Annual report

2024

We pursue progress for individuals, organisations and the world.

The Economist Group

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About this report

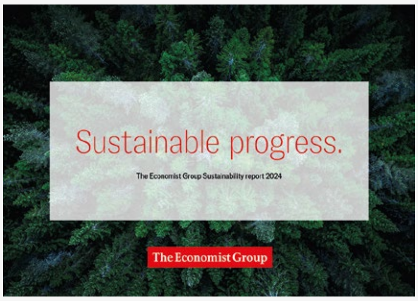
This annual report aims to give shareholders and other stakeholders a clear picture of our financial performance, our strategic direction, the way our business is structured and the way we work. We also make voluntary disclosures in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In our governance report we include the Board's review of our application of the Wates Principles and discuss our relationships with stakeholders by reference to the directors' duty under s172 of the Companies Act. We welcome feedback from all stakeholders.

Online summary

We've made a summary of this report available online.

Our sustainability reporting

This annual report includes a summary of our approach to, and progress in, addressing environmental, social and governance (ESG) issues. We also publish a sustainability report, which is available on our website and provides greater detail on our pursuit of progress through our content, our colleagues and communities, and the environment.



economistgroup.com

Enabling insight.
Catalysing change.
Championing progress.

Delivering actionable insights through four businesses—which all share the “red thread” of excellence.

The Economist

With rigorous reporting, in-depth analysis and global perspective, we explain today’s most important events and seek to discern the trends that will shape tomorrow. At the core of everything we do is our independence, underpinned by our editorial culture and governance structure.

Read more on page 21

ECONOMIST IMPACT

We offer a unique model for clients who want to lead on the issues that matter most, drawing on an unmatched portfolio of capabilities including policy research and insights, multimedia content, global events and advertising.

Read more on page 28

ECONOMIST EDUCATION

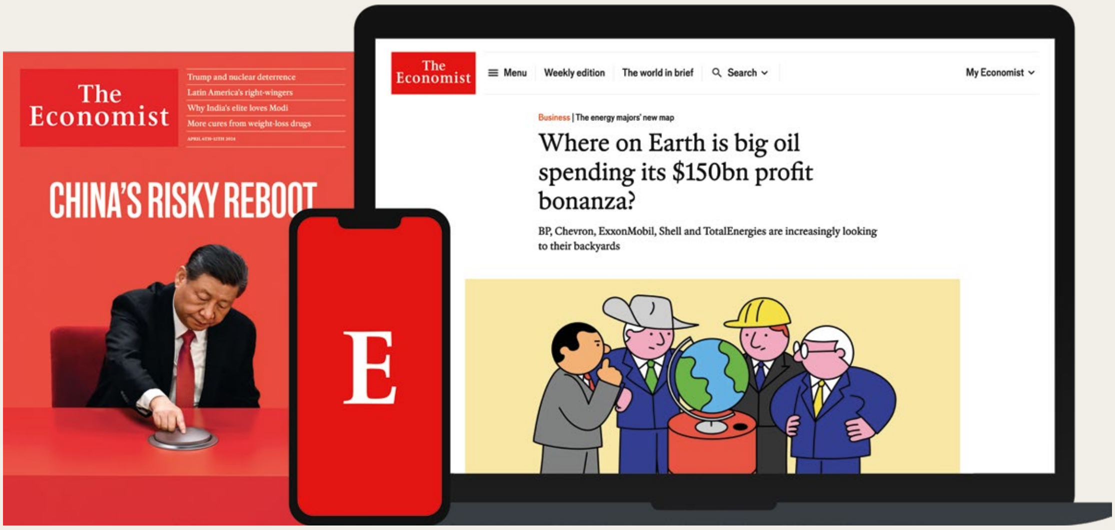
We equip current and future leaders with a fluent understanding of the shifts shaping their world and the skills to navigate them, offering courses led by expert practitioners and written by *The Economist*’s correspondents and editors.

Read more on page 26

ECONOMIST INTELLIGENCE

Through rich data, deep analysis and global insight, we help clients understand their operating environment, navigate risks and opportunities, and move their organisations forward.

Read more on page 34



1.22m
subscriptions
(+3% v 2023)

13%
growth in digital subscriptions

217m
podcast plays

66.4m
social-media followers

3.32m
YouTube subscribers

136
Economist Impact events

30%
our annual greenhouse-gas emissions reduction since base year 2020

1,643 colleagues in 25 countries support The Economist Group's purpose of pursuing progress. This includes 308 colleagues in *The Economist*'s editorial team.

aop DIGITAL PUBLISHING AWARDS 2023

1843 magazine's Wendell Steavenson awarded **"Journalist of the Year"** at the AOP (Association of Online Publishers) Awards

The SOPA 2024 Awards

The Economist awarded two SOPA (The Society of Publishers in Asia) awards: **"The Prince" for Excellence in Audio Reporting "Xi Jinping: the making of a dictator" briefing for Excellence in Explanatory Reporting**

FINANCIAL HIGHLIGHTS

The digital transformation of our business means we can deliver more insights, to more people, through more channels than ever—and supports our strategy for sustainable growth.

£367.0m

▼ **revenue** (2023: £376.8m)

£47.4m

▲ **operating profit** (2023: £42.2m)

£24.8m

▲ **net cash before lease liabilities** (2023: £17.6m)

171.6p

▲ **basic earnings per share** (2023: 157.0p)

160p

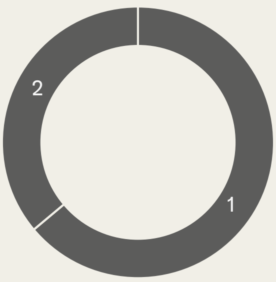
▲ **dividend** (2023: 120p)

£31.50

▲ **indicative share value**[1] (2023: £30.00)

Revenue by business

	2024 £m	2023 £m
1 *The Economist* (includes Economist Education)	**217.7**	207.5
2 Economist Impact	**99.1**	117.5
3 Economist Intelligence	**50.2**	51.7



Group revenue breakdown

	2024 £m	2023 £m
1 Subscriptions	**235.3**	225.9
2 Advertising, research & other	**131.7**	150.9

1 Refer to page 142 for further information on our alternative performance measures.

Performance review

In this section

Making sense of what matters.

An unprecedented need for analysis.

Paul Deighton
Chair

More citizens will cast their votes in 2024 than in any other year in history. *The Economist* calculates that as many as 76 countries are due to hold nationwide elections of some form, accounting for 4.2bn people—more than half the world's population.

As we publish this annual report, we are all digesting the outcome of the largest single election of all time, with India's epic poll involving nearly one billion voters. And in America this November we will witness one of the more momentous ballots of the year, billed by both main contenders, in very different ways, as a test of democracy itself.

These electoral contests—and sadly several non-contests—take place in a turbulent and uncertain world. Technological upheaval, record temperatures, tense diplomacy and war all shape the landscape around us, one that disinformation often attempts to hide from our view. Both individuals and organisations need actionable insights that help them navigate that landscape.

Providing insight and analysis has always been at the heart of *The Economist*'s journalism—and it is the "red thread" that runs through everything we do as The Economist Group. Across all four of our businesses, we innovate and experiment to meet the demand for reliable, trustworthy information that helps inform people's actions—moving with the times, but staying true to our values as champions of progress. It is an approach that, despite the headwinds affecting parts of our industry, has delivered another year of profitable, sustainable growth.

A digital-first business, dedicated to the "red thread" of excellence

Our full-year operating profit of £47.4m was 12% higher than last year, reflecting returns on our ongoing investments in technology, editorial and digital capabilities and our consistent focus on ensuring that each of our four businesses shares the same "red thread" of excellence.

"Across all four of our businesses, we innovate and experiment to meet the demand for reliable, trustworthy information that helps inform people's actions—moving with the times, but staying true to our values as champions of progress."

Strong revenue growth of 7% at constant currency in *The Economist* business—in the context of flat revenue of £367.0m at constant currency for the Group overall—played an important part, offset by a drop of 16% in revenue from Economist Impact, which is the most exposed of our businesses to the economic cycle. EIU (an Economist Intelligence business) delivered another strong year, while Economist Education, still a relatively small business only three years after its launch, nonetheless continues to expand.

A detailed review of our businesses can be found in the sections that follow—but this profitable performance, despite the downturn in traditional advertising revenue in a period when some corporate clients are hesitant about committing to budgets, is testimony to the strategy put in place by our CEO, Lara, and her leadership team. We have become a digital-first business that subscribers trust for the quality of what we produce—and we have become more efficient and innovative in the ways that we deliver our products, with a drive for commercial excellence, and a close monitoring of costs, embedded across the Group.

At the same time, our balance sheet and operating cashflow remain healthy. Net cash before lease liabilities increased by £7.2m to £24.8m after capital expenditure of £10.1m and dividend payments of £23.8m.

Agile, innovative journalism that continues to cut through

Under Zanny's leadership, *The Economist*'s editorial team has once again shown an extraordinary willingness to innovate and adapt while staying fiercely dedicated to independent journalism, helping their many audiences make sense of a complex world in a fast-moving year.

They now do so to a cadence that would be unrecognisable to a previous generation, for whom the weekly newspaper set the working rhythm. The newsroom today creates data analysis, podcasts, films, webinars and more for a readership in which digital subscribers now significantly outnumber print subscribers, and who can access news and analysis anywhere, at any time. This year *The Economist* has shed light on issues as varied as the impacts of artificial intelligence, the power and vulnerability of China, the strategic dilemmas facing Ukraine, and the risks and implications of war in the Middle East.

Boosted by new products such as Economist Podcasts+, subscriptions have reached record levels. It is clear that while the channels have evolved, the appetite for evidence-based, trusted journalism is as strong as ever.

Progress made possible by colleagues and stakeholders

Our continued progress is made possible by the commitment to innovation and quality shared by Lara and Zanny, and the dedication of our colleagues, who deliver time and again for our subscribers and clients. It is a pleasure to be part of a working culture in which excellence and collaboration are the norm—and where colleagues are so active on issues such as climate change, and diversity and inclusion, as demonstrated by the growing number of colleague-led affinity groups. This year we have again published a separate sustainability report to sit alongside this annual report and provide stakeholders with greater insights into the progress we've made on environmental, social and governance (ESG) issues—and the challenges we still face. While there is clearly more to do, the Board is pleased to see that an increasingly digital business is one with a shrinking carbon footprint: we have met, ahead of schedule, our "25 by 25" ambition to reduce our greenhouse-gas emissions by at least 25% by 2025 across our full value chain, and we are now fully focused on our science-based 2030 target.

As always, of course, we remain very grateful to our shareholders, whose support for our strategy has been key to our progress. As ever, in evaluating dividends, we considered a number of factors, including the short- and long-term investment requirements of the business, the outlook for the Group, the interests of shareholders and other stakeholders and the need to have an appropriate contingency given the market uncertainty, including from the development of AI. I am pleased to confirm that the Board has recommended a final dividend for the year of 120p, taking the full-year dividend to 160p.

Paul Deighton Chair

Navigating volatility. Providing insight. Championing progress.

Lara Boro
Chief executive

When does volatility stop being the "new normal"—and become just "normal"?

A year that saw war in the Middle East, grinding conflict in Europe and Africa, stubborn interest rates that defied all forecasts, and the hottest temperatures recorded by land or sea has given way to one in which all these challenges form the backdrop to humanity's largest-ever experiment in democracy.

The Economist Group's purpose is to champion progress by helping people understand and navigate this volatility. All four of our businesses exist to provide rigorous analysis, insight and expertise—trusted information services that help individuals and organisations think, decide and act.

Our performance this year shows that demand for these actionable insights has never been stronger. It reinforces our commitment to a strategy designed to make sure we can extend our 180-year record of producing excellent, values-based journalism and information services far into the future, by maintaining sustainable growth.

Transformed: a digital business delivering outstanding online content

While parts of our business have felt the bite of economic headwinds this year, the overall picture is one of growth in subscriptions and profit, reflecting our investment in editorial and digital capabilities over the past four years.

The Group delivered operating profit of £47.4m, up 12% on last year. This was achieved while revenue declined by 3% at actual exchange rates to £367.0m, and was flat at constant currency. This reflects on the one hand the impact of recessionary pressures on some of our client-facing businesses, and on the other, our continued focus on carefully managing operating costs and embedding commercial excellence across the Group.

"We can now say with confidence that we are a digital business, focused on innovating our digital products and processes so we can bring audiences more analysis and insights, through more channels, more often."

Outstanding journalism and content produced by colleagues throughout the Group are the driving forces behind our performance. But our results also reflect the transformation of our business. We can now say with confidence that we are a digital business, focused on innovating our digital products and processes so we can bring audiences more analysis and insights, through more channels, more often.

More than 65% of subscriptions to *The Economist* are now digital-only, compared with 35% four years ago—and this year, 86% of new subscribers were digital. These subscribers are consuming an increasing variety of digital products—and those are driving our growth.

This year we launched Economist Podcasts+, a new subscription service offering paid access to our weekly podcasts on global affairs, business, China, America, technology and more—and this has contributed to our growth, adding over thirty thousand subscribers in the first six months since launch.

Strong subscriber growth, offset by recessionary headwinds

The business reviews on pages 20-37 describe how each business performed this year—but I would like to share some highlights here.

I have already mentioned some of the digital headlines for *The Economist* business—and they have translated to a strong performance in a year when many media businesses saw significant challenges. Following a refreshed effort to acquire new subscribers, new *Economist* subscriptions were up compared with last year, with the overall subscriber base at an all-time high of 1.22 million. Revenue was 7% ahead of last year. Espresso and Podcasts+ subscriptions saw strong growth, while corporate and enterprise subscriptions reached new highs. We still need to stay focused on innovation, recruitment and retention to keep these trends going—but it is a performance that underlines the enduring demand for high-quality, values-based journalism.

Economist Impact, with its client-facing Partnerships and Events functions, is the most exposed of our businesses to the economic cycle, and it felt this year's headwinds most keenly, with revenue declining by 16% (pages 29 and 53). Economist Impact Events revenue was stable after a very strong prior year. While headline events such as EuroFinance International continue to go from strength to strength, with this year's iteration attracting over 2,000 attendees, revenue from smaller custom events has slowed as clients have felt the recessionary pinch. Economist Impact Partnerships saw revenues fall substantially, reflecting similar constraints on clients' marketing budgets. We remain confident in the Economist Impact offer, and in the strength of excellent partnerships such as The Health Inclusivity Index and Trade in Transition, recognised this year at the Lovie awards and Drum B2B awards respectively. But we are also pragmatic about current trading conditions and realistic about the long-term trends in advertising; we will continue to fine-tune our Economist Impact Partnerships offer to focus it even more sharply on differentiated services which help our partners position their brands as key influencers in the areas of sustainability and healthcare, and shape new globalisation trends.

Economist Intelligence, which brings together EIU, Corporate Network and Clearstate, delivered a 1% increase in revenue at constant currency. Our investment in products and technology helped drive another successful year for EIU, which saw subscriptions and revenues grow. This was partially offset by a reduction in revenue at Clearstate, as it focused on its data products and less on consulting, after three years of significant revenue growth.

