
- Horizon scanning is performed to anticipate legislative and regulatory changes, and policies and procedures are developed to address them
- Good compliance behaviour is promoted through the organisation's culture and mandatory training for employees and freelancers
- Through the Code of Ethics & Conduct, colleagues are aware of expected standards and encouraged to report concerns

Performance & Monitoring

- Speaking Up reporting statistics
- Mandatory Training

Risk and Uncertainties Disclosure continued

7. CYBER SECURITY

Sponsor:
Chief Technology Officer

Overview of Risk

Failure to protect ITV's systems, content, colleagues, viewers and partners from cyber security threats could result in financial loss, operational disruption and reputational damage

Evolving Risk Landscape

- Increasing cyber-attacks from organised threat groups targeting ITV
- Exposure to third-party vulnerabilities that could compromise our systems
- Legacy IT infrastructure reaching end-of-life
- IT infrastructure within Labels operating independently from Group security controls

Actions Taken & Risk Management Approach

- Implement a robust cyber security risk management framework (aligned with NIST) to protect our applications, systems and networks
- Continuously monitoring external threats and gathering intelligence on evolving cyber-attack techniques, tactics and capabilities
- Investing in advanced security defences to detect and respond to threats before they escalate into incidents
- Promoting a strong security culture through awareness campaigns and mandatory training for colleagues
- Conducting due diligence on third parties and continuously monitoring applications and technical security controls
- Modelling a severe but plausible hypothetical cyber-attack scenario annually
- Facilitating cyber simulation exercises with the Group Executive Committee to test response strategies and drive continuous improvement
- Strengthening recovery capabilities to ensure resilience and minimal business disruption in the event of a cyber incident

Performance & Monitoring

- Attack path stats (by severity)
- Endpoint-related incidents (No. per quarter and trends)
- ITVX Bot Attacks
- Minimum Viable Company (MVC) Recovery Capability
- Third-party assessment (critical suppliers)

8. ARTIFICIAL INTELLIGENCE

Sponsor:
Chief Technology Officer

Overview of Risk

Failure to adopt and integrate Generative AI (GenAI) effectively could impact our ability to remain competitive in a rapidly evolving market. We are actively learning, experimenting and shaping responsible use of AI to ensure teams can leverage its benefits safely and with confidence

Evolving Risk Landscape

- Ineffective AI adoption could reduce efficiency and competitiveness, limiting innovation and market responsiveness
- GenAI misuse risks regulatory breaches, data privacy violations and sensitive information exposure
- GenAI use in creative processes may dilute originality, disengaging audiences
- IP leaks could undermine exclusivity
- Adapting to the evolving AI regulatory requirements, including the EU AI Act

Actions Taken & Risk Management Approach

- Established a Responsible Use of GenAI Policy, outlining ethical principles and governance for GenAI adoption
- Developed ethical AI guidelines ensuring GenAI enhances, not replaces, human creativity
- Defined approved AI tools and use cases for safe, effective application
- Secured licensed GenAI tools protecting content, data and business information
- Following a successful pilot, Gemini will be rolled out across ITV in 2025 to increase productivity in daily tasks (e.g. emails)
- Our AI Committee supports the ExCo to oversee AI adoption and ensure compliance with legal, ethical and business priorities
- AI inventory identified in the technology estate
- Strengthening cyber security, monitoring and IP protection measures to prevent leaks
- Ongoing AI policy horizon scanning
- Commissioned an independent AI governance Internal Audit to enhance our AI strategy and roadmap
- Determining the Group's risk appetite for AI across the range of use cases

Performance & Monitoring

- Regulatory outlook
- GenAI use cases

9. PEOPLE

Sponsor:
Chief People Officer

Overview of Risk

An inability to attract, develop and retain key creative, commercial, technical and managerial talent could adversely affect our business

Evolving Risk Landscape

- Increasing competition for top talent in the industry
- Rapid technological advancements creating workforce skill gaps
- The actions of on-screen talent impacting ITV's reputation and brand
- Failure to maintain a diverse organisation hindering innovation, creativity and audience engagement

Actions Taken & Risk Management Approach

- Continuously enhancing our Employee Value Proposition to attract and retain top talent
- Evolving our approach to mandatory training and speaking up to ensure a safe and inclusive workplace
- Developing succession plans for critical roles, including designated deputies
- Investing in future talent development, including the High Potential Programme to identify emerging leaders, the RISE Programme to support the career growth of people of colour, Digital Skills Programme to develop key capabilities for the future and the ITV Academy to provide industry-leading production training
- A Global Employee Assistance Programme for permanent, fixed-term and freelance colleagues, as well as their dependants
- Fostering an inclusive culture and creating opportunities through initiatives such as Disability Access Passports, Amplify, Fresh Cuts and Step Up 60
- Running regular engagement surveys and targeted pulse surveys to gather insights and drive improvements

Performance & Monitoring

- Resignation Index
- New Hires (Women, Disability, People of Colour and LGBTQ+)
- Diversity Data (Demographic and disability information)

Risk and Uncertainties Disclosure continued

10. DUTY OF CARE

Sponsor:
Chief Executive Officer

Overview of Risk

Failure to extend an adequate duty of care or the occurrence of a major health and safety incident could result in physical or mental harm, loss of life and reputational damage

Evolving Risk Landscape

- Failure to appropriately support individuals working with ITV in our pursuit of editorial content that is relevant and entertaining
- Failure to adequately consider the impact our content could have on society

Actions Taken & Risk Management Approach

- Strengthening awareness of our Speaking Up Framework, allowing anyone working for or with us to raise concerns confidentially, supported by regular communications and mandatory duty of care training
- Implementing a comprehensive operational risk management process to identify and mitigate risks to physical and mental wellbeing
- Expanding the ITV Feel Good Offering, providing advice, support and resources for colleagues to maintain a balanced and healthy work life
- Continuously evolving our Participant Aftercare Programme to provide long-term support for individuals involved in productions
- Supporting participants through initiatives such as Participant Crisis Care Stabilisation, an Out-of-Hours Welfare Helpline and access to specialist care through a leading healthcare provider
- Partnering with the BBC to develop an Industry Media Psychologist Development Programme
- Running social purpose campaigns that support public wellbeing, including the award-winning Britain Get Talking campaign
- Proactively monitoring and addressing historical issues to strengthen and evolve our Duty of Care policies

Performance & Monitoring

- Speaking Up data
- Accident/Incident data

11. THIRD-PARTY RISK MANAGEMENT

Sponsor:
Chief Finance Officer/Chief Operating Officer

Overview of Risk

ITV's diverse third-party network creates potential risks to operational resilience, data security, regulatory compliance, financial stability and reputation. Robust Third Party Risk Management (TPRM) is essential to mitigate and monitor these risks throughout the third-party lifecycle

Evolving Risk Landscape

- Disruptions to broadcasting, content production or critical services due to third-party failure
- Unauthorised access, loss or corruption of sensitive data due to vulnerabilities in third-party systems or processes
- Non-compliance with relevant laws and regulations by third parties, exposing ITV
- Negative publicity or damage to ITV's brand and reputation stemming from actions or failures of associated third parties

Actions Taken & Risk Management Approach

- Perform pre-engagement due diligence covering financial stability, operational resilience, security controls and regulatory compliance
- Ongoing monitoring of third-party performance and risk profiles, including automated monitoring through the Prevalent platform, to identify emerging risks and trigger appropriate action
- Incorporating clear contractual obligations and performance standards into agreements with third parties, including service level agreements (SLAs) and exit strategies
- Establishing clear roles and responsibilities for TPRM, with regular reporting to senior management and the Risk Committee
- Continuously enhancing the TPRM framework based on industry best practices, regulatory changes, and lessons learned. This includes ongoing input from risk domain leads
- Maintaining a Supplier Code of Conduct that sets out the minimum standards expected of all suppliers, covering areas such as ethical conduct, human rights, and environmental sustainability

Performance & Monitoring

- Critical Third Party Risk Assessments

12. OPERATIONAL RESILIENCE

Sponsor:
Chief Finance Officer/Chief Operating Officer

Overview of Risk

ITV's operational resilience is critical. Disruption to key systems or infrastructure could cause service outages, impacting revenue and reputation

Evolving Risk Landscape

- IT system resilience/redundancy weaknesses could cause service disruptions
- Inadequate/untested disaster recovery plans for critical systems may prolong service restoration
- Ineffective operational business continuity plans may hinder essential services maintenance
- Reliance on third parties for critical services (e.g. broadcast transmission), introduces risks outside of ITV's direct control

Actions Taken & Risk Management Approach

- Regular testing of major incident scenarios, including those related to critical IT systems and broadcast infrastructure, is conducted, particularly ahead of major live events. This testing informs the ongoing development and refinement of business continuity and disaster recovery plans
- We are continuously working to define and understand our minimum viable company and ensure our recovery capabilities align with it
- We invest in strengthening the resilience and redundancy of our key IT systems and infrastructure to minimise the likelihood and impact of failures
- We actively manage our relationships with broadcast chain partners and other critical suppliers, including regular performance reviews and joint contingency planning, to ensure they maintain appropriate levels of operational resilience
- We continuously monitor operational performance and review our risk management framework to identify potential vulnerabilities and emerging threats. This includes staying informed of the evolving threat landscape and adapting our strategies accordingly

Performance & Monitoring

- System Availability
- Disaster Recovery Test Outcomes
- Business Continuity Plans
- Major Operational Incidents

Climate related financial disclosures

OUR COMMITMENT TO CLIMATE ACTION

We recognise the urgency of the climate crisis and its potential impact on both the planet and ITV. We are committed to transparency in addressing climate-related risks and enhancing our resilience through strategic actions.

Our climate-related financial disclosures are consistent with the TCFD recommendations, including the 2021 Annex and Companies Act requirements, with the exception of certain metrics and targets disclosures. We are consistent with TCFD's governance, strategy, and risk management recommendations. Regarding metrics and targets, while our current assessment indicates that climate-related risks and opportunities do not yet have a significant impact on our financial performance or operations, we are actively developing and refining metrics and targets aligned with recommended disclosures (a) and (c), as detailed in our 'Metrics and Targets' section, in anticipation of potential future materiality. Our 2024 Climate Transition Plan provides supplementary information to our TCFD disclosures, detailing our progress towards establishing a Net Zero pathway.

While our core approach to climate risks remains unchanged, we have strengthened our governance and refined risk management practices. We plan to update our Climate Scenario Analysis during 2025.

GOVERNANCE

Board Oversight

The Risk Committee is informed about climate-related issues on a quarterly basis via structured meetings. This process allows the Risk Committee to monitor and oversee progress against our targets for addressing climate-related issues, such as our Climate Transition Plan. Its responsibilities include reviewing the assessment of dependencies risks, opportunities and impacts; ensuring robust reporting; overseeing verification processes; overseeing scenario analysis; and monitoring compliance with corporate policies and commitments.

The Risk Committee reports biannually to the Audit and Risk Committee and the Plc Board, ensuring comprehensive oversight and integration of climate-related risks and opportunities into our broader governance and strategic planning process.

Management Roles

The Group Executive Committee (Group ExCo) has ultimate responsibility for climate-related strategy, ensuring its integration into overall business strategy. The Group ExCo, supported by the Risk Committee, monitors climate-related transition risks and opportunities.

The M&E and Studios Boards annually review climate-related risks and opportunities, aligning their sustainability objectives with the group's Climate Transition Plan. They receive quarterly progress updates.

Operational management of climate-related risks and opportunities is delegated to Green Leads and Green Teams, working with the Sustainability team. The Sustainability team escalates key risks to senior management, informing strategic decision-making and ensuring alignment with Group-wide goals.

Remuneration Incentives

To reinforce accountability, Group ExCo members have emission reduction targets tied to their bonuses. Senior management also have broader Environmental, Social, and Governance (ESG) objectives incorporated into their remuneration. These incentives are designed to directly motivate leadership to reduce ITV's carbon footprint and advance ESG initiatives. For further information on remuneration, refer to page 102.

Recognising that Company-wide engagement is critical to success, all colleagues are encouraged to support ITV's climate action and ESG targets. This is reinforced through performance reviews and an annual mandatory training module, promoting alignment of priorities across ITV and empowering employees to contribute to our sustainability goals.

RISK MANAGEMENT

Risk Management Processes

Identifying

Climate-related risks and opportunities are identified through a continuous, collaborative process. Central functions and business area Green Leads, supported by the Sustainability team, contribute to regular assessments. This process leverages internal expertise and external insights to evaluate potential impacts on ITV, ensuring risks and opportunities are consistently monitored and integrated into decision-making.

Assessing

Climate-related risks and opportunities are assessed at the Group, divisional (Studios and M&E), and entity levels. Significant climate-related risks undergo quantitative modelling and qualitative assessments against 1.5°C, 2°C, and 3+°C warming scenarios, projected to 2030. These assessments are regularly reviewed and refined to account for evolving climate science, policy changes, and emerging risks.

Managing & Monitoring

Each identified risk is assigned a designated owner responsible for its management. Risk owners implement mitigation strategies, with progress reviewed by the Risk Committee. The Risk and Sustainability teams provide ongoing support to ensure effective risk management and build resilience to both physical and transition risks.

Wider Risk Management Integration

ITV's risk management framework integrates climate-related risks into existing risk identification, assessment, and monitoring processes. This ensures climate risks are considered alongside other business risks and managed at all organisational levels. While not currently classified as a 'Principal Risk', climate change is recognised as a key 'Emerging Risk' with medium to long-term implications. Climate-related risks are linked to principal risks such as Commercial, Content Market, and Changing Viewer Habits, demonstrating the integration of climate considerations into our broader risk management strategy and alignment with long-term objectives

Climate related financial disclosures continued

STRATEGY

Description of Risks and Opportunities

Through our risk management process outlined above, we have identified the following key risks and opportunities:

Risks	Opportunities
▪ Changes in the advertising sector	▪ Maintain or improve our reputation with key audiences
▪ Increased costs in the transition to a low carbon world	▪ Grow revenue from Net Zero-aligned brands, products & services
▪ Resilience of productions to extreme weather events	▪ Cost reductions and wider benefits of innovations

Further details of the context, time horizon and impact areas can found in the Detailed Risks and Detailed Opportunities sections below

Impact of Risks and Opportunities

To date, climate-related risks and opportunities have not had a significant financial impact on ITV, and there have been no significant movements in our related metrics and targets. We continuously monitor potential impacts, such as extreme weather costs. Our assessment indicates minimal near-term exposure to physical or transition risks. Our business strategy remains relevant given evolving climate risks, which do not threaten our long-term viability, liquidity, or operations. No asset impairments are required. The 'Detailed Risks' section provides further information and the risk assessment reflects ITV's exposure under 'action' and 'no action' climate scenarios, considering financial impacts and benefits.

METRICS & TARGETS

Metrics

Metrics for key risk and opportunities are included in the 'Detailed Risks' and 'Detailed Opportunities' sections. These metrics, consistent across our business, enable trend analysis.

While our current approach sufficiently monitors climate-related risks and opportunities, we're developing further metrics through internal work and industry collaborations as these risks evolve. Our metric development focuses on guiding business decisions, meeting stakeholder needs, and aligning with industry standards. No KPI calculation methodology changes have been made.

Scope 1, 2 & 3 Emissions (and Related Risks)

Details on Scope 1, 2 & 3 emissions and assurance details can be found in the Streamlined Energy and Carbon Reporting (SECR) table on page 34.

Our methodology follows the GHG Protocol Corporate Accounting and Reporting Standard, and industry best practices. Full details are available in our Basis of Reporting.

Targets

Targets for each key risk and opportunity are detailed in the 'Detailed Risks' and 'Detailed Opportunities' sections. We are committed to ambitious target setting and transparent progress reporting as part of our climate transition. Our 2050 emissions reduction target (90% reduction from 2019 baseline) has been validated by the Science Based Targets initiative (SBTi) and aligns with their Net Zero definition. Our previously validated 2030 targets remain in place. We are currently refining decarbonisation levers for integration into business planning and evaluating the potential future use of an internal carbon price.

Detailed Risks and Opportunities

RAG Key

Risks	Opportunities
🟢 **Minimal increase in expenditure and / or reduction in revenue**	🟢 **Significant benefit**
🟠 **Moderate increase in expenditure and / or reduction in revenue**	🟠 **Moderate benefit**
🔴 **Significant increase in expenditure and / or reduction in revenue**	🔴 **Minimal benefit**

Time Horizon Key

Impact time horizon	From (years)	To (years)	Aligned to
Short-term	0	1	ITV Annual reporting period
Medium-term	1	3	ITV Long-term viability assessment period and strategic planning cycle
Long-term	3	10+	ITV science-based and Net Zero targets*

* This has been extended to align with our additional 2050 emissions commitments

Climate related financial disclosures continued

Detailed Risks

CHANGES IN THE ADVERTISING SECTOR

Context

Growing demand for sustainable advertising, driven by regulators, consumers, and brands, presents a medium to long-term revenue risk due to potential restrictions on carbon-intensive products and shifting advertising spend towards more sustainable alternatives.

Time horizon: Medium – Long-term
Impact area: Revenue
Link to principal risk: Commercial

Climate Scenario Analysis:

Current Policies (3°C+): No impact on revenue

Reputational risks associated with high-carbon advertisers will be actively managed.

SDS (2°C+): Minimal revenue impact.

Limited advertising bans are anticipated, with some revenue offset by low-carbon alternatives.

NZE by 2050 (1.5°C+): Moderate revenue impact.

Stricter policies and resulting advertiser restrictions may reduce revenue, partially offset by low-carbon advertising.

How we are building our resilience (including to a 2°C or less scenario)

- Advocating for evidence-based advertising policies and tracking relevant regulations
- Developing low-carbon advertising solutions in partnership with advertisers
- Tracking advertising revenue alignment with climate targets and Net Zero
- Piloting programs support sustainable brands
- Partnering with advertisers to optimise climate-related campaigns
- Engaging with Ad Net Zero and the advertising sector on Net Zero solutions
- Scaling successful sustainable partnerships (e.g. eBay/Love Island)
- Developing digital targeting for climate-conscious consumers

Metrics and Targets:

- Percentage of top 200 advertisers and major media agencies aligned with the Net Zero transition
- Percentage of commercial colleagues completing climate awareness training

We are collaborating with industry stakeholders to develop aligned targets.

INCREASE LOW-CARBON TRANSITION COSTS

Context

Transitioning to a low-carbon economy will likely increase operating costs. These may include carbon pricing/taxation, investments in low-carbon technologies, and supply chain adjustments due to evolving regulations and climate impacts.

Time horizon: Medium-term
Impact area: Expenditure
Link to principal risk: N/A

Climate Scenario Analysis:

Current Policies (3°C+): No impact on expenditure

Assumes no carbon pricing is introduced – remains BAU

SDS (2°C+): Marginal expenditure increase

The scenario does not indicate how the government or regulation may intervene in this area.

NZE by 2050 (1.5°C+): Moderate expenditure increase, but no revenue impact.

Increased supply chain costs are expected to have the most significant impact as costs are passed on to ITV.

How we are building our resilience (including to a 2°C or less scenario)

- Reducing our carbon footprint through increased renewable energy use
- Assessing supplier climate risk management maturity
- Partnering with industry peers on a sector-wide transition
- Consolidating London offices
- Focusing investments on resilient offices and productions
- Centralising electric vehicle procurement and infrastructure
- Transitioning to cloud services with Net Zero-aligned partners and renewable-powered data centres

Metrics and Targets:

- **Emissions:** Scope 1 & 2: 46.2% reduction by 2030 (2019 baseline); Scope 3: 28% reduction by 2030 (2019 baseline)
- **Renewable Electricity:** 100% by 2025
- **Supplier Alignment:** 100% of key suppliers aligned with our targets by 2025

RESILIENCE OF PRODUCTIONS TO EXTREME WEATHER EVENTS

Context

Increased extreme weather events pose a risk to production continuity, potentially causing operational interruptions, content delivery delays, contractual breaches, increased costs (including equipment repair) and difficulties securing insurance.

Time horizon: Medium-term
Impact area: Expenditure & Revenue
Link to principal risk: Operational Resilience

Climate Scenario Analysis:

Current Policies (3°C+): Moderate expenditure increase and revenue loss

Increased extreme weather disrupts filming, travel, operations, and insurance.

SDS (2°C+): Marginal expenditure increase and marginal revenue loss.

Manageable impacts, but some financial consequences anticipated.

NZE by 2050 (1.5°C+): Minimal expenditure increase and minimal revenue loss.

Increased extreme weather frequency/severity manageable within existing business continuity plans.

How we are building our resilience (including to a 2°C or less scenario)

- Integrating climate-related risk assessments into all new ITV Studios productions via our SPOT platform, with location decisions factoring in potential weather events (e.g. hurricane season planning)
- Upgrading flood risk mitigation for critical live programming
- Maintaining business continuity measures, including insurance, evacuation protocols, and alternative location sourcing
- Implementing a Weather Notification System for real-time monitoring, tailored alerts, and proactive responses

Metrics and Targets:

We are developing targets and currently track:

- Number of productions impacted by natural hazards
- Cost of damage from extreme weather (by geography)
- Insurance captives

Climate related financial disclosures continued

Detailed Opportunities

ITV can also benefit from taking a proactive approach to the climate transition. While these opportunities are not significant to our short-term financial success, we believe it is important to capitalise on them to ensure ITV continues shaping culture for good; remains attractive to talent, customers and partners; retains its reputation for social care; and is resilient to risk.

MEETING THE NEEDS OF OUR AUDIENCES

Context

Our social purpose, shaping culture for good, is central to ITV's strategy. We leverage our brand, reach, talent, and programming to engage a mass audience on climate themes and solutions. Reflecting modern Britain's challenges ensures our relevance, attractiveness, and market reach.

Time horizon: Short-term
Alignment to corporate strategy: High
Importance to social purpose of shaping culture for good: High
Potential increase in audience/viewership: Minimal/Moderate

How are we capitalising

While directly attributing positive brand perception to our environmental activities is challenging, we monitor brand perception through audience surveys (including questions on our environmental credentials) and track campaign impact (e.g. the Love Island/eBay partnership).

Metrics and Targets:

We do not currently have specific metrics or targets in this area.

GROW REVENUE FROM NET ZERO-ALIGNED BRANDS, PRODUCTS & SERVICES

Context

We anticipate growth in advertising for brands aligned with the Net Zero transition. By establishing a reputable platform for advertisers to showcase their sustainability credentials, we can increase advertising volume with existing clients and attract new low-carbon businesses.

Time horizon: Short – Medium-term
Alignment to corporate strategy: High
Commercial opportunity: Moderate

How are we capitalising

We have created a 'sustainability fund', which we are trialling with one of our media agency partners, which they can use to support sustainable advertisers in their portfolio, offering them additional airtime with ITV to help them grow their business through advertising.

Metrics and Targets:

We do not currently have specific metrics or targets in this area as we are still exploring the appropriate methodology for developing indicators, and their integration into our existing activity.

COST REDUCTIONS AND WIDER BENEFITS OF INNOVATIONS

Context

Setting ambitious emissions reduction targets for content production creates valuable opportunities for innovation and efficiency. These improvements can enhance our resilience, effectively address production budget challenges, and unlock exciting new creative possibilities.

Time horizon: Short – Longer-term
Alignment to corporate strategy: High
Cost saving: Minimal/Moderate

How are we capitalising

We are innovating in content production and delivery through remote production workflows, virtual production technologies, and cloud-based editing. We are also pursuing clean energy solutions, including temporary power (battery, grid, solar) and on-site generation (solar panels), to reduce energy use, costs, and enhance resilience.

Metrics and Targets:

We are actively implementing various initiatives to reduce production emissions and are exploring additional metrics to track progress. These may include the use of remote production technologies, fuel savings from battery technology, and other key decarbonisation practices. Details on our activities and decarbonisation levers are available in our Climate Transition Plan.

Resilience

We focus on ensuring ITV resilience across all climate scenarios, including a 2°C or lower scenario. Managing climate-related risks and opportunities is central to our Climate Transition Programme, shaping our strategic priorities and objectives.

In 2025, we plan to refresh our climate scenario analysis to assess ITV's preparedness for mitigating climate risks under various warming scenarios. Our strategy is flexible and will be reviewed annually to ensure continued resilience in the face of evolving climate risks.

ITV's Emissions Reduction Targets (2019 baseline)

Emissions reduction	2030	2050
Scope 1 & 2	**46.2%**	90-95%
Scope 3	**28%**	

Explanation of Trends in Line with Targets

Scope 1 and 2 emissions decreased 56% since 2019 and 9% since 2023, thanks to building consolidation, office energy saving initiatives and the shift to an electric/hybrid fleet.

Our 2030 Scope 3 targets cover Business Travel and Purchased Goods and Services. Business travel is down 48% since the baseline and 5.5% year-on-year due to travel budgets and hybrid working. Purchased Goods and Services decreased 25% since the baseline and 13.5% since 2023, mainly due to reduced spending.

We're improving data quality in this category for better tracking and to refine our decarbonisation levers. Our 2050 targets include all material Scope 3 categories, and our transition plan will prioritise actions across these categories over the next two years for our Net Zero goal.

Long-term Viability Statement (LTVS) Disclosure

How we assess prospects and risks

The Board continually assesses ITV's prospects and risks at its meetings, including:

- Holding 'Strategy Days' twice a year, to oversee the delivery of the Strategy and consider changes or new initiatives
- Considering ad hoc topics on aspects of the strategy at Board meetings
- Performing a robust assessment of the principal and emerging risks twice a year

As part of the assessment of prospects and risks, the Board and management routinely receive briefings and consider topics related to changing viewer habits, competitor strategies, the broadcasting advertising market and developments in the global content market. It is also kept informed of ITV's resilience to environmental and climate-related risks; technological advancements in the areas of Generative Artificial Intelligence (AI) and how the ITV Strategy responds to these; and sessions led by external analysts on investors' perceptions of the ITV business.

The Board and management remained focused on assessing the impact of the current macroeconomic environment on the business. This included identifying cost interventions/mitigations to respond to possible severe downside scenarios, and increasing the focus and detail provided in financial performance reviews and reforecasting to track performance. These efforts have been reinforced by our ongoing efficiency programme, which supports long-term resilience and operational effectiveness.

How we assess viability

When assessing the longer-term viability of ITV, we considered:

- ITV's strategy and business plan pages 9 and 2
- The principal risks and uncertainties page 49 to 53
- The Group's financing facilities including covenant clauses and future funding plans page 46
- The long-range financial plan and cash forecast
- Other sensitivity factors or risks which have the potential to materially impact liquidity and/or covenant headroom in the assessment period

Based on this review a set of hypothetical severe but plausible scenarios was developed. These scenarios have then been modelled against the first three years of the long range financial plan and cash forecast, both individually and collectively, in order to assess viability.

Whilst all principal risks identified could have an impact on ITV's performance, the scenarios reflect the specific risks which could potentially impact the Group's financial position and viability during the period to 31 December 2027.

The output from this modelling was reviewed by the Audit and Risk Committee in detail, with a report from the Committee to the Board to support the Board's review and approval. In reaching its view, the Board and Committee also considered external views, including analyst and other industry commentary, to understand the wider market views on the Group's future prospects, and the external auditor's findings and conclusions on this matter.

Assessment period for viability

The Board is of the view that a three year assessment period (to 31 December 2027) continues to be the most appropriate. The factors the Board considered in adopting this timeframe were as follows:

- ITV's long-range financial and strategic planning cycle
- Visibility over ITV's advertising business is short term. Advertising remains cyclical and closely linked to the UK and global economic growth and impacted by the uncertain macroeconomic environment
- The commissioning process and life cycle of programming gives the Studios division a more medium-term outlook. However, while non-returning brands are replaced with new commissions, over time there is less visibility as programmes can experience changes in viewer demand or come to a natural expiration
- Technology in the media industry continues to rapidly change the demand for content and also how it is consumed
- ITV's business model does not typically necessitate investment in large capital projects that would require a longer-term horizon assessment or returns
- Pension funding, which is one of ITV's key funding obligations, is agreed triennially with the Trustees of the pension scheme

Assumptions applied

For the LTVS, we have assumed:

- EBITA impacts from LTVS scenarios flow through to cash in full except for tax savings at 25%, with the exception of settlement impacts (in scenarios 4 and 5) and scenario 5 remedial costs which are assumed to be disallowable for tax purposes
- Any settlements related to ongoing litigation or fines will be treated as exceptional items (and therefore excluded from covenant calculations)
- No acquisitions are made (consistent with 'Base case')
- Dividends of ~5p per share maintained throughout, resulting in ~£186 million of dividends paid out per year

We have also assumed that the Credit Suisse CDS facility of £300 million is available until mid-2026, and is replaced by the Natwest CDS facility, which increased from £50 million to £125 million on 1 January 2025 and will reach £200 million on 1 January 2026. This means CDS capacity is currently £425 million but will be £200 million from H2 2026 onwards.

Assessment scenarios

Taking into account current operational and financial performance, the Board has analysed the impact of the following hypothetically severe but plausible scenarios. These scenarios were assessed in isolation and as combinations of two or three risks. While the simultaneous occurrence of all scenarios is not regarded as plausible, an assessment of this extreme case was undertaken to understand ITV's resilience.

Long-term Viability Statement (LTVS) Disclosure continued

	Scenario Modelled
1+2	**A significant and sustained downturn in advertising revenue from 2025, as a result of a decline in the advertising market and linear viewing, driven by macroeconomic factors or increased competition from large streamers. In this scenario we also fail to replace the advertising revenue lost as result of the confirmed restrictions on High in Fat, Salt or Sugar (HFSS) and potential restrictions on other advertising categories (e.g. gambling and high-carbon products); and** **Additionally, our Streaming strategy fails to fully deliver the expected consumption hours (for the AVOD element) or subscriber growth (for the SVOD element), impacting revenue** Advertising revenues year-on-year (including AVOD) (2025 vs 2024 – 3%; 2026 vs 2025 – 9%; 2027 vs 2026 – 11%) Total EBITA impact in 2025 is £62 million, followed by an impact of £172 million in 2026 and £207 million in 2027. **Business area impacted:** Media & Entertainment **Link to Principal Risks**: Commercial, Changing Viewer Habits and Policy & Regulation
3	**A number of key programme brands within the ITV Studios division are not recommissioned and new format growth does not materialise** The scenario assumes key shows come to an end from 2025 (2025 EBITA impact: c. £16 million; 2026 EBITA impact c. £69 million and 2027 EBITA impact: c. £101 million). **Business area impacted:** Studios **Link to Principal Risks**: Content Market and Changing Viewer Habits
4	**ITV is subject to a cyber-attack which results in a major operational disruption, critical system outage or loss of intellectual property (IP), customer or business data** This scenario assumes that a class action is filed against ITV, following a major cyber-attack which results in a blank screen causing £100m of lost advertising revenue, which requires a substantial compensation payment and results in a £100 million fine from the Information Commissioner's Office (ICO). **Business area impacted:** Group **Link to Principal Risks**: Commercial, Data, Cyber Security and Operational Resilience
5	**Placeholder for major outflows related to litigation** This scenario does not refer to any specific ongoing litigation, with the impacts assessed in last year's statement now either crystallised or in plan, and includes a placeholder of a plausible but severe worst-case scenario outflow resulting from litigation of £30 million in 2026. **Business area impacted:** Group
6	**A combination of scenarios 1 to 3 above occurring simultaneously** This scenario would result in an EBITA impact of £78m in 2025, £241m in 2026 and £308m in 2027. Neither of our Revolving Credit Facility (RCF) covenants (Net Debt or Interest Cover) are breached at any time during the assessment period. **Business area impacted:** Group **Link to Principal Risks**: Content Market, Commercial, Changing Viewer Habits and Policy & Regulation

Further detail on how we mitigate the principal risks is provided in the risk and uncertainties section (pages 49 to 53).

We have considered the impact of climate change risks and do not believe they would have a significant financial impact on the business in the assessment period. Please refer to our Climate-related Financial Disclosures report for further detail (pages 54 to 57).

Viability assessment

Our balance sheet and liquidity position remain strong. At 31 December 2024, this comprised unrestricted cash of £427 million; undrawn Revolving Credit Facilities (RCF) of £500 million and £100 million available throughout the viability period; and undrawn bilateral facility/CDS of £350 million. This facility increased by £75 million to £425 million on 1 January 2025, a level maintained until the end of 2025. It will then increase to £500 million until the removal of one facility in mid-2026, following which we will maintain CDS capacity of £200 million.

During the viability period, the €600 million Eurobond maturing September 2026 is assumed to be refinanced.

We have considered both the individual scenarios and various combinations of the scenarios in order to assess viability. Our modelling concludes that if all scenarios were to occur concurrently (considered implausible), ITV would continue to pass all RCF-related covenants throughout the assessment period and retain considerable liquidity.

Potential mitigations

Mitigations available to management include withholding dividends, reductions or eliminations to staff bonuses or reducing content spend. However, no mitigations are required during the assessment period.

Viability Statement

Based on the above, the Board has a reasonable expectation that ITV will remain viable and be able to continue operations and meet its liabilities as they fall due over the three year period ending 31 December 2027. The assessment has been made with reference to ITV's strategy and the current position and prospects and risks.

The Strategic Report was approved by the Board and signed on its behalf by:

Chris Kennedy
Group CFO and COO
6 March 2025

Chair's Governance Statement

Andrew Cosslett
Chair

Dear Shareholder

I am pleased to present our Corporate Governance Report for 2024.

Year in review

2024 was a busy year for ITV. The challenging macro environment continued to impact free-to-air broadcasters globally in an ever changing media industry landscape. Throughout the year, ITV has focused on delivering its strategic priorities whilst remaining adaptable in order to ensure the long-term success of the Company.

The Board has been kept well informed on managements plans to expand Studios, supercharge streaming and optimise Broadcast. Investment in our Studios division and ITVX were balanced by delivery of a complex internal efficiency and restructuring programme, the focus of which was centred around technology and product, central services overheads and the content budget for the year.

We held two Board Strategy days in June and December. At both we reviewed the ongoing relevance of the Strategy and considered progress in its delivery against the rapidly changing environment.

The Board remains committed to maintaining effective corporate governance and integrity, enabling us to deliver our Strategy for the long-term benefit of our stakeholders.

Diversity

The Board fully recognises the importance of diversity and inclusion of all kinds. We continue to make progress against the core initiatives of ITV's Diversity Acceleration Plan, launched in July 2020. In 2025, we will be celebrating three years of our Diversity Commissioning Fund. We are pleased with our gender and ethnic diversity representation on the Board, which exceeds the FCA Listing Rules, Hampton-Alexander and Parker targets. For more detail you can refer to our UK workforce diversity data in the Diversity and Inclusion report.

Culture

Good performance relies on the Company's culture being aligned with its purpose, values and strategy. As ITV continues to become an increasingly digital business and adopts new ways of working to improve agility, the Board recognises the importance of continuing to foster and monitor the culture across the organisation. Please see pages 80 to 83 for the key ways in which the Board and its Committees monitored culture during 2024.

Engaging with our stakeholders, including our workforce

As a Board we focus on how we engage with all of our stakeholders to ensure that we deliver a positive impact. Relationships with our stakeholders in the UK and internationally are vital to building a successful and sustainable business. My statement in the Strategic Report sets out the ways in which we engaged with stakeholders during 2024.

Shareholder feedback is regularly considered during Board meetings and is an important factor in decision-making. Members of the Board meet regularly with shareholders through one-to-one meetings, conferences and at the Annual General Meeting when shareholders are given the opportunity to ask questions before and during the meeting.

The health and wellbeing of our colleagues is a significant priority, supported by the Board's appointment of Graham Cooke as the Workforce Engagement Director. His role is to work closely with the colleague Ambassador network and provide regular feedback to the Board. For information on Graham's role and the Board's workforce engagement activities please see pages 78 to 79.

The Board sought to balance the interests of all stakeholders throughout the year. The key strategic issues considered and decisions taken by the Board in 2024 are detailed on page 68. An explanation on how the Board has had regard to section 172 matters (including certain key stakeholder considerations) is detailed on page 69.

2025 Annual General Meeting

The 2025 AGM will be held on Tuesday 13 May, at 11:00. The meeting arrangements are available to view on the Company's website.

I would like to take this opportunity to thank my fellow Board members, the Group Executive Committee and all of our colleagues, who served during another challenging year for the Group.

Andrew Cosslett
Chair
6 March 2025

Chair's Governance Statement continued

The 2018 UK Corporate Governance Code (the Code)

During 2024, the Company fully complied with all the provisions of the Code. The Code (July 2018), issued by the Financial Reporting Council (FRC), and associated guidance are available on the FRC website at www.frc.org.uk.

The Board notes the release by the FRC of the revised Corporate Governance Code 2024 and will work to ensure full compliance with all elements of the new Code this year.

Taking each of the main headings of the Code:

Board leadership and Company purpose

The Board's ultimate objective is the long-term sustainable success of the Company. Read more about our strategy in the Strategic Report and how the Board achieves this through, amongst other things, stakeholder and workforce engagement (pages 69 to 79) and establishing a clear and aligned Company purpose, strategy and values. Please also see pages 80 to 83 for how the Board assesses and monitors culture.

Division of responsibilities

The Board consists of two Executive Directors, eight independent Non-executive Directors and the Non-executive Chair, who was considered independent on appointment to the Board. For Board meeting attendance, please see page 67. Additional external appointments of Board members during 2024 received prior Board approval. The Directors' other time commitments are in line with the key institutional investor and investor body guidelines.

Composition, succession and evaluation

The Nominations Committee Report sets out its activities and areas of focus during 2024, including Board and management level succession planning and recruitment, Board composition and skills, Board and Company diversity progress updates and the Board evaluation which took place during the year.

Audit, risk and internal control

The Audit and Risk Committee Report describes the work of the Committee and how it discharges its roles and responsibilities. The Committee reviewed the enterprise risk management framework, as well as assessing management's review and strengthening of the Group's internal control framework across operating, reporting and compliance, in addition to financial and IT, applying an increase in focus on IT general controls. The Committee also monitored the effectiveness of the external auditor, the internal auditor and the quality of audits. The Company's disclosures regarding risk management and internal controls are on pages 97 to 98 and details of how the Committee focused on audit quality are set out on pages 100 and 101.

Remuneration

The Remuneration Report describes the work of the Remuneration Committee and sets out how executive remuneration is aligned to the Company's purpose, values and strategy. It also describes how the Committee considered workforce remuneration and related policies in its decision-making regarding executive remuneration.

Board of Directors

Committee membership

- A Audit and Risk
- N Nominations
- R Remuneration


ANDREW COSSLETT


CAROLYN MCCALL


CHRIS KENNEDY


SALMAN AMIN


EDWARD BONHAM CARTER

ANDREW COSSLETT CBE

N R

Chair, Chair of the Nominations Committee
Appointed: 1 June 2022
Key areas of expertise: Business Transformation, Media and Media IP, Strategy, Remuneration, People and Talent
Key skills and experience: Andrew is an experienced chair who has spent his career in a range of consumer-facing sectors. His early career was with Unilever in a variety of branding and marketing roles. He then spent 14 years at Cadbury Schweppes in senior international roles before becoming Chief Executive Officer (CEO) for InterContinental Hotels Group (IHG). Andrew was at IHG for six years, creating value by leveraging the power of its brands alongside executing a programme of significant transformational and cultural change. He served as CEO for Fitness First, where he was instrumental in successfully repositioning the business and brand. Andrew served as a Non-executive Director of the Rugby Football Union (RFU) from 2012, where he was appointed Chairman from 2016 until 2021. Andrew was appointed to the Board of Kingfisher plc in June 2017 where he served as Chair before stepping down in 2024. Andrew received a CBE for services to the RFU in the 2022 New Year's Honours List.
Current external appointments: N/A

CAROLYN MCCALL

Chief Executive
Appointed: 8 January 2018
Key areas of expertise: Business Transformation, Creative Industry, Digital, Media and Media IP, Regulation and Public Policy, Strategy, People and Talent
Key skills and experience: Between 2010 and 2013, Carolyn was CEO of easyJet, leading a turnaround that resulted in a customer-focused airline that made things easy and affordable for passengers. The share price quadrupled during her tenure. From 2006 to 2010, Carolyn was CEO of the Guardian Media Group, leading six Divisions and creating the investment trust that has helped to secure the Guardian's financial and editorial independence. From 2002, she was CEO of Guardian Newspapers Ltd. Carolyn joined the Board of the Royal Opera House Covent Garden Foundation in 2024 and sits on the Finance and Commercial Committee. She also currently serves as a Non-executive Director (NED) on the Board of Bridgepoint Group plc, and is the newly appointed President of The Marketing Society. She has previously served as a NED of Burberry, Tesco, Lloyds TSB and New Look Group plc. She served as a Trustee of the Royal Academy for eight years, and chaired their Corporate Advisory Board during this time. In 2016, she was awarded a DBE for services to the aviation industry and received an OBE in 2008 for services to women in business. She was named Veuve Clicquot Businesswoman of the Year in 2008 and has received awards for business leadership from the Evening Standard, City AM and Management Today.
Current external appointments: Non-executive Director of Bridgepoint Group plc and Trustee at the Royal Opera and Ballet.

SALMAN AMIN

N R

Independent Non-executive Director
Appointed: 9 January 2017
Key areas of expertise: Business, Transformation, Digital, Media and Media IP, Strategy, Remuneration, People and Talent, Sustainability and ESG
Key skills and experience: Salman brings to the Board a wealth of experience in global businesses having worked for over 40 years managing global brand advertising and media spend. Previously he was CEO at Pladis, COO, Global Commercial Division at SC Johnson & Son, and has held positions at Procter & Gamble and PepsiCo. Salman stepped down from the Board on 25 February 2025.
Current external appointments: N/A

CHRIS KENNEDY

Group CFO and COO
Appointed: 21 February 2019
Key areas of expertise: Business Transformation, Creative Industry, Digital, Finance and Treasury, Audit, Sustainability and ESG, Media and Media IP, Strategy, Technology and Data
Key skills and experience: Chris has a strong media background, holding senior management positions over a 17-year career at EMI. Chris' experience in executing and driving strategy has played a key role in ITV's digital acceleration into Phase Two of the More Than TV strategy, and ensuring ITV's transformation into a successful digitally led media and entertainment company, as well as driving a rationalisation/cost savings initiative. He was previously Chief Financial Officer of Micro Focus International plc, ARM Holdings and easyJet plc, where he spent five years and was voted FTSE 100 CFO in 2015. As the business continues to evolve and develop, he took on the broader role of Chief Operating Officer and Chief Finance Officer in December 2021.
Current external appointments: Non-executive Director of Whitbread plc (to June 2025), Associate Non-executive Director of the Great Ormond Street Hospital for Children NHS Foundation Trust, Non-executive Director of Tesco plc (from February 2025) and Trustee of the EMI Group Archive Trust.

EDWARD BONHAM CARTER

N R

Senior Independent Director
Appointed: 11 October 2018
Key areas of expertise: Business Transformation, Finance and Treasury, Sustainability and ESG, Strategy, People and Talent, Audit, Remuneration
Key skills and experience: Edward brings to the Board a wide range of City experience and invaluable insight into the understanding of stock markets and investor expectations. He started his career at Schroders as an investment analyst before moving to Electra Investment Trust where he was a fund manager. He was previously a Non-executive Director and Senior Independent Director at Land Securities Group plc before stepping down from this role in 2024. Prior to that Edward was the Vice Chairman of Jupiter Fund Management plc.
Current external appointments: Trustee of The Esmee Fairbairn Foundation and Chairman of Netwealth Investments Ltd.

Terms of engagement for the Non-executive Directors and written responsibilities for the Chair, Chief Executive and Senior Independent Director are available on our website:
itvplc.com/investors/governance

Board of Directors continued


MARGARET EWING


GRAHAM COOKE


DAWN ALLEN


SHARMILA NEBHRAJANI


GIDON KATZ


MARJORIE KAPLAN

MARGARET EWING

A N

Independent Non-executive Director, Chair of the Audit and Risk Committee
Appointed: 31 October 2017
Key areas of expertise: Business Transformation, M&A, Finance and Treasury, Audit, Sustainability and ESG, Strategy, Regulation and Public Policy
Key skills and experience: Margaret has extensive experience in financial accounting, corporate finance, and strategic and corporate planning, having served as a Managing Partner of Deloitte LLP and Chief Financial Officer of BAA plc and Trinity Mirror plc. Margaret also held Non-executive Director and Audit Committee positions with Standard Chartered plc and Whitbread plc and was an external member of the Audit and Risk Committee of the John Lewis Partnership. Margaret's skills and experience give her substantial insight into the Company's reporting and risk management processes.
Current external appointments: Non-executive Director of International Consolidated Airlines Group, S.A. and Senior Independent Director of ConvaTec Group plc.

GRAHAM COOKE

A N

Independent Non-executive Director, Workforce Engagement Director
Appointed: 1 May 2020
Key areas of expertise: Business Transformation, Digital, Media and Media IP, Strategy, Technology and Data
Key skills and experience: Graham has extensive technical and digital experience, a focus in user-centric product design, coupled with in-depth knowledge of the e-commerce and digital sectors. He is the founder of Qubit, the leading provider of e-commerce personalisation technology. Prior to founding Qubit, he spent five years working at Google. His most recent role there was as global leader on Google's strategy for conversion rate improvement. Graham has been working with web technology since 1995, designing and building websites with emergent technology.
Current external appointments: Non-executive Director of RWS Holdings PLC.

DAWN ALLEN

A

Independent Non-executive Director
Appointed: 2 October 2023
Key areas of expertise: Business Transformation, Digital, Finance and Treasury, Audit, Strategy, Technology and Data
Key skills and experience: Dawn has extensive financial, commercial and international experience, having held global roles in large-scale businesses across consumer-related sectors. In November 2024, Dawn was appointed as Chief Financial Officer of Haleon plc. Prior to this she held the position of CFO at Tate & Lyle plc from 2022, where she was heavily involved in developing the global strategy, digital capabilities and processes. Her previous experience includes a 25-year career at Mars Inc. where she was more recently Global CFO and Vice President of Global Transformation.
Current external appointments: Chief Financial Officer of Haleon plc.

SHARMILA NEBHRAJANI

N R

Independent Non-executive Director, Chair of the Remuneration Committee
Appointed: 10 December 2020
Key areas of expertise: Business Transformation, Digital, Finance and Treasury, Audit, Sustainability and ESG, Media and Media IP, Regulation and Public Policy, Strategy, Remuneration, People and Talent
Key skills and experience: Sharmila has strong public sector, commercial, government and non-profit experience across a wide range of sectors, including utilities, financial services, media, global health and medical research. Earlier in her career, she held the post of Chief Operating Officer at BBC Future Media & Technology, where she managed the business functions of bbc.co.uk, including the launch of iPlayer. Sharmila studied medicine at the University of Oxford, is a chartered accountant and was made an OBE in 2014 for services to medical research.
Current external appointments: Non-executive Director of Severn Trent plc, Non-executive Director of Coutts & Co, Non-executive Director of Halma plc and Chairman of National Institute for Health and Care Excellence.

GIDON KATZ

Independent Non-executive Director
Appointed: 18 July 2022
Key areas of expertise: Business Transformation, Digital, Finance and Treasury, Audit, Strategy, Technology and Data
Key skills and experience: Gidon has extensive digital and streaming services experience, along with in-depth knowledge of tech product and platform businesses, having been responsible for the transformation of Now TV in the UK and the development and highly successful launch of Peacock. He joined Roku in 2022 as Senior Vice President of Consumer. Prior to joining Roku he was President of Direct to Consumer for NBCU, launching Peacock in the US. Before moving to the US, Gidon led Sky's streaming service 'Now' for six years, having previously launched Virgin Media's VOD service. He holds a BA/MA from the University of Cambridge and an MSc in International Relations from The London School of Economics and Political Science.
Current external appointments: SVP, Platform Products and User Experience, Roku.

MARJORIE KAPLAN

A

Independent Non-executive Director
Appointed: 1 September 2023
Key areas of expertise: Business Transformation, Creative Industry, Media and Media IP, Strategy
Key skills and experience: Marjorie has extensive brand, content and audience strategy experience, having spent 20 years as a senior executive in the global media industry at Discovery (now Warner Bros Discovery) where she oversaw dramatic growth at multiple major networks in the US, building new franchises and unlocking revenue opportunities across platforms, and then was responsible for strategy, coordination and execution of the International Division's global content activities across the portfolio worldwide. She has substantial experience in both the US and Europe with a track record as a change agent, transforming and growing global brands and businesses, and building vibrant organisations. She served as a Non-executive Director at ProSieben where she stepped down in April 2024.
Current external appointments: Non-executive Director of ARTDAI and Senior Executive Mentor at Merryck & Co.

Group Executive Committee[1]

KYLA MULLINS

JULIAN BELLAMY

DAVID OSBORN

KELLY WILLIAMS

PAUL MOORE

SIMON FARNSWORTH

KYLA MULLINS

General Counsel and Company Secretary
Appointed: January 2019
Experience: Kyla joined ITV as General Counsel and Company Secretary and member of the Management Board in 2019.

She has responsibility for legal, company secretariat, compliance and regulatory matters across the ITV Group.

Prior to joining ITV, Kyla held senior legal positions in the media, entertainment, strategic outsourcing and aviation sectors. She was General Counsel and Company Secretary at easyJet plc and Mitie Group plc; Global General Counsel of EMI Music; and Group Legal Director at ITV plc and Granada Media. Kyla is currently Chair of Independent Television News (ITN) and is also a Non-executive Director on the Board of Northern Ballet.

JULIAN BELLAMY

Managing Director, ITV Studios
Appointed: February 2016
Experience: Julian joined ITV in 2014 as Managing Director of ITV Studios in the UK. He was promoted to Managing Director of ITV Studios and appointed to the Management Board in February 2016.

He has responsibility for running ITV's global production and distribution business that creates, produces and sells finished programmes and formats in the UK and internationally.

Julian's previous roles included Creative Director and Head of Commissioning at Discovery Networks International, Head of Programming at Channel 4 and prior to that he ran BBC3 and E4. He also spent time as Channel 4's Head of Factual Entertainment and was a commissioning editor of Channel 4 News and Current Affairs.

DAVID OSBORN

Group People Director
Appointed: October 2014
Experience: David joined ITV as the HR Director for ITV Studios in 2011, leading the HR agenda for the ITV Studios Division through the early stages of transformation. In 2014 he was promoted to Group HR Director and appointed to the Management Board. To reflect an increased portfolio, in 2022 David became Chief People Officer and was responsible for the People Strategy for ITV globally and for Health, Safety and Security and Duty of Care. In addition, he led the Human Resources, Workplace Services and Pensions teams. David will be stepping down from his role as Group People Director in 2025.

KELLY WILLIAMS

Managing Director, Commercial
Appointed: December 2014
Experience: Kelly joined ITV in 2011 as Group Commercial Director. He was promoted to Managing Director Commercial and appointed to the Management Board in 2014. He is the Chair of Thinkbox, the marketing body for commercial TV in the UK, a member of the BARB Strategy Board and sits on the RTL AdAliance International Board.

He has responsibility for all commercial advertising deals across the ITV family of channels.

Prior to joining ITV, Kelly was the Sales Director at Channel 5 and prior to that held various positions at UKTV, Sky and Thames Television.

PAUL MOORE

Group Communications and Corporate Affairs Director
Appointed: July 2018
Experience: Paul joined ITV as Group Communications and Corporate Affairs Director and a member of the Management Board in 2018.

He has responsibility for all Group communications including corporate and internal communications, public affairs, programme publicity and the Social Purpose strategy.

Prior to joining ITV, Paul was the Communications and Public Affairs Director at easyJet plc for eight years and before this worked for FirstGroup and Virgin Atlantic Airways where he was Director of Corporate Affairs for ten years. Paul first started his career as a civil servant and worked for the Department of Transport.

SIMON FARNSWORTH

Chief Technology Officer
Appointed: January 2024
Experience: Simon joined ITV as Chief Technology officer and member of the Management Board in January 2024. He has overall responsibility for technology strategy and implementation.

Prior to joining ITV, he served as News UK's EVP, Chief Technology Officer and prior to that held key roles at Discovery Globecast Australia and Telstra Broadcast Services.

1 Following a Governance review in November 2024, the Management Board rebranded as the Group Executive Committee

Group Executive Committee[1] continued

KEVIN LYGO

CHRIS KENNEDY

ADE RAWCLIFFE

MAGNUS BROOKE

CAROLYN MCCALL

KEVIN LYGO

Managing Director, Media & Entertainment
Appointed: August 2010
Experience: Kevin joined ITV as Managing Director of ITV Studios and a member of the Management Board in 2010. He became Director of Television in February 2016 and in October 2020 he was appointed Managing Director of the newly created Media & Entertainment Division.

As well as having overall responsibility for the Media & Entertainment Division, Kevin continues to run the Broadcast business unit (one of the two business units making up the Division) and to oversee the commissioning of popular programming delivering ITV's USP of mass reach.

Kevin's previous roles included Director of Television and Content at Channel 4, Director of Programmes at Channel 5 and a number of positions at the BBC, including Head of Independent Commissioning for Entertainment.

CAROLYN MCCALL

Chief Executive
Appointed: January 2018
Experience: Biography on page 62.

CHRIS KENNEDY

Group CFO and COO
Appointed: February 2019
Experience: Biography on page 62.

MAGNUS BROOKE

Director of Strategy, Policy and Regulation
Appointed: February 2021
Experience: Magnus joined ITV in 2006 and was promoted to the Management Board in February 2021.

He has Board responsibility for ITV's strategy, policy and regulatory teams, which includes overseeing ITV's corporate strategy development and leading on interaction with UK and European regulators, government and parliamentary committees.

From 2014 to 2019 Magnus was Chairman of the Board of the Brussels-based Association of Commercial Television in Europe, which represents Europe's commercial broadcasters to the EU institutions. Magnus is a Director and Chair of the Remuneration Committee of Everyone TV (formerly DUK) which runs the Freeview and Freesat platforms and he was a Non-executive Director of the news provider Independent Television News (ITN) for three years from 2019 to 2022.

Prior to joining ITV Magnus was Head of the BBC Director General's Office. He began his career as a solicitor specialising in regulatory and competition law at City of London law firm Ashurst, where he also trained.

ADE RAWCLIFFE

Chief People Officer
Appointed: September 2020
Experience: Ade joined ITV as Head of Diversity Commissioning in 2017. She was later promoted to Director of Creative Diversity, before taking on the role of Group Director of Diversity and Inclusion and joining the Management Board in 2020. At the beginning of 2025, Ade took on the role of Chief People Officer. As Chief People Officer, Ade will take responsibility for the Group Human Resources and Global Risk Operations teams, including Duty of Care, in addition to her DE&I responsibilities.

Ade is currently a Board Member of Independent Television News (ITN) Trustee of BAFTA, Chair of BAFTA's Learning, Inclusion and Talent Committee, and a Trustee of the Chineke! Foundation

Corporate governance

The written responsibilities of the Chair, Senior Independent Director and Chief Executive are available on the ITV plc website: www.itvplc.com

OUR RISK OVERSIGHT AND GOVERNANCE STRUCTURE AT A GLANCE

The PLC Board

Responsible for providing leadership to the Group's business, including setting the Group's purpose, strategy and values and promoting its long-term sustainable success.

PLC Board Committees

The terms of reference for each Committee are documented and agreed by the PLC Board. These terms of reference are reviewed annually and are available on our website: www.itvplc.com/about-itv/corporate-governance/terms-of-reference

Audit and Risk Committee

See the Audit and Risk Committee Report.

Report can be found from page 90

Nominations Committee

See the Nominations Committee Report.

Report can be found from page 87

Remuneration Committee

See the Remuneration Report.

Report can be found from page 102

Disclosure Committee

Consists of the Chair of the Board, Chief Executive, Audit and Risk Committee Chair, Group CFO & COO, and General Counsel & Company Secretary. The Director of Investor Relations also attends meetings. The Committee assists the Company in meeting its disclosure obligations, reviews and approves regulatory and other announcements before publication but post the Board's approval given subject to final agreed changes.

Our Ambassador Network

Discusses and inputs into significant proposals and initiatives impacting our colleagues.

Our designated Workforce Engagement Director reports back to the Board on the Network's activities and his engagement with the Network.

Ambassador Update can be found from page 78

Group Executive Committee

Led by the Chief Executive, the Group Executive Committee members assist in providing strategic direction to the Company as well as overseeing and driving the overarching Group financial and operational performance. The Group Executive Committee balances the needs and resources of the business divisions to make decisions based on what's best for ITV as a whole.

The Group Executive Committee is supported by the:

- **Duty of Care Operating Board**
- **Group Investment Committee**
- **AI Governance Committee**
- **Risk Committee**

Studios Board

Responsible for making strategic and operational decisions, including developing and implementing strategic objectives and operational plans. Monitoring operational and financial performance and assessing reputational, ESG and risk topics in line with the Group's relevant risk framework to promote the overall strategic initiatives to grow UK and global production.

Media & Entertainment Board

Responsible for making strategic and operational decisions relating to the M&E business, including developing and implementing strategic objectives and operational plans, monitoring operational and financial performance, assessing reputation, ESG and risk topics in line with the Group's relevant management frameworks, to promote the overall strategic initiatives to transform M&E.

Corporate governance continued

PLC BOARD AND COMMITTEE MEMBERSHIP AND ATTENDANCE

PLC Board and Committee membership and attendance at scheduled meetings in 2024 is set out below.

In addition, chaired by the Senior Independent Director, the Non-executive Directors met without the Chair or management during the year to discuss the Chair's performance and also met with the Chair without the management present on an informal basis throughout the year to discuss matters relevant to the Group. The Non-executive Directors met with the Chief Executive to discuss Group Executive talent and succession.

	Attendance at scheduled meetings				
Committee members	PLC Board[1]	Audit and Risk	Remuneration	Nominations	Disclosure
Andrew Cosslett (Chair)	8/8	5/5*	6/6	3/3	4/4
Dawn Allen	8/8	5/5	–	–	–
Salman Amin	8/8	–	6/6	3/3	–
Edward Bonham Carter[2]	8/8	2/5	6/6	3/3	–
Graham Cooke	8/8	5/5	–	3/3	–
Margaret Ewing	8/8	5/5	–	3/3	4/4
Marjorie Kaplan	8/8	–	–	–	–
Gidon Katz	8/8	–	–	–	–
Chris Kennedy	8/8	5/5	3/6*	3/3*	4/4
Carolyn McCall	8/8		2/6*	3/3*	4/4
Sharmila Nebhrajani	8/8	–	6/6	3/3	–

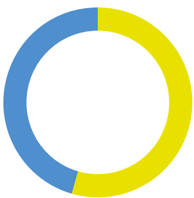
* Indicates where a Director has attended all or part of a PLC Board or Committee meeting by invitation (i.e. when not a member or prior to being a Director). The Executive Directors did not attend parts of any Committee meeting where to do so would result in a conflict of interest.

A number of ad hoc Board and Committee meetings were held during 2024, though these are not reflected in this table

1. In June and December half-day strategy sessions were held with a scheduled Board meeting held on the same day. Together these are included in the table as one meeting
2. Edward Bonham Carter stepped down from the Audit and Risk Committee in May 2024

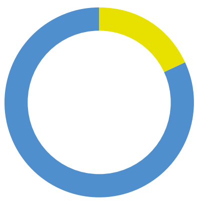
BOARD COMPOSITION AS AT 31 DECEMBER 2024

GENDER



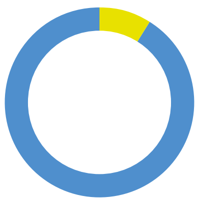
- Men 6
- Women 5

ETHNICITY



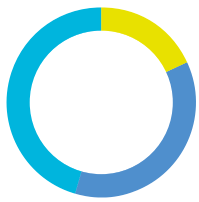
- People of Colour 2
- White 9

DISABILITY



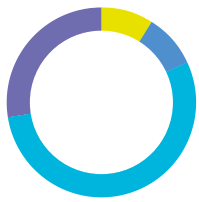
- Disability or long-term health condition 1
- No disability or long-term health condition 10

BOARD TENURE



- 0–2 years 2
- 2–5 years 4
- 5–9 years 5

AGE



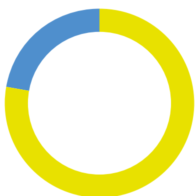
- 36–45 1
- 46–55 1
- 56–65 6
- 66–75 3

BOARD SKILLS AND EXPERIENCE

Business transformation	10
Creative industry	4
Digital	7
Finance and Treasury	5
Audit	5
Sustainability and ESG	5
Media and Media IP	8
Regulation and Public Policy	3
Strategy	11
Technology and Data	4
Remuneration	4
People and Talent	4

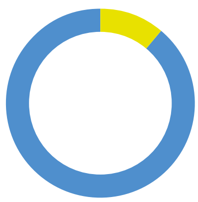
GROUP EXECUTIVE COMMITTEE COMPOSITION*

GENDER



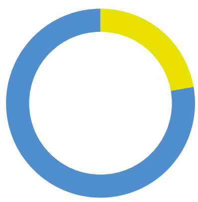
- Men 7
- Women 2

ETHNICITY



- People of Colour 1
- White 8

DISABILITY



- Disability or long-term health condition 2
- No disability or long-term health condition 7

* Carolyn McCall and Chris Kennedy are not included in these tables. They are included in the Board composition numbers above

Includes Directors who served in the year

Corporate governance continued

KEY STRATEGIC MATTERS CONSIDERED BY THE BOARD IN 2024

Stakeholder groups

S Shareholders (including debt providers)	C Colleagues	P Partners
CZ Citizens	PP Programme participants	VC Viewers and subscribers
CT Customers (including advertisers)	LR Legislators and regulators	

	Link to principal risks	Link to key stakeholders
SUPERCHARGE STREAMING		
Evolving the ITV strategy and progress in delivering the vision for an integrated ad-funded/subscription streaming platform for ITVX	1, 2, 3, 4, 7, 8, 9	S C P VC CT LR
OPTIMISE BROADCAST		
A review of viewing trends and insights and approval of certain talent contract renewals	1, 2, 3, 9	S P CZ PP VC CT
A review of Sports Rights and approval to acquire	1, 2, 3, 4, 9	S P CZ PP VC CT
EXPAND STUDIOS GLOBALLY		
Evolution of Studios strategy – continued international expansion, new streamer markets and changing rights models	1, 2, 3, 9, 12	P VC CT
Launch of Digital Media Studio Zoo55, with further monetised FAST and Social channels and a gaming arm	1, 2, 3	P VC CT
PERFORMANCE		
Review of capital structure, liquidity, investor proposition and valuation	1, 2, 3, 5, 6, 11, 12	S LR
Approved share buyback programme	2	S
Reviewed and approved trading results and financial reporting	All principal risks	S LR
Reviewed and approved the 2025 budget and five year plan	All principal risks	S C P CZ PP VC CT LR
Evaluation of business operations to optimise opportunities and performance including deep dives into value drivers	1, 2, 3, 4, 7, 8, 9, 12	S C P
Partnerships and distribution review	1, 2, 3, 4	S C P
Strategic restructuring and efficiency programme	2, 3, 9, 12	S C P VC CT
Evaluation of merger, acquisition and divestment opportunities and review of investments	1, 2, 3, 5, 6, 11, 12	S P
Principal and emerging risks review and updates	All principal risks	S C P CT LR
Investor engagement and insight	N/A	S C LR
REGULATION		
Continued focus on key policy and regulatory issues, including PSB review, Media Bill, HFSS regulations, Corporate Sustainability Reporting Directive and corporate governance reforms. These continue to be kept under close review along with other issues that could have a potential short, medium and long-term impact on the business	5, 6, 7, 8, 10, 11, 12	S C LR
OTHER		
The impact and governance of Artificial Intelligence	8	C P CZ VC C LR
Speaking Up monitoring and update	10	C CZ PP VC
Crisis management processes and protocols	12	S C CZ VC CT
Legal and compliance updates, including a review of Group compliance, data privacy and protection, HR and governance policies	5, 6, 7, 8, 10, 11, 12	S C LR
Climate-related risks and short to medium-term impacts, reporting on ESG matters	5, 6, 11	S C CZ VC CT
Diversity Equity and Inclusion, alignment with the ITV Strategy (continue to drive mainstream disability accessibility and building an inclusive culture)	5, 6, 9, 10	S C CZ VC
Cyber Security – fraud prevention strategy	4, 7	S C P CZ PP VC CT LR
Transformation Office progress review and updates	6, 12	S C

For further information on principal risks please see pages 49 to 53

Stakeholder engagement and decision making

We ensure that we engage with our stakeholders as it is fundamental to the successful delivery of our strategy. The Board's clear understanding of stakeholders' issues, expectations and perspectives ensures that stakeholder views are carefully considered during decision making processes.

The Board both directly engages with relevant stakeholders and assesses details provided by management and other colleagues. This allows the Directors to understand how organisational decisions have taken stakeholder interests into account and also to influence the Board's future decision making. The General Counsel and Company Secretary supports the Board in ensuring that due consideration is given to stakeholder issues and papers submitted to the Board detail the impact of proposals on key stakeholder groups.

At least once a year, the Board identifies its key stakeholders, reviews the issues that matter to them most and discusses potential enhancements to engagement with them. The Board also provides feedback on areas needing more focus as part of our Board evaluation process.

S172 statement – In accordance with the requirements of Section 172 of the Act, the directors consider that, during the financial year ended 31 December 2024, they have acted in a way that they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole, having regard to the likely consequences of any decision in the long term and the broader interests of other stakeholders, as required by the Act. The following pages set out how each of these factors, and each of our stakeholders, are taken into consideration when determining ITV's strategy.

(a) Long-term impact	(b) Interests of colleagues	(c) Fostering business relationships	(d) Impact on community and environment	(e) Maintaining reputation for high standards of business conduct	(f) Acting fairly between members

The table below outlines other areas of the report which detail how the Directors have had regard to the S172 factors.