EIU continues to add digital tools and resources to its offer, and has maintained its highly respected position in the industry—it was named the best overall forecaster in the annual Focus Economics awards 2023.

Our Economist Education business continues to grow and innovate—it added a sixth course to its portfolio this year, developed in-person courses for enterprise clients, and continued to expand its global reach, providing executive education to students from more than 100 countries.

Investing in colleagues and innovation—and reducing our carbon footprint

Our successful transformation into a digital business is the end of one key transformation process, but also the beginning of another—one of continuous improvement and innovation. We're investing in products and tools that help us serve existing audiences better, and win new ones. We're exploring the opportunities presented by generative AI to improve how we operate and the services we provide. We're diversifying our editorial offer, and readying a new digital customer-management system for our corporate clients for launch this autumn. And we're working hard to develop new ways to deliver business-to-business services and attract corporate and enterprise subscriptions.

Our digital business is still a people business, of course. All our offerings rely on the dedication and energy of our colleagues, and we continue to invest in making The Economist Group an attractive, rewarding and inclusive place to work. Our work on career-development frameworks has continued this year, alongside the development and training of leaders, including through our People Managers Forums, launched in January 2024. Our gender pay gap in the UK has shrunk by 4.3%—though while a 16.3% gap is our lowest ever, we clearly still have more to do.

We've also kept up momentum on our environmental ambitions. A clear benefit of being digital is that smaller print quantities significantly reduce the greenhouse-gas emissions associated with our business—a finding confirmed by our carbon-footprint analysis this year, which shows a reduction of 30% since our baseline year of 2020, beating our near-term target of a 25% reduction by 2025 one year early. We have set a road map for further reduction to 43% by 2030, on our pathway to net zero by 2045. This and many other ESG-related issues are discussed in detail in our separate sustainability report.

There have been several changes to our leadership team over the year. We welcomed chief people officer Kristin Anderson and chief data officer Daragh Kelly in 2023. Bob Cohn and Ramsey Hashem resigned as presidents of *The Economist* and Economist Intelligence respectively—we wish them well—and their roles were admirably performed on an interim basis by Freddie Cornes and Helen Hutchinson, pending the appointments as presidents and managing directors of Luke Bradley-Jones to *The Economist* this summer and Leon Saunders Calvert to Economist Intelligence in April 2024.

Future-ready—whatever shape it takes

Volatile times make forecasting difficult. By this time next year, unless the truly unforeseeable arises, new governments (and several old ones) will have been elected in dozens of countries around the world. AI will have taken another leap forward, and perhaps—let us be optimistic—wise heads and collective action will have prevailed in the conflicts currently tearing regions apart, and in the long-term action against climate change.

All these developments will fuel even more demand for insight—into what is happening now, and what will happen in the future. By innovating and diversifying to meet that demand while staying true to our values, we can grow our business further—and fulfil our purpose of championing progress.

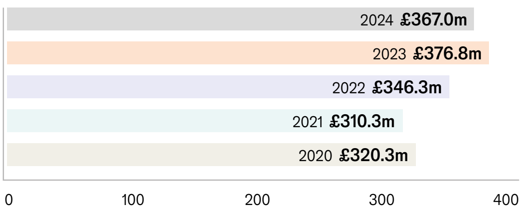
Lara Boro Chief executive

> "More than 65% of subscriptions to *The Economist* are now digital-only—and this year, 86% of new subscribers were digital."

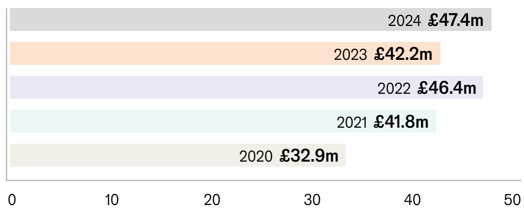
Charting our progress

Our digital-first strategy is delivering profitability despite a volatile operating environment.

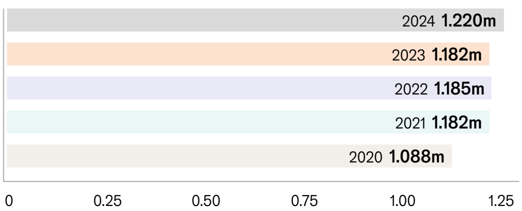
Revenue*



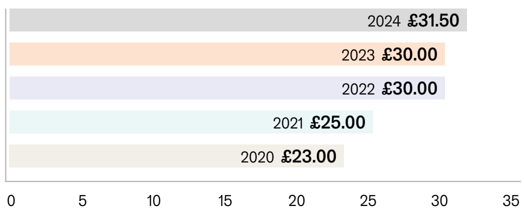
Operating profit*



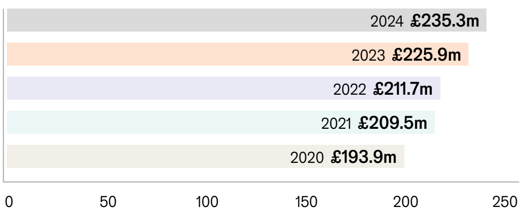
Subscription volumes



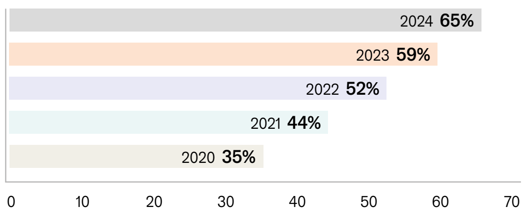
Indicative share price**



Subscription revenue



The Economist digital-only subscribers



*The 2020 and 2021 revenue and operating-profit metrics are presented on a continuing basis, and in the case of operating profit, on an adjusted basis.

**Refer to page 142 for further information on our alternative performance measures.

Clarity in a cacophonous world.

Zanny Minton Beddoes
Editor-in-chief

Depending on where you look, this year's news agenda has been alarming, thrilling or simply confusing. Most geopolitical news fell squarely into the first category. Brutal conflicts in Ukraine and Gaza dominated the headlines. They played out against a backdrop of strategic rivalry between China and America, deepening links between aggressive authoritarians, especially Iran and Russia, and the rising clout of non-aligned powers such as India and Saudi Arabia. The post-war order led by America is morphing into something more fragmented, transactional and dangerous.

Economic news was in the confusing category. Like geopolitics, the global economy is changing fast. The old "globalised" world of free trade and multilateral rules is being replaced by a new orthodoxy that favours industrial policy and the weaponisation of economic tools. Sanctions, subsidies and tariffs are in vogue; openness is out. The macroeconomy is also transforming in puzzling ways: inflation at first proved responsive to higher interest rates, but now seems stubborn. In most big economies, the fiscal outlook is dire. Yet financial markets have been on a tear.

That could be thanks to the third—thrilling—development of the past year: the advances in artificial intelligence. Generative AIs are becoming rapidly more powerful and their world-changing potential more evident. No industry will remain untouched.

Our job is to help readers make sense of these shocks: to distinguish what matters from the noise, to draw connections between disparate developments and thus to offer an authoritative perspective on where the world is heading. *The Economist*'s journalism is as much about insight as information. In a digital world these insights need to be delivered in whatever form subscribers choose. And all this must be done by an editorial staff of about 300, far smaller than that of our competitors.

"It is increasingly lonely to be a champion of a liberal, open world order, but ever more important."

Three characteristics set *The Economist* apart and allow us to punch above our weight. The first is expertise. Many of our journalists are experts in their field, spurring a virtuous circle, where expertise leads to exceptional access, whether to policymakers or business leaders, which in turn improves our insights. Second is a focus on curation. Because we cannot cover everything, we think hard about what is important and where scarce talent should be deployed. We try to maximise the impact of our work by complementing our written journalism with other formats, be they podcasts, data-led projects or by inviting influential outside voices to write in our pages.

Third is the “hive mind”. We spend a great deal of time in discussion and debate, a process that brings together the perspectives of different disciplines and subjects our conclusions to rigorous peer review. The priors of our hive mind, in turn, are shaped by the classically liberal values *The Economist* was founded to champion: the faith in free markets and open societies. It is increasingly lonely to stand for a liberal, open world order, but ever more important.

These characteristics shape our journalism. In Ukraine our military expertise and unparalleled access to policymakers have made *The Economist* a global must-read which, in turn, has on occasion itself influenced events. In a By Invitation piece for us, Valery Zaluzhny, Ukraine’s top general, declared the war to be at a “stalemate”, an assertion that ultimately led to his dismissal.

We are lucky to have similar world-class expertise in our Middle East team. Josie Delap, our Middle East editor, oversees clear-eyed journalism from Anshel Pfeffer in Jerusalem, Gregg Carlstrom in Dubai, Nicholas Pelham in London and Anton La Guardia in Washington, each of whom has written acclaimed books about the region. In such a polarising conflict, the hive mind has proved invaluable. Internal debates have been pointed, not everyone agreeing with our editorial line. But our coverage has surely been sharpened by the strength of the discussion.

An enduring fealty to free markets shapes our economic coverage. Our economists stood firm against the vogue for industrial policy: a powerful special report by Callum Williams called “Homeland Economics” laid out why this shift would prove both costly and ineffective. But we took the new orthodoxy seriously, analysing the strengths and weaknesses of Bidenomics in a number of cover stories and giving space in By Invitation to trade sceptics such as Robert Lighthizer, intellectual architect of Donald Trump’s tariffs.

The final element of successful curation is to strike the right balance between the alarming and the thrilling. We did not shrink from the former: around half our covers in the past year were sober assessments of economic and political risks. We were early to highlight the meticulous preparations Mr Trump’s team was making for a second term and early to fret about the electoral risks of Joe Biden’s age. But we made room for the positive, running optimistic cover stories on subjects from fertility technology to breakthroughs in longevity. We pushed back against unjustifiably gloomy conventional wisdom, showing how much that is written about rising inequality, the dire situation of blue-collar workers and the dismal economic prospects for young people is wrong. Our AI coverage was upbeat but not breathless. With the help of a team that includes several computer scientists, we explained authoritatively both how the technology works and how it is evolving.

We have also been busy exploring how AI will change *The Economist*. We now have a senior editor for AI initiatives and are busy experimenting with everything from translation to summaries. Rest assured that what you read, see and hear is journalism produced by a human (unless we have clearly stated otherwise). But we have ambitious plans to harness the technology. Our experts and the hive mind are core to this effort. It is early days, but I am confident that what makes us successful now will be rewarded in the era of AI. More on that to come next year.

Zanny Minton Beddoes Editor-in-chief

For 180 years we have spoken to our readers with one voice, a practice that reflects our rigorous debate, rich collaboration and liberal values. That voice remains as strong as ever.

The Economist offers a simple proposition, increasingly rare in modern media: truly global, fiercely independent journalism. In a fracturing world, we make sense of what matters, with expert reporting and analysis delivered across print, our app, podcasts and more. Big, rapid change can generate confusion. We specialise in clarity.

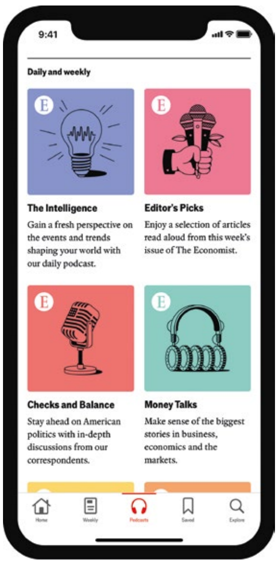
This is evident, as ever, in our weekly print edition, from our leader pages to our in-depth briefing and evocative obituary. But, 180 years after our founding, two-thirds of our subscribers consume our journalism only digitally. They do so primarily through our app, which in addition to offering the weekly edition also presents a daily selection of journalism that reveals our expertise across subjects and geographies. Stories from the newspaper are published online throughout the week, so our audience can read about big news as it happens, rather than wait for the weekend. We also offer an expanding set of features that are available only digitally.

Rather than dilute *The Economist*'s core proposition, our digital features have enriched it for a modern audience. Analysis has always made us distinct. Our department of expert data journalists has reinvigorated *The Economist*'s long-standing reputation for quantitative excellence with the tools of modern data science (see feature on page 18). Our broader team uses digital-native capabilities to deepen our analysis, too. For instance, two interactives let our audience "build" voters with specific traits in America and Britain, to predict how they will cast their ballots. A separate multimedia project deciphers the sweet-talking techniques that Narendra Modi has deployed in his monthly radio show to cement power as India's prime minister.

Other features in the app have enhanced our ability to simplify the complex. In 2023 we introduced three digital A-Z guides, for US politics, international affairs and military terms. We used maps to provide short histories of India, Russia and Ukraine, and the Arab-Israeli conflict. Our new daily summary of American politics—the US in brief—has become the antidote to America's media frenzy, a concise update on the developments that matter.

20+

newsletters



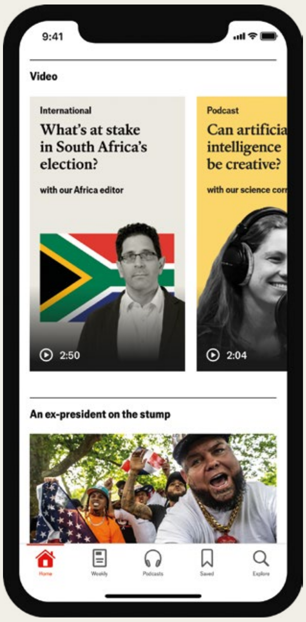
The Economist offers a simple proposition, increasingly rare in modern media: truly global, fiercely independent journalism.

Continued innovation within the app reflects a culture of experimentation within Editorial. We are keen to find new ways to serve our audience and widen it. These efforts are bearing fruit. Not long ago, podcasts were peripheral to our main offering. They are now an award-winning collection and, as of October, the basis for Economist Podcasts+, the first standalone podcast subscription from a major news organisation. The Intelligence, our daily news show, remains free to all. Listening to all our other shows, from Money Talks, on business and finance, to Next Year in Moscow, on Vladimir Putin's Russia, requires a subscription to Economist Podcasts+ or to *The Economist* itself.

To coincide with the launch, we introduced a new limited series and a new weekly show, exclusively for subscribers. In the Boss Class series, Andrew Palmer, our Bartleby columnist, applies his wit and clear analysis to management, a discipline often starved of both. Jamie Dimon, of JPMorgan Chase, and the late Daniel Kahneman, a Nobel-prizewinning psychologist, are among those who help untangle the knottiest questions facing business, from the future of offices to the change unleashed by generative AI.

Our other new podcast is something entirely different: The Weekend Intelligence, which explores a subject in depth each Saturday, often through a personal lens. Our two most popular episodes reveal the format's breadth. In one, Catherine Brahic and Sacha Nauta, two longtime correspondents, explained the hope and heartbreak of their experience with in-vitro fertilisation. In the other, Zanny Minton Beddoes, our editor-in-chief, and Arkady Ostrovsky, our Russia and eastern Europe editor, returned to Kyiv to explore how war with Russia has transformed Ukraine, and ask how long that country can live on a knife's edge.

We think such shows make our podcasts distinct. Our audience seems to agree. At a time when the vast majority of news podcasts remain free, we have retained more than 80% of our total listener numbers since introducing the paywall. Other shows and limited series are in the works, underpinned by the storytelling and analysis for which our podcasts are now known.



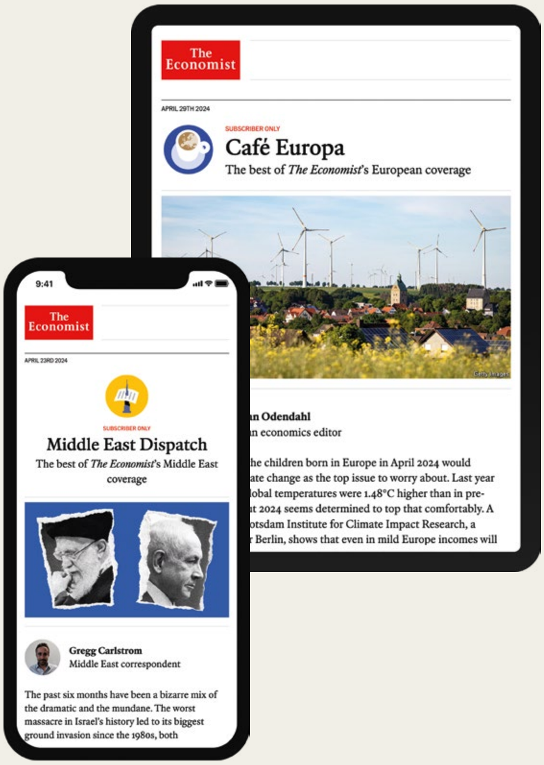
A clear lesson from podcasts is that we can produce excellent journalism in a new form, so our audience can explore *The Economist* in the way that suits them best.

217m

podcast plays in 2024

A clear lesson from podcasts is that we can produce excellent journalism in a new form, so our audience can explore *The Economist* in the way that suits them best. Other initiatives reflect similar thinking. In recent years our social team has built a following of more than 60m, many lured by brief, clever videos—even a 90-second TikTok can, it turns out, reflect our global perspective, authority and wry humour. In 2023 our social videos had more than 150m views. To further engage that audience, in April we introduced a video carousel within our app. Short explanatory videos, from the economics of thinness to the charts that explain Joe Biden's presidency, present our journalism in the form that a growing number of people—and in particular younger audiences—want to consume it.

Our live digital events offer an in-depth complement to these short videos, with subscribers able to watch briefings on Ukraine, America's elections and more, and pose questions to our editors in real time. In January, as business leaders and policymakers continued to ponder generative AI, Zanny spoke with two men shaping its future. The live webcast of her discussion with Sam Altman, of OpenAI, and Satya Nadella, of Microsoft, was our most popular of the year.



For those who prefer to read their news within their email, we have expanded our collection of newsletters, delivering our reporting and analysis straight to readers' inboxes. Seventeen newsletters are now available exclusively to subscribers. They include links to daily and weekly coverage, but are now pieces of journalism unto themselves. James Bennet, our Lexington columnist, provides an expert view of American politics in the weekly Checks and Balance newsletter. Shashank Joshi, our defence editor, writes The War Room, a weekly look at military developments and their implications for geopolitics, business and more.

We also introduced a suite of regional newsletters on Africa, Europe, India, Latin America and the Middle East, to complement our existing newsletters on America, Britain and China. Subsets of readers value *The Economist*'s journalism on places that other outlets cover sparingly. Our new regional newsletters make it easy for them to explore our expansive coverage.

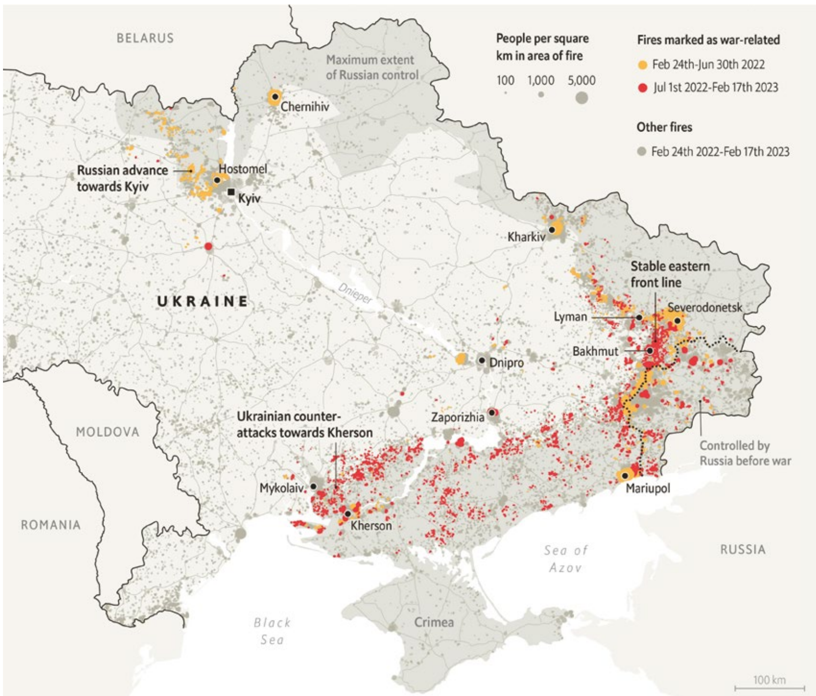
For readers who want a complement to our analytical journalism, *1843* magazine has come into its own. There are now two main formats: short, transporting pieces of reportage, for instance on the early days of the war in Israel and Gaza, and long, rich features that are not just well written but must-reads. Henry Tricks, our Schumpeter columnist, wrote a definitive profile of Larry Fink, the world's most powerful asset manager. Nick Pelham, our Middle East correspondent, wrote about Morocco's missing king and the world's biggest bank heist, pieces which won him recognition at the Press Awards in Britain.

Across these formats, a slow shift is under way. *The Economist*'s weekly edition, and most of its written journalism online, remain without bylines. However, podcasts, newsletters, videos and digital events are steadily introducing our journalists to our audience. For 180 years we have spoken to our readers with one voice, a practice that reflects our rigorous debate, rich collaboration and liberal values. That voice remains as strong as ever. However, letting our audience hear directly from our journalists, we think, complements our core offering and presents something more: a team of diligent, expert staff working to produce the best journalism they can. In 2024, amid political polarisation and rising mistrust, that is for the good.

19m

referrals from newsletters to our website

FEATURE STORY



Read more


Graphic detail | Blow by blow

Mapping the Ukraine war: where is the latest fighting?

Our satellite view of the conflict, updated daily

Updated on April 30th 2024

18.5% of Ukraine is controlled by Russia
7.0% before the invasion
11.5% since Feb 24th 2022

In the past 30 days
788 km² gained by Russia
10,279 war-related fires

WHERE IN UKRAINE is the war taking place? Intelligence sources, both traditional and open-source, can give a sense of what goes on in cities such as Kyiv, and near the front line on the Ukrainian side. But it is harder to know what happens at the front, or deep in Russian-occupied areas. To track the fighting, we have developed a system based on data from satellites that fly over the country twice a day. Use the tools below to see where territory is contested, which side is pushing for advantage, and the precise locations—down to a neighbourhood level—bearing the brunt of the war.

Detected fires, April 30th 2024
Cloud cover, % of time

Letting data tell the story—with speed as well as rigour

Numbers have featured prominently within *The Economist* since its founding in 1843: the first issue included a formidable table of Britain's tariffs and import volumes for coffee. Today the vast majority of stories use statistics to support their claims, with an average of 50 charts published each week.

But there is a difference between charts that support stories and the data-led journalism produced by *The Economist*'s data department, which turns ten years old in 2024. Our specialist data journalists—with backgrounds in advanced social, natural and computer science—combine expert rigour with journalistic speed, reaching new conclusions months or years before the first peer-reviewed papers on a topic appear.

Some of their most striking recent work has been on conflicts, from Ukraine to Sudan. To provide a comprehensive data-driven complement to our defence team's in-depth military reporting, the data team turned its sights to the skies.

Sondre Solstad built a machine-learning model that analyses the location of abnormally high temperatures on Earth's surface recorded by FIRMS—a satellite-based system run by NASA designed to detect forest fires—and distinguishes conflagrations caused by fighting from those with natural or peaceful causes. We displayed the model's findings in a live tracker, which shows where and when explosions have occurred on every day since the war in Ukraine began, and updates every 12 hours.

Another member of the data team, Ainslie Johnstone, measured the damage Russia has done to Ukrainian cities. Using images from the European Space Agency's Sentinel satellites, she built an algorithm that compares photographs of the same locations at different times, pixel by pixel, to detect statistically significant changes. She combined the results with databases of building footprints to produce maps and an overall estimate of the number of damaged structures in all front-line Ukrainian cities.

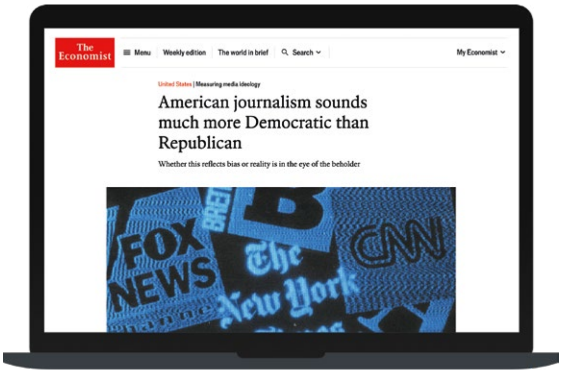
Such models take time to develop, but once in operation they can be reapplied easily to other parts of the world. Our data team subsequently used its fighting-detection system to monitor the civil war in Sudan, and its damage-assessment tool to measure the impact of the earthquake that devastated Turkey and Syria in 2023. When war broke out between Israel and Hamas, we were able to monitor fire activity along Israel's borders with Lebanon and Syria and publish the first public estimates of the share of buildings in Gaza damaged by air strikes. Citing the "material impact" of Sondre's work on the targeting of humanitarian efforts in Ukraine and Sudan, Britain's Press Awards in April named him their Data Journalist of the Year for devising "a 21st-century way to report on a 21st-century conflict".

Ainslie and Sondre also collaborated on an ambitious study that has reverberated through American media organisations. In December 2023 we published an essay by James Bennet, our Lexington columnist, that described his ousting as the opinion-page editor of the *New York Times* and the stifling of debate within the paper's left-leaning staff. The data team set out to determine whether the trend that James perceived among his colleagues could be measured in the *Times*'s output, and whether similar changes had occurred at other media organisations. Using archives of 242,000 articles, 397,000 television segments and every speech made by a member of Congress since 2009, Ainslie and Sondre first compiled a dictionary of phrases that were used almost exclusively by representatives of a particular political party—such as "unborn child" for Republicans or "reproductive care" for Democrats. They then counted how often such terms appeared in media coverage, broken down by the publication or channel, year and topic. They found that the language of mainstream American media outlets did indeed sound more Democratic than Republican, and that this gap had grown over time. Applying the same method to *The Economist*'s coverage suggests it has hewed close to the political centre (see chart).

With countries accounting for half the world's population holding elections in 2024, the team's focus is on data journalism related to politics. Our tool kit includes poll trackers, election-forecast models and other ballot-related quantitative projects. We have launched "build-a-voter" models for Britain and America. These let users input demographic profiles (based on factors such as age, race, gender and location) and see which party or candidate such a voter would be likely to support. We have launched our first formal forecast model for the British election and will release updated models for presidential and Congressional races in the United States in the coming months. (In 2022 *The Economist*'s forecast of the American midterm elections correctly anticipated that Republican candidates would fall well short of widespread expectations for a "red wave".) We have also published polling averages for Indonesia and Taiwan and plan to produce them for the European Parliament, Mexico and South Africa.

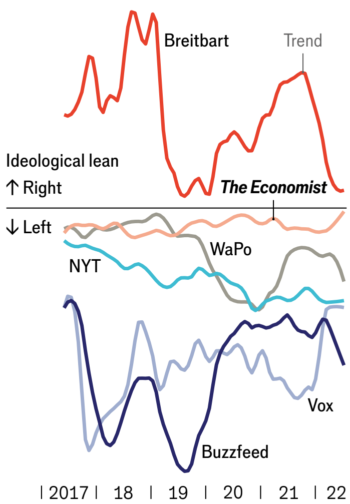
The data team's prizewinning work is a highlight of our journalism. It has also bolstered *The Economist*'s broader digital strategy. Unlike single articles, its models and trackers offer readers new insights every day, bringing them back to see the latest results time and again. All charts, maps and interactives are designed for mobile phones—which now account for the majority of our audience—before being adapted for readers on tablets, desktops or in print. Whatever the format, the goal is the same: to create the world's best data-led journalism.

Whatever the format, the goal is the same: to create the world's best data-led journalism.



The centre cannot hold

Selected news websites, ideology of language on all topics



Sources: All The News; Library of Congress; Internet Archive; NELA-GT; *The Economist*

Read more

The Economist makes sense of fast-moving global stories, no matter how volatile the times—and its insights and analysis have never been more needed. This year our digital-first approach has delivered clear-eyed journalism to more subscribers, through more channels, than ever before.

More insights, more channels—and more subscribers.

"Nearly two-thirds of subscribers now take digital subscriptions, up from 35% in 2020. Even more strikingly, in the past year, 86% of new subscriptions were digital. And best of all, subscriptions overall are up 3%—to a record level."

Freddie Cornes
Interim president and managing director, *The Economist*

What we offer

The Economist, via app, web and print

Espresso, our global briefing app

Podcasts: two daily and five weekly shows, plus special limited series

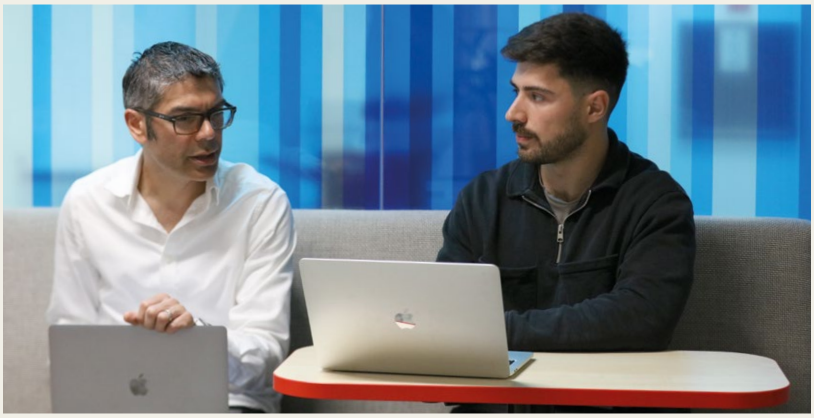
Economist Podcasts+: our new subscription service

Newsletters: three daily, 17 weekly

Economist Films

Regular webinars with our journalists, and in-person subscriber events

Corporate and enterprise subscriptions services



The Economist at a glance

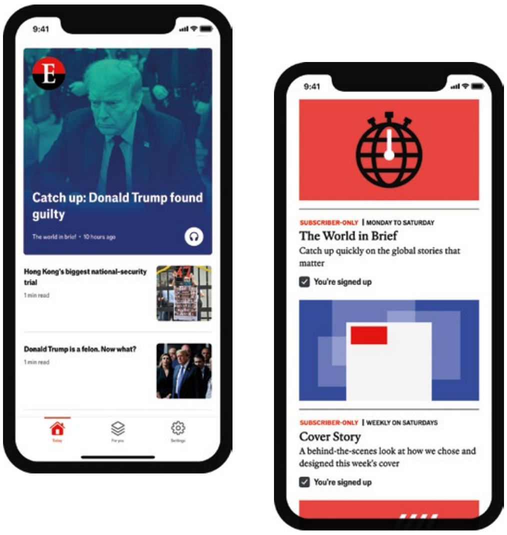
1.22m
subscribers

+7%
revenue at constant currency

86%
of new subscribers digital-only

66.4m
social-media followers

13%
growth in digital subscribers



We've changed.