S172	Further Information Can Be Found		
A The Likely consequence of any decisions in the long term	Business Model: pages 2 to 3 Our Strategy: pages 8 to 11 Stakeholder Engagement: pages 69 to 77	**D Impact of operations on the community and environment**	Business Model: pages 2 to 3 Stakeholder Engagement: pages 69 to 77 Climate Related Disclosures: pages 54 to 57
B Interest of Employees	Business Model: pages 2 to 3 Stakeholder Engagement: pages 69 to 77 People and Culture: pages 35 and 80 to 83 Remuneration Report: pages 102 to 123	**E Maintaining a reputation for high standards of business conduct**	Business Model: pages 2 to 3 Climate Related Disclosures: pages 54 to 57 Risk Management: page 49 Audit and Risk Committee Report: pages 90 to 101
C Fostering the Company's business relationships with suppliers customers and others	Business Model: pages 2 to 3 Stakeholder Engagement: pages 69 to 77 Our People: page 35	**F Acting fairly between members of the Company**	Business Model: pages 2 to 3 Stakeholder Engagement: pages 69 to 77 Remuneration Report: pages 102 to 123

Set out below are a couple of examples of some of the key strategic issues considered by the Board during the year and, in reaching their decision, how the Directors have had regard to the S172 factors:

SHARE BUYBACK

Directors' consideration of key factors set out in section 172(1)	Outcomes of Board decision-making and other key strategic decisions
To promote the success of ITV, the Board carries out frequent market reviews, keeps abreast of emerging trends and, where judged necessary, will modify the Strategy in order to deliver its plan and safeguard the long-term business impact and the interests of its members and stakeholders. The Board constantly considers how to increase shareholder value and improve shareholder sentiment and listens carefully to the views of shareholders. Shareholder views and sentiment were key in the Board's decision to launch a share buyback programme as a step to help optimise the Company's capital structure.	Following extensive analysis, modelling and careful consideration, which included the financial implications and impact on key stakeholders, customers, investors and colleagues, the Board recognised that a share buyback would be in the best interests of our stakeholders. To ensure that the share buyback delivered the desired outcome, the Board kept close review on the progress by regular updates from the Executive Board members.

Stakeholder engagement and decision making continued

STRATEGIC RESTRUCTURING AND EFFICIENCY PROGRAMME

Directors' consideration of key factors set out in section 172(1)	Outcomes of Board decision-making and other key strategic decisions
In 2024 the Board approved a cost saving and restructuring programme. The Board believed that the programme was necessary to allow ITV to thrive in a turbulent market, enabling ITV to continue creating and showcasing great content, delivering a positive long-term impact and safeguarding the interests of its shareholders. Along with the cost control measures, the restructuring element of the programme has delivered significant savings across the business.	The Board received regular updates during the programme design and through implementation, taking into consideration the impact on colleagues and culture and the disruption to the business and existing systems. Our Workforce Engagement Director, Graham Cooke, attended several Ambassador meetings to ascertain the impact on colleagues, hearing first hand the response to the measures. The Board received regular updates on management communication and engagement plans with colleagues, partners and suppliers. Feedback from colleagues was regularly sought to allow the Board, on becoming aware of certain challenges being faced by colleagues, to support management in revising the implementation plans. This demonstrated the Board's commitment to take account of the interests of colleagues as well as its other stakeholders.

The table below sets out the key stakeholders which the Board has identified as being important to ITV's success and some of the key engagement mechanisms used in 2024.

VIEWERS AND SUBSCRIBERS

Description	Link to strategic priorities
Through regular engagement, the Board recognises the evolution of ITV's relationship with viewers, which has been pivotal in shaping the Company's strategy.	

Forms of engagement	Outcomes and impact on principal decisions
Board and Committee reviews and assessments • Reviewing analysis of target audiences and viewing habits at Board strategy sessions, with a particular focus on increasing reach (MAUs) and engagement (Streaming Hours) on ITVX • Regular Chief Executive reports to the Board on viewing and streaming figures, with a focus on our primary KPIs: MAUs, Streaming Hours and Digital Revenues (including addressable advertising revenues) • Regular sessions on viewer performance, including viewer trends and updates on ITVX performance covering Content, Commercial and Viewer Experience (Product, Distribution and Marketing) • Regular reviews at Group Executive Committee and Divisional Board meetings of viewer sentiment, monitoring linear and streaming performance (against KPIs of Share of Commercial Viewing, MAUs and Streaming Hours); compliance reports and Ofcom reports • Feedback from Viewer Services (which serves as a conduit for viewers to channel their comments and/or concerns) reviewed by members of the Group Executive Committee and senior ITV employees, to monitor the overall complaint process	• Growing, enhancing and integrating our ad-funded and subscription streaming services on ITVX, through investment in product, content, distribution, data, technology and analytics • Ongoing optimisation of our Broadcast (Linear) offering to preserve the advertising value of Mass Simultaneous Reach while also identifying areas of operational efficiencies given structural changes in viewing behaviours • Launch of Zoo55 to accommodate growth in Social Video, YouTube and FAST Channels and maximise value from our content across all audiences • Application of one content budget across the M&E division to allow the business to optimise its content across Broadcast and Streaming (including windowing) and accommodate all audiences • Flexibility to make changes to schedules to enhance viewing performance • Board discussions benefited from Graham Cooke's technical, digital and commercial expertise. The Board also benefited from Gidon Katz and Marjorie Kaplan's streaming knowledge and content expertise

Key issues or priorities identified	For more information
• Changing viewer habits (a principal risk) • Driving awareness, through programming and campaigns, of key social, environmental and topical issues with ITV playing an important role as a trustworthy and accurate source of information • Authentic representation of the diversity of modern Britain on-screen	Our Business Model (from page 2) Key Performance Indicators (from page 12) Social Purpose strategy (from page 31) Risks and Uncertainties (from page 49)

Stakeholder engagement and decision making continued

CUSTOMERS (INCLUDING ADVERTISERS)

Description	Link to strategic priorities
Customers (including sponsorship, content buyers and advertiser relationships) are integral to monetising our content and delivering on our strategy.	Expand Studios globally; Supercharge Streaming: see Our Strategy

Forms of engagement	Outcomes and impact on principal decisions
Meetings and presentations ▪ Meetings between the Executive Directors and their industry counterparts (many of whom are also buyers of Studios content) ▪ Regular engagement by the Chief Executive and various members of the Group Executive Committee with advertisers and agencies through key ITV and industry events ▪ Meetings between members of the Group Executive Committee and senior ITV employees with potential buyers of Studios content ▪ Pride of Britain Awards ▪ Key engagement in RTS London **Board and Committee reviews and assessments** ▪ Review of the advertising market and content spend ▪ Board strategy sessions on: the evolving commercial strategy to address ITV advertising clients' needs; video on demand and linear addressable advertising to support ITV's streaming ambitions, including feedback from clients; subscription streaming market growth; and impact on Studios, including analysis of major subscription streaming buyers across territories, regular ITVX's launch updates ▪ Regular Board updates on key relationships and developments in the advertising market, including ITV's engagement and relationship initiatives with its advertisers and agencies, and potential growth opportunities for the Studios business ▪ Regular reports to the Board on Commercial and Studios performance by the Chief Executive ▪ Regular updates on the upcoming content being produced by the Studios business	▪ Strengthened customer proposition and priorities for the Supercharge Streaming strategy. Board discussions benefited from Gidon Katz's streaming knowledge and expertise ▪ Board support for the launch of addressable advertising initiatives on both ITVX and linear. Board discussions on this topic benefited from Graham Cooke's digital expertise ▪ Endorsement of innovative initiatives in response to advertisers' and agencies' desired outcomes, assessments and recommendations to manage risk and opportunities associated with the growing subscription streaming market. Board discussions on this topic benefited from Salman Amin's commercial expertise ▪ Investment in ITV AdVentures Media for Equity initiative, offering TV advertising to potential leading, high-growth, digital-first companies in the UK in return for equity ▪ Endorsement of recommendations to deliver growth in Studios, including investment in, and creation of, new Studios labels to cater to growing markets and customer base

Key issues or priorities identified	For more information
▪ Continuing to promote ITVX and the content investments made during the year ▪ Further creation and exploitation of IP to drive viewing and enhance IP monetisation opportunities ▪ Delivery of audience profile and size to optimise advertising sales ▪ Maintenance of commercial broadcaster relationships and further developing scripted talent (a priority for streamers in some markets) ▪ Mitigation of the risk of detrimental advertising market changes (a principal risk) ▪ Continuing to educate our customers on the effectiveness of TV advertising (including impact of TV advertising versus online advertising)	Our Business Model (from page 2) Key Performance Indicators (from page 12) Risks and Uncertainties (from page 49)

Stakeholder engagement and decision making continued

PARTNERS (INCLUDING SUPPLIERS, OTHER BROADCASTERS AND PLATFORM OWNERS)

Description	Link to strategic priorities
Strong relationships with our partners are fundamental to our business and operating model, and to ensure we meet the high standards of conduct that we set ourselves.	Optimise Broadcast: see Our Strategy

Forms of engagement	Outcomes and impact on principal decisions
Meetings and presentations ▪ Executive Director engagements with key suppliers and partners (including broadcaster and distribution partners) ▪ Regular Chief Executive counterpart meetings with key partners ▪ Chief Executive hosted a dinner for commercial clients ▪ Chief Executive hosted Senior client dinner for agency clients ▪ Chief Executive attendance at the Sky Summer Reception ▪ Chief Executive spoke at the Pride of Britain Awards ▪ Chief Executive attendance at the Essence Mediacom Senior Client dinner ▪ Chief Executive spoke at the Citi Conference ▪ Chief Executive attendance at the ETV CEO Summit ▪ Executive Directors' attendance at the JP Morgan European Technology, Media and Telecoms Conference **Board and Committee reviews and assessments** ▪ Board strategy sessions on the impact of the Supercharge Streaming strategy on third parties (including PSBs, suppliers and platform owners) ▪ Board oversight of significant contracts with suppliers or partners ▪ Board updates on engagement with third-party suppliers, including supplier management policies, processes and controls ▪ Updates at every Board meeting from the Chief Executive on key/strategic partner relationships and Group CFO & COO on important negotiations with key partnerships ▪ Annual Board review of ITV's Modern Slavery Statement, including report on steps taken to identify, address and prevent modern slavery in our operations and supply chains ▪ Audit and Risk Committee review of the Group's supplier payment practices and the procedures in place to safeguard both ITV and suppliers from fraud	▪ Development of ITV's Partnership strategy ▪ Consideration of key themes/risks across supplier stakeholder groups and how they are being addressed by management ▪ Strengthened creative talent through new partnerships and strong development slates ▪ Further collaboration with streaming platforms to drive reach and consumption ▪ Board support for targeted engagement with distribution partners to further define approach to the Supercharge Streaming strategy ▪ Endorsement of partnership initiatives to develop commercial addressable propositions and support ITV's data strategy ▪ Understanding and management of the risks related to our relationships with/positions of our partners

Key issues or priorities identified	For more information
▪ ITV's partnership strategy and approach with strategic partners ▪ Responsible, transparent and fair procurement, trust and ethics	Operating and Financial Performance (from page 16) Key Performance Indicators (from page 12) Social Purpose strategy (from page 31)

Stakeholder engagement and decision making continued

CITIZENS

Description	Link to strategic priorities
As a public service broadcaster, we strive to reflect, remain in touch with, and shape public sentiment and national conversations. Our engagement in this stakeholder category is an integral part of our Social Purpose strategy.	Social Purpose: see our Social Purpose strategy

Forms of engagement	Outcomes and impact on principal decisions
Meetings and presentations ▪ Chief Executive met with other broadcaster CEOs to agree further collaboration on the shared Climate Content Pledge announced at COP26, and joined other broadcaster CEOs in hosting an event on Climate Storytelling for 80 CEOs and senior leaders, including an interview with Bill Gates and briefing from the UK Climate Change Committee ▪ Chief Executive hosted and participated in an event for NSPCC's Childline to raise awareness of childhood mental health challenges and raise funds **Board and Committee reviews and assessments** ▪ Group CFO & COO's overall responsibility for ITV's climate action agenda and leadership of ITV's Climate Action Delivery Group ▪ Annual Board updates on Social Purpose, ITV's climate-related agenda, including risk, opportunities and targets, and Diversity, Equity and Inclusion (including progress against ITV's Diversity Acceleration Plan). The Board agreed ITV's ongoing commitment to mental wellbeing as the primary social cause ▪ Board sessions to assess the key risks to ITV, including environmental risk, their potential impact, ITV's resilience and opportunities for improvement ▪ Audit and Risk Committee monitoring of compliance with relevant regulations and the integrity of, and progress in achieving, climate change reporting targets and reported metrics, particularly with regards to TCFD; reports to the Board on the outcome (see page 99) ▪ The Group Executive Committee receives a monthly update on ESG and a quarterly review of climate action data and progress. M&E and Studios Boards receive twice-yearly updates on climate action	▪ Deepened understanding of opportunities for climate action and storytelling, with plan for further training for wider Executive Leadership Team ▪ Deepened understanding and awareness of ESG and factors influencing ITV's corporate purpose, to inform Board decisions ▪ Mental Health in the Media conference series hosted by ITV to encourage the TV and advertising industries to take a deeper look at mental health on-screen and off-screen ▪ ITV developed an Inclusive Language Guide as an internal tool to create a shared way to communicate inclusively. Colleagues accessed the guide over 3,000 times in 2024 ▪ ITV's Cultural Advisory Council, which Chief Executive and Group Executive Committee members attend, comprising a group of independent external advisers from a range of different industries and specialisms who advise, challenge and counsel ITV on its diversity and inclusion activities ▪ Commitment to The Climate Content Pledge (with other major broadcasters) to promote climate story-telling on-screen

Key issues or priorities identified	For more information
▪ Harnessing our unique mass-reach platform and the power of our programmes to raise awareness and action on issues that are important and help shape culture for good, with particular emphasis on mental health ▪ Our commitment to climate action, embedding sustainability into business and usual processes alongside targeted initiatives to reduce carbon and support a circular economy ▪ Our contribution to wider society through our Better Futures programme, including charitable fundraising through Soccer Aid for UNICEF and volunteering ▪ Our focus and commitment to increasing on and off-screen diversity through our Diversity Acceleration Plan	Task Force on Climate-related Financial Disclosures (from page 54) Social Purpose strategy (from page 31) Our Climate Transition Plan (itvplc.com/social-purpose/climate-action)

Stakeholder engagement and decision making continued

LEGISLATORS AND REGULATORS

Description	Link to strategic priorities
The Board is committed to its remit as a public service broadcaster (PSB) and to conducting business in line with the appropriate laws and regulation, to ensure we operate in an ethical and responsible way.	Availability of viewer content: see Our Strategy

Forms of engagement	Outcomes and impact on principal decisions
Meetings and presentations ▪ Meetings with government ministers, officials and shadow ministers on key issues of concern, initiatives or consultations. This included meetings between the Chief Executive and the Secretary of State for the Department for Culture, Media and Sports (DCMS), Shadow Secretary of State for Culture, Media and Sport and regular meetings between the Chief Executive and the Minister of State for Media, Tourism and Creative Industries ▪ Counterpart meetings with Ofcom on a wide range of policy and regulatory issues (which included Chairs' and regular Chief Executives' meetings) ▪ Chair attendance at the ITV Regional News MP dinner ▪ Chair attendance at the ITV All Party Parliamentary Group reception ▪ Participation by the Chief Executive on the government's Levelling Up Council ▪ Periodic engagement by senior ITV employees with other regulators including the CMA, FRC, ICO and the European Commission ▪ Chief Executive participation at the Prime Minister's Business Council ▪ Chief Executive attendance at the Budget Event with Chancellor of the Exchequer ▪ Chief Executive hosted small general election event showcasing content for key external partners ▪ Chief Executive hosted the International Investment Summit with the Prime Minister ▪ Senior ITV employee membership of the stakeholder group on the future of TV distribution (chaired by the Minister for Sport, Media, Civil Society and Youth) **Board and Committee reviews and assessments** ▪ Updates from the Chief Executive on policy and regulation at every Board meeting ▪ Regular reports to the Board and Audit and Risk Committee on compliance and significant litigation matters ▪ Board briefings on ITV's PSB strategy, change in government, Cabinet reshuffle and ministerial meetings ▪ Updates to the Audit and Risk Committee from the Committee Chair and external auditor regarding FRC developments and implications of the Code and other regulatory changes announced during 2024	▪ Collaboration and focus on important societal issues such as social mobility and diversity ▪ Extensive interaction with government, Ofcom and parliament in relation to the renewal of ITV's PSB licences and securing endorsement of the scope of the Media Bill

Key issues or priorities identified	For more information
▪ HFSS (renamed Less Healthy Food) advertising ban and other possible advertising restrictions ▪ Legal and regulatory compliance (including tax) – (non-compliance is a principal risk) ▪ Regulatory policy changes (a principal risk) ▪ Monitoring potential change to the AVMS Directive in 2025/6 ▪ Ofcom PSM Review ▪ Ofcom and government review of the future of TV Distribution	Our Business Model (from page 2) Social Purpose strategy (from page 31) Risks and Uncertainties (from page 49)

Stakeholder engagement and decision making continued

PROGRAMME PARTICIPANTS

Description	Link to strategic priorities
The safety of participants is of paramount importance to the Board. The Board takes its duty of care to them very seriously, and obtains regular assurance over the support and processes in place to safeguard their physical and mental health and wellbeing. ITV's approach to risk management is led by the Board, assisted by specialists who drive good practice within the business. ITV production teams are trained in the identification and management of health and safety risks, and in producing programme-specific risk assessments. Our continuous review of risk involves our central risk support team and external experts as required in considering all stages of the production process, including pre-filming screening, care during production, and aftercare of participants after filming and broadcast.	Expand Studios globally: see Our Strategy

Forms of engagement	Outcomes and impact on principal decisions
Meetings and presentations ▪ Chief Executive attendance at Mental Health Advisory Group (MHAG) meetings, which three other Group Executive Committee members regularly attend (two of whom are members of the Advisory Group) throughout the year ▪ Chief Executive chaired the Duty of Care Operating Board which included Group Executive Committee members and is attended by specialist advisers including ITV's Independent Chief Medical Officer and Independent Consultant Clinical Psychologist and, on behalf of the Board, the Chair of the Audit and Risk Committee **Board and Committee reviews and assessments** ▪ Regular Board and Audit & Risk Committee updates on duty of care processes and issues, and on the Duty of Care Operating Board's discussions and activities (including feedback from ITV's Mental Health Advisory Group), through updates from the Audit and Risk Committee Chair, who is a standing attendee of the Duty of Care Operating Board ▪ Appointment of an independent Chief Medical Advisor and an independent Consultant Clinical Psychologist to ITV ▪ Board review of progress against ITV's Diversity Acceleration Plan to accelerate change in diversity and inclusion on-screen ▪ Board updates on any challenges relating to, or publicity surrounding, duty of care processes relating to any programmes produced or broadcast by ITV ▪ Annual Audit and Risk Committee reviews of duty of care and health and safety processes, including duty of care risks and mitigations ▪ Board review of minutes from the Duty of Care Operating Board meetings, as well as updates to the operating model, cadence of meetings and Duty of Care Charter	▪ Independent Review of Duty of Care: commissioned by the Duty of Care Operating Board to evaluate risk management arrangements for programme participants ▪ Mental Health Advisor Policy: introduced a Group-wide policy on using Mental Health Advisors as experts in production settings ▪ Duty of Care Metrics: launched new metrics and dashboard reports to enhance objective data usage for management insights ▪ Risk Management Tools: improvements to SPOT and M&E's Risk Management Tool (RMT) to increase reporting quality and risk classification accuracy ▪ Participant Aftercare Programme (PAP): continued delivery of evidence-based short-term therapy, with plans to explore extending services beyond the UK ▪ Escalation Procedures: further embedded into operational protocols and with SME oversight to ensure a methodical and proportionate response to welfare concerns ▪ Collaboration with Scientific Community: advancing evidence-based practices including by supported the 'ReCARE TV' research programme by Aston University ▪ Mental Health Protection on 'Dancing on Ice': independent observation conducted by a Consultant Clinical Psychologist to assess mental health protections for participants ▪ Continued promotion on use of the Speaking Up process

Key issues or priorities identified	For more information
▪ Internal review of duty of care to ensure there is a Group-wide approach ▪ Evaluation of the role and professional development of Welfare Producers ▪ Review the impact of social media on participants ▪ Review processes in place to support senior talent ▪ Review policies for working with highly vulnerable contributors ▪ Ensure there is consistent and high-quality collection and analysis of welfare data	Our Business Model (from page 2) Risks and Uncertainties (from page 49) Social Purpose strategy (from page 31) Our People (from page 35)

Stakeholder engagement and decision making continued

SHAREHOLDERS (INDIVIDUAL AND INSTITUTIONAL), BOND HOLDERS AND OTHER PROVIDERS OF DEBT AND ANALYSTS

Description	Link to strategic priorities
Delivering for our investors (equity and debt) and understanding their views and interests ensures the business continues to be successful in the long term and therefore can deliver for all our stakeholders.	Deliver value for shareholders: see Our Strategy

Forms of engagement

Meetings and presentations

- The Executive Directors presented the full year results and the Interim results and took questions from analysts
- The Chair and Executive Directors held regular meetings with ITV's largest shareholders
- The Executive Directors held meetings with target investors based in the UK, US and parts of Europe
- The Chief Executive held a Fund Managers' dinner in November with a small group of senior fund managers
- Chief Executive attendance at the Founders Forum
- Chief Executive attendance at the International Investment Summit with the Prime Minister
- The Executive Directors both attended investor conferences during the year. These included the Citi, UBS, JP Morgan TMT, Barclays TMT and Morgan Stanley TMT conferences
- The Executive Directors both held meetings with equity sales teams and analysts
- The Board attended the AGM, where there was an opportunity for shareholders to ask questions before, during and after the meeting
- The Remuneration Committee Chair met with Columbia Threadneedle, Dimensional Fund Advisors and Schroders to discuss the Remuneration Policy renewal
- Regular dialogue throughout 2024 between the Group CFO & COO, Group Finance Director and Group Treasurer, with the Rating Agencies and The Core Banking Group

Board and Committee reviews and assessments

- Group CFO & COO report to the Board on analyst consensus, latest shareholder feedback, changes in share register and key shareholder engagement activities undertaken by the Executive Directors and Investor Relations team
- Board updates from the Company's brokers and advisers on market performance, bid defence and capital structure, and on shareholder sentiment regarding ITV's performance, strategy and dividend policy
- Board members' careful scrutiny of analyst reports throughout the year
- Update to the Board on ITV's Climate Disclosures, assurance over its carbon footprint and actions being taken to prepare for further climate-related regulations

Outcomes and impact on principal decisions

- Consideration of feedback to inform, amongst other things, ITV's long-term strategy, five year plan, dividend policy, capital allocation and approach to ESG and other governance issues
- Various shareholder-related programmes run during 2024; Share Buyback Programme – to increase value to our shareholders; Asset Reunification Programme – helping our shareholders to find and reconnect with unclaimed assets
- Board discussion on investor sentiment and action for management to conduct further analysis of ITV's existing and prospective investor base with the evolution of the equity story
- Announcement of the Board's intention to pay an interim dividend of 1.7p and propose a final dividend of 3.3p for 2024
- Maintained investment grade credit ratings with Moody's and S&P Global Ratings adding a further public rating with Fitch; established an EMTN programme from which a €500 million Eurobond maturing in April 2032 was issued to refinance the £230 million Term Loan maturing in July 2027 and repay €240 million of the €600 million Eurobond maturing in September 2026; added a new counterparty to the £500 million RCF enabling full maturity in January 2029; entered into a new £200 million bilateral Credit Default Swap (CDS) loan facility which matures in December 2030

Key issues or priorities identified

- Strategy and investment priorities
- Strategic progress and delivery against strategic and financial KPIs and targets
- Capital allocation and leverage
- Share price performance
- ESG data and performance

For more information

Our Business Model (from page 2)
Investor Proposition (page 4)
Social Purpose strategy (from page 31)
Task Force on Climate-related Financial Disclosures (from page 54)

Stakeholder engagement and decision making continued

COLLEAGUES

Description	Link to strategic priorities
The workforce is integral and critical to the day-to-day operations and the practical execution of strategy. Effective engagement mechanisms provide the Board with important insights and priorities, as well as ensuring the workforce voice is considered in the Board's decision-making.	Delivery of strategy: see Our Strategy

Forms of engagement	Outcomes and impact on principal decisions
Meetings and presentations ▪ Regular participation by the Workforce Engagement Director and Group Executive Committee members at Ambassador meetings (our formal workforce advisory panel). Our designated Workforce Engagement Director attended 96% of these meetings ▪ Board members engaged directly with senior management and colleagues from across the business ▪ An employee pulse survey conducted in November 2024 to gauge engagement **Board and Committee reviews and assessments** ▪ Regular Workforce Engagement Director updates to the Board ▪ Building upon the 'Ask Carolyn' mailbox initiative, our Chief Executive held an Ambassador special webinar where she met with both UK and International Ambassadors giving them the opportunity to hear updates directly from her, as well as opening up the floor to ask her questions on a wide variety of topics ▪ Employee engagement included as part of Chief Executive report at every Board meeting ▪ Board receipt of vodcasts from the Chief Executive to colleagues ▪ Board and Group Executive Committee receipt of feedback from ITV's staff networks, including regular updates on Social Purpose and Diversity and Inclusion ▪ Nominations Committee session on talent and succession planning ▪ Themes from Line Manager Capability survey results addressed by a series of leadership development labs and ongoing management training	▪ Board discussions benefited from the Workforce Engagement Director's direct insight into sentiment and topics that matter most to colleagues ▪ Ambassadors have been consulted on a range of business issues during 2024 and are continually updated on ITV's strategy. This included updates on the changing media and regulatory landscape (subscription streaming market growth, the continuing impact of the US writers' and actors' strike, HFSS advertising ban, changing viewer habits and the advertising market), and how this affects ITV ▪ The Ambassadors were informed about upcoming activities and system improvements for the ITV Together programme (Oracle Fusion) ▪ The Ambassadors were tasked with gathering feedback from constituents regarding their awareness, knowledge, and trust in the Speaking Up process ▪ The Ambassadors played a key role as employee representatives during the launch and implementation of the organisation's cost and efficiency programme ▪ In addition to the regular quarterly meetings' the Ambassadors were invited to additional meetings to discuss the Employee Assistance Programme (EAP) offering and the Group Brand refresh to seek their feedback ▪ The UK Ambassadors also met to discuss ITV's 2025 pay review offer, looking at both the process and the factors influencing the proposed pay offer ▪ The Ambassadors were also consulted and informed on Executive Remuneration, the headline results from the recent pulse survey and an early look at the refreshed ITV behaviours to gather feedback on how to launch and embed them across ITV in the new year

Key issues or priorities identified	For more information
▪ Transparent and honest culture and ethos ▪ Flexible and digital ways of working ▪ Mental health and wellbeing support ▪ Progress on our Diversity Acceleration Plan commitments ▪ Retention and recruitment of talent (a principal risk) ▪ Internal cultural change (a principal risk)	Risks and Uncertainties (from page 49) Social Purpose strategy (from page 31) Engaging with our Workforce (from page 78)

Stakeholder engagement and decision making continued

The Board actively engages with the workforce through two methods outlined in the Code: a designated Workforce Engagement Director and a formal workforce advisory panel, known as our Ambassador network. Graham Cooke has held the role of Workforce Engagement Director since June 2023.

The Board recognises the benefits of personal interaction and informal discussion to both learn more about day-to-day operations and the practical execution of strategy, as well as to gather direct insights into workforce sentiment. Colleagues have direct contact with the Chief Executive through her 'Ask Carolyn' email address and the Chair has regular meetings with Group Executive Committee members and Divisional heads, who provide feedback on workforce issues. The Committee Chairs also have individual meetings with colleagues in relation to the business of their Committee meetings.

Our Ambassador network

The Ambassador network (comprising 111 colleagues) was established in 2015 to represent colleagues' interests across the Group, share information, and contribute to our culture by giving our colleagues a voice.

- Each Ambassador usually represents approximately 50 colleagues from their business area, called their constituency
- There are approximately 100 Ambassador constituencies which are organised into five UK regional groups and c.20 of these Ambassadors represent our international groups
- The Ambassadors meet in their groups four times a year, led by an Ambassador Chair, where they are engaged in a range of programmes and topics

UK Ambassadors are elected by their constituents to represent them for three years, with 58 starting their tenure in 2024. The Ambassadors are supported by a central support team and Ambassadors Chairs to help them build and maintain strong relationships with their constituents.

To enhance this further, Ambassador information is now included on individual colleague profiles on our HR system, to enable colleagues to easily identify their constituency and their Ambassador.

In 2024, a total of 23 meetings were held, consisting of 15 meetings with UK Ambassadors covering London, Leeds and Manchester, and eight meetings with international Ambassadors representing all ITV territories. Our designated Workforce Engagement Director attended 96% of these meetings.

The active two-way dialogue and attendance at Ambassador meetings provides an opportunity to share insights into external factors affecting ITV, which Ambassadors relay to their constituents. First-hand feedback enables the Workforce Engagement Director to gain a comprehensive perspective on company culture, morale and priorities, as well as the effects of operational changes.

Regular verbal updates and feedback on employee topics and issues of interest and/or concern were provided to the Board by the Workforce Engagement Director. These updates ensure that the employees' voices are considered during Board and Committee discussions. The Workforce Engagement Director's reports to the Board, reflecting feedback received from Ambassadors, has resulted in the following actions during 2024:

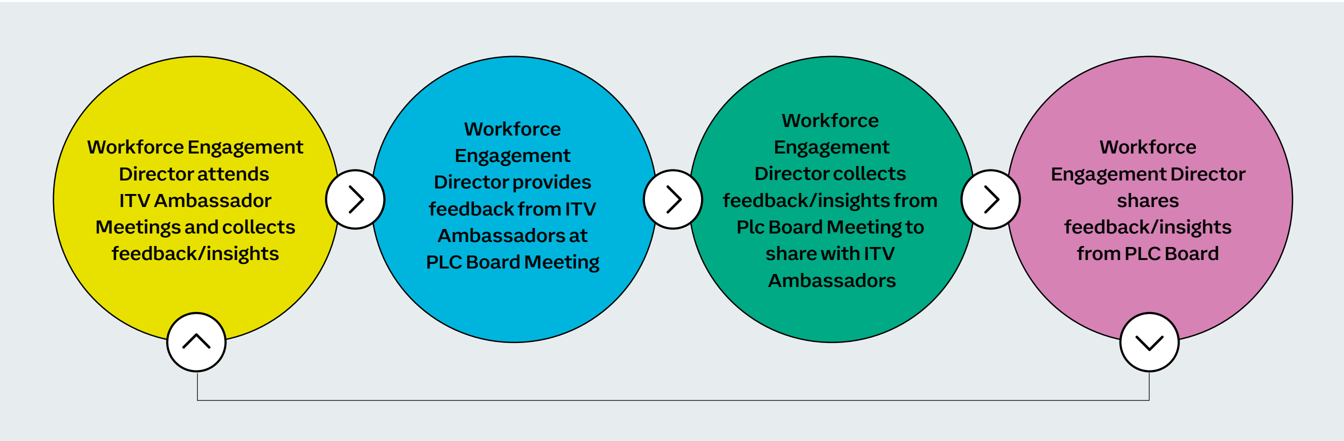
- Studios management investigated how international colleagues could gain access to view high profile ITV productions
- Ambassador training on how to respond to colleagues during a restructuring programme

Ambassadors consistently express how valuable the network is to them and their constituents, particularly having Board representation at meetings to hear first hand business and strategic updates, which they can then share at a local level.

At the end of 2024 we piloted a new approach to the quarterly meetings, combining two groups who met both in person locally and virtually for business updates from our Group Executive Committee, before separating to hold their local discussions. This is part of a broader strategy to build a stronger network nationally outside of their regional groups. Following positive feedback, we will be continuing with this format in 2025.

Building upon the 'Ask Carolyn' mailbox initiative, our Chief Executive held an Ambassador special webinar where she met with both UK and international Ambassadors, giving them the opportunity to hear updates directly from her, as well as opening up the floor to ask her questions on a wide variety of topics. Following its success this will be repeated on an annual basis.

THE AMBASSADOR NETWORK FEEDBACK LOOP



Stakeholder engagement and decision making continued

What were the takeaways from Ambassador meetings during 2024?

2024 has again been a year of change for colleagues with a continued focus on digital, organisational and strategic transformation. Throughout the year the Ambassadors have been updated on ITV's strategy. They were asked to share feedback from their constituents on how the strategy and ITVX were being perceived in their constituencies, as this was a key strategic focus for the M&E business.

The Board's views on key 2024 topics were regularly shared, including the changing media and regulatory landscape (subscription streaming market growth, the continuing impact of the US writers' and actors' strike, HFSS advertising ban, changing viewer habits and the advertising market), and how this affects ITV.

In the first quarter, the Ambassadors were informed about upcoming activities and system improvements for the ITV Together programme (Oracle Fusion) and were tasked with gathering feedback from constituents regarding their awareness, knowledge, and trust in the Speaking Up process. While most Ambassadors knew about the Speaking Up policy and channels, it was inconsistent across the organisation. As a result detailed sessions were arranged to enhance our Ambassadors' understanding and trust in both the process and the external supplier. This enables our Ambassadors to educate their constituents, act as advocates to the process and effectively support their constituents in raising concerns.

The Ambassadors played a key role as employee representatives during the organisation's cost and efficiency programme. During the second quarter meetings they shared experiences and highlighted important topics, such as the timing and content of employee representative training. In response, the Ambassador support team sought further input to shape the support offered when they are acting in their capacity as an employee representative. Following this, the Workforce Engagement Director reported back to the Board on the request for additional training and guidance for the Ambassadors, to allow them to feel better equipped to respond to queries from the wider workforce.

The Business Change and Transformation team highlighted upcoming changes and discussed how the Ambassadors could help with the successful adoption across the organisation. The Ambassadors stressed the need for ongoing regular communication, an increased number of super-users, and comprehensive training for all colleagues.

In addition to the regular quarterly meetings the Ambassadors were invited to additional meetings to discuss the Employee Assistance Programme (EAP) offering and the Group Brand refresh to seek their feedback.

The UK Ambassadors also met to discuss ITV's 2025 pay review, looking at both the process and the factors influencing the proposed pay offer. They had the opportunity to share their reactions and raise questions, which resulted in an enhanced pay award.

The fourth quarter meetings focused on discussing Executive Remuneration, the headline results from the recent pulse survey and an early look at the refreshed ITV behaviours to gather feedback on how to launch and embed them across ITV in the new year. Following these meetings, the Workforce Engagement Director fed back to the Board on the overall sentiment amongst the business and noted the differing moods between regions. As a result, the focus at future meetings would be on vision and strategy for the business. In order to improve the morale, budgets for Christmas events were approved by the Board.

What are the key areas of focus for engagement in 2025?

The Workforce Engagement Director will continue to attend Ambassador meetings to engage on important topics, such as new culture initiatives, ITV's ongoing digital transformation, the launch of HR modules on Oracle Fusion and action planning linked to the 2025 Engagement & Culture and Line Manager survey and exploring how to further raise the Ambassadors' profile.

Values in action – understanding and monitoring our culture

Continuing to build and promote a culture of openness and integrity, with inclusion, diversity and equity at the heart are critical to our success as well as supporting long-term value for our stakeholders.

Our business model is regularly reviewed by the Board to ensure it continues to deliver our strategy and is aligned with our purpose. Aligning our values and purpose with our strategy is critical to our success. The Board recognises that ITV's culture is a key enabler of delivery of the Group's strategy, particularly ITV's digital transformation, and, therefore, understands the importance of monitoring and fostering it.

To allow ITV to deliver on our strategic priorities and become a truly digitally led business, our culture needs to continue to evolve, aligning at all stages in our development with our purpose and values. We hold regular leader and manager briefings to provide updates on our strategic priorities and build understanding of our vision and purpose.

Throughout the year the Board monitored the culture across the Group through various channels, including feedback and observations from third parties (e.g, auditors), its own interactions with management and their teams during the year, and formally annually reviewing a 'Monitoring, Assessing and Embedding Culture' report prepared by HR, which outlines culture themes, thereby being able to satisfy itself that the policies, practices and behaviours within the Group are aligned with ITV's purpose (including its Social Purpose), vision, values and strategy. Through the Board's discussion of relevant topics, as well as the Chief Executive's focus on people and culture in her regular Board reports, culture is considered, whether implicitly or explicitly, at each Board meeting.

We entertain and connect with millions of people globally, reflecting and shaping culture with brilliant content and creativity.

Over the last year we have focused on specific areas:

- The Board received an annual report summarising cultural initiatives, alongside updates on individual initiatives throughout the year; in addition, it also received updates on the actions arising from the Engagement and Culture survey completed late in 2023. Following the autumn 2024 pulse survey the Board was also updated on the changes in engagement (overall and divisional) following the cost and efficiency programme initiatives being implemented throughout 2024
- Ongoing engagement with the international offices demonstrates the alignment with the overall ITV culture and values (2024 Pulse Engagement survey, ongoing mandatory training, international Ambassadors and inclusion activity)
- Continued expectation for all freelancers to complete our Code of Ethics and Conduct mandatory training module, giving them an understanding of the expectations as they relate to our ITV values and culture
- Continued use of the anti-bullying, harassment and discrimination app called 'Call It!' across our productions, enabling both freelancers and ITV employees to report incidents of bullying, harassment and discrimination quickly and anonymously, in addition to the existing ITV-wide Speak Up channels
- Our People and Risk teams have developed a Group policy governance framework to clarify and maintain accountability for owning, improving and approving changes to new and existing policies. This provides a clear, structured approach to policy development to ensure that policies are; consistent across all business areas, implemented effectively so that they achieve their intended outcome and are aligned with our organisational values. Our People policies are reviewed on an annual basis as a minimum and new policies are developed as required, for example to meet our obligations under new legislation, i.e. prevention of sexual harassment
- Evolving ITV's culture and identifying elements to be dialled up or down, to ensure the culture remains an enabler to maintaining a simpler, more efficient, lower-cost base organisation in the long term, including refreshed ITV behaviours and strengthening our approach to performance management

OUR ITV VALUES

Creativity
From everyone, for everyone, every day

Collaboration
Working together at pace

Inclusion
Respecting and embracing differences

Integrity & judgement
If something doesn't feel right, speak up

KEY HIGHLIGHTS

95%
Completion rate of mandatory Code of Ethics and Conduct annual training in 2024

Non-completion of training results in HR and ExCo members being made aware of individuals

11.07%
Resignation Index

93%
Completion rate of new DE&I annual mandatory training in 2024

23
Ambassador meetings during 2024

75%
of employees are proud to work at ITV

69%
would recommend ITV as a great place to work

Values in action – understanding and monitoring our culture continued

The table below sets out the framework of policies and practices which underpin our culture and explains key ways in which the Board and/or Committees monitor and gain insight to ITV's culture.

ENGAGEMENT AND FEEDBACK CHANNELS

How the Board monitors culture	Cultural insight gained
Reviews assessments of the Company's culture through our bi-annual engagement and culture survey, measurements of organisational culture benchmarked against peers, and how ITV's values link to its purpose and behaviour.	Understanding strengths and opportunities in ITV's culture, and that ITV's culture and behaviours authentically reflect its values and stated purpose.

Outcome

The Board continues to monitor insights gained from the Engagement and Culture survey conducted in 2023 and the 2024 pulse survey. Through updates from the Chief Executive the Board received assurance that ITV's culture is aligned to its purpose and values, while recognising the cultural evolution required to deliver ITV's strategy. The Board, through the Audit and Risk Committee, gets feedback from external and internal auditors on culture and alignment to purpose and values across the organisation, as observed whilst undertaking audits and engaging with management. The Board, through the Workforce Engagement Director, receives and discusses an annual report detailing the activities and sentiment of the employee representative network (Ambassadors).

How the Board monitors culture	Cultural insight gained
Interactions with and feedback from Board members through: (i) the Chief Executive (including access to the regular Chief Executive's vodcast and Q&A and her updates on people priorities and communications at every meeting); and (ii) engaging regularly (directly and indirectly) with colleagues through numerous engagement mechanisms (see pages 78 to 79 for details regarding the Board's workforce engagement, including the Workforce Engagement Director and Ambassador Network).	Continuing to sustain and build a stronger understanding of the practical execution of strategy and the cultural context colleagues experience on a day-to-day basis. Further insight into how colleagues are adapting to new ways of working with the introduction of the Oracle Fusion transformation, as well as other new IT platforms across different parts of the organisation. The Chief Executive's vodcast Q&A sessions provide the Board with insight about morale and important topics for colleagues, for example ITV's commitment to diversity and inclusion and colleague wellbeing; impact of the ongoing cost and efficiency programme; and hybrid ways of working.

Outcome

Vodcast viewing figures and feedback are shared with the Chief Executive and used to shape vodcasts and ensure content is what colleagues want to hear.

RECRUITMENT AND RETENTION

How the Board monitors culture	Cultural insight gained
Annual review session by the Nominations Committee of senior management talent and succession planning led by the Chief Executive.	As well as a review of succession plans, this session also provided the Board with opportunity to understand how we had delivered the 2024 ITV people priorities, with focus on our key people processes, as well as how we are managing the people challenges and risks in the delivery of our digital transformation and more broadly the More Than TV strategy.

Outcome

The session was led by the Chief Executive, with a robust conversation on senior level succession planning as well as enabling the Nominations Committee to ask questions and challenge the strength of the succession plans and successor development. Additionally, the pre-read provided the Committee with details on the steps taken to deliver and execute on the 2024 people plan across our key people processes, including: hiring key talent; performance management; driving capability for all through learning and development; and our engagement strategy. The paper also outlined plans for 2025 and any areas of risk relating to our people, and how these are being mitigated.

Values in action – understanding and monitoring our culture continued

POLICIES AND PRACTICES

How the Board monitors culture	Cultural insight gained
Regular Board updates and relevant Committee updates on a broad range of risk and business integrity matters, including fraud, compliance, bribery, corruption and modern slavery, and standard supplier protocols and procedures. This is done through review of internal audit reports, Speaking Up data, compliance questionnaires, compliance reports, risk deep dives, incident reports, policies and training.	A broad understanding of practices and behaviours and how these align with the purpose, values and strategy of the Group, including an understanding of the approach to supply chain partners and the culture of risk ownership in the business.

Outcome

The Board and its Committees provide appropriate scrutiny and challenge of management and receive assurance over ITV's approaches to managing risk and business integrity matters.

How the Board monitors culture	Cultural insight gained
As part of the Board's culture assessment, reviews of ITV's values as set out in ITV's Code of Ethics and Conduct.	How the Code of Ethics and Conduct promotes the highest standards of ethical business, underpinning ITV's values and corporate culture.

Outcome

The Board continues to annually review ITV's Code of Ethics and Conduct to ensure it embodies ITV's values and culture and remains aligned to ITV's purpose (including its Social Purpose), vision, values and strategy and that there is appropriate compliance across the Group.

How the Board monitors culture	Cultural insight gained
Completion of mandatory training modules by all Board members on the Code of Ethics and Conduct, DE&I, Competition Law, Respecting each other at work, Fire Safety, Human Rights, Anti-Bribery & Corruption, Data Privacy & Protection, Cyber Security, Economic Crime (money laundering, tax evasion, sanctions), and Climate Action. Subsequent review of the understanding and embedding of the Code of Ethics and Conduct and related policies and standards through this training.	A deeper understanding of how ITV's values and standards are communicated and how colleagues are kept safe and secure and act in a compliant way.

Outcome

All members of the Board will continue to undertake training on an annual basis, to ensure their understanding of how colleagues are kept safe and secure and act in a compliant way remains current.

SOCIAL PURPOSE, DIVERSITY EQUITY AND INCLUSION

How the Board monitors culture	Cultural insight gained
Annual review of ITV's Social Purpose and Diversity Equity and Inclusion strategies, performance and plans.	How ITV's Social Purpose campaigns influence culture internally as well as externally.

Outcome

The Board will continue to monitor key priorities and initiatives in pursuit of ITV's Social Purpose and Diversity Equity and Inclusion strategies.

How the Board monitors culture	Cultural insight gained
Annual review of Social Purpose and Diversity Equity and Inclusion. Regular updates on progress on ITV's Diversity Acceleration Plan and feedback from ITV's inclusion networks. Regular monitoring by Nominations Committee of progress against diversity targets, with diversity on the Board agenda at least annually. Chief Executive attendance at ITV's Cultural Advisory Council, comprising a group of independent external advisers from a range of different industries and specialisms who advise, challenge and counsel ITV on its diversity, equity and inclusion activities.	The impact the Diversity Acceleration Plan is having on colleague sentiment and ITV's reputation as having an inclusive culture, and the latter's appeal to future employees. How ITV's culture is enabling progress to be accelerated through Group-wide diversity and inclusion initiatives.

Outcome

The Nominations Committee will continue to monitor progress being made to meet diversity targets to ensure recruitment and succession initiatives support ITV's Diversity, Equity and Inclusion strategy. See pages 32 to 33 for outcomes related to Diversity, Equity and Inclusion.

Values in action – understanding and monitoring our culture continued

SAFETY, WELLBEING AND MENTAL HEALTH

How the Board monitors culture	Cultural insight gained
Review by Audit and Risk Committee of the improvements to the Group's risk management processes and systems that drive health and safety behaviours in the areas of operational security, business continuity and duty of care. This includes the systems in place for our stakeholders to identify and raise health and safety issues, including duty of care and Speaking Up concerns.	Insight into the safety behaviours across all business areas (international and UK), including the culture of ownership of risk.

Outcome

Through regular Board updates from the Chief Executive and from the Audit and Risk Committee, the Board will continue to ensure the right processes and procedures are in place for the safety of our colleagues, suppliers, programme participants and viewers, and that ITV continues to uphold high standards of duty of care.

How the Board monitors culture	Cultural insight gained
Audit and Risk Committee review of duty of care updates from the Duty of Care Operating Board (also reported to the Board), on the processes and standards in place for colleague and other relevant stakeholders' wellbeing. Feedback from the Ambassador and Network groups, and Mental Health Advisory Group (external experts), included guidance and support on ITV's approach to mental health and wellbeing with colleagues, production teams, participants in our programmes and viewers.	How the mental wellbeing processes and support for colleagues and stakeholders continue to enhance ITV's culture where social inclusion is embraced and mental health issues are understood, accepted and safeguarded.

Outcome

The Board, through the Chief Executive and Duty of Care Operating Board continues to regularly monitor colleague wellbeing (including mental health) and the efficacy of initiatives on culture. The Audit and Risk Committee Chair attends all Duty of Care Operating Board meetings, on behalf of the Board, providing Board oversight, challenge and support and enabling direct feedback to the Board.

SPEAKING UP

How the Board monitors culture	Cultural insight gained
The Board receives data on Speaking Up reports received via the independent Safecall facility and other relevant channels available across ITV, at every Board meeting. In addition, the Audit and Risk Committee reviews and monitors the effectiveness of the Speaking Up policy, processes and framework annually and receives Speaking Up reports at least twice a year providing analysis of complaints received, those substantiated, process for investigating, themes and actions taken. Feedback is given to the Board.	A perspective on the nature of colleague concerns and trends in the behaviours of colleagues generally. Insight into how concerns are handled by ITV and indications of how the alternative routes for raising all risk concerns are being utilised.

Outcome

The Audit and Risk Committee will continue to monitor the effectiveness of the Speaking Up framework, and feed back to the Board on how this has supported the openness of ITV's culture.

REMUNERATION

How the Board monitors culture	Cultural insight gained
Review by the Remuneration Committee of the wider employee reward framework, including gender, ethnicity, disability and LGBTQ+ pay gaps, CEO pay ratios and how our approach to Directors' remuneration aligns with our approach for the overall workforce. Integration of ESG measures into incentive targets. Live Q&A and remuneration discussion for Ambassadors hosted by the Reward Director, which was reported back to the Committee.	Insight into the role that remuneration and setting performance goals has on promoting the right behaviours and the extent to which incentives and rewards are aligned with culture.

Outcome

The Remuneration Committee will continue to report to the Board on colleague sentiment in relation to retention and reward initiatives.

Board evaluation

An evaluation of the Board and its Committees is carried out annually and externally facilitated every three years, with an internal review conducted this year.

BOARD EVALUATION CYCLE

YEAR 1 (2022)	YEAR 2 (2023)	YEAR 3 (2024)
Independent, externally facilitated review of: ▪ Performance against targets set for 2021 ▪ An external evaluation carried out by an advisory firm ▪ Areas of focus identified for 2023	Year 2 internal review focused on year 1 issues raised and any new issues arising. The process for internal review is determined on a year-on-year basis.	▪ Year 2 progress reviewed internally, and any areas of focus identified ahead of the external evaluation in 2025

In 2024, the Board undertook an internally facilitated evaluation using bespoke online questionnaires. A description of the process followed for this year's review is detailed below.

STAGE 1 **Evaluation process planning** July – September 2024	The General Counsel and Company Secretary considered and consulted with the Chair on the approach for 2024, incorporating recommendations from the 2018 Code, Parker Review and FRC Guidance on Board Effectiveness.	A focused questionnaire was designed to gather individual Directors' perceptions of the effectiveness of the Board and its Committees and their operations.
STAGE 2 **Questionnaire responses and one-to-one meetings** September – October 2024	The questionnaires were issued to Directors. The General Counsel and Company Secretary, regular attendees of the Board and Committee meetings and some external advisers also completed certain sections of the questionnaires to allow their views to be taken into account. Directors were asked to comment on a range of issues including: ▪ Board composition and diversity; dynamics and expertise; time management; Board support; stakeholders and workforce engagement; strategic oversight; risk management and internal controls; succession planning; and priorities for change	▪ Committee and Committee Chair effectiveness; annual plans and agendas; Committee composition; and time management ▪ The Chair's relationships and communications with Board members; chairing and managing of Board meetings; and relationships with the Company's shareholders ▪ Each individual's preparation for and attendance at meetings; ability to commit sufficient time; relationships with fellow Board members; the extent to which knowledge and experience are drawn upon; and overall contribution
STAGE 3 **Evaluation and reporting** December 2024	The General Counsel and Company Secretary collated the individual responses, including analysis of themes and proposed actions. A detailed report, setting out the findings of the evaluation, was provided to the Chair for consideration, with the resulting report being tabled to the Board for further consideration and comment in December 2024. The same process was followed for each Committee evaluation and feedback was provided as necessary.	The evaluation found that the Board and its Committees continue to operate to a high standard. The Directors work effectively together and value each other's contributions at Board and Committee meetings. The Senior Independent Director led a separate evaluation of the Chair with the Non-executive Directors to appraise the Chair's performance. It was concluded that Andrew Cosslett's performance and contribution were strong and that he demonstrates effective leadership.
STAGE 4 **Consider results and agree actions** February 2025	The Board discussed the findings and endorsed the proposed action plan at its meeting in February 2025. The findings of the evaluation exercise were fully considered when making recommendations in respect of the appointment and reappointment of individual Directors, and included an assessment of their independence, time commitment and individual performance. The respective 2025 AGM Resolutions were considered and agreed by the Board. The proposed actions arising from the evaluation were thoroughly discussed and agreed for implementation and monitoring.	
STAGE 5 **Monitor progress** February 2025 onwards	The Board will continue to oversee the progress made in relation to the agreed actions to ensure their timely completion.	The Nominations Committee will also continue to play a key role in monitoring the actions relating to Board succession, composition, recruitment and induction.

Board evaluation continued

PROGRESS AGAINST 2023 ACTIONS

Action	Outcome
A request for a greater focus on succession planning for the Executive Leadership team including greater direct engagement and interaction with management, visibility of potential successors for Group Executive Committee from within the business and opportunities to meet other layers of the organisation	This was a key focus for the Nominations Committee in 2024. ▪ The whole Board were invited to attend the November Nominations Committee for a senior management succession planning session ▪ Members of the ELT were regularly invited to attend and present at Board meetings ▪ Board dinner held with selected members of the ELT
A request to reweight agendas to allow for more strategic discussion	The agendas were reviewed to ensure that operational matters were included as appropriate and when required for strategic understanding or governance purposes. Pre-reads were also included where practical. The format of Board reports were considered to ensure there is a clear link to strategy and KPIs with inclusion of one-page Executive Summary that clearly sets out key points and the requirement of the Board, with shorter appendices showing key details.
A request for ways to improve stakeholder engagement	In line with the suggestions made, it was agreed that this is kept under constant review and where appropriate key stakeholders would be invited to attend Board meetings.
A request for more Non-executive Director reserved time	NED-only sessions added to the end of Board meetings.

2024 INTERNAL EVALUATION OUTCOMES AND ACTIONS

<table>
<tr><th>Areas of focus identified:</th><th colspan="2">Our key follow up actions:</th></tr>
<tr><td>To continue to reserve sufficient time on the agenda for strategic debate, including review of alignment of KPIs and response to adverse economic conditions</td><td rowspan="3">To ensure that agendas and Board papers are clearly linked to and give sufficient time for debate on strategy, KPIs and key risks, and consideration of content and additional matters.</td><td rowspan="4">The Chair and General Counsel and Company Secretary are responsible for driving the actions forward. They compiled an action plan listing specific actions to address the findings of the evaluation and further enhance the Board's effectiveness. The Board will monitor the implementation of the follow-up actions and review progress against the recommendations.</td></tr>
<tr><td>To spend time considering key risks and risk appetite to ensure they align appropriately with strategy</td></tr>
<tr><td>More visibility on content and editorial matters</td></tr>
<tr><td>Continued focus on succession planning for the Executive Directors and the Group Executive Committee</td><td>Remains a key focus for the Nominations Committee in 2025, with recommendations to be presented to the Board.</td></tr>
</table>

Directors' ongoing development and time commitments

Ongoing training and development

The ongoing development of Board members is crucial to ensure that they remain well-informed on changes to the business environment in which ITV operates (including on legal, regulatory, compliance and governance matters) and effective in providing challenge on a wide range of topics. The Chair, with the support of the General Counsel and Company Secretary, keeps the training and development needs of Directors under review.

During the year, all Directors were provided with briefings, presentations, deep dives, teach-ins and guest speakers on a range of subjects. The Directors' development and training programme covered topics identified in the 2023 Board evaluation, as areas on which Directors felt they could benefit from additional training or support. The programme included:

- Deep dive sessions on the value drivers for both Studios and M&E and the KPIs underpinning them
- An update on the impact of Artificial Intelligence
- Refresher training on Executive Remuneration and an update on relevant trends
- Regulatory updates on the Corporate Social Responsibility Directive Regulations and 2024 Corporate Governance Code
- Completion of the mandatory training for colleagues (on ITV's Code of Ethics and Conduct, Cyber Security, Data Protection and Privacy, Climate Action and Diversity, Equity and Inclusion)

Directors are encouraged to ask for any support they need and are reminded that there is always an open line to management on any topic. Non-executive Directors also have access to relevant professional technical briefings from the audit and professional services firms, including the Deloitte Academy Director updates. In addition, each Director may obtain independent professional advice at the Company's expense where they judge it necessary to discharge their responsibilities.

Time commitments

The Directors have demonstrated a strong commitment to their roles on our Board and Committees with full attendance at Board and Committee meetings in 2024. The Directors have given careful consideration to their external time commitments to ensure that they are able to devote an appropriate amount of time to their roles at ITV. For each Director, the Board considers that their external time commitments do not compromise their commitment to their roles on the ITV Board, Committees and otherwise. The Nominations Committee reviews, on an ongoing basis, Directors' time commitments against the recommended guidance from investor bodies and ITV's top shareholders, to anticipate any perception of 'over boarding' at the forthcoming AGM. The Committee was able to confirm that it was fully satisfied with the amount of time each Director devoted to the business.

During 2024, the Board considered changes in the time commitments of the Directors. There were no role changes or new appointments that needed the Board's additional consideration.

Nominations Committee report

In this report

The purpose of this report is to highlight the role that the Nominations Committee plays in ensuring that the Board has the appropriate balance of skills, experience, knowledge and background to provide the breadth, depth, diversity of thinking and perspective needed to effectively deliver long-term sustainable success.

Andrew Cosslett
Chair

Who is on the Committee

The Committee is composed entirely of Non-executive Directors (NEDs).	The members of the Committee in 2024 were: ▪ Andrew Cosslett (Chair) ▪ Salman Amin ▪ Edward Bonham Carter ▪ Graham Cooke ▪ Margaret Ewing ▪ Sharmila Nebhrajani Full details of attendance at Committee meetings can be found on the table on page 67 Detailed biographies can be found on pages 62 and 63

Our role

Following each meeting, the Committee communicates its main discussion points and findings to the Board. The Committee's terms of reference can be accessed on our website. www.itvplc.com/about-itv/corporate-governance/terms-of-reference	The main role of the Committee is to: ▪ Regularly review Board composition and the balance of skills, knowledge, experience and diversity ▪ Determine when appointments and retirements are appropriate, and lead on any Director searches ▪ Give full consideration to succession planning and oversee the development of a diverse pipeline for succession, at Board and senior management levels ▪ Set measurable objectives on Board diversity and monitor progress on these objectives, as well as review Company-wide targets

Meetings in 2024

	January	July	November
In addition to Committee members, the Chief Executive, Chief People Officer and General Counsel and Company Secretary regularly attended meetings of the Committee.	▪ Review of Board Diversity Policy ▪ Director time commitments and 'over boarding' considerations ▪ Proposed for re-election of Directors at the AGM ▪ Review of draft Nominations Committee Report in Annual Report ▪ Proposed 2024 Committee schedule	▪ Indicative timeline and process for internal Board evaluation ▪ Annual review of terms of reference ▪ Annual review of the register of interests ▪ Company diversity progress update ▪ Organisation structure	▪ People strategy review (including review of executive succession plans) ▪ Board succession planning

Annual review

An annual review of the performance of the Committee is conducted each year.	▪ In 2024, an internally facilitated Board evaluation was undertaken which included a review of the Committee. The results are summarised on pages 84 to 85 ▪ Overall, the evaluation concluded that the Committee is working effectively and responding appropriately to its terms of reference ▪ As part of the Committee's succession planning agenda, the key priorities identified for 2025 were to continue to focus on Executive and Non-executive succession planning for the Board, as well as senior management talent retention and succession

Nominations Committee report continued

BOARD DIVERSITY

45.45%
Representation of Women on the Board

In line with Parker Review, the Listing Rules and Hampton-Alexander Review recommendations

18.18%
People of Colour Board representation

Board composition and succession planning

Composition

During the year, the Committee undertook an analytical review of the Board and Committee composition, assessing the range and balance of skills, experience, diversity, knowledge and independence to identify any gaps and inform the Non-executive Director searches. The review concluded that the representation of Board diversity was strong and the Directors as a whole had the right skills, knowledge and experience to enable ITV to execute its strategy. To strengthen this there were a couple of changes made to Committee membership. In May 2024, Edward Bonham Carter stepped down from the Audit and Risk Committee and was appointed to the Remuneration Committee. In January 2025 Marjorie Kaplan joined the Audit and Risk Committee. Further to discussions and taking into consideration current Non-Executive tenures on the Board, it was agreed that a search would be instigated for an additional Non-executive Director with financial expertise.

Non-executive Director succession planning

During the year the Committee spent time focusing on the succession for each of the non-executive roles to take account of tenure and to ensure the size, structure, composition and diversity of the Board and its Committees are appropriate. Where appropriate it identified internal candidates or where an external search may be needed, both for emergency and longer-term succession.

Executive Director and Group Executive Committee succession planning

During the year, the Chief Executive and Chief People Officer reported on the succession planning measures in place for the Group Executive Committee (including the Executive Directors), as well as the direct reports to Group Executive Committee members.

This included Group Executive Committee and Executive Leadership Team bench strength analysis for each role identifying short and medium-term successors and the diversity of the pipeline.

During the year the Executive Leadership Team was refreshed to build strength and to identify those critical leaders required to drive delivery of ITV's strategy and transformation programmes. The Committee was satisfied that the Company has effective executive succession planning processes in place, including appropriate development plans for key individuals, and was able to understand the roles for which external candidates may need to be considered. The Committee also had a session on improving the strength, depth and diversity of Group aspiring leadership.

Board diversity policy

Our objective to drive the benefits of a diverse senior management team and wider workforce is underpinned by our Board Diversity Policy.

Our belief is that diversity at all levels is incredibly important as it allows the organisation to harness the benefit of differences in skills, experience, culture, personality, background and work-style. We are proud of our commitment to driving further diversity on a Group-wide basis. Please refer to pages 32 to 33 for further information on our Group-wide diversity plan and targets.

The Chair regularly reviews the composition of the Board and its Committees to ensure that they are representative of society and include directors from the widest range of backgrounds. Set out below are the objectives of our Board Diversity Policy and our assessment of performance against them. These objectives ensure that both appointments and succession planning support the development of a diverse pipeline.

Ensure ITV has a development pipeline of high calibre senior executive candidates and encourage senior executives to obtain external board experience.

- The ongoing development of senior leaders, to ensure we retain the best talent and to broaden their skill sets and experience to prepare them for future senior roles is important to us. ITV runs a high potential leadership programme, building a pipeline of diverse talent for senior level roles. The Rise Programme launched in 2020 continues to promote People of Colour talent progression at the manager level by providing People of Colour colleagues greater visibility with senior leaders through networking and sponsorship, alongside career coaching. The programme also works with managers and Executive Leadership Team advocates to build race confidence and accelerate an inclusive culture change at ITV
- Bespoke development initiatives are in place for senior executives who have been identified as potential successors, based on particular development needs. These include:
  - External executive coaching, with clear coaching objectives (including 360 degrees feedback where relevant)
  - Psychometric testing, such as the Hogan Leadership series that identifies leadership strengths, derailers and values
  - Mentoring by a Non-executive Director
  - Business School executive education programmes
  - Non-executive Director and Trustee appointments where there is a suitable match and development support for those interested in these opportunities

Maintain at least 40% Directors who are women on the Board over the short to medium term

As at 31 December 2024, the Board had 45.45% women representation, including one Executive Director and two Committee Chairs. We have therefore exceeded the target of 40% of women on the Board set by ITV and the FCA Listing Rules, as well as the Hampton-Alexander target of 33%. Whilst the Board recognises that an effective Board with broad strategic perspective requires diversity, ultimately the Board appoints candidates based on merit and assesses potential Directors against measurable, objective criteria.

Nominations Committee report continued

Our principles for Board diversity also apply to our Group Executive Committee and senior management below this level. We are therefore pleased that in 2025 the FTSE Women Leaders Review ranked ITV sixth out of the FTSE 250 and third of the Media sector for representation of women in leadership, with 49.4% women in the Group Executive Committee and their direct reports. ITV was recently listed as the top ranking UK broadcaster/streamer in the Financial Times-Statista 2025 Europe's Diversity Leaders list that rates companies for their inclusion and equality policies.

Maintain at least 10% Directors who are People of Colour on the Board over the short to medium term

As at 31 December 2024, the Board had 18.18% representation of People of Colour with two Directors represented on the Board. We therefore also comply with the recommendation of the Parker Review and the FCA Listing Rule requirement to have at least one director of colour on the Board.

Use search firms who have signed up to the Voluntary Code of Conduct on gender diversity

The Board supports the provisions of the Voluntary Code of Conduct for Executive Search Firms which addresses gender diversity on corporate boards and best practice for related search processes. The Committee ensures that executive search agencies used for Non-executive Director searches are signatories to this code.

When conducting a Non-executive Director search, the Committee works closely with the executive search agency to compile a long and shortlist of candidates. Non-executive short lists include at least 50% female candidates, whilst also ensuring that the non-executive search pool is sufficiently wide to include other types of diversity, e. g. People of Colour, Deaf Disabled and/or Neurodivergent candidates with a broad range of expertise, skills and backgrounds.

Andrew Cosslett
Chair
6 March 2025

Listing Rule 6 Annex 1

In accordance with Listing Rule 6.6.6R (10), our gender and ethnicity data in the format set out in LR6 Annex 1R as at 31 December 2024 is below.

The Board and Group Executive Committee members are asked to complete a diversity monitoring form to confirm which of the categories set out in the table below they identify with. As Carolyn McCall and Chris Kennedy sit on both the Board and Group Executive Committee they have been counted in both totals.

Gender	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, Chair and SID)	Number of Executive Committee Members	Percentage of Executive Committee
Men	6	54.55	3	8	72.73
Women	5	45.45	1	3	27.27

Ethnicity	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, Chair and SID)	Number of Executive Committee Members	Percentage of Executive Committee
White British or other White (including minority white groups)	9	81.82	4	10	90.91%
Mixed/Multiple Ethnic Groups	-	-	-	-	-
Asian/Asian British	2	18.18	-	-	-
Black/African/Caribbean/Black British	–	–	–	1	9.09%
Other ethnic group	–	–	–	–	–
Not specified/ prefer not to say	-	-	-	-	-

A copy of the Board Diversity policy can be found on our website
www.itvplc.com/about-itv/corporate-governance/policies

Audit and Risk Committee Report

In this report

The purpose of this report is to highlight the role of the Audit and Risk Committee in ensuring oversight of the integrity of financial and non-financial reporting, effectiveness of audit arrangements and robustness and effective operation of internal controls, compliance and risk management processes.

Margaret Ewing
Chair, Audit And Risk Committee

WHO IS ON THE COMMITTEE

Composition

The current members of the Committee are:

- Margaret Ewing (Chair)
- Dawn Allen
- Graham Cooke
- Marjorie Kaplan

Full details of attendance at Committee meetings can be found on the table on page 67

Detailed biographies can be found on pages 62 and 63

The Committee is composed entirely of independent Non-executive Directors.

The Committee members have, between them, a wide range of relevant sector and financial experience, enabling the Committee to fulfil its terms of reference. This includes providing independent and robust challenge to management and our internal and external auditors, to ensure there are effective and high-quality controls in place and appropriate judgements are taken. For the purposes of the Code, the Board considers that Margaret Ewing and Dawn Allen have recent and relevant financial experience. Edward Bonham Carter stepped down from the Committee on 1 May 2024 and Marjorie Kaplan joined on 29 January 2025.

Dear Shareholder

On behalf of the Board, I am pleased to present the 2024 Audit and Risk Committee (ARC) Report which sets out the key areas of focus during 2024 and until the date of this report .

During 2024, the focus of the Group has been on the strategic restructuring and efficiency programme undertaken to reshape the cost base and enhance profitability, whilst continuing to grow as a vertically integrated broadcaster and streamer, further developing ITVX, growing the global Studios business and digitally transforming the M&E business. ITV colleagues have, despite an incredible workload, risen to the challenge and delivered positively and effectively. In this environment, the Committee has continued to focus on risk management, and the impact of the ongoing restructuring on internal controls, financial and accounting implications of the strategy implementation, and preparing for the evolving legal and regulatory changes.

Throughout 2024 I have maintained regular dialogue with all members of the Committee, the Group CFO & COO, and other members of management, including meeting with relevant 'agenda topic owners' prior to each Committee meeting to ensure the Committee is provided with the necessary information to enable it to guide, challenge and advise and, when required, make informed decisions. I also met with ITV's legal advisers in respect of ongoing litigation and other legal matters and met privately throughout the year with the lead external audit partner from PwC, and lead internal audit partner from EY, ITV's provider of outsourced internal audit.

Following the launch of wave 1 of the ITV Together Oracle Fusion finance and HR systems and functional transformation in 2023, the detailed post go-live stabilisation plan was implemented in 2024 with clear focus on change management, governance and priority action. Post stabilisation, the focus has been on the next phase to establish an effective Corporate Services operating model to support the transition of the programme to business as usual and continuous improvement. Management has continued to implement a detailed programme of remediation and enhancement to address internal control recommendations highlighted by the internal and external auditors in 2022 and as part of the ITV Together implementation. The Committee received reports from management and external and internal auditors at each of its meetings on the progress in the execution of the remediation programme. The Committee recognises that good progress has been made and is confident the Group now has an effective control environment; however, the Committee also acknowledges that the Group is on a journey of maturity and improved formalisation, automation and monitoring of its control processes will continue to be an area of key focus for the Committee during 2025, in preparation for reporting on the 2024 UK Corporate Governance requirements in 2026.

The Committee has spent considerable time reviewing and scrutinising the Group's financial results, ensuring it had clear oversight of the evolving impact of the Group's strategy on the business and its financial affairs plus emerging risks. This included adjusted performance measures and exceptional items, progress of certain legal and regulatory matters, disclosure and provisioning implications. Details of the significant financial reporting issues we considered can be found in this report.

The Committee has also spent time considering the Principal and Emerging Risks to ensure they reflected the evolving internal and external landscapes, with mitigations implemented where possible, and that the Group continued to operate within the risk tolerances determined by the risk appetite set by the Board and that the potential financial effects of these risks are factored in the forward looking going concern and viability assessments where relevant. In November and January there were deep dives into the Group's approach to Artificial Intelligence (AI), including the ARC's roles in relation to AI .

Audit and Risk Committee Report continued

Given the rapid advancements in technology and the future expected impact on ITV, AI has been elevated to a principal risk and a management committee has been established to consider ITV's strategy and roadmap in this area. In addition, a management committee (the Risk Committee) has also been established to better consider and co-ordinate mitigations and activity related to all key risks across the Group.

The Committee has also focused on upcoming regulatory developments such as the 2024 Corporate Governance Code and sustainability reporting, including the Corporate Social Responsibility Directive (CSRD), and the compliance implications or ITV. A dedicated Board session was held regarding CSRD and the role of the Board and ARC.

Information regarding the Board's stakeholder engagement is set out on pages 69 to 77, which also indicates where the Committee took account of the views of the Company's key stakeholders and considered their interests in its discussions and decision-making. This included, in May, attendance at the Committee meeting by Sir Clive Jones, the Chair of the Pension Scheme Trustee, to provide an update on the Trustee's Pension investment strategy and governance arrangements.

I personally want to thank all ITV colleagues and other parties involved in the Group's corporate and financial integrity, controls, recording and reporting and risk management for their immense effort, fortitude and loyalty during 2024 – a year that has delivered very significant change and improvement within ITV in a very short time frame against a very difficult and volatile external environment.

I hope that you find this report informative and can continue to take assurance from the work undertaken by the Committee this year.

Margaret Ewing
Chair, Audit And Risk Committee
6 March 2025

2024 Key Matters

Matters considered at the meetings are set out on the pages that follow.

Meetings in 2024

The Committee held five scheduled meetings during the year, and one ad hoc meeting.

In addition to Committee members, the Chair of the Board, Group CFO and COO, Group Director of Finance, Group Financial Controller, General Counsel and Company Secretary, Group Director of Risk Management, Head of Internal Audit (EY) and External Audit lead partner (PwC) regularly attend meetings. There were a number of private sessions during the year when the Committee met with the External Audit lead partner and, separately, the Head of Internal Audit.

Our role

The Committee's terms of reference, reviewed annually and last updated in July 2024, can be accessed on our website.

The Committee's principal responsibilities are to oversee and provide assurance to the Board on the integrity and quality of financial and non-financial reporting, effectiveness of audit arrangements and robustness and effective operation of internal controls, compliance and risk management processes. The Committee meeting agendas are tailored to ensure emerging topics are included and to allow for ad hoc discussion and reviews. A summary of the Committee's activities from the date of our 2024 report and until the date of this report is detailed on the following pages.

Annual Review

In 2024, an internally facilitated evaluation of the Committee's performance was undertaken. Participants in the evaluation, in addition to Committee members, included all regular Committee meeting attendees.

The evaluation concluded that the Committee continues to work effectively, is highly engaged and is responding appropriately to its terms of reference.

Although the evaluation did not identify any concerns, the Committee has agreed that the areas it will focus on in 2025 will include:

1. ITV's approach and implementation plan and readiness to comply with CSRD and all other existing and emerging regulations and legislation regarding sustainability, climate and other ESG related matters
2. The ongoing implementation of enhancements to the risk management and internal controls frameworks across the Group, ensuring the Group will be ready to comply with the new requirements of the 2024 UK Corporate Governance Code
3. An increased focus on AI and cyber security

In addition, the Chief Executive and other members of the Executive Committee will be invited to attend relevant parts of Committee meetings on a more regular basis to provide additional strategic and operational insight to the Committee's reviews and decision-making.

Audit and risk committee report continued

EXTERNAL REPORTING

Our role	Reviewed
▪ Monitor the integrity of published financial information and non-financial information ▪ Review and challenge significant financial reporting issues, estimates and judgements ▪ Review the appropriateness of accounting policies, practices and disclosures ▪ Ensure compliance with relevant legal and financial reporting standards and regulatory guidance ▪ Ensure consistency of non-financial disclosures, including climate risks and opportunities, and compliance with related evolving regulatory non-financial reporting requirements ▪ Provide advice to the Board on whether the Annual Report and Accounts ('ARA') are fair, balanced and understandable and the appropriateness of the risk disclosures, going concern statement, the long-term viability statement and the statement regarding effectiveness of the internal controls and risk management systems	▪ Quarterly, interim and full year results statements, prior to recommendation to Board for approval, together with supporting reports from the Group Director of Finance highlighting all key judgements and estimates ▪ External auditor reports, including progress updates, regarding interim review and full year audit ▪ Final draft 2024 ARA, prior to recommendation to Board for approval, including review of the Group Financial Statements, Principal and Emerging Risks disclosure, and Non-financial reporting and disclosures and assessment that the ARA are fair, balanced and understandable ▪ Assessment of appropriateness of going concern and viability statements, including management reports on all key judgements, scenario assumptions, supporting analysis/evidence, reporting and disclosures ▪ Litigation updates, including status reports and potential impact on financial results in respect of Box Clever, CMA matters and other legal matters ▪ Key accounting judgements ▪ Reports on potential acquisitions and earnout liabilities and performance against acquisition business case criteria ▪ Pension matters, including the IAS 19 accounting surplus and underlying assumptions ▪ Assessment of appropriateness of identification and classification of exceptional items and alternative performance measures ('APMs') ▪ Regular tax updates and recommendation of updated tax strategy to Board for approval, having ensured the relationship with tax authorities, particularly HMRC, is collaborative, open and transparent ▪ Treasury, tax and dividend policies, updates and funding strategy ▪ Developments in financial and corporate reporting, particularly in respect of CSRD and other ESG/climate-related regulatory reporting requirements (see climate-related governance later in this report) ▪ Finance team structure and resourcing ▪ Process to allow subsidiary entities to be considered for audit exemption using a parental guarantee ▪ Progress in preparation, audit and filing of all FY23 subsidiary statutory accounts by regulatory filing dates

Audit and risk committee report continued

SIGNIFICANT AUDIT RISKS AND ACCOUNTING JUDGEMENTS

In planning its agenda and reviewing the audit plans of the internal and external auditors, the Committee has considered significant operational and financial issues and risks which may have had an impact on the Company's financial statements, internal controls and/or the delivery and execution of the Company's strategy (including changes in the nature and significance of some of the Group's Principal Risks).

The Committee focused on assessing whether management had made appropriate judgements and estimates in preparing the Company's financial statements, particularly with regard to the significant issues listed below. These issues were subject to robust challenge and debate between management, the external auditor and the Committee. The Committee also reviewed detailed external auditor reports outlining work performed and any issues identified in respect of key judgements and estimates – see the Independent Auditor's Report on pages 130 to 136. The Committee concluded there was no significant disagreement or unresolved issue that required referral to the Board.

Risk of fraud (particularly in revenue recognition)

Issue	Action taken by the Committee	Outcome/future actions
The nature of ITV's business, including advertising and production, means that there are potential risks of revenue recognition and other fraud, including collusion with advertisers, facilitation payments, fraudulent payments to suppliers or employees and manipulation of profits or hiding fraud by use of accounting journals.	Review of the work undertaken to update ITV's Fraud Risk Management Framework in line with the UK's new corporate offence of 'Failure to Prevent Fraud'. In 2024, the framework has expanded beyond the scope of core finance, and now includes both commercial and production fraud risks. Moreover, the analytics used to monitor high-risk fraud transactions have been continually assessed and enhanced. The Committee also considered the Group's changing risk landscape and the implications for non-financial fraud risk. In addition, the Committee reviewed the results of PwC's data auditing techniques for advertising revenue, journals and payroll as well as their conclusions relating to fraud risk in revenue recognition.	The new UK corporate offence of 'Failure to Prevent Fraud' comes into effect from September 2025. The Committee considered ITV's plan to respond to the new legislation including: ▪ Further risk assessment workshops and training for UK and International Studios and Group Central Services colleagues ▪ Review of the procurement process to ensure updated fraud risk provisions are included within the supplier selection and negotiation process ▪ Updates to training content and targeted training of senior management ▪ Testing of anti-fraud controls, including any remediation where necessary The Committee agreed with management's assessment that the overall control framework remained effective and the Group's revenue recognition processes included a robust control framework to effectively mitigate the risk of material financial fraud.

Exceptional items including APMs

Issue	Action taken by the Committee	Outcome/future actions
During 2024, management proposed a number of matters to be classified as exceptional items and/or APMs. (See note 2.1 to the financial statements and page 36 for an explanation of the exceptional items policy).	The Committee continued to closely scrutinise the application of the Group's policy on exceptional items and APMs, spending considerable time reviewing the existing policy and challenging management's proposed classification. The Committee scrutinised in particular those exceptional items that recur over a number of years, such as restructuring, and transformation costs, or frequently occurred, e.g., legal costs, and considered the views of the external auditor.	The Committee concluded that the policy in respect of exceptional items and APMS, and management's approach to these items, were appropriate. The Committee also recognised that management had exercised discipline on the categorisation of costs as exceptional items and APMs, the policy had been applied consistently and the amounts were clearly disclosed in the ARA. The Committee will continue to review the exceptional items and APM policy and definitions regularly, consider evolving regulatory scrutiny and challenge the impact of exceptional items and other APMs on reported earnings.

Audit and risk committee report continued

SIGNIFICANT AUDIT RISKS AND ACCOUNTING JUDGEMENTS

Review of legal cases

Issue	Action taken by the Committee	Outcome/future actions
ITV is subject to ongoing legal disputes where the outcome is not certain, including the quantum of liability (actual or possible) in respect of the Box Clever pension scheme deficit, and the UK Competitions and Markets Authority (CMA) investigation that commenced in 2023.	Throughout 2024, the Committee reviewed management's updates on its various outstanding legal cases and any potential liability that might arise from them. In addition, twice during the year, the Committee Chair met with the Company's various external legal advisers to understand their perspectives on the status of the various legal cases. In respect of Box Clever, the Committee continued to receive regular updates on progress in settling the dispute in accordance with the Heads of Terms that were agreed in July between ITV, the Pension Regulator (tPR), the Board of the Pension Protection Fund (PPF) and the ITV Scheme Pension Trustee and ensured that the resulting provisioning and disclosure required in relation to this long-running legal matter is appropriate. A Settlement Agreement was signed in December (see note 3.7 of the Financial Statements for further information). With regards to the CMA investigation, the Committee considered the contingent liability disclosure proposed by management and agreed with management's conclusion that it is not possible to reliably quantify any liability that might result from the investigation. The Committee discussed the provisions held and related disclosures in respect of all other material legal cases.	Following considerable discussion and input from the external auditor and legal adviser, the Committee agreed that the provision and disclosure made in respect of Box Clever was appropriate, given the agreement with the Pensions Regulator, Box Clever pension trustees and the ITV Pension Trustees See note 3.7 to the Financial Statements. The Committee agreed that the contingent liabilities disclosure proposed by management was appropriate. The Committee also considered other ongoing legal matters and agreed with management's proposed position and related disclosures.

Audit and risk committee report continued

OTHER SIGNIFICANT ISSUES IMPACTING FY24 AND/OR FUTURE YEARS

Acquisitions and related liabilities

Issue	Action taken by the Committee	Outcome/future actions
Acquisition liabilities are amounts payable to former owners of businesses acquired for remaining minority shareholdings. The payments are linked to the financial and/or operating performance of the business over future periods and are usually linked to continued employment.	The Committee reviewed management's process to determine the expected future payments and the related year end liability, including the classification of those costs linked to employment as exceptional. In 2024 two new companies were acquired: Hartswood Films Limited and Eagle Eye Drama Limited. The Committee considered management's post-acquisition review and, in light of the review, the appropriateness of the anticipated future payments.	The Committee agreed with management's assessment of expected future payments for Hartswood Films Limited and Eagle Eye Drama Limited, and other previous acquisitions.

Pensions risk management

Issue	Action taken by the Committee	Outcome/future actions
Managing the impact of economic turbulence in the year on the investment strategy of the ITV Pension Scheme and the valuation of pension assets and liabilities.	The Committee received an update on the management of the Group's pension risks, with a focus on investment governance and strategy. Strong risk management and maintaining the risk exposure in balance were fundamental objectives.	The Committee noted the update and was confident that the actions taken meant that the risks identified continued to be managed and maintained as previously agreed with the Committee.

Treasury and financial risk management

Issue	Action taken by the Committee	Outcome/future actions
During 2024 the Committee considered updates from management on the impact of financial risks affecting the business.	The Committee reviewed the Group's debt maturity profile and the proposed options to address the short-term refinancing needs of the business with a term loan from relationship banks. Subsequently, a €500million Euro Bond with maturity in 2032 was issued and used to repay the £230million term loan (scheduled to mature in 2027) and 40% of the €600million bond (maturing in 2026). In addition, a £200 million Credit Default Swap (CDS) facility was established. The Committee received an update regarding changes to counterparties in existing liquidity facilities. The annual review of treasury policies focused on mitigation of foreign exchange risk.	The Committee considered, supported and approved management's proposed policy changes and the actions taken to mitigate other financial risks. The Committee also recommended to the Board the approval of the financing proposals of management to ensure the Group retains appropriate liquidity to support delivery of the Group's strategy, particularly in the current uncertain and volatile economic and political environment.

IR35

Issue	Action taken by the Committee	Outcome/future actions
From April 2021 the responsibility for undertaking IR35 employment status assessments, and where necessary withholding PAYE and paying NICs, passed to the employer, rather than remaining with individuals and their personal service companies. ITV has been in continuous discussion with HMRC on this matter throughout 2024.	The Committee considered updates from management on developments in the application of IR35 and status of ongoing discussions with HMRC regarding the tax status and treatment of 'front of camera' presenters who were not employees. During the latter part of 2024, the Committee considered management's proposed changes to the provision recorded at 30 June 2024, updated to reflect ongoing discussions with HMRC, including the removal of certain prior years no longer in scope. Management proposed to classify those amounts related to prior years as exceptional, given their materiality and nature.	The Committee considered and supported management's proposed increased provision and proposed accounting treatment, taking into account the external auditor's views. The Committee noted the outcome of ITV's discussions with HMRC and the implications for the relevant 'front of camera' individuals.

Audit and risk committee report continued

OTHER SIGNIFICANT ISSUES IMPACTING FY24 AND/OR FUTURE YEARS

Audio-Visual Expenditure Credits (AVEC)

Issue	Action taken by the Committee	Outcome/future actions
HM Treasury and HMRC have established a new audio-visual tax regime (AVEC), replacing the High-End Television (HETV) Tax Credit regime in the UK which results in a reduced effective tax rate and a potential Pillar 2 top-up tax liability.	The Committee considered the impact of implementing the new UK tax credit regime from 1 January 2024 on adjusted EBITA.	The Committee considered and supported management's recommendation noting that this would have no impact on the Group's future reported and adjusted profit after tax.

Going concern and viability assessments

Issue	Action taken by the Committee	Outcome/future actions
In light of the continuing uncertain economic environment, the Committee applied considerable scrutiny to management's assumptions, stress testing and scenario analyses supporting the going concern and viability statements as well as seeking impartial external views on ITV's viability.	The Committee reviewed and challenged management's process and assessment of going concern, longer-term prospects and viability by considering forecast cash flows, base case and downside scenario analysis, the results of further stress testing of those scenarios, and other principal risks, including continuing uncertainty in the macro environment. In reaching its view, the Committee also considered (i) analyst and other expert commentary to understand the wider market view on the Group's future financial performance and viability; (ii) Board-approved financial budgets and forecasts; (iii) the Group's financing facilities including covenants and future funding plans; and (iv) the external auditor's findings and conclusions on this matter. The Committee also considered the adequacy and accuracy of the disclosure in the 2024 ARA in respect of the Group's ability to continue as a going concern and its future viability.	Following this thorough review and strong challenge of management's assumptions, the Committee considered the assessment to be appropriate and recommended the viability statement and related disclosures for approval by the Board. The Committee also concluded that it remained appropriate to adopt the going concern basis of accounting in preparing the consolidated financial statements and the relevant ARA disclosure was appropriate. See pages 143-144. Given the uncertain economic outlook, and its impact on the demands for content production and advertising, the Committee will continue to closely monitor the Group's financial status and prospects.

Impairment assessment

The continued uncertainty in the economic environment, with increasing costs, inflation and interest rates, and its impact on the trading outlook for the Group, may give rise to indicators of impairment of value of certain Group assets.	The Committee considered and challenged: ▪ Management's assessment of the level of aggregation of assets for cash-generating units (CGUs) and agreed that no changes were required ▪ The basis for calculating the discount rate for each CGU, having sought the external auditor's views on the methodology applied and outcome, and consequently agreed that the discount rates were considered appropriate in the current economic environment ▪ Management's assessment of impairment, incorporating the cash flows used to assess going concern and viability assessment, and noted that no impairment was required in either the base case or other scenarios for the Studios and M&E CGUs. Management's assessment of the cash flows of the SDN CGU showed a significant decrease since the prior financial year and it was agreed that the related goodwill was impaired	Having received the views of the external auditor following their detailed audit of management's assessment of the carrying value of CGUs, including goodwill, the Committee agreed that the SDN goodwill was fully impaired but no impairment of the Studios or M&E CGUs or related goodwill is required.

Audit and risk committee report continued

RISK MANAGEMENT AND INTERNAL CONTROLS

Our role	Committee reviewed
• Assist the Board to establish and articulate overall risk appetite and oversee and advise the Board on specific strategic risk exposures and mitigations • Review the effectiveness of the risk identification and mitigation processes and undertake deep dives into high-risk business areas or processes • Review the effectiveness of the internal control and risk management framework • Oversee appropriate compliance, speaking up and fraud prevention arrangements	• Biannually, management's conclusions regarding principal and emerging risks and uncertainties and associated mitigations • Progress in implementing the enhanced ERM framework, including enhancements to the risk governance structure • Progress in improving operational risk management capability for security, duty of care, and crisis management • Insurance arrangements and policies, including how those support mitigation of principal and other financial risks • Progress in implementing the financial controls framework and establishing the Corporate Services operating model • Ongoing programme of improvements to technology and IT-related controls and governance environment • Mapping of the internal audit plan and other assurance provision to key principal and operational risk areas to understand assurance coverage • Outcome of the risk focused audits undertaken by the internal auditors, including implementation of agreed actions to address audit conclusions • Enhancements to the Speaking Up policy and report on ongoing actions taken to strengthen Speaking Up processes and further increase awareness across the organisation, including reflection and implementation of the relevant recommendations arising from the Committee's deep dive review in July 2023 and the external review by Jane Mulcahy KC. This has included the establishment of a Complaints Handling Unit, refreshed training and workshops and internal communication to break down barriers to speaking up • The continuing progress in the implementation of data privacy and governance enhancements, including actions arising from the internal audit of the effectiveness of relevant processes • Biannually, effectiveness of compliance framework and monitoring • The Group approvals framework, including M&A approvals process and approved amendments • Fraud risk and fraud prevention, detection and controls framework and its effectiveness • Transformation Programme updates, particularly in respect of ITV Together • Deep dives on the Group's resilience to key risks, including cyber, crisis management, duty of care, data privacy and Speaking Up • The internal audit conclusions and recommendations regarding the effectiveness and maturity of the second lines of defence in respect of the Group's financial, IT general, reporting, operational and compliance controls

Risk management

Throughout 2024, the Committee has remained focused on the evolving risk management framework and approach, given the Group's ever changing risk landscape, implementation of significant change programmes and internal structural changes requiring improved coordination of risk management.

The Committee has been very pleased to observe the significant progress that has been made in strengthening the Group's risk management framework during 2024, thereby establishing a solid foundation to navigate ITV's evolving risk landscape. The Group has adopted a more integrated approach to risk management, breaking down silos to ensure that operational and principal risks are cohesively managed, with enhanced ownership and further embedding a risk-aware culture across the Group. Cultural and capability risks are being addressed by ensuring education initiatives improve risk understanding across teams. These enhancements are essential as ITV adapts to emerging challenges such as generative AI and regulatory changes.

The Group's crisis management capabilities have been enhanced through simulation exercises with the Executive Committee (ExCo), which emphasised the importance of preparedness and agile decision-making. These exercises tested ITV's response mechanisms and identified opportunities to better align ExCo discussions with our risk appetite. The ongoing strengthening of the financial and technology control environment further demonstrates management's and the Board's commitment to robust governance.

The enhancements during the year and the Committee's discussions with management relating to risk management (plus results of relevant internal audits) provided a strong and solid basis for the Committee to be able to confirm to the Board that ITV has throughout 2024 maintained an effective and continually improving risk management framework. The Group has built a strong risk management foundation and is continually adapting to the changing risk environment. While the approach is effective, management are committed to refining risk appetite discussions, deepening accountability, and enhancing risk awareness across the business, ensuring ITV's risk management framework remains resilient and responsive to future challenges.

Audit and risk committee report continued

Internal controls over financial reporting

The Group's risk management framework is described in detail in the Risk and Uncertainties section of the Annual Report on pages 49 to 53. The Committee's role, described on page 91, is to ensure the risk framework remains resilient and allows the Group to respond appropriately to challenges, including emerging and principal risks. A key element of the internal controls and risk management systems is in relation to financial reporting processes and preparation of the consolidated accounts.

During 2024, the Committee received regular updates from the Financial Governance and Compliance team, following a second line assurance review of ITV's core finance processes and controls post Oracle Fusion Go-Live (part of the ITV Together programme that was implemented in early 2023). Where specific areas for improvement were identified, it was noted that remediation was already underway, or workaround controls were in place.

These updates provided the Committee with the opportunity to obtain additional visibility over the financial reporting control environment during the year, particularly those areas not covered in the Internal Audit plan. In addition, the Committee considered the suite of automated analytics that enable ongoing monitoring of high-risk financial transactions and access controls across Group systems. From an IT perspective, the Committee has observed significant improvements to the controls posture of key financial applications. It is satisfied with the progress made in addressing prior year improvement recommendations in certain aspects of the financial reporting control framework, as well as the ongoing initiatives aimed at driving continuous improvements in this area.

As part of the ARC's role in ensuring that the Group maintains effective and robust internal controls over its financial reporting, the Committee reviews in detail the consolidated financial statements and related commentary that supports the Group's published half year and full year results announcements (and audited annual financial statements) and the Q1 and Q3 trading updates. This review is facilitated by the monthly consolidated financial statements received and reviewed by the Group Executive Committee and Board. These include financial KPIs, with a detailed commentary explaining the key drivers of the financial performance and significant variances to the annual budget, updated forecasts during the year and prior year analysed and explained.

During 2024, following the implementation of the restructuring and efficiency programme, the Committee reviewed and approved amendments to the Group's approvals governance structure, approvals framework of delegated authority and approval limits, and policies and processes related to corporate transactions (including investments).

The Committee is satisfied that the Group's internal controls over financial reporting have operated effectively throughout the year, with no material weaknesses identified. The Committee's conclusion took into consideration the programme of internal audit reviews, second line Group Finance, Compliance, Data Privacy and IT assurance reviews, quarterly management financial and IT control self assessments, the year-end review undertaken by the external auditors plus the regular updates provided by management during the year on progress in addressing the improvement recommendations.

In 2025, the Committee will continue to receive regular updates from the relevant change programme and compliance, financial, operational and technology controls sponsors and leadership teams.

Generative Artificial Intelligence (GenAI)

The Committee is aware that GenAI has the potential to significantly accelerate change across the media industry. As well as providing creative and financial opportunities, the Committee is also aware of the emerging risk posed by GenAI and the potential impact on ITV.

During the year, the Committee was focused on understanding all aspects of GenAI and invited EY to hold a Board session with a focus on the assessment and mitigation of risk to further support the Committee's (and Board) oversight.

The Committee concluded upon recommendation from the management team that GenAI be elevated to a principal risk due to its transformative potential and the material implications (both positive and negative) for the business. To help mitigate this, a governance structure was put in place and the AI Governance Committee was set up to provide oversight and ensure that ITV's adoption and use of GenAI technology aligns with legal and ethical principals. The AI Governance Committee reports to the Group Executive Committee and works closely with management's Risk Committee providing regular updates to the Board and ARC on the following;

- Implementation of a GenAI Policy, internal communications and training
- The identification of operational and strategic risks
- Risk appetite and the elevation of GenAI as a principal risk
- Establishment of consistent approach to governance regarding technology
- The pilot of GenAI tools

In 2025 GenAI will remain a significant focus of the Committee given the importance of the rapid developments in GenAI and emerging risks.

Material Controls

In 2024, the Committee focused on ensuring compliance with the enhanced requirements of the 2024 UK Corporate Governance Code regarding internal controls. This included supporting the development of a comprehensive Group-wide programme to reconfirm our material controls, encompassing all key risk areas.

The Committee actively engaged with management on this programme throughout the year, receiving regular updates on key activities such as:

- Defining the scope of those material controls that should be included in the Board's attestation and our approach to assessing their effectiveness
- Engaging with external experts and peers to benchmark best practices
- Reviewing and updating roles and responsibilities for internal controls, considering the impact of the Group's restructuring programme
- Enhancing the Group's Risk and Control Framework to ensure it continues to be robust and includes clear risk appetite statements and metrics
- Establishing our assurance approach to enable us to better provide evidence of the effectiveness of material controls

The Committee is pleased with the progress made in 2024 in strengthening our control environment. This will remain a key focus area in 2025 as we continue to embed these changes and prepare for the 2024 Code reporting requirements

Audit and risk committee report continued

SUSTAINABILITY AND CLIMATE-RELATED GOVERNANCE

Our role	Items covered
Reviewing ITV's global sustainability environmental and climate risk mitigation strategies, targets, progress and reporting in compliance with the Task Force on Climate-related Financial Disclosures (TCFD), Climate-related Financial Disclosures (CFD) and other existing or upcoming sustainability and environmental (and other ESG related) reporting requirements. Assessing the integrity of the targets and data included in the reporting and obtaining appropriate assurance on its completeness, reasonableness and accuracy.	▪ Report from the independent provider of limited assurance over Greenhouse Gas (GHG) emissions data, including Scope 1, 2 and 3 ▪ ITV's TCFD reporting, including ITV climate scenario analysis and consequential risks and impact (including financial) ▪ Climate risk embedded into ITV's Principal Risks ▪ Progress made on the double materiality assessment and preparation for compliance as part of the EU Corporate Sustainability Reporting Directive

Sustainability and Climate-related governance

The Committee plays a key role in the governance of sustainability and climate-related risks and opportunities and the Group's compliance with sustainability environmental and climate risk-related regulatory reporting requirements. During 2024, management briefed the Committee on progress in further embedding sustainability (including climate) actions, risks and opportunities into the running of the business, including how the management of this topic has been adapted to broader governance changes across the business. The Committee agrees with management's assessment that the financial impact of known risks and opportunities is not material.

The Committee also reviewed the methodology and internal quality assurance processes over GHG emissions reporting, following the implementation of a new environmental reporting system across ITV, and the results of the independent limited assurance provided over carbon footprint data.

The Committee is encouraged by the continued progress made by management to meet the minimum requirements for TCFD disclosures, and in starting to deliver against ITV's ambitious environmental targets through an improved approach to climate transition planning, in line with upcoming regulatory requirements.

Key areas of focus for the Committee during 2025 will include reviewing the update to ITV's Climate Scenario Analysis as part of its climate-related risk management approach, the establishment of its Climate Transition Programme, the publication of updated external environmental targets and the preparations for new regulations and reporting requirements, including the EU Corporate Sustainability Reporting Directive.

Audit and risk committee report continued

INTERNAL AUDIT

Our role	Items covered
• Monitor and review the effectiveness and independence of the internal audit function • Review and approve the internal audit plan and monitor its implementation, approving any amendments to the plan • Review the continued appropriateness of the outsourcing of the internal audit function, and if outsourcing remains appropriate, oversee the tendering of the internal audit contract and approve the appointment of the internal auditor and the remuneration and terms of engagement	• Performed an assessment of internal audit independence and effectiveness • Approved the 2024 and 2025 internal audit plans, recognising they would evolve during the respective years as new risks and strategic priorities emerge • Reviewed internal audit reports, including a review of activity, key recommendations arising from audits, themes across audits, status reports on action plans and regulatory and programme compliance • Annual review of risk acceptance of audit findings • Meeting regularly with the internal auditor in the absence of management • Consideration of the appropriate future operating model for internal audit, given the Group's strategy and the rapidly changing external industry environment, plus structural changes implemented across the Group during 2024

Internal audit

During 2024 ITV has continued to adopt the model of a fully outsourced internal audit function, provided by EY since April 2022.

In addition to a formal discussion, the Committee assesses the effectiveness of the internal audit throughout the year using a number of measures, including the Committee's private sessions with the internal audit partner, reports from internal audit on the development and delivery of the internal audit plan, communication of results of reviews performed and the completion of agreed actions arising from reviews.

Prior to the start of the year, the Committee approved the 2024 internal audit plan, which was structured to align with ITV's strategic drivers and principal risks and addressed operational, financial, compliance and technology controls and a number of key operational risks and critical change programmes.

During 2024 the Institute of Internal Auditors issued its revised Global Internal Audit Standards (effective from 9 January 2025). EY provided the Committee with an assessment of ITV's compliance with the revised guidelines, including updating the Internal Audit Charter, which was approved by the Committee in September. The Committee was pleased to note that it complied in all respects with the revised guidelines.

In March 2024 ITV announced its new strategic restructuring and efficiency programme, to be implemented from June. This resulted in management's focus being on priorities related to the implementation of this programme for a number of months. In addition, there were changes in the core EY IA team. These two factors have contributed to delays during the year in delivery of the internal audit plan.

The Committee has concluded that, overall, we gained improved insight from the internal audits completed, particularly the specialist audits, with improvements in various control areas and processes being implemented as a result of internal audit recommendations. The internal auditor also provided the Committee (and therefore the Board) with valuable insight on the culture across the Group and the reflection of the Group's values by management and other employees.

The Committee has given further consideration to the internal audit and assurance requirements of the Board and Group, particularly as it prepares for continuous compliance with the revised requirements of the Code, implements the CSRD regulations, embeds the recent restructuring and its risks continue to evolve. Effective from April 2025, ITV will adopt a co-sourcing model for the provision of its internal audit requirements, with an experienced head of internal audit appointed to lead the function and delivery of the 2025 and future audit plans. The Committee is confident that this will continue to allow best practice in terms of a risk-based approach and auditing techniques, continuous robust and independent challenge, and the use of specialists in high-risk areas and across the various geographies.

EXTERNAL AUDITOR

Our role	Items covered
• Oversee the relationship with the external auditor • Review the quality and effectiveness of the external audit, including approval of the annual audit plan, and the procedures and controls designed to ensure auditor independence and objectiveness • Review and make recommendations to the Board on the tendering of the external audit contract, and the appointment, remuneration and terms of engagement of the external auditor	• Regularly meeting with the external auditor in the absence of management • Review, challenge and subsequent approval of H1 review and FY24 audit strategy/plans • PwC's reports on the H1 review and FY24 audit progress, findings and conclusions • Auditor opinion on FY24 financial statements • Recommendation to reappoint PwC at 2025 AGM • Approval of non-audit services policy • Approval of 2024 audit fee proposal • Consideration of the ongoing independence of the external auditor and the evidence of quality and effectiveness in the delivery of the audit • Review outcome for FY23 external audit quality indicators (AQIs), setting of the 2024 AQI measures and subsequent consideration and monitoring of performance against these, including post the FY24 audit

Audit and risk committee report continued

External audit effectiveness and quality

In undertaking its key responsibility in respect of assessing external audit quality the Committee has focused on:

- **FRC's Audit Quality Review (AQR):** The Committee is pleased to note that none of the AQR team's findings were considered to be of sufficient significance to be included in the AQR team's report. Additionally, the AQR team's report noted two particular areas of good practice, being effective two-way communication and extensive summaries of control observations including PwC's recommendations and management responses
- **Audit Quality Indicators (AQIs):** The Committee regards AQIs as a meaningful and valuable tool. In May 2024, the Committee assessed the external auditor's effectiveness and performance in 2023 against seven AQI pre-determined targets. This highlighted an effective audit had been delivered, identifying areas for improved coordination and planning with management. A final review of the performance of the AQIs against the 2024 targets will be undertaken in May 2025
- **Audit plan and strategy:** The Committee discussed, challenged and subsequently approved PwC's detailed audit plan and strategy, including the intended scope of the audit (impacted by the application of ISA (UK) 600 (Revised)), identified significant and elevated audit risks, the level of materiality proposed and the principles of PwC's centrally directed audit approach. The Committee welcomed the plan to enhance the testing of IT controls
- **Auditor's reporting (written and verbal) to the Committee:** Reporting to the Committee included regular updates on progress in delivery of the audit plan, amendments required for changes in risk assessment and insight, and robust challenge of the key accounting judgements. In concluding on its inspection of PwC's 2023 audit, the FRC's Audit Quality Review report highlighted 'reporting to the Audit Committee' as an aspect of audit 'good practice'
- **Interaction with auditor:** The numerous interactions with the auditor (formal and informal) provided the Committee with an insight into the quality of the audit process and the audit leadership team. The Committee noted that PwC challenged management robustly on key judgements and estimates, accounting treatments and disclosures. The Committee also reviewed PwC's 2024 transparency report
- **Internal evaluation session:** Drawing the above assessments together, the Committee discussed its overall conclusion on the effectiveness of the auditor, particularly the challenge and robustness of approach that PwC applied to its audit and how this aligned with the provisions contained in the Audit Committees and the External Audit: Minimum Standard in assessing the effectiveness of the external auditor and the audit process as appropriate

The Committee confirms it has complied with the Audit Committees and the External Audit: Minimum Standard

The assessments above enabled the Committee to conclude that PwC has continued to provide a high-quality robust audit, which it conducted with rigour and effective and constructive challenge, including questioning key accounting issues, and exercising professional scepticism in its review of management's assumptions, judgements and assertions

The Committee appreciated the quality of communications of the lead and technology audit partners, the detailed risk-based planning and the structured approach to finding the right solution, supported by the effective use of PwC internal experts and specialists

Audit tender and rotation

PwC was appointed as the external auditor for ITV effective from 1 January 2021, following a formal competitive tender process, including seeking investor views and agreement. The current PwC lead audit partner, Jonathan Lambert, has led the audit since the beginning of PwC's tenure at ITV. The Company will put the external audit contract out to public tender at least every ten years and, in line with regulation and professional and ethical guidance, Jonathan Lambert will step down as lead audit partner following the completion of the FY25 audit.

The Company confirms that it has complied with the provisions of the CMA's Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 for the financial year under review.

Independence and objectivity

In addition to the above assessment of the effectiveness and quality of the audit, the Committee seeks to assess and ensure the objectivity and independence of the external auditor through:

- Focus on the assignment and rotation of key personnel
- The adequacy of audit resource
- The Policy on the Independence and Objectivity of External Auditors (approved in February 2024), which includes restrictions on the provision of non-audit services and the hiring of former external auditor employees. This policy is available on the governance section of ITV's website: www.itvplc.com/investors/governance/policies

The Committee has concluded that the external auditor remains independent and objective.

Non-audit services

In accordance with the Independence and Objectivity of External Auditors policy, in 2024 the Company incurred fees for non-audit services of approximately £200,000 (2023: £1,500,000) which related principally to the review of the interim financial information. For information on audit fees see note 2.1 to the financial statements.

Committee conclusions and confirmations

Fair, balanced and understandable

The Board is required to provide its opinion on whether it considers that the Company's 2024 ARA, taken as a whole, are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

The Committee discussed the preparation of the Company's 2024 ARA with the Board. To support the Board in providing its opinion, the Committee considered the assigned responsibilities for content and overall cohesion and clarity of the ARA and assessed the quality of reporting through discussion with management and the external auditor.

Specific areas of challenge included the presentation of exceptional items and other APMs, the equal prominence of GAAP and non-GAAP financial measures within the front half of the ARA and the description of going concern and viability statement assumptions.

The process included considering each of the elements (fair, balanced and understandable) on an individual basis to ensure ITV's reporting was comprehensive in a clear and consistent way, and in compliance with accounting standards and regulatory and legal requirements and guidelines. The reviews carried out by internal functions within the Company and independent reviewers were undertaken with a view to ensuring that all material matters have been reflected in the Company's 2024 ARA, and that they correctly reflect:

- The Company's position and performance as described on pages 16 to 30
- The Company's business model as described on pages 2 and 3
- The Company's strategy, as described on pages 8 to 9

Following its review, the Committee advised the Board that the Company's ARA for the year ended 31 December 2024 were fair, balanced and understandable.

Remuneration report

In this report

The purpose of this report is to set out for shareholders the principles and policy we apply to remuneration for our Directors and to update you on how we have applied these for the financial year ended 31 December 2024. The report also aims to demonstrate how our current approach and our Remuneration Policy align with our strategy, support the retention of key talent and reward them for strong performance.

Sharmila Nebhrajani OBE
Chair, Remuneration Committee

READ MORE

Dear Shareholder

The pace of change in the broadcast sector remains significant. Consumer choice has broadened with our competitor set now composed of international streamers and global tech corporations, and the emergence of Generative AI technology could further accelerate change across the media industry.

This has been a challenging year given the tough market context, but one in which significant progress has been made in reshaping the business for the future. ITV has continued to strengthen its organisational capabilities whilst retaining its creative edge as it transitions to be 'More than TV'. We continue to drive our ambition to evolve ITV into a more agile, digitally led media and entertainment business.

In 2024 we continued to deliver against each of our three main strategic objectives. Studios deployed its global scale and strength to win business across all major genres and geographies. ITVX celebrated its second anniversary and through the quality and depth of its content delivered significant growth in digital viewing and digital advertising. Over the past two years, ITVX has been the fastest growing streaming service in the UK. The linear broadcast business continued to demonstrate its extraordinary ability to deliver mass, simultaneous audiences. In addition, innovations such as Planet V, the platform enabling the growth of ITV's digital advertising, reinforced ITV's position as the clear leader in UK commercial television.

The decline in ITV Studios revenue driven by the impact of the 2023 US writers' and actors' strikes and a softer market from the free-to air broadcasters has meant that total external revenues for 2024 were down 4% on the prior year at £3,488 million. However, the growth in Total Advertising Revenue and profitability in both divisions resulted in 11% rise in adjusted EBITA with well over half of our profits now coming from Studios and the digital business. The adjusted EBITA outcome of £542 million represents a very strong result, delivered despite challenging economic headwinds.

During 2024 we also undertook a Group wide strategic restructuring and efficiency programme to reshape the cost base, enhance profitability and support the growth drivers of Studios and Streaming. The programme delivered £60m of incremental annualised savings in 2024 against £24 million in 2023. These cost savings have enabled us to invest in the business, offset inflation and improve the margin in both ITV Studios and M&E. We are close to completing a £235 million share buyback programme following the successful sale of Britbox International and are pleased to be proposing a full year dividend at 5.0 pence, consistent with last year. Overall delivery of £400m to shareholders through the share buyback and dividends represents an increase in earnings per share of 23%.

Incentive outcomes

The Company's performance in a challenging macro environment was reflected in the incentive outcomes. The 2024 annual bonus was based on adjusted EBITA (50%), cash conversion (10%), cost savings (10%) individual strategic targets (20%), as well as a scorecard of ESG priorities (10%). Financial targets were set to be stretching but realistic in the context of advertising market uncertainty.

The Company's performance in a challenging macro environment was reflected in the incentive outcomes.

Remuneration report continued

As stated, adjusted EBITA grew by 11% to deliver a result of £542 million which was a strong performance against expectations at the start of the year. Cash conversion was ahead of planned results and progress was made against our ESG scorecard measures. The success of the strategic restructuring and efficiency programme meant that the cost savings target was significantly overdelivered, which importantly will leave the business on a stronger footing for the future. As noted above, the business made significant progress on executing key strategic goals that position the business well for the future and this was reflected in the performance against individual strategic targets.

Although the remuneration for each Executive Director has increased, a significant proportion is delivered as shares with a deferred release, the eventual value reflecting future ITV performance. The overall bonus outcome for the Executive Directors was 93% of maximum, with one-third of the bonus award deferred into shares for three years, releasing in 2028. This represents a higher outturn than the 56% achieved by both directors for 2023, primarily reflecting the outstanding financial performance against the challenging set of targets set at the outset of the year.

This is the second year in which the Restricted Shares awarded to our Executive Directors will vest. The single figure includes a value for the award granted in 2022; in practice these awards will only be released in 2027 following completion of a two-year holding period. Under the restricted shares pay model, long-term incentive award levels were reduced by 50% to reflect certainty.

Both Executive Directors maintain sizeable interests in ITV shares, well in excess of the requirement under the shareholding guidelines. They therefore have direct personal financial exposure to the share price and an alignment with the shareholder experience. The Committee recognises the share price has yet to fully reflect the opportunity of ITV's strategic initiatives and transformation and the Board remains confident that the investments made today will drive the long-term performance of the business.

Wider workforce

The Committee continues to focus on wider
The Committee continues to focus on wider workforce pay and receives regular updates on the reward framework for the wider employee group. The all-employee bonus paid out at the maximum of £2,000 for all participants in 2024, up 43% from last year. A standard salary increase of 3% was agreed for all employees, subject to a minimum increase of £1,125 for lower earners to ensure that they received a meaningful increment.

Reflecting our broader ethos, ITV remains committed to ensuring all colleagues earn at least the Real Living Wage. The Company remains similarly committed to diversity. In addition to its gender pay gap data, ITV has voluntarily published its ethnicity, disability and LGBTQ+ pay gaps and is publishing its class pay gap for the first time this year.

Concluding remarks

As a Committee, we are committed to making responsible and measured decisions on pay. The Committee was pleased that at the 2024 AGM, the majority of investors were supportive of both the Remuneration Report and the Remuneration Policy. The Committee will continue to actively engage with shareholders to listen to feedback and discuss pay matters. I hope this report provides clear and transparent disclosure on our pay approach and the context that has informed these decisions.

I look forward to your support for the Remuneration Report at the upcoming AGM.

Sharmila Nebhrajani OBE
Chair, Remuneration Committee
6 March 2025

Remuneration report continued

Remuneration Committee

Who is on the Committee		
The Committee is composed of entirely Non-executive Directors (NEDs).	The members of the Committee in 2024: ▪ Sharmila Nebhrajani (Chair) ▪ Salman Amin ▪ Andrew Cosslett ▪ Edward Bonham Carter	Full details of attendance at Committee meetings can be found in the table on page 67 Detailed biographies can be found on pages 62 and 63

Our role	
Following each meeting, the Committee communicates its main discussion points and findings to the Board. The Committee's terms of reference can be accessed on our website www.itvplc.com/investors/governance	The main role of the Committee is to: ▪ Review the ongoing appropriateness, relevance and effectiveness of the Remuneration Policy, including in relation to retention and development, whilst taking into account workforce remuneration and related policies, and the alignment of incentives and reward ▪ Propose to shareholders changes to the Remuneration Policy as appropriate ▪ Approve the implementation of remuneration arrangements for the Chair, Executive Directors, Group Executive Committee and other senior executives (together the Senior Executive Group) considering arrangements for the wider employee group ▪ Approve the design of the Company's annual bonus arrangements and long-term incentive plans, including the performance criteria that apply for the Senior Executive Group ▪ Determine the award levels for the Senior Executive Group based on performance against annual bonus targets and long-term incentive conditions and underpins

Meetings in 2024		
In addition to Committee members, the Executive Directors, Chief People Officer, General Counsel and Company Secretary, Group Reward Director and independent adviser Deloitte attend meetings as required. Attendees do not take part in decisions relating to their own remuneration and potential conflicts are suitably mitigated.	**January** ▪ Indicative Bonus outcomes and Executive Share Plan (ESP) performance against underpins ▪ Annual review of the Chair's fees ▪ Pay gap reporting and CEO pay ratios ▪ Compliance with shareholding guidelines **February and March** ▪ Bonus outcomes for 2023 ▪ Performance outcomes for 2021 ESP awards ▪ Approve Bonus targets for 2024 ▪ 2024 ESP award levels and underpins ▪ Remuneration Report and compliance against the Remuneration Policy ▪ Review of the Senior Executive Group ▪ Adviser independence ▪ Pay gap reporting and CEO pay ratios	**September** ▪ Financial performance update ▪ Employee reward framework, including review of remuneration and related policies and remuneration trends ▪ 2024 AGM season update and key trends around incentive structures ▪ Review Committee terms of reference ▪ To note 2024 awards under the executive and SAYE plans ▪ Wider Board discussion on Executive Remuneration **November and December** ▪ 2025 Bonus framework and targets ▪ Annual pay review

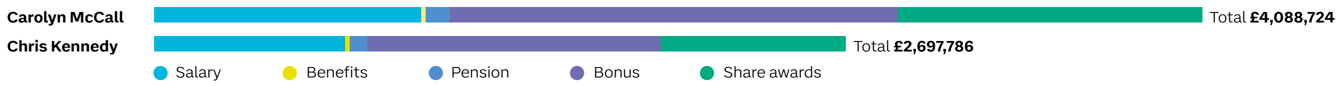
Annual review	
A review of the performance of the Committee is conducted each year.	▪ In 2024 an internally facilitated Board evaluation was undertaken, which included a review of the Committee. The results are summarised on pages 84 to 85 ▪ Overall, the evaluation concluded that the Committee is working effectively and responding appropriately to its terms of reference ▪ The Committee recommended a focus on wider comparatives in relation to international remuneration

Remuneration report continued

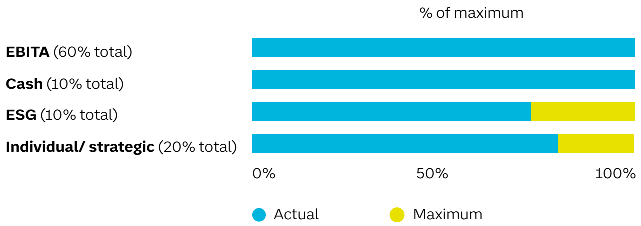
Overview of remuneration in 2024

WHAT DID EXECUTIVE DIRECTORS EARN DURING 2024?

SINGLE FIGURE REMUNERATION AT A GLANCE



PERFORMANCE AGAINST ANNUAL BONUS TARGETS



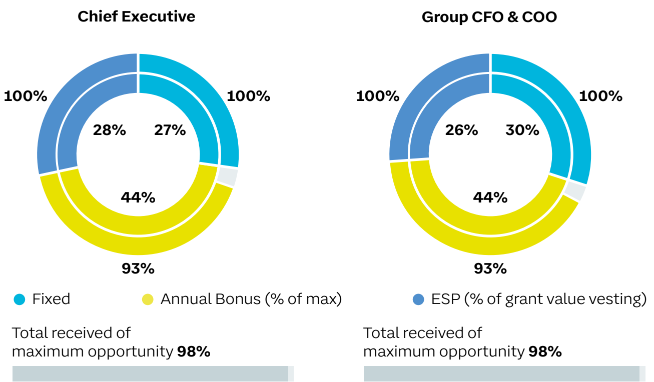
RESTRICTED SHARES – 2022 ESP

Restricted Shares granted in 2022 are due to vest in March 2025 and then subject to a further two-year holding period.	Detail on vesting is set out in the report.

BONUS OUTCOME

Carolyn McCall ***93%*** **of maximum**	**Chris Kennedy** ***93%*** **of maximum**

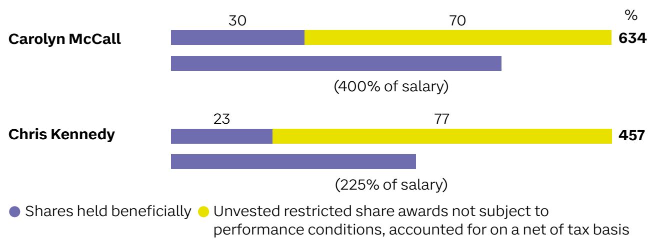
PERCENTAGE OF TOTAL OPPORTUNITY



The inner ring shows the pay mix at maximum
The outer ring shows the percentage earned against each element

ALIGNMENT WITH SHAREHOLDERS

Share ownership
Shareholding is a means by which the interests of the Executive Directors are aligned with those of shareholders. As at 31 December 2024 both directors had holdings in ITV that exceeded their respective shareholding policy requirements – 400% of salary for Carolyn McCall and 225% of salary for Chris Kennedy.



WIDER WORKFORCE IN 2024

SALARY

up to

6%

increase

ALL-EMPLOYEE BONUS

£2,000

100% of the maximum opportunity of £2,000

PENSION

up to

9%

company contribution

BROAD BENEFITS PROGRAMME

See page 118

Overview of remuneration in 2025

HOW WILL EXECUTIVES BE PAID IN 2025?

FIXED PAY

Chief Executive salary: **£1,071,951**	Group CFO & COO salary: **£766,925**	Salary increase of **3%**	**Benefits package remains unchanged – includes private medical insurance and car-related benefit.**	**Retirement benefits of 9% aligned with the workforce pension contributions.**

ANNUAL BONUS

Cash element 2/3 total bonus

Deferral into shares for three years 1/3 total bonus

Cash element Chief Executive: up to 120% of salary; Group CFO & COO: up to 110% of salary	**Deferred shares** Chief Executive: up to 60% of salary; Group CFO & COO: up to 55% of salary	Both bonus elements subject to malus and clawback

2025 bonus metrics – measure and support execution of the strategy

Expand Studios globally

Optimise Broadcast

Supercharge Streaming

50%	**Adjusted EBITA:** Profitability of underlying business
10%	**Cost savings:** Rebasing the cost base of the organisation
10%	**Cash conversion:** Effective cash generation
10%	**ESG scorecard**
20%	**Individual strategic:** Deliver strategic priorities

RESTRICTED SHARES

Released after five years

Annual grant: Chief Executive: up to 132.5% of salary; Group CFO & COO: up to 112.5% of salary – 50% discount to legacy LTIP award level

Release of shares subject to performance underpin: assessed after year three – ability for Remuneration Committee to scale back awards if the underpins are not met

Awards subject to malus and clawback

Successful execution of strategy ultimately reflected in the share price

- ✓ Simple structure – aligns with strategy and shareholders over the long term
- ✓ Retains key talent – aligned to global talent market and peer practices
- ✓ Rewards strategic investment – delivery of long-term sustainable performance, rather than short-term gain
- ✓ Reflective of dynamic and cyclical nature of sector and viewer behaviours, where business needs to remain agile and adapt
- ✓ Focus on long-term stewardship of the brand

SHAREHOLDING GUIDELINES

Guidelines apply in post, and extend beyond tenure

In-post guideline – Chief Executive: 400% of salary and Group CFO & COO: 225% of salary

Applies for two years following departure – Chief Executive: 265% of salary and Group CFO & COO: 225% of salary

WIDER WORKFORCE IN 2025

SALARY

3%
increase subject to a minimum of £1,125 for lower earners

ALL-EMPLOYEE BONUS OPPORTUNITY

up to
£2,000

PENSION

up to
9%
company contribution

BROAD BENEFITS PROGRAMME

See page 118

Annual Report on Remuneration

The sections of the Annual Report on Remuneration that have been audited by PwC are indicated with headings throughout the report.

Remuneration Policy application in 2024

The following section provides details of how the current Remuneration Policy was implemented in 2024.

Executive Directors (Audited)

The table below sets out in a single figure the total remuneration for both Executive Directors for the financial year.

		Carolyn McCall		Chris Kennedy	
	Notes	**2024 £000**	2023 £000	**2024 £000**	2023 £000
Salary		**1,041**	1,010	**744**	723
Taxable benefits	1	**18**	18	**18**	22
Pension		**93**	91	**68**	65
Total fixed remuneration		**1,152**	1,119	**830**	810
Annual Incentive (Bonus – cash and shares)	2	**1,748**	1,026	**1,146**	673
ESP awards	3, 4	**1,189**	900	**722**	547
Total variable remuneration		**2,937**	1,926	**1,868**	1,220
Total		**4,089**	3,045	**2,698**	2,030

1. Chris Kennedy was granted share options under the SAYE on 13 September 2023 at a 20% discount of the ITV share price at the time of grant. The value of the total discount when investing the maximum (£500 per month) over a three year contracted period was £5k and has been included in the taxable benefit figure for 2023
2. Two-thirds of the annual bonus is settled in cash and one-third is deferred into shares awarded under the ITV Deferred Share Award plan which automatically release on the third anniversary of the award, subject to continued employment
3. The 2022 ESP awards were subject to a performance underpin assessed based on results for the year ended 31 December 2024. The amount shown is the indicative vesting value of the shares awarded together with reinvested dividend shares using the average share price in Q4 of 2024 (72.4 pence). A total 303,203 reinvested dividend shares have been included for Carolyn McCall and 184,183 for Chris Kennedy. The awards and reinvested dividend shares will vest in March 2025. Following a two-year holding period, the awards will become exercisable from March 2027. These awards were granted based on a share price of 96.17 pence, therefore the values shown do not include an amount attributable to share price growth
4. In the 2023 Annual Remuneration Report, the amount shown for share awards for both Executive Directors was the indicative vesting value of the 2021 ESP award that was subject to a performance underpin measured to 31 December 2023 together with reinvested dividend shares using the average share price in Q4 2023 (63.31 pence). A total 204,589 reinvested dividend shares were included for Carolyn McCall and 124,280 for Chris Kennedy. The figure shown in the table above represents the subsequent value received on the vesting date of 13 May 2024 using the share price on that date (77.4 pence). These awards are subject to a two-year holding period and will become exercisable from March 2026

The aggregate emoluments for all Directors as required under Schedule 5 (SI 2008/410), is the total remuneration shown in the table above less share awards, including gains on exercise of options and amounts receivable under LTIPs, plus the total emolument figures for Non-executive Directors shown on page 113.

Further information in relation to each of the elements of remuneration for 2024 set out in the table above is detailed below. An explanation for 2023 is set out in detail in our 2023 Annual Report and Accounts which can be found on our website www.itvplc.com/investors.

Salary (Audited)

As disclosed in last year's report, both Carolyn McCall and Chris Kennedy received a 3% salary increase for 2024. This was in line with other senior executives but lower than the 5-6% increase awarded to the majority of employees. Carolyn McCall's salary was £1,040,729 and Chris Kennedy's salary was £744,587.

Taxable benefits and pension (Audited)

The benefits provided to the Executive Directors are the cost of private medical insurance and car-related benefits.

The Executive Directors were not part of an ITV pension scheme but receive a cash allowance in lieu of pension. Both Executive Directors receive a cash allowance of 9% of salary. This is aligned with the maximum matching percentage amount payable to employees in the ITV Defined Contribution Pension plan, which is the pension scheme offered to the majority of Group employees.

Annual Incentive – Bonus (cash and shares) (Audited)

Annual incentives are provided to Executive Directors through the bonus, with one-third of any award deferred into shares under the Deferred Share Award Plan (DSA). The maximum bonus opportunity for the year for the Chief Executive was 180% and for the Group CFO & COO was 165%.

Annual Report on Remuneration continued

For 2024, the bonus was linked to adjusted EBITA (50%), cash conversion (10%), cost savings (10%), a scorecard of ESG measures (10%) and individual strategic objectives (20%). A cost savings target was included for 2024 to reinforce executive focus on establishing a sustainable cost base, recognising the long-term strategic importance of reshaping the business for the future. This complements the profitability measure, which accounts for half of the annual bonus opportunity.

The majority of the 2024 bonus (70%) was based on the achievement of financial targets, with bonus outcomes determined in accordance with pre-set target ranges. In line with the principles applied in previous years, the financial outcomes used for the bonus are adjusted (both positively and negatively) for certain items, such as acquisitions and currency movements to ensure a fair like-for-like comparison with the targets set at the start of the year.

As part of the assessment of performance, the Committee also undertook a holistic review of overall performance, to ensure that outcomes were a fair reflection of the underlying business performance.

The corporate and financial targets applied for 2024, together with performance against those targets and the resulting level of bonus, are set out in the table below. The bonus is accrued on a straight line basis between the points shown.

The adjusted EBITA ranges were set at the start of the year to reflect internal and external forecasts for both Company performance and trends in the broader advertising market as well as the impact of our continued budgeted investment in content and technology. The target ranges set therefore reflect this external market and investment context.

The overall adjusted EBITA outcome of £542 million[1] for 2024 represented growth of 11% against prior year, as well as a significant outperformance of expectations from the time that targets were set. The exceptional results have been achieved while returning £235m to shareholders via a share buyback programme, execution of a substantial restructuring in the cost base of the business that will support long-term profitability, challenging market conditions for ITV Studios due to the impact of both the writers' strike and a softer market from free-to-air broadcasters and delivery of strong double-digit growth in streaming hours and digital revenues for ITVX. In this context, the Committee is comfortable that bonuses are supported by both strong financial results and delivery of our strategic goals.

		Performance required				
Performance measure	Weighting	20%	50%	100%	Performance achieved	Pay-out level (% of maximum)
ITV adjusted EBITA[1]	50%	£444m	£474m	£524m	**£527m**	**100%**
ITV cash conversion[2]	10%	54%	60%	66%	**83%**	**100%**
ITV cost savings[3]	10%	£35m	£40m	£45m	**£60m**	**100%**

1. The ITV EBITA outcome of £542 million is adjusted for translational currency movements, the impact of new acquisitions, as well as to exclude the impact of Audio Visual Expenditure Credit (AVEC) tax credits. The outperformance against this target was driven by a strong revenue performance in M&E, a high margin mix and a record Q4 performance in Studios. In 2024 the UK government reformed the AVEC tax credits. The reforms result in an increase to adjusted EBITA but leave profit after tax unchanged from the previous regime. This benefit has been excluded from EBITA for bonus purposes to enable like-for-like comparison
2. Cash conversion targets are set in the context of longer-term trends, recognising that significant under or over performance in one year is likely to unwind in future years to more normalised levels. The Group seeks to deliver strong cash conversion across this cycle, and targets are set in this context. The 2024 cash conversion outcome was partly attributable to a favourable movement in working capital, in part due to the impact of the US writers' and actors' strike. See page 23 for more information
3. Cost savings included £20m from the ongoing programme and £40m as part of the strategic restructuring and efficiency programme

Annual Report on Remuneration continued

The annual ESG targets applied for 2024, together with performance against those targets are set out below.

Social purpose goal	Scorecard objectives	Achievement
Net Zero carbon emissions[1]	Scope 1 and 2 emissions to be below 6,904 tonnes of CO_2e, in line with our SBTi trajectory.	Combined Scope 1 and 2 emissions for 2024 were 3,822 tonnes. Progress towards decarbonising emissions under ITV's control (scope 1 and 2) is on track, with emissions down by 56% compared to our 2019 baseline year. This is largely due to the consolidation of our office buildings, ongoing improvements to our energy efficiency, the uptake in green energy tariffs and the transition to a hybrid or electric fleet.
	Business travel emissions to be below 38,285 tonnes of CO_2e, in line with our SBTi trajectory.	Business Travel emissions for 2024 were 22,746 tonnes. These have decreased by 48% compared to our 2019 baseline year, due to a reduction in travel and the integration of remote working practices into business as usual. We remain ahead of our SBTi Net Zero trajectory in this area.
100% BAFTA albert certified[2]	100% BAFTA albert certification for new programmes produced and commissioned in the UK (excluding acquisitions of finished programmes and repeats). To achieve BAFTA albert certification productions must calculate a carbon footprint and complete a carbon action plan.	BAFTA albert certification achieved for 95% of programmes ITV produced in 2024 and for 85% of those commissioned. This has increased from 64% of shows we commissioned in 2023 and 42% in 2022.
Increase diversity on and off-screen[3]	To hit the following targets for:	
	Representation on-screen ▪ 50% Women ▪ 20% People of Colour ▪ 12% Deaf, Disabled or Neurodiverse ▪ 7% LGBTQ+	Onscreen targets were exceeded for People of Colour at 27.4% and LGBTQ+ at 23.8%, with the target for Women met at 51.7%. However, representation of Deaf, Disabled or Neurodiverse people was below target at 8.6%.
	All colleague representation ▪ 50% Women ▪ 33% from working class backgrounds ▪ 20% People of Colour ▪ 12% Deaf, Disabled or Neurodiverse ▪ 7% LGBTQ+	Colleague targets were exceeded for Women at 52.7% and LGBTQ+ at 9.7%, with the target for Deaf, Disabled or Neurodiverse colleagues met at 12.6%. However, representation of those from a Working Class Background at 28.7% and People of Colour at 14.5% were both below their respective targets. There is a need to address the lower representation from both of these characteristics and the Committee noted the continuing work to achieve all of ITV's diversity targets.
	Training and support ▪ 95% of eligible employees to complete the DE&I training module ▪ Play an active role in the sponsorship of colleague Networks and participants on the Amplify the Networks leadership programme for Network Chairs	92% of colleagues completed the DE&I training module. Due to the cost-saving initiatives, the Amplify the Networks leadership programme did not run in 2024. However, the Group Executive Committee sponsors of the Networks renewed their commitments with guidance from the DE&I team and support continued for former Amplify participants.

1. ITV emissions reduction targets and performance are validated and published as part of the Science Based Targets initiative (SBTi) (sciencebasedtargets.org/). Further information on ITV's Climate Action targets and scope can be found at itvplc.com/social purpose and in the Social Purpose section of the Annual Report
   Overall, data quality improvements and methodology changes are to be expected, as companies across all sectors mature their approaches to understanding their climate impacts, and we are working to improve the quality and granularity of our data, particularly in relation to the emissions we influence through our value chain (scope 3). We expect to experience further changes in the short to medium term, which will likely result in a recalculation of our baseline year emissions and a revalidation of our science-based Net Zero trajectory. We will continue to be guided by best practice and industry-specific standards in this area and will communicate any changes in full transparency
2. BAFTA albert certification is an externally audited process that recognises programmes that have embedded sustainability not only within the production process but also through considering sustainability messaging included in programmes. Founded in 2011, BAFTA albert supports the global film and television industry to reduce the environment impact of productions and to create content that supports a vision for a sustainable future
3. On-screen diversity is measured via Diamond, a single online system delivered through the Creative Diversity Network (CDN) and used by UK broadcasters to obtain consistent diversity data on UK-originated productions they commission (creativediversitynetwork.com/diamond/)

ITV's Social Purpose goals can be found on our website www.itvplc.com.

The Committee noted the achievements against our ESG targets in 2024 and agreed that based on an holistic assessment against the balanced scorecard this element should deliver an outcome of 73 % of maximum.

The remainder of the bonus (20%) was based upon the Committee's assessment of the contribution each Executive Director made to the overall strategy through the delivery of specific targets. The Committee applies suitable judgement when assessing performance in this regard.