We're still a proud newspaper, with proud traditions—but we do things differently now. High-quality digital journalism is what is driving our growth, and our growth is driving more excellent digital journalism—which is engaging our audiences more deeply and more often than ever before.

Our audiences are changing too. Our new subscribers are younger and more diverse than they used to be—and there are a lot more of them.

Values-based, digital journalism that's attracting record subscriber numbers

We've been transforming into a digital-first business for several years, driven by a strategy of investment in technology, products and people that saw digital innovation placed front and centre of our business plans. This year we've passed the tipping point: 65% of subscribers now take digital subscriptions, up from 35% in 2020. Even more striking, in the past year, 86% of new subscriptions were digital. And best of all, subscriptions overall are up 3%—to a record level of 1.22 million at year-end.

Subscribers will have experienced our transformation through our journalism, which from a modest digital seed has quickened into a whole ecosystem surrounding the newspaper: the website and *The Economist* app, newsletters, podcasts, webinars, films and Espresso, our global news briefing app.

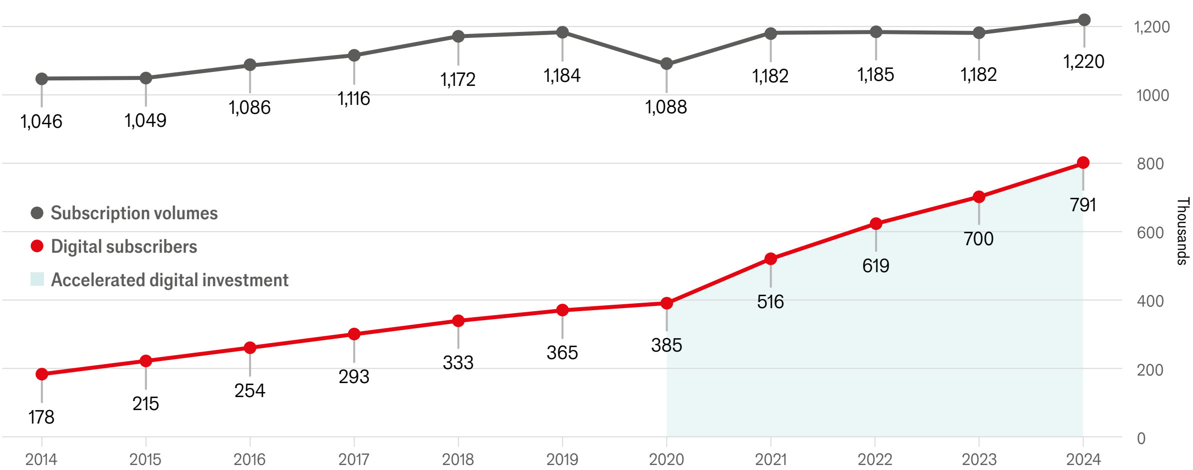
But the pace has been equally bracing behind the scenes. Product development, customer management, website and app improvements—in short, applying digital innovation to the user experience, so that more people want to subscribe, and more people want to stay.

Innovative products, agile marketing—and a younger audience

The rise in subscriptions has helped drive revenue growth, up 7% year on year at constant currency. It isn't a straightforward read-across—digital subscriptions are typically priced lower than our print-digital (bundle) subscriptions, so revenues per subscriber are lower, too. Then again, digital costs are usually lower than print costs—especially at the moment, when print-cost inflation is high. In revenue terms, the growth in digital subscriptions has more than offset the decline in print.

Our digital transformation

We're now a digital-first business, with digital-only subscriptions driving our growth—and excellent journalism attracting record subscriber numbers.



What has driven the increase in overall subscriptions? The short answer is outstanding journalism—but we have also taken an even more powerful lens to our approach to attracting subscribers, setting out a refreshed value proposition and getting more from the excellent products in our portfolio, and from new ones.

The launch of our paid-for Economist Podcasts+ subscription service in October 2023 (see case study on page 25) has given us a superb boost. So has our updated Espresso global briefing app, which saw subscriptions grow by half over the year. We've also delivered another year of growth in corporate and enterprise subscriptions—where organisations take out group subscriptions for their employees or students—which we continue to see as a significant growth opportunity. At the same time, we've been more tactical and sophisticated in our use of discounts and improved our digital-only monthly free-trial offer to help win new subscribers. Subscriber growth has come with a more diverse demographic spread, too—when we sampled our subscriber base this year, we found our digital-only product subscribers averaged between 10 and 20 years younger than digital-print bundle subscribers, and were significantly more likely to be women.

A subscription that people value—and use

Engaging our readers and listeners has played a vital role: we want subscribers to value their subscriptions, and the more they find to delight and inform them, the more they are likely to stay. Engagement is helped above all by the newsroom, which posts content to the web, app and social feeds ahead of print deadlines, digital-only articles, and daily and through-the-day updates. We now also have three daily and 17 weekly newsletters available to subscribers, and we've built on our subscriber-only webinar programme, where journalists from *The Economist* discuss news and analysis, and added in-person subscriber events. *The Economist* app

86%

of new subscribers digital-only

is one of our most important engagement tools, and we continue to improve it—customer satisfaction with the iOS app is now at 4.9 out of 5, according to the Apple store. Over the past three years, the share of our audience we consider "engaged" has grown by 18%.

While new acquisitions rose significantly last year, we'll keep working on engagement—not least because it plays an important role in retaining our subscribers as a result of our monthly offers.

More journalism, more renewals, lower emissions

The print-digital bundle is still an important product, and we know many of our most loyal customers still value the print edition highly. We do, too, and we continue to focus on making the printed newspaper excellent, with a strong presence on newsstands—this year, average weekly newsstand sales were 43,000. The trend away from print, however, does mean we can publish more outstanding journalism for a lower environmental impact, as you can see in our sustainability report and on page 41.

There are other areas where the cost/benefit trade-off favours a digital-first business, too. Digital customers are, broadly speaking, less costly to acquire and more likely to renew—and they are less reliant on the postal service.

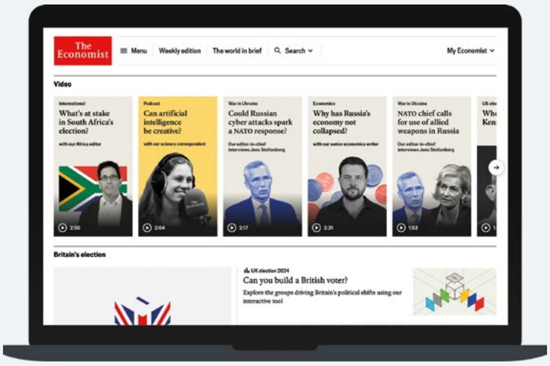
So next year we'll keep improving and innovating our digital offer, so we can reach more people, with more content, through more channels. We'll focus on driving growth in corporate and enterprise subscriptions, and continue exploring what AI can do to improve customer service and introduce new offerings. And we'll do everything we can to keep subscribers engaged—so they can continue enjoying the independent, values-driven journalism that has championed progress for the past 180 years.

4.9

(out of 5)
customer rating for *The Economist* app in the Apple store

CASE STUDY

On a screen near you— *The Economist*'s video platform

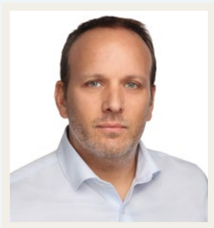


Our audiences value their subscriptions highly—and to make sure that stays the case, we constantly look to innovate and expand the ways in which subscribers can engage with and enjoy our content.

February 2024 saw the full launch of a new channel for that engagement—our new, in-house video platform giving viewers access to our popular subscriber events series, where *The Economist* journalists have in-depth discussions and provide analysis of key issues in, and behind, the news.

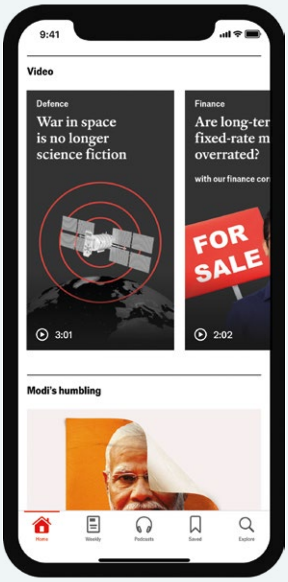
It meant we could improve subscribers' experience by hosting live events directly on our platform, streamlining the registration process and giving us the opportunity to better use the events to retain and engage subscribers. And it drew on skills and expertise from across our business—tapping into the experience of Economist Impact Events as well as the innovation and ingenuity of the engineers behind our video technologies, app and website.

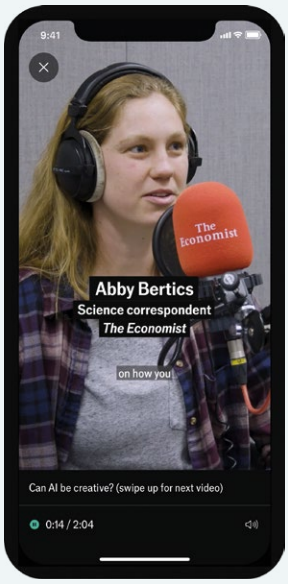
Events were a first step in fully integrating video content—from April 2024, our core The *Economist* app and website hosted a "vertical video carousel" containing short, explanatory videos that are reaching and engaging new audiences, in new ways.



"With our new video platform, we've transformed how subscriber events are experienced, moving from dependency on third-party tools to a fully integrated, *The Economist*-centric experience. This not only simplifies access to our events for our subscribers, but opens a wide range of possibilities to develop interactivity and engagement in our events user experience."

Maxime Faure
VP of web





CASE STUDY

A new playbook: Economist Podcasts+

For 180 years *The Economist* has been producing the newspaper for discerning readers across the globe. For 25 years *The Economist* has been packaging its journalism for paying digital audiences. With the debut of Economist Podcasts+ in October 2023, *The Economist* extended the same paid-for content model to podcast fans and redefined the way subscribers engage with its audio journalism.

Economist Podcasts+ builds on an exploration of audio that we began in 2006. From the daily sweep of The Intelligence to our engaging weekly shows Money Talks, Checks and Balance, Babbage and Drum Tower, listeners have built a habit of turning to *The Economist* for in-depth conversations on themes shaping the world—an engagement that has deepened through limited series such as "The Prince", on President Xi Jinping, and "Next Year in Moscow", on Vladimir Putin's Russia. By 2023, with a stable of award-winning shows and 5m monthly unique listens, we were in a position to take the bold step to launch a standalone subscription.

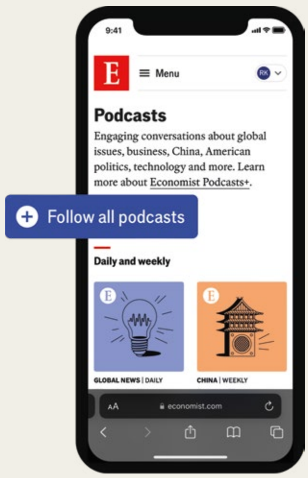
Making excellent journalism more accessible—and at a fair price

With Economist Podcasts+, we aim both to deepen our offer for existing subscribers and avoid repeating one of the media industry's biggest mistakes. For years most brands, with the exception of *The Economist* and the *Wall Street Journal*, gave away their digital journalism while charging for print. The reckoning came over the past decade or so, as publishers everywhere scrambled to put the digital genie back in the bottle. We believe our podcasts should follow the model we use with print and digital text: we produce excellent journalism, make it available globally and charge a fair price.

So teams across the Group—editorial and marketing, product and data, programme management and communications—set to work to offer a standalone subscription for our audience, so they can support our journalism in the form they want to consume it. To coincide with the launch of Economist Podcasts+, we launched two more limited series: Boss Class, on management; and The Weekend Intelligence, a Saturday show that explores one story in detail, from the mystery of a famous plane crash to the future of Ukraine. The coming year will see the creation of several more.

"Our podcasts enable us to take the qualities that make *The Economist* special and bring them to a wider audience. When we first considered paywalling content for Economist Podcasts+, we were concerned about diminishing the impact of our audio journalism. But listeners were receptive from the start. They know that good journalism costs money to produce and that subscriptions are the most sustainable way of funding it. I'm very proud that the vast majority of Economist Podcasts+ subscribers are new to *The Economist* and have never paid for an audio subscription before."

John Shields
Director of podcasts



ECONOMIST EDUCATION

Economist Education is building a strong presence in executive education by creating exceptional learning experiences for individuals and enterprise clients, drawing on The Economist Group's rich editorial capabilities, brand and market reach.

Reaching a global audience with skills that equip professionals for success.

Our portfolio of courses teaches the skills that executives and companies need to thrive in the algorithmic age. We group our courses around the themes of communication, thinking and insights—aiming to help professionals develop a rounded skillset that equips them, and their organisations, to succeed.

In our third year of operation, Economist Education ran six courses through 27 course presentations. Corporate sales continued to grow, with our online course sales being supplemented with accelerated two-day workshops for whole teams. And the audience for our courses is increasingly international—we were joined by more than 2,000 students from more than 100 countries, with the majority of participants living outside America and Britain. With a course completion rate of 91%, our students reported a satisfaction rate of 88%.

Building on our offer with critical thinking

Business writing and storytelling remains our best-selling course, attracting students from a broad base that includes financial and professional services, the tech sector, governments and NGOs. This year we delivered in-person courses for selected corporate clients, in addition to the six-week online experience.

Our *Data storytelling and visualisation* course is another big success, while our topical courses on international relations, climate change and fintech continue to attract learners and bring informed analysis and practical insights to executives around the world.

This year we added *Critical thinking and decision-making*, a new course providing the tools and skills to avoid cognitive bias, reason with rigour and harness artificial intelligence effectively in the workplace—a course that featured insights from the late prizewinning behavioural scientist, Daniel Kahneman.