Annual Report on Remuneration continued

	Area of focus	Achievement
Chief Executive objectives	**Deliver organisational transformation aligned with ITV strategy and 2026 targets:** resulting in a sustainable and profitable Group that will continue to thrive in a rapidly evolving media landscape and deliver against both M&E and Studios targets; ensure overall buy-in and positive engagement with this transformation both internally and externally.	▪ Over-delivery in year one of three-year cost savings programme with strong 2024 adjusted EBITA performance against challenging revenue backdrop ▪ Cost savings were delivered through structural change (including new M&E operating pillars and changes to the Studios operating model) while preserving content budget ▪ Divisional MDs empowered to develop and own change ▪ While employee survey results were lower following the structural changes in 2024, there will be a focus on building back engagement through a culture refresh in 2025
	People strategy: ensure we have the right capabilities in the right roles overall; focus on retention, succession planning and engagement with a new senior management group to embed and deliver our priorities.	▪ Appointment of new transformational CTO, managed transition of CPO role and key moves in Finance, including changes to the divisional FD roles ▪ Reviewed governance to empower divisional boards and simplify corporate governance ▪ Established new ELT with clear criteria for membership and group purpose ▪ Delivered talent review cycle with Nominations Committee, noting that the impact of strategic restructuring and efficiency programme impacted bench strength ▪ New leadership behaviours agreed and target culture defined
	ITV culture: oversee implementation of findings from KC Review; ensure clarity in overarching processes and procedures for raising concerns; ensure ITV continues to uphold and demonstrate high standards of Duty of Care.	▪ Published Conduct and Standards Guidelines for On Screen Personalities ▪ Established a new complaints handling unit ▪ A dedicated employee relations team set up and case management record-keeping simplified ▪ Company-wide Speaking Up campaign and listening circle events run through the year ▪ A new approach to performance management launched in Q1 2025 ▪ A review by Dr Paul Litchfield reported very high levels of duty of care across ITV for participants ▪ It was noted that while the impact of the strategic restructuring and efficiency programme had delayed implementation of some of the KC recommendations, these would be delivered in Q1 2025
	The Committee also acknowledged the following additional achievements during 2024: ▪ ITV's role in getting the Media Bill passed into law, to deliver some critical reforms of the current PSB regime ▪ ITVX celebrating its second birthday as the fastest-growing streaming service in the UK ▪ The sale of Britbox International and launch of £235m share buyback programme to return net proceeds to shareholders	

Annual Report on Remuneration continued

	Area of focus	Achievement
Group CFO & COO objectives	**Profit maximisation – maintain continuous focus across all divisions and functions:** assure delivery of current cost savings programme and committed targets; support the reduction and rebalance of the cost base – creating headroom in the P&L to drive growth areas; embed capability for continuous cost control.	▪ Over-delivery in year one of three-year cost savings programme with strong 2024 adjusted EBITA performance against challenging revenue backdrop ▪ Cost savings were delivered through structural change (including new M&E operating pillars and changes to the Studios operating model) while preserving content budget ▪ Cost controls and Zero Based Budgeting communicated across ITV and generated significant savings. Communicated ongoing responsibility for budget holders to control 2025 spending in line with the theme of 'spend wisely, save widely' and incorporated this into new leadership behaviours
	Investment – review allocation and demonstrate clear returns: mandate robust commercial business cases and post investment review; prioritise cash flow; streamline approvals process and Transformation oversight; help build culture of accountability from all senior leaders.	▪ Group Investment Committee processes and decisions more formalised to improve accountability on spend ▪ Transformation Management Office given central oversight of Business Simplification Plan with ongoing oversight of future transformation projects ▪ Streamlining of the approvals process was delayed due to the strategic restructuring and efficiency programme in 2024. Work to address this is underway along with moving centralised accountability for spend to individual budget holders
	Equity – ensure clarity of message and drive value creation: demonstrate and communicate value of ITVX, Studios and Britbox International; help to embed the culture of management by KPIs.	▪ Investor webinars on ITV's Commercial proposition for advertisers and ITVX ▪ Sale of Britbox International to the BBC, realising £255m cash ▪ Launch of £235m share buyback programme to return net proceeds from sale of BritBox International to shareholders ▪ Better alignment of internal KPIs with corporate/external KPIs
	People – the right capabilities in the right place with the right tools: deliver a Finance operating model, processes and system that we can continuously improve; revisit finance organisation structure to ensure the right activities are in the right functional areas; deliver the Finance people plan.	▪ Development of new Finance operating model ▪ Reorganisation of the Business Service Centre structure ▪ Improvement to Oracle Fusion, work started on Wave 2 ▪ Managed divisional Finance Director changes

As noted above, there was strong achievement against the objectives set at the start of the year. The Committee therefore agreed that this element should deliver an outcome of 80% of maximum for the Chief Executive and 80% of maximum for the Group CFO & COO.

Consistent with the requirements of the Code, the Committee considers wider performance before approving the formulaic outcomes from incentive plans. Where appropriate the Committee has scope to apply judgement and discretion. To assist the Committee with determining whether adjustments are required, the Committee applies a framework which considers performance from multiple perspectives, including the underlying strength of results, the execution of strategic priorities, performance indicators which do not form part of the formulaic assessment, and non-financial factors, such as culture and our focus on duty of care. The Committee has a track record of adjusting outcomes where appropriate, with negative discretion applied in both 2018 and 2019, and the cancellation of the bonus for 2020.

Annual Report on Remuneration continued

	Outcome (% of maximum)	Total value	Value delivered in shares under the DSA	Value paid in cash
Carolyn McCall	93.3	£1,747,800	£582,600	£1,165,200
Chris Kennedy	93.3	£ 1,146,254	£382,085	£764,169

The value delivered in shares under the DSA is deferred for three years and released on the third anniversary of the award subject to continued employment. In line with the Remuneration Policy, bonus awards (including deferred elements) remain subject to malus and clawback provisions which seek to safeguard against payments for failure.

Restricted Share awards (Audited)

Restricted Share awards were made under the ITV plc Executive Share Plan (the ESP) to Carolyn McCall and Chris Kennedy on 28 March 2022 and were subject to a financial underpin measured to 31 December 2024. Dividends paid accumulated on a reinvestment basis during the three year vesting period and will be released on the vesting date. The indicative value of these awards is set out below.

	Number of share options (nil-cost)	Value at award date[1]	Dividend shares reinvested at 31 December 2024[2]	Number of options vesting[3]	Value at 31 December 2024[4]
Carolyn McCall	1,338,577	£1,287,309	303,203	1,641,780	£1,188,649
Chris Kennedy	813,126	£781,983	184,183	997,309	£722,052

1. The share price used to calculate the number of shares under award was 96.17 pence (the 30-day trading average of the share price before grant, 28 March 2022)
2. Dividends earned on the award were reinvested over the vesting period
3. The vesting share options will become exercisable after a two-year holding period on 28 March 2027
4. The share price used to value the shares at 31 December 2024 is the average share price for the final quarter of 2024 (72.4 pence)

The ESP was approved by shareholders at the 2021 AGM. The initial award under this Plan was made in May 2021, with grant levels reduced by 50% compared to the annual LTIP awards granted in previous years. As disclosed at grant, awards normally vest after three years following the date of award subject to the satisfaction of a performance underpin. Any vested awards would then be subject to a two-year holding period.

The Committee retains the ability to reduce vesting of the Restricted Shares (including to nil) where:

- Adjusted Return on Capital Employed is below the Company's cost of capital; and/or
- There is a material weakness in the underlying financial health or sustainability of the business

The Committee has assessed the underpin conditions that apply to the 2022 awards and determined that it is appropriate for these awards to vest. The Group's adjusted return on capital was above the Group's cost of capital based on the 2024 audited results, while the Committee judged the financial health and sustainability of the business to be robust. The balance sheet remains strong as demonstrated by continued investment in the business and planned returns to shareholders. The Group performed strongly against key financial and non-financial metrics across the vesting period, as reflected elsewhere in the report. In line with the disclosure requirement, the award value is shown following the assessment of the underpin. In practice, the value to participants will be based on the share price at the end of the two-year holding period applicable to awards when awards are released to participants, demonstrating the long-term performance alignment of the pay structure.

Annual Report on Remuneration continued

Restricted Share awards made in 2024 (Audited)

On 28 March 2024 awards were made under the ITV plc Executive Share Plan (the ITV ESP) to Carolyn McCall and Chris Kennedy as set out below.

Performance measure	% salary awarded	Number of share options (nil cost)[1]	Value at award date	Vesting period ends	Holding period	Release date
Carolyn McCall	132.5	1,891,759	£1,378,966	28 March 2027	2 years	28 March 2029
Chris Kennedy	112.5	1,149,160	£837,660	28 March 2027	2 years	28 March 2029

1. Nil cost options were granted based on the average share price on the three trading days preceding the award which was 72.89 pence

The awards are over Restricted Shares with grant levels reduced by 50% compared to the annual LTIP awards granted in previous years.

Awards will normally vest after three years following the date of award subject to the satisfaction of a performance underpin assessed at 31 December 2026. As the awards have a performance underpin, there are no performance condition weightings applicable, nor is there a threshold-max vesting range. Any vested awards would then be subject to a two-year holding period.

The underpin conditions for the 2024 award are in line with the underpin for the 2022 award described above. As a further safeguard, malus and clawback provisions may be operated at the discretion of the Committee in respect of any element of these awards.

Chair and Non-executive Directors (Audited)

The table below sets out in a single figure the total remuneration for Non-executive Directors for the financial year. For 2024, the Chair fee and the Non-executive Director base fee was increased by 3%. No increases were made to the other fees.

		Fees		Taxable benefits[1]		Total	
	Notes	**2024 £000**	2023 £000	**2024 £000**	2023 £000	**2024 £000**	2023 £000
Andrew Cosslett (Chair)		**412**	400	**4**	1	**416**	401
Dawn Allen	2	**75**	18	**2**	–	**77**	18
Salman Amin		**75**	73	**–**	1	**75**	74
Edward Bonham Carter	3	**103**	102	**–**	1	**103**	103
Graham Cooke		**75**	73	**–**	1	**75**	74
Margaret Ewing		**90**	88	**–**	1	**90**	89
Marjorie Kaplan	4	**70**	23	**–**	–	**70**	23
Gidon Katz		**70**	68	**–**	1	**70**	69
Sharmila Nebhrajani		**90**	88	**2**	–	**92**	88

1. The amounts disclosed in the table above relate to the reimbursement of taxable relevant travel and accommodation expenses (and associated taxes) for attending Board meetings and related business
2. Dawn Allen joined the Board and Audit and Risk Committee on 2 October 2023
3. Edward Bonham Carter became a member of the Remuneration Committee in April 2023 and stepped down from Audit and Risk Committee in May 2024
4. Marjorie Kaplan joined the Board on 1 September 2023

Annual Report on Remuneration continued

Remuneration Policy application in 2025

Executive Directors

The following section provides details of how the Policy will be implemented in 2025.

Salary

Salaries are paid in line with the Policy. Both Executive Directors received an increase of 3% from 1 January 2025 which is in line with the standard increase for other employees, with lower earners receiving a higher percentage increase. When considering salary increases for the wider workforce, the overall aim was to provide all employees with a meaningful increase to their base salary which reflected the broader economic context.

	2025 Salary
Carolyn McCall	£1,071,951
Chris Kennedy	£766,925

Taxable benefits and pension

These are provided in line with the Policy. Both Executive Directors receive private medical cover, car-related benefits, and a cash allowance in lieu of participation in any ITV pension scheme.

Both Executive Directors receive a cash allowance in lieu of pension of 9% of salary, which is aligned with the maximum contribution for the wider employee group.

Annual Incentive – Bonus (cash and shares)

The maximum bonus opportunity for 2025 remains unchanged: Carolyn McCall – 180% of salary; and Chris Kennedy – 165% of salary. Awards made to Executive Directors through the bonus will be paid two-thirds in cash and one-third deferred into shares under the DSA.

The balance of metrics remains unchanged from the prior year. Targets that will apply for the 2025 annual bonus have been set taking into account internal and external forecasts for company and market performance and continued strategic investments. Cost savings objectives will continue to be included for 2025, recognising the continued importance of our strategic focus to reshape the business for the future. The Board considers the actual targets for 2025 to be commercially sensitive at this time; however they envisage providing retrospective disclosure of these targets in next year's report.

The Committee may adjust bonus targets or outcomes to reflect significant one-off events (e.g., major transactions), foreign exchange movements or material changes to assumed plan conditions to ensure that the plan continues to reward performance fairly.

The Committee may amend the bonus pay-out should any formulaic assessment of performance not reflect overall performance in the year.

Restricted Share awards

Awards in 2025 will be made to the Executive Directors with a value of 132.5% of salary for Carolyn McCall and 112.5% of salary for Chris Kennedy. These levels remain unchanged from the awards made in 2024.

Awards will normally vest after three years following the date of award subject to the satisfaction of a performance underpin. Any vested awards would then be subject to a two-year holding period.

For 2025 awards the Committee will apply the same underpin that applied for previous Restricted Share awards, which is detailed on page 112.

Consistent with prior years, when assessing the underpin, the Committee will consider all factors deemed relevant at the time, including, for example, progress against execution of the strategy, performance against financial and non-financial KPIs and the nature of the wider trading environment. In line with best practice, the Remuneration Committee will retain the discretion to adjust any incentive awards where vesting outcomes are considered to be inappropriate.

Malus and clawback: Malus and clawback provisions may be operated at the discretion of the Committee in respect of any cash and deferred share elements of the bonus and Restricted Share awards. Under malus, unvested share awards (including any Restricted Share awards subject to a post-vesting holding period) can be reduced (down to zero if considered appropriate) or be made subject to additional conditions. Clawback allows for repayment of bonuses previously paid and/or shares previously received following vesting or release from a holding period if applicable. Malus/clawback can be operated up to four years following the start of the relevant bonus year for bonuses (for cash and shares), and up to six years from the relevant date of grant for Restricted Share awards. The circumstances in which the operation of these provisions would be applied may be considered from time to time but currently include material misstatement of financial results, gross misconduct or fraud and material reputational damage. The Committee maintains sufficient scope in the ITV plc Executive Share Plan rules to exercise discretion and judgement in line with the spirit of the Code.

Annual Report on Remuneration continued

Non-executive Directors

In line with the Executive Directors, the Chair fee and the Non-executive Director base fee were increased by 3% from 1 January 2025. There were no increases for the Committee Chair fees. This is in line with the standard increase for the Executive Directors and other employees.

In line with market practice, and to reflect the time commitment and responsibilities of the role of Workforce Engagement Director, an additional fee was introduced from 1 January 2025. Current fees are as set out below.

	1 January 2025 £	1 January 2024 £	% Change
Chair	**424,360**	412,000	3
Board fee	**71,777**	69,686	3
Additional fees for:			
Senior Independent Director	**25,000**	25,000	–
Workforce Engagement Director	**12,000**	-	–
Audit and Risk Committee Chair	**20,000**	20,000	–
Audit and Risk Committee member	**5,371**	5,371	–
Remuneration Committee Chair	**20,000**	20,000	–
Remuneration Committee member	**5,371**	5,371	–

Details of Committee membership can be found on page 104

Comparison of Directors to wider employees

The table below provides details of the percentage change in the base salary, benefits and bonus of the Directors between 31 December 2019 and 31 December 2024 compared with the average percentage change for other UK employees.

The figures for all Directors are calculated based on remuneration received in the relevant year as set out in the tables on pages 107 and 113. For base salary/fees, part year figures have been prorated up for the purposes of this disclosure. In addition, the figures below reflect the voluntary decision taken by members of the Board to take a 20% cut in salary/fees for the period from April to October 2020. There was also no global salary review in 2021 and no annual bonus payments paid for 2020 to the Executive Directors and wider workforce.

		2023-2024			2022-2023			2021-2022			2020-2021			2019-2020		
	Notes	**Salary/ fee change %**	**Benefits change %**	**Bonus change %**	Salary/ fee change %	Benefits change %	Bonus change %	Salary/ fee change %	Benefits change %	Bonus change %	Salary/ fee change %	Benefits change %	Bonus change %	Salary/ fee change %	Benefits change %	Bonus change %
Average employee	1	**7**	**4**	**60**	8	5	(27)	4	3	(11)	4	5	–	4	6	–
Salman Amin	2	**3**	**(34)**	–	4	–	–	–	51	–	13	140	–	(12)	(81)	–
Dawn Allen	2, 4	**3**	**-**	–	–	–	–	–	–	–	–	–	–	–	–	–
Edward Bonham Carter	2, 5	**1**	**(43)**	–	7	–	–	–	51	–	13	140	–	(12)	(92)	–
Graham Cooke	2	**3**	**(43)**	–	4	–	–	6	51	–	15	–	–	–	–	–
Andrew Cosslett (Chair)	2, 6	**3**	**243**	–	–	100	–	–	–	–	–	–	–	–	–	–
Margaret Ewing	2	**2**	**(71)**	–	3	–	–	–	–	–	13	–	–	(12)	(92)	–
Marjorie Kaplan	2, 7	**3**	**171**	–	–	–	–	–	–	–	–	–	–	–	–	–
Gidon Katz	2, 8	**3**	**(24)**	–	4	(96)	–	–	–	–	–	–	–	–	–	–
Chris Kennedy (Group CFO & COO)	1, 3	**3**	**1**	**70**	4	–	(28)	3	3	(12)	13	12	–	(10)	(9)	–
Carolyn McCall (Chief Executive)	1, 3	**3**	**1**	**70**	4	–	(28)	3	3	(13)	13	12	–	(10)	(9)	–
Sharmila Nebhrajani	2, 9	**2**	**472**	–	9	(100)	–	12	78	–	13	–	–	–	–	–

1. The percentage change in benefits is the average change for all UK employees (excluding the Chief Executive and Group CFO & COO) with any of the same benefits as the Chief Executive and Group CFO & COO. The Executive Directors are the only employees of the parent company, and therefore there is no comparator data for this sample. In the interests of transparency, the percentage change in pay for all UK employees has been disclosed on a voluntary basis. As the majority of employees are based in the UK and share the same benefits as the Executive Directors, overseas employees have not been included
2. Calculated using the fees and taxable benefits disclosed under the Non-executive Directors' remuneration in the table on page 113. Taxable benefits for Non-executive Directors comprise expense reimbursements relating to attendance at Board meetings rather than conventional employee benefits. The increases seen in the period 2020-2021 are primarily due to the ability for Directors to attend some meetings in person during 2021, against the majority of meetings being held on a virtual basis during 2020. The increases seen in the period 2021 to 2022 are primarily due to the attendance at two Board dinners in the year, against one dinner in 2021
3. Calculated using the data from the single figure table on page 107. Benefits include the cost of medical insurance and car-related benefits
4. Dawn Allen joined the Board on 2 October 2023. To enable a comparison for the purposes of this disclosure, her 2023 fees have been prorated up
5. Edward Bonham Carter became a member of the Remuneration Committee in April 2023 and stepped down from the Audit and Risk Committee in May 2024
6. Andrew Cosslett joined the Board in June 2022. To enable a comparison for the purposes of this disclosure, his 2022 fees have been prorated up
7. Marjorie Kaplan joined the Board on 1 September 2023. To enable a comparison for the purposes of this disclosure, her 2023 fees have been prorated up
8. Gidon Katz joined the Board in July 2022. To enable a comparison for the purposes of this disclosure, his 2022 fees have been prorated up
9. Sharmila Nebhrajani was appointed as Chair of the Remuneration Committee in May 2022

Annual Report on Remuneration continued

CEO pay ratio

Year	Methodology	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2024	Option A	90:1	68:1	50:1
2023	Option A	74:1	55:1	40:1
2022	Option A	93:1	69:1	50.1
2021	Option A	92:1	68:1	49:1
2020	Option A	33:1	24:1	18:1
2019	Option A	89:1	66:1	49:1

Our 2024 pay ratios have increased year-on-year, but are comparable with earlier years. A significant proportion of the remuneration for the CEO is performance related and the level of actual performance outcomes has a corresponding effect on the CEO pay ratios. The total remuneration figure for the CEO is higher than in 2023, reflecting an overall 2024 bonus outcome for the CEO of 93.3% of maximum, which represents a higher outturn than the 56.4% achieved in 2023.

The median pay ratio for 2024 is considered to be consistent with the pay, reward and progression policies during the year for the Company's UK employees taken as a whole. Our UK headcount has decreased year-on-year, and the total remuneration values for the comparator employees have increased year-on-year. We implemented Company-wide annual pay review increases of 3-6% in January 2024, with the higher increases made to employees at lower pay levels. We also remain committed to ensuring colleagues earn at least the real Living Wage or higher.

An annual bonus arrangement extends to all employees who don't participate in a management or sales bonus scheme and is paid in March each year. The 2024 employee bonus opportunity was up to £2,000, based on ITV's adjusted EBITA performance, and the actual payout was the maximum £2,000 for eligible employees. All comparator employees identified in the pay ratio calculations were eligible for the employee bonus.

The total remuneration of each comparator employee has been calculated using the actual values received in respect of the full financial year and in accordance with the methodology used to calculate the single figure of remuneration for the CEO. We have not omitted any component from their pay and benefits and no adjustments have been made to their actual remuneration.

2024

	CEO	25th percentile	Median	75th percentile
Salary	£1,040,729	£40,084	£53,000	£73,813
Total remuneration	£4,088,723	£45,461	£59,797	£82,284

The employee at the 25th percentile, median and 75th percentile was determined based on the single figure of total remuneration for every UK employee, which is Option A in the Reporting Regulations. This method is the most statistically accurate approach and aligned with majority practice in the FTSE 250.

Our 2023 ratios have been updated to reflect the final actual 2023 remuneration values for the CEO and all other employees. Our 2024 pay ratios are based on the current CEO single figure and the indicative value of share awards that were subject to performance measured to 31 December, based on the average share price over the final quarter of the year. The 2024 ratios will be restated in the 2025 Remuneration Report to reflect the updated CEO single figure and the actual value of shares on the vesting date.

Annual Report on Remuneration continued

Other Disclosures

Directors' Remuneration Policy

The table below summaries the key elements of the ITV policy on remuneration for Executive Directors. The full policy was approved by shareholders at the AGM in 2024 and can be found in the 2023 Annual Report and Accounts, available on our website at www.itvplc.com.

EXECUTIVE DIRECTOR REMUNERATION POLICY TABLE

Fixed Pay

Element	Summary of policy	2025 approach
Base salary	**Purpose:** To reflect the skills, responsibility and experience and support the recruitment and retention of Executive Directors of the calibre required to deliver the business strategy within the competitive media market. **Operation:** Reviewed annually with consideration given to personal and company performance, pay levels in relevant market and the wider employee pay review.	**Carolyn McCall:** £1,071,951 (+3%) **Chris Kennedy:** £766,925 (+3%) See overleaf for further detail on increases for broader employees
Provision for an income in retirement	**Purpose:** To provide competitive post-retirement benefits or cash allowance as a framework to save for retirement. **Operation:** The maximum contribution or cash allowance will be capped at a level comparable to the benefit available to the wider employee base. This is currently 9% of salary.	**Carolyn McCall:** 9% of salary **Chris Kennedy:** 9% of salary
Benefits	**Purpose:** To ensure the overall package is competitive and provide financial protection for employees and their families. **Operation:** The Company provides a range of market competitive benefits, including travel-related benefits, private medical insurance and other insurance benefits. These are set at a level which the Committee considers to be appropriately positioned considering typical market levels for comparable roles, individual circumstances and the overall cost to the business.	In line with policy

Variable performance-related pay

Element	Summary of policy	2025 approach
Annual Incentive: Bonus – Cash and Deferred Share Award (DSA)	**Purpose:** Incentivises executives and employees to achieve key strategic outcomes on an annual basis. Focus on key financial metrics and objectives to deliver the business strategy. The element of the bonus compulsorily deferred into shares rewards delivery of sustained long-term performance, provides alignment with the shareholder experience and supports the retention of executives. **Operation:** The maximum opportunity will not exceed 200% of salary. Performance measures and targets are set by the Committee each year based on corporate objectives closely linked to strategic priorities of the business. The majority of the bonus opportunity will be based on corporate and financial measures. The remainder of the bonus will be based on performance against individual and/or strategic objectives. Not more than two-thirds of the bonus is delivered in cash, with the balance deferred into shares under the DSA normally for a period of three years. Subject to malus and clawback.	**Maximum bonus opportunity Carolyn McCall:** 180% of salary **Chris Kennedy:** 165% of salary **Performance measures** (see page 114)
Restricted Shares awarded under the Executive Share Plan (ESP)	**Purpose:** Incentivises Executive Directors to deliver the business strategy and align with the longer-term Company performance and the shareholder experience. Acts as a retention tool to retain the executives required to deliver the business strategy. **Operation:** The maximum award level that may be granted in any financial year is 175% of salary. Awards will be granted annually with vesting after three years, subject to satisfaction of a performance underpin. Awards will be required to be held for an additional two-year holding period so that the award is released after five years. Subject to malus and clawback.	**2025 grant levels Carolyn McCall:** 132.5% of salary **Chris Kennedy:** 112.5% of salary **Financial underpin measure** (see page 114)

Annual Report on Remuneration continued

CASCADE OF REMUNERATION THROUGH THE ORGANISATION

The table below summarises how remuneration compares across the different groups of employees throughout the Company.

Employees at all levels

Element of pay	Description
Base salary	Salaries are reviewed annually, with Executive Directors normally receiving a salary increase in line with that received by the wider workforce. In 2025 there was a standard increase for all employees of 3%, subject to a minimum increase of £1,125 for lower earners. ITV has held the Living Wage accreditation since 2014 and was the first broadcaster to do so. We pay the London Living Wage in London and the Living Wage outside of London. This means that we pay everyone, from employees and apprentices to contractors and temporary workers, at least the hourly rate set independently and updated annually by the Living Wage Foundation, which is higher than the government's National Minimum Wage and National Living Wage rates.
Flexible benefits	A range of benefits are available to all employees, providing financial security, encouraging a healthy and balanced lifestyle, and helping individuals make their pay go further. All employees receive the following benefits: ▪ Five weeks' holiday each year, plus bank holidays, and an extra two days after five years' service ▪ Enhanced Company sick pay and family friendly policies, including maternity, paternity, adoption and shared parental leave ▪ Income protection cover of 50% of salary ▪ Life assurance cover at four times annual basic salary ▪ Wellbeing benefits, including an annual 'what matters day', a range of digital health services and an Employee Assistance Programme (EAP) providing a confidential helpline and additional support There are also voluntary benefits available for employees to choose from, including the opportunity to buy up to six weeks' extra holiday, a Cycle to Work scheme, a salary sacrifice car benefit, gym membership, private healthcare and a health cash plan, which includes optional hospital treatment insurance. We continually look for opportunities to evolve our employee benefits in cost effective ways that support both the needs of the business and our diverse workforce.
Pension	Employees at all levels can participate in our pension arrangements. Eligible employees are invited to join the Defined Contribution Plan and can choose to make a core contribution between 3–6% of their pensionable earnings, which ITV will match and in addition pay a further 3% (i.e. up to 9% in total). A small number of senior executives have pension contributions paid into their personal pension or receive a cash allowance in lieu of contributions.
Save As You Earn	All eligible UK employees have the opportunity to benefit from ITV's long-term performance and share price growth by participating in the Save As You Earn plan. They can save up to £500 per month over a three or five year period to acquire shares in the Company at a 20% discount to the share price at the start of the savings period.
Annual bonus – cash	All ITV employees have an annual bonus opportunity which is based on a % of salary for senior roles and those in Sales, or the same maximum monetary value for all other employees. In 2024 the employee bonus opportunity was £2,000 with the bonus paying out in full at £2,000.

Senior executives

Element	Summary of policy
Deferred Share Award Plan	Senior Executives are required to defer one-third of their bonus into ITV shares for three years.
Executive Share Plan	Share-based awards are granted to selected senior leaders across the business which vest on the third anniversary of grant subject to the Committee's assessment of the performance underpin. Grant levels are generally expressed as a % of salary, with award levels linked to role and seniority. The detailed terms of operation vary by jurisdiction to reflect local market, legal and tax considerations. For Executive Directors any vested awards are subject to an additional two-year holding period.
Shareholding guidelines	The Executive Directors and other members of the Group Executive Committee, are subject to shareholding guidelines that align their interests with those of shareholders. The Executive Directors are also subject to post-cessation shareholding guidelines, aligning their interests to shareholders for two years after their employment with ITV ceases.

Annual Report on Remuneration continued

Compliance with the 2018 Corporate Governance Code

During the year we complied with the principles of Clarity, Simplicity, Risk, Predictability, Proportionality and Alignment to Culture as set out in the Corporate Governance Code 2018, and further detail is set out in the 2023 Annual Report. As the remuneration approach for executive directors is unchanged from last year, the detailed disclosure provided in the 2023 report remains accurate and reflective of ITV's approach in determining the Directors' remuneration policy.

Payments to past Directors (Audited)

There were no payments made to past Directors in 2024.

Payments for loss of office (Audited)

There were no payments made to Directors for loss of office in 2024.

Directors' share interests and post-cessation shareholding (Audited)

The Committee continues to recognise the importance of Directors being shareholders so as to align their interests with other shareholders.

Shareholding guidelines are in place, which encourage Executive Directors to build up a holding of ITV plc shares based on a percentage of base salary.

Where the value of shares required to be held increases as a result of a salary increase (or an increase in the relevant percentage), the Executive Directors must increase their holdings to achieve compliance. The Committee may change the guidelines so long as they are not, overall, in the view of the Committee, less onerous.

Non-executive Directors are required to build and then maintain a holding of 100% of their base fee (unless for some reason they are unable to retain their fees).

Interests in share awards following departure enable Executive Directors to remain aligned with the interest of shareholders for an extended period after leaving the Company. Deferred Share Awards, legacy LTIP and ESP awards subject to a holding period will usually vest (and be released from their holding periods) at the normal time. This means that Executive Directors may retain a significant interest in shares for up to five years when they leave the Company. Executive Directors will normally be required to retain an interest equivalent to two times their annual ESP grant (265% for the Chief Executive and 225% for the Group CFO & COO) for two years following departure. In order to enforce this requirement, on vesting, relevant shares are automatically transferred to a secure nominee arrangement until the appropriate level of interest has been achieved. The shares will be retained in this arrangement until the end of the two-year period.

The figures set out below represent shareholdings in the ordinary share capital of ITV plc beneficially owned by Directors and their family interests at 31 December 2024. To show alignment with the shareholding guidelines both the net number of unvested share awards not subject to performance conditions and the vested share awards in holding periods are included for the Executive Directors. The Committee continues to keep both the shareholding guidelines and actual Director shareholdings under review and will take appropriate action should they feel it necessary.

		Interests in shares					
	Notes	**Unconditional Shares held at 31 December 2024[1]**	**Restricted Shares held at 31 December 2024[2]**	**Restricted Shares held at 31 December 2024[3]**	**% shareholding guidelines met[4]**	Unconditional shares held at 31 December 2023	% of salary/fees required to be held under shareholding guidelines
Executive Directors							
Carolyn McCall		**2,088,722**	**2,242,763**	**2,582,924**	**157**	1,721,466	400
Chris Kennedy		**887,687**	**1,401,367**	**1,569,012**	**200**	664,596	225
Non-executive Directors							
Dawn Allen	5	–	–	–	–	–	100
Salman Amin		**50,674**	–	–	**100**	50,674	100
Edward Bonham Carter		**100,000**	–	–	**121**	100,000	100
Graham Cooke	6	**16,996**	–	–	**17**	–	100
Andrew Cosslett		**621,242**	–	–	**111**	621,242	100
Margaret Ewing	7	**57,700**	–	–	**94**	57,700	100
Marjorie Kaplan	8	–	–	–	–	–	100
Gidon Katz	9	**75,000**	–	–	**81**	75,000	100
Sharmila Nebhrajani	10	**26,858**	–	–	**31**	15,620	100

1. Shares beneficially held by Directors and family interests
2. Restricted Share awards under the DSA that are in a deferred period; and awards under the ESP and LTIP that have vested but are unexercised and in a holding period (and not subject to a performance underpin). These awards are subject to continued service and accounted for on a net of tax basis
3. Restricted Share awards under the ESP that have not vested and are subject to performance underpin are accounted for on a net of tax basis
4. In order to reflect economic exposure, shareholding guidelines are assessed on the greater of the share price on 31 December 2024 (73.6 pence) and the value at acquisition/grant
5. Dawn Allen was appointed to the Board on 2 October 2023 and has until 2029 to meet her shareholding requirements
6. Graham Cooke was appointed to the Board on 1 May 2020 and has until 2026 to meet his shareholding requirements
7. Following an increase to fees in 2024 Margaret Ewing's interest has fallen to 94%
8. Marjorie Kaplan was appointed to the Board on 1 September 2023 and has until 2029 to meet her shareholding requirements
9. Gidon Katz was appointed to the Board on 18 July 2022 and has until 2028 to meet his shareholding requirements
10. Sharmila Nebhrajani was appointed to the Board on 10 December 2020 and has until 2026 to meet her shareholding requirements
11. There have been no changes in holdings from 31 December 2024 up until the date this report was signed on 6 March 2025

Annual Report on Remuneration continued

Outstanding interests under share plans

The following table provides details of the Executive Directors' outstanding interests in share awards.

	Notes	At 1 January 2024	Awarded in year	Vested in year	Exercised in year[3]	Lapsed in year	**At 31 December 2024**	Share price used for award (pence)	Share option price (pence)	Share price at exercise (pence)	Vesting date	Holding period ends
Carolyn McCall												
LTIP												
28 March 2019	1	692,937	–	–	692,937	–	**–**	126.37	–	73.16	28 March 2022	28 March 2024
6 April 2020	1	1,393,013	–	–	–		**1,393,013**	69.91	–	–	6 April 2023	6 April 2025
ESP												
13 May 2021	2	1,013,062	–	1,013,062	–	–	**1,013,062**	123.37	–	–	13 May 2024	13 May 2026
28 March 2022	2	1,338,577	–	–	–	–	**1,338,577**	96.17	–	–	28 March 2025	28 March 2027
28 March 2023	2	1,643,105	–	–	–	–	**1,643,105**	81.48	–	–	28 March 2026	28 March 2028
28 March 2024	2	–	1,891,759	–	–	–	**1,891,759**	72.89	–	–	28 March 2027	28 March 2029
DSA[3]												
28 March 2022		567,177	–	–	–	–	**567,177**	96.17	–	–	28 March 2025	
28 March 2023		584,666	–	–	–	–	**584,666**	81.48	–	–	28 March 2026	
28 March 2024	4	–	469,122	–	–	–	**469,122**	72.89	–	–	28 March 2027	
Chris Kennedy												
LTIP												
28 March 2019	1	420,928	–	–	420,928	–	**–**	126.37	–	73.16	28 March 2022	28 March 2024
6 April 2020	1	846,194	–	–	–	–	**846,194**	69.91	–	–	6 April 2023	6 April 2025
ESP												
13 May 2021	2	-	-	615,390	–	–	**615,390**	123.37	–	–	13 May 2024	13 May 2026
28 March 2022	2	813,126	–	–	–	–	**813,126**	96.17	–	–	28 March 2025	28 March 2027
28 March 2023	2	998,114	–	–	–	–	**998,114**	81.48	–	–	28 March 2026	28 March 2028
28 March 2024	2	–	1,149,160	–	–	–	**1,149,160**	72.89	–	–	28 March 2027	28 March 2029
DSA												
28 March 2022		367,120	–	–	–	–	**367,120**	96.17	–	–	28 March 2025	
28 March 2023		383,421	–	–	–	–	**383,421**	81.48	–	–	28 March 2026	
28 March 2024	4	–	307,683	–	–	–	**307,683**	72.89	–	–	28 March 2027	
SAYE												
13 September 2023	5	32,907	–	–	–	–	**32,907**	70.46	56.37	–	1 November 2026	

1. Awards under the LTIP are subject to performance over a three year period. Any proportion of the award that meets the performance conditions will become exercisable after a two year holding period
2. Awards under the ESP vest after three years subject to a financial underpin condition being met. The award will then become exercisable after a two year holding period. The face value of awards granted in 2024 to Carolyn McCall under the ESP was £1,378,966 and to Chris Kennedy was £837,660
3. For awards released during the year, sufficient shares were sold to cover income tax and national insurance liabilities, with the balance of shares retained by the Executive Director. The shares are included in the balance of unconditional shares in the table on page 118
4. Awards under the DSA were granted as nil cost options and become exercisable after three years subject to continued employment. The face value of awards granted in the financial year to Carolyn McCall was £341,958 and to Chris Kennedy was £224,280. Awards were granted based on the average share price on the three trading days preceding the award
5. Share options under the SAYE were granted at a 20% discount of the ITV share price at the time of grant

Annual Report on Remuneration continued

External directorships

With specific approval of the Board, Executive Directors may undertake external appointments as a non-executive director of other publicly quoted companies and retain any related fees paid to them.

Service contracts

The Directors' service contracts and letters of appointment are available for inspection at the Company's registered office.

Executive Directors: Executive Directors have rolling service contracts that provide for 12 months' notice on either side. There are no special provisions that apply in the event of a change of control.

	Date of appointment	Nature of contract	Notice period from Company	Notice period from Director	Compensation for early termination
Carolyn McCall	8 January 2018	Rolling	12 months	12 months	None
Chris Kennedy	21 February 2019	Rolling	12 months	12 months	None

Non-executive Directors: Each Non-executive Director, including the Chair, has a letter of appointment with the Company. Non-executive Directors will serve for an initial term of three years, subject to election and then annual re-election by shareholders, unless otherwise terminated earlier by and at the discretion of either party upon one month's written notice (12 months for the current Chair). After the initial three year term, reappointment is on an annual basis.

All Non-executive Directors are subject to re-election at the AGM in 2025. Details of appointment and tenure are set out in the table on page 67.

Committee membership and advisers

The Directors who were members of the Committee when matters relating to the Executive Directors' remuneration for the year were considered are set out on page 104.

The Committee obtains advice from various sources in order to ensure it makes informed decisions. The Executive Directors are invited to attend Committee meetings as appropriate. No individual is involved in decisions relating to their own remuneration.

The Chief People Officer is the main internal adviser and provides updates on remuneration, employee relations and human resource issues.

Deloitte LLP was appointed by the Committee as the independent adviser on remuneration policy and the external remuneration environment with effect from September 2017 following a review of other advisers in the market place. Total fees for advice provided to the Committee during the year amounted to £78,050 on a time/material basis (exclusive of VAT and expenses). Deloitte are members of the Remuneration Consultants Group and abide by its Code of Conduct in relation to remuneration consulting in the UK.

The Committee regularly reviews the quality and objectivity of the advice it receives from Deloitte in private sessions and this is challenged as a part of the Board evaluation process. It is satisfied that the advice it has received has been objective and independent, and that any conflicts have been appropriately managed. The Committee is satisfied that the Deloitte LLP engagement partner and advisory team that provide remuneration advice to the Committee, do not have any connections with the Company or individual Directors that may impair their independence.

The wider UK Deloitte firm provided ITV with a number of other services during the year relating to tax, financial advice and consultancy. The members of the executive remuneration consulting team are not incentivised to cross-sell non-related services to ITV.

Relative importance of spend on pay

The table below shows the percentage change in total remuneration paid to all employees compared to expenditure on dividends and share buybacks.

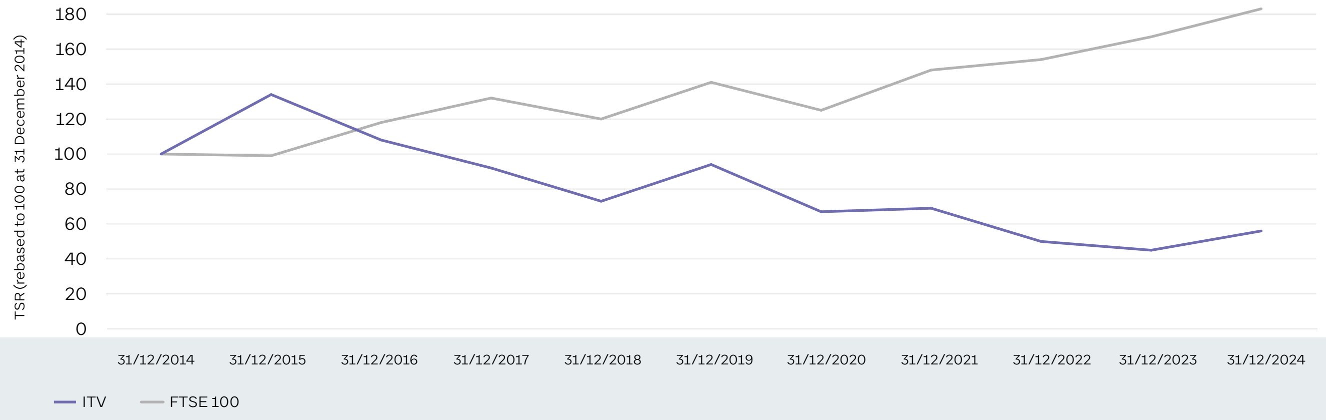
	2024 £m	2023 £m	% Change
Employee pay[1]	**681**	693	(1.73)
Dividends/share buybacks[2]	**397**	201	97.51
Employee headcount[3]	**6,613**	6,869	(3.73)

1. Employee pay is the total remuneration paid to all employees across ITV on a full time equivalent basis. More detail is set out in note 2.1 to the financial statements
2. This includes the repurchase of shares under the Share Buyback programme that commenced on 7 March 2024
3. Employee headcount is the monthly average number of employees across ITV on a full time equivalent basis. More detail is set out in note 2.1 to the financial statements. This number is included to contextualise the employee pay figure

Annual Report on Remuneration continued

Historical performance

The graph below shows the TSR performance of the Company against the FTSE 100 index over the ten-year period to 31 December 2024. The FTSE 100 was chosen as ITV has been a member of the FTSE 100 during the ten-year period.



Source: LSEG Datastream

Chief Executive remuneration

The table below provides a summary of the total remuneration received by the Chief Executive over successive financial years, including details of the annual bonus pay-out and long-term incentive award vesting level in each year.

		Total remuneration £000	Bonus % of maximum	Award vesting % of maximum	LTI Award type
2024	Carolyn McCall	4,089	93	100	ESP
2023	Carolyn McCall	3,045	56	100	ESP
2022	Carolyn McCall	3,690	82	39	LTIP
2021	Carolyn McCall	3,307	96	36	LTIP
2020	Carolyn McCall	1,150	–	9	LTIP
2019	Carolyn McCall	3,122	87	62	LTIP
2018	Carolyn McCall	3,695	74	–	LTIP
2017	Peter Bazalgette (for the six-month period served)	225	–	–	LTIP
	Adam Crozier (for the six-month period served)	2,050	98	63	LTIP
2016	Adam Crozier	3,632	40	80	LTIP
2015	Adam Crozier	3,881	96	75	LTIP
2014	Adam Crozier	4,842	94	75	LTIP
2013	Adam Crozier	8,399	93	87	LTIP

The long-term incentive award vesting percentage relates to the proportion of the award that met performance conditions in the relevant financial year.

Annual Report on Remuneration continued

Shareholder views and AGM voting

The Committee maintains regular and transparent communication with shareholders. We believe that it is important to regularly meet with our key shareholders to understand their views on our remuneration arrangements and what they would like to see going forward. We welcome feedback from shareholders at any time during the year.

Where we are proposing to make any significant changes to the remuneration framework or the manner in which the framework is operated, we would seek major shareholders' views and take these into account. In recent years, the Committee has consulted with major shareholders regarding both the design and operation of the Policy.

Prior to the finalisation of the 2024 Remuneration Policy, the Committee consulted with major shareholders to consider their views and we maintain a dialogue with many of these investors. At the AGM held on 2 May 2024, the majority of investors were supportive of both the Remuneration Report and the Remuneration Policy. Over many years, major proxy agencies have also remained supportive of our remuneration proposals. Despite this majority support, the Committee recognises that there are a diverse range of views amongst investors, particularly in relation to restricted share pay models.

While the Committee remains satisfied regarding the rationale and benefits of the existing pay model, it will continue to monitor the effectiveness of the Policy going forward to ensure it continues to support execution of the strategy and the views of our major shareholders continue to inform and guide our overall approach.

Votes cast by proxy and at the meeting by poll in respect of the Executive Directors' remuneration were as follows:

Resolution	Number of shares	Voting for %	Number of shares	Voting against %	Total votes cast	Votes withheld
Remuneration Policy (2024 AGM)	2,679,116,346	87.70	375,599,518	12.30	3,054,715,864	263,372,082
The Directors' Remuneration Report (2024 AGM) (excluding the Remuneration Policy)	2,486,813,236	81.41	568,038,564	18.59	3,054,851,800	263,236,296

This Remuneration Report was approved by the Board on 6 March 2025 and has been signed on behalf of the Directors by

Sharmila Nebhrajani OBE
Chair, Remuneration Committee
6 March 2025

Directors' Report

The Directors present their Annual Report and the audited consolidated and parent company financial statements for the year ended 31 December 2024.

The Directors' Report comprises this report and the entire Governance section including the Chair's Governance Statement. In accordance with the Financial Conduct Authority's Listing Rules, the information to be included in the 2024 Annual Report and Accounts, where applicable, under LR 6.6, is set out in this Directors' Report. Other information that is relevant to this report, and which is incorporated by reference, can be located as follows:

INFORMATION

- Carbon and greenhouse gas emissions (see page 34)
- Corporate Governance Report (see pages 60 to 123)
- Culture (see pages 80 to 83)
- Directors' service contracts (see page 121)
- Employee engagement and involvement (see pages 78 to 79)
- Employee equality, diversity, reward, investment and inclusion (see pages 32 to 33)
- Future developments of the business of the Group (see pages 7 to 11)
- Membership of the Board during the 2024 financial year (see pages 62 to 63)
- Research and development (see pages 7 to 11)
- Stakeholder engagement and Company's business relationships (see pages 69 to 77)

Corporate

Articles of Association: The Articles of Association may only be amended by special resolution of the shareholders. The current Articles were adopted as the Articles of Association of the Company at the conclusion of the 2021 AGM and are available on our website.

Auditor: The external auditor for the 2024 financial year was PricewaterhouseCoopers LLP. The Independent Auditor's Report starting on page 130 sets out the information contained in the Annual Report which has been audited by the external auditor.

The Audit and Risk Committee considered the performance and audit fees of the external auditor, and the level of non-audit work undertaken. It recommended to the Board that a resolution for the reappointment of PricewaterhouseCoopers LLP for a further year as the Company's auditor be proposed to shareholders at the AGM on 13 May 2025.

Change of control: No person holds securities in the Company carrying special rights with regard to control of the Company. All of the Company's share schemes contain provisions relating to a change of control. Outstanding awards and options would normally vest and become exercisable on a change of control, subject to the satisfaction of any performance conditions and proration for time where appropriate.

Certain of the Group's debt and derivative instruments have change of control clauses whereby the counterparty can require ITV to repay or redeem the instruments in the event of a change of control (although in some cases only if it is accompanied by a credit rating downgrade to sub investment grade). The Company is not aware of any other significant agreements to which it is a party that take effect, alter or terminate upon a change of control of the Company.

Other agreements: The Company does not have any agreements with any Director or employee that would provide compensation for loss of office or employment resulting from change of control following a takeover bid.

Dividends: The Board has proposed a final dividend of 3.3 pence for the year ended 31 December 2024 subject to shareholder approval at the AGM on 13 May 2025. The final dividend will be paid on 22 May 2025 to shareholders on the register on 11 April 2025 (the record date). The ex-dividend date is 10 April 2025.

Political contributions: It is the Company's policy not to make cash contributions to any political party. However, within the normal activities of the Company's national and regional news-gathering operations, there may be occasions when an activity might fall within the broader definition of 'political expenditure' contained within the Companies Act 2006. Shareholder authority for such expenditure was given at the 2024 AGM. During 2024 there were no payments made by the Group falling within this definition (2023: nil). The Directors will seek to renew this authority at the 2025 AGM.

Branches: Branches of the Group outside the United Kingdom are indicated in the Subsidiary undertakings and investments section on pages 214 to 219.

Directors' Report continued

Directors

Appointments: A table showing Directors who served in the year and to the date of this report can be found on page 67. Biographies for Directors currently in office can be found on pages 62 and 63 and on our website.

www.itvplc.com/about-itv/board-of-directors

The appointment and replacement of Directors is governed by the Articles of Association, the UK Corporate Governance Code, the Companies Act 2006 and related legislation. The Directors may from time to time appoint one or more Directors. Any such Director shall hold office only until the next AGM and shall then be eligible for appointment by the Company's shareholders in accordance with the Corporate Governance Code. Subject to annual shareholder approval, Non-executive Directors are appointed for an initial three year period and annually thereafter. Each Director will retire and submit themselves for election or re-election at the forthcoming AGM.

Conflicts of interest: The Board has delegated the authorisation of any conflicts to the Nominations Committee and has adopted a Conflicts of Interest Policy. The Board has considered in detail the current external appointments of the Directors that may give rise to a situational conflict and has authorised potential conflicts where appropriate. This authorisation can be reviewed at any time but will always be subject to annual review.

Powers including in relation to issuing or buying back shares: Subject to applicable law and the Company's Articles of Association, the Directors may exercise all powers of the Company, including the power to authorise the issue and/or market purchase of the Company's shares (subject to an appropriate authority being given to the Directors by shareholders in a general meeting and any conditions attaching to such authority). The Articles and a schedule of Matters Reserved for the Board can be found on our website.

At the 2024 AGM, the Directors were given the following authority:

- To allot a maximum of 1.35 billion shares, representing approximately one-third of the Company's issued share capital, extending to 2.7 billion if used for a rights issue
- To allot a maximum of 405 million shares, without first offering them to existing shareholders in proportion to their holdings, representing approximately 10% of the Company's issued share capital
- To purchase in the market a maximum of 405 million shares, representing up to approximately 10% of the Company's issued share capital

On 7 March 2024 ITV announced that it had commenced a programme to purchase the Company's shares up to a maximum consideration of £235 million using the authority granted by shareholders at the 2023 AGM. Under these authorities 270,292,644 million shares were bought back during the 2024 financial year. As necessary, the continuation of the programme after the 2025 AGM is subject to shareholder authority being granted at the 2025 AGM and, following the expiry of such authority, the shareholder authority granted at the Company's Annual General Meeting to be held in 2026.

Insurance and indemnities: The Company maintains liability insurance for its Directors and officers that is renewed on an annual basis. The Company has also entered into deeds of indemnity with its Directors and certain directors of associated companies. A copy of the indemnity can be found on our website. The indemnity, which constitutes a qualifying third-party indemnity as defined in Section 234 of the Companies Act 2006, was in force during the 2024 financial year.

Disclosures

Listing Rule 9.8.4 disclosures: There are no disclosures to be made under Listing Rule 9.8.4, other than that the Trustee of the Employees' Benefit Trust (EBT) waived its rights to receive dividends on shares it holds which do not relate to Restricted Shares held under the ITV Deferred Share Award Plan. See note 4.8.

Financial risk management: The Directors have carried out a robust assessment of the principal and emerging risks facing the Company, including in relation to its business model, future performance, solvency and liquidity. Details of our principal risks and associated mitigations, together with details of our approach to risk management, are set out on pages 49 to 53. Note 4.2 to the financial statements gives details of the Group's financial risk management policies and related exposures. Note 4.2 is incorporated by reference and deemed to form part of this report.

Going concern: The going concern statement is set out on page 143. The statement is incorporated by reference and deemed to form part of this report.

Data: As a part of our business activity, ITV processes large amounts of personal data. ITV recognises that to enable this use of personal data to transform our business and to meet the expectations of our viewers, advertisers and colleagues, it is critical that we continue to build on our approach to applying privacy in a lawful and ethical way. A programme of work to support this has been led by our Global Data Protection Officer. The work includes making improvements to our data governance framework and delivering our data privacy function to protect rights, engender trust and make data available for commercial purposes. ITV has a number of policies, procedures and tools in place to support this, including our Privacy and Data Protection Policy and an Information Security Policy that governs the processing and security of data. Compliance with these policies is mandatory and forms part of the Code of Ethics and Compliance. All colleagues undergo regular training to remind them of their responsibilities under these policies. Privacy and data protection is kept under review by the Audit and Risk Committee.

Directors' Report continued

Subsequent events

For details on post balance sheet events see note 5.3 on page 201.

Pensions

The Company operates a number of pension arrangements which provide retirement and death benefits for colleagues.

ITV Pension Scheme (the Scheme): The Scheme is predominantly a Defined Benefit (DB) scheme, which is closed to future accrual, but also includes a small Defined Contribution (DC) section closed to future contributions.

ITV Pension Scheme Limited (a wholly owned subsidiary of ITV plc) is a corporate Trustee and manages the Scheme under a trust which is separate from the Company. Members of the Trustee board are formally appointed as directors of ITV Pension Scheme Limited. There are six directors including the Chair – four appointed by the Company and two nominated by the members. The Company appointed Trustee directors include the Chair and two professional independent Trustees.

Currently, the Trustee has one committee: Corporate Affairs. The Corporate Affairs Committee is convened as and when appropriate for dealing with any corporate activities that may arise. The Trustee board holds regular meetings throughout the year at which key issues and more routine business matters are dealt with. A budget is agreed each year. The Trustee board manages risk through its meeting agendas and has a conflicts of interest policy and maintains a register of interests for each Trustee director, which are reviewed regularly. It is the responsibility of the Trustee to have in place appropriate training for its directors and effective committee structures. The Trustee directors receive regular training throughout the year and also have the support of various professional advisers. The Group pensions department helps identify training opportunities. Training is delivered both by attendance at external courses and with targeted training to support specific agenda items at the start of the relevant Trustee board meeting. Where appropriate, longer training sessions are organised. Comprehensive records are kept of all training completed by each Trustee director. The Trustee board completes regular assessments of its advisers.

The Chair confirms in an annual statement that the Trustee meets its legal duties in relation to the DC section as required under the Pensions Regulator's Code of Practice 13.

Full valuations are carried out every three years. The latest actuarial valuation of the main DB scheme was as at 1 January 2023.

ITV Defined Contribution Plan (the Plan): The trust based Plan was established to accept contributions from 1 March 2017 for ex-DB members and DC members who transferred from the Scheme. Eligible fixed term and permanent employees are invited to join the Plan after completing the required time in the Company's Auto-Enrolment (AE) arrangement – the AE Section of the Plan, which was set up on 1 April 2020. These individuals are given the opportunity to transfer funds from the AE plan and make backdated contributions within permitted levels.

ITV DC Trustee Limited (a wholly owned subsidiary of ITV plc) is a corporate Trustee and manages the DC assets, which are held under trust separately from the Company. Members of the Trustee board are formally appointed as directors of ITV DC Trustee Limited. There are five directors including the Chair – three appointed by the Company and two nominated by the members. It is the responsibility of the Trustee to have in place appropriate training for its directors. The governance framework for managing the Plan and developing the board is in line with that in place for the ITV Pension Scheme.

The Chair confirms in an annual statement that the Trustee meets its legal duties in relation to the DC Plan as required under the Pensions Regulator's Code of Practice 13.

Ulster Television Pension and Assurance Scheme (the UTV Scheme): The UTV Scheme provides DB benefits. It closed to future accrual with effect from 31 March 2019.

UTV Pension Scheme Limited (a wholly owned subsidiary of ITV plc) is a corporate Trustee and manages the DB assets, which are held under trust separately from the Company. Members of the Trustee board are formally appointed as directors of UTV Pension Scheme Limited. There are five directors including the Chair — three appointed by the Company (including a professional Trustee as chairman) and two nominated by the members. It is the responsibility of the Trustee to have in place appropriate training for its directors. The governance framework for managing the UTV Scheme and developing the board is in line with that in place for the ITV Pension Scheme.

Full valuations are carried out every three years. The latest actuarial valuation of the UTV scheme was as at 1 July 2023.

The People's Pension: Since 2013, employers within the Group have been required to enrol all eligible individuals into a pension scheme automatically (auto-enrolment). This applies to all eligible individuals who are contracted to work for us, regardless of their contract type or tax status (i.e. it applies to workers and not simply employees). For freelancers and employees not eligible to join the DC Plan, the auto-enrolment plan is provided by a company called The People's Pension under a master trust which is run by an independent board of Trustee directors and eligible individuals are enrolled into this arrangement.

Pension Scheme indemnities: Qualifying pension scheme indemnity provisions, as defined in Section 235 of the Companies Act 2006, were in force for the financial year ended 31 December 2024 and remain in force for the benefit of each of the directors of ITV Pension Scheme Limited, ITV DC Trustee Limited and UTV Pension Scheme Limited. These indemnity provisions cover, to the extent permitted by law, certain losses or liabilities incurred as a director or officer of ITV Pension Scheme Limited, ITV DC Trustee Limited and UTV Pension Scheme Limited.

Shares

Issued share capital: At the date of this report, there were 3,861,931,963 ordinary shares of 10 pence each in issue, all of which are fully paid up and quoted on the London Stock Exchange.

At the 2024 AGM, shareholders granted the Company authority to purchase the Company's own shares up to a maximum number of 450 million ordinary shares. ITV originally announced the share buyback programme of ordinary shares on 7 March 2024, for an aggregate purchase price of up to £235 million. As at 31 December 2024, 270,292,644 ordinary shares of 10p each had been repurchased for an aggregate consideration of £197,794,322.62.

Directors' Report continued

Rights: The rights attaching to the Company's ordinary shares are set out in the Articles of Association. There are no securities carrying special rights.

Restrictions: There are no restrictions on the transfer of ordinary shares in the capital of the Company other than those which may be imposed by law from time to time. The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights. With regard to the deadline for exercising voting rights, votes are exercisable at a general meeting of the Company in respect of which the business being voted upon is being heard. Votes may be exercised in person, by proxy or, in relation to corporate members, by corporate representatives. The Articles provide a deadline for submission of proxy forms of not less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting. However, when calculating the 48-hour period, the Directors can, and have, decided not to take account of any part of a day that is not a working day. In accordance with the Disclosure Guidance and Transparency Rules (DTRs), Persons Discharging Managerial Responsibility are required to seek approval to deal in ITV shares. The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights.

Share schemes: Details of employee share schemes are set out in note 4.8 of the financial statements. The Company has an Employees' Benefit Trust (EBT) funded by loans to acquire shares for the potential benefit of employees. Details of shares held by the EBT as at 31 December 2024 are set out in note 4.8. During the year, shares have been released from the EBT in respect of share schemes for employees. The Trustee of the EBT has the power to exercise all voting rights in relation to any investment (including ordinary shares) held within the EBT. From 2024, awards granted under the Company's Save As You Earn Scheme and the Executive Share Plan are met by the issue of treasury shares when the options are exercised. Awards under the Deferred Share Award Plan will continue to be met by market purchase shares. The Company will monitor the number of shares issued under these schemes and the impact on dilution limits.

Substantial shareholders: Information regarding interests in voting rights provided to the Company pursuant to the DTRs is published on a Regulatory Information Service and on the Company's website.

As at 6 March 2025, the information in the table below had been received, in accordance with DTR5, from holders of notifiable interests (voting rights) in the Company's issued share capital. However, these holdings are likely to have changed since notified to the Company; notification of any change is not required until the next applicable threshold is crossed.

The number of shares is based on announcements made by each relevant shareholder using the Company's issued share capital at that date.

	% of direct interest in shares	% of indirect interest in shares	Total % held	Total number of shares as notified
Liberty Global Incorporated Limited	10.06%	0.00%	10.06%	381,275,000
Ameriprise Financial, Inc and its group	5.08%	0.045%	5.12%	206,179,898
Artemis Investment Management LLP	5.14%	0.000%	5.14%	206,764,435
Schroders plc	5.22%	0.01%	5.23%	210,615,274
RWC Asset Management LLP	5.67%	0.00%	5.67%	228,339,000
Silchester International Investors LLT	5.00%	0.00%	5.00%	202,667,604

Directors' Report continued

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and Accounts 2024 and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group financial statements in accordance with UK-adopted international accounting standards and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business

The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Chris Kennedy
Group CFO & COO
6 March 2025
ITV plc
Registered Number: 4967001

FINANCIAL STATEMENTS

In this section

The financial statements have been presented in a style that attempts to make them less complex and more relevant to shareholders and other stakeholders. We have grouped the note disclosures into five sections: 'Basis of Preparation', 'Results for the Year', 'Operating Assets and Liabilities', 'Capital Structure and Financing Costs' and 'Other Notes'. Each section sets out the accounting policies applied in producing the relevant notes, along with details of any key judgements and estimates used. The purpose of this format is to provide readers with a clearer understanding of what drives financial performance of the Group. The aim of the text in boxes is to provide commentary on each section or note, in plain English.

Keeping it simple

Notes to the financial statements provide information required by statute, accounting standards or Listing Rules to explain a particular feature of the financial statements. The notes are a part of the financial statements and will also provide explanations and additional disclosure to assist readers' understanding and interpretation of the Annual Report and the financial statements.

Contents

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ITV PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion:

- ITV plc's Group financial statements and Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2024 and of the Group's profit and the Group's cash flows for the year then ended
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law) and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006

We have audited the financial statements, included within the Annual Report and Accounts 2024 (the 'Annual Report'), which comprise: Consolidated and Company Statements of Financial Position as at 31 December 2024; the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Changes in Equity, and the Consolidated Statement of Cash Flows for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit and Risk Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 2.1 'Profit Before Tax', we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- We performed full scope audit procedures over six components, covering components in the UK and USA
- Additionally, we performed audits of six large balances across two components
- Taken together, the entities over which audit work was performed accounted for 80% of the Group's external revenue and 80% of the Group's absolute adjusted profit before tax

Key audit matters

- Valuation of gross defined benefit pension scheme obligations (Group)
- Valuation of complex pension scheme assets (Group)
- Presentation of exceptional items, including valuation of the Box Clever provision (Group)
- Recoverability of investments (Company)

Materiality

- Overall Group materiality: £23.5 million (2023: £23.5 million) based on 5% of the three-year average Group profit before tax adjusted to exclude operating exceptional items and impairment
- Overall Company materiality: £71.0 million (2023: £71.0 million) based on 1% of the Company's total assets
- Performance materiality: £17.5 million (2023: £17.5 million) (Group) and £52.3 million (2023: £53.3 million) (Company)

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ITV PLC CONTINUED

Key audit matters
Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Valuation of gross defined benefit pension scheme obligations (Group)	
Refer to note 3.8 in the financial statements. The Group had gross defined benefit scheme obligations of £1,998 million (2023: £2,194 million) recognised at 31 December 2024, which are significant in the context of the overall Consolidated Statement of Financial Position. The valuation of defined benefit pension scheme obligations involves the exercise of judgement and technical expertise in choosing appropriate actuarial assumptions such as the discount rate, inflation, and mortality rates. Management engaged external actuarial experts to assist in selecting appropriate assumptions and to calculate the schemes' liabilities.	We utilised our in-house actuarial experts to evaluate whether the assumptions and methodology used in calculating the defined benefit obligations were reasonable by: • Assessing whether the mortality rates and other demographic assumptions were reasonable based on the consideration of the specifics of each plan and industry benchmarks • Evaluating the appropriateness of the discount and inflation rate assumptions by assessing the methodology used to set them and comparing the assumptions to our internal acceptable ranges set based on market data • Reviewing the methodology and models used by external actuaries to assess their appropriateness and testing the Consolidated Statement of Financial Position liability and movements over the year Based on our procedures, we concluded that the key assumptions utilised lay within acceptable ranges, the methodology used to calculate the liability was appropriate, and that the liability calculation had not been materially misstated. We assessed the related disclosures included in the Group financial statements and consider them to be appropriate.
Valuation of complex pension scheme assets (Group)	
Refer to note 3.8 in the financial statements. The Group had gross defined benefit scheme assets of £2,135 million (2023: £2,355 million) recognised at 31 December 2024, which are significant in the context of the overall Consolidated Statement of Financial Position. The valuations of complex pension scheme assets such as Pooled Investment Vehicles (PIVs) and longevity swaps are inherently subjective. As such, there is judgement in determining the fair value of the assets including the selection of appropriate valuation methodologies and other assumptions. Given the judgement and the quantum of these assets, this is a heightened area of audit risk.	We obtained independent confirmations from the investment managers to confirm the valuation of the scheme assets at the Consolidated Statement of Financial Position date. We understood Management's processes and controls for the monitoring and reviewing of complex asset valuations. We specifically instructed our in-house actuarial experts to consider whether the assumptions and methodology used in valuing the assets were reasonable in relation to the longevity swap contract. For complex PIVs, we also requested and reviewed third party investment manager controls reports, details of any transactions close to the year end, and the latest audited financial statements, to determine whether there were any inconsistencies with the year end values being attributed. Based on the procedures performed, we noted no material issues arising from our work.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ITV PLC
CONTINUED

Key audit matter	How our audit addressed the key audit matter
Presentation of exceptional items, including valuation of the Box Clever provision (Group)	
Refer to notes 2.2 and 3.7 in the financial statements. The Group recorded significant exceptional items of £65 million (2023: £77 million) which were included on the face of the Consolidated Income Statement and disclosed within the Annual Report. The presentation of items as exceptional can be judgemental and have a significant impact on the readers of the financial statements. Due to the quantum and number of exceptional items in the year, we focused on the presentation of these items to ensure they were treated consistently with the Group's accounting policy. The Group recorded a provision of £52 million (2023: £52 million) for the settlement liability that might arise as a result of the Box Clever Financial Support Directions issued by the Pensions Regulator, which is subject to the approval of the ITV Pension Scheme Trustee. There is continued uncertainty as to the quantum of the amount for which ITV may be liable.	We substantiated a sample of exceptional items to corroborating evidence. We assessed Management's rationale for the designation of certain items as exceptional against the Group's policy, considering the nature and impact of these items. We assessed the appropriateness and completeness of the disclosures included in the Group financial statements and the levels of equal prominence of GAAP and non-GAAP measures within the Annual Report. Specifically, with respect to the Box Clever provision, we enquired of Management and their external legal counsel on the latest status of the dispute noting that progress towards a final settlement has been made, and their views as to the most likely outcome, including the quantum of the settlement. We assessed the basis for Management's estimate of the provision, and utilised our in-house actuarial experts to evaluate whether the assumptions and methodology used in estimating the deficit amounts were reasonable. We noted that consistent assumptions were used for the ITV pension arrangements, all of which were within our acceptable ranges. We noted that there remains uncertainty related to this matter including the timing and amount of the final valuation of the pension liability. We therefore reviewed the disclosures to ensure they provide appropriate details of the developments. Based on our procedures, we were satisfied that the treatment and classification of exceptional items is consistent with the Group's policy, and the Annual Report disclosures, including the Box Clever matter, are appropriate.
Recoverability of investments (Company)	
Refer to Note iii in the financial statements. At 31 December 2024 the Company held Investments in subsidiary undertakings with a carrying value of £3,238 million (2023: £3,224 million). The market capitalisation of the Group is below the net assets of the Company at 31 December 2024 which is considered to be an impairment indicator and, as a result, Management performed an impairment assessment. Management prepared a Value in Use (VIU) model which includes judgements regarding the future cash flows of the Group. The model is based on the first three years of the Board approved five year plan and incorporates a terminal growth rate into perpetuity. Through this assessment, Management identified that the recoverable amount of the trading entities exceeded the carrying value of the Company's investments, therefore concluding that no impairment was required.	We performed the following procedures: • Understood the basis of preparation of the forecasts • Ensured the model used is appropriate and the assumptions used are consistent with the forecasts used elsewhere in the business (including the goodwill impairment assessment and going concern) • Supported by PwC valuations experts, we independently assessed Management's discount rate and terminal growth rate for appropriateness • Completed mathematical accuracy checks over the model Based on our procedures we are satisfied that the carrying value of the investments is supportable. We also evaluated the disclosures in Note iii Investments in subsidiary undertakings, which we consider to be appropriate.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

The Group is organised and managed across three divisions: Media & Entertainment (M&E), Studios and Central Services. Within the M&E and Studios divisions, given the shared systems and controls environment in the UK, we identified each individual UK business as a component.

Based on our risk and materiality assessments, we determined which components required an audit of their complete financial information having consideration to the relative significance of each component to the Group, and the overall coverage obtained over each material line item in the consolidated financial statements.

Due to their high concentration of the Group's absolute adjusted profit before tax, we have identified six components (inclusive of the Company) at which further audit procedures would be performed on the entire financial information of those components. In addition, two other components were identified where audit procedures were performed over six balances.

Audit work over the UK components and large balances and specified procedures were performed by the UK Group engagement team in addition to central procedures over tax, treasury, legal claims, defined benefit pension schemes, pension assets, impairment assessments, going concern, material profits on disposal of associates, joint ventures and subsidiary undertakings and consolidation adjustments. A full scope audit over one component, and specified procedures over another, was performed by PwC USA.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ITV PLC CONTINUED

Where the work was performed by PwC USA, we determined the level of involvement we needed to have in the audit work to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the Group financial statements as a whole. Our oversight procedures included the issuance of formal, written instructions to component auditors setting out the work to be performed and regular communication throughout the audit cycle including regular component calls, review of the work papers and participation in an audit clearance meeting.

Taken together, the components where we performed our audit work accounted for 80% of the Group's external revenue, and 80% of the Group's absolute adjusted profit before tax. This was before considering the contribution to our audit evidence from performing audit work at the Group level.

Our audit of the Company financial statements included substantive procedures over all material balances and transactions.

The impact of climate risk on our audit
As part of our audit, we made enquiries of Management to understand their process to assess the extent of the potential impact of climate change risks on the Group and its financial statements. The Group explains the impact of climate change on its business within the "Climate Related Financial Disclosures" section of the Strategic Report. Management's assessment considered the climate-related risks disclosed in the Annual Report including the impact of changes in the advertising sector, increased costs in the transition to a low carbon world and the resilience of productions to extreme weather events.

As disclosed within the basis of preparation section of the financial statements, Management considered that the impact of climate change does not give rise to a material financial statement impact.

In response, we used our understanding of the Group to evaluate Management's assessment; in particular, we considered how climate change risks, both physical and transitional, would impact the assumptions made in the forecasts prepared by Management used in their impairment analysis and in their going concern and viability assessments. We did not identify any matters as part of this work which were inconsistent with the disclosures in the Annual Report or led to any material adjustments to the accounts.

We also read the disclosures made in relation to climate change in the other information within the Annual Report, and considered their consistency with the financial statements and our knowledge from our audit. Our responsibility over other information is further described in the "Reporting on other information" section of our report.

Materiality
The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – Group	Financial statements – Company
Overall materiality	£23.5 million (2023: £23.5 million)	£71.0 million (2023: £71.0 million)
How we determined it	5% of the three-year average Group profit before tax adjusted to exclude operating exceptional items and impairment	1% of the Company's total assets
Rationale for benchmark applied	We consider the most appropriate benchmark on which to calculate materiality was the Group's adjusted profit before tax adjusted to exclude operating exceptional items and impairment, as it is one of the key indicators of financial performance of the Group. We use a three year average due to the volatility of earnings	Balances and transactions that eliminate upon consolidation were audited to a higher materiality. We considered a total asset measure to reflect the nature of the parent Company, which primarily acts as a holding Company for the Group's investments

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was between £6 million and £20 million.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2023: 75%) of overall materiality, amounting to £17.5 million (2023: £17.5 million) for the Group financial statements and £53.3 million (2023: £53.3 million) for the Company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above £1.1 million (Group and Company audit) (2023: £1.1 million) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ITV PLC CONTINUED

Conclusions relating to going concern

Our evaluation of the Directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included:

- A critical assessment of Management's base case and downside scenarios, challenging and obtaining corroborating evidence for the key assumptions, and verifying that the forecasts have been subject to board review and approval
- Examining the Group's available financing, including related covenants, and maturity profile to assess liquidity through the assessment period
- Reviewing the key inputs into the model Management used to develop their scenarios to ensure that these were consistent with our understanding and the inputs used in other key accounting judgements in the financial statements such as impairment
- Assessing the historical reliability of Management forecasting by comparing budgeted results to actual performance
- Performing our own independent sensitivity analysis to assess appropriate downside scenarios

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

In relation to the Directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Directors' Remuneration

In our opinion, the part of the Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the Directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ITV PLC
CONTINUED

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:
- The Directors' confirmation that they have carried out a robust assessment of the emerging and principal risks
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated
- The Directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's and Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements
- The Directors' explanation as to their assessment of the Group's and Company's prospects, the period this assessment covers and why the period is appropriate
- The Directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions

Our review of the Directors' statement regarding the longer-term viability of the Group and Company was substantially less in scope than an audit and only consisted of making inquiries and considering the Directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Group and Company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:
- The Directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Group's and Company's position, performance, business model and strategy
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems
- The section of the Annual Report describing the work of the Audit and Risk Committee

We have nothing to report in respect of our responsibility to report when the Directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to competition law, data privacy, broadcasting and media regulations and UK Listing Rules, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and tax legislation. We evaluated Management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate the financial performance of the Group and Management bias in accounting estimates. The Group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the Group engagement team and/or component auditors included:
- Enquiry of Management, those charged with governance and the Group's legal counsel around actual and potential fraud and non-compliance with laws and regulations
- Discussion with external lawyers regarding significant legal claims
- Enquiry of tax and compliance functions to identify any instances of non-compliance with laws and regulations
- Challenging assumptions made by Management in determining their significant judgements and accounting estimates (refer to key audit matters)
- Identifying and testing journal entries, in particular journal entries posted with unusual account combinations
- Reviewing financial statement disclosures and testing to supporting documentation

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ITV PLC
CONTINUED

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of this report
This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER REQUIRED REPORTING

Companies Act 2006 exception reporting
Under the Companies Act 2006 we are required to report to you if, in our opinion:
- we have not obtained all the information and explanations we require for our audit or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us or
- certain disclosures of Directors' remuneration specified by law are not made or
- the Company financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns

We have no exceptions to report arising from this responsibility.

Appointment
Following the recommendation of the Audit and Risk Committee, we were appointed by the members on 29 April 2021 to audit the financial statements for the year ended 31 December 2021 and subsequent financial periods. The period of total uninterrupted engagement is four years, covering the years ended 31 December 2021 to 31 December 2024.

OTHER MATTER

The Company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R - 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Jonathan Lambert (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
6 March 2025

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December	Note	2024 £m	2023 £m
Revenue	2.1	**3,488**	3,624
Operating costs	2.1	**(3,170)**	(3,386)
Operating profit		**318**	238
Presented as:			
Earnings before interest, tax and amortisation (EBITA) before exceptional items	2.1	**526**	404
Operating exceptional items	2.2	**(65)**	(77)
Amortisation and impairment	3.3, 3.6	**(143)**	(89)
Operating profit		**318**	238
Financing income	4.4	**51**	25
Financing costs	4.4	**(51)**	(70)
Net financing costs		**–**	(45)
Share of losses of joint ventures and associated undertakings	3.6	**(9)**	–
Profit on disposal of associates, joint ventures and subsidiary undertakings	3.5	**212**	–
Profit before tax		**521**	193
Taxation	2.3	**(115)**	16
Profit for the year		**406**	209
Profit/(loss) attributable to:			
Owners of the Company		**408**	210
Non-controlling interests	4.7.6	**(2)**	(1)
Profit for the year		**406**	209
Earnings per share			
Basic earnings per share	2.4	**10.4p**	5.2p
Diluted earnings per share	2.4	**10.3p**	5.2p

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December	Note	2024 £m	2023 £m
Profit for the year		**406**	209
Other comprehensive (expense)/income:			
Items that are or may be reclassified to profit or loss			
Revaluation of financial assets	4.7.4	**(6)**	(1)
Net gain on cash flow hedges and costs of hedging	4.7.3	**7**	12
Exchange differences on translation of foreign operations	4.7.3	**(4)**	(42)
Income tax charge on items that may be reclassified to profit or loss	2.3	**(1)**	(3)
Items that will never be reclassified to profit or loss			
Remeasurement losses on defined benefit pension schemes	3.8	**(31)**	(35)
Income tax credit on items that will never be reclassified to profit or loss	2.3	**6**	9
Other comprehensive expense for the year, net of income tax		**(29)**	(60)
Total comprehensive income for the year		**377**	149
Total comprehensive income/(expense) attributable to:			
Owners of the Company		**379**	154
Non-controlling interests	4.7.6	**(2)**	(5)
Total comprehensive income for the year		**377**	149

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**31 December 2024 £m**	31 December 2023 £m
Non-current assets			
Property, plant and equipment	3.2	**237**	263
Intangible assets	3.3	**1,498**	1,542
Investments in joint ventures, associates and equity investments	3.6	**31**	68
Derivative financial instruments	4.3	**1**	1
Distribution rights	3.1.2	**35**	14
Contract assets	3.1.6	**4**	13
Defined benefit pension surplus	3.8	**162**	187
Other pension asset	3.8	**45**	48
Deferred tax asset	2.3	**7**	6
		2,020	2,142
Current assets			
Programme rights and other inventory	3.1.1	**371**	413
Trade and other receivables due within one year	3.1.3	**682**	630
Trade and other receivables due after more than one year	3.1.3	**81**	62
Trade and other receivables		**763**	692
Contract assets	3.1.6	**172**	189
Production inventories	3.1.7	**342**	234
Current tax receivable	2.3	**87**	111
Derivative financial instruments	4.3	**4**	4
Assets classified as held for sale	3.5	**–**	66
Cash and cash equivalents	4.1	**427**	340
		2,166	2,049
Current liabilities			
Borrowings	4.1, 4.2	**(10)**	(5)
Lease liabilities	4.6	**(15)**	(18)
Derivative financial instruments	4.3	**(3)**	(1)
Trade and other payables due within one year	3.1.4	**(899)**	(950)
Trade payables due after more than one year	3.1.5	**(33)**	(25)
Trade and other payables		**(932)**	(975)
Contract liabilities	3.1.6	**(234)**	(187)
Current tax liabilities	2.3	**(1)**	–
Provisions	3.7	**(134)**	(137)
		(1,329)	(1,323)
Net current assets		**837**	726
Non-current liabilities			
Borrowings	4.1, 4.2	**(723)**	(758)
Lease liabilities	4.6	**(90)**	(97)
Derivative financial instruments	4.3	**(20)**	(16)
Defined benefit pension deficit	3.8	**(25)**	(26)
Deferred tax liabilities	2.3	**(92)**	(59)
Other payables	3.1.5	**(63)**	(67)
Provisions	3.7	**(12)**	(17)
		(1,025)	(1,040)
Net assets		**1,832**	1,828
Attributable to equity shareholders of the parent company			
Share capital	4.7.1	**394**	406
Share premium	4.7.1	**174**	174
Merger and other reserves	4.7.2	**245**	211
Translation reserve	4.7.3	**79**	78
Fair value reserve	4.7.4	**(7)**	(2)
Retained earnings	4.7.5	**923**	919
Total equity attributable to equity shareholders of the parent company		**1,808**	1,786
Non-controlling interests	4.7.6	**24**	42
Total equity		**1,832**	1,828

The financial statements on pages 137 to 219 were approved by the Board of Directors on 6 March 2025 and were signed on its behalf by:

Chris Kennedy
Group CFO and COO

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Attributable to equity shareholders of the parent company								
	Note	Share capital £m	Share premium £m	Merger and other reserves £m	Translation reserve* £m	Fair value reserve £m	Retained earnings £m	**Total £m**	Non-controlling interests £m	**Total equity £m**
Balance at 1 January 2024	4.7	**406**	**174**	**211**	**78**	**(2)**	**919**	**1,786**	**42**	**1,828**
Total comprehensive income/(expense) for the year										
Profit/(loss) for the year		–	–	–	–	–	408	408	(2)	**406**
Other comprehensive (expense)/income										
Revaluation of financial assets	4.7.4	–	–	–	–	(6)	–	(6)	–	**(6)**
Net gain on cash flow hedges and costs of hedging	4.7.3	–	–	–	7	–	–	7	–	**7**
Exchange differences on translation of foreign operations	4.7.3	–	–	–	(4)	–	–	(4)	–	**(4)**
Remeasurement loss on defined benefit pension schemes	3.8	–	–	–	–	–	(31)	(31)	–	**(31)**
Income tax (charge)/credit on other comprehensive (expense)/income	2.3	–	–	–	(2)	1	6	5	–	**5**
Total other comprehensive income/(expense)		–	–	–	1	(5)	(25)	(29)	–	**(29)**
Total comprehensive income/(expense) for the year		**–**	**–**	**–**	**1**	**(5)**	**383**	**379**	**(2)**	**377**
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Equity dividends		–	–	–	–	–	(198)	(198)	(9)	**(207)**
Movements due to share-based compensation	4.8	–	–	–	–	–	18	18	–	**18**
Movements in the employee benefit trust		–	–	–	–	–	(1)	(1)	–	**(1)**
Repurchase of shares	4.7.5	(12)	–	12	–	–	(200)	(200)	–	**(200)**
Tax on items taken directly to equity	2.3	–	–	–	–	–	2	2	–	**2**
Total transactions with owners		**(12)**	**–**	**12**	**–**	**–**	**(379)**	**(379)**	**(9)**	**(388)**
Changes in non-controlling interests	4.7.6	**–**	**–**	**22**	**–**	**–**	**–**	**22**	**(7)**	**15**
Balance at 31 December 2024	4.7	**394**	**174**	**245**	**79**	**(7)**	**923**	**1,808**	**24**	**1,832**

* See note 4.3 for further breakdown of Translation Reserve, including Hedging Reserve and Cost of Hedging Reserve

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY CONTINUED

		Attributable to equity shareholders of the parent company								
	Note	Share capital £m	Share premium £m	Merger and other reserves £m	Translation reserve* £m	Fair value reserve £m	Retained earnings £m	**Total £m**	Non-controlling interests £m	**Total equity £m**
Balance at 1 January 2023	4.7	**403**	**174**	**211**	**107**	**(1)**	**928**	**1,822**	**54**	**1,876**
Total comprehensive income/(expense) for the year										
Profit/(loss) for the year		–	–	–	–	–	210	210	(1)	**209**
Other comprehensive (expense)/income										
Revaluation of financial assets	4.7.4	–	–	–	–	(1)	–	(1)	–	**(1)**
Net gain on cash flow hedges and costs of hedging	4.7.3	–	–	–	12	–	–	12	–	**12**
Exchange differences on translation of foreign operations	4.7.3	–	–	–	(38)	–	–	(38)	(4)	**(42)**
Remeasurement loss on defined benefit pension schemes	3.8	–	–	–	–	–	(35)	(35)	–	**(35)**
Income tax (charge)/credit on other comprehensive income/(expense)	2.3	–	–	–	(3)	–	9	6	–	**6**
Total other comprehensive expense		–	–	–	(29)	(1)	(26)	(56)	(4)	**(60)**
Total comprehensive (expense)/income for the year		**–**	**–**	**–**	**(29)**	**(1)**	**184**	**154**	**(5)**	**149**
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Issue of shares	4.7.1	3	–	–	–	–	(2)	1	–	**1**
Equity dividends		–	–	–	–	–	(201)	(201)	(1)	**(202)**
Movements due to share-based compensation	4.8	–	–	–	–	–	16	16	–	**16**
Movements in the employee benefit trust		–	–	–	–	–	(5)	(5)	–	**(5)**
Tax on items taken directly to equity	2.3	–	–	–	–	–	(2)	(2)	–	**(2)**
Total transactions with owners		**3**	**–**	**–**	**–**	**–**	**(194)**	**(191)**	**(1)**	**(192)**
Changes in non-controlling interests	4.7.6	**–**	**–**	–	**–**	**–**	**1**	**1**	**(6)**	**(5)**
Balance at 31 December 2023	4.7	**406**	**174**	**211**	**78**	**(2)**	**919**	**1,786**	**42**	**1,828**

* See note 4.3 for further breakdown of Translation Reserve, including Hedging Reserve and Cost of Hedging Reserve

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December	Note	2024 £m	2024 £m	2023 £m	2023 £m
Cash flows from operating activities					
Cash generated from operations before exceptional items	2.1		**447**		556
Cash flow relating to operating exceptional items:					
Operating exceptional items	2.2	**(65)**		(77)	
Increase in exceptional payables		**4**		9	
Cash outflow from exceptional items			**(61)**		(68)
Cash generated from operations			**386**		488
Defined benefit pension deficit funding	3.8	**(3)**		(40)	
Interest received		**25**		20	
Interest paid*		**(48)**		(51)	
Net taxation paid		**(27)**		(32)	
			(53)		(103)
Net cash inflow from operating activities			**333**		385
Cash flows from investing activities					
Acquisition of property, plant and equipment		**(14)**		(31)	
Acquisition of intangible assets		**(35)**		(39)	
Acquisition of subsidiary undertakings, net of cash acquired	3.4	**(13)**		(1)	
Acquisition of investments		**(11)**		(19)	
Proceeds from disposal of associates, joint ventures and subsidiary undertakings	3.5	**295**		–	
Dividends received from investments		**1**		3	
Loans granted to associates and joint ventures		**–**		(13)	
Loans repaid by associates and joint ventures		**23**		3	
Net cash inflow/(outflow) from investing activities			**246**		(97)
Cash flows from financing activities					
Bank and other loans – amounts repaid		**(437)**		(401)	
Settlement of derivatives***		**(10)**		(10)	
Bank and other loans – amounts raised		**431**		351	
Payment of lease liabilities**		**(20)**		(22)	
Issue of share capital		**–**		1	
Acquisition of non-controlling interests		**(47)**		(4)	
Dividends paid to non-controlling interests		**(9)**		(1)	
Equity dividends paid	4.7.5	**(198)**		(201)	
Repurchase of shares	4.7.5	**(199)**		–	
Net cash outflow from financing activities			**(489)**		(287)
Net increase in cash and cash equivalents			**90**		1
Cash and cash equivalents at 1 January	4.1		**340**		348
Effects of exchange rate changes and fair value movements			**(3)**		(9)
Cash and cash equivalents at 31 December	4.1		**427**		340

* Interest paid includes interest on bank, other loans, derivative financial instruments and lease liabilities
** Net cash flow on lease liabilities in note 4.1 and 4.6 of £25 million (2023: £26 million) includes interest on lease liabilities of £5 million (2023: £4 million), included in interest paid
*** Net cash flow from forwards and swaps held against the euro-denominated bond repaid in the year

NOTES TO THE FINANCIAL STATEMENTS
SECTION 1: BASIS OF PREPARATION

In this section

This section sets out the Group's accounting policies that relate to the financial statements as a whole. Where an accounting policy is specific to one note, the policy is described in the note to which it relates. This section also shows new UK-adopted accounting standards, amendments and interpretations, and whether they are effective in 2024 or later years. We explain how these changes are expected to impact the financial position and performance of the Group.

The financial statements consolidate those of ITV plc ('the Company') and its subsidiaries (together referred to as the 'Group') and the Group's interests in associates and jointly controlled entities. The Company is registered in England and Wales.

These Group financial statements were prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The accounting policies have been applied consistently in the financial years presented, other than where new policies have been adopted.

The financial statements are principally prepared on the basis of historical cost. Where other bases are applied, these are identified in the relevant accounting policy.

The parent company financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101').

The notes form part of the financial statements.

Going concern
As at 31 December 2024, the Group was in a net debt position of £431 million (2023: £553 million), including gross borrowings of £858 million (2023: £893 million) offset by cash and cash equivalents of £427 million (2023: £340 million).

The Group has four committed facilities in place to maintain its financial flexibility, which includes a £500 million multilateral Revolving Credit Facility (RCF) which matures in January 2029. The Group also has £100 million of committed funding via a bilateral RCF, which matures in December 2028.

In October 2024, the Group entered into a new £200 million bilateral loan facility which matures in December 2030. Utilisations on this facility are also subject to the lender's ability to source ITV Credit Default Swaps (CDS). The new facility has a committed accreting profile which means the full £200 million will be available by 1 January 2026. At 31 December 2024, the Group had £50 million of the facility available.

The Group also has a bilateral financing facility of £300 million, which is free of financial covenants and matures on 30 June 2026.

At 31 December 2024, all of the facilities noted above were undrawn (31 December 2023: undrawn), which with cash and cash equivalents of £427 million, provided total liquidity of £1,377 million (31 December 2023: £1,240 million). This provides the Group with sufficient liquidity to meet the requirements of the business in the short to medium term under a variety of scenarios, including a severe but plausible downside scenario related to the Group's principal risks.

The two RCFs are subject to leverage and interest cover semi-annual covenant tests that require the Group to maintain a leverage ratio of below 3.5x and interest cover above 3.0x (measures as defined in the RCF documentation). As at 31 December 2024, the Group had covenant net debt of £314 million (2023: £415 million) and its financial position was well within its covenants. The leverage and interest cover tests will be tested again on 30 June 2025. For further information on covenants, see section 4.1.

In June 2024, the Group issued a €500 million bond, at a fixed coupon of 4.25% which matures in April 2032. The bond has been swapped back to £422 million using cross-currency swaps with 50% having a fixed coupon of 5.8% and 50% paying 184bps over SONIA. In conjunction with this bond issue, a liability management exercise was undertaken on the Group's €600 million 2026 bond in issue, with €240 million of this bond being repaid with the proceeds of the new €500 million bond. The swaps associated with the redeemed portion were also unwound. A £230 million term loan was taken out in August 2023, and drawn-down fully in December 2023. This term loan was fully repaid with the remaining proceeds of the €500 million bond issuance.

The Directors have prepared forecasts for three cash flow scenarios (mid, high and low cases), for the period of three years from 1 January 2025 (in line with the viability assessment period). The mid case scenario is based on the 2025 Board-approved budget and 2026 to 2027 strategic plan, also approved by the Board. The key assumptions in the scenarios relate to fluctuations in the advertising market due to audience and/or market decline and the evolving demand in the content market, specifically relating to content pipeline.

All scenarios have embedded inflationary impacts with increased production costs in the short to medium term as well as continued structural changes in the advertising market and viewing habits with increased focus on streaming. The Directors have also considered a number of sensitivities to the mid case scenario to arrive at severe but plausible downside scenarios that have been used to assess the appropriateness of preparing these consolidated financial statements using the going concern basis.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 1: BASIS OF PREPARATION CONTINUED

These sensitivities include settlements in respect of ongoing litigation, lost and/or delayed Studios productions, a failure to deliver the expected consumption hours or subscriber growth for Streaming and a decline in advertising revenue in comparison to 2024. The severe but plausible scenarios do not assume the adoption of a range of mitigations available to the Board.

The Directors propose a final dividend of 3.3 pence per share (2023: 3.3 pence), which equates to a full year dividend of 5.0 pence per share, subject to approval by shareholders at the AGM on 13 May 2025. The Directors intend to at least maintain this dividend over the medium term (this was included in all scenarios modelled). The Directors will continue to balance shareholder returns with a commitment to maintain investment grade credit metrics over the medium term and to continue to invest in the Group's strategy.

Consequently, after considering the severe but plausible scenarios, the Directors are confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of these consolidated financial statements and therefore have prepared the consolidated financial statements on a going concern basis.

Subsidiaries, joint ventures, associates and investments
Subsidiaries are entities that are directly or indirectly controlled by the Group. Control exists where the Group is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In assessing control, potential voting rights that are currently exercisable or convertible are considered.

A joint venture is a joint arrangement in which the Group holds an interest under a contractual arrangement where the Group and one or more other parties undertake an economic activity that is subject to joint control. The Group accounts for its interests in joint ventures using the equity method. Under the equity method, the investment in the entity is stated as one line item at cost plus the investor's share of retained post-acquisition profits or losses, less any dividends received and other changes in net assets.

An associate is an entity, other than a subsidiary or joint venture, over which the Group has significant influence. Significant influence is the power to participate in, but not control or jointly control, the financial and operating decisions of an entity. These investments are also accounted for using the equity method.

Investments are entities where the Group concludes it does not have significant influence and are held at fair value unless the investment is a start-up business, in which case it is valued initially at cost as a proxy for fair value.

Current/non-current distinction
Current assets include assets held primarily for trading purposes, cash and cash equivalents, and assets expected to be realised in, or intended for sale or use in, the course of the Group's operating cycle. All other assets are classified as non-current assets.

Current liabilities include liabilities held primarily for trading purposes, liabilities expected to be settled in the course of the Group's operating cycle and those liabilities due within one year from the reporting date. All other liabilities are classified as non-current liabilities.

Classification of financial instruments
The financial assets and liabilities of the Group are classified into the following financial statement captions in the Consolidated Statement of Financial Position in accordance with IFRS 9 'Financial Instruments':

- Financial assets/liabilities at fair value through OCI – measured at fair value through other comprehensive income – separately disclosed as financial assets/liabilities in current and non-current assets and liabilities or equity investments in non-current assets
- Financial assets/liabilities at fair value through profit or loss – separately disclosed as derivative financial instruments in current and non-current assets and liabilities and included in other payables (put option liabilities and contingent consideration) or convertible loan receivable within other receivables
- Financial assets measured at amortised cost – separately disclosed as cash and cash equivalents and trade and other receivables
- Financial liabilities measured at amortised cost – separately disclosed as borrowings and trade and other payables

Judgement is required when determining the appropriate classification of the Group's financial instruments, requiring assessment of contractual provisions that do or may change the timing or amount of contractual cash flows. Details of the accounting policies for measurement of the above instruments are set out in the relevant note. Where unconditional rights to set off financial instruments exist, and the Group intends to either settle on a net basis or realise the asset and settle the liability simultaneously, the Group presents the relevant instruments net in the Consolidated Statement of Financial Position.

Recognition and derecognition of financial assets and liabilities
The Group recognises a financial asset or liability when it becomes a party to the contract. Financial instruments are no longer recognised in the Consolidated Statement of Financial Position when the contractual cash flows expire or when the Group no longer retains control of substantially all the risks and rewards under the instrument.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 1: BASIS OF PREPARATION CONTINUED

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits with a maturity of less than or equal to three months from the date of acquisition. The carrying value of cash and cash equivalents is considered to approximate fair value.

Foreign currencies
The primary economic environment in which the Group operates is the UK and therefore the consolidated financial statements are presented in pounds sterling ('£').

Where Group companies based in the UK transact in foreign currencies, these transactions are translated into pounds sterling at the exchange rate on the transaction date. Foreign currency monetary assets and liabilities are translated into pounds sterling at the year end exchange rate. Where there is a movement in the exchange rate between the date of the transaction and the year end, a foreign exchange gain or loss is recognised in the income statement. Non-monetary assets and liabilities measured at historical cost are translated into pounds sterling at the exchange rate on the date of the transaction.

The assets and liabilities of Group companies outside of the UK are translated into pounds sterling at the year end exchange rate. The revenue, expenses and other comprehensive income of these companies are translated into pounds sterling at the average monthly exchange rate during the year. Where differences arise between these rates, they are recognised in the translation reserve within other comprehensive income.

The Group's net investments in companies outside the UK may be hedged where the currency exposure is considered to be material. Hedge accounting is implemented on certain foreign currency firm commitments, for which the effective portion of any foreign exchange gains or losses is recognised in other comprehensive income (note 4.3).

Exchange differences arising on the translation of the Group's interests in joint ventures and associates are recognised in the translation reserve within other comprehensive income.

On disposal of a foreign subsidiary, an interest in a joint venture or an associate, the related translation reserve is released to the income statement as part of the gain or loss on disposal.

Where a forward currency contract is used to manage foreign exchange risk and hedge accounting is not applied, any impact of movements in currency for both the forward currency contracts and the assets and liabilities is taken to the income statement.

Accounting judgements and estimates
The preparation of financial statements requires management to exercise judgement in applying the Group's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The current macroeconomic environment has caused considerable estimation and judgement to be applied, particularly in respect of pension obligations and discount rates used for impairment reviews.

Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

The areas involving material judgement or complexity and therefore may have a material impact on the financial statements in the next 12 months are set out below. Additional detail on the judgements and sources of estimation uncertainty applied by management are set out in the accounting policies section of the relevant notes:

Area	Key judgements	Key sources of estimation uncertainty
Exceptional items (See note 2.2)	The classification of income or expenses as exceptional items	
Defined benefit pension (See note 3.8)		Estimates of the assumptions for valuing the defined benefit obligation
Provisions related to Box Clever (see note 3.7)	The basis for calculating the provision	Estimates of the amount required to settle the potential liability
Employee-related provisions (See note 3.7)	The individuals who are included in the calculation	Estimates of the amounts required to settle or assume the liability
Acquisition-related liabilities (See note 3.1.4 and 3.1.5)	Whether future amounts payable are linked to employment	Estimates of cash flow forecasts to support the calculation of the future liabilities
Transmission commitments (See note 3.1.1)	Whether the transponder capacity contracts should be classified as leases in accordance with IFRS 16	

In addition to the above, there are a number of areas which involve a high degree of estimation and are significant to the financial statements but are not expected to have a material impact on them in the next 12 months. The key areas underlying estimation uncertainty include the estimation of net realisable values for programme rights, allocation of programme rights between linear and ITVX, impairment of goodwill and intangible assets and taxation. More detail on each of these items is given in the relevant notes.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 1: BASIS OF PREPARATION CONTINUED

The Directors recognise the climate crisis and the potential impact it may have on both the wider world and the success of ITV. The threat continues to evolve and businesses globally have a responsibility to take meaningful action to mitigate and prevent further climate change. The Directors are committed to reducing the impact of ITV on the environment. Climate-related risks have been identified as an emerging business risk; however, the Directors do not view them as a source of material estimation uncertainty for the Group. For further detail, see the Risks and Uncertainties section of the Strategic Report.

New or amended accounting standards
The following new standards and/or amendments were effective 1 January 2024, but have not had a significant impact on the Group's results or Consolidated Statement of Financial Position.

Accounting standard	Requirement	Impact on financial statements
Amendments to IAS 1 'Presentation of Financial Statements'	The amendment clarifies the criteria for classifying liabilities with covenants as current or non-current. The amendment also requires additional disclosures for loan arrangements disclosed as non-current where the loans are subject to compliance with covenants within 12 months after the reporting date.	No material changes to the Group's classification of debt or related disclosures.
Amendments to IFRS 16 'Leases'	The amendments outline how a seller-lessee should account for a sale and leaseback after the date of the transaction.	No material changes to the Group's financial position or performance.
Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures'	The amendments enhance the disclosure requirements for supplier financing arrangements and their effects on a company's liabilities, cash flows and exposures to liquidity risk.	No material changes to the Group's financial position or performance.

Accounting standards effective in future periods
The Directors have considered the impact on the Group of new and revised accounting standards, interpretations or amendments that are not yet effective and do not expect them to have a significant impact on the Group's results and Consolidated Statement of Financial Position.

Base Erosion and Profit Shifting (BEPS) Pillar Two
On 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15% for large groups and for financial years beginning on or after 31 December 2023.

Based on analysis of the current year financial data, most territories in which the Group operates are expected to qualify for one of the safe harbour exemptions such that top-up taxes should not apply. In territories where this is not the case there is the potential for Pillar Two taxes to apply, but these are not expected to be material. Of the £115 million reported tax charge, £2 million is in respect of Pillar Two top-up taxes.

Changes to the current UK system of Creative Industry tax credits
On 29 November 2023, the UK government issued legislation to reform the then current system of Creative Industry tax credits to merge the four existing schemes (Film, High-End Television (HETV), Children's Television and Animation) into a single Audio-Visual Expenditure Credit (AVEC) scheme and has reviewed the qualifying criteria. The AVEC legislation was substantively enacted on 5 February 2024 and can be claimed on expenditure incurred from 1 January 2024.

The new scheme is one of expenditure credits as opposed to corporate tax relief, requiring a change to the accounting treatment to include them within statutory operating profit rather than within the consolidated tax charge.

Under the HETV regime the tax credits are treated as a credit to the tax line which results in the Group in the UK generally having a much reduced reported effective tax rate. The new AVEC regime treats the credits as taxable EBITA and has been designed to ensure that entities are in the same economic position post-tax as under the HETV regime.

The new AVEC regime can be utilised from 1 January 2024, however companies can continue to claim under the existing HETV regime until mid-2025. ITV has chosen to opt into the new expenditure credit regime, on production expenditure incurred in 2024, at the earliest opportunity where possible. Due to the timing of when expenditure occurred on productions, we will be claiming under both the HETV and AVEC regime for a period of time.

In 2024, total tax credits of £56 million were claimed, of which £16 million were claimed under the old HETV regime and £40 million (£53 million gross) were claimed under the AVEC regime. The impact of this has been to increase statutory EBITA by £53 million and statutory tax charge by £13 million, whilst increasing adjusted EBITA (one of the Group's APMs – see page 36) by a further £16 million where HETV tax credits continue to be reclassed from the tax charge to Adjusted EBITA. Consequently, adjusted EBITA has increased by £13 million compared to the old HETV regime due to the AVEC claim being grossed up from £40 million to £53 million.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 2: RESULTS FOR THE YEAR

In this section

This section focuses on the results and performance of the Group. On the following pages, you will find disclosures explaining the Group's results for the year, segmental information, exceptional items, taxation and earnings per share.

2.1 Profit before tax

Keeping it simple

This section analyses the Group's profit before tax by reference to the activities performed by the Group and an analysis of key operating costs.

Total revenue and adjusted earnings before interest, tax and amortisation (adjusted EBITA) (both as defined in the APMs section of the Annual Report) are the Group's key performance and profit indicators. They reflect the way the business is managed and how the Directors assess the performance of the Group. This section therefore also shows each division's contribution to total revenue and adjusted EBITA.

The Group is a vertically integrated producer broadcaster and streamer, consisting of ITV Studios and Media & Entertainment (M&E).

ITV Studios

ITV Studios is a scaled and global creator, owner and distributor of high-quality TV content. It operates in 13 countries, across more than 60 labels, and has a global distribution network. It is diversified by genre, geography and customer in the key creative markets around the world. ITV Studios is the largest producer in the UK, one of the largest unscripted producers in the US and one of the top three producers in the majority of the international markets in which it operates. ITV Studios has established relationships with key content buyers and leading creative talent in those markets, and with a combined content library of over 95,000 hours, it is also one of the pre-eminent global distributors.

ITV Studios UK produces a diverse range of new and established scripted and unscripted titles for global streaming platforms and FTA broadcasters.

ITV Studios US provides scripted and unscripted content to all the major networks and cable channels in the US, along with every major streaming platform.

ITV Studios International produces original scripted and unscripted content across our non-UK and non-US production bases.

Global Partnerships monetises our portfolio of some of the world's most successful unscripted formats, as well as supporting the creation of new global formats. It also maximises commercial opportunities from its extensive catalogue of 95,000 hours, including through Zoo 55, its digital content business, and invests in the funding of scripted content produced by ITV Studios and selective third parties.

Media & Entertainment

ITV is the largest commercial broadcaster and streamer in the UK, delivering unrivalled audience scale and reach. Through M&E, we make content available to viewers through ITVX, our free advertiser-funded streaming service, our free-to-air linear TV channels and our third-party partners, enabling them to watch however and wherever they choose.

ITV offers advertisers a unique combination of mass reach, targeted advertising, and commercial and creative partnerships, in a brand-safe environment across ITVX and our linear TV channels. ITV also offers advertising around ITV's content on YouTube, providing increased scale and reach for advertisers.

Accounting policies

Revenue measurement and recognition

The Group derives revenue from the transfer of goods and services. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognised either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

Customer contracts can have a wide variety of performance obligations, from production contracts to format licences and distribution activities. For these contracts, each performance obligation is identified and evaluated. Under IFRS 15 the Group needs to evaluate if a format or licence represents a right to access the content (revenue recognised over time) or represents a right to use the content (revenue recognised at a point in time). The Group has determined that most format and licence revenues are satisfied at a point in time due to there being limited ongoing involvement in the use of the licence following its transfer to the customer.

The transaction price, being the amount to which the Group expects to be entitled and has rights to under the contract, is allocated to the identified performance obligations. The transaction price will also include an estimate of any variable consideration where the Group's performance may result in additional revenues. Variable consideration is estimated based on the achievement of agreed targets, such as audience targets. Variable consideration is recognised only to the extent that it is highly probable that a significant reversal of revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Revenue is stated exclusive of VAT and equivalent sales taxes.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 2: RESULTS FOR THE YEAR CONTINUED

Complexity in advertising revenue measurement and recognition is driven by a combination of automated and manual processes involved in measuring the value delivered to the customer and therefore the value of variable consideration due.

In assessing the transaction price, any non-cash consideration received from a customer is included. Non-cash consideration is measured at fair value. It takes into account the value of what the Group is receiving rather than the value of what the Group is giving up.

Complex one-off contracts in all classes of revenue are assessed individually and judgement is exercised in identifying performance obligations and allocating price to them. Timing of revenue recognition is another area of judgement particularly in respect of contracts in the ITV Studios division to assess whether revenue should be recognised at a point in time or over time.

Revenue recognition criteria for the key classes of revenue are as follows:

Segment	Major classes of revenue and revenue recognition policy	Payment terms
ITV Studios		
Programme production	• Revenue generated from the programmes produced for broadcasters and streaming platforms in the UK, US and internationally is recognised at the point of delivery of an episode and acceptance by the customer. Revenue from producer for hire contracts, where in an event of cancellation, cost is recovered plus a margin, is recognised over time, over the term of the contract	• Payment term is over the term of the contract
Format licences	• A licence is granted for the exploitation of a format in a stated territory, media and period. Licence revenue is recognised when the licence period has commenced (point in time)	• Payment term is over the term of the contract
Programme distribution rights	• A licence is granted for the transmission of a programme in a stated territory, media and period and revenue is recognised at the point when the contract is signed, the content is available for download and the licence period has started (point in time)	• Payment term is over the term of the contract

Segment	Major classes of revenue and revenue recognition policy	Payment terms
Media & Entertainment		
Total advertising revenue	• Net advertising revenue is generated from selling spot airtime on linear TV and is recognised at the point of transmission • Online advertising revenue from video on demand is generated from selling advertising on ITVX and is recognised at the point of delivery • Revenue from the sponsorship of programmes across ITV linear channels and online is recognised over the period of transmission	• Received in the month after transmission • Received in the month after campaign is delivered • Received prior to transmission
Subscriptions	• Revenue from subscription services is recognised over the subscription period	• Payment term is over the term of the contract or subscription period
SDN	• Revenue is generated from the carriage fee or capacity of the digital multiplex and is recognised over the term of the contract	• Payment term is over the term of the contract
Partnerships and other revenue	• Revenue from platforms such as Sky and Virgin Media O2, and third-party commissions. Revenue related to performance obligations delivered over time (e.g. provision of HD and SD channels and updated library content) are recognised over the term of the contract while revenues related to one-time provision of content are recognised on delivery of the content (point in time) • Interactive revenue is earned from entries to competitions and is recognised as the event occurs (point in time) • Minorities revenues is the revenue received from Channel 3 licencees that are not part of the ITV Group. The performance obligations are delivered as programming is delivered to the licensee and revenue is recognised over the term of the contract (over time) • Other categories of revenues within 'Partnerships and other revenue' are individually immaterial	• Payment term is over the term of the contract • Payment term is within two months of the competition being aired • Payment term is over the term of the contract

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 2: RESULTS FOR THE YEAR CONTINUED

The results for the year aggregate these classes of revenue into the following categories:

	2024 £m	2024 % of total	2023 £m	2023 % of total
ITV Studios UK*	**868**		962	
ITV Studios US	**391**		395	
ITV Studios International	**380**		445	
Global Partnerships	**399**		368	
Total ITV Studios**	**2,038**	**49%**	2,170	51%
Total advertising revenue (TAR)	**1,820**	**44%**	1,778	42%
Subscriptions	**48**		59	
SDN	**43**		48	
Partnerships and other revenue	**191**		205	
Media & Entertainment	**2,102**	**51%**	2,090	49%
Total revenue***	**4,140**		4,260	

* ITV sports production transferred from Media & Entertainment to ITV Studios UK with effect from 1 January 2024. Revenue of £55 million relating to sports production has been recognised in ITV Studios total revenue for the year, of which £53 million is eliminated in intersegment revenue below

** ITV Studios UK, ITV Studios US and Studios International revenues are mainly programme production. Global Partnerships revenue is from programme distribution rights, format licences and gaming, live events and merchandising

*** Includes internal supply as discussed in the APMs (page 38)

Digital revenues, which is reported within M&E revenue, of £556 million (2023: restated £498 million) include digital advertising revenue and subscription revenue, digital sponsorship and partnership revenue, ITV Win and other revenues from digital business ventures. Digital revenue now includes previously excluded revenue streams such as commission from STV for ITV selling their video-on-demand inventory, as well as social media advertising revenue. 2023 digital revenue was previously reported at £490 million and has been restated to reflect the change in categorisation.

Segmental information

Operating segments, which have not been aggregated, are determined in a manner that is consistent with how the business is managed and reported to the Executive Committee and Board. The Executive Committee is regarded as the chief operating decision-maker and considers the business, primarily from an operating activity perspective.

The Group's segments are Media & Entertainment and ITV Studios, the results of which are outlined in the following tables:

	ITV Studios 2024 £m	Media & Entertainment 2024 £m	Consolidated 2024 £m
Total segment revenue	**2,038**	**2,102**	**4,140**
Intersegment revenue*	**(646)**	**(6)**	**(652)**
Revenue from external customers	**1,392**	**2,096**	**3,488**
Adjusted EBITA**	**299**	**250**	**549**
Unrealised profit in stock adjustment			**(7)**
Group adjusted EBITA***			**542**

	ITV Studios 2023 £m	Media & Entertainment 2023 £m	Consolidated 2023 £m
Total segment revenue	2,170	2,090	4,260
Intersegment revenue*	(629)	(7)	(636)
Revenue from external customers	1,541	2,083	3,624
Adjusted EBITA**	286	205	491
Unrealised profit in stock adjustment			(2)
Group adjusted EBITA***			489

* Intersegment revenue originates mainly in the UK

** Adjusted EBITA is EBITA adjusted to exclude exceptional items and includes the benefit of production tax credits under the HETV scheme. Expenditure credits under the new Audio-Visual Expenditure Credit ('AVEC') are now reported within EBITA. Further details on AVEC are provided in the APMs and in Section 1. Adjusted EBITA is also stated after the elimination of intersegment revenue and costs

*** Group adjusted EBITA removes the profit recorded in the ITV Studios business related to content sold to the Media & Entertainment business but unutilised and held on the balance sheet at the year end. A reconciliation of Group adjusted EBITA to statutory profit before tax is provided on page 37

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 2: RESULTS FOR THE YEAR CONTINUED

The Group's principal operations are in the United Kingdom. Revenue from external customers in the United Kingdom is £2,204 million (2023: £2,272 million) and revenue from external customers in other countries is £1,284 million (2023: £1,352 million), of which revenue of £662 million (2023: £641 million) was generated in the US. The Operating and Financial Performance Review provides further detail on ITV's international revenues.

Intersegment revenue, which is earned on arm's length terms, is predominantly generated from the supply of ITV Studios programmes to Media & Entertainment for transmission primarily on the ITV network. This revenue stream is a measure that informs the Group's strategic priority of building a strong international content business, as producing and retaining rights to the shows broadcast on the ITV network benefits the Group further from subsequent international content and format sales.

In preparing the segmental information, centrally managed costs have been allocated between reportable segments on a methodology driven principally by revenue, headcount or building occupancy of each segment. This is consistent with the basis of reporting to the Board of Directors.

There are two media buying agencies (2023: one) acting on behalf of a number of advertisers that represent the Group's major customers. These agencies are the only customers that individually represent over 10% of the Group's revenue from external customers. Revenue of approximately £481 million (2023: £478 million) and £371 million respectively was derived from these customers in 2024. This revenue is attributable to the Media & Entertainment segment.

The following table shows the total of non-current assets other than financial instruments, deferred tax assets, and pension assets broken down by location of the assets:

	2024 £m	2023 £m
UK	**1,352**	1,372
US	**336**	391
Rest of the world	**117**	137
Total non-current assets	**1,805**	1,900

Timing of revenue recognition
The following table includes classes of revenue from contracts disaggregated by the timing of recognition:

	2024 £m	2023 £m	**2024 £m**	2023 £m
	Products and services transferred at a point in time		Products and services transferred over time	
Total advertising revenue, subscriptions, SDN and other M&E revenue	**1,797**	1,755	**299**	328
Programme production, programme distribution rights	**970**	1,187	**342**	266
Format licences	**76**	82	**4**	6
Total external revenue	**2,843**	3,024	**645**	600

Forward bookings
The following table includes revenue from contracts signed before the reporting date that is to be recognised in periods after the reporting date (i.e. the performance obligations remain unsatisfied or partially unsatisfied at the reporting date):

	2025 £m	2026 £m	2027 £m	Beyond £m
Media & Entertainment	83	62	32	14
ITV Studios	192	34	10	–
Total revenue	**275**	**96**	**42**	**14**
Internal supply	**(52)**	**–**	**–**	**–**
Total external revenue	**223**	**96**	**42**	**14**

The Group applies the practical expedients in IFRS 15 and, therefore, does not disclose information about remaining performance obligations that have original expected durations of less than one year or where the price is not yet known (e.g. net advertising revenue (NAR)).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 2: RESULTS FOR THE YEAR CONTINUED

Group adjusted EBITA
The Directors assess the performance of the reportable segments based on a measure of adjusted EBITA. The Directors use this non-IFRS measurement basis as it excludes the effect of transactions that could distort the understanding of the Group's performance for the year and comparability between periods. See the Operating and Financial Performance Review on pages 16 to 30 for the detailed explanation of the Group's use of adjusted performance measures.

A reconciliation of Group adjusted EBITA to statutory profit before tax is provided as follows:

	Note	2024 £m	2023 £m
Group adjusted EBITA		**542**	489
Production tax credits		**(16)**	(85)
EBITA before exceptional items*		**526**	404
Operating exceptional items	2.2	**(65)**	(77)
Amortisation and impairment		**(143)**	(89)
Operating profit		**318**	238
Net financing costs	4.4	**–**	(45)
Share of losses of joint ventures and associated undertakings		**(9)**	–
Profit on disposal of associates, joint ventures and subsidiary undertakings		**212**	–
Statutory profit before tax		**521**	193

* The new Audio-Visual Expenditure Credit ('AVEC') legislation was substantively enacted on 5 February 2024 and can be claimed on expenditure incurred from 1 January 2024. The new scheme is one of expenditure credits as opposed to corporate tax relief therefore requiring a change to the accounting treatment. These credits are now reported within EBITA before exceptional items rather than within the consolidated tax charge. The impact of adopting the new legislation for production expenditure incurred in 2024 has resulted in an increase of £53 million to EBITA before exceptional items and an increase to Group adjusted EBITA of £13 million. Further details on AVEC are provided in the APMs and Section 1.

Cash generated from operations
A reconciliation of profit before tax to cash generated from operations before exceptional items is as follows:

	Note	2024 £m	2023 £m
Cash flows from operating activities			
Statutory profit before tax		**521**	193
Add back:			
Profit on disposal of associates, joint ventures and subsidiary undertakings		**(212)**	–
Share of losses of joint ventures and associated undertakings		**9**	–
Net financing costs	4.4	**–**	45
Operating exceptional items	2.2	**65**	77
Depreciation of property, plant and equipment (net of exceptional items)	3.2	**47**	46
Amortisation and impairment		**143**	89
Share-based compensation	4.8	**18**	16
Decrease/(increase) in programme rights and distribution rights		**18**	(33)
(Increase)/decrease in receivables, contract assets and production inventories		**(177)**	274
Increase/(decrease) in payables and contract liabilities		**15**	(151)
Movement in working capital		**(144)**	90
Cash generated from operations before exceptional items		**447**	556

Operating costs
The major components of operating costs of £3,170 million (2023: £3,386 million) are content costs of £1,268 million (2023: £1,293 million), other net costs of production of £1,245 million (2023: £1,496 million), staff costs of £402 million (2023: £385 million), depreciation, amortisation and impairment of £190 million (2023: £135 million) and operating exceptional items of £65 million (2023: £77 million).

Staff costs
Staff costs can be analysed as follows:

	2024 £m	2023 £m
Wages and salaries	**548**	548
Social security and other costs	**86**	98
Share-based compensation (see note 4.8)	**18**	16
Pension costs	**29**	31
Total staff costs*	**681**	693
Less: staff costs allocated to productions, exceptional items or capitalised	**(279)**	(308)
Net staff costs	**402**	385

* Staff costs includes the costs of the Executive Committee including two Executive Directors but excludes the Non-executive Directors and the Chairman of the Board

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 2: RESULTS FOR THE YEAR CONTINUED

Full-time equivalent employees (FTEE) include those FTEEs that are allocated to the cost of productions during the year; however, they exclude short-term contractors and freelancers who are engaged on productions. The weighted average FTEE over the year is:

	2024	2023
ITV Studios	**4,018**	4,017
Media & Entertainment	**2,595**	2,852
	6,613	6,869

The monthly average number of people employed over the year is:

	2024	2023
ITV Studios	**4,239**	4,248
Media & Entertainment	**2,726**	2,939
	6,965	7,187

The decrease in headcount is due to the Group's cost saving programme, predominantly in the Media & Entertainment division.

Depreciation
Depreciation in the year was £47 million (2023: £46 million), of which £32 million (2023: £28 million) relates to ITV Studios and £15 million (2023: £18 million) to Media & Entertainment. In 2023, a further £6 million charge in respect of accelerated depreciation following a change in useful life of the related assets in relation to the move to a new London site was included in exceptional items. See notes 2.2 and 3.2 for further details.

Audit fees
The Group's external auditor is PricewaterhouseCoopers LLP. The Group may engage PricewaterhouseCoopers LLP on assignments additional to its statutory audit duties where its expertise and experience with the Group are important and are in line with the Group's policy on auditor independence. Non-audit fees of £0.1 million were paid to PricewaterhouseCoopers LLP for agreed upon procedures relating to specific transactions such as the bond issue. In 2023, the non-audit fees of £1.3 million related to a proposed acquisition. Fees for audit-related assurance services of £0.2 million (2023: £0.2 million), being the review of the interim results for the six months to 30 June 2024 were also incurred. Fees paid to PricewaterhouseCoopers LLP and its associates during the year are set out below:

	PwC 2024 £m	PwC 2023 £m
For the audit of the Group's annual financial statements	**2.1**	2.1
For the audit of subsidiaries of the Group	**1.5**	1.7
Audit-related assurance services	**0.2**	0.2
Total audit and audit-related assurance services	**3.8**	4.0
Other assurance services	**0.1**	1.3
Total non-audit services*	**0.1**	1.3
Total fees paid to auditors	**3.9**	5.3

* See details of non-audit services policy in the Audit and Risk Committee Report on page 101

Other than noted above, there were no fees payable in 2024 or 2023 to PricewaterhouseCoopers LLP or its associates for the audit of financial statements of any associate or pension scheme of the Group, or internal audit activities.

2.2 Exceptional items

Keeping it simple

Exceptional items are excluded from management's assessment of profit because by their size or nature they could distort the Group's underlying quality of earnings. They are typically gains or losses arising from events that are not considered part of the core operations of the business. These items are excluded to reflect performance in a consistent manner and are in line with how the business is managed and measured on a day-to-day basis.

Accounting policies
Exceptional items as described above are highlighted on the face of the Consolidated Income Statement. See the Operating and Financial Performance Review on pages 16 to 30 for the detailed explanation of the Group's use of adjusted performance measures. Gains or losses on disposal of non-core assets are also considered exceptional due to their nature and impact on the Group's underlying quality of earnings.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 2: RESULTS FOR THE YEAR CONTINUED

Exceptional items
Operating exceptional items are analysed as follows:

(Charge)/credit	Ref.	2024 £m	2023 £m
Operating exceptional items:			
Acquisition-related expenses	A	**(8)**	(24)
Restructuring and transformation costs	B	**(50)**	(25)
Property costs	C	**1**	(10)
Employee-related tax provision	D	**1**	3
Insured trade receivable provision	E	**–**	3
Transponder onerous contract	F	**(4)**	–
Legal settlements	G	**–**	(13)
Legal and other costs	H	**(5)**	(11)
Total operating exceptional items		**(65)**	(77)
Tax on operating exceptional items		**13**	12
Total operating exceptional items net of tax		**(52)**	(65)

A. Acquisition-related expenses
Acquisition-related expenses of £8 million (2023: £24 million) are predominantly performance-based, employment-linked consideration to former owners and professional fees related to acquisitions and potential acquisitions.

B. Restructuring and transformation costs
Restructuring and transformation costs of £50 million (2023: £25 million) relate to one-off significant restructuring and transformation programmes of the business.

The Group's new strategic restructuring and efficiency programme commenced in 2024. This programme is across the Group and is reshaping the cost base, enhancing profitability, and supporting the growth drivers of the business. Redundancy costs, consultancy fees and other related costs of £36 million have been recognised in the year.

During the year, £14 million was incurred in relation to the Group's transformation programmes associated with delivering our strategy including our new programme rights, finance and HR systems.

In 2025, the Group expects a further £35 million of costs associated with delivering its digital transformation and strategic restructuring and efficiency programmes.

C. Property costs
Following the decision to move to Broadcast Centre in early 2022, property costs and move-related costs were treated as exceptional. A rebate received in the current year in relation to one of the properties we exited, has been recognised in exceptional items.

D. Employee-related tax provisions
During the year £1 million was released for an exceptional provision for employee-related taxes that is no longer required (2023: £3 million released). See note 3.7 for further details of the provisions held.

E. Insured trade receivable provision
In 2023, a settlement of the claim from trade credit insurance was agreed and received from the insurers in relation to the trade receivables for The Voice of China.

F. Transponder onerous contract
The Group has continued to review the efficiency of its transponder capacity usage with a view to reducing its capacity requirements. The Group reorganised its channels over fewer transponders with the result that it has recognised onerous contracts for additional transponder capacity it no longer utilises. In 2024, a third transponder was cleared and the Group recognised an onerous contract provision of £4 million (2023: £nil) for capacity that is no longer generating revenue. The provisions were fully utilised in the year.

G. Legal settlements
Legal settlements of £13 million in 2023, related to settlements or proposed settlements on a number of significant legal cases which were considered to be outside the normal course of business.

H. Legal and other costs
Legal and other costs of £5 million (2023: £11 million) relates primarily to legal costs for matters considered to be outside the normal course of business, including Box Clever and the UK Competition and Markets Authority (CMA) investigation.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

SECTION 2: RESULTS FOR THE YEAR CONTINUED

2.3 Taxation

Keeping it simple

This section sets out the Group's tax accounting policies, the current and deferred tax charges or credits in the year (which together make up the total tax charge or credit in the Consolidated Income Statement), a reconciliation of profit before tax to the tax charge for the year and the movements in deferred tax assets and liabilities.

Accounting policies

The tax charge for the year is recognised in the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income and directly in equity, according to the accounting treatment of the related transactions. The tax charge comprises both current and deferred tax. The calculation of the Group's tax charge involves estimation and judgement in respect of certain items whose tax treatment cannot be fully determined until a resolution has been reached by the relevant tax authority.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year and any adjustment in respect of previous years.

The Group recognises liabilities for anticipated tax issues based on estimates and judgement of the additional taxes that are likely to become due. Amounts are accrued based on management's interpretation of specific tax law and the likelihood of settlement. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions in the period in which such determination is made.

Deferred tax

Deferred tax arises due to certain temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and those for taxation purposes.

The following temporary differences are not provided for:

- The initial recognition of goodwill
- The initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination
- Differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities. Deferred tax is calculated using tax rates that are enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that sufficient taxable profit will be available to utilise the temporary difference. Recognition of deferred tax assets, therefore, involves judgement regarding the timing and level of future taxable income.

Deferred tax assets and liabilities are disclosed net to the extent that they relate to taxes levied by the same authority and the Group has the right of set-off.

Taxation – Consolidated Income Statement

The total taxation charge in the Consolidated Income Statement is analysed as follows:

	2024 £m	2023 £m
Current tax:		
Current tax (charge)/credit on profit before exceptional items	**(94)**	24
Current tax credit on exceptional operating items	**13**	11
Current tax charge on the profit on disposal of associates, joint ventures and subsidiary undertakings	**(22)**	–
	(103)	35
Adjustments related to prior periods	**20**	(12)
	(83)	23
Deferred tax:		
Origination and reversal of temporary differences	**(7)**	(7)
Deferred tax credit on exceptional operating items	**–**	1
Deferred tax charge on the profit on disposal of associates, joint ventures and subsidiary undertakings	**(27)**	–
Impact of changes to statutory tax rates	**–**	1
	(34)	(5)
Adjustments related to prior periods	**2**	(2)
	(32)	(7)
Total taxation (charge)/credit in the Consolidated Income Statement	**(115)**	16

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 2: RESULTS FOR THE YEAR CONTINUED

In order to understand how, in the Consolidated Income Statement, a tax charge of £115 million (2023: £16 million credit) arises on a profit before tax of £521 million (2023: £193 million), the taxation charge that would arise at the standard rate of UK corporation tax is reconciled to the actual tax (charge)/credit as follows:

	2024 £m	2023 £m
Profit before tax	**521**	193
Notional taxation charge at UK corporation tax rate of 25% (2023: 23.5%) on profit before tax	**(130)**	(45)
Non-taxable income/non-deductible expenses	**(17)**	(10)
Prior year adjustments	**22**	(14)
Other taxes	**(11)**	(8)
Previously unrecognised deferred tax assets	**–**	6
Current year losses not recognised	**(10)**	(17)
Impact of overseas tax rates	**6**	2
Impact of changes in tax rates	**–**	1
Movement on tax provisions	**–**	(1)
Pillar 2 top-up tax	**(2)**	–
Production tax credits	**27**	102
Statutory taxation (charge)/credit in the Consolidated Income Statement	**(115)**	16

Non-deductible expenses are expenses that are not expected to be allowable for tax purposes. Similarly, non-taxable income is income that is not expected to be taxable.

Adjustments to prior periods primarily arise where an outcome is obtained on certain tax matters, which differs from expectations held when the related provision was made. Where the outcome is more favourable than the provision made, the difference is released, lowering the current year tax charge. Where the outcome is less favourable than our provision, an additional charge to current year tax will occur.

The total current tax charge of £83 million (2023: £23 million credit) includes a £20 million credit (2023: £12 million charge) relating to prior years, and the deferred tax charge of £32 million (2023: £7 million charge) includes a £2 million credit (2023: £2 million charge) relating to prior years. This adjustment has arisen following changes in estimates of taxes that have already become due, or will become due in the future.

Other taxes of £11 million (2023: £8 million) includes state taxes of £10 million in the US and £1 million of irrecoverable withholding tax in the UK.

No previously unrecognised deferred tax assets were recognised in 2024. In 2023 £6 million relating to historical capital losses, was recognised, and was utilised in 2024 against the capital profits realised on the sale of BritBox International.

The tax impact of current year losses not recognised is £10 million (2023: £17 million) and relates to £1 million (2023: £1 million) in France and £9 million (2023: £13 million) in Italy. In 2023, it also included £3 million in other overseas jurisdictions. No deferred tax on these losses has been recognised as we do not have certainty over future taxable profits in those jurisdictions nor are there suitable taxable temporary differences against which the losses can unwind.

The impact of overseas tax rates reflects the fact that some of our profits are earned in territories other than the UK and taxed at rates different from the UK corporation tax rate. In 2024, the total impact is £6 million credit (2023: £2 million credit) due to profits arising in lower tax jurisdictions.

The enactment of the Finance (No2) Act 2023 (Pillar 2) in June 2023 introduced a global minimum effective tax rate of 15% for large groups for financial years beginning on or after 31 December 2023. Most territories in which the ITV Group operates qualify for one of the safe harbour exemptions such that Pillar 2 top-up tax should not apply. In 2024 territories that failed to meet the exemptions will incur Pillar 2 taxes of £2 million. The amendments to IAS 12 ‘Income Taxes’ Pillar Two income taxes provide an exemption from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules.

In line with our accounting policy on current tax, provisions are held on the balance sheet within current tax liabilities in respect of uncertain tax positions where management believes that it is probable that future payments of tax will be required.

ITV has chosen to opt into the new expenditure credit regime, on production expenditure incurred in 2024, at the earliest opportunity where possible. Production tax credits were £27 million in 2024 (2023: £102 million).

The impact on adjusted EBITA for the period of moving to Audio-Visual Expenditure Credits (AVEC) from HETV tax credits is £13 million. The impact on statutory EBITA for the period is £53 million. See Finance Review for further details.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 2: RESULTS FOR THE YEAR CONTINUED

The effective tax rate is 22.1% (2023: (8.3)%), and is the statutory tax charge on the face of the Consolidated Income Statement expressed as a percentage of the statutory profit before tax. The tax rate is higher than in 2023 primarily due to the move to Audio Visual Expenditure Credits which are recorded in cost of sales as opposed to HETV tax credits which are recorded in the tax line. As explained in the Finance Review, the Group uses an adjusted tax rate to show how tax impacts total adjusted earnings in a way that is more aligned with the Group's cash tax position. The adjusted tax rate is 20.8% (2023: 21.5%).

In 2024, the current year movement recognised in the Consolidated Income Statement on origination and reversal of temporary differences (excluding exceptional items) is a charge of £7 million, compared with a charge of £7 million in 2023.

Taxation – Other comprehensive income (OCI) and equity

As analysed in the table below a deferred tax credit of £6 million (2023: £2 million charge) has been recognised on actuarial movements on pensions. Other temporary differences recognised in other comprehensive income include: £1 million deferred tax credit (2023: £nil) on gilts, £2 million deferred tax charge on derivatives (2023: £1 million charge) and no deferred tax was recognised on the cost of hedging (2023: £2 million charge). No deferred tax (2023: £3 million charge) has been recognised in equity in respect of share-based payments.

There has been no current tax (2023: £11 million credit) recognised in other comprehensive income in the current year on pensions. There has been no current tax on foreign exchange movements net of hedging (2023: £nil). There has been £2 million current tax credit recognised in equity in the current year in relation to share-based compensation (2023: £1 million credit).

Taxation – Consolidated Statement of Financial Position

The table below outlines the deferred tax assets/(liabilities) that are recognised in the Consolidated Statement of Financial Position, together with their movements in the year:

	At 1 January 2024 £m	Recognised in the income statement £m	Recognised in OCI and equity £m	Other £m	Foreign exchange £m	**At 31 December 2024 £m**
Tangible assets	(5)	–	–	–	–	**(5)**
Intangible assets	(49)	(6)	–	(6)	(1)	**(62)**
Pension scheme	(59)	(1)	6	–	–	**(54)**
Tax losses	32	(23)	–	–	–	**9**
Share-based compensation	5	1	–	–	–	**6**
Other temporary differences	23	(3)	(1)	2	–	**21**
	(53)	(32)	5	(4)	(1)	**(85)**

	At 1 January 2023 £m	Recognised in the income statement £m	Recognised in OCI and equity £m	Other £m	Foreign exchange £m	At 31 December 2023 £m
Tangible assets	1	(6)	–	–	–	(5)
Intangible assets	(49)	(1)	–	–	1	(49)
Pension scheme	(56)	(1)	(2)	–	–	(59)
Tax losses	27	7	–	–	(2)	32
Share-based compensation	9	(1)	(3)	–	–	5
Other temporary differences	30	(5)	(3)	1	–	23
	(38)	(7)	(8)	1	(1)	(53)

At 31 December 2024, the net deferred tax liability position is £85 million (2023: £53 million liability), consisting of total deferred tax assets of £85 million (2023: £106 million) and total deferred tax liabilities of £170 million (2023: £159 million). The Consolidated Statement of Financial Position presents deferred tax after netting off balances within countries – a deferred tax asset of £7 million and a deferred tax liability of £92 million (2023: deferred tax asset of £6 million and a deferred tax liability of £59 million).

The deferred tax balances relate to:

- Property, plant and equipment temporary differences arising on assets qualifying for tax depreciation
- Temporary differences on intangible assets, including those arising on business combinations
- Programme rights – temporary differences on intercompany profits on stock
- Pension scheme temporary differences on the IAS 19 pension surplus and SDN and LTVC pension funding partnerships
- Temporary differences arising from the timing of the use of tax losses
- Share-based compensation temporary differences on share schemes
- Other temporary differences on provisions and financial instruments

The deferred tax balance associated with the pension surplus is partially driven by the employer contributions to the Group's defined benefit pension scheme made during the year. The adjustment in other comprehensive income to the deferred tax balances relates to the actuarial loss recognised in the year.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 2: RESULTS FOR THE YEAR CONTINUED

A deferred tax asset of £9 million (2023: £32 million) has been recognised for tax losses where a full recovery is expected based on forecasted taxable profits. A deferred tax asset of £371 million (2023: £371 million) in respect of capital losses of £1,483 million (2023: £1,483 million) has not been recognised due to uncertainties as to whether capital gains will arise in the appropriate form and relevant territories against which such losses could be utilised. Due to uncertainty over the timing and extent of their utilisation, the Group has not recognised deferred tax assets of £6 million (2023: £10 million) in respect of UK losses of £22 million (2023: £38 million) and £33 million (2023: £25 million) in respect of overseas losses of £133 million (2023: £106 million) including £2 million in respect of losses that expire between 2025 and 2028. In addition to this the Group has not recognised £4 million (2023: £5 million) in respect of other overseas short-term timing differences of £18 million (2023: £21 million).