Our forthcoming course, *AI in business* will focus on the practical skills needed to use AI, and on applying AI in organisations.

Economist Education at a glance

27
course presentations

2,000
students

100+
countries

Our six courses

- Business writing and storytelling
- Data storytelling and visualisation
- Critical thinking and decision-making
- International relations and the future of geopolitics
- Climate change and sustainability in business
- Fintech and the future of finance

"Insightful, inspiring, challenging—and thoroughly enjoyable, too"

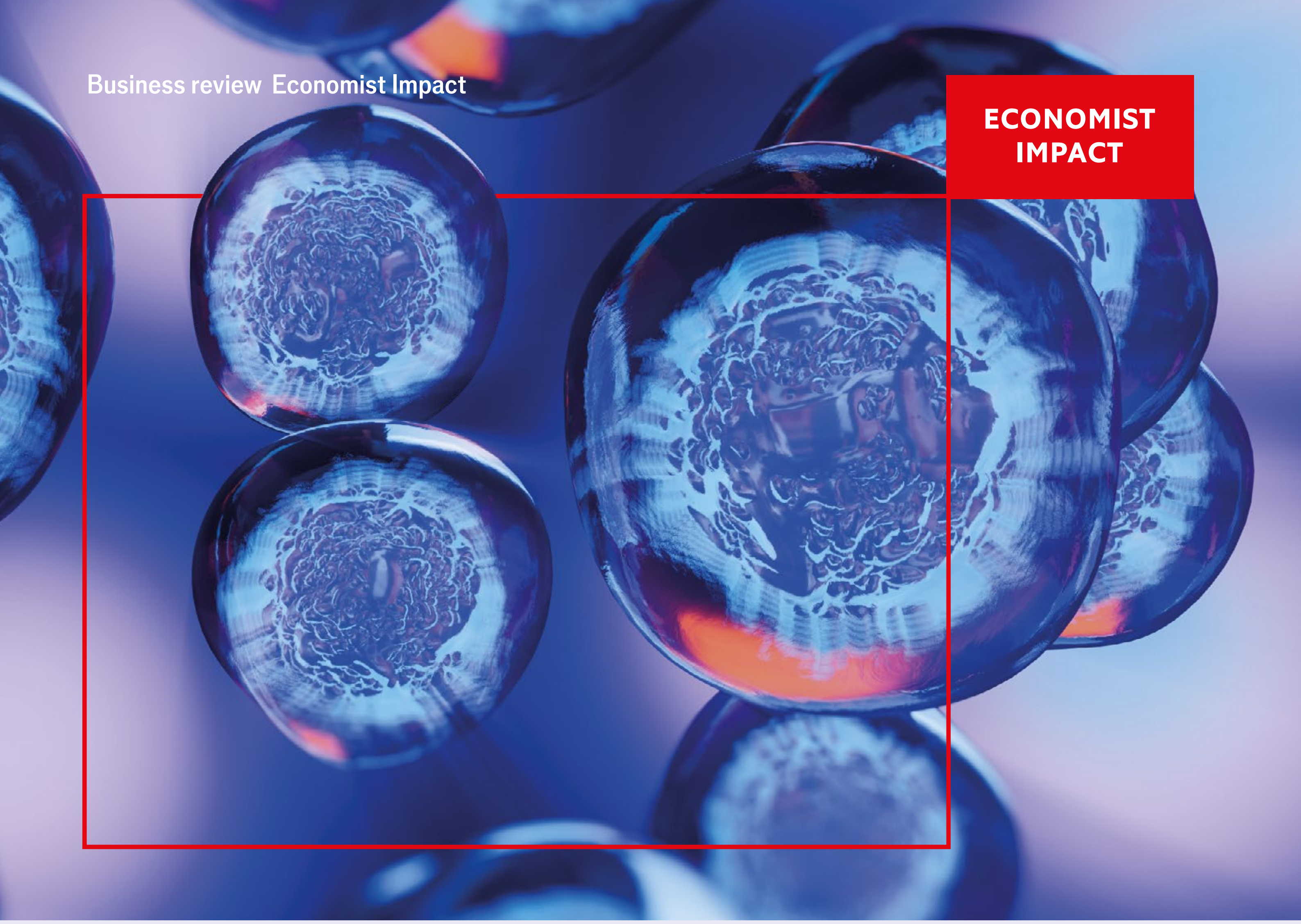
Paul Watts, a distinguished analyst at the Information Security Forum, advises company boards and other business stakeholders on cyber-security. Here he describes how Economist Education's business-writing course improved his communication skills.

"Years of dealing with non-technical stakeholders have shown me the importance of communicating in a way that is relatable and jargon-free, as well as engaging, informative and inspiring.

"I went looking for a course that would help me hone my writing and storytelling skills and reflect on my own areas of weakness. Economist Education's course gave me a perfect way to learn, share and develop my skills. I found the course insightful, inspiring, challenging—and thoroughly enjoyable, too. In fact, the Information Security Forum has been so impressed that we are in the process of making the course a part of the training we offer to our researchers."

Read more

Our *Business writing and storytelling* course takes a "tools, not rules" approach to help students master writing for business.



ECONOMIST IMPACT

Economist Impact brings together two business formats: Partnerships and Events. We offer a unique model for clients who want to lead on the issues that matter most, drawing on an unmatched portfolio of capabilities including policy research and insights, multimedia content, global events and advertising.

Catalysing progress for clients.

"Our partnerships help clients take leadership on the issues that matter most—creating unique value for them and helping to drive change."

Claudia Malley
President/managing director, Economist Impact—Partnerships

What we offer

Impact initiatives

Policy research and insights

Multimedia content

Scheduled and custom events

Advertising

Community engagement

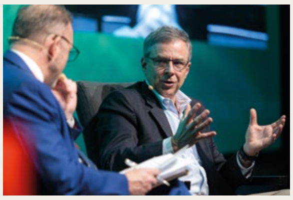
Economist Impact at a glance

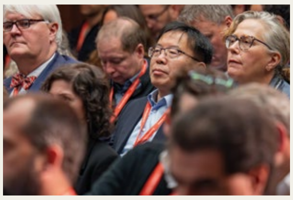
£99.1m
revenue, 16% decrease v 2023

36%
share of sales from integrated business*

500+
clients

*Integrated business is where clients purchase our policy research and insights together with events, content and/or media.





Insight + innovation + influence = Impact

Economist Impact works with organisations around the world to further their missions and catalyse progress through an integrated partnership approach that draws from a combination of independent policy research, multimedia content, high-profile events and advertising to engage the Group's influential audience.

Because we're client-facing, we are the part of the Group that's most exposed when organisations tighten budgets and alter plans in response to challenging business cycles. Revenues were challenged due to the tough trading conditions of 2024—but we adapted rapidly by reinforcing advertising products and capabilities and by creating new Impact Initiatives products to provide solutions for clients. Early feedback is showing that this more agile approach is resonating with customers, and we believe it will enable us to return to growth.

36%
share of sales from integrated business

Awards

The Drum Awards

WINNER in The Drum's B2B awards for Trade in Transition (supported by DP World)

Read more

BRONZE WINNER within the Sustainability, Environment & Climate—Research Projects or Publications category at The Anthem Awards for Back to Blue

Read more

BRONZE AND PEOPLE'S VOICE WINNER in the 2023 Lovie awards in the Best Use of Data Visualisation category

Read more

Rooted in insight, delivering impact

Together with companies, non-profits, foundations and government organisations, we design programmes that allow our partners to lead on the issues that matter most, to both their organisations and to the world at large, in the critical areas around sustainability, health and new globalisation.

The differentiated impact and value we deliver can be best seen through our client-supported partnerships, including our work with Haleon on the Health Inclusivity Index (see page 31), The Procurement Imperative with SAP, and The Sustainability Project, a forum to advance sustainability solutions, with digital-innovation partner Infosys. In our third year working with Infosys we developed and introduced a new interactive digital tool, the Value Chain Navigator, designed to change the way businesses understand, manage and reduce their scope 3 emissions.

Further examples of the important work created for clients this year include Beyond the Surface, supported by Blancpain, which leverages visual storytelling to reveal research insights and frame the critical role of Marine Protected Areas in the context of the global goal to protect at least 30% of oceans by 2030—a goal that cannot be achieved without urgent action.

The Science of Obesity, supported by Novo Nordisk, is a multimedia thought-leadership content series that simplifies complex scientific information to challenge misconceptions around the causes of obesity—another example of how we bring depth and insight to a critical issue and amplify it through our communication expertise.

During the year, Economist Impact was recognised within the industry through a range of awards, including as winner of the Partnership/Collaboration category in The Drum's B2B awards for Trade in Transition (supported by DP World), and Bronze winner within the Sustainability, Environment & Climate—Research Projects or Publications category at The Anthem Awards for Back to Blue (an initiative of Economist Impact and The Nippon Foundation).

CASE STUDIES

Measuring good health: the Health Inclusivity Index, supported by Haleon

Many countries want to achieve greater health inclusivity—but need better data to guide their policymaking.

The Health Inclusivity Index, supported by Haleon, provides in-depth analysis of the extent of health inclusivity in 40 countries across three indicators—health in society, inclusive health systems, and people and community and environment. The programme began by examining country-level policies and strategies, and evolved in its second phase to explore the impact on people through real-world implementation and access to healthcare services.

The programme highlights the benefits that Economist Impact can offer clients addressing essential social issues—combining rigorous research with an extensive series of articles, videos and infographics in a cutting-edge digital hub that underscores Haleon's thought leadership in this field. It continued to win recognition this year, too, becoming the Bronze and People's Voice winner in the 2023 Lovie awards in the Best Use of Data Visualisation category.

Rocket fuel and reality—the Space Economy Summit

Economist Impact Events convenes expert speakers and attendees to catalyse thinking on issues that matter. The Space Economy Summit brought together attendees from six continents and 20 industries to engage with 79 expert in-person speakers and 67 virtual speakers in a two-day hybrid event that explored the opportunities presented by the final frontier.

"The space economy, now a vital backbone of global industries, demands strategies grounded in reality, as well as rocket fuel for sustained growth. This is not about billionaires joyriding in space. Today, as we try to counter climate change and leverage space data to unlock new commercial opportunities, space is everyone's business.

"On this theme of 'maximising returns to Earth' from space, in October 2023 Economist Impact launched a ground-breaking new event into the stratosphere, attracting 429 in-person attendees and achieving a Net Promoter Score of +89. Held in Los Angeles and online, with astronauts and asteroid rovers aplenty, the Space Economy Summit served as a pivotal nexus for space-sector leaders to converge with industry. Humankind is at a once-in-a-species moment where it is not going back to the Moon to step on it but to stay on it, to build on it and to launch further into the universe from it. By 2035, the space economy is set to reach \$1.8trn, up from \$630bn in 2023 (WEF). In 2024, the journey continues as the summit moves to Lisbon. Ad astra!"

Helen Ponsford
Senior programme editor, head of trade, technology and industry events programming, Economist Impact Events

Economist Impact Events

Creating the space for insights to become actionable.

"Attendees come away with true and valuable insights, because they've experienced outstanding, well-curated content, heard the best speakers, and tapped into channels and platforms that help them catalyse what they've learnt."

Ian Hemming
Managing director, Economist Impact—Events

What we offer

We create actionable insights for clients in three main ways:

Scheduled events—designed and researched by us, with *The Economist* editorial approval, and drawing on our expertise to convene delegates and sponsors

Custom events—created by us with original, engaging content to attract specific target audiences to meet individual client needs

EuroFinance events—sector-leading events designed by us with high-quality content tailored to the demands of the company-treasurer and finance-specialist community

Economist Impact Events at a glance

136
events

35,000+
attendees

571
sponsors

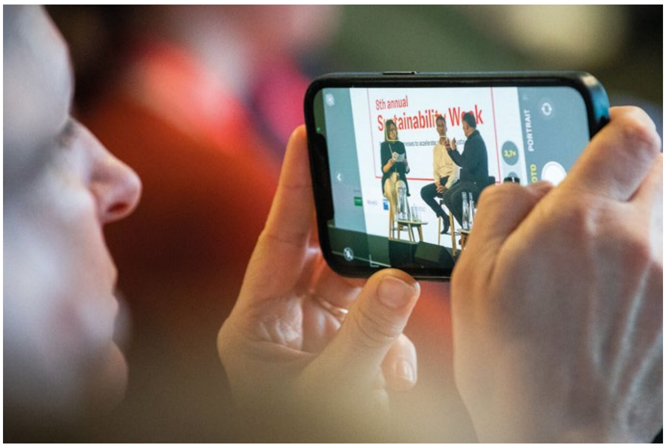
2,200
delegates from 60 countries at The EuroFinance International Treasury Management event in Barcelona

+65
net promoter score

A third consecutive year of margin growth in Economist Impact Events shows that demand for authoritative, world-class insights remains strong, even when client budgets come under pressure in the business cycle.

The key to successful events is quality. Attendees need to know that they'll come away with true and valuable insights, because they've experienced outstanding, well-curated content, heard the best speakers, and tapped into channels and platforms that help them catalyse what they've learnt and put it to use.

We've maintained our focus on world-class quality, seeing another year of improvement in our average net promoter score (NPS)—a standard industry measure that ranks events from -100 to +100. We scored +65—far in excess of the industry average of +11. And our commitment to excellence is reflected in our results—while clients slowed their spending on smaller custom events, we grew margin this year by making sure our marquee events continued to attract and retain attendees, and by staying alert to our cost base.



35,000+
attendees

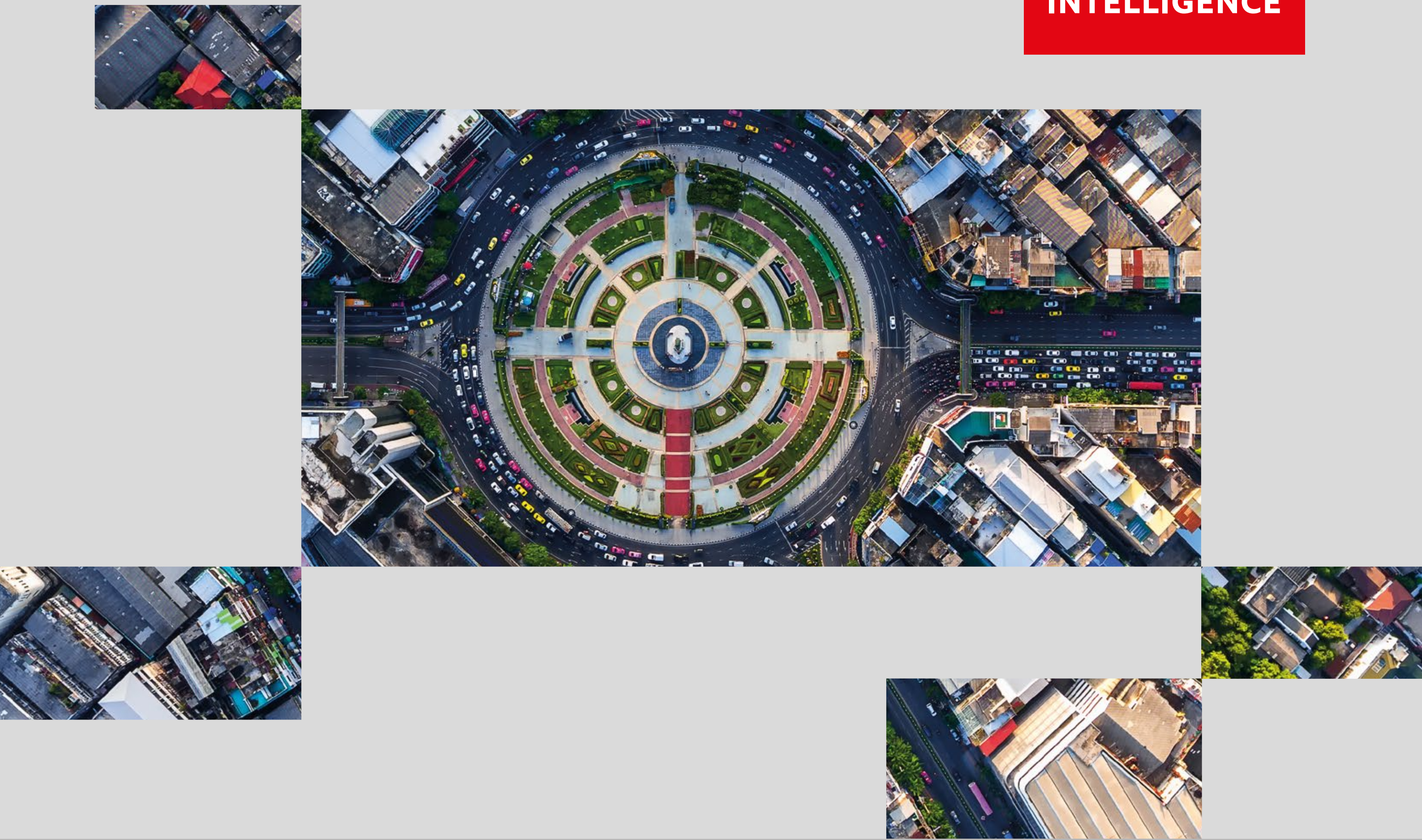
In-person events back in vogue

We continue to offer insight in three main ways: through scheduled events, custom events and our specialist EuroFinance events, all with a broad focus on subject areas that are highly relevant to our clients—sustainability; trade, technology and industry; health; financial services; and global treasury.

Virtual events proved their worth during the pandemic, and we continue to run hybrid formats, but it is clear that large, in-person events are back in vogue. The EuroFinance International Treasury Management event is our largest, and was held in Barcelona in September 2023. It attracted a record 2,200 delegates from some 60 countries, representing more than 800 companies—who could hear from over 180 expert speakers. Our ninth annual Sustainability Week, held in London in March 2024 and incorporating the Energy Transition Summit, drew 1,499 attendees looking for better understanding of the trends and challenges in climate and environmental action. And we launched several new events, including the online and in-person Space Economy Summit (see page 31).

All our events draw on the resources and strengths of the Group as a whole, and are increasingly integrated with the wider offer provided by Economist Impact and Economist Intelligence—giving clients and sponsors access to the "red thread" of excellence that runs through The Economist Group.

ECONOMIST INTELLIGENCE



Economist Intelligence is made up of three separate products—EIU, Corporate Network and Clearstate—which help clients understand their operating environment, navigate risks and opportunities, and move their organisations forward.

Helping clients navigate volatility through insights and analysis.

"The continued enhancements to our digital products and services are designed to help clients successfully steer through volatile times. This has contributed to retention rates above 91% and growth in EIU's subscription base of 4%, demonstrating how central Economist Intelligence is to our clients' macro analysis."

Leon Saunders Calvert
President/managing director, Economist Intelligence

Economist Intelligence at a glance

£50m
revenue

91%
retention rate in EIU subscriptions

4%
increase in EIU subscriber base

200
geographies covered by in-depth analyses

2,000+
executive members of Economist Intelligence Corporate Network

What we offer

Global economic forecasts

Holistic country analysis, incorporating economics, politics, policy, industry and the business environment

Medium-term forecasts for 200 geographies

Industry forecasts and trend analysis

Comprehensive macroeconomic datasets

A rich database of proprietary risk ratings and rankings, quantifying hard-to-measure subjective issues

Speaker bureau services

Market intelligence for medtech

C-suite networking

We help clients analyse the forces shaping their world, so they can think, decide and act.

We provide rich data, deep analysis and global insight, and combine *The Economist*'s strict stance on editorial independence with a reputation for analytical excellence—giving clients information services they can trust.

We've continued to invest in digital tools and processes to bring our analysis to life for clients, and seen encouraging growth in subscriptions this year. This was partially offset by a decline in consulting revenue at Clearstate, our medtech business, as it continued to refocus on its data products. The result is a resilient overall performance for the year, and a pipeline of new digital products ready to support our customer-base growth in the future.

EIU: award-winning expertise in a complex world

EIU is a critical asset to clients in volatile times, providing deep insights into complex geopolitical and economic dynamics that help clients identify opportunities, trends and risks on global and national levels.

EIU recorded its fourth consecutive year of subscriber growth this year, adding 4% to a subscriber base that includes blue-chip clients such as governments, financial-services firms, multinational corporations and academic institutions, and giving subscribers access to specialist analytical content on over 200 geographies in developed and emerging markets. Growth in subscriptions was global, and strongest in China and Europe. The retention rate was 91%.

We've continued to build our offer of digital products and services, and the systems that enable clients to access and integrate our insights. These include a new content management system which will be ready for launch in 2025, a new add-in tool launched in September 2023, and our new data-visualisation tool (see page 37), which will make it easier for clients to take our data and analysis and create charting assets to inform their thinking.

Our core platform, EIU Viewpoint, now has more than 15,000 users and contains a range of tools that enable clients to monitor developments in security, politics and business stability in 26 industry sectors across 180 markets.

EIU also offers a speaker bureau service, which delivers bespoke briefings and presentations at conferences and in boardrooms, as well as EIU in-person events, which were held this year in Dubai, Hong Kong, London and New York.

EIU was named the world's most accurate economic forecaster, securing 49 first-place rankings in the FocusEconomics Analyst Forecast Awards for six key macroeconomic indicators across 100 countries and 21 commodities.

Corporate Network: bringing leaders together, equipped with analysis

The Economist Intelligence Corporate Network brings together individuals who hold influential positions in their region's largest and most successful corporations, encouraging discussions of regional trends and issues that are supported by our analysis and forecasting services. This year saw record attendances at roundtable meetings and events, with the Regional Strategic Forecast series of discussions taking place in nine cities across Asia.

Clearstate: data intelligence for the medtech sector

Clearstate helps medtech and healthcare organisations around the world build successful and sustainable businesses through data intelligence, market research and business consulting. We curate insights, trends and forecasts covering key sectors including in-vitro diagnostics (IVD), surgical devices and medical consumables on topics ranging from point-of-care testing to molecular diagnostics and robotic surgery. We have a specific focus on granular data for key market segments, including IVD.

We continue to invest in enhancing the quality and accessibility of Clearstate's proprietary data, helping clients visualise and apply our insights and navigate their markets.

91%

subscription retention rate

4%

increase in EIU subscriber base

CASE STUDY

Bringing data to life: powerful charting tools from EIU

EIU delivers actionable insights—and is always seeking new ways to communicate data in ways that help clients understand, decide and act. Fiona Mackie, regional director, Latin America, Economist Intelligence, describes the work we're doing to enhance how we, and our clients, model and visualise the products of our world-class analysis.

"This past year we have made significant investment in transforming our technology and the tools we use to power our content. We have embarked on a major upgrade to our data architecture, laying foundations that will allow us to ingest higher volumes of high-frequency data and will ensure that our forecasting and modelling capabilities remain relevant, flexible and continue to deliver the accuracy our clients expect.

"We are deep into a year-long project to replace our content production tools. We are focused on empowering our analysts to showcase their expertise and thought leadership, unconstrained by processing tasks or the legacy structures of old systems. And front-running this transformation has been the launch of a powerful new charting tool that is dramatically enhancing the data-visualisation capabilities of the team, enabling more data-led storytelling that brings our wealth of data to life."

Fiona Mackie
Regional director, Latin America

Russia struggles to export more gas to China

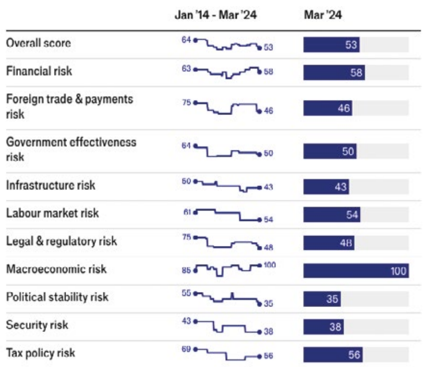
Selected major gas pipelines and gasfields in Eurasia

Source: Global Energy Monitor, Global Gas Infrastructure Tracker, December 2023; EIU.

Note. The location of pipelines is approximate. Dotted lines refer to proposed pipelines or those under construction.

Operational risk in Tanzania

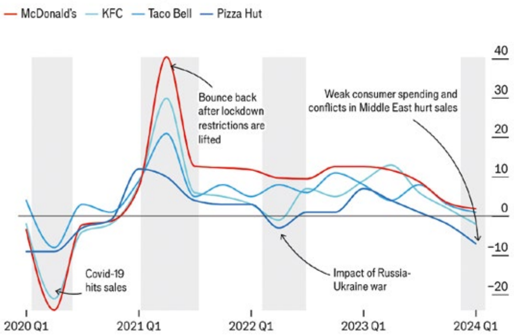
Score 0-100 (Very high = 100)



Source: EIU.

Fast food chains hit by weakening sales growth

Global sales growth; %, change, year-on-year



Source: Company financials; EIU.

Our purpose is to champion progress in everything we do. Through independent, evidence-based journalism and information services, we help audiences address the systemic environmental and social challenges facing the world. At the same time, we must also lead when it comes to addressing our own impacts, by pursuing progress for our colleagues and communities, and the environment.

Sustainability at The Economist Group

Ensuring progress has sustainable foundations.

"Producing insightful, independent editorial and information services will always be the main way we champion progress. But we must also act responsibly in the stewardship of our own environmental and social impacts, including our approach to human rights, nature and the climate."

Oscar Grut
Chief legal officer, Group company secretary, head of ESG

Sustainable and inclusive growth: the foundation of our strategy

The Economist Group believes in actions based on insights—and we apply that approach to ensuring that our growth as a business is sustainable and inclusive.

In 2023, we conducted our first assessment to understand which environmental, social and governance (ESG) issues are most material to the Group. This analysis underlined that the biggest positive impact we can have on social and environmental issues is created by empowering individuals, governments and businesses to understand and address the challenges facing the world.

Producing insightful, independent editorial and information services will always be the main way we champion progress. But we must also act responsibly in the stewardship of our own environmental and social impacts, including our approach to human rights, nature and the climate.

In response to our analysis, we have streamlined our ESG strategy to focus on three key priorities—content, colleagues and communities, and climate and environment. Ambitious targets and metrics within each area are designed to ensure our strategy is impactful and measurable.

We publish a separate sustainability report to provide our stakeholders with a transparent view of our progress and challenges. It complements this annual report—which contains key information about our governance—and provides detailed insights into the steps we are taking to embed sustainability into the foundation of our growth strategy and operations.

Read more about our sustainability reporting

Our sustainability reporting

Our online sustainability report provides greater depth and breadth of insight into:

- *The Economist*'s journalism and the work of the wider Group, including Economist Impact and Economist Intelligence, to deliver insight and catalyse action on ESG issues
- Our continued pursuit of progress in our workplaces, and through our colleagues' careers and well-being, and our affinity groups
- Our support of local and global communities through The Economist Educational Foundation and The Economist Charitable Trust, both independent charities
- Our progress on managing our impacts on climate and nature

30%

reduction in annual greenhouse-gas emissions since base year 2020, while growing our business

42%

of our global top pay quartile are women*

*Annual base salaries, adjusted for purchasing-power parity

Our purpose: Dedicated to the pursuit of progress for individuals, organisations and the world

Our three key ESG priorities

Content	Colleagues and communities	Climate and environment
We enable progress through the insight and analysis delivered by our editorial and information services—providing a guide to a changing world and empowering informed choices about critical social and environmental issues.	We champion and foster diversity, equity and inclusion, and fairly provide colleagues with resources and opportunities to thrive, while reaching beyond our business to enable access to information and critical-thinking skills, especially for disadvantaged young people.	We take ambitious climate action and weave environmental sustainability into the fabric of our growth and operations.

Underpinned by robust governance and a strong culture

Our most material issues

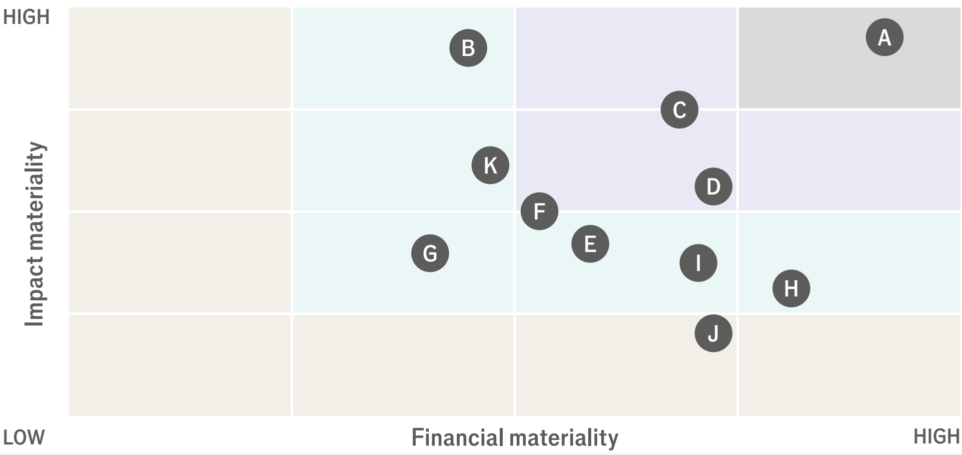
We reviewed our materiality assessment—conducted in 2023 with the support of SLR, a sustainability consultancy—for significant changes to the environmental, social, and governance (ESG) issues material to The Economist Group. This year, we included AI in our matrix of material ESG issues, reflecting its growing importance since the previous reporting period. This addition is based on workshops and reviews with internal stakeholders.

Our most material issues remain unchanged and relate to our output. The biggest impact we can have on social and environmental issues is empowering people, governments and businesses to understand and address the critical challenges and changes facing the world.

To speak with authority, we must preserve our independence. We must also be leaders when it comes to our own footprint and impacts. This includes managing our climate and nature impacts, supporting diversity and respecting human rights.