Subsidiaries of ITV plc have undistributed earnings of £50 million (2023: £42 million) which, if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as ITV plc is able to control the timing of the distributions from these subsidiaries and is not expected to distribute these profits in the foreseeable future.

2.4 Earnings per share

Keeping it simple

Earnings per share (EPS) is the amount of post-tax profit attributable to each share.

Basic EPS is calculated on the Group profit for the year attributable to equity shareholders of £408 million (2023: £210 million) divided by 3,935 million (2023: 4,023 million), being the weighted average number of shares in issue during the year, which excludes Employee Benefit Trust (EBT) shares held in trust and shares bought back during the year (see note 4.8).

Diluted EPS reflects any commitments made by the Group to issue shares in the future and so it includes the impact of share options.

Adjusted EPS is presented in order to show the business performance of the Group in a consistent manner and reflect how the business is managed and measured on a day-to-day basis. Adjusted EPS reflects the impact of operating and non-operating exceptional items on Basic EPS. Other items excluded from Adjusted EPS are amortisation and impairment of intangible assets acquired through business combinations; net financing cost adjustments; and the tax adjustments relating to these items. Each of these adjustments is explained in detail in the section below.

The calculation of Basic EPS and Adjusted EPS, together with the diluted impact on each, is set out below:

Basic earnings per share

	2024	2023
Statutory profit for the year attributable to equity shareholders of ITV plc (£m)	**408**	210
Weighted average number of ordinary shares in issue – million	**3,935**	4,023
Basic earnings per ordinary share	**10.4p**	5.2p

Diluted earnings per share

	2024	2023
Statutory profit for the year attributable to equity shareholders of ITV plc (£m)	**408**	210
Weighted average number of ordinary shares in issue – million	**3,935**	4,023
Dilution due to share options – million	**42**	36
Total weighted average number of ordinary shares in issue – million	**3,977**	4,059
Diluted earnings per ordinary share	**10.3p**	5.2p

Adjusted earnings per share

	Ref.	2024 £m	2023 £m
Statutory profit for the year attributable to equity shareholders of ITV plc		**408**	210
Exceptional items (net of tax)	A	**52**	65
Profit for the year before exceptional items		**460**	275
Amortisation and impairment of acquired intangible assets	B	**99**	19
Adjustments to net financing (income)/costs	C	**(20)**	18
Profit on disposal of associates, joint ventures and subsidiary undertakings	D	**(163)**	–
Adjusted profit for the year attributable to ITV shareholders		**376**	312
Total weighted average number of ordinary shares in issue – million		**3,935**	4,023
Adjusted earnings per ordinary share		**9.6p**	7.8p

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 2: RESULTS FOR THE YEAR CONTINUED

Diluted adjusted earnings per share

	2024	2023
Adjusted profit (£m)	**376**	312
Weighted average number of ordinary shares in issue – million	**3,935**	4,023
Dilution due to share options – million	**42**	36
Total weighted average number of ordinary shares in issue – million	**3,977**	4,059
Diluted adjusted earnings per ordinary share	**9.5p**	7.7p

Details of the adjustments to earnings are as follows:

A. Exceptional items (net of tax) £52 million (2023: £65 million)
Exceptional items of £65 million (2023: £77 million), net of related tax credit of £13 million (2023: £12 million). The exceptional items have been taxed in accordance with the tax treatment of the underlying transaction at the tax rate of the jurisdiction to which they relate. The £65 million exceptional charge comprises exceptional costs of £67 million and an exceptional credit of £2 million. £10 million of the net exceptional costs were disallowed for tax purposes and so there is no associated tax credit. See note 2.2 for the detailed composition of exceptional items.

B. Amortisation and impairment of acquired intangible assets (net of tax) of £99 million (2023: £19 million)
Amortisation and impairment of assets acquired through business combinations and investments of £143 million (2023: £89 million), excluding amortisation of software licences and development of £36 million (2023: £64 million), net of related tax credit of £8 million (2023: £6 million).

C. Adjustments to net financing income (net of tax) £20 million (2023: net financing costs (net of tax) of £18 million)
Net financing costs of £nil (2023: £45 million), is adjusted to reflect the underlying cash cost of interest for the business. These adjustments of £25 million (2023: £16 million) relates principally to finance costs on acquisitions, imputed pension interest and other financial gains and losses that do not reflect the relevant interest cash cost to the business and are not yet realised balances. The tax charge in relation to these adjustments is £5 million (2023: £2 million).

D. Profit on disposal of associates, joint ventures and subsidiary undertakings £163 million (2023: £nil)
Profit on disposal of associates, joint ventures and subsidiary undertaking of £212 million (2023: £nil), net of a related tax charge of £49 million (2023: £nil).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES

In this section

This section shows the assets used to generate the Group's trading performance and the liabilities incurred as a result. On the following pages, there are notes covering working capital, non-current assets and liabilities, acquisitions and disposals, provisions and pensions.

Liabilities relating to the Group's financing activities are addressed in section 4. Deferred tax assets and liabilities are shown in note 2.3.

3.1 Working capital

Keeping it simple

Working capital represents the assets and liabilities the Group generates through its trading activity. The Group therefore defines working capital as distribution rights, programme rights, trade and other receivables, trade and other payables, contract assets and liabilities and production inventories.

Careful management of working capital ensures that the Group can meet its trading and financing obligations within its ordinary operating cycle.

Working capital is a driver of the profit to cash conversion ratio, a key performance indicator for the Group. For those subsidiaries acquired during the year, working capital at the date of acquisition is excluded from the profit to cash calculation so that only subsequent working capital movements in the period controlled by ITV are reflected in this metric.

In the following note, you will find further information regarding working capital management and analysis of the elements of working capital.

3.1.1 Programme rights and commitments

Accounting policies

Rights are recognised when the Group controls the respective rights and the risks and rewards associated with them.

Programme rights not yet utilised are included in the Consolidated Statement of Financial Position at the lower of cost and net realisable value. In assessing net realisable value for programmes in production, judgement is required when considering the contracted sales price and estimated costs to complete.

Programme rights

The Group's policies with respect to programme rights recognise that the pattern of consumption on linear and streaming (ITVX) varies. Consumption of content varies based on the type of programme right as well as the type of platform it is transmitted on. Programme rights are expensed through operating costs reflecting the pattern in which management expects the right to be consumed.

The Group has defined policies on how programme rights are allocated to linear and streaming based on a pattern of viewing. There are also distinct policies across the platforms when these programme rights are recognised in the Consolidated Statement of Financial Position; when these costs are released to the Consolidated Income Statement; and the impairment review of the carrying values of programme rights held.

Type of programme	Streaming policy	Linear policy
Acquired content	Cost charged to the Income Statement on a declining-balance method over the licence period	Cost charged to the Income Statement over a number of linear transmissions (episodic)
Commissioned content	Cost charged to the Income Statement on a declining-balance method over the licence period	Cost charged to the Income Statement on first linear transmission (episodic)
Sports rights	Cost charged to the Income Statement on first transmission	Cost charged to the Income Statement on first linear transmission
Current affairs, live events, soaps	Cost charged to the Income Statement on first transmission	Cost charged to the Income Statement on first linear transmission
Library of content (ITVX only)	Straight-line amortisation over licence windows	

Acquired programme rights are purchased for the primary purpose of broadcasting on the ITV family of channels, including ad-funded streaming service and subscription streaming service platforms. These are recognised within current assets the earlier of when payments are made or when the rights are ready for exploitation.

Commissions, which primarily comprise programmes purchased, based on editorial specification and over which the Group has some control, are recognised in current assets as payments are made.

The net realisable value assessment for acquired, commissioned and sports rights is based on estimated airtime value. The net realisable value is assessed on a portfolio basis unless specific indicators of impairment are identified. During the pandemic, sports rights were reviewed separately for impairment following the impact of the pandemic on the planned sporting schedule and the consequential impact on TAR and audience mix for certain sporting events. There are no current specific indicators of impairment, therefore sports rights have now reverted to being assessed with all other content on a portfolio basis.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

Programme rights and other inventory at the year end are shown in the table below:

	2024 £m	2023 £m
Acquired programme rights	**273**	284
Commissions	**72**	83
Sports rights	**26**	46
	371	413

£13 million relates to programme rights and other inventory that will be transmitted in 2026 and beyond (2023: £nil transmitted in 2025 and beyond).

Included within programme rights and other inventory is £26 million (2023: £46 million) relating to programme rights that have been paid for but that are not yet in licence. These amounts are considered to be prepayments but are included within programme rights and other inventory as it is more useful to the reader to show all such rights together.

Programme and transmission commitments
In 2024, the Group negotiated a new contract for transponder capacity for a period up to three years. Payments increase over time, limited by specific RPI caps. There is judgement in assessing whether the transponder capacity contract should be classified as a lease in accordance with IFRS 16 'Leases'. The Group has concluded that this contract does not constitute a lease, as the Group does not control the underlying assets due to the nature of the operation of the assets and the rights retained by the supplier under the contract. The contracted future payments are therefore commitments and included in the table below.

Programming commitments are transactions entered into in the ordinary course of business with programme suppliers, sports organisations and film distributors in respect of rights to broadcast on the ITV network including ITVX.

The Group has onerous contract provisions of £6 million in respect of sports rights commitments (31 December 2023: £18 million for transponder capacity usage and sports rights commitments). See note 3.7 for further details.

Commitments in respect of these transactions, which are not reflected in the Consolidated Statement of Financial Position, are due for payment as follows:

2024	Transmission £m	Programme £m	Total £m
Within one year	**10**	**628**	**638**
Later than one year and not more than five years	**19**	**321**	**340**
	29	**949**	**978**

2023	Transmission £m	Programme £m	Total £m
Within one year	20	488	508
Later than one year and not more than five years	–	380	380
	20	868	888

3.1.2 Distribution rights
Accounting policies
Distribution rights are programme rights the Group buys from producers to derive future revenue, principally through licensing to other broadcasters. These are classified as non-current assets as these rights are used to derive long-term economic benefit for the Group.

Distribution rights are recognised initially at cost and charged through operating costs in the Consolidated Income Statement over a period not exceeding five years, reflecting the value and pattern in which the right is consumed. Advances paid for the acquisition of distribution rights are disclosed as distribution rights as soon as they are contracted. These advances are not expensed until the programme is available for distribution. Up to that point, they are assessed annually for impairment through the reassessment of the future sales expected to be earned from that title.

The following table provides movements in distribution rights in the year:

	2024 £m	2023 £m
At 1 January	**14**	16
Additions	**35**	16
Charged to the Income Statement	**(14)**	(18)
At 31 December	**35**	14

The increase in the year primarily relates to a higher volume of hours being purchased from external producers as the business continues to grow.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

3.1.3 Trade and other receivables
Accounting policies
Trade receivables are recognised initially at the value of the invoice sent to the customer and subsequently at the amounts considered recoverable (amortised cost). Where payments are not due for more than one year, they are shown in the financial statements at their net present value to reflect the economic cost of delayed payment. The Group provides goods and services to substantially all of its customers on credit terms.

The credit risk management practices of the Group include internal review and reporting of the ageing of trade and other receivables by days past due. The Group applies the IFRS 9 simplified approach in measuring expected credit losses, which use a lifetime expected credit loss allowance for all trade receivables. To measure expected credit losses, trade receivables and contract assets have been grouped by shared credit risk characteristics and days past due. As part of the expected credit losses, the Group may make additional provisions for the receivables of particular customers if the deterioration of financial position was observed.

The carrying value of trade receivables is considered to approximate fair value. Trade and other receivables can be analysed as follows:

	2024 £m	2023 £m
Due within one year:		
Trade receivables	**397**	427
Other receivables	**207**	145
Prepayments	**78**	58
	682	630
Due after more than one year:		
Trade receivables	**51**	37
Other receivables	**30**	25
	81	62
Total trade and other receivables	**763**	692

Following the new AVEC regime, receivables in relation to expenditure credits are now recognised within other receivables over the production period with the corresponding entry within production inventories in note 3.1.7. This is primarily the reason for the increase in other receivables due within one year.

£448 million (2023: £464 million) of total trade receivables, stated net of provisions for impairment, are aged as follows:

	2024 £m	2023 £m
Current	**397**	408
Up to 30 days overdue	**29**	29
Between 30 and 90 days overdue	**16**	21
Over 90 days overdue	**6**	6
	448	464

Movements in the Group's provision for impairment of trade receivables and contract assets can be shown as follows:

	2024 £m	2023 £m
At 1 January	**9**	24
Charged during the year	**3**	4
Bad debts written off	**–**	(8)
Release of provision	**(2)**	(11)
At 31 December*	**10**	9

* £1 million (2023: £1 million) of the provision relates to contract assets and is included in the balance disclosed in note 3.1.6

Of the provision total, £7 million relates to balances overdue by more than 90 days (2023: £7 million) and £3 million relates to current balances (2023: £2 million).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

3.1.4 Trade and other payables due within one year
Accounting policies
Trade payables are recognised at the value of the invoice received from a supplier. The carrying value of current and non-current trade payables are considered to approximate fair value. Trade and other payables due within one year can be analysed as follows:

	2024 £m	2023* £m
Trade payables	**166**	181
VAT and social security	**36**	35
Other payables	**180**	170
Acquisition-related liabilities – employment-linked contingent consideration	**1**	5
Acquisition-related liabilities – payable to sellers under put options agreed on acquisition	**2**	39
Accruals	**514**	520
	899	950

* Royalty creditors have been re-presented in the above table in Trade Payables. The balance was previously included in Accruals

3.1.5 Trade and other payables due after more than one year
Trade and other payables due after more than one year can be analysed as follows:

	2024 £m	2023 £m
Trade payables	**33**	25
Other payables	**32**	33
Acquisition-related liabilities – employment-linked contingent consideration	**12**	10
Acquisition-related liabilities – payable to sellers under put options agreed on acquisition	**19**	24
	63	67
Total trade and other payables due after more than one year	**96**	92

Trade payables due after more than one year relates primarily to royalty creditors in both 2024 and 2023. Other payables due after more than one year relates primarily to film creditors.

Acquisition-related liabilities or performance-based employment-linked earnouts are the estimated amounts payable to previous owners. The estimated future payments that are accrued over the period the sellers are required to remain with the business are treated as exceptional costs (see note 2.2). Those amounts not linked to employment are estimated and recognised at acquisition at their time discounted value, with the unwind of the discount recorded as part of finance costs.

Acquisition-related liabilities at 31 December 2024 were £34 million (2023: £78 million) which represents the amount accrued to date at their time discounted value. The total undiscounted estimated future payments of £105 million (2023: £105 million) are sensitive to forecast profits as they are based on a multiple of earnings. The range of reasonably possible outcomes for the undiscounted liability is between £85 million and £193 million. The liabilities due after more than one year are expected to be settled between 2026 and 2032.

All earnouts are sensitive to forecast profits as they are based on a multiple of earnings and judgement is required where there may be adjustments to forecasted profits for actual outcomes or when earnouts are negotiated, hence the reason for the range noted above.

3.1.6 Contract assets and liabilities
Many of the programmes the Studios division produces are sold internationally and also used within the ITV network. Contract assets (accrued income) primarily relate to the Group's right to consideration for work unbilled at the reporting date. Contract liabilities (deferred income) primarily relate to the consideration received from customers in advance of transferring a good or service.

The following table provides movements in contract assets and liabilities in the year:

	2024		2023	
	Contract assets £m	Contract liabilities £m	Contract assets £m	Contract liabilities £m
Balance at 1 January	**202**	**(187)**	185	(372)
Decrease due to balance transferred to trade receivables	**(166)**	**–**	(152)	–
Increases as a result of the changes in the measure of progress	**136**	**–**	169	–
Decreases due to revenue recognised in the year	**–**	**150**	–	332
Increase due to cash received	**–**	**(170)**	–	(147)
Acquisitions	**4**	**(27)**	–	–
Balance at 31 December*	**176**	**(234)**	202	(187)

* Contract assets is stated net of provisions for impairment of £1 million (2023: £1 million) which have been included in the reconciliation in note 3.1.3. Non-current contract assets of £4 million (2023: £13 million) is included in the above reconciliation

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

3.1.7 Production inventories
Production inventories includes work in progress and finished programmes in relation to costs capitalised by ITV Studios in the course of fulfilling production contracts. These costs are capitalised when they relate directly to a contract or to a specifically identifiable anticipated contract, the costs generate or enhance the resources of the entity that will be used in satisfying or continuing to satisfy performance obligations in the future, and the costs are expected to be recovered.

These costs are presented as production inventories assets and represent actual costs incurred on the production. The asset is charged to the income statement as the performance obligations are satisfied.

Production inventories at the year end is detailed below:

	2024 £m	2023 £m
Production inventories	**342**	234

During the year, £230 million was charged to the Consolidated Income Statement for completed productions delivered (2023: £498 million).

Following the new AVEC regime, receivables in relation to expenditure credits are now recognised within other receivables in note 3.1.3 over the production period with the corresponding entry within production inventories.

3.1.8 Working capital management
Cash and working capital management has been a critical area of focus during 2024 and 2023. During the year, the cash outflow from working capital was £144 million (2023: inflow of £90 million) derived as follows:

	2024 £m	2023 £m
Decrease/(increase) in programme rights and distribution rights	**18**	(33)
(Increase)/decrease in receivables, contract assets and production inventories	**(177)**	274
Increase/(decrease) in payables and contract liabilities	**15**	(151)
Working capital (outflow)/inflow	**(144)**	90

3.2 Property, plant and equipment

Keeping it simple

The following note shows the physical assets used by the Group to operate the business, generating revenues and profits. These assets include office buildings and studios, as well as equipment used in broadcast transmission, programme production and support activities.

The cost of these assets is the amount initially paid for them or for right of use assets, the discounted future lease payments. A depreciation expense is charged to the Consolidated Income Statement to reflect annual wear and tear and the reduced value of the asset over time. Depreciation is calculated by estimating the number of years the Group expects the asset to be used (useful economic life). If there has been a technological change or decline in business performance, the Directors review the value of the assets to the business to ensure they have not fallen below their depreciated value. If an asset's value falls below its depreciated value, an additional impairment charge is made against profit.

This note also explains the accounting policies followed by ITV and the specific estimates made in arriving at the net book value of these assets.

Accounting policies
Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Certain items of property, plant and equipment that were revalued to fair value prior to 1 January 2004 (the date of transition to IFRS) are measured on the basis of deemed cost, being the revalued amount less depreciation up to the date of transition.

Right of use assets
A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. These assets are called right of use assets and have been included on the Group's balance sheet at a value equal to the discounted future lease payments. For leases recognised on transition to IFRS 16 'Leases' the value is also adjusted by any prepayments or lease incentives recognised immediately before the date of initial application.

Impairment of assets
Property, plant and equipment that is subject to depreciation is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Indicators of impairment may include changes in technology and business.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

Depreciation
Depreciation is provided to write off the cost of property, plant and equipment less estimated residual value, on a straight-line basis over their estimated useful lives. The annual depreciation charge is sensitive to the estimated useful life of each asset and the expected residual value at the end of its life. The major categories of property, plant and equipment are depreciated as follows:

Asset class	Depreciation policy
Freehold land	not depreciated
Freehold buildings	up to 60 years
Leasehold improvements	shorter of residual lease term or estimated useful life
Vehicles, equipment and fittings*	3 to 20 years
Right of use assets	over the term of the lease

* Equipment includes studio production and technology assets

Assets under construction are not depreciated until the point at which the asset comes into use by the Group.

Property, plant and equipment can be analysed as follows:

	Freehold land and buildings £m	Improvements to leasehold land and buildings Long £m	Improvements to leasehold land and buildings Short £m	Vehicles, equipment and fittings Owned £m	Right of use assets £m	**Total £m**
Cost						
At 1 January 2023	12	85	26	214	208	545
Prior year restatement	–	–	–	40	–	40
Restated at 1 January 2023	12	85	26	254	208	585
Additions	–	2	–	28	12	42
Derecognition of right of use asset	–	–	–	–	(14)	(14)
Foreign exchange	–	(1)	–	(2)	(3)	(6)
Disposals and retirements	–	(2)	(8)	(33)	(43)	(86)
Restated at 31 December 2023	12	84	18	247	160	521
Additions	–	–	–	14	12	26
Reclassifications	(1)	(3)	–	4	–	–
Foreign exchange	–	–	–	1	(1)	–
Disposals and retirements	–	–	–	–	(10)	(10)
At 31 December 2024	**11**	**81**	**18**	**266**	**161**	**537**
Depreciation						
At 1 January 2023	1	27	20	124	87	259
Prior year restatement	–	–	–	40	–	40
Restated at 1 January 2023	1	27	20	164	87	299
Charge for the year	1	3	1	25	22	52
Derecognition of right of use asset	–	–	–	–	(6)	(6)
Foreign exchange	–	–	–	(2)	(1)	(3)
Disposals and retirements	–	(2)	(8)	(32)	(42)	(84)
Restated at 31 December 2023	2	28	13	155	60	258
Charge for the year	1	3	1	22	20	47
Reclassifications	2	(4)	2	–	–	–
Foreign exchange	–	–	–	1	1	2
Disposals and retirements	–	–	–	–	(7)	(7)
At 31 December 2024	**5**	**27**	**16**	**178**	**74**	**300**
Net book value						
At 31 December 2024	**6**	**54**	**2**	**88**	**87**	**237**
At 31 December 2023	10	56	5	92	100	263

Included within property, plant and equipment are assets in the course of construction of £11 million (2023: £19 million).

During the year, the Group carried out an extensive review of the fixed asset register and identified historical disposals and retirements that had been incorrectly recorded within property, plant and equipment rather than software licences and development. These assets were fully depreciated and therefore did not result in a change to the Consolidated Income Statement or the Consolidated Statement of Financial Position. The cost and depreciation at 1 January 2023 have been restated.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

Disposals and retirements for the year include the early exit from lease obligations and assets written off with nil net book value that are not expected to generate any future economic benefits.

The net book value of right of use assets of £87 million (2023: £100 million) relates primarily to properties.

Capital commitments
The Group has capital commitments of £2 million at 31 December 2024 (2023: £2 million).

3.3 Intangible assets

Keeping it simple

The following note identifies the non-physical assets used by the Group to generate revenue and profits.

These assets include formats and brands, customer contracts and relationships, contractual arrangements, licences, software development, film libraries and goodwill. The cost of these assets is the amount that the Group has paid or, where there has been a business combination, the fair value of the specific intangible assets that could be sold separately or which arise from legal rights. In the case of goodwill, its cost is the amount the Group has paid in acquiring a business over and above the fair value of the individual assets and liabilities acquired. The value of goodwill is the 'intangible' value that comes from, for example, a uniquely strong market position and the outstanding productivity of its employees.

The value of intangible assets, with the exception of goodwill, reduces over the number of years the Group expects to use the asset, the useful economic life, via an annual amortisation charge to the Consolidated Income Statement. Where there has been a technological change or decline in business performance, the Directors review the value of assets, including goodwill, to ensure they have not fallen below their amortised value. Should an asset's value fall below its amortised value, an additional impairment charge is made against profit.

This note explains the accounting policies applied and the specific judgements and estimates made by the Directors in arriving at the net book value of these assets.

Accounting policies

Goodwill
Goodwill represents the future economic benefits that arise from assets that are not capable of being individually identified and separately recognised. Goodwill is stated at its recoverable amount being cost less any accumulated impairment losses and is allocated to the business to which it relates.

All business combinations that have occurred since 1 January 2009 were accounted for using the acquisition method. Under this method, goodwill is measured as the fair value of the consideration transferred (including the recognition of any part of the business not yet owned (non-controlling interests)), less the fair value of the identifiable assets acquired and liabilities assumed, all measured at the acquisition date. The identification of acquired assets and liabilities and the allocation of the purchase price to them is considered a key judgement and is based on the Group's understanding and experience of the media business. Any contingent consideration expected to be transferred in the future is recognised at fair value at the acquisition date and recognised within other payables. Contingent consideration classified as an asset or liability that is a financial instrument is measured at fair value with changes in fair value recognised in the Consolidated Income Statement. The determination of fair value is based on an estimate of discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount rate.

Where less than 100% of a subsidiary is acquired, and call and put options are granted over the remaining interest, a non-controlling interest is initially recognised in equity at fair value, which is established based on the value of the put option. A call option is recognised as a derivative financial instrument, carried at fair value. The put option is recognised as a liability within other payables, carried at the present value of the put option exercise price, and a corresponding charge is included in merger and other reserves. Any subsequent remeasurement of the put option liability is recognised within finance income or cost.

Subsequent adjustments to the fair value of net assets acquired can only be made within 12 months of the acquisition date, and only if fair values were determined provisionally at an earlier reporting date. These adjustments are accounted for from the date of acquisition.

Acquisitions of non-controlling interests are accounted for as transactions with owners and therefore no goodwill is recognised as a result of such transactions. Transaction costs incurred in connection with those business combinations, such as legal fees, due diligence fees and other professional fees, are expensed as incurred. The Directors consider these costs to reflect the cost of acquisition and to form a part of the capital transaction, and highlight them separately as exceptional items.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

Other intangible assets
Intangible assets other than goodwill are those that are distinct and can be sold separately or which arise from legal rights.

The main intangible assets the Group has valued are formats, brands, licences, contractual arrangements, customer contracts and relationships and libraries.

Within ITV, there are two types of other intangible assets: those assets directly purchased by the Group for day-to-day operational purposes (such as software licences and development) and intangible assets identified as part of an acquisition of a business.

Intangible assets acquired directly by the Group are stated at cost less accumulated amortisation. Those separately identified intangible assets acquired as part of an acquisition or business combination are shown at fair value at the date of acquisition less accumulated amortisation.

Each class of intangible assets' valuation method on initial recognition, amortisation method and estimated useful life is set out in the table below:

Class of intangible asset	Amortisation method	Estimated useful life	Valuation method
Brands	Straight-line	8 to 14 years	Applying a royalty rate to the expected future revenue over the life of the brand
Formats	Straight-line	up to 8 years	Expected future cash flows from those assets existing at the date of acquisition are estimated. If applicable, a contributory charge is deducted for the use of other assets needed to exploit the cash flow. The net cash flow is then discounted back to present value
Customer contracts	Straight-line or reducing balance as appropriate	up to 6 years	
Customer relationships	Straight-line	5 to 10 years	
Contractual arrangements	Straight-line	up to 13 years depending on the contract terms	Expected future cash flows from those contracts existing at the date of acquisition are estimated. If applicable, a contributory charge is deducted for the use of other assets needed to exploit the cash flow. The net cash flow is then discounted back to present value
Licences	Straight-line	11 to 29 years depending on term of licence	Start-up basis of expected future cash flows existing at the date of acquisition. If applicable, a contributory charge is deducted for the use of other assets needed to exploit the cash flow. The net cash flow is then discounted back to present value. Public service broadcasting (PSB) licences are valued as a start-up business with only the licence in place
Libraries and other	Sum of digits or straight-line as appropriate	up to 20 years	Initially at cost and subsequently at cost less accumulated amortisation
Software licences and development	Straight-line	1 to 10 years	Initially at cost and subsequently at cost less accumulated amortisation

Cloud computing arrangements
Cloud computing arrangements are reviewed to determine if they are within the scope of IAS 38 'Intangible Assets', IFRS 16 'Leases', or a service contract. This is to determine if the Group has control of the software intangible asset. Control is assumed if the Group has the right to take possession of the software and run it on its own or a third-party's computer infrastructure or if the Group has exclusive rights to use the software whereby the supplier cannot make the software available to other customers.

Configuration of the software involves the setting of various flags or switches within the application software or defining values to set up the software's existing code to function in a specified way. Customisation involves modifying the software code in the application or writing additional code. Customisation generally changes or creates additional functionalities within the software. In both situations, the Group also needs to assess if there is a separate intangible asset. If no separate intangible asset is identified, then these costs are expensed when incurred. If an asset is identified, it is capitalised and amortised over the life of the asset.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

Fair value on acquisition
Determining the fair value of the purchase consideration allocated to intangible assets arising on acquisition requires judgement. The Directors make estimates regarding the timing and amount of future cash flows derived from exploiting the assets being acquired. The Directors then estimate an appropriate discount rate to apply to the forecast cash flows. Such estimates are based on current budgets and forecasts, extrapolated for an appropriate period taking into account growth rates, operating costs and the expected useful lives of assets. Judgements are also made regarding whether, and for how long, licences will be renewed; this drives our amortisation policy for those assets.

The Directors estimate the appropriate discount rate that reflects current market assessments of the time value of money and the risks specific to the assets or businesses being acquired.

Amortisation
Amortisation is charged to the Consolidated Income Statement over the estimated useful lives of intangible assets unless such lives are judged to be indefinite. Indefinite life assets, such as goodwill, are not amortised but are tested for impairment at each year end.

Impairment
Goodwill is not subject to amortisation and is tested annually for impairment and when circumstances indicate that the carrying value may be impaired.

Other intangible assets are subject to amortisation and are reviewed for impairment whenever events or changes in circumstances indicate that the amount carried in the Consolidated Statement of Financial Position is less than its recoverable amount.

Determining whether the carrying amount of intangible assets has any indication of impairment requires judgement. Any impairment is recognised in the Consolidated Income Statement.

An impairment test is performed by assessing the recoverable amount of each asset, or for goodwill the cash-generating unit ('CGU'), or group of CGUs, related to the goodwill. Total assets (which include goodwill) are grouped at the lowest levels for which there are separately identifiable cash flows. The Directors have identified three CGUs, Media & Entertainment, ITV Studios and SDN.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The value in use is based on the present value of the future cash flows expected to arise from the asset.

In testing for impairment, estimates are used in deriving cash flows and the discount rates. Such estimates reflect current market assessments of the risks specific to the asset and the time value of money. The estimation process is complex due to the inherent risks and uncertainties associated with long-term forecasting. If different estimates of the projected future cash flows or a different selection of an appropriate discount rate or long-term growth rate were made, these changes could materially alter the projected value of the cash flows of the asset, and as a consequence materially different amounts would be reported in the financial statements.

Impairment losses in respect of goodwill cannot be reversed. In respect of assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

Intangible assets
Intangible assets can be analysed as follows:

	Goodwill £m	Formats and brands £m	Customer contracts and relationships £m	Contractual arrangements £m	Licences £m	Libraries and other £m	Software licences and development £m	**Total £m**
Cost								
At 1 January 2023	4,037	549	462	11	176	106	280	5,621
Prior year restatement	–	–	–	–	–	–	(40)	(40)
Restated at 1 January 2023	4,037	549	462	11	176	106	240	5,581
Additions	–	–	–	–	–	–	39	39
Disposals	–	–	(1)	–	–	–	(63)	(64)
Foreign exchange	(18)	(9)	(4)	–	–	(1)	–	(32)
Restated at 31 December 2023	4,019	540	457	11	176	105	216	5,524
Additions	22	1	3	–	–	21	35	82
Reclassifications	–	–	1	–	–	(1)	–	–
Disposals	–	–	(5)	–	–	–	(18)	(23)
Foreign exchange	–	(15)	(1)	–	–	–	(1)	(17)
At 31 December 2024	**4,041**	**526**	**455**	**11**	**176**	**125**	**232**	**5,566**
Amortisation and impairment								
At 1 January 2023	2,654	520	446	11	131	93	157	4,012
Prior year restatement	–	–	–	–	–	–	(40)	(40)
Restated at 1 January 2023	2,654	520	446	11	131	93	117	3,972
Charge for the year	–	17	4	–	2	–	64	87
Disposals	–	–	(1)	–	–	–	(63)	(64)
Foreign exchange	–	(8)	(4)	–	–	(1)	–	(13)
Restated at 31 December 2023	2,654	529	445	11	133	92	118	3,982
Charge for the year	76	3	5	–	2	1	36	123
Reclassifications	–	–	1	–	–	(1)	–	–
Disposals	–	–	(5)	–	–	–	(18)	(23)
Foreign exchange	–	(14)	–	–	–	–	–	(14)
At 31 December 2024	**2,730**	**518**	**446**	**11**	**135**	**92**	**136**	**4,068**
Net book value								
At 31 December 2024	**1,311**	**8**	**9**	**–**	**41**	**33**	**96**	**1,498**
At 31 December 2023	1,365	11	12	–	43	13	98	1,542

During the year, the Group carried out an extensive review of the fixed asset register and identified historical disposals and retirements that had been incorrectly recorded within property, plant and equipment rather than software licences and development. These assets were fully depreciated and therefore did not result in a change to the Consolidated Income Statement or the Consolidated Statement of Financial Position. The cost and amortisation at 1 January 2023 have been restated.

Disposals and retirements for the year include assets written off with nil net book value that are not expected to generate any future economic benefits.

Goodwill impairment tests
The carrying amount of goodwill for each CGU is represented as follows:

	2024 £m	2023 £m
ITV Studios	**925**	903
Media & Entertainment	**386**	386
SDN	**–**	76
	1,311	1,365

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

There is a wide range of potential outcomes regarding the possible future performance of each of ITV Group's cash-generating units, Media & Entertainment, ITV Studios and SDN. In the impairment review the Directors used the severe but plausible downside scenarios utilised for the viability statement. When assessing impairment, the recoverable amount of each CGU is based on value in use calculations. These calculations require the use of estimates, specifically: pre-tax cash flow projections; long-term growth rates; and a pre-tax market discount rate. Cash flow projections are based on the Group's current long-term plan. Beyond the plan, these projections are extrapolated using an estimated nominal long-term growth rate of 1% (2023: 1.5%). The growth rate used is consistent with the long-term average growth rates for both the industry and the countries in which the CGUs are located and is appropriate because these are long-term businesses.

The discount rate has been updated for each CGU to reflect the latest market assumptions for the risk-free rate, the equity risk premium and the net cost of debt.

ITV Studios

The goodwill for ITV Studios has arisen as a result of the acquisition of production businesses since 1999. Significant balances were created from the acquisition by Granada of United News and Media's production businesses in 2000 and the merger of Granada and Carlton in 2004 to form ITV plc. ITV Studios goodwill also includes the goodwill arising from acquisitions since 2012, with the largest acquisitions being Leftfield in 2014, followed by Talpa in 2015, Plimsoll in 2022 and Hartswood and Eagle Eye in 2024.

The key assumptions on which the forecast cash flows for the whole CGU were based (as represented by the approved financial budget for 2025 and forecast to 2027) include revenue (including international revenue and the ITV Studios share of M&E content budget, growth in commissions and hours produced), margins and the pre-tax market discount rate. These assumptions have been determined by using a combination of extrapolation of historical trends within the business, industry estimates and in-house estimates of growth rates in all markets. No impairment was identified.

A pre-tax discount rate of 11.5% (2023: 10.7%) has been used in discounting the projected cash flows. No reasonably possible change in assumptions or discount rate would lead to an impairment.

Media & Entertainment

The goodwill in this CGU arose as a result of the acquisition of broadcasting businesses since 1999, the largest of which was the merger of Carlton and Granada in 2004 to form ITV plc, which was treated as an acquisition of Carlton for accounting purposes. Media & Entertainment goodwill also includes the goodwill arising on acquisition of UTV Limited in February 2016.

The main assumptions on which the forecast cash flow projections for this CGU are based (as represented by the approved financial budget for 2025 and forecast to 2027) include: the size, performance and share of the television and streaming advertising market; share of commercial impacts; programme and other costs; and the pre-tax market discount rate.

In forming its assumptions about the television and streaming advertising market, the Group has used a combination of long-term trends, industry forecasts and in-house estimates, which place greater emphasis on recent experience. No impairment was identified.

A pre-tax discount rate of 11.4% (2023: 10.4%) has been used in discounting the projected cash flows. No reasonably possible change in assumptions or discount rate would lead to an impairment.

SDN

Goodwill was recognised when the Group acquired SDN (the licence operator for DTT Multiplex A) in 2005. It represented the wider strategic benefits of the acquisition specific to the Group, principally the enhanced ability to promote Freeview as a platform, business relationships with the channels which are on Multiplex A and additional capacity available from 2010. SDN's multiplex licence was renewed during 2022 and expires in 2034.

In 2024, the Group fully impaired £76 million of goodwill allocated to the SDN CGU. The impairment charge arose as a result of a further unforeseen downturn in the long-term outlook for the digital terrestrial television market. Revenue continues to decline in this business primarily due to the renewal of long-term contracts with third parties at much lower market rates than previously anticipated and additional competition due to further oversupply in the market during 2024. The accelerated decline in the DTT market coupled with increasing costs have significantly impacted the profitability of the business and as such, the Group has taken the decision to fully impair the related goodwill.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

3.4 Acquisitions

Keeping it simple

The following section outlines what the Group has acquired in the year.

Most of the deals are structured so that a large part of the payment due to the sellers ('consideration') is determined based on future performance. This is done so that the Group can both align incentives for growth, while reducing risk so that total consideration reflects actual performance, not expected.

The Group considers the income statement impact of all consideration to be capital in nature and so excludes it from adjusted profit. Therefore, for each acquisition below, the distinction between the types of consideration has been explained in detail.

Accounting policies
The Group measures the cost of the acquisition at the fair value of the consideration paid; allocates that cost to the acquired identifiable assets and liabilities based on their fair values; and allocates the rest of the cost to goodwill. The Group also recognises any excess of acquired assets and liabilities over the consideration paid in the Consolidated Income Statement immediately.

IFRS accounting standards require that when consideration is based on future performance, some of this consideration is to be included in the purchase price used in determining goodwill ('contingent consideration'). Examples of contingent consideration include top-up payments and recoupable performance adjustments. Any remaining consideration is recognised as a liability or expense outside of acquisition accounting (put option liabilities and employment-linked contingent payments known as 'earnout' payments).

Where a payment is employment-linked, it is treated as a cash-settled share-based payment. The liability is measured at fair value taking into account the terms and conditions of the arrangement and the extent to which employees have rendered service to date. The liability is remeasured at each reporting date with changes in the carrying value recognised in the Income Statement for the period.

The Group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. The valuation choice is made on an acquisition by acquisition basis.

Acquisitions in 2024
The Group made two acquisitions in 2024 for cash consideration totalling £49 million. These new businesses are reported within the ITV Studios operating segment. The businesses align with the strategy of strengthening the Group's existing position as a producer and global distributor of world-class content. Details of the acquisitions are included below:

Hartswood Films Limited
On 25 July 2024, the Group completed the acquisition of a majority shareholding of the scripted independent production company Hartswood Films Limited and its subsidiaries in the UK. The company is behind a raft of landmark scripted series, including Douglas is Cancelled, The Devil's Hour and the Emmy award-winning Sherlock. The acquisition is a further milestone in ITV Studios' strategy of expanding its international content business and deepening its relationship with streamers.

Key terms
At acquisition, the Group made a total payment of £34 million for the 51% shareholding, which included adjustments for a share of cash acquired. A further £3 million of contingent consideration in respect of the share purchase was recognised.

Based on the assessment of non-controlling interest, the Group has control over 62.38% of the business acquired and a non-controlling interest of £16 million was recognised. Put and call options are in place over the remaining shareholding, with exercise prices based on a multiple of the average EBITA for the years 2024 to 2031.

The maximum total potential consideration, including the initial payment and the additional subscription of shares, is £110 million (undiscounted). This includes put and call options over the non-controlling interests and earnouts. These additional earnout payments are dependent on future performance of the business and linked to ongoing employment, therefore are accounted for as an expense. The Group considers these payments as capital in nature, and expenses in relation to these payments are excluded from adjusted profits as exceptional items.

Acquisition accounting
Intangible assets of £23 million were identified, being the value placed on brands, customer contracts, and libraries. £10 million of surplus of consideration over the current fair value of the share of net assets acquired was allocated to goodwill. The Group recognised the non-controlling interests at the proportionate share of the acquired entity's net identifiable assets of £16 million. Performance-based employment-linked earnouts will be accrued over the period the sellers are required to remain with the business and will be treated as exceptional costs.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

Effect of acquisition
The amounts recognised in respect of the estimated fair value of identifiable assets and liabilities have been included below:

	2024 Total £m
Consideration transferred:	
Initial consideration	34
Contingent consideration	3
Total consideration	37
Fair value of net assets acquired:	
Cash	30
Intangible assets	23
Production inventories	12
Trade and other receivables	10
Contract assets	4
Deferred tax liabilities	(6)
Trade and other payables	(13)
Contract liabilities	(17)
Fair value of net assets acquired	43
Non-controlling interest measured at the proportionate share of net assets	16
Goodwill	10
Purchase consideration – cash outflow	
Cash consideration	34
Cash acquired	(30)
Net cash outflow – investing activities	4
Other information	
Present value of the expected liability on put options	2

Contributions to the Group's performance:	
From date of acquisition	
Revenue	10
EBITA before exceptional items	3
Operating profit	3
Proforma – January to December	
Revenue	30
EBITA before exceptional items	3
Operating profit	3

Acquisition costs charged to operating exceptional items in the Consolidated Income Statement amounted to £1 million for financial due diligence and legal costs.

Eagle Eye Drama Limited
On 30 October 2024, the Group completed the acquisition of a majority shareholding in Eagle Eye Drama Limited and its subsidiaries, one of the UK's fastest-growing drama producers. The company was part of Channel 4's Indie Growth Fund since 2019 and produces a wide breadth of scripted content from original dramas to adaptations of critically acclaimed international series for English-speaking audiences, including hit returning shows such as ITV's Professor T and Hotel Portofino, Channel 4's Before We Die and Suspect, as well as The Couple Next Door, which was Channel 4's biggest ever scripted streaming launch.

As part of the deal, the Group also acquired a majority stake in the Belgium-based production services company Happy Duck Film BV, led by producer and director Dries Vos (Professor T, The Couple Next Door), which services Eagle Eye's global slate.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

Key terms
At acquisition, the Group made a total payment of £15 million for 62.5% of shareholding of Eagle Eye and 56.4% of shareholding of Happy Duck. A further £1 million of deferred consideration in respect of the share purchase was recognised.

Based on the assessment of non-controlling interest, the Group has control over 62.5% of Eagle Eye and 100% of Happy Duck and a non-controlling interest of £2 million was recognised. Put and call options are in place over the remaining shareholdings, with exercise prices based on a multiple of the average EBITA for the years 2025 to 2031.

Acquisition accounting
The Group is still completing its valuation of the intangible and tangible assets acquired with the businesses. Provisional net assets including cash of £6 million has been recognised in the Group results and Statement of Financial Position at 31 December 2024 with the surplus of consideration over the current fair value of the share of net assets acquired allocated to goodwill. The Group expects to complete the valuation of intangible assets and other acquired assets and liabilities in the first half of 2025. The value of goodwill will be adjusted by a corresponding amount for the value of intangible assets identified and the difference between the market and book values of the assets and liabilities.

3.5 Disposal of associates, joint ventures and subsidiary undertakings

Keeping it simple

The following section outlines disposals and related profit or loss made by the Group in the period.

Accounting policies
The Group recognises a profit or loss on a disposal of non-current assets such as investments in associates, joint ventures and subsidiary undertakings at the date the asset was disposed of or control of the asset is lost. The Group derecognises assets and liabilities in relation to the assets disposed of as well as any non-controlling interests where applicable and cumulative translation differences recognised in equity. The resultant profit or loss on disposal recognised in the Consolidated Income Statement is excluded from Adjusted results.

Disposals made in the current year
During the year, the Group recognised a net profit on disposal of joint ventures and subsidiary undertakings of £212 million from proceeds of £303 million. The carrying value of net assets disposed and related costs was £91 million.

On 1 March 2024, the Group announced that it had sold its 50% interest in digital subscription streaming service BritBox International to its joint venture partner BBC Studios for a cash consideration of £255 million. The transaction was effected by the Group disposing of its 50% interests in BritBox LLC, BB Rights LLC, Denipurna Limited and BritBox International Limited and its 100% holding of ITV SVOD Australia Pty Ltd.

As part of the transaction, loans from ITV plc to BritBox International Limited of £17 million and to ITV SVOD Australia Pty Ltd of AUD 3 million (£2 million) were repaid.

At 31 December 2023, the Group recognised an asset held for sale of £66 million, being the carrying value of the investments. Dividends received and losses for the period offset by an increase in the capital investment and foreign currency translation differences to the date of disposal reduced the carrying value to £62 million.

Net liabilities and related costs of £1 million were also included in determining the profit on disposal of £194 million, which was recognised in the Group's Consolidated Income Statement.

	31 December 2024 £m
Consideration received for the Group's interest in BritBox International	**255**
Less carrying value of net assets / (liabilities) sold:	**61**
Joint venture investments	**62**
Other net liabilities and related costs	**(1)**
Profit on disposal	**194**

On 25 July 2024, the Group announced that ITV Studios had sold back its minority shareholding in Blumhouse TV to Blumhouse Holdings, for a consideration of US$60 million. The carrying value of the investment prior to sale was £30 million. A profit on disposal of £18 million was subsequently recognised in the Group's Consolidated Income Statement. Blumhouse TV and ITV America will continue their unscripted partnership.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

3.6 Investments

Keeping it simple

The Group holds non-controlling interests in a number of different entities. Accounting for these investments, and the Group's share of any profits and losses, depends on the level of control or influence the Group is granted via its interest. The three principal types of non-consolidated investments are joint arrangements (joint ventures or joint operations), associates, and equity investments.

A joint arrangement is an investment where the Group has joint control, with one or more third parties. An associate is an entity over which the Group has significant influence (i.e. power to participate in the investee's financial and operating decisions). Any other investment is an equity investment.

Accounting policies

For joint ventures and associates, the Group applies equity accounting. Under this method, it recognises the investment in the entity at cost and subsequently adjusts this for its share of profits or losses, which are recognised in the Consolidated Income Statement within non-operating items and included in adjusted profit.

Where the Group has invested in associates by acquiring preference shares or convertible debt instruments, the share of profit recognised is usually £nil as no equity interest exists.

Equity investments are held at fair value unless the investment is a start-up business, in which case it is valued initially at cost as a proxy for fair value.

The carrying amount of each category of our investments is represented as follows:

	Joint ventures £m	Associates £m	Equity investments £m	**Total £m**
At 1 January 2023	59	60	11	130
Additions	5	3	10	18
Share of profits/(losses)	8	(8)	–	–
Impairments/fair value adjustments	–	(5)	–	(5)
Dividends received	(3)	–	–	(3)
Foreign exchange	(3)	(3)	–	(6)
Classified as held for sale	(66)	–	–	(66)
At 31 December 2023	**–**	**47**	**21**	**68**
Additions	–	4	12	16
Share of losses	–	(3)	–	(3)
Impairments/fair value adjustments	–	(18)	(2)	(20)
Disposals	–	(30)	–	(30)
At 31 December 2024	**–**	**–**	**31**	**31**

On 25 July 2024, the Group announced the sale of its minority investment in Blumhouse TV for a consideration of US$60 million. The investment in Blumhouse TV was recorded as an associate on the Group's Statement of Financial Position, with a carrying value of £30 million prior to the sale. See note 3.5 for further information.

In the current year, the carrying amount of an investment in a scripted production business in the US was impaired following a review of the outlook for the business.

The equity investments relate primarily to the Group's Media for Equity programme. No individual investment is considered material to the Group. These investments are held at fair value and a fair value loss was recognised in Other Comprehensive Income in the year.

Please refer to page 217 for the list of joint ventures, associates and other significant holdings held at 31 December 2024.

3.7 Provisions

Keeping it simple

A provision is recognised by the Group where an obligation exists relating to events in the past and it is probable that cash will be paid to settle it.

A provision is made where the Group is not certain how much cash will be required to settle a liability, so an estimate is required. The main estimates relate to the cost of holding properties that are no longer in use by the Group, the likelihood of settling legal claims and contracts the Group has entered into that are now unprofitable.

Accounting policies

A provision is recognised in the Consolidated Statement of Financial Position when the Group has a present legal or constructive obligation arising from past events, it is probable cash will be paid to settle it and the amount can be estimated reliably. Provisions are determined by discounting the expected future cash flows by a rate that reflects current market assessments of the time value of money and the risks specific to the liability.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

The unwinding of the discount is recognised as a financing cost in the Consolidated Income Statement. The value of the provision is determined based on assumptions and estimates in relation to the amount and timing of actual cash flows, which are dependent on future events.

Provisions

The movements in provisions during the year are as follows:

	Contract provisions £m	Property provisions £m	Legal and other provisions £m	**Total £m**
At 1 January 2024	18	10	126	154
Additions	4	1	19	24
Utilised	(16)	–	(13)	(29)
Released	–	–	(2)	(2)
Foreign exchange	–	(1)	–	(1)
At 31 December 2024	**6**	**10**	**130**	**146**

Analysed between:				
Current	6	1	127	134
Non-current	–	9	3	12

Provisions of £134 million are classified as current liabilities (2023: £137 million). Unwind of the discount is £nil in 2024 and 2023.

Contract provisions £6 million (2023: £18 million)
Contract provisions of £6 million (2023: £11 million), represent liabilities in respect of onerous contracts in relation to individual sports rights. The transmission capacity supply contracts provision (2023: £7 million) has been fully utilised in the year.

Property provisions £10 million (2023: £10 million)
These provisions primarily relate to expected dilapidation costs at the Group's rental properties.

Legal and other provisions £130 million (2023: £126 million)
Represents provisions for potential liabilities (arising from legal disputes and claims) and their related legal costs. These include £52 million (2023: £52 million) for the potential liability that may arise as a result of a settlement agreed in relation to the Box Clever Pension Scheme, employee-related tax and other provisions of £64 million (2023: £61 million) and other legal and related costs.

Box Clever Pension Scheme
The Pensions Regulator (tPR) took regulatory action in relation to Financial Support Directions issued to ITV and certain Group companies on 17 March 2020 in respect of the Box Clever Pension Scheme (Scheme). This was the pension scheme in relation to a TV rental business joint venture set up by Granada UK Rental and Retail Limited and Carmelite Investments Limited (parent company of Thorn Limited (Thorn)) in 1999. An agreement to settle the regulatory action was reached on 2 December 2024 between those ITV companies, tPR, the Pension Protection Fund and the Scheme trustee, Box Clever Pension Trustees Limited.

Under the settlement, in summary, all current Scheme members (both ex-Granada and ex-Thorn) will be transferred to the ITV Pension Scheme and receive their full Scheme benefits. Back-payments of underpaid pension with interest will also be paid. There is also provision for estates of members who have died in the PPF assessment period. ITV has certain termination rights if, after a data cleanse in relation to the benefits of Scheme members, the value of the liabilities which are expected to transfer to the ITV Scheme has materially increased since the settlement. If ITV does not proceed with the transfer, tPR will be free to recommence regulatory proceedings. ITV will also reimburse the PPF for certain amounts it has lent to the Scheme trustee during the assessment period.

The transfer of liabilities into the ITV Pension Scheme is subject to the approval of the ITV Pension Scheme Trustee. Non-binding Heads of Terms have also been agreed between ITV and the ITV Pension Scheme Trustee. These propose that after transfer of the Scheme members, £25 million of additional funding will be paid to the ITV Pension Scheme (to form part of the general assets of the ITV Pension Scheme) and a surety bond will be provided to cover the value of the transferred liabilities (until the earlier of 31 March 2027 or the completion of the next actuarial valuation).

The provision held at 31 December 2024 remains at £52 million (31 December 2023: £52 million). It is based on an IAS 19 valuation of the cost to ITV of the settlement. As noted above, a data cleanse in relation to the benefits of the Scheme members is required to be undertaken before the value of the liabilities to be transferred into the ITV Pension Scheme can be calculated and as such, no adjustment has been made to the provision as at 31 December 2024.

Employee-related
The determination of the employment tax status of some individuals contracted by the Group is complex. HMRC has issued assessments to the Group for several individuals engaged by the Group during the tax years 2016/17 to 2018/19 as employed for tax purposes.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

During 2024, we continued to review the provision, which resulted in an increase in the provision of £5 million (2023: £2 million). This related to current year risk on continuing drama/Soap Actors and interest on the existing provision which would be payable to HMRC. £1 million of the provision was released through exceptional items as it was no longer required (2023: £3 million release) as this relates to periods up to 31 December 2023 and therefore does not relate to the current year.

Due to ongoing reviews by HMRC and court cases in this matter, the final amount payable could be significantly different to the £61 million currently provided (2023: £58 million). It is difficult to provide a range for the expected final amounts payable as case law is continually evolving on this matter, particularly in relation to Front of Camera presenters. Very few cases have reached the higher courts and fact patterns can be very different in individual cases, so determination of employment status for tax purposes remains very subjective.

A further £3 million (2023: £3 million) is provided in relation to other employment-related matters.

Other
Other provisions relate to settlements or proposed settlements on a number of legal cases as well as historical environmental provisions in relation to our production sites, closure costs and provision for legal fees for other ongoing litigation.

3.8 Pensions

Keeping it simple

In this note, we explain the accounting policies governing the Group's pension schemes, followed by analysis of the components of the net defined benefit pension surplus or deficit, including assumptions made, and where the related movements have been recognised in the financial statements. In addition, we have placed text boxes to explain some of the technical terms used in the disclosure.

What are the Group's pension schemes?
There are two types of pension schemes. A 'Defined Contribution' scheme that is open to ITV employees, and a number of 'Defined Benefit' schemes that have been closed to new members since 2006 and closed to future accrual in 2017. In 2016, on acquisition of UTV Limited, the Group took over the UTV Defined Benefit Scheme, which closed to future accrual at the end of March 2019.

What is a Defined Contribution scheme?
The Defined Contribution scheme is where the Group makes fixed payments into a separate fund on behalf of those employees participating in saving for their retirement. ITV has no further obligation to the participating employee and the risks and rewards associated with this type of scheme are assumed by the members rather than the Group. Although the Trustee of the scheme makes available a range of investment options, it is the members' responsibility to make investment decisions relating to their retirement benefits.

What is a Defined Benefit scheme?
In a Defined Benefit scheme, members receive payments during retirement, the value of which is dependent on factors such as salary and length of service. The Group makes contributions to the scheme, a separate Trustee-administered fund that is not consolidated in these financial statements, but is reflected on the defined benefit pension surplus or deficit line in the Consolidated Statement of Financial Position.

The Trustee, appointed according to the terms of the Schemes' documentation, is required to act in the best interest of the beneficiaries and is responsible for managing and investing the assets of the Scheme and its funding position. Schemes can be funded, where regular cash contributions are made by the employer into a fund which is invested. In the event of poor investment returns or increases in liabilities, the Group may need to address this through increased levels of contribution. Alternatively, schemes can be unfunded, where no regular money or assets are required to be put aside to cover future payments but, in some cases, security is required.

The accounting defined benefit pension surplus or deficit (IAS 19) is different from the actuarial valuation surplus or deficit as they are calculated on the basis of different assumptions, such as discount rate. The accounting defined benefit pension surplus or deficit (IAS 19) figure is calculated as at the balance sheet date, while the actuarial surplus or deficit (which drives cash funding requirements) is calculated as part of the triennial valuations. The triennial valuations at 31 December 2022 for the ITV Pension Scheme and at 30 June 2023 for the UTV Pension Scheme were agreed during the year.

Accounting policies
Defined contribution scheme
Obligations under the Group's defined contribution schemes are recognised as an operating cost in the Consolidated Income Statement as incurred. For 2024, total contributions expensed were £23 million (2023: £25 million).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

Defined benefit scheme
The Group's obligation in respect of the Defined Benefit Scheme is calculated by estimating the amount of future retirement benefit that eligible employees ('beneficiaries') have earned during their services. That benefit payable in the future is discounted to today's value and then the fair value of scheme assets is deducted to measure the defined benefit pension position.

Unless otherwise stated, references to Defined Benefit Schemes ('the Schemes') within this note refer to the ITV Pension Scheme, the Unfunded Scheme, the Granada supplementary scheme and the UTV Pension Scheme combined. Details on each scheme are provided below.

The liabilities of the Schemes are measured by discounting the best estimate of future cash flows to be paid using the 'projected unit' method. These calculations are complex and are performed by a qualified actuary. There are many judgements and estimates necessary to calculate the Group's estimated liabilities, the main assumptions are set out later in this note. Movements in assumptions during the year are called 'actuarial gains and losses' and these are recognised in the period in which they arise through the Consolidated Statement of Comprehensive Income.

The accounting defined benefit pension surplus or deficit (IAS 19) is different from the actuarial valuation surplus or deficit as they are calculated on the basis of different assumptions, such as discount rate. The accounting defined benefit pension surplus or deficit (IAS 19) figure is calculated as at the balance sheet date, and the actuarial valuation surplus or deficit (or funding surplus or deficit) is calculated per the last triennial valuation.

The triennial valuation of the ITV Pension Scheme (the Scheme) as at 31 December 2022 was completed in the period. At the valuation date, the Scheme had a surplus of £83 million. This is compared to a deficit of £252 million at the previous valuation date of 31 December 2019.

As the Scheme is in surplus, there are no deficit contributions payable. The Group will continue contributing the annual payment under the London Television Centre Pension Funding Partnership. For 2024, contributions under this partnership were £3 million. The Group's pension deficit contributions for the year to 31 December 2023 were £40 million.

The IAS 19 surplus or deficit does not drive the deficit funding contribution.

An unfunded scheme in relation to former beneficiaries who accrued benefits in excess of the maximum allowed for tax purposes is accounted for under IAS 19 and the Group is responsible for meeting the pension obligations as they fall due. For the four former Granada executives within the unfunded scheme, there is additional security in the form of a charge over £45 million (2023: £48 million) of securitised gilts held by the Group, which are classified as other pension assets to reflect the Group's net pension surplus or deficit.

Due to the size of the UTV Pension Scheme, the Directors present the results and position of the UTV Pension Scheme within this note combined with the existing ITV Schemes. In January 2024, the triennial valuation of the UTV Scheme as at 30 June 2023 was completed. At the valuation date the Scheme had a surplus of £3 million.

The principal employer of the ITV Pension Scheme and the Unfunded Scheme is ITV Services Limited, the Granada supplementary scheme is Granada Group Limited and the UTV Pension Scheme is UTV Limited.

The defined benefit pension surplus (under IAS 19)
Net pension surplus of £182 million at 31 December 2024 (2023: £209 million) is stated after including the unfunded scheme security asset of £45 million (2023: £48 million). The totals recognised in 2024 and 2023 are:

	2024 £m	2023 £m
Total defined benefit scheme obligations	**(1,998)**	(2,194)
Total defined benefit scheme assets	**2,135**	2,355
Defined benefit pension surplus (IAS 19)	**137**	161
Presented as:		
Defined benefit pension surplus*	**162**	187
Defined benefit pension deficit	**(25)**	(26)
Defined benefit pension surplus / (deficit) (IAS 19)	**137**	161
Other pension asset	**45**	48
Net pension surplus	**182**	209

* Included with the defined benefit pension surplus is the UTV Scheme. The defined benefit scheme assets in the UTV Scheme were valued at £86 million as at 31 December 2024 (2023: £94 million) and the defined benefit scheme obligations were £78 million (2023: £85 million)

The following notes provide further detail on the value of the Schemes' assets and liabilities, how these are accounted for and their impact on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

Defined benefit scheme obligations

Keeping it simple

What causes movements in the defined benefit pension obligations?
The areas that impact the defined benefit obligation (the pension scheme liabilities) position at the year end are as follows:

- **Past service cost** – is a change in present value of the benefits built up by the beneficiaries in the prior periods; can be positive or negative resulting from changes to the existing plan as a result of an agreement between ITV and employees or legislative change (including legal rulings) or as a result of significant reduction by ITV in the number of employees covered by the plan (curtailment)
- **Interest cost** – the pension obligations payable in the future are discounted to the present value at year end. A discount factor is used to determine the current value today of the future cost. The interest cost is the unwinding of one year's movement in the present value of the obligation. It is broadly determined by multiplying the discount rate at the beginning of the year by the updated present value of the obligation during the year. The discount rate is a key assumption explained later in this note. This interest cost is recognised through net financing costs in the Consolidated Income Statement (see note 4.4)
- **Actuarial gains or losses** – there are broadly two causes of actuarial movements: 'experience' adjustments, which arise when comparing assumptions made when estimating the liabilities and what has actually occurred, and adjustments resulting from changes in actuarial assumptions, e.g. movements in corporate bond yields or change in mortality. Key assumptions are explained in detail later in this note. Actuarial gains or losses are recognised through other comprehensive income
- **Benefits paid** – any cash benefits paid out by the Scheme will reduce the obligation

The movement in the present value of the Group's defined benefit obligation is analysed below:

	2024 £m	2023 £m
Defined benefit obligation at 1 January	**2,194**	2,292
Interest cost	**100**	112
Actuarial gain	**(149)**	(63)
Benefits paid	**(147)**	(147)
Defined benefit obligation at 31 December	**1,998**	2,194

Of the above total defined benefit obligation at 31 December 2024, £37 million relates to the unfunded schemes (2023: £39 million).

Assumptions used to estimate the Scheme obligations

Keeping it simple

What are the main assumptions used to estimate the Scheme obligations?
The main assumptions are:

- An estimate of increases in pension payments and the effect of inflation
- The life expectancy of beneficiaries
- The discount rate used to estimate the present day fair value of these obligations

How do we determine the appropriate assumptions?
The Group takes independent actuarial advice relating to the appropriateness of the assumptions used.

IFRS requires that we estimate a discount rate by reference to high-quality fixed income investments in the UK that match the estimated term of the pension obligations.

The inflation assumption has been set by looking at the difference between the yields on fixed and index-linked government bonds. The inflation assumption is used as a basis for the remaining financial assumptions, except where caps have been implemented.

The discount rate has therefore been obtained using the yields available on AA rated corporate bonds, which match projected cash flows. The Group's estimate of the weighted average term of the liabilities is 11 years (2023: 11 years).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

The principal assumptions used in the Schemes' valuations at the year end were:

	2024	2023
Discount rate	**5.45%**	4.75%
Inflation assumption (RPI)	**3.15%**	3.05%
	Deferred/ Pensioner	Deferred/ Pensioner
Rate of increase in pension payment (LPI* 5% pension increases)	**2.75%/3.05%**	2.80%/3.00%
Rate of increase to deferred pensions (CPI)	**2.70%**	2.50%

* Limited Price Index

From February 2030 onwards, increases in the RPI will be aligned with those under the Consumer Price Index including owner occupier housing costs (CPIH). The gap between CPIH and Consumer Price Index (CPI), to which some benefits are linked, is assumed to be zero. For Defined Benefit schemes, it means that members with RPI-linked pension increases will see future retirement benefits increase more slowly from 2030 than they otherwise would. The Group's approach to setting RPI and CPI inflation assumptions is as follows:
- The Group continued to set RPI inflation in line with the market break-even expectations for inflation less an inflation risk premium of 0.3%
- The assumptions linked to RPI and CPI as at 31 December 2024 have been determined by weighting the cash flows to which the link applies

The table below reflects published mortality investigation data in conjunction with the results of investigations into the mortality experience of Scheme beneficiaries. The assumed life expectations on retirement for Section A are:

	2024	2024	2023	2023
Retiring today at age	**60**	**65**	60	65
Males	**25.6**	**21.1**	25.7	21.1
Females	**27.4**	**22.6**	27.3	22.6
Retiring in 20 years at age			60	65
Males	**27.1**	**22.3**	27.1	22.3
Females	**28.9**	**24.1**	28.9	24.0

The net pension surplus is sensitive to changes in assumptions. These are disclosed further in this note.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

Total defined benefit scheme assets

Keeping it simple

The Scheme holds assets across a number of different classes, which are managed by the Trustee, who consults with the Group on changes to its investment policy.

What are the Pension Scheme assets?
At 31 December 2024, the Schemes' assets were invested in a diversified portfolio that consisted primarily of debt securities, infrastructure, property and insurance policies matching the pensions due to certain beneficiaries. The tables below set out the major categories of assets.

Financial instruments are in place in order to provide protection against changes in market factors (interest rates and inflation), which could act to increase the net pension surplus/deficit.

One such instrument is the longevity swap, which the Scheme transacted in 2011 to obtain protection against the effect of increases in the life expectancy of the majority of pensioner beneficiaries at that date. Under the swap, the Trustee agreed to make pre-determined payments in return for payments to meet the specified pension obligations as they fall due, irrespective of how long the beneficiaries and their dependants live. The difference in the present values of these two streams of payments is reflected in the Scheme assets. The swap had a nil valuation at inception and, using market-based assumptions, is subsequently adjusted for changes in the market life expectancy and market discount rates, in line with its fair value.