We apply the concept of double materiality, following the definitions of the European Sustainability Reporting Standards 1 (ESRS) general requirements, and report on financial materiality, which includes issues that may drive risks and opportunities with a potential material impact on our financial situation; and impact materiality, which identifies issues that may have the most significant actual or potential impact on our stakeholders or the environment.

The Economist Group's material ESG issues



- A Independent, high-quality journalism
- B Enable decision-making on ESG issues
- C Diversity of thought, gender, ethnicity
- D Corporate governance
- E Corporate partnerships
- F Impact on climate and nature
- G Sustainable value chains
- H Talent attraction and development
- I Data privacy
- J Cyber-security
- K AI

Issues we are watching: Trust in institutions / Freedom of expression / Media literacy

CASE STUDY

Understanding our impacts: more digital, lower emissions

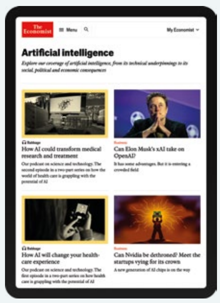
The Economist Group is now a digital-first business—and digital products will be the main drivers of our growth in the future. We've always believed that moving from print to digital would be likely to improve our carbon footprint—but we also know that data use has its own consequences for emissions, throughout the value chain. Understanding the full life-cycle impacts of our digital products helps us take measures to address them—so in 2023 we set out to analyse them.

Our analysis, conducted in partnership with DIMPACT and described in detail in our sustainability report, assessed the carbon footprint of serving *The Economist*'s content digitally to our readers through its website and apps, and compared it with *The Economist*'s print product life-cycle assessment.

The findings, modelled based on industry data, identified two major emissions hotspots for our digital products: emissions from end-user devices, which relate to the manufacture of digital devices; and emissions from product use, which relate to serving our products globally. Despite these hotspots, however, the finding of the assessment was emphatic—the impact of our digital product is around 12 times lower than the average global emissions impact of the print version. The assessment also gives us a baseline to monitor the future impact of AI on our footprint.

268g

global average CO_2e emissions per print issue



22g

estimated average CO_2e emissions per digital issue

(Estimated average subscriber's weekly digital use)

Our colleagues

"We're evolving our workplaces to drive a transformed business. We want to ensure our colleagues are supported by a diverse, inclusive environment where high performance is enabled and rewarded."

Kristin Anderson
Chief people officer

1,643 colleagues in **25** countries pursue progress in The Economist Group, including **308** colleagues in our editorial team.

52%
of colleagues are women

48%
of colleagues are black, Asian, multi or diverse ethnicity

42%
of our global top pay quartile are women*

*Annual base salaries, adjusted for purchasing-power parity

Equipping colleagues—and the business—for an inclusive, high-performance future

Our colleagues are a vital part of the "red thread" of excellence that runs through The Economist Group. Their expertise and dedication to the pursuit of progress have been central to the transformation of the business in the past few years—and they are crucial to our future growth.

As a Group, we need to make sure that colleagues are supported by a diverse, inclusive environment where high performance is enabled and rewarded. And just as we have invested in the technology and processes that have transformed the Group into a successful digital business, we continue to invest in colleagues and in the resources and tools that empower them.

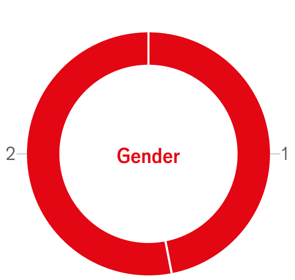
Enabling excellence, and supporting engagement and learning

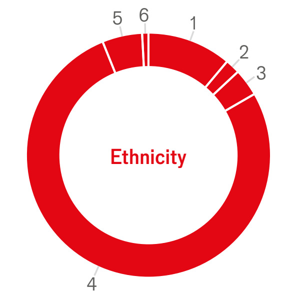
This year, we've placed a particular focus on people managers—ensuring that the leaders in the business have the capabilities and resources to support colleagues and enable high performance. Our people manager forum, launched in January 2024, has helped create a community of managers, whom we have supported with information on topics such as onboarding, compensation, performance management and goal-setting. Our people managers are also better equipped to further improve employee engagement, which has already seen significant progress—from 2019 to 2023, our Employee Net Promoter Score (eNPS) rose from 6 to 33, placing us in the top quartile for our industry.

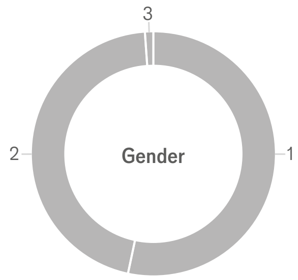
At the same time, we've continued to strengthen the career-development resources available to colleagues, including our career-development platform, Degreed. Degreed continues to give colleagues learning opportunities tailored to their personal goals and interests through access to a huge range of content and training programmes. In total, 877 colleagues were active users in 2023. All new hires are given access to Degreed as part of their onboarding, and in total, 9,438 modules were accessed during the year.

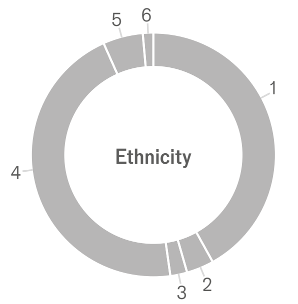
Diversity and inclusion remain high priorities for our colleagues, and for the business. We continue to set clear goals to increase equity in opportunities. Quarterly reports containing gender and ethnicity metrics are provided to our business leaders, empowering them to adapt and refine our inclusion strategy. We have made progress this year on our UK gender pay gap, with the lowest disparities recorded since mandatory reporting began in 2017. We have continued to introduce a range of initiatives to improve how we recruit and retain a diverse workforce, especially in tech, a historically male-dominated sector.

We still have more to do, particularly at a global level. In fact, ensuring our systems and processes are consistent and scalable globally has been another focus this year across all aspects of our human-resources work, and we will continue to roll out global improvements in the coming months.









The Economist (editorial)

Gender and ethnicity of editorial colleagues
January 2024, % of total*

Gender	**%**
1 Female	47.0
2 Male	53.0
3 Non-binary	nil
Ethnicity	
1 Asian	11.1
2 Black	2.2
3 Multiple ethnicity	3.5
4 White, British	77.1
5 Other/not disclosed	5.4
6 Unknown/prefer not to say	0.7

The Economist Group

Gender and ethnicity of non-editorial colleagues
January 2024, % of total*

Gender	**%**
1 Female	54.0
2 Male	45.9
3 Non-binary	0.1
Ethnicity	
1 Asian	42.1
2 Black	3.6
3 Multiple ethnicity	2.1
4 White	45.6
5 Other/not disclosed	5.3
6 Unknown/prefer not to say	1.3

*Includes employees on permanent and fixed-term contracts.

Our values

Independence
We are not bound to any party or interest and encourage exploration and free-thinking. We champion freedom, both within our organisation and around the world.

Integrity
We are bold in our efforts to uncover the truth and stand up for what we believe in. We inspire trust through our rigour, fact-checking and transparency.

Excellence
We aspire to the highest standards in all we do. We are ambitious and inquisitive in our pursuit of continuous progress and innovation.

Inclusivity
We value diversity in thought and background and encourage healthy debate with a breadth of perspectives. We treat our colleagues and customers fairly and respectfully.

Openness
We foster a collaborative and empathetic culture conducive to the interests, wit and initiative of our colleagues. New ideas are our lifeblood.

Employee engagement

We support our annual employee engagement survey, Your Voice, with regular pulse surveys to check in on how our colleagues feel about our business, and their careers. In 2023, 80% of colleagues took part in our Your Voice survey, with an average engagement score of 7.8, which is above the benchmark for our sector.

Flexible working

Our hybrid-working policy is designed to give colleagues the freedom to work at their best, with most full-time colleagues expected to attend an office a minimum of two days a week, and able to work from abroad for up to five weeks a year. Editorial colleagues at *The Economist* have different flexibility given the nature of their work.

Gender pay gap

Based on the snapshot date of April 5th 2023, we reported significant progress in narrowing our gender pay gap. Our UK data shows that our gender pay gap has narrowed by 4.1 percentage points at the median (from 20.4% to 16.3%) and 4.2 percentage points at the mean (from 21% to 16.8%) compared with April 2022. These figures mark the lowest disparities recorded since mandatory reporting began in 2017. The proportion of women in senior roles continues to grow.

There is still more work to be done, particularly in ensuring that this progress is sustained and reflected globally.

We publish our gender pay gap report on our website.

Read more

Climate and environment

"Our digital-first Group strategy is delivering sustainable growth and value for all our stakeholders, while helping to drive progress on our emissions-reduction ambitions."

Emily Jackson-Kessler
SVP sustainability

Climate change is an unprecedented challenge to progress. Our analysis and insights catalyse others to take climate action—but we are also reducing our own impacts.

Our environmental sustainability framework outlines three steps to progress: manage, measure, mitigate.

Our environmental sustainability framework

Manage	Measure	Mitigate	Progress
Weave sustainability into the fabric of our growth and operations	**Build a plan and understanding based on data**	**Harness the passion and be an active leader**	**Results**
· Raise Group awareness of climate change · Accountability for the strategy rests with the Board and leadership team · The Economist Sustainability Group is our formalised internal network	· Measure greenhouse-gas (GHG) emissions across the full value chain · Digital and print life-cycle assessments · Plastics footprint · Automated carbon reporting · Climate-related risks and opportunities	· Science-based emissions-reduction target of 43% in line with a 1.5°C-aligned pathway by 2030 · Plan for net zero by 2045 · Invest in renewable energy · Support innovative climate solutions and technologies	· 30% emissions reduction from base year 2020 in line with validated science-based target · 50% reduction in the use of plastics in our supply chain · Accelerated digital-product growth

Manage
Our commitment to climate action

We are taking important steps towards our science-based near-term emissions-reduction target to 2030—aligned with the aim of the Paris agreement to limit global warming from pre-industrial levels to 1.5°C—by continuing to deliver on our commitment to reduce our carbon footprint. Our longer-term ambition is to reach net zero by 2045.

At the same time, we need to understand how climate change is affecting our business and adapt to its impacts. Climate-related extreme weather conditions have already disrupted our business and supply chain in North America, and we expect impacts to increase over time (see our TCFD report on pages 48-51). Managing our carbon footprint and measuring climate-change risk is critical for our business—and our efforts in this area were recognised by CDP (formerly the Carbon Disclosure Project) with a B score for our climate-change disclosure in 2023.

Measure
Our environmental impact

We have now conducted our sixth annual GHG emissions inventory in accordance with the Corporate Standard of the Greenhouse Gas Protocol, considered the gold standard in emissions accounting and reporting. Our carbon-footprint measurement was conducted by CO2 AI, a carbon-management software platform developed by Boston Consulting Group. The Economist Group's GHG emissions for the period 2023-24 amount to 37.22 kilotonnes of carbon dioxide equivalent (CO_2e), representing a 0.1% decrease compared with the previous reporting period. We have surpassed our 25% reduction target by 2025 ahead of schedule. This takes us a step closer to achieving our new 2030 near-term emissions-reduction target, validated by the Science Based Targets initiative (SBTi), a coalition for corporate climate action. Our target overall is to reduce emissions by 43% by 2030 (see detail on page 47, "Progress towards our 1.5°C-aligned science-based target"). We are signatories to the Business Ambition for 1.5°C and UNFCCC Race to Zero campaigns.

We measure carbon emissions across our entire value chain, including direct scope 1 emissions and indirect scopes 2 and 3 emissions. Reductions are driven, in particular, by lower print and production volumes of *The Economist* newspaper as customers increasingly choose digital over print. This year, we have also taken important steps to improve the measurement of our footprint, which now includes around 33% of primary data. This includes supplier-specific data from key paper and print production partners, and specific activity-level data, such as detailed global logistics mapping. These improvements were used to adjust our 2023 footprint, showing a larger reduction in our scope 3 emissions than previously reported.

Our impact

Total Group CO_2 emissions footprint: 37.22kt CO_2e

Year-on-year progress: 0.1% reduction from 2023

Progress since base year 2020: 30% reduction

Renewable-energy attribute certificates (EACs): 1.80kt

Mitigate
Our reduction strategy

To reduce the impact of our carbon footprint as part of our pathway to net zero, our reduction strategy has four pillars:

1. Digital transformation: a digital-first approach across our businesses
2. Travel: limit business travel, in particular flights
3. Energy: improve office energy efficiency and purchase renewable-energy attribute certificates
4. Value chain: engagement and innovation with key business partners

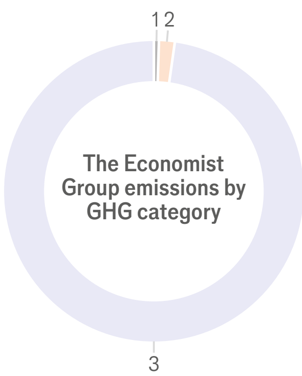
Engaging with our value chain is critical to achieving our ambition. Around 98% of The Economist Group's carbon footprint is from goods and services provided by partners to deliver our core products and services. There are some clear steps we can take:

- Collaborate and innovate with our suppliers
- Encourage key value-chain partners to set science-based emissions-reduction targets
- Improve supplier-specific emissions data collection

To support these steps, The Economist Group has become a CDP Supply Chain Partner, joining over 300 companies committed to engaging their suppliers and addressing their supply chain environmental impacts, risks and opportunities. Our business partner code, launched in June 2023, outlines practices and standards we expect to see demonstrated across a wide range of issues, including climate and the environment (see our business partner code on The Economist Group's website for more information).

30%

our GHG emissions reduction since base year 2020



Emission scopes

		Total kt CO_2e emissions
1	Scope 1	0.19
2	Scope 2	0.56
3	Scope 3	36.47

Progress
Results

The Economist Group's global greenhouse-gas emissions (GHG)

Category	Base year 2020 adjusted kt CO_2e	2023 adjusted kt CO_2e	**2024 kt CO_2e**	Year-on-year variance
Direct scope 1 emissions	0.22	0.36	**0.19**	-48.5%
Indirect scope 2 emissions	1.71	0.57	**0.56**	-1.6%
Location-based approach	1.80	0.58	**0.57**	-2.4%
Market-based approach	1.71	0.57	**0.56**	-1.6%
Indirect scope 3 emissions by category				
3.01 Purchased goods and services	36.99	27.93	**28.91**	3.5%
3.02 Capital goods	2.34	1.39	**1.06**	-23.6%
3.03 Fuel- & energy-related activities	0.15	0.06	**0.04**	-33.2%
3.04 Upstream transport and distribution	4.77	1.17	**1.15**	-2.0%
3.05 Waste generated in operations	0.08	0.02	**0.01**	-36.4%
3.06 Business travel	1.64	1.56	**1.77**	13.6%
3.07 Employee commuting	1.01	1.24	**1.24**	-0.2%
3.08 Upstream leased assets	0.86	1.05	**0.79**	-24.9%
3.09 Downstream transport and distribution	n/a	n/a	n/a	n/a
3.10 Processing of sold products	n/a	n/a	n/a	n/a
3.11 Use of sold products	0.07	0.74	**0.48**	-34.6%
3.12 End-of-life treatment of sold products	1.92	1.16	**1.01**	-12.9%
3.13 Downstream leased assets	n/a	n/a	n/a	n/a
3.14 Franchises	n/a	n/a	n/a	n/a
3.15 Investments	n/a	n/a	n/a	n/a
Scope 3	49.84	36.33	**36.47**	0.14%
Total kt CO_2e	51.77	37.27	**37.22**	-0.1%
Group GHG intensity/tonnes CO_2e per £m turnover (scopes 1, 2 and 3)	182	99	**99**	0.0%
Group GHG intensity/tonnes CO_2e per £m profit after tax (scopes 1, 2 and 3)	1379	1188	**1095**	-7.8%

Notes on data

Scope 1 emissions are marginal, as The Economist Group does not directly operate vehicle fleets. Scope 2 emissions comprise all electricity consumed at Group offices worldwide, and emissions associated with the production and distribution of grid energy. The change in scope 1 emissions can be largely attributed to moving our Birmingham operations to an office with lower direct emissions.