How do we measure the pension Scheme assets?
Defined benefit scheme assets are measured at their fair value and can change due to the following:

- Interest income on scheme assets – this is determined by multiplying the fair value of the Scheme assets by the discount rate, both taken as of the beginning of the year. This is recognised through net financing costs in the Consolidated Income Statement
- Return on assets arise from differences between the actual return and interest income on Scheme assets and are recognised in the Consolidated Statement of Other Comprehensive Income
- Employer's contributions are paid into the Scheme to be managed and invested
- Benefits and administrative expenses paid out by the Schemes will lower the fair value of the Schemes' assets

The movement in the fair value of the defined benefit schemes' assets is analysed below:

	2024 £m	2023 £m
Fair value of Scheme assets at 1 January	**2,355**	2,437
Interest income on Scheme assets	**108**	120
Loss on assets, excluding interest income	**(180)**	(98)
Employer contributions	**6**	50
Benefits paid	**(147)**	(147)
Administrative expenses paid	**(7)**	(7)
Fair value of Scheme assets at 31 December	**2,135**	2,355

How are the Schemes' assets invested?
At 31 December 2024, the Schemes' assets were invested in a diversified portfolio that consisted primarily of debt securities, infrastructure, property and insurance policies matching pensions due to certain beneficiaries.
The Trustee is responsible for deciding the investment strategy for the Schemes' assets, although changes in investment policies require consultation with the Group. The assets are invested in different classes to hedge against unfavourable movements in the funding obligation. When selecting the mix of assets to hold, and considering their related risks and returns, the Trustee will weigh up the variability of returns against the target long-term rate of return on the overall portfolio.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

The fair value of the Schemes' assets is shown in the following table by major category:

	Market value 2024 £m	Quoted 2024 £m	Market value 2024 %	Market value 2023 £m	Quoted 2023 £m	Market value 2023 %
Liability hedging assets						
Fixed interest gilts	**464**	**463**		449	449	
Index-linked interest gilts	**499**	**494**		516	516	
Interest rate and inflation hedging derivatives (swaps, repos and reverse repos)	**(290)**	**(312)**		(112)	(142)	
	673	**645**	**32%**	853	823	36%
Other bonds	**1,284**	**60**	**60%**	1,456	62	62%
Return-seeking investments						
Infrastructure	**174**			175		
Property	**146**			149		
	320		**15%**	324		14%
Other investments						
Cash and cash equivalents	**136**			41		
Insurance policies*	**41**			41		
Longevity swap fair value	**(319)**			(360)		
	(142)		**(7%)**	(278)		(12%)
Total Scheme assets	**2,135**	**705**	**100%**	2,355	885	100%

* Insurance policies includes a surrender value of £30 million (2023: £27 million) invested in Cash Accumulated with Profits Fund

Included in the above are overseas assets of £118 million (2023: £46 million). None of these assets are quoted.

The Trustee entered into a longevity swap in 2011, which hedges the risk of increasing life expectancy over the next 70 years for 11,700 current pensioners at inception covering £1.7 billion of the pension obligation. The fair value of the longevity swap is negative due to declining mortality assumptions and equals the discounted value of the projected net cash flows resulting from the contract. The fair value loss has reduced in 2024 primarily due to the increase in gilt yields over the period.

Defined pension deficit sensitivities

Keeping it simple

Which assumptions have the biggest impact on the Scheme?
It is important to note that comparatively small changes in the assumptions used may have a significant effect on the Consolidated Income Statement and Consolidated Statement of Financial Position. This 'sensitivity' to change is analysed below to demonstrate how small changes in assumptions can have a large impact on the estimation of the defined benefit pension obligation. The Trustee manages the investment, mortality and inflation risks to ensure the pension obligations are met as they fall due.

The investment strategy is aimed at the Trustee's actuarial valuation liabilities rather than IAS 19 defined pension liabilities. As such, the effectiveness of the risk hedging strategies on a valuation basis will not be the same as on an accounting basis. Those hedging strategies have significant impact on the movement in the net pension deficit as assumptions change, offsetting the impacts on the obligation disclosed below.

In practice, changes in one assumption may be accompanied by offsetting changes in another assumption (although this is not always the case). Changes in the assumptions may occur at the same time as changes in the market value of Scheme assets, which may or may not offset the changes in assumptions. Changes in assumptions have a different level of impact as the value of the net pension surplus/(deficit) fluctuates, because the relationship between them is not linear.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

The analysis below considers the impact of a single change in principal assumptions on the defined benefit obligation while keeping the other assumptions unchanged and does not take into account any risk hedging strategies:

Assumption	Change in assumption	Impact on defined benefit obligation
Discount rate	Increase by 0.1%	Decrease by £20 million
	Decrease by 0.1%	Increase by £20 million
	Increase by 0.5%	Decrease by £100 million
	Decrease by 0.5%	Increase by £110 million
Rate of inflation (Retail Price Index)	Increase by 0.1%	Increase by £10 million
	Decrease by 0.1%	Decrease by £5 million
Rate of inflation (Consumer Price Index)	Increase by 0.1%	Increase by £5 million
	Decrease by 0.1%	Decrease by £5 million
Life expectancies	Increase by one year	Increase by £60 million

The sensitivity analysis has been determined by extrapolating the impact on the defined benefit obligation at the year end with changes in key assumptions that might reasonably occur.

While the Schemes' risk hedging strategy is aimed at a valuation basis, the Directors estimate that on an accounting basis any change in asset values would significantly offset the above impact on the defined benefit obligation.

In particular, while an increase in assumption of life expectancies by one year would increase the defined benefit obligation by £60 million, the assets would benefit from an estimated increase of the value of the longevity swap by £55 million, resulting in a net decrease in the defined pension surplus of £5 million.

Further, the ITV Pension Scheme invests in UK government bonds and interest rate and inflation swap contracts and therefore movements in the defined benefit obligation are typically offset, to an extent, by asset movements.

Keeping it simple

What was the impact of movements on the Schemes' assets and liabilities?
The notes above describe how the Scheme obligations and assets are comprised and measured. The following note sets out the impact of various movements and expenses of the Scheme on the Group's financial statements.

Amounts recognised through the Consolidated Income Statement
Amounts recognised through the Consolidated Income Statement are as follows:

	2024 £m	2023 £m
Amount charged to operating costs:		
Scheme administration expenses	**(7)**	(7)
	(7)	(7)
Amounts credited to net financing cost		
Net interest on Scheme assets and defined benefit obligation	**8**	8
Total credit in the Consolidated Income Statement	**1**	1

Amounts recognised through the Consolidated Statement of Comprehensive Income
The amounts recognised through the Consolidated Statement of Comprehensive Income are:

	2024 £m	2023 £m
Remeasurement (losses)/gains		
Loss on scheme assets excluding interest income	**(180)**	(98)
Actuarial (losses)/gains on liabilities arising from change in:		
– experience adjustments	**(7)**	45
– financial assumptions	**142**	(68)
– demographic assumptions	**14**	86
	149	63
Total recognised in the Consolidated Statement of Comprehensive Income	**(31)**	(35)

The £149 million actuarial gain (2023: £63 million actuarial gain) on the Schemes' liabilities was principally due to the increase in bond yields which reduced the value of the liabilities. This actuarial gain was partially offset by the increase in market implied inflation which increased the value of the liabilities.

The £180 million loss (2023: £98 million loss) on the Schemes' assets was principally due to the rise in gilts yields leading to a decrease in the value of the assets. This has been partially offset by the increase in market implied inflation, increasing the value of the inflation-linked assets, and an increase in the fair value of the longevity swap.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 3: OPERATING ASSETS AND LIABILITIES CONTINUED

Addressing the defined benefit pension deficit

Keeping it simple

The Group works closely with the Trustee to agree appropriate levels of funding for the Scheme. This involves agreeing a Schedule of Contributions at each triennial valuation, which specifies the contribution rates for the employer and, where relevant, scheme beneficiaries and the date these contributions are due. A recovery plan setting out the steps that will be taken to address a funding shortfall is also agreed.

In the event that the Group's defined benefit scheme is in a net liability position, the Directors must take steps to manage the size of the deficit. Apart from the funding agreements mentioned above, this could involve pledging additional assets to the Scheme, as was the case in the SDN and London Television Centre pension funding partnerships.

The levels of ongoing contributions to the Scheme are based on the expected future cash flows of the Scheme. Contributions in 2024 for administration expenses are £7 million (2023: £7 million).

The Group has two asset-backed pension funding agreements with the Trustee – the SDN pension funding partnership and the London Television Centre pension funding partnership which were set up in 2010 and 2014 respectively to address the pension deficit at that time.

SDN Pension Funding Partnership
In 2010, ITV established a Pension Funding Partnership (PFP) with the Trustees backed by SDN, which was subsequently extended in 2011. The PFP addressed £200 million of the funding deficit in Section A of the defined benefit pension scheme and under the original agreement, a payment of up to £200 million was due in 2022. The existing PFP agreement was amended and extended to 2031. As a result of this agreement, payments of £94 million were made under the SDN PFP arrangement in 2022. The Group is committed to up to nine annual payments of £16 million from 2023. These payments are required if the Scheme is calculated to be in a technical deficit. This calculation is based upon the most recent triennial valuation updated for current market conditions. The partnership's interest in SDN provides collateral for these payments.

The £16 million payment under the SDN PFP was not required to be paid in 2024. However, this assessment is made on an annual basis and therefore the £16 million payment may resume in 2025. The Group retains day to day operational control of SDN and SDN's revenues, profits and cashflows continue to be consolidated in the Group's financial statements. On completion of the final payment in 2031, the Scheme's partnership interest will have been repaid in full and it will have no right to any further payments.

London Television Centre Pension Funding Partnership
In 2014, ITV established a Pension Funding Partnership with the Trustees backed by the London Television Centre, which resulted in the assets of Section A of the defined benefit pension scheme being increased by £50 million. In November 2019, the London Television Centre was sold. £50 million of the proceeds was previously held in a restricted bank account as a replacement asset in the pension funding arrangement. In 2022, this security was replaced with a surety bond and the cash was released to the Group. This structure continues to be reviewed.

The Scheme's interest in these Partnerships reduces any deficit on a funding basis but does not impact any deficit on an IAS 19 basis as the Scheme's interest is not a transferrable financial instrument.

Deficit funding contributions
The accounting surplus or deficit does not drive the deficit funding contribution. The Group's deficit funding contributions in 2024 were £3 million (31 December 2023: £40 million). This related to the £3 million annual payment under the London Television Centre PFP. The 2023 amount included a £37 million deficit contribution agreed as part of the triennial valuation and £3 million annual payment under the London Television Centre PFP.

Deficit contributions are agreed with the Trustees following the triennial valuations. The ITV Pension Scheme and the UTV Pension Scheme are in surplus following the latest triennial valuations, therefore no deficit contributions are payable. The payments due under the SDN PFP and London Television Centre PFP (£16 million and £3 million respectively) will be assessed annually.

IFRIC 14 clarifies how the asset ceiling rules should be applied if the Schemes are expected to be in surplus, for example as a result of deficit funding agreements. The Group has determined that it has an unconditional right to a refund of any surplus assets if the Schemes are run off until the last member dies. On this basis, IFRIC 14 rules do not cause any change in the pension deficit accounting or disclosures.

In June 2023, the High Court ruled in the Virgin Media case that some historical rule amendments made between 1997 and 2016, without the correct actuarial certification, were not valid. In July 2024, the Court of Appeal upheld the High Court's decision that based on the relevant legislation at the time, a written actuarial confirmation was required where an alteration to the scheme's rules affected pension benefits attributable to past or future service benefits. Without a written confirmation, an amendment would be void. The decision does not give any guidance on what evidence would be sufficient. The Trustees of the Group's defined benefit pension schemes have taken advice on the implications of the Virgin Media decision with the first step being the gathering details of amendments made during the 1997 to 2016 period and to search for the relevant confirmation from the actuary. This review has not been completed and therefore no conclusions can be drawn. As a result, the Group does not consider it necessary to make any allowance for the potential impact of the Virgin Media case in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS

In this section

This section outlines how the Group manages its capital structure and related financing costs, including its balance sheet liquidity and access to capital markets.

The Directors determine the appropriate capital structure of ITV; specifically, how much is raised from shareholders (equity) and how much is borrowed from financial institutions (debt) in order to finance the Group's activities both now and in the future. Maintaining capital discipline and balance sheet efficiency remains important to the Group. Any potential courses of action in relation to this will take into account the Group's liquidity needs, flexibility to invest in the business, pension deficit initiatives and impact on credit ratings.

The Directors consider the Group's capital structure and dividend policy at least twice a year ahead of announcing results. The Directors take into account the available realised distributable reserves from which a dividend would be paid in addition to liquidity and solvency of the Group. The Directors also consider the capital structure and dividend policy in the context of the Group's ability to continue as a going concern, to execute the strategy and to invest in opportunities to grow the business and enhance shareholder value. The ITV plc Board oversees governance and approves tax and treasury-related policies and procedures.

4.1 Net debt

Keeping it simple

Net debt is the Group's key measure used to evaluate total outstanding debt, including our discounted lease liabilities net of current cash resources. A full analysis and discussion of net debt and covenant net debt is included in the Operating and Financial Performance Review.

The tables below analyse movements in the components of net debt during the year:

	1 January 2024 £m	Acquisitions** £m	Net cash flow £m	Currency and non-cash movements £m	**31 December 2024 £m**
Loans and facilities due within one year	(5)	(6)	1	–	**(10)**
Loans and facilities due after one year	(758)	–	5	30	**(723)**
Total loans and facilities	(763)	(6)	6	30	**(733)**
Currency component of forwards and swaps held against euro-denominated bonds*	(15)	–	10	(15)	**(20)**
Lease liabilities	(115)	–	25	(15)	**(105)**
Total debt	(893)	(6)	41	–	**(858)**
Cash	215	–	86	(5)	**296**
Cash equivalents	125	–	4	2	**131**
Total cash and cash equivalents	340	–	90	(3)	**427**
Net debt	(553)	(6)	131	(3)	**(431)**

	1 January 2023 £m	Net cash flow £m	Currency and non-cash movements £m	31 December 2023 £m
Loans and facilities due within one year	(289)	278	6	(5)
Loans and facilities due after one year	(541)	(228)	11	(758)
Total loans and facilities	(830)	50	17	(763)
Currency component of forwards and swaps held against euro-denominated bonds*	(9)	10	(16)	(15)
Lease liabilities	(132)	26	(9)	(115)
Total debt	(971)	86	(8)	(893)
Cash	257	(37)	(5)	215
Cash equivalents	91	38	(4)	125
Total cash and cash equivalents	348	1	(9)	340
Net debt	(623)	87	(17)	(553)

* Net cash flow from currency component of forwards and swaps relates to the euro-denominated bond repaid in the year
** Loans on acquisitions includes £6 million from the acquisition of Eagle Eye

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

Loans and loan notes due after one year
In June 2024 the Group issued a €500 million bond at a fixed coupon of 4.25% which matures in April 2032. This Eurobond was swapped back to £422 million using cross currency swaps with 50% having a fixed coupon of 5.8% and 50% paying 184bps over SONIA. In conjunction with this transaction a liability management exercise was undertaken on the €600 million 2026 Eurobond in issue, with €240 million being repaid from the proceeds of the 2032 issuance and the swaps associated with the redeemed portion were also unwound. The remaining €360 million in issue remains at a fixed coupon of 1.375%, with maturity in September 2026, swapped to sterling (£320 million) with the original cross-currency interest rate swaps. The fixed rate payable in sterling is c.2.9%.

A £230 million term loan was taken out in August 2023, and was fully drawn-down in December 2023. This term loan was fully repaid during 2024 with the remaining proceeds of the €500 million bond issuance.

Available facilities
The Group has good access to liquidity:
- The Group has £500 million of committed funding through an RCF with a group of relationship banks. During the year, one of the counterparties to the RCF was changed and the new counterparty acceded to the RCF with a January 2029 maturity, which is in line with the other counterparties. At 31 December 2024, the facility was undrawn (2023: undrawn). The RCF documentation defines a leverage covenant (which has to be maintained at less than 3.5x) and an interest cover covenant (which has to be maintained at greater than 3.0x). Both are tested at 30 June and 31 December each year. All financial covenants were met and the facility remains available at 31 December 2024. This RCF contains Scope 1, 2 and 3 greenhouse gas emissions targets which align to ITV's stated objective to have Net Zero carbon emissions by 2030. These targets are measured at the end of each financial year and independently verified in July following the relevant December year end. Scope 1 and 2 emissions are measured separately to Scope 3 emissions. The margin on the facility reduces by 2.5bps if Scope 1, 2 and 3 targets are met, by 1.25bps if either Scope 1 and 2 targets are met or Scope 3 targets are met, and increases by 2.5bps if neither target is met. Failing to meet targets does not impact the availability of the RCF. The Group met Scope 1, 2 and 3 targets for 2023; those emissions were verified in July 2024. Over the life of the facility, it may be necessary to recalibrate the baseline emissions level set in 2019, particularly in relation to Scope 3 emissions and there is a mechanism in the RCF documentation that allows for this.
- The Group has £100 million of committed funding via a bilateral RCF, which matures in December 2028. The terms and conditions, including financial covenants but not emissions targets, are aligned to the £500 million RCF facility. The facility was undrawn at 31 December 2024 (2023: undrawn).
- In October 2024, the Group entered into a new £200 million bilateral loan facility which matures December 2030. Utilisations on this facility are subject to the lender's ability to source ITV Credit Default Swaps (CDS). The new facility has a committed accreting profile which will mean the full £200 million will be available by 1 January 2026. At 31 December 2024, the Group had £50 million of the facility available. The facility is free of financial covenants and is currently undrawn.
- The Group has a £300 million bilateral loan facility, which matures on 30 June 2026. Utilisation requests are subject to the lender's ability to source ITV Credit Default Swaps (CDS) in the market at the time the utilisation request is made. The facility remains free of financial covenants. The facility is currently undrawn (2023: undrawn).

4.2 Borrowings

Keeping it simple

The Group borrows money from financial institutions in the form of bonds, bank facilities and other financial instruments. The interest payable on these instruments is shown in the net financing costs note (note 4.4).

There are Board-approved policies in place to manage the Group's financial risks. Macroeconomic market risks, which impact currency transactions and interest rates, are discussed in note 4.3. Credit and liquidity risks are set out below.

- Credit risk: the risk of financial loss to the Group if a customer or counterparty fails to meet its contractual obligations
- Liquidity risk: the risk that the Group will not be able to meet its financial obligations as they fall due

The Group is required to disclose the fair value of its debt instruments. The fair value is the amount the Group would pay a third party to transfer the liability. This estimation of fair value is consistent with instruments included in note 4.5.

Accounting policies
Borrowings

Borrowings are recognised initially at fair value less directly attributable transaction costs, with subsequent measurement at amortised cost using the effective interest rate method. Under the amortised cost method, the difference between the amount initially recognised and the redemption value is recorded in the Consolidated Income Statement over the period of the borrowing on an effective interest rate basis.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

Managing credit and liquidity risk
Credit risk
The Group's maximum exposure to credit risk is represented by the carrying amount of derivative financial assets (see note 4.3), trade receivables (see note 3.1.3), contract assets (see note 3.1.6) and cash and cash equivalents (see note 4.1).

Trade and other receivables
The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The majority of trade receivables relate to airtime sales contracts with advertising agencies and advertisers. Credit insurance has been taken out against these companies to minimise the impact on the Group in the event of a possible default. The Group also reviews other significant receivables and will seek to take out credit insurance on an individual basis where appropriate. Credit risk over contract assets is monitored proactively using daily reports from an external credit risk company. These reports are used to determine contractual obligations, monitor risk and amend terms where required.

Cash and cash equivalents and derivative financial instruments
The Group operates investment guidelines with respect to surplus cash that emphasise preservation of capital. The guidelines set out procedures and limits on counterparty risk and maturity profile of cash placed. Counterparty limits for cash deposits are largely based upon long-term ratings published by the major credit rating agencies. Cash and cash equivalents include money market funds valued at fair value through profit and loss.

Cash and cash equivalents and derivative financial instruments exposure are limited to high credit quality financial institutions rated by two of the key rating agencies used by the Group. Counterparty credit limits are set in relation to these ratings, in order to limit the concentration of exposure to individual counterparties based on their credit quality. As such, investments are sufficiently spread across high credit quality rated counterparties.

Counterparty credit limits are reviewed by the Group's Board on an annual basis and may be updated throughout the year subject to approval of the Group's Audit & Risk Committee. Investment exposure with external counterparties is made only with Board-approved counterparties and within credit limits assigned to each counterparty. The credit quality of financial counterparties and the outstanding exposure is monitored throughout the year by the Group's Treasury function in accordance with the Group's policy.

Borrowings
ITV is rated as investment grade by Moody's, S&P and Fitch. ITV's credit ratings, which in turn are affected by key metrics, such as leverage, the cost of credit default swap hedging, and the absolute level of interest rates are key determinants in the cost of new borrowings for ITV.

Liquidity risk
The Group's financing policy is to fund itself for the medium to long-term by using debt instruments with a range of maturities and to ensure access to appropriate short-term borrowing facilities with a minimum of £250 million of undrawn facilities available at all times.

Long-term funding comes from the UK and European capital markets, while any short to medium-term debt requirements were provided throughout 2024 through bank credit facilities detailed above. At 31 December 2024, the Group had £950 million bank credit facilities available. This includes £50 million of the new £200 million bilateral loan facility which has a committed accreting profile increasing to £125 million on 1 January 2025 and £200 million on 1 January 2026. Management monitors rolling forecasts of the Group's liquidity reserve (comprising undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios to assess any possible future impact on credit ratings and headroom and takes into account the accessibility of cash and cash equivalents.

Fair value versus book value
The tables below provide fair value information for the Group's borrowings:

		Book value		Fair value	
	Maturity	**2024 £m**	2023 £m	**2024 £m**	2023 £m
Loans due within one year					
Other short-term loans	Various	**10**	5	**10**	5
		10	5	**10**	5
Loans due in more than one year					
€600 million Eurobond	Sept 2026	**298**	520	**292**	490
€500 million Eurobond	June 2032	**417**	–	**420**	–
£230 million Term Loan	July 2027	**–**	230	**–**	230
Other long-term loans	Various	**8**	8	**8**	8
		723	758	**720**	728
		733	763	**730**	733

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

4.3 Managing market risks: derivative financial instruments

Keeping it simple

What is a derivative?
A derivative is a type of financial instrument typically used to manage risk. A derivative's value changes over time in response to underlying variables, such as exchange rates or interest rates and is entered into for a fixed period. A hedge is where a derivative is used to manage exposure in an underlying variable.

The Group is exposed to certain market risks. In accordance with Board-approved policies, which are set out in this note, the Group manages these risks by using derivative financial instruments to hedge the underlying exposures.

Why do we need them?
The key market risks facing the Group are:

- Currency risk arising from:

i. Translation risk, that is the risk in the period of adverse currency fluctuations in the translation of foreign currency profits, assets and liabilities (balance sheet risk) and non-functional currency monetary assets and liabilities (income statement risk)

ii. Transaction risk, that is the risk that currency fluctuations will have a negative effect on the value of the Group's non-functional currency trading cash flows. A non-functional currency transaction is a transaction in any currency other than the reporting currency of the subsidiary

- Interest rate risk to the Group arises from significant changes in interest rates on borrowings issued at or swapped to floating rates

How do we use them?
The Group mainly employs three types of derivative financial instruments when managing its currency and interest rate risk:

- Foreign exchange swap contracts are derivative instruments used to hedge income statement translation risk arising from short-term intercompany loans denominated in a foreign currency
- Forward foreign exchange contracts are derivative instruments used to hedge transaction risk so they enable the sale or purchase of foreign currency at a known fixed rate on an agreed future date
- Cross-currency interest rate swaps are derivative instruments used to exchange the principal and interest coupons in a debt instrument from one currency to another

Analysis of the derivatives used by the Group to hedge its exposure and the various methods used to calculate their respective fair values are detailed in this section.

Accounting policies
Derivative financial instruments are initially recognised at fair value and are subsequently remeasured at fair value with the movement recorded in the Consolidated Income Statement, except where derivatives qualify for cash flow hedge accounting. In this case, the effective portion of a cash flow hedge is recognised in other comprehensive income and presented in the hedging reserve within equity. The cumulative gain or loss is later reclassified to the Consolidated Income Statement in the same period as the relevant hedged transaction is realised. Derivatives with positive fair values are recorded as assets and negative fair values as liabilities.

Determining fair value
The fair value of forward foreign exchange contracts is determined by the change in price between the contracted rates and the market rates at the reporting date. The contracted cash flows are then discounted by the time remaining to the settlement date of the contract, with a discount curve that incorporates credit risk. The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to exit the swap at the reporting date, taking into account current interest rates and the Group's current creditworthiness, as well as that of the swap counterparties.

Third-party valuations are used to fair value the Group's cross-currency interest rate derivatives. The valuation techniques use inputs, such as interest rate yield curves and currency prices/yields, volatilities of underlying instruments and correlations between inputs.

How do we manage our currency and interest rate risk?
Currency risk
As the Group expands its international operations, the performance of the business becomes increasingly sensitive to movements in foreign exchange rates, primarily with respect to the US dollar and the euro.

The Group's foreign exchange policy is to use forward foreign exchange contracts to hedge material non-functional currency-denominated costs or revenue for up to five years forward.

The Group ensures that its net exposure to foreign currency-denominated cash balances is kept to a minimal level, where necessary using foreign currency swaps to exchange balances back into sterling or by buying or selling foreign currencies at spot rates.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

The Group also utilises foreign exchange swaps and cross-currency interest rate swaps both to manage foreign currency cash flow timing differences and to hedge foreign currency-denominated monetary items.

The following table highlights the Group's exposure to foreign currency risk resulting from a 10% strengthening/weakening in sterling against the US dollar, euro and Australian dollar, assuming all other variables are held constant:

	Impact on profit before tax 2024 £m	Impact on profit before tax 2023 £m	**Impact on Equity 2024 £m**	Impact on Equity 2023 £m
US dollar – increase 10%	**(9)**	(6)	**8**	7
US dollar – decrease 10%	**11**	7	**(9)**	(8)
Euro – increase 10%	**(1)**	(1)	**3**	1
Euro – decrease 10%	**2**	2	**(2)**	–
Australian dollar – increase 10%	**(2)**	(1)	**1**	(2)
Australian dollar – decrease 10%	**3**	1	**(1)**	2

Interest rate risk
The Group's interest rate policy is to allow fixed rate gross debt to vary between 20% and 100% of total gross debt to accommodate floating rate borrowings under the Revolving Credit Facility.

For financial assets and liabilities classified at fair value through profit or loss, the movements in the year relating to changes in fair value and interest are not separated.

At 31 December 2024, the Group's fixed rate debt represented 71% of total gross debt (2023: 69.9%), therefore the majority of debt is issued at fixed rates, and changes in the floating rates of interest do not materially affect the Group's net interest charge.

What is the value of our derivative financial instruments?
The following table shows the fair value of derivative financial instruments analysed by type of contract. Interest rate swap fair values exclude accrued interest.

At 31 December 2024	**Assets £m**	**Liabilities £m**
Current		
Foreign exchange forward contracts and swaps – cash flow hedges	**3**	**(2)**
Foreign exchange forward contracts and swaps – fair value through profit or loss	**1**	**(1)**
Non-current		
Cross-currency interest swaps – cash flow hedges	**–**	**(18)**
Cross-currency interest swaps – fair value hedges	**–**	**(2)**
Foreign exchange forward contracts and swaps – cash flow hedges	**1**	**–**
	5	**(23)**

At 31 December 2023	Assets £m	Liabilities £m
Current		
Foreign exchange forward contracts and swaps – cash flow hedges	3	(1)
Foreign exchange forward contracts and swaps – fair value through profit or loss	1	–
Non-current		
Cross-currency interest swaps – cash flow hedges	–	(15)
Foreign exchange forward contracts and swaps – cash flow hedges	1	(1)
	5	(17)

Cash flow hedges
The Group applies hedge accounting for certain foreign currency firm commitments and highly probable cash flows where the underlying cash flows are payable within the next five years. In order to fix the sterling cash outflows associated with the commitments and interest payments – which are mainly denominated in US dollars or euros – the Group has taken out forward foreign exchange contracts and cross-currency interest rate swaps for the same foreign currency amount and maturity date as the expected foreign currency outflow.

There is an economic relationship between the hedged items (being between 60% to 100% of the total exposure) and the hedging instruments as the terms of the foreign exchange forward contracts and cross-currency interest rate swaps match the terms of the expected highly probable forecast transactions or firm commitments (i.e. % notional amount and expected receipt or payment date). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange forward contracts are identical to the hedged risk components.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

Sources of ineffectiveness include:
- Different interest rate curve applied to discounting the hedged items and hedging instruments
- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments

The Group uses the hedge relationship, credit risk and hedge ratio to measure the hedge effectiveness.

The amount recognised in other comprehensive income during the year all relates to the effective portion of the revaluation loss associated with these contracts. A cumulative loss of £20 million (2023: £28 million of cumulative loss) was recycled to the Consolidated Income statement to offset movements on the hedged item, a residual value of less than a million (2023: £7 million loss) remained on the income statement which was not offset.

Under IFRS 9, the Group has adopted the 'cost of hedging' approach which allows the recognition of the value of the currency basis at inception of the hedge to be recorded on the Consolidated Statement of Financial Position and amortised through net financing costs in the Consolidated Income Statement over the life of the bond. Any mark-to-market change in fair value of the currency basis is recognised in 'cost of hedging' in the Consolidated Statement of Comprehensive Income.

Fair value hedges
The Group has interest rate swaps and cross-currency interest rate swaps to hedge the exposure to changes in the fair value of fixed rate borrowings due to interest rate and foreign currency movements which could affect the income statement. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Consolidated Income Statement together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in the Consolidated Income Statement within net financing costs together with changes in the fair value of the hedged fixed-rate borrowings attributable to interest rate risk. The gain or loss relating to the ineffective portion is recognised in the Consolidated Income Statement. All fair value hedges were highly effective throughout the year.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to the Consolidated Income Statement over the period to maturity using a recalculated effective interest rate.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

Undiscounted financial liabilities

Keeping it simple

The Group is required to disclose the expected timings of cash outflows for each of its financial liabilities (including derivatives). The amounts disclosed in the table are the contractual undiscounted cash flows (including interest), so will not always reconcile with the amounts disclosed on the Statement of Financial Position.

At 31 December 2024	Carrying value £m	Total contractual cash flows £m	Less than 1 year £m	Between 1 and 2 years £m	Between 2 and 5 years £m	Over 5 years £m
Non-derivative financial liabilities						
Borrowings	**(733)**	**(878)**	**(32)**	**(321)**	**(58)**	**(467)**
Lease liabilities	**(105)**	**(175)**	**(19)**	**(21)**	**(63)**	**(72)**
Trade and other payables	**(929)**	**(929)**	**(896)**	**(18)**	**(15)**	**–**
Other payables – non-current	**(32)**	**(32)**	**–**	**(32)**	**–**	**–**
Other payables – commitments on acquisitions	**(34)**	**(105)***	**(5)**	**(15)**	**(42)**	**(43)**
Derivative financial instruments						
Foreign exchange forward contracts and swaps – cash flow hedges						
Inflow	**4**	**198**	**154**	**40**	**4**	**–**
Outflow	**(2)**	**(197)**	**(153)**	**(40)**	**(4)**	**–**
Cross-currency swaps – cash flow hedges						
Inflow	**–**	**583**	**13**	**311**	**26**	**233**
Outflow	**(18)**	**(641)**	**(22)**	**(341)**	**(37)**	**(241)**
Cross-currency swaps – fair value hedges						
Inflow	**–**	**277**	**9**	**9**	**26**	**233**
Outflow	**(2)**	**(320)**	**(14)**	**(15)**	**(43)**	**(248)**
Foreign exchange forward contracts and swaps – fair value through profit or loss						
Inflow	**1**	**173**	**166**	**7**	**–**	**–**
Outflow	**(1)**	**(172)**	**(165)**	**(7)**	**–**	**–**
	(1,851)	**(2,218)**	**(964)**	**(443)**	**(206)**	**(605)**

At 31 December 2023	Carrying value £m	Total contractual cash flows £m	Less than 1 year £m	Between 1 and 2 years £m	Between 2 and 5 years £m	Over 5 years £m
Non-derivative financial liabilities						
Borrowings	(763)	(785)	(12)	(8)	(763)	(2)
Lease liabilities	(115)	(140)	(18)	(19)	(52)	(51)
Trade and other payables	(931)	(931)	(906)	(25)	–	–
Other payables – non-current	(33)	(33)	–	(33)	–	–
Other payables – commitments on acquisitions	(78)	(105)*	(47)	–	(55)	(3)
Derivative financial instruments						
Foreign exchange forward contracts and swaps – cash flow hedges						
Inflow	4	195	150	45	–	–
Outflow	(2)	(193)	(149)	(44)	–	–
Cross-currency swaps – cash flow hedges						
Inflow	–	542	7	7	528	–
Outflow	(15)	(580)	(16)	(16)	(548)	–
Foreign exchange forward contracts and swaps – fair value through profit or loss						
Inflow	1	177	171	6	–	–
Outflow	–	(176)	(170)	(6)	–	–
	(1,932)	(2,029)	(990)	(93)	(890)	(56)

* Undiscounted expected future payments depending on performance of acquisitions

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

Timing profile of hedging instrument

Keeping it simple

The Group is required to provide a breakdown that discloses a profile of the timing of the nominal amount of the hedging instrument and if applicable, the average price or rate (for example strike or forward prices, etc.) of the hedging instrument.

The Group holds the following foreign exchange and cross-currency interest rate swap contracts. Material currency pairs are disclosed in full, whilst immaterial pairs are aggregated.

At 31 December 2024	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Greater than 5 years	Total
Foreign exchange forward contracts and swaps					
Notional amount (£m)	**(13)**	**8**	**–**	**–**	**(5)**
Average forward rate (AUD/GBP)	**1.8937**	**1.9324**	**–**	**–**	
Foreign exchange forward contracts and swaps					
Notional amount (£m)	**24**	**8**	**–**	**–**	**32**
Average forward rate (EUR/GBP)	**1.1495**	**1.1725**	**–**	**–**	
Foreign exchange forward contracts and swaps					
Notional amount (£m)	**(21)**	**18**	**(1)**	**–**	**(4)**
Average forward rate (USD/GBP)	**1.2601**	**1.2970**	**1.2892**	**–**	
Foreign exchange forward contracts and swaps					
Notional amount (£m)	**10**	**9**	**3**	**–**	**22**
Various currency pairs					
Cross-currency interest rate swaps					
Notional amount (£m)	**–**	**320**	**–**	**421**	**741**
Average hedge rate (EUR/GBP)	**–**	**1.1264**	**–**	**1.1854**	

At 31 December 2023*	Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	Greater than 5 years	Total
Foreign exchange forward contracts and swaps					
Notional amount (£m)	(1)	(11)	–	–	(12)
Average forward rate (AUD/GBP)	1.2773	1.7559	–	–	
Foreign exchange forward contracts and swaps					
Notional amount (£m)	1	8	–	–	9
Average forward rate (EUR/GBP)	1.1278	1.1272	–	–	
Foreign exchange forward contracts and swaps					
Notional amount (£m)	(56)	20	–	–	(36)
Average forward rate (USD/GBP)	1.3431	1.2188	–	–	
Foreign exchange forward contracts and swaps					
Notional amount (£m)	(3)	2	–	–	(1)
Various currency pairs					
Cross-currency interest rate swaps					
Notional amount (£m)	–	–	533	–	533
Average hedge rate (EUR/GBP)	–	–	1.1264	–	

* 2023 has been re-presented in line with the current year

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

Impact of hedged items on Consolidated Statement of Financial Position, Consolidated Statement of Other Comprehensive Income and Consolidated Statement of Changes in Equity

Keeping it simple

This table provides the following details in relation to cash flow hedges and fair value hedges:

- The change in value of the hedged item used as the basis for recognising hedge ineffectiveness for the year
- The balance in the cash flow hedge reserve relating to continuing hedges

The impact of hedged items on the Consolidated Statement of Financial Position is as follows:

Cash flow hedge

At 31 December	2024 Change in fair value used for measuring ineffectiveness £m	2024 Pre-tax closing cash flow hedge reserve £m	2024 Pre-tax closing cost of hedging reserve £m	2023 Change in fair value used for measuring ineffectiveness £m	2023 Pre-tax closing cash flow hedge reserve £m	2023 Pre-tax closing cost of hedging reserve £m
Highly probable/firm commitment forecast transactions	**(2)**	**1**	**–**	1	3	–
Borrowings	**9**	**12**	**(4)**	11	1	(2)

The hedging gain recognised in the Consolidated Statement of Changes in Equity before tax is equal to the change in fair value used for measuring effectiveness. There is less than a million pounds of ineffectiveness recognised in the Consolidated Income Statement.

Fair value hedge

At 31 December	2024 Change in fair value of hedged item £m	2024 Change in fair value of hedging instrument £m	2024 Pre-tax closing cost of hedging reserve £m	2023 Change in fair value of hedged item £m	2023 Change in fair value of hedging instrument £m	2023 Pre-tax closing cost of hedging reserve £m
Borrowings	**(3)**	**(1)**	**(2)**	–	–	–

Keeping it simple

This table details the effect of the cash flow hedge in the Consolidated Income Statement and Consolidated Statement of Comprehensive Income.

The effect of the cash flow hedge in the Consolidated Income Statement and Consolidated Statement of Comprehensive Income is as follows:

At 31 December 2024	Total hedging gain/(loss) recognised in OCI £m	Ineffectiveness recognised in Income Statement £m	Line item in the Income Statement	Cost of hedging recognised in OCI £m	Amounts reclassified from OCI to Income Statement £m	Line item in the Income Statement
Highly probable/firm commitment forecast transactions	**(2)**	**–**	**–**	**–**	**(3)**	**Cost of sales/ overheads**
Borrowings	**9**	**(1)**	**Net financing cost**	**(2)**	**23**	**Net financing cost**

At 31 December 2023	Total hedging gain/(loss) recognised in OCI £m	Ineffectiveness recognised in Income Statement £m	Line item in the Income Statement	Cost of hedging recognised in OCI £m	Amounts reclassified from OCI to Income Statement £m	Line item in the Income Statement
Highly probable/firm commitment forecast transactions	1	–	–	4	2	Cost of sales/ overheads
Borrowings	11	7	Net financing cost	2	26	Net financing cost

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

Keeping it simple

This table provides a reconciliation of each component of the translation reserve reported within equity and an analysis of other comprehensive income in accordance with IAS 1.

Set out below is the reconciliation of each component of the translation reserve reported in the Consolidated Statement of Changes in Equity and the analysis of other comprehensive income:

	Cash flow hedge reserve £m	Cost of hedge reserve £m	Foreign currency reserve £m	Translation reserve £m
As at 1 January 2023	2	(7)	112	107
Effective portion of changes in fair value arising from:				
Foreign exchange forward contracts	(13)	4	–	(9)
Cross-currency interest rate swaps – borrowings:				
• Change in fair value from the effective hedge instrument	(9)	2	–	(7)
Amount reclassified to Income Statement				
• FX forward reclassified to cost of sales/overheads	2	–	–	2
• FX forward and swaps reclassified to finance costs	15	–	–	15
• CCIRS reclassified to finance costs	11	–	–	11
Net gain on cash flow hedges and cost of hedging	6	6	–	12
Exchange differences on translation of foreign operations	–	–	(38)	(38)
Income tax charge on other comprehensive income/(expense)	(1)	(2)	–	(3)
As at 31 December 2023	**7**	**(3)**	**74**	**78**
Effective portion of changes in fair value arising from:				
Foreign exchange forward contracts	1	–	–	1
Cross-currency interest rate swaps – borrowings:				
• Change in fair value from the effective hedge instrument	(12)	(2)	–	(14)
Amount reclassified to Income Statement				
• FX forward reclassified to cost of sales/overheads	(3)	–	–	(3)
• CCIRS reclassified to finance costs	23	–	–	23
Net gain on cash flow hedges and cost of hedging	9	(2)	–	7
Exchange differences on translation of foreign operations	–	–	(4)	(4)
Income tax charge on other comprehensive income/(expense)	(2)	–	–	(2)
As at 31 December 2024	**14**	**(5)**	**70**	**79**

Netting arrangements of financial instruments

Keeping it simple

This section details the Group's financial assets and financial liabilities that are subject to netting and set-off arrangements. Financial assets and liabilities that do not meet the criteria for offsetting on the Consolidated Statement of Financial Position but could be settled net in certain circumstances principally relate to derivative transactions executed under ISDA agreements where each party has the option to settle amounts on a net basis in the event of default of the other party.

At 31 December 2024	Gross financial assets/liabilities £m	Gross collateral assets/liabilities set-off £m	Net financial assets/liabilities per balance sheet £m	Related amounts not set-off in the balance sheet £m	Net £m
Assets					
Derivative financial instruments	**5**	**–**	**5**	**(4)**	**1**
Cash and cash equivalents	**427**	**–**	**427**	**–**	**427**
Liabilities					
Derivative financial instruments	**(23)**	**–**	**(23)**	**4**	**(19)**
Loans and facilities	**(733)**	**–**	**(733)**	**–**	**(733)**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

At 31 December 2023	Gross financial assets/liabilities £m	Gross collateral assets/liabilities set-off £m	Net financial assets/liabilities per balance sheet £m	Related amounts not set-off in the balance sheet £m	Net £m
Assets					
Derivative financial instruments	5	–	5	(2)	3
Cash and cash equivalents	340	–	340	–	340
Liabilities					
Derivative financial instruments	(17)	–	(17)	2	(15)
Loans and facilities	(763)	–	(763)	–	(763)

4.4 Net financing costs

Keeping it simple

This section details the interest income generated on the Group's cash and other financial assets and the interest expense incurred on borrowings and other financial liabilities.

In reporting 'adjusted profit', the Group adjusts net financing costs to exclude unrealised mark-to-market movements on interest rate and foreign exchange derivatives, gains/losses on bond buybacks, net pension interest, interest and fair value movements in acquisition-related liabilities and other financing costs.

Our rationale for adjustments made to financing costs is set out in the Finance Review.

Accounting policies
Net financing costs comprise interest income on funds invested, gains/losses on the disposal of financial instruments, changes in the fair value of financial instruments, interest expense on borrowings, unwinding of the discount on provisions, unwinding of the discount on liabilities to non-controlling interest, foreign exchange gain/losses, and imputed interest on pension assets and liabilities. Interest income and expense is recognised as it accrues in profit or loss, using the effective interest method.

Net financing costs
Net financing costs can be analysed as follows:

	2024 £m	2023 £m
Financing income		
Interest income	**22**	14
Foreign exchange gain	**2**	2
Pension interest income (see note 3.8)	**9**	9
Other finance income	**18**	–
	51	25
Financing costs		
Pension interest expense (see note 3.8)	**(1)**	(1)
Interest expense on financial liabilities measured at amortised cost	**(22)**	(15)
Foreign exchange loss	**–**	(7)
Other finance expense	**(28)**	(47)
	(51)	(70)
Net financing costs	**–**	(45)

Other finance income primarily relates to fair value gains on bonds that were repaid in the year and fair value adjustments on acquisition-related liabilities. Other finance expense includes lease interest payments, finance costs including fair value adjustments on acquisition-related liabilities and bank charges.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

4.5 Fair value hierarchy

Keeping it simple

The financial instruments included in the Consolidated Statement of Financial Position are measured at either fair value or amortised cost. The measurement of this fair value can in some cases be subjective, and can depend on the inputs used in the calculations. The Group generally uses external valuations using market inputs or market values (e.g. external share prices). The different valuation methods are called 'hierarchies' and are described below.

Level 1
Fair values are measured using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2
Fair values are measured using inputs, other than quoted prices included within Level 1, which are observable for the asset or liability either directly or indirectly.

Interest rate swaps and options are accounted for at their fair value based upon exit prices at the current reporting period. Forward foreign exchange contracts are accounted for at the difference between the contract exchange rate and the quoted forward exchange rate at the reporting date.

Level 3
Fair values are measured using inputs for the asset or liability that are not based on observable market data.

The tables below set out the financial instruments included on the Consolidated Statement of Financial Position at fair value:

	Fair value 31 December 2024 £m	Level 1 31 December 2024 £m	Level 2 31 December 2024 £m	Level 3 31 December 2024 £m
Assets measured at fair value				
Financial instruments at fair value through reserves				
Other pension assets – gilts (see note 3.8)	45	45	–	–
Financial instruments at fair value through profit or loss				
Money market funds	131	131	–	–
Equity investments (see note 3.6)	31	–	–	31
Financial assets at fair value through profit or loss				
Foreign exchange forward contracts and swaps	1	-	1	-
Convertible loan receivable	2	–	–	2
Financial assets at fair value through reserves				
Cash flow hedges	4	–	4	–
	214	176	5	33

	Fair value 31 December 2024 £m	Level 1 31 December 2024 £m	Level 2 31 December 2024 £m	Level 3 31 December 2024 £m
Liabilities measured at fair value				
Financial liabilities at fair value through profit or loss				
Acquisition-related liabilities – payable to sellers under put options agreed on acquisition (see notes 3.1.4 and 3.1.5)	(21)	–	–	(21)
Foreign exchange forward contracts and swaps	(1)	–	(1)	–
Cross-currency interest rate swaps – fair value hedges	(2)	–	(2)	–
Financial liabilities at fair value through reserves				
Cash flow hedges	(20)	–	(20)	–
	(44)	–	(23)	(21)

There have been no changes in the classification of assets and liabilities and there have been no movements within levels. Information on the fair value measurements of level 3 assets and liabilities is detailed in the relevant notes referenced above.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

	Fair value 31 December 2023 £m	Level 1 31 December 2023 £m	Level 2 31 December 2023 £m	Level 3 31 December 2023 £m
Assets measured at fair value				
Financial instruments at fair value through reserves				
Other pension assets – gilts (see note 3.8)	48	48	–	–
Financial instruments at fair value through profit or loss				
Money market funds	125	125	–	–
Equity investments (see note 3.6)	21	–	–	21
Financial assets at fair value through profit or loss				
Foreign exchange forward contracts and swaps	1	–	1	–
Convertible loan receivable	2	–	–	2
Financial assets at fair value through reserves				
Cash flow hedges	4	–	4	–
	201	173	5	23

	Fair value 31 December 2023 £m	Level 1 31 December 2023 £m	Level 2 31 December 2023 £m	Level 3 31 December 2023 £m
Liabilities measured at fair value				
Financial liabilities at fair value through profit or loss				
Acquisition-related liabilities – payable to sellers under put options agreed on acquisition (see notes 3.1.4 and 3.1.5)	(63)	–	–	(63)
Financial liabilities at fair value through reserves				
Cash flow hedges	(17)	–	(17)	–
	(80)	–	(17)	(63)

Refer to note 4.3 for how we value interest rate swaps and forward foreign currency contracts.

4.6 Lease liabilities

Keeping it simple

The Group accounts for operating leases under IFRS 16 'Leases'. Lease liabilities representing the discounted future lease payments and right of use assets are recognised in the Consolidated Statement of Financial Position. Lease costs such as property rent are recognised in the form of depreciation and interest in the Consolidated Income Statement.

Accounting policies

Lease liabilities represent the discounted future lease payments. Discount rates are calculated for similar assets, in similar economic environments, taking into account the length of the lease. The unwinding of the discounting is recognised in net financing costs in the Consolidated Income Statement. The following table outlines the maturity analysis of the lease liabilities:

	2024 £m	2023 £m
Contractual discounted cash flows		
Less than one year	**15**	18
Two to five years	**58**	57
More than five years	**32**	40
Lease liabilities at 31 December	**105**	115

	1 January 2024 £m	**Net cash flow £m**	**Currency and non-cash movements £m**	**31 December 2024 £m**
Lease liabilities	**(115)**	**25**	**(15)**	**(105)**
Total lease liabilities	**(115)**	**25**	**(15)**	**(105)**

	1 January 2023 £m	Net cash flow £m	Currency and non-cash movements £m	31 December 2023 £m
Lease liabilities	(132)	26	(9)	(115)
Total lease liabilities	(132)	26	(9)	(115)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

The following amounts have been included in the Consolidated Income Statement:

	2024 £m	2023 £m
Interest expense on lease liabilities	**(5)**	(4)
Amounts recognised in the Consolidated Income Statement	**(5)**	(4)

The Group has elected not to recognise right of use assets and lease liabilities for short-term leases (i.e. lease term less than 12 months) or low-value assets (i.e. under £5,000). The Group will continue to expense the lease payments associated with these leases on a straight-line basis over the lease term. At 31 December 2024, this was less than £1 million (2023: less than £1 million).

Variable lease payments that depend on an index or a rate are also less than £1 million (2023: less than £1 million).

Some property leases contain extension options beyond the non-cancellable period. The Group assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The lease liability at 31 December 2024 does not include any such extension options beyond the non-cancellable period.

4.7 Equity

Keeping it simple

This section explains material movements recorded in shareholders' equity, presented in the Consolidated Statement of Changes in Equity, which are not explained elsewhere in the financial statements.

Accounting policies

Fair value reserve

Financial assets are stated at fair value, with any gain or loss recognised directly in the fair value reserve in equity, unless the loss is a permanent impairment, when it is then recorded in the Consolidated Income Statement.

Dividends

Dividends are recognised through equity on the earlier of their approval by the Company's shareholders or their payment. Dividends are distributed based on the realised distributable reserves (within retained earnings) of ITV plc (the Company) and not based on the Group's retained earnings.

4.7.1 Share capital and share premium

The Group's share capital at 31 December 2024 of £394 million (2023: £406 million) and share premium of £174 million (2023: £174 million) is the same as that of ITV plc. Details of this are given in the ITV plc Company financial statements section of this Annual Report.

On 1 March 2024 the Group announced its intention to return the entire net proceeds from the disposal of BritBox International up to a maximum consideration of £235 million to the Group's shareholders through a share buyback. This was launched immediately following the announcement of the Group's results for the year ended 31 December 2023 in March 2024 (see 4.7.5 for further details)

At 31 December 2024, 270 million 10p shares had been bought back at a cost of £198 million. Of these shares, 118 million were cancelled, reducing the Group's share capital. When such shares are cancelled they are transferred to the capital redemption reserve.

4.7.2 Merger and other reserves

Merger and other reserves at 31 December include the following reserves:

	2024 £m	2023 £m
Merger reserves	**95**	95
Capital reserves	**112**	112
Capital redemption reserves	**48**	36
Revaluation reserves	**2**	2
Put option liabilities arising on acquisition of subsidiaries	**(12)**	(34)
Total	**245**	211

Merger reserves, Capital reserves and Capital redemption reserves relate primarily to balances arising on previous mergers and acquisitions, including the merger of Granada and Carlton in 2003. The movement in the capital redemption reserves in the year relates to the cancellation of shares associated with the Group's share buyback programme.

Put option liabilities arising on acquisition of subsidiaries relates to options and forward contracts over shares relating to non-controlling interests.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

4.7.3 Translation reserve
The translation reserve comprises:
- All foreign exchange differences arising on the translation of the accounts of, and investments in, foreign operations
- The gains or losses on the portion of cash flow hedges that have been deemed effective and costs of hedging under IFRS 9 (see note 4.3)
- The net movement in the cash flow hedge reserve was a gain of £6 million (2023: gain of £5 million). This is made up of a gain on cash flow hedges in the year of £9 million (2023: gain of £6 million) and a related tax charge of £3 million (2023: charge of £1 million)
- The net movement in the cost of hedging reserve was a loss of £1 million (2023: £4 million). This is made up of a loss on the cost of hedging in the year of £2 million (2023: a gain of £6 million) and a related tax credit of £1 million (2023: charge of £2 million)
- The amount in the foreign currency translation reserve relating to discontinued hedges at 31 December 2024 is a loss of £19 million (2023: £19 million loss)

4.7.4 Fair value reserve
The fair value reserve comprises all movements arising on the revaluation of gilts and equity investments under the media for equity programme, accounted for at fair value through OCI. The movement in 2024 is a £6 million loss on revaluation (2023: loss of £1 million) and a related tax credit of £1 million (2023: £nil). See notes 2.3, 3.6 and 3.8.

4.7.5 Retained earnings
The retained earnings reserve comprises profit for the year attributable to owners of the Company of £408 million (2023: £210 million) and other items recognised directly through equity as presented in the Consolidated Statement of Changes in Equity. Other items include the credit for the Group's share-based compensation schemes, which are described in note 4.8.

The Board recognises the importance of the ordinary dividend to ITV shareholders. Reflecting its confidence in the business and its strategy, as well as the continued strong cash generation, the Board proposes a final dividend of 3.3p (2023: 3.3p), giving a full year dividend of 5.0p (2023: 5.0p) per share. £198 million of dividends were paid (2023: £201 million), representing a final 2023 dividend of 3.3p per share and an interim 2024 dividend of 1.7p per share.

Share buyback programme
At 31 December 2024, 270 million 10p shares had been bought back at a cost of £198 million. Of these shares, 118 million were cancelled, reducing the Group's share capital. When such shares are cancelled they are transferred to the capital redemption reserve.

In May 2024, 8.5 million of the shares bought back were transferred to the Group's Employee Benefit Trust (EBT) to satisfy maturing share awards.

The stamp duty costs were £1 million and the associated fees charged for the repurchase programme were £1 million. The total cost of the shares including the directly attributable fees, have reduced the Group's retained earnings.

The repurchased shares held in Treasury and the shares held by the EBT are excluded in calculating the weighted average number of shares in issue used in Earnings per share.

4.7.6 Non-controlling interests
Non-controlling interest (NCI) represents the share of non-wholly owned subsidiaries' net assets that are not directly attributable to the shareholders of ITV. The movement for 2024 comprises:
- The share of loss attributable to NCI of £2 million (2023: share of loss attributable to NCI of £1 million)
- Foreign exchange differences of £nil (2023: losses of £4 million)
- The distributions made to NCI of £9 million (2023: £1 million)
- The share of net assets attributable to NCI relating to subsidiaries acquired, disposed or changes in ownership interest in 2024 of £7 million (2023: £6 million)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

4.8 Share-based compensation

Keeping it simple

The Group utilises share award schemes as part of its employee remuneration packages, and therefore operates a number of share-based compensation schemes, namely the Deferred Share Award (DSA), Executive Share Plan (ESP), Performance Share Plan (PSP), Long Term Incentive Plan (LTIP) and Save As You Earn (SAYE) schemes. The share-based compensation is not pensionable.

A transaction will be classed as share-based compensation where the Group receives services from employees and pays for these in shares or similar equity instruments. If the Group incurs a liability linked to the price or value of the Group's shares, this will also fall under a share-based transaction.

Accounting policies

For each of the Group's share-based compensation schemes, the fair value of the equity instrument granted is measured at grant date and spread over the vesting period via a charge to the Consolidated Income Statement with a corresponding increase in equity.

The fair value of the share options and awards is measured using either market price at grant date or, for the SAYE scheme, a Black-Scholes model, taking into account the terms and conditions of the individual scheme. Expected volatility is based on the historical volatility of ITV plc shares over a three or five year period, based on the life of the options.

Vesting conditions are limited to service conditions and performance conditions. For performance-based schemes, the relevant Group performance measures are projected to the end of the performance period in order to determine the number of options expected to vest. This estimate of the performance measures is used to determine the option fair value, discounted to present value. The Group revises the number of options that are expected to vest, including an estimate of forfeitures at each reporting date based on forecast performance measures. The impact of the revision to original estimates, if any, is recognised in the Consolidated Income Statement, with a corresponding adjustment to equity.

Exercises of share options granted to employees can be satisfied by market purchase or issue of new shares. No new shares may be issued to satisfy exercises under the terms of the DSA. During the year, exercises were satisfied by using shares purchased in the market and held in the ITV Employees' Benefit Trust as well as the issue of new shares.

Share-based compensation charges totalled £18 million in 2024 (2023: £16 million).

Share options outstanding

The table below summarises the movements in the number of share options outstanding for the Group and their weighted average exercise price:

	Number of options ('000)	**2024 Weighted average exercise price (pence)**	Number of options ('000)	2023 Weighted average exercise price (pence)
Outstanding at 1 January	**90,234**	**25.88**	104,729	24.74
Granted during the year – nil priced	**22,701**	**–**	20,993	–
Granted during the year – other	**9,603**	**57.27**	16,395	59.21
Forfeited during the year	**(3,570)**	**36.22**	(4,210)	68.61
Exercised during the year – nil priced	**(8,991)**	**–**	(15,551)	–
Exercised during the year – other	**(8,929)**	**49.38**	(12,954)	49.31
Expired during the year	**(6,119)**	**45.49**	(19,168)	15.57
Outstanding at 31 December	**94,929**	**21.45**	90,234	25.88
Exercisable at 31 December	**4,469**	**9.45**	12,933	34.88

The average share price during 2024 was 72.87 pence (2023: 73.10 pence).

Of the options still outstanding, the range of exercise prices and weighted average remaining contractual life of these options can be analysed as follows:

Range of exercise prices (pence)	**Weighted average exercise price (pence)**	**Number of options ('000)**	**2024 Weighted average remaining contractual life (years)**	Weighted average exercise price (pence)	Number of options ('000)	2023 Weighted average remaining contractual life (years)
Nil	**–**	**59,640**	**1.25**	–	49,386	0.33
20.00 – 49.99	**49.17**	**6,002**	**1.33**	49.17	15,330	1.17
50.00 – 69.99	**58.05**	**26,937**	**2.09**	58.51	21,454	2.79
70.00 – 99.99	**75.76**	**2,343**	**1.45**	79.42	3,965	2.12
100.00 – 109.99	**105.98**	**7**	**–**	105.98	61	0.92
120.00 – 149.99	**–**	**–**	**–**	135.20	38	0.33

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 4: CAPITAL STRUCTURE AND FINANCING COSTS CONTINUED

Assumptions
ESP, DSA, LTIP and PSP options are valued directly by reference to the share price at date of grant.

The options granted in the current and prior year for the HMRC approved SAYE scheme, are valued using the Black-Scholes model, using the assumptions below:

Scheme name	Date of grant	Share price at grant (pence)	Exercise price (pence)	Expected volatility %	Expected life (years)	Gross dividend yield %	Risk-free rate %	Fair value (pence)
3 Year	5 April 2023	79.78	70.12	45.43	3.25	–	3.40	21.53
5 Year	5 April 2023	79.78	70.12	42.41	5.25	–	3.28	20.99
3 Year	13 September 2023	72.34	56.37	40.60	3.25	–	4.47	20.17
5 Year	13 September 2023	72.34	56.37	42.27	5.25	–	4.29	20.57
3 Year	15 April 2024	70.45	57.27	39.43	3.25	–	3.40	17.80
5 Year	15 April 2024	70.45	57.27	42.66	5.25	–	3.28	18.24

Employees’ Benefit Trust
The Group has investments in its own shares as a result of shares purchased by the ITV Employees’ Benefit Trust (EBT). Transactions with the Group-sponsored EBT are included in these financial statements and consist of the EBT’s purchases of shares in ITV plc, which is accounted for as a reduction to retained earnings.

The table below shows the number of ITV plc shares held in the EBT at 31 December 2024 and the releases from the EBT made in the year to satisfy awards under the Group’s share schemes:

Scheme	Shares held at	Number of shares (released)/purchased	Nominal value £
	1 January 2024	28,515,166	2,851,517
LTIP releases		(590,347)	
DSA releases		(469,674)	
ESP releases		(8,099,002)	
PSP releases		(387,132)	
SAYE releases		(8,940,112)	
Market purchased shares		5,791,953	
Transferred from Treasury		8,500,000	
	31 December 2024	**24,320,852**	**2,432,085**

The total number of shares held by the EBT at 31 December 2024 represents 0.62% (2023: 0.77%) of ITV’s issued share capital. The market value of own shares held at 31 December 2024 is £18 million (2023: £18 million).

In May 2024, 8.5 million of the shares bought back in the year, were transferred to the Group’s Employee Benefit Trust (EBT) to satisfy maturing share awards.

The shares will be held in the EBT until such time as they may be transferred to participants of the various Group share schemes. Rights to dividends have been waived by the EBT in respect of shares held that do not relate to restricted shares under the DSA. In accordance with the Trust Deed, the Trustees of the EBT have the power to exercise all voting rights in relation to any investment (including shares) held within that trust. The Trust is accounted for as a separate entity and therefore is only accounted for in the consolidated financial statements and not included in the ITV plc Company financial statements.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 5: OTHER NOTES

5.1 Related party transactions

Keeping it simple

The related parties identified by the Directors include joint ventures, associated undertakings, fixed asset investments and key management personnel.

To enable users of our financial statements to form a view about the effects of related party relationships on the Group, we disclose the Group's transactions with those related parties during the year and any associated year end trading balances.

Transactions with joint ventures and associated undertakings

Transactions with joint ventures and associated undertakings during the year were:

	2024 £m	2023 £m
Sales to joint ventures	**4**	60
Sales to associated undertakings	**20**	13
Purchases from joint ventures	**35**	33
Purchases from associated undertakings	**81**	78

The transactions with joint ventures primarily relate to sales and purchases of digital multiplex services with Digital 3&4 Limited. Sales to associated undertakings include airtime sales to DTV Services Limited, and the recognition of airtime sales as part of the Group's Media for Equity scheme. Purchases from associated undertakings primarily relate to the purchase of news services from ITN Limited.

All transactions with associated undertakings and joint ventures arise in the normal course of business on an arm's length basis. The amounts owed by and to these related parties at 31 December were:

	2024 £m	2023 £m
Amounts owed by joint ventures	**–**	41
Amounts owed by associated undertakings	**11**	10
Amounts owed to joint ventures	**3**	6
Amounts owed to associated undertakings	**8**	8

None of the balances are secured.

Balances owed by associated undertakings largely relate to Bedrock Entertainment LLC and South Shore Productions Limited. Balances owed to associated undertakings primarily relate to amounts owed to Bedrock Entertainment LLC.

Amounts paid to the Group's pension benefit plans are set out in note 3.8.

Transactions with key management personnel

Key management consists of ITV plc Executive and Non-executive Directors and the other members of the ITV Executive Committee. Key management personnel compensation is as follows:

	2024 £m	2023 £m
Short-term employee benefits	**13**	11
Share-based compensation	**6**	6
	19	17

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 5: OTHER NOTES CONTINUED

5.2 Contingent assets and liabilities

Keeping it simple

A contingent asset or liability is an asset or liability that is not sufficiently certain to qualify for recognition as an asset or provision where uncertainty may exist regarding the outcome of future events.

Contingent liabilities

There are contingent liabilities in respect of certain litigation and guarantees, broadcasting issues, and in respect of warranties given in connection with certain disposals of businesses. In addition, the determination of employment tax status of some individuals contracted by ITV is complex and a future liability could arise in relation to this. None of these items are expected to have a material effect on the Group's results or financial position.

On 11 October 2023, the CMA opened an investigation into certain conduct of ITV and other named companies in the sector relating to the production and broadcasting of television content in the UK, excluding sports content. In November 2024, the CMA stated that it would assess the information gathered to date and that a further update will be provided by the end of March 2025. It is not currently possible to reliably quantify any liability that might result from the investigation. ITV is committed to complying with competition law, and is cooperating with the CMA's enquiries in relation to the investigation.

5.3 Subsequent events

Keeping it simple

Where the Group receives information in the period between 31 December 2024 and the date of this report about conditions related to certain events that existed at 31 December 2024, we update our disclosures that relate to those conditions in light of the new information. Such events can be categorised as adjusting or non-adjusting depending on whether the condition existed at 31 December 2024. If non-adjusting events are material, non-disclosure could influence the economic decisions that users make on the basis of the financial statements. Accordingly, for each material category of non-adjusting event after the reporting period we disclose in this section the nature of the event and an estimate of its financial effect, or a statement that such an estimate cannot be made.

There are no subsequent events to report.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 5: OTHER NOTES CONTINUED

5.4 Subsidiaries exempt from audit

Keeping it simple

Certain subsidiaries of the Group can take an exemption from having an audit. Strict criteria must be met for this exemption to be taken, and it must be agreed by the Directors of that subsidiary entity.

Listed below are subsidiaries controlled and consolidated by the Group, where the Directors have taken the exemption from having an audit of its financial statements. This exemption is taken in accordance with the Companies Act 2006 s479A.

Company number	Company name	Company number	Company name
04195187	12 Yard Productions (Investments) Limited	15800942	ITV SPP Limited
04145307	12 Yard Productions Limited	11723826	ITV Spy Limited
10058419	Back Productions Limited	2203983	ITV Studios Global Partnerships Limited
13087812	Big Talk Alone Limited	09498877	ITV TFG Holdings Limited
10496857	Big Talk Cold Feet Limited	11107934	ITV The Bay Limited
12092620	Big Talk Friday Limited	13087693	ITV The Reckoning Limited
11109596	Big Talk Goes Wrong Limited	12368504	ITV TLC Limited
16116907	Big Talk Help Limited	14048049	ITV Venturer Limited
13087733	Big Talk Horseface Limited	03089273	ITV Ventures Limited
13087735	Big Talk I Hate You Limited	11107431	ITV Vera Limited
07037447	Big Talk Investments Limited	13087699	ITV Y&M Limited
10528952	Big Talk Living the Dream Limited	05518785	Juice Music UK Limited
13813181	Big Talk Ludwig Limited	08297277	Mainstreet Pictures Limited
11723899	Big Talk Offenders Limited	16117245	Mammoth Screen (Betrayal) Limited
11109572	Big Talk Peacock Limited	15502127	Mammoth Screen (COS) Limited
02897434	Big Talk Pictures Limited	09355455	Mammoth Screen (End) Limited
15718662	Big Talk Secret Limited	08546227	Mammoth Screen (End2) Limited
06567813	Big Talk Studios Limited	11109917	Mammoth Screen (End6) Limited
15869612	Big Talk Transaction Limited	11908267	Mammoth Screen (End7) Limited
02936337	Boom Cymru TV Ltd	12368766	Mammoth Screen (End8) Limited
07922831	Boom Pictures Limited	10528827	Mammoth Screen (End9) Limited
03866274	Box Clever Technology Limited	13087685	Mammoth Screen (Evans) Limited
11801341	BritBox SVOD Limited	12368661	Mammoth Screen (FS) Limited
01891539	Broad Street Films Limited	13989267	Mammoth Screen (GK) Limited
02285229	Campania Limited	11995990	Mammoth Screen (MD) Limited
04159249	Carlton Content Holdings Limited	12735978	Mammoth Screen (MD2) Limited
00301188	Carlton Film Distributors Limited	13989179	Mammoth Screen (MIE) Limited
01692483	Carlton Finance Limited	11062257	Mammoth Screen (NC) Limited
03984490	Carlton Food Network Limited	09660486	Mammoth Screen (Pol2) Limited
03053908	Carlton Programmes Development Limited	10031005	Mammoth Screen (Pol3) Limited
03210452	Carlton Screen Advertising (Holdings) Limited	10528763	Mammoth Screen (Pol4) Limited
03210363	Carltonco Ninety-Six Limited	11108289	Mammoth Screen (Pol5) Limited
02280048	Castlefield Properties Limited	08799982	Mammoth Screen (Poldark) Limited
06409013	Cat's on the Roof Media Limited	09646520	Mammoth Screen (QV) Limited
04257248	Channel Television Holdings Limited	NI678277	Mammoth Screen (TJ) Limited
08195508	Cirkus Limited	13087656	Mammoth Screen (Tower) Limited
10240192	Cloth Cat LBB Limited	15502121	Mammoth Screen (TZ) Limited
02852812	Cosgrove Hall Films Limited	10528702	Mammoth Screen (VF) Limited
08479545	Double Double Limited	11108322	Mammoth Screen (Vic3) Limited
7821062	EQ Pictures Limited	11108320	Mammoth Screen (WOF) Limited
15078072	Fifteen Days Limited	NI687412	Mammoth Screen (WOF2) Limited
05946785	Gorilla TV Group Limited	05976348	Mammoth Screen Ltd
03776018	Gorilla TV Limited	13412337	Metavision Limited
00290076	Granada Group Limited	09477931	Monumental Television Limited
03962410	Granada Limited	04201477	Morning TV Limited
03106798	Granada Media Limited	15986342	MT Frauds Limited
05344772	Granada Screen (2005) Limited	12368748	MT Ghosts Limited
00733063	Granada Television Overseas Limited	14764613	MT Marlow Murder Club Limited
00250311	Granada UK Rental and Retail Limited	13989060	MT Maryland Limited
04842712	Interactive Telephony Limited	13813329	MT Mrs Sidhu Limited
00608490	ITC Entertainment Group Limited	14763338	Output Productions Limited
00510330	ITC Entertainment Holdings Limited	07473151	Oxford Scientific Films Limited
SC375274	ITV (Scotland) Limited	15175627	Planet V Limited
11516620	ITV 112 Limited	13506403	Planet Woo Limited
12956892	ITV AdVentures Limited	09020906	Possessed Limited
14047839	ITV Archie Limited	14163547	QSP ATF Limited
02578005	ITV Breakfast Limited	14784655	QSP Buried Limited
02937518	ITV Consumer	15502132	QSP Coach House Limited
13087759	ITV Duneen Limited	14163654	QSP FMO Limited
10494684	ITV Enterprises Limited	14460916	QSP Ghosted Limited
14133299	ITV Grace Limited	14496123	QSP Men Up Limited
04159210	ITV Holdings Limited	14462220	QSP MY Limited
15800907	ITV HP Limited	13714204	QSP Nolly Limited
04159213	ITV International Channels Limited	14460933	QSP PD Limited
14846610	ITV JCDM Limited	15782700	QSP Run Away Limited
SC473179	ITV LTVC (Scotland) Limited	14048037	QSP SO limited
14863612	ITV Mandrake Limited	15801118	QSP Tip Toe Limited
13989147	ITV Maternal Limited	14460663	QSP TRK Limited
00603893	ITV Network Limited	12350991	Second Act (Grace) Limited

NOTES TO THE FINANCIAL STATEMENTS CONTINUED
SECTION 5: OTHER NOTES CONTINUED

Company number	Company name	Company number	Company name
15801483	ITV Newco2 Limited	09366311	Second Act Productions Limited
11723842	ITV Nightingale Limited	07714999	Sightseers Film Limited
00603471	ITV Pension Scheme Limited	03991026	So Television Limited
14461569	ITV POS Limited	15546550	TGP Critical Limited
01565625	ITV Properties (Developments) Limited	11423826	The Addressable Platform Limited
13087782	ITV Ralph and Katie Limited	07155077	The Garden Productions Limited
14460328	ITV RE Limited	02351132	TwoFour Broadcast Limited
08554937	ITV Shetland Limited	08602993	TwoFour Group Holdings Limited
05493388	TwoFour Group Limited	11109287	WP LOD5 Limited
11816700	Unforgotten Productions Limited	12116457	WP LOD6 Limited
02483078	World Productions Limited	13087865	WP Malpractice Limited
11109744	WP Anne Limited	12116461	WP Pembrokeshire Limited
15800988	WP BFB Limited	13087860	WP RM Limited
10796122	WP Bodyguard Limited	11109929	WP Save Me 2 Limited
14360979	WP Delia Limited	12368475	WP Showtrial Limited
12368643	WP Diplomat Limited	14653603	WP The Gathering Limited
13988864	WP Fifteen Limited	12368477	WP The Suspect Limited
12116627	WP Karen Pirie Limited	11109437	WP Vigil Limited
14988579	WP Lockerbie Limited		

ITV Properties (Jersey) Limited is exempt from audit under article 113 of the Companies Act (Jersey) Law 1991.

ITV PLC COMPANY FINANCIAL STATEMENTS

Statement of Financial Position

As at 31 December	Note	2024 £m	2023 £m
Non-current assets			
Investments in subsidiary undertakings	iii	**3,238**	3,224
Derivative financial instruments	vi	**1**	2
Other receivables		**4**	4
Deferred tax asset		**–**	2
		3,243	3,232
Current assets			
Amounts owed by subsidiary undertakings due within one year	iv	**3,522**	3,569
Amounts owed by subsidiary undertakings due after more than one year	iv	**86**	97
Amounts owed by subsidiary undertakings	iv	**3,608**	3,666
Derivative financial instruments	vi	**7**	5
Other receivables		**17**	28
Cash and cash equivalents	v	**259**	226
		3,891	3,925
Amounts owed to subsidiary undertakings	iv	**(2,203)**	(3,563)
Accruals		**(7)**	(9)
Derivative financial instruments	vi	**(7)**	(5)
Current liabilities		**(2,217)**	(3,577)
Net current assets		**1,674**	348
Borrowings	v	**(715)**	(750)
Derivative financial instruments	vi	**(20)**	(16)
Non-current liabilities		**(735)**	(766)
Net assets		**4,182**	2,814
Share capital	vii	**394**	406
Share premium	viii	**174**	174
Other reserves	viii	**55**	34
Retained earnings	viii	**3,559**	2,200
Total shareholders' funds		**4,182**	2,814

The Company has elected to take the exemption under section 408 of the Companies Act 2006 from presenting the parent company Income Statement. The Company's profit for the year was £1,740 million (2023: £7 million).

The financial statements on pages 204 to 219 were approved by the Board of Directors on 6 March 2025 and signed on its behalf by

Chris Kennedy
Director

ITV PLC COMPANY FINANCIAL STATEMENTS CONTINUED

Company Statement of Changes in Equity

	Note	Share capital £m	Share premium £m	Other reserves £m	Retained earnings £m	**Total £m**
Balance at 1 January 2024	vii/viii	406	174	34	2,200	2,814
Total comprehensive income for the year						
Profit for the year		–	–	–	1,740	1,740
Net gain on cash flow hedges and cost of hedging		–	–	9	–	9
Total comprehensive income for the year		**–**	**–**	**9**	**1,740**	**1,749**
Transactions with owners recorded directly in equity						
Contributions by and distributions to owners						
Equity dividends		–	–	–	(198)	(198)
Movements due to share-based compensation		–	–	–	18	18
Repurchase of shares		(12)	–	12	(199)	(199)
Tax on items taken directly to equity		–	–	–	(2)	(2)
Total transactions with owners		**(12)**	**–**	**12**	**(381)**	**(381)**
Balance at 31 December 2024		**394**	**174**	**55**	**3,559**	**4,182**

	Note	Share capital £m	Share premium £m	Other reserves £m	Retained earnings £m	**Total £m**
Balance at 1 January 2023	vii/viii	403	174	29	2,377	2,983
Total comprehensive income for the year						
Profit for the year		–	–	–	7	7
Net gain on cash flow hedges and cost of hedging		–	–	5	–	5
Total comprehensive income for the year		–	–	5	7	12
Transactions with owners recorded directly in equity						
Contributions by and distributions to owners						
Issue of shares		3	–	–	–	3
Equity dividends		–	–	–	(201)	(201)
Movements due to share-based compensation		–	–	–	16	16
Tax on items taken directly to equity		–	–	–	1	1
Total transactions with owners		3	–	–	(184)	(181)
Balance at 31 December 2023		406	174	34	2,200	2,814

NOTES TO THE ITV PLC COMPANY FINANCIAL STATEMENTS

Note i Accounting policies

In this section

This section sets out the notes to the ITV plc Company-only financial statements. Those statements form the basis of the dividend decisions made by the Directors, as explained in detail in note viii below. The notes form part of the financial statements.

Basis of preparation

The Company is a qualifying entity as it is a member of the ITV plc Group where ITV plc, the ultimate parent, prepares publicly available consolidated financial statements. These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101'). The Company is registered in England and Wales.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 (Adopted IFRSs), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

Exemptions applied

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Presentation of a Statement of Cash Flows and related notes
- Disclosure in respect of capital management
- Disclosure of related party transactions between wholly-owned subsidiaries and parents within a group
- Disclosures required under IFRS 2 'Share Based Payments' in respect of group settled share-based compensation
- Disclosures required by IFRS 7 'Financial Instruments: Disclosure'
- Certain disclosures required under IFRS 13 'Fair Value Measurement'
- Disclosure of information in relation to new standards not yet applied

The Company proposes to continue to apply the reduced disclosure framework of FRS 101 in its next financial statements.

The financial statements have been prepared on a going concern basis.

Changes in accounting policy

New accounting standards, interpretations and amendments that are effective from 1 January 2024 have not had a significant impact on the Company's results or Statement of Financial Position.

Accounting standards effective in future periods

The Directors have considered the impact on the Company of new and revised accounting standards, interpretations or amendments that are not yet effective and do not expect them to have a significant impact on the Company's future results and Statement of Financial Position.

Accounting judgements and estimates

The preparation of financial statements requires management to exercise judgement in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Expected credit losses on amounts due from subsidiary undertakings is considered a key source of estimation uncertainty.

Subsidiaries

Subsidiaries are entities that are directly or indirectly controlled by the Company. Control exists where the Company has the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. The investment in the Company's subsidiaries is recorded at cost.

Foreign currency transactions

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Foreign currency monetary assets and liabilities at the balance sheet date are translated into sterling at the rate of exchange ruling at that date. Foreign exchange differences arising on translation are recognised in the Income Statement. Non-monetary assets and liabilities measured at historical cost are translated into sterling at the rate of exchange on the date of the transaction.

Borrowings

Borrowings are recognised initially at fair value including directly attributable transaction costs, with subsequent measurement at amortised cost using the effective interest rate method. The difference between initial fair value and the redemption value is recorded in the Income Statement over the period of the liability on an effective interest basis.

NOTES TO THE ITV PLC COMPANY FINANCIAL STATEMENTS CONTINUED

Derivatives and other financial instruments
The Company uses a limited number of derivative financial instruments to hedge its exposure to fluctuations in interest and other foreign exchange rates. The Company does not hold or issue derivative instruments for speculative purposes.

Derivative financial instruments are initially recognised at fair value and are subsequently remeasured at fair value with the movement recorded in the Income Statement within net financing costs, except where derivatives qualify for cash flow hedge accounting. In this case, the effective portion of cash flow hedge is recognised in other reserves within equity. The cumulative gain or loss is later reclassified to the Income Statement in the same period as the relevant hedged transaction is realised. Derivatives with positive fair values are recorded as assets and negative fair values as liabilities.

The fair value of foreign currency forward contracts is determined by using the difference between the contract exchange rate and the quoted forward exchange rate at the balance sheet date.

The fair value of interest rate swaps is the estimated amount that the Company would receive or pay to terminate the swap at the balance sheet date, taking into account current interest rates and the current creditworthiness of swap counterparties.

Third-party valuations are used to fair value the Company's derivatives. The valuation techniques use inputs such as interest rate yield curves and currency prices/yields, volatilities of underlying instruments and correlations between inputs. For financial assets and liabilities classified at fair value through profit or loss, the fair value change and interest income/expense are not separated.

Current tax
Current tax is the expected tax payable or receivable on the taxable income or loss for the year and any adjustment in respect of previous years.

The Company recognises liabilities for anticipated tax issues based on estimates of the additional taxes that are likely to become due, which require judgement. Amounts are accrued based on management's interpretation of specific tax law and the likelihood of settlement. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions in the period in which such determination is made.

Deferred tax
The tax charge for the year is recognised in the Income Statement or directly in equity according to the accounting treatment of the related transaction.

Deferred tax arises due to certain temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and those for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities. A deferred tax asset is recognised only to the extent that it is probable that sufficient taxable profit will be available to utilise the temporary difference. Recognition of deferred tax assets therefore involves judgement regarding timing and level of future taxable income.

Share-based compensation
The Company utilises share award schemes as part of its employee remuneration packages, and therefore operates a number of share-based compensation schemes, namely the Deferred Share Award (DSA), Executive Share Plan (ESP) Performance Share Plan (PSP), Long Term Incentive Plan (LTIP) and Save As You Earn (SAYE) schemes.

A transaction will be classed as share-based compensation where the Company receives services from employees and pays for these in shares or similar equity instruments. If the Company incurs a liability based on the price or value of the shares, this will also fall under a share-based transaction. The Company recognises the retained earnings impact of the share-based compensation for the Group as awards are settled in ITV plc shares. The cost of providing those awards is recognised as a cost of investment to the subsidiaries that receive the service from employees.

The fair value of the equity instrument granted is measured at grant date and spread over the vesting period via a charge to the Income Statement with a corresponding increase in equity. The fair value of the share options and awards is measured using either market price at grant date or, for the SAYE scheme, a Black-Scholes model, taking into account the terms and conditions of the individual scheme.

Vesting conditions are limited to service conditions and performance conditions. For performance-based schemes, the relevant performance measures are projected to the end of the performance period in order to determine the number of options expected to vest. The estimate is then used to determine the option fair value, discounted to present value. The Company revises its estimates of the number of options that are expected to vest, including an estimate of forfeitures at each reporting date. The impact of the revision to original estimates, if any, is recognised in the Income Statement, with a corresponding adjustment to equity.

NOTES TO THE ITV PLC COMPANY FINANCIAL STATEMENTS CONTINUED

Exercises of share options granted to employees can be satisfied by market purchase or issue of new shares. No new shares may be issued to satisfy exercises under the terms of the DSA.

During the year, all exercises were satisfied by using shares held in the ITV Employees' Benefit Trust. The Trust is accounted for as a separate entity and therefore is only accounted for in the consolidated ITV financial statements.

Dividends to shareholders

Dividends payable to shareholders are recognised through equity on the earlier of their approval by the Company's shareholders or their payment. Dividends are distributed based on the realised distributable reserves (within retained earnings) of ITV plc (Company) and not based on the Group's retained earnings.

Note ii Employees and share-based compensation

Employees

Two (2023: two) Directors of ITV plc (i.e. the Executive Directors) were employees of the Company during the year, both of whom remain employed at the year end. The costs relating to these Directors are disclosed in the Remuneration Report.

Share-based compensation

The weighted average share price of share options exercised during the year was 49.4 pence (2023: 49.3 pence) (excluding nil priced share options). The options outstanding at the year end have an exercise price in the range of nil to 105.98 pence (2023: nil to 135.20 pence) and a weighted average contractual life of one year (2023: one year) for all the schemes in place for the Group.

Note iii Investments in subsidiary undertakings

The carrying value of the Company's investments in subsidiary undertakings at 31 December 2024 was £3,238 million (2023: £3,224 million).

The carrying value of the Company's investments in subsidiary undertakings is assessed for impairment on an annual basis. Determining whether the carrying amount has any indication of impairment requires judgement. In testing for impairment, estimates are used in deriving cash flows and the discount rates. The estimation process is complex due to the inherent risks and uncertainties associated with long-term forecasting. The outcome of the value in use calculation including borrowings supports the carrying value of the investments in subsidiary undertakings.

Due to the significant headroom, there is no reasonably possible scenario that would result in a material adjustment to the amounts reported in the financial statements.

The Company's review resulted in no impairment for 2024 (2023: no impairment).

The listing of subsidiary undertakings and investments is listed on pages 214 to 219.

Note iv Amounts owed (to)/from subsidiary undertakings

The Company operates an intra-group cash pool policy with certain 100% owned UK subsidiaries. The pool applies to bank accounts where there is an unconditional right of set off and involves the daily closing cash position for participating subsidiaries, whether positive or negative, being cleared to £nil via daily bank transfers to/from ITV plc. These daily transactions create a corresponding intercompany creditor or debtor, which can result in significant movements in amounts owed to and from subsidiary undertakings in the Company balance sheet. Interest is payable on intra-group cash pool balances at 0.5% above base rate per annum and the balances are repayable on demand. Other loans to subsidiary undertakings are repayable according to contractual terms. The classification of balances as due after more than one year is based on the intention of when the balances are expected to be settled rather than the contractual terms.

The credit risk management practices of the Company include internal review and reporting of the historical credit losses and forward-looking data. The Company applies the IFRS 9 simplified approach in measuring expected credit losses, which use a lifetime expected credit loss allowance for amounts due from subsidiary undertakings, and other receivables.

To measure expected credit losses, amounts due from subsidiary undertakings, and other receivables, have been grouped by shared credit risk characteristics. In addition to the expected credit losses, the Company may make additional provisions for the particular receivables if the deterioration of financial position is observed.

During the year, the Company provided for £2 million (2023: £22 million) of doubtful debts for amounts owed by its subsidiary undertakings. £15 million (2023: £2 million) was written back to the Income Statement for provisions for doubtful debts no longer required.

The recoverability of the amounts owed by subsidiary undertakings is assessed on an annual basis, or more frequently when an indication of impairment exists. Determining whether there is an indication of impairment requires judgement as the assessment is based on either net assets of the undertaking or forecast future performance.

NOTES TO THE ITV PLC COMPANY FINANCIAL STATEMENTS CONTINUED

Note v Net debt

Keeping it simple

The Directors manage the Group's capital structure as disclosed in section 4 to the consolidated financial statements. Borrowings, cash and derivative financial instruments are mainly held by ITV plc and disclosed in these Company financial statements.

Cash and cash equivalents

At 31 December 2024, the Company has a cash position of £259 million (2023: £226 million).

Loans and loan notes due after one year

In June 2024 the Company issued a €500 million bond at a fixed coupon of 4.25% which matures in April 2032. This Eurobond was swapped back to £422 million using cross-currency swaps with 50% having a fixed coupon of 5.8% and 50% paying 184bps over SONIA. In conjunction with this transaction, a liability management exercise was undertaken on the €600 million 2026 Eurobond in issue, with €240 million being repaid from the proceeds of the 2032 issuance; the swaps associated with the redeemed portion were also unwound. The remaining €360 million in issue remains at a fixed coupon of 1.375%, with maturity in September 2026, swapped to sterling (£320 million) with the original cross-currency interest rate swaps. The fixed rate payable in sterling is c.2.9%.

A £230 million term loan was taken out in August 2023, and was fully drawn-down in December 2023. This term loan was fully repaid with the remaining proceeds of the €500 million bond issuance

	2024 £m	2023 £m
€600 million Eurobond	**298**	520
€500 million Eurobond	**417**	–
£230 million Term Loan	**–**	230
Loans due in more than one year	**715**	750

See section 4.1 of the Group Notes for further details of borrowings and available facilities.

Note vi Managing market risks: derivative financial instruments

What is the value of our derivative financial instruments?

	Assets 2024 £m	Liabilities 2024 £m
Current		
Foreign exchange forward contracts and swaps – fair value through profit or loss	**7**	**(7)**
Non-current		
Cross-currency interest swaps – cash flow hedges	**–**	**(18)**
Cross-currency interest swaps – fair value hedges	**–**	**(1)**
Foreign exchange forward contracts and swaps – fair value through profit or loss	**1**	**(1)**
	8	**(27)**

	Assets 2023 £m	Liabilities 2023 £m
Current		
Foreign exchange forward contracts and swaps – fair value through profit or loss	5	(5)
Non-current		
Cross-currency interest swaps – cash flow hedges	–	(15)
Foreign exchange forward contracts and swaps – fair value through profit or loss	2	(1)
	7	(21)

The Company employs cross-currency interest rate swaps to exchange the principal and interest coupons in a debt instrument from one currency to another.

Currency risk

The Company's foreign exchange policy is to use forward foreign exchange contracts and cross-currency interest rate swaps both to manage foreign currency cash flow timing differences and to hedge foreign currency-denominated monetary items.

Cash flow hedges

In order to fix the sterling cash outflows associated with the commitments and interest payments – which are mainly denominated in euros – the Company has taken out forward foreign exchange contracts and cross-currency interest rate swaps for the same foreign currency amount and maturity date as the expected foreign currency outflow.

NOTES TO THE ITV PLC COMPANY FINANCIAL STATEMENTS CONTINUED

The amount recognised in other comprehensive income during the year all relates to the effective portion of the revaluation loss associated with these contracts. A cumulative loss of £23 million (2023: £26 million of cumulative loss) was recycled to the Income Statement to off-set movements on the hedged item, a residual value of less than a million (2023: £7 million loss) remained on the Income Statement which was not offset.

Under IFRS 9, the Company has adopted the 'cost of hedging' approach which allows the recognition of the value of the currency basis at inception of the hedge to be recorded on the Statement of Financial Position and amortised through net financing costs in the Income Statement over the life of the bond. Any mark-to-market change in fair value of the currency basis is recognised in 'cost of hedging' in the Statement of Comprehensive Income.

Fair value hedges
The Company has interest rate swaps and cross-currency interest rate swaps to hedge the exposure to changes in the fair value of fixed rate borrowings due to interest rate and foreign currency movements which could affect the income statement. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Income Statement together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in the Income Statement within net financing costs together with changes in the fair value of the hedged fixed-rate borrowings attributable to interest rate risk. The gain or loss relating to the ineffective portion is recognised in the Income Statement.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to the Income Statement over the period to maturity using a recalculated effective interest rate.

Undiscounted financial liabilities

The Company is required to disclose the expected timings of cash outflows for each of its derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows (including interest), so will not always reconcile with the amounts disclosed on the Statement of Financial Position.

At 31 December 2024*	Carrying value £m	Total contractual cash flows £m	Less than 1 year £m	Between 1 and 2 years £m	Between 2 and 5 years £m	Over 5 years £m
Non-current and current						
Cross-currency swaps – cash flow hedges						
Inflow	**–**	**583**	**13**	**311**	**26**	**233**
Outflow	**(18)**	**(641)**	**(22)**	**(341)**	**(37)**	**(241)**
Cross-currency swaps – fair value hedges						
Inflow	**–**	**277**	**9**	**9**	**26**	**233**
Outflow	**(1)**	**(320)**	**(14)**	**(15)**	**(43)**	**(248)**
Foreign exchange forward contracts and swaps – fair value through profit or loss						
Inflow	**8**	**614**	**511**	**94**	**9**	**–**
Outflow	**(8)**	**(614)**	**(511)**	**(94)**	**(9)**	**–**
	(19)	**(101)**	**(14)**	**(36)**	**(28)**	**(23)**

At 31 December 2023*	Carrying value £m	Total contractual cash flows £m	Less than 1 year £m	Between 1 and 2 years £m	Between 2 and 5 years £m	Over 5 years £m
Non-current and current						
Cross-currency swaps – cash flow hedges						
Inflow	–	542	7	7	528	–
Outflow	(15)	(580)	(16)	(16)	(548)	–
Foreign exchange forward contracts and swaps – fair value through profit or loss						
Inflow	7	614	514	100	–	–
Outflow	(6)	(614)	(514)	(100)	–	–
	(14)	(38)	(9)	(9)	(20)	–

* The Company is jointly and severally liable for VAT at 31 December 2024 of £40 million (31 December 2023: £43 million)

NOTES TO THE ITV PLC COMPANY FINANCIAL STATEMENTS CONTINUED

Note vii Share capital

	Allotted, issued and fully paid 2024 £m	Allotted, issued and fully paid 2023 £m
Allotted, issued and fully paid ordinary shares of 10 pence each	394	406
Total	**394**	**406**

The Company's ordinary shares give shareholders equal rights to vote, receive dividends and to the repayment of capital.

On 1 March 2024 the ITV Group announced its intention to return the entire net proceeds from the disposal of BritBox International to the Group's shareholders through a share buyback. This was launched immediately following the announcement of the Group's results for the year ended 31 December 2023 in March 2024 (see note 4.7 for further details).

At 31 December 2024, 270 million 10p shares had been bought back at a cost of £198 million. Of these shares, 118 million were cancelled, reducing the Company's share capital. When such shares are cancelled they are transferred to the capital redemption reserve. See note 4.7 for further details.

Note viii Equity and dividends

Keeping it simple

ITV plc is a non-trading investment holding company and derives its profits from dividends paid by subsidiary companies.

The Directors consider the Company's capital structure and dividend policy at least twice a year ahead of announcing results and do so in the context of its ability to continue as a going concern, to execute the strategy and to invest in opportunities to grow the business and enhance shareholder value.

The dividend policy is influenced by a number of the principal risks as identified on pages 49 to 53 that could have a negative impact on the performance of the Company.

In determining the level of dividend in any year, the Directors follow the dividend policy and also consider a number of other factors that influence the proposed dividend and dividend policy, including:

- The level of retained distributable reserves in ITV plc the Company
- Availability of cash resources (as disclosed in note 4.1 to the consolidated financial statements)
- Future cash commitments and investment plans, to deliver the Company's long-term strategic plan
- Consideration of the factors underlying the Directors' viability assessment
- The future availability of funds required to meet longer-term obligations including pension commitments.

Equity

The retained earnings reserve includes profit after tax for the year of £1,740 million (2023: £7 million), which includes dividends of £1,688 million from subsidiaries in 2024 (2023: £nil).

During the year, the Company provided for £2 million (2023: £22 million) of doubtful debts for amounts owed by its subsidiary undertakings. £15 million (2023: £2 million) was written back to the Income Statement for provisions of doubtful debts no longer required.

The recoverability of the amounts owed by subsidiary undertakings is assessed on an annual basis, or more frequently when circumstances indicate that the carrying value may be impaired. Determining whether there is an indication of impairment requires judgement as the assessment is based on either net assets of the undertaking or forecast future performance.

Share buyback programme

On 1 March 2024 the ITV Group announced its intention to return the entire net proceeds from the disposal of BritBox International to the Group's shareholders through a share buyback. This was launched immediately following the announcement of the Group's results for the year ended 31 December 2023 in March 2024.

At 31 December 2024, 270 million 10p shares had been bought back at a cost of £198 million. Of these shares, 118 million were cancelled, reducing the Company's share capital. When such shares are cancelled they are transferred to the capital redemption reserve.

The related stamp duty costs of £1 million have reduced the Company's retained earnings.

In May 2024, 8.5 million of the shares bought back were transferred to the Group's Employee Benefit Trust (EBT) to satisfy maturing share awards.

The repurchased shares held in Treasury and the shares held by the EBT are excluded in calculating the weighted average number of shares in issue used in the Earnings per share.

NOTES TO THE ITV PLC COMPANY FINANCIAL STATEMENTS CONTINUED

The share premium of £174 million remains unchanged in the year. Other reserves of £55 million (2023: £34 million) comprises Merger reserves of £36 million (2023: £36 million) which relate to share buybacks in prior years, Translation reserves had a net gain of £7 million (2023: net losses of £2 million) which relate to cash flow hedges and cost of hedging, and the capital redemption reserve was £12 million (with no such reserve in 2023).

Dividends

The Board recognises the importance of the ordinary dividend to ITV shareholders. Reflecting its confidence in the business and its strategy, as well as the continued strong cash generation, the Board proposes a final dividend of 3.3p (2023: 3.3p), giving a full year dividend of 5.0p (2023: 5.0p) per share. In 2024, £198 million of dividends were paid (2023: £201 million), representing a final 2023 dividend of 3.3p per share and an interim 2024 dividend of 1.7p per share.

Note ix Contingent liabilities

Keeping it simple

A contingent liability is a liability that is not sufficiently certain to qualify for recognition as a provision where uncertainty may exist regarding the outcome of future events.

On 11 October 2023, the CMA opened an investigation into certain conduct of ITV and other named companies in the sector relating to the production and broadcasting of television content in the UK, excluding sports content. In November 2024, the CMA stated that it would assess the information gathered to date and that a further update will be provided by the end of March 2025. It is not currently possible to reliably quantify any liability that might result from the investigation. ITV is committed to complying with competition law, and is cooperating with the CMA's enquiries in relation to the investigation.

There are contingent liabilities in respect of certain litigation and guarantees, broadcasting issues, and in respect of warranties given in connection with certain disposals of businesses. None of these items are expected to have a material effect on the Company's results or financial position.

Under a Group registration, the Company is jointly and severally liable for VAT at 31 December 2024 of £40 million (31 December 2023: £43 million).

The Company has guaranteed certain performance and financial obligations of subsidiary undertakings.

Note x Capital and other commitments

There are contingent liabilities in respect of certain litigation and guarantees, broadcasting issues, and in respect of warranties given in connection with certain disposals of businesses. None of these items is expected to have a material effect on the Company's results or financial position.

The Company enters into guarantee contracts to guarantee the performance and/or financial obligations of other companies within the Group. In this respect, the Company treats these guarantee contracts as contingent liabilities until it becomes probable that the Company will be required to make a payment under the relevant guarantee.

There are no capital commitments at 31 December 2024 (2023: none).

Note xi Related party transactions

Keeping it simple

The related parties identified by the Directors include amounts owed to and from subsidiary undertakings that are not wholly owned within the Group as well as transactions with key management. The Company is a holding company with no commercial activity.

To enable the users of the financial statements to form a view about the effects of related party relationships on the Company, we disclose the Company's transactions with those during the year.

Transactions with subsidiary undertakings that are not wholly owned

The amounts owed by and to these related parties at the year end were:

	2024 £m	2023 £m
Amounts owed by subsidiary undertakings that are not wholly owned	**4**	42
Amounts owed to subsidiary undertakings that are not wholly owned	**(3)**	(24)

Amounts owed by subsidiary undertakings that are not wholly owned relate mainly to funding provided to production companies in our Studios division.

Amounts owed to subsidiary undertakings that are not wholly owned, relate mainly to amounts owed to 3sixtymedia Limited and other entities within our Studios division.

NOTES TO THE ITV PLC COMPANY FINANCIAL STATEMENTS CONTINUED

Transactions with key management personnel

Key management consists of ITV plc Executive Directors.

Key management personnel compensation, on an accounting basis, is as follows:

	2024 £m	2023 £m
Short-term employee benefits	**4**	3
Share-based compensation	**3**	2
	7	5

Total emoluments and gains on share options received by key management personnel in the year were:

	2024 £m	2023 £m
Emoluments	**3**	2
Gains on exercise of share options	**1**	1
	4	3

Subsidiary undertakings and investments

Wholly-owned subsidiary undertakings of the Company at 31 December 2024, all of which are wholly owned (directly or indirectly) and incorporated and registered where stated.

Company Name	Country	% Holding
12 Yard Productions (Investments) Limited (1)(a)	UK	100
12 Yard Productions Limited (1)(a)	UK	100
Back Productions Limited (6)(a)	UK	100
Big Talk Alone Limited (1)(a)	UK	100
Big Talk Cold Feet Limited (1)(a)	UK	100
Big Talk Friday Limited (1)(a)	UK	100
Big Talk Goes Wrong Limited (1)(a)	UK	100
Big Talk Help Limited (1)(a)	UK	100
Big Talk Horseface (1)(a)	UK	100
Big Talk I Hate You Limited (1)(a)	UK	100
Big Talk Investments Limited (1)(a)	UK	100
Big Talk Living the Dream Limited (1)(a)	UK	100
Big Talk Ludwig Limited (1)(a)	UK	100
Big Talk Offenders Limited (1)(a)	UK	100
Big Talk Peacock Limited (1)(a)	UK	100
Big Talk Pictures Limited (1)(a)	UK	100
Big Talk Secret Limited (1)(a)	UK	100
Big Talk Studios Limited (1)(a)	UK	100
Big Talk Transaction Limited (1)(a)	UK	100
Boom Cymru TV Ltd (4)(a)	UK	100
Boom Pictures Limited (1)(a)	UK	100
Box Clever Technology Limited (1)(a)	UK	100
Box Clever Trustees Limited (62)(a)	UK	100
BritBox SVOD Limited (1)(a)	UK	100
Broad Street Films Limited (1)(a)	UK	100
Campania Limited (1)(a)(k)	UK	100
Carlton Communications Limited* (1)(a)(d)	UK	100
Carlton Content Holdings Limited (1)(a)	UK	100
Carlton Film Distributors Limited (1)(a)	UK	100
Carlton Finance Limited (1)(a)	UK	100
Carlton Food Network Limited (1)(a)	UK	100
Carlton Programmes Development Limited (1)(a)	UK	100
Carlton Screen Advertising (Holdings) Limited (1)(a)	UK	100
Carltonco Ninety-Six (1)(a)(f)	UK	100
Castlefield Properties Limited (1)(a)	UK	100
Cat's on the Roof Media Limited (1)(a)	UK	100
Channel Television Holdings Limited (1)(a)	UK	100
Cirkus Limited (1)(a)	UK	100
Cloth Cat LBB Limited (4)(a)	UK	100
Cosgrove Hall Films Limited (1)(a)	UK	100
Double Double Limited (1)(a)	UK	100
EQ Pictures Limited (1)(a)	UK	100
Fifteen Days Limited (1)(a)	UK	100
GIL Limited (1)(a)	UK	100
Gorilla TV Group Limited (4)(a)	UK	100
Gorilla TV Limited (4)(a)	UK	100
Granada Film (1)(a)	UK	100
Granada Film Productions Limited (1)(a)	UK	100
Granada Group Limited (1)(a)	UK	100
Granada Limited (1)(a)	UK	100
Granada Media Limited (1)(a)(l)	UK	100
Granada Screen (2005) Limited (1)(a)	UK	100
Granada Television Limited (1)(a)	UK	100
Granada Television Overseas Limited (1)(a)	UK	100
Granada UK Rental and Retail Limited (1)(a)(e)	UK	100
Interactive Telephony Limited (1)(a)	UK	100
International Television Enterprises London Limited (1)(a)(d)	UK	100
ITC Distribution (1)(a)	UK	100
ITC Entertainment Group Limited (1)(a)	UK	100
ITC Entertainment Holdings Limited (1)(a)	UK	100
ITV (Scotland) Limited (16)(a)	UK	100
ITV 112 Limited (7)(a)	UK	100
ITV AdVentures Limited (1)(a)	UK	100
ITV Archie Limited (1)(a)	UK	100
ITV Breakfast Broadcasting Limited (1)(a)	UK	100
ITV Breakfast Limited (1)(a)	UK	100
ITV Broadcasting Limited (1)(a)	UK	100
ITV Central Limited (1)(a)	UK	100
ITV Consumer Limited (1)(a)	UK	100
ITV DC Trustee Limited (1)(a)	UK	100
ITV Digital Channels Limited (1)(a)	UK	100
ITV Duneen Limited (1)(a)	UK	100
ITV Enterprises Limited (1)(a)	UK	100
ITV Grace Limited (1)(a)	UK	100
ITV Holdings Limited (1)(a)	UK	100
ITV HP Limited (1)(a)	UK	100
ITV International Channels Limited (1)(a)	UK	100
ITV Investments Limited* (1)(a)	UK	100
ITV JCDM Limited (1)(a)	UK	100
ITV LTVC (Scotland) Limited (16)(a)	UK	100
ITV Mandrake Limited (1)(a)	UK	100
ITV Maternal Limited (1)(a)	UK	100
ITV Meridian Limited (1)(a)	UK	100
ITV Newco1 Limited (1)(a)	UK	100
ITV Newco2 Limited (1)(a)	UK	100
ITV Nightingale Limited (1)(a)	UK	100
ITV Pension Scheme Limited (1)(a)(b)	UK	100
ITV POS Limited (1)(a)	UK	100
ITV Properties (Developments) Limited (1)(a)	UK	100
ITV Ralph and Katie Limited (1)(a)	UK	100
ITV RE Limited (1)(a)	UK	100
ITV Rights Limited (1)(a)	UK	100
ITV Services Limited (1)(a)(e)	UK	100
ITV Shetland Limited (1)(a)	UK	100
ITV SPP Limited (1)(a)	UK	100
ITV Spy Limited (1)(a)	UK	100
ITV Studios (Israel) Limited (1)(a)	UK	100
ITV Studios Global Partnerships Limited (1)(a)	UK	100
ITV Studios Limited (1)(a)	UK	100
ITV Supplementary Pension Scheme Limited (1)(a)	UK	100
ITV TFG Holdings Limited (1)(a)	UK	100
ITV The Bay Limited (1)(a)	UK	100
ITV The Reckoning Limited (1)(a)	UK	100
ITV TLC Limited (1)(a)	UK	100
ITV TSP Limited (1)(a)	UK	100
ITV Venturer Limited (1)(a)	UK	100
ITV Ventures Limited (1)(a)	UK	100
ITV Vera Limited (1)(a)	UK	100
ITV Wales & West Limited (1)(a)	UK	100
ITV Y&M Limited (1)(a)	UK	100
ITV2 Limited (1)(a)	UK	100
Juice Music UK Limited (1)(a)	UK	100

Subsidiary undertakings and investments continued

Company Name	Country	% Holding
London News Network (1)(a)	UK	100
London Weekend Television Limited (1)(a)	UK	100
LWT (Holdings) Limited (1)(a)(c)	UK	100
Mainstreet Pictures Limited (3)(a)	UK	100
Mammoth Screen (Betrayal) Limited (1)(a)	UK	100
Mammoth Screen (COS) Limited (1)(a)	UK	100
Mammoth Screen (End) Limited (1)(a)	UK	100
Mammoth Screen (End2) Limited (1)(a)	UK	100
Mammoth Screen (End6) Limited (1)(a)	UK	100
Mammoth Screen (End7) Limited (1)(a)	UK	100
Mammoth Screen (End8) Limited (1)(a)	UK	100
Mammoth Screen (End9) Limited (1)(a)	UK	100
Mammoth Screen (Evans) Limited (1)(a)	UK	100
Mammoth Screen (FS) Limited (1)(a)	UK	100
Mammoth Screen (GK) Limited (1)(a)	UK	100
Mammoth Screen (MD) Limited (1)(a)	UK	100
Mammoth Screen (MD2) Limited (1)(a)	UK	100
Mammoth Screen (MIE) Limited (1)(a)	UK	100
Mammoth Screen (NC) Limited (1)(a)	UK	100
Mammoth Screen (Pol2) Limited (1)(a)	UK	100
Mammoth Screen (Pol3) Limited (1)(a)	UK	100
Mammoth Screen (Pol4) Limited (1)(a)	UK	100
Mammoth Screen (Pol5) Limited (1)(a)	UK	100
Mammoth Screen (Poldark) Limited (1)(a)	UK	100
Mammoth Screen (QV) Limited (1)(a)	UK	100
Mammoth Screen (TJ) Limited (21)(a)	UK	100
Mammoth Screen (Tower) Limited (1)(a)	UK	100
Mammoth Screen (TZ) Limited (1)(a)	UK	100
Mammoth Screen (VF) Limited (1)(a)	UK	100
Mammoth Screen (Vic3) Limited (1)(a)	UK	100
Mammoth Screen (WOF) Limited (1)(a)	UK	100
Mammoth Screen (WOF2) Limited (21)(a)	UK	100
Mammoth Screen Ltd (1)(a)	UK	100
Metavision Limited (1)(a)	UK	100
Monumental Television Limited (1)(a)	UK	100
Morning TV Limited (1)(a)	UK	100
MT Frauds Limited (1)(a)	UK	100
MT Ghosts Limited (1)(a)	UK	100
MT Marlow Murder Club Limited (1)(a)	UK	100
MT Maryland Limited (1)(a)	UK	100
MT Mrs Sidhu Limited (1)(a)	UK	100
New Providence Productions Limited (1)(a)	UK	100
Output Productions Limited (2)(a)	UK	100
Oxford Scientific Films Limited (4)(a)	UK	100
Planet V Limited (1)(a)	UK	100
Planet Woo Limited (1)(a)	UK	100
Possessed Limited (1)(a)	UK	100
QSP ATF Limited (1)(a)	UK	100
QSP Buried Limited (1)(a)	UK	100
QSP Coach House Limited (1)(a)	UK	100
QSP FMO Limited (1)(a)	UK	100
QSP Ghosted Limited (1)(a)	UK	100
QSP Men Up Limited (4)(a)	UK	100
QSP MY Limited (1)(a)	UK	100
QSP Nolly Limited (1)(a)	UK	100
QSP PD Limited (1)(a)	UK	100
QSP Run Away Limited (1)(a)	UK	100
QSP SO limited (1)(a)	UK	100

Company Name	Country	% Holding
QSP TRK Limited (1)(a)	UK	100
SDN Limited (1)(a)	UK	100
Second Act (Grace) Limited (1)(a)	UK	100
Second Act Productions Limited (1)(a)	UK	100
Sightseers Film Limited (1)(a)	UK	100
So Television Limited (1)(a)	UK	100
TGP Critical Limited (1)(a)	UK	100
The Addressable Platform Limited	UK	100
The Garden Productions Limited (1)(a)	UK	100
TwoFour Broadcast Limited (2)(a)	UK	100
TwoFour Group Holdings Limited (1)(a)	UK	100
TwoFour Group Limited (2)(a)	UK	100
Unforgotten Productions Limited (3)(a)	UK	100
UTV Limited (20)(a)	UK	100
UTV Pension Scheme Limited (20)(a)	UK	100
Westcountry Television Limited (1)(a)	UK	100
World of Sport Wrestling Limited (1)(a)	UK	100
World Productions Limited (1)(a)	UK	100
WP Anne Limited (1)(a)	UK	100
WP Bodyguard Limited (1)(a)	UK	100
WP Delia Limited (1)(a)	UK	100
WP Diplomat Limited (1)(a)	UK	100
WP Fifteen Limited (1)(a)	UK	100
WP Karen Pirie Limited (1)(a)	UK	100
WP Lockerbie Limited (1)(a)	UK	100
WP LOD5 Limited (1)(a)	UK	100
WP LOD6 Limited (1)(a)	UK	100
WP Malpractice Limited (1)(a)	UK	100
WP Pembrokeshire Limited (1)(a)	UK	100
WP RM Limited (1)(a)	UK	100
WP Save Me 2 Limited (1)(a)	UK	100
WP Showtrial Limited (1)(a)	UK	100
WP The Gathering Limited (1)(a)	UK	100
WP The Suspect Limited (1)(a)	UK	100
WP Vigil Limited (1)(a)	UK	100
Yorkshire Television Limited (1)(a)	UK	100
Artist Services Cable Pty Ltd (22)(a)	Australia	100
Artist Services Investments Pty Limited (22)(a)	Australia	100
Artist Services Productions Pty Ltd (22)(a)	Australia	100
Granada Media International (Australia) Pty Ltd (22)(a)	Australia	100
Granada Media Investments (Australia) Pty Ltd (22)(a)	Australia	100
Granada Productions Pty Ltd (22)(a)	Australia	100
ITV Services Pty Ltd (22)(a)	Australia	100
ITV Studios Australia Pty Limited (22)(a)	Australia	100
ITV Studios Global Distribution Pty Limited (22)(a)	Australia	100
Totally Full Frontal Productions Pty Limited (22)(a)	Australia	100
ITV Holdings (Cayman) Limited (23)(a)	Cayman Islands	100
ITV Studios Denmark Holdings Aps (56)(a)	Denmark	100
United Productions ApS (57)(a)	Denmark	100
ITV Studios Finland Oy (31)(a)	Finland	100
Granada (Fiji) Pte Ltd. (36)(a)	Fiji	100
ITV Studios France Holdings SAS (49)(a)	France	100
ITV Studios TV France (49)(a)	France	100
ITV Studios France SAS (49)(a)	France	100
Phara Prod International (37)(a)	France	100
Tangaro (37)(a)	France	100
Tetra Media Studios SAS (37)(a)	France	100
Bildergarten Entertainment GmbH (41)(a)	Germany	100

Subsidiary undertakings and investments continued

Company Name	Country	% Holding
ITV Studios Germany GmbH (24)(a)	Germany	100
ITV Studios Germany Holdings GmbH (24)(a)	Germany	100
ITV Studios Germany Fiction GmbH (41)(a)	Germany	100
Oystercatcher GmbH (41)(a)	Germany	100
Windlight Pictures GmbH (35)(a)	Germany	100
Elecrent Insurance Limited (17)(a)	Guernsey	100
ITV Studios Global Distribution (Hong Kong) Limited (44)(a)	Hong Kong	100
Talpa China Limited (43)(a)	Hong Kong	100
Cattleya International Srl (30)(a)	Italy	100
Cattleya Srl (30)(a)	Italy	100
Radio Cattleya Srl (30)(a)	Italy	100
Armoza International Media Ltd (42)(a)	Israel	100
Channel Television Limited (18)(a)	Jersey	100
ITV London Properties Limited (19)(a)	Jersey	100
ITV Properties (Jersey) Limited (19)(a)	Jersey	100
Global Music & Talent Agency B.V. (32)(a)	Netherlands	100
ITV (Europe) Holdings B.V.* (32)(a)	Netherlands	100
ITV Studios Global Entertainment B.V. (32)(a)	Netherlands	100
ITV Studios Holding B.V.* (32)(a)	Netherlands	100
ITV Studios Netherlands B.V. (33)(a)	Netherlands	100
ITV Studios Netherlands Content B.V. (33)(a)	Netherlands	100
ITV Studios Netherlands Drama B.V. (34)(a)	Netherlands	100
ITV Studios Netherlands Holding B.V. (34)(a)	Netherlands	100
ITV Studios Norway AS (54)(a)	Norway	100
ITV GE (Asia) Pte Limited (59)(a)	Singapore	100
Cattleya Producciones SL (30)(a)	Spain	100
ITV Studios Netherlands Servicios SL (63)(a)	Spain	100
ITV Studios Spain SL (60)(a)	Spain	100
ITV Studios Scandinavia Holdings AB (45)(a)	Sweden	100
ITV Studios Sweden Drama AB (45)(a)	Sweden	100
ITV Studios Sweden AB (45)(a)	Sweden	100
ITV Studios Germany GmbH, Köln, Zweigniederlassung Zürich (46)(m)	Switzerland	100
ITV Studios Arabia Holding Ltd (48)(a)	UAE	100
ALB1819 Productions Inc. (25)(j)	USA	100
Carlton Media Company, Inc. (25)(j)	USA	100
Cranktown Productions Inc. (25)(j)	USA	100
Critical Productions Inc (25)(j)	USA	100
Electric Farm Entertainment Holdings Inc. (25)(j)	USA	100
Feeding Time Productions, LLC (29)(h)	USA	100
Feeling Flush Productions Inc (25) (j)	USA	100
Fourth State Productions Inc (25) (j)	USA	100
Gear Shop Inc. (25)(j)	USA	100
Got A Text Inc. (25)(j)	USA	100
Granada Cracker US Productions (27)(j)	USA	100
Granada Television International, Inc. (25)(j)	USA	100
Grafting 101, Inc. (25)(j)	USA	100
Gurney Productions, LLC (27)(h)	USA	100
GWC Enterprises Inc. (25)(j)	USA	100
Hamdon Entertainment, Inc. (25)(j)	USA	100
High Noon Group, LLC (25)(h)	USA	100
High Noon Productions, LLC (28)(h)	USA	100
ITC Distribution, LLC (25)(h)	USA	100
ITC Entertainment Group, Inc (25)(j)	USA	100
ITC Films, LLC (25)(h)	USA	100
ITC Productions, LLC (25)(h)	USA	100
ITV America Inc. (25)(j)	USA	100
ITV Bedrock Holding, Inc. (25)(h)	USA	100
ITV Believe Holding, Inc. (25)(j)	USA	100

Company Name	Country	% Holding
ITV Blumhouse Holding Inc (25)(j)	USA	100
ITV Diga Holding, Inc (25)(j)	USA	100
ITV Entertainment Services Inc.(30)(j)	USA	100
ITV Studios Global Distribution, Inc.(25)(j)	USA	100
ITV Gurney Holding Inc. (25)(j)	USA	100
ITV HN Holding Inc. (25)(j)	USA	100
ITV International Corporation (25)(j)	USA	100
ITV Leftfield Holding Inc. (25)(j)	USA	100
ITV New Form Holding Inc. (25)(j)	USA	100
ITV NewTV Holding Inc. (25)(j)	USA	100
ITV Popco Holding Inc. (25)(j)	USA	100
ITV Southpoint Holding Inc (25)(j)	USA	100
ITV Studios America Inc. (25)(j)	USA	100
ITV Studios, Inc. (27)(j)	USA	100
ITV Studios The Voice USA, Inc. (27)(j)	USA	100
ITV SVOD Holding Inc. (25)(j)	USA	100
ITV Thinkfactory Holding Inc. (25)(j)	USA	100
ITV Tomorrow Holding, Inc. (25)(j)	USA	100
ITV US Holdings, Inc. (25)(j)	USA	100
JB Entertainment Holding Company, Inc. (25)(j)	USA	100
Kirkstall Road Enterprises, Inc. (25)(j)	USA	100
Krewed Inc (25)(j)	USA	100
Leftfield Entertainment, LLC (25)(h)	USA	100
Leftfield Pictures of NY Holdings, LLC (25)(h)	USA	100
Leftfield Pictures of NY, LLC (25)(h)	USA	100
Leftfield Ventures, LLC (25)(h)	USA	100
Loud Television, LLC (25)(h)	USA	100
LWT Enterprises Inc. (25)(j)	USA	100
Marriage Boot Camp Reality Stars, LLC (25)(h)	USA	100
Moving Pictures Services Inc. (25)(j)	USA	100
Outpost Entertainment LLC, (25)(h)	USA	100
Over the Pond Productions, Inc. (25)(j)	USA	100
Poison Pen Studios Inc. (25)(j)	USA	100
Post 460 Inc (25)(j)	USA	100
Quay Street Enterprises, Inc. (25)(j)	USA	100
Sandia Pictures Inc (25)(j)	USA	100
Sirens Media, LLC (25)(h)	USA	100
Solowe Productions Inc (25)(j)	USA	100
Southbank Studios Inc. (25)(j)	USA	100
Southsquare Productions Inc. (25)(j)	USA	100
The Casting Hive Inc. (25)(j)	USA	100
Thinkfactory Group, LLC (25)(h)	USA	100
Thinkfactory Media, LLC (25)(h)	USA	100
Upper Ground Enterprises, Inc. (25))(j)	USA	100

Subsidiary undertakings and investments continued

OTHER SUBSIDIARIES, JOINT VENTURES, ASSOCIATES AND OTHER SIGNIFICANT HOLDINGS

Company Name	Country	% Holding
Absolutely Rights Limited (5)(f)	UK	20
That Mitchell and Webb Company Limited (6)(a)	UK	20
BARB Audiences Limited (61)(i)	UK	20.6
Live Tech Games Limited (60)(a)(e)	UK	21.21
Route 24 Limited (13)(a)	UK	24.9
Clearcast Limited (8)(a)	UK	25
DTV Services Limited (10)(a)	UK	25
Koska Limited (39)(a)	UK	25
South Shore Productions Limited (40) (a)	UK	25
Wolf TV Limited (1)(a)	UK	25.5
Thinkbox TV Limited (12)(a)	UK	28.58
Independent Television News Limited (11)(a)	UK	40
Malacara Limited (4)(a)	UK	49
British Film-Makers Limited (1)(a)	UK	50
Digital 3 and 4 Limited (9)(a)	UK	50
Noho Film and Television Limited (14)(a)	UK	50
Standard Music Limited (15)(a)	UK	50
Tell Me Everything Limited (14)(a)	UK	50
Eagle Eye Bookish Limited (1)(a)	UK	62.5
Eagle Eye BWD2 Limited (1)(a)	UK	62.5
Eagle Eye Drama Limited (1)(a)	UK	62.5
Eagle Eye F2F Limited (1)(a)	UK	62.5
Eagle Eye HP Limited (1)(a)	UK	62.5
Eagle Eye HP2 Limited (1)(a)	UK	62.5
Eagle Eye HP3 Limited (1)(a)	UK	62.5
Eagle Eye Patience 2 Limited (1)(a)	UK	62.5
Eagle Eye Patience Ltd (1)(a)	UK	62.5
Eagle Eye Production Alpha Ltd (1)(a)	UK	62.5
Eagle Eye Production Beta Ltd (1)(a)	UK	62.5
Eagle Eye PT2 Limited (1)(a)	UK	62.5
Eagle Eye PT3 Limited (1)(a)	UK	62.5
Eagle Eye PT4 Limited (1)(a)	UK	62.5
Eagle Eye PT5 Limited (1)(a)	UK	62.5
Eagle Eye QBBOT Limited (1)(a)	UK	62.5
Eagle Eye S2 Limited (1)(a)	UK	62.5
Eagle Eye TCND Limited (1)(a)	UK	62.5
Eagle Eye TCNDS2 Limited (1)(a)	UK	62.5
Eagle Eye TFM Limited (1)(a)	UK	62.5
3sixtymedia Limited (1)(a)	UK	80
Escapade Bidco Limited (1)(a)	UK	81.04
Plimsoll Productions Limited (1)(a)	UK	81.04
Plimsoll International Ltd (1)(a)	UK	81.04
PP Brunel Productions Limited (1)(a)	UK	81.04
PP More Productions Limited (1)(a)	UK	81.04
PP Shandan Productions Limited (1)(a)	UK	81.04
Year on Earth Productions Ltd (1)(a)	UK	81.04
Titan Productions Ltd (1)(a)	UK	81.04
Magnify Content Media Ltd (1)(a)	UK	81.04
Hartswood Films Limited (1)(a)	UK	51
Count Dracula Ltd (1)(a)	UK	51
Douglas is Cancelled Limited (1)(a)	UK	51
Dracula TV Limited (1)(a)	UK	51
Hartswood Television Limited (1)(a)	UK	51
Inside Man Limited (1)(a)	UK	51
Sherlock TV Limited (1)(a)	UK	51
The Devil's Hour Limited (1)(a)	UK	51
ATP Post Pty Ltd (22)(a)	Australia	51
ES Productions Pty Ltd (22)(a)	Australia	51
Lingo Pictures Pty Ltd (22)(a)	Australia	51
Lingo Platinum Productions Pty Ltd (22)(a)	Australia	51
Messenger Productions Pty Ltd (22)(a)	Australia	51
Prosper Productions Pty Ltd (22)(a)	Australia	51
Queen of Oz Productions Pty Ltd (22)(a)	Australia	51
Happy Duck Films BV (64)(a)	Belgium	56.4

Company Name	Country	% Holding
Apple Tree Productions ApS (58)(a)	Denmark	51
Gedesel (38)(a)	France	50
SCI MD 60 (37)(a)	France	50
Macondo Productions Audiovisuels (37)(a)	France	51
Good Cop (55)(a)	France	56.01
Eldorado Fiction (37)(a)	France	62.4
Beaubourg Stories (55)(a)	France	70.01
Beaubourg Fiction (55)(a)	France	72.51
Tetra Media Fiction (37)(a)	France	78
Colette Productions (37)(a)	France	80
Shoot Again Productions (37)(a)	France	95
Beaubourg Audiovisual (37)(a)	France	95
Think Cattleya Srl (30)(a)	Italy	50
Moontrip S.r.l (30) (a)	Italy	75
Appletree Productions AB (45)(a)	Sweden	51
ITV Studios Middle East FZ-LLC (48)(a)	UAE	90.2
Bedrock Entertainment LLC (25)(h)	USA	40
Southrock Productions LLC (25)(h)	USA	40
Circle of Confusion Television Studios LLC (25)(h)	USA	51
South Circle Productions LLC (25)(h)	USA	51
Jaffe/Braunstein Entertainment, LLC (26)(h)	USA	51
Big Return Productions LLC (25)(h)	USA	52.5
Tomorrow Friends LLC (25)(h)	USA	52.5
Work Friends LLC (25)(h)	USA	52.5
Bertha Productions LLC (25)(h)	USA	70
Tomorrow Studios LLC (25)(h)	USA	70
Next Steps Productions, LLC (25)(h)	USA	70
Plimsoll Productions USA, Inc (25)(j)	USA	80.8
Yellow Productions USA, Inc (25)(j)	USA	80.8

Subsidiary undertakings and investments continued

MEMBERSHIPS, PARTNERSHIPS AND COMPANIES LIMITED BY GUARANTEE

Company Name	Country	% Holding
ITV Network Limited (1)(i)	UK	100
ITV LTVC Scottish Limited Partnership (52)(h)**	UK	100
ITV Scottish Limited Partnership (52)(h)**	UK	100
Producers Rights Agency Limited (50)(i)	UK	50
DTT Multiplex Operators Limited (51)(i)	UK	25
Everyone TV Limited (10)(i)	UK	25
Futureflip Entertainment India LLP (53)(h)	India	100
The Lab Television 2013 Limited Partnership (47)(a)	Israel	50
The Lab Television Limited (47)(a)	Israel	50

ADDRESS KEY

(1) ITV White City, 201 Wood Lane, London W12 7RU, United Kingdom

(2) Twofour Studios, Estover, Plymouth, Devon, PL6 7RG, United Kingdom

(3) Kingsbourne House, 229–231 High Holborn, London, WC1V 7DA, United Kingdom

(4) Gloworks, Porth Teigr Way, Cardiff, Wales, CF10 4GA, United Kingdom

(5) 18 The Glasshouse Studios, Fryern Court Road, Fordingbridge, Hampshire, SP6 1NG, United Kingdom

(6) 26 Nassau Street, London, W1W 7AQ, United Kingdom

(7) Orange Tower, Media City UK, Salford M50 2HF

(8) 4 Roger Street, 2nd Floor, London, WC1X 2JX, United Kingdom

(9) 124 Horseferry Road, London, SW1P 2TX, United Kingdom

(10) Tryptych Bankside, 6th Floor, 185 Park Street, London, SE1 9SH

(11) 200 Gray's Inn Road, London, WC1X 8HF, United Kingdom

(12) Holborn Gate 326-330 High Holborn, London, WC1V 7PP

(13) 124 Finchley Road, London, NW3 5JS

(14) 5 Elstree Gate Elstree Way Borehamwood Hertfordshire WD6 1JD

(15) Roundhouse, 212 Regent's Park Road, London, NW1 8AW, United Kingdom

(16) Quartermile One, 15 Lauriston Place, Edinburgh, Scotland, EH3 9EP, United Kingdom

(17) PO Box 230, Heritage Hall, Le Merchant Street, St Peter Port, Guernsey, GY1 4JH

(18) Le Capelain House, Castle Quay, St. Helier, JE2 3EH, Jersey

(19) Ogier House, The Esplanade, St. Helier, JE4 9WG, Jersey

(20) City Quays 2, 8th Floor, 2 Clarendon Road, Belfast, BT1 3YD, United Kingdom

(21) Office 306, Forsyth House, Cromac Square, Belfast, Northern Ireland, BT2 8LA, United Kingdom

(22) Level 4, 19 Harris Street Pyrmont NSW 2009

(23) Ocorian Trust (Cayman) Limited, Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands

(24) Agrippastraße, 87–93, 50676, Köln, Germany

(25) The Corporation Trust Company, Corporate Trust Center, 1209 Orange Street, Wilmington, Newcastle, DE 19801, USA

(26) 321 Southern Beverly Drive, Suite M, Beverly Hills, CA 90212, USA

(27) C T Corporation System, 330 N Brand Blvd, STE 700, Glendale, CA, 91203-2336 USA

(29) CT Corporation System, 3867 Plaza Tower Drive East Baton Rouge Parish, Baton Rouge, LA 70816, USA

(30) Piazzale Valerio Massimo, 7, 00162, Roma, Italy

(31) Hämeentie 15A, 00500 Helsinki, Finland

(32) Familie de Mollaan 1, 1217 ZB, Hilversum, Netherlands

(33) Koos Postemalaan 8, 1217 ZC, Hilversum, Netherlands

(34) Haarlemmer Houttuinen, 21 1013 GL, Amsterdam, Netherlands

(35) Rumfordstrasse 21a, Munchen, 80469, Germany

(36) Level 3, Pacific House, Butt Street. Suva, Fiji

(37) 60 rue Marcel Dassault, 92100, Boulogne-Billancourt, France

(38) 4 rue de Commaille, 75007, Paris, France

(39) Europa House, Goldstone Villas, Hove, Sussex BN3 3RQ

(40) 210 High Holborn, London, England, WC1V 7HD

(41) Genthiner Strasse 5, 10785 Berlin, Germany

(42) 16 Haarbaa St, Tel Aviv 6473916, Israel

(43) 11/F, Unit B, Winbase Centre, 208 Queen's Road Central, Sheung Wan, Hong Kong

(44) Rooms 517–520, 5th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wan Chai, Hong Kong

(45) Soder Malarstrand 65, 11825, Stockholm, Sweden

(46) Scharenmoosstrasse 105, 8052, Zurich, Switzerland

(47) 23 Habarzel Street, Tel Aviv, 69710, Israel

(48) Building 2, Dubai Media City, Dubai, UAE

(49) 12 boulevard des Iles, 92130 Issy-les-Moulineaux, Paris, France

(50) Fitzrovia House, (3rd Floor), 153-157 Cleveland Street, London, W1T 6QW, United Kingdom

(51) Triptych Bankside, 6th Floor, 185 Park Street, London, SE1 9SH

(52) C/O Dentons UK and Middle East LLP, Quartermile One 15 Lauriston Place, Edinburgh, EH3 9EP

(53) #1302, Tower-3, Indiabulls Finance Centre, Senapati Bapat Road, Elphinstone Road (West), Mumbai, Mumbai City, Maharashtra 40013, India

(54) Lars Hilles Gate 30, 5008, Bergan, Norway

(55) 5–7 rue Saint-Augustin, 75002, Paris, France

(56) DLA Piper Denmark, Radhuspladsen 4, 1550 Kobenhavn V, Denmark

(57) Finsensvej 6E, 2000, Frederiksberg, Denmark

(58) Aumento Advokatfirma, Ny Osteragde 3,4, 1101, Kobenhavn, Denmark

(59) 101c Telok Ayer Street, Singapore 068574

(60) Calle Velaquaz 18, 6-D, 28001 Madrid, Spain

(61) 4th Floor 114 St. Martin's Lane, London, WC2N 4BE

(62) Portwall Place, Portwall Lane, Bristol, BS1 6NA

(63) Calle Puccini 3, San Bartolome de Tirajana, 35109 Las Palmas, Gran Canaria, Spain

(64) Schalignhoevedreef 20D, 2800 Mechelen, Belgium

Subsidiary undertakings and investments continued

INTEREST KEY

(a)	Ordinary	(f)	Cumulative redeemable preference	(k)	Preference
(b)	Deferred	(g)	Convertible preference	(l)	Part Preference
(c)	Special deferred	(h)	Membership / Partnership	(m)	Branch
(d)	Redeemable preference	(i)	Guarantee		
(e)	Cumulative preference	(j)	Common		

* Direct subsidiary

** Having met the criteria under Regulation 7 of the Partnership (Account) Regulations 2008 (SI 2008/569) these Limited Partnerships have taken the exemption to deliver accounts to the Registrar of Companies

Glossary

Advertiser funded platform or channel – platform or channels that include advertising as part of the user experience e.g. ITV Family of channels, ITVX

Broadcasters' Audience Research Board (BARB) – organisation owned by broadcasters and advertisers, providing data on linear and online television viewing statistics by UK households

Catch up viewing – non-live viewing of recently broadcast television programmes, either via a recording device, often called a personal video recorder (PVR) or digital video recorder (DVR), such as Sky or through a streaming service such as ITVX, BBC iPlayer, Channel 4 or My5

Channel 3 licences – the 15 regional licences and one national licence awarded to transmit Channel 3 across the UK. All are owned by ITV except for two of the regional licences which are owned by STV

FAST channels – Free Ad-supported Streaming TV services – curated, data-driven channels that are always on with content that evolves and changes depending on viewer preferences

Free-to-air (FTA) television – viewing of television through devices not requiring a subscription such as the Freeview or Freesat services

Intellectual Property (IP) – intangible property that is the result of creativity

Inventory – advertising inventory is the number of advertisements or amount of advertising space, which we have available to sell to advertisers

Impact or Commercial Impact – one Commercial Impact is defined as one viewer watching one 30-second television commercial

ITV Family – the ITV family of linear TV channels which includes ITV1, ITV2, ITV3, ITV4, ITVBe, CITV (which moved onto ITVX in H2 2023) and all associated +1 and HD equivalents

Linear television – television service where the viewer has to watch a scheduled TV programme at the particular time it is offered, and on the particular channel it is presented on

Net Advertising Revenue (NAR) – the amount of money received by a broadcaster as payment for television spot advertising net of any commission paid to agencies

Non-consolidated licensees – the two regional channel 3 licences that ITV does not own. These licences are owned by STV and revenues received from these licences for ITV programming content are referred to as minority revenues

Ofcom – communications regulator in the UK who regulate the TV, radio and video-on-demand sectors, fixed-line telecoms (phones), mobiles and postal services, plus the airwaves over which wireless devices operate

SDN – multiplex operator owned by ITV, which operates one of the eight national multiplex licences in the UK on Freeview

Simulcast viewing – viewing live TV channels via a broadcaster's streaming service such as ITVX, at the same time as broadcast on linear TV

Spot advertising – linear television advertising occupying a short break during or between programmes

Streaming service – online provider of unlimited, on-demand streaming of content such as TV shows, films and original programming over the internet to a TV, computer, or mobile device

Subscriptions – users of ITVX's premium tier. It includes those who pay ITV directly, those who are paid for by an operator, and free trialists. Prior to the closure in 2024, it also included subscribers to the BritBox UK service on Amazon Prime Video Channels along with the BritBox UK standalone app. Before the launch of ITVX in December 2022, this also included ITV Hub+ subscriptions

Subscription streaming service – a paid-for, subscription streaming service available to subscribers on demand but for a fee e.g. ITVX premium

Total Advertising Revenue (TAR) – this includes ITV Family NAR, advertising via ITVX, programme sponsorship revenue and other affiliated advertising revenue streams

YouView – a joint venture (with the BBC, Channel 4, Channel 5, BT, TalkTalk, and Arqiva) to operate and promote a hybrid television platform combining Freeview channels with catch up and on-demand service

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