Indirect scope 3 emissions encompass all value-chain and product-portfolio emissions, and have been reported in line with the 15 standard GHG categories for scope 3 emissions. We have taken important steps to improve the accuracy of our footprint calculation, which now includes around 33% primary data. This includes supplier-specific data from key paper and print production partners, and specific activity-level data, such as detailed global logistics mapping, and draws upon the findings of the digital life-cycle analysis conducted in early 2024. Reductions in scope 3 emissions reflect a reduction in print and production volumes of *The Economist* newspaper (included in 3.01) as customers increasingly choose digital over print.

Energy Attribute Certificates (EACs): We occupy leased offices with few opportunities for onsite energy generation, and rely on green energy tariffs and EACs to purchase renewable energy equal to 100% of our global electricity consumption for offices and print sites. In 2024 we purchased 1.80kt CO_2e of EACs. We currently do not account for EACs as part of our total greenhouse-gas emissions, and await upcoming revised guidance from the Greenhouse Gas Protocol Accounting Standard on accounting rules.

UK Streamlined Energy and Carbon Reporting (SECR)

In line with the requirements set out in the UK government's guidance on Streamlined Energy and Carbon Reporting, the table below represents The Economist Group's energy and GHG footprint from UK operations (from April 1st to March 31st), calculated in accordance with the Greenhouse Gas Protocol. The scope of this data comprises two office sites located in London and Birmingham in the UK. In 2024 the UK accounted for 41% of our global scope 1 and 2 emissions, outlined in the table below.

UK operations	FY23 adjusted	FY24
Natural gas (kWh)	1,320,000	**801,970**
Electricity (kWh)	485,690	**488,520**
Total UK energy (kWh)	1,805,690	**1,290,490**
Total UK scope 1 emissions (kt CO_2e)	0.27	**0.16**
UK scope 1 emissions (t CO_2e) per £million turnover	1.05	**0.59**
Total UK scope 2 emissions (kt CO_2e)	0.09	**0.10**
UK scope 2 emissions (t CO_2e) per £million turnover	0.36	**0.37**

Notes on data

Scope 1 emissions decreased in comparison to 2023 by 0.11kt CO_2e in 2024. Scope 2 emissions increased in comparison to 2023 by 0.01kt CO_2e. The change in scopes can be attributed to moving our commercial operations from Canary Wharf to the Adelphi building in central London, and moving our Birmingham operations to an office with lower direct emissions.

Progress towards our 1.5°C-aligned science-based target

Our near-term science-based target aims for a reduction of absolute scope 1 and 2 emissions of 68% by FY2030 from a FY2020 base year, and a 42% reduction of absolute scope 3 emissions within the same timeframe. The Economist Group also commits to increase annual sourcing of renewable electricity from 0% in FY2020 to 100% by FY2030.

Target	2020 base year kt CO_2e	**2024 kt CO_2e**	**Current reductions from baseline (2024 v 2020)**	2030 SBTi reduction target
Scope 1	0.22	**0.19**		
Scope 2	1.71	**0.56**		
Scope 1+2	1.93	**0.75**	**61%**	68%
Scope 3	49.67	**35.40**	**29%**	42%
Total	51.61	**36.15**	**30%**	43%

Notes on data

In 2024 we sourced Energy Attribute Certificates (EACs) equivalent to 100% of our global electricity consumption for offices (scope 2 emissions), and electricity consumption required for print sites (scope 3 emissions). The figures for our progress towards our science-based target in this table and our total GHG emissions in the table on the previous page are slightly different. This is because, in line with the Greenhouse Gas Protocol Accounting Standard, the target uses the market-based approach for scope 2 emissions. It also excludes optional emissions under indirect use-phase under category 3.11 and employee teleworking under category 3.07.

The Economist Group's TCFD disclosure

The following statement, which is in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), discloses the risks and opportunities of different climate scenarios on all aspects of our business—whether these are the impacts of transitioning to a lower-carbon world, or the adaptational impacts arising from a rapidly warming planet. By continuing to strengthen our understanding of climate-related risks and opportunities, we can effectively adapt our business strategy in response to climate change. We have applied the TCFD framework since 2022, and continue to do so this year on a voluntary basis, as we transition to IFRS Sustainability Disclosure Standards S1 and S2, developed by the International Sustainability Standards Board (ISSB). Our disclosure is consistent with the 11 recommended disclosures of the TCFD.

Scenario analysis

Understanding the risks and opportunities posed by climate change

The average global temperature for the 12 months from April 2023 to March 2024 was the highest on record, at 1.58°C above the pre-industrial average, according to Copernicus, Europe's climate change monitor. With this increase, temperatures have surpassed the goal of the Paris agreement, signed in 2015, to limit warming to 1.5°C above pre-industrial levels. At COP28, hosted in Dubai last November, a global stocktake to assess countries' progress towards the goals of the Paris agreement showed that there has been some improvement in commitments, but much more progress is needed. If current policies are followed, central estimates of global warming by 2100 are at around 2.5-2.9°C above pre-industrial levels. Swift action is critical to limit warming and prevent severe climate extremes, and requires a comprehensive mitigation response to include power generation and energy efficiency, transport, buildings, urbanisation, agriculture and food security, forestry and consumer choices.

Due to the uncertain nature of global warming projections, our scenario analysis holds to the three hypothetical climate states identified in last year's disclosure. These states are summarised in table 1, and are based on external sources, such as the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change's (IPCC) sixth assessment report (AR6). The most significant risks and opportunities in terms of likelihood and expected level of potential impact identified during the climate scenario analyses are summarised in table 2. Table 3 summarises the potential financial impacts of these risks and opportunities, which range from low to very high over the longer term. We are disclosing risk or opportunity categories in line with the TCFD's classifications. The time horizons are defined as follows: short term: <1 year; medium term: 1-3 years; long term: >3 years.

In 2023, we made changes to our supply chain in the US to adapt to the climate-related extreme weather conditions that disrupted our business and supply chain in North America. It is inevitable that some areas of our business will face greater disruption than others as we transition to a low-carbon world. But our assessment indicates that as we deliver on our strategy of sustainable growth and progress, enabling individuals and organisations to make sense of the climate issues and chart a course through them, and developing a world-class portfolio of digital products, the Group will remain resilient across both the 1.5°C and 2°C scenarios assessed, with a negative impact in the 3°C scenario.

Table 1 Climate scenarios

	1.5°C (by 2050) scenario Rapid transition to a low-carbon world	2°C (by 2100) scenario Slow transition. Increasingly unmanageable world	3°C (by 2070) scenario Inaction. Extreme, irreversible climate change
Physical and transition aspects	A rapid transition to a low-carbon economy where technological advances and policy changes limit global warming to less than 1.5°C above pre-industrial levels and stabilise the climate. Adoption of widespread carbon-pricing policies. Rapid phase-out of fossil fuels.	A slower transition leads to an unstable and increasingly unmanageable world. Policy change is piecemeal and erratic. Increased geopolitical tensions between leaders and laggards. A fragmented global policy landscape. Increase in extreme weather events and wildfires which reach unmanageable levels in some geographies by mid-century. Significant adaptation necessary and frequent disruption expected.	Failure to act leads to irreversible climate change. Unstable and in some places uninhabitable world. Continued reliance on fossil fuels for energy and transport. Large parts of the world become uninhabitable due to intense heat waves, droughts and wildfires. As tipping points are breached, we see runaway climate change in the second half of the century. By 2100, sea-level rise is becoming a widespread problem for low-lying coastal areas.

Table 2 Task Force on Climate-related Financial Disclosures (TCFD) summary

TCFD element	Recommended disclosures	Current approach	Read more
Governance	**Describe the Board's oversight of climate-related risks and opportunities.**	The audit and risk committee and the Board regularly review The Economist Group's environmental impact, mitigation measures and progress against reduction targets. The Board is responsible for overseeing sustainability-related disclosures linked to the Group's financial statements. The committee meets twice a year and goes through the Group risk register at every meeting.	Pages 64-73
	Describe management's role in assessing and managing climate-related risks and opportunities.	Our 2030 emissions-reduction target and climate strategy are approved by our leadership team and Board, and included in our key performance indicators. Climate-related risks and opportunities are overseen by the SVP sustainability and the head of ESG, and reviewed by the risk-management team. Climate-related risks and opportunities are cascaded to the risk registers of each business area, given the importance of ensuring that these are managed at both Group and business levels.	Pages 39-47
Strategy	**Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long terms.**	With the support of SLR, a sustainability consultancy, we developed scenarios based on external sources, such as the International Energy Agency (IEA) and Intergovernmental Panel on Climate Change (IPCC), summarised in table 1. See table 3 for a summary of the risks and opportunities identified through scenario analysis that could have a material financial impact on The Economist Group.	Table 3
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	The Economist Group continues to invest in the digital transformation of the business, a key driver of emissions reductions. Taking into account climate-related risks and opportunities, we have set a science-based emissions-reduction target to 2030. Our longer-term ambition is to reach net-zero by 2045. To prepare for the neutralisation of our residual emissions when we reach our net-zero ambition, we continue to invest in technological and nature-based carbon-removal solutions. The Economist Group commits to increasing active annual sourcing of renewable electricity from 0% in FY2020 to 100% by FY2030.	Table 3

Table 2 Task Force on Climate-related Financial Disclosures (TCFD) summary *continued*

TCFD element	Recommended disclosures	Current approach	Read more
Strategy continued	**Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.**	Our assessment of risks and opportunities supports our strategy to accelerate digital-product innovation and growth across our portfolio, including expanding the digital ecosystem of our journalism, content, events and learning platforms. It also points to significant opportunities arising from growing demand for climate-related products and services, which The Economist Group is well placed to capture. Our assessment indicates a net financial benefit for the Group as we deliver on our sustainable growth strategy—enabling individuals and organisations to navigate systemic environmental and social issues through our products and services—in the 1.5°C and 2°C scenarios, but a likely negative impact in the 3°C scenario.	Table 3
Risk management	**Describe the organisation's processes for identifying and assessing climate-related risks.**	The Economist Sustainability Group's task-force assesses and updates the specific risks and opportunities associated with climate change, and the transition to a low-carbon economy, on an annual basis. These identified climate-related risks are managed by each business area.	Pages 38-47 Page 51 Pages 55-56
	Describe the organisation's processes for managing climate-related risks.	The SVP sustainability, together with the head of ESG, has formed a task-force to screen and assess physical and transitional risks and opportunities across our business areas and products, and understand exposure at operational and supply-chain level. The task-force is responsible for assessing the financial impact of these risks and opportunities on an annual basis.	Pages 55-56
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	Climate-related risks and opportunities are cascaded to each business area including an assessment of unmitigated and mitigated risk. This is reviewed by the Group's chief executive and chief financial officer in the same way as other risks. A summary is submitted to the audit and risk committee of the Board for review.	Page 55 Page 68
Metrics and targets	**Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk-management process.**	We report our absolute GHG emissions across scopes 1, 2 and 3, emissions intensity, and progress on our validated science-based emissions-reduction targets in the climate and environment section of the annual report. Emissions-reduction targets are approved by our leadership team and Board, and included in our key performance indicators and long-term bonus plan.	Page 45 Page 47
	Disclose scope 1, 2 and, if appropriate, 3 GHG emissions, and the related risks.	The Economist Group reports global scope 1, 2 and 3 GHG emissions in the climate and environment section of the annual report.	Page 46
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	The Economist Group has a validated science-based target (SBT) to reduce absolute scope 1 and 2 emissions by 68%, and absolute scope 3 emissions by 42%, by 2030 from a 2020 base year. The Economist Group is also committed to increasing active annual sourcing of renewable electricity from 0% in 2020 to 100% by 2030.	Page 47

Table 3 Summary of our most material climate-related risks and opportunities and their estimated impact

Financial-impact rating: L **Low <£2m** M **Moderate £2m-£5m** H **High £5m-£10m** V **Very high >£10m**

			Potential materiality			
TCFD category	**Climate-related trend**	**Potential financial impact**	**1.5°C by 2050**	**2°C by 2100**	**3°C by 2070**	**Strategic response**
Physical: Chronic, long term	Climate-related supply chain disruption	**Risk:** Increases in temperature, extreme weather events and tree disease prevalence may affect production and distribution processes of *The Economist* newspaper	L	H	V	Work with the most reliable and resilient suppliers Regional production and delivery model Leverage digital portfolio to ensure continuity of product delivery
Physical: Acute, short to medium term	Impact of extreme weather conditions on digital-product delivery	**Risk:** Increased regional disruption of travel networks, physical supply chains, digital infrastructure, data centres and energy supply leading to disruption of product delivery and increased costs of running events	L	L	M	Work with the most reliable and resilient suppliers Business continuity and resilience plans, including distributed models Maintain ability to transition to hybrid or virtual events Increase event budgets to absorb higher insurance premiums
Physical: Chronic, long term	Impact of extreme weather conditions in climate-sensitive areas	**Risk:** Falling productivity, systematic talent emigration, disruption to working patterns	L	M	M	Develop health and safety guidelines to include guidance on a reasonable range of indoor temperatures Select energy-efficient office facilities with suitable insulation, ventilation and cooling Establish global organisational design and HR software system(s) with core, common processes so that work can by absorbed by other locations
Transition: Policy and legal, short to medium term	Increased cost of energy, carbon taxes, energy-security issues	**Risk:** Increase in operating costs for paper production, printing, logistics, business travel, data centres, customer-services centres and office rental	L	L	M	The Economist Group has ambitious targets to reduce GHG emissions and energy use Supplier engagement, work with most GHG-efficient suppliers Continued investment in digital transformation
Transition: Market, long term	Climate-related inflation and rising cost of living	**Risk:** Increase in employee wages and salaries	L	L	L	Monitor climate-related supply-chain disruptions, labour issues and production shortages to predict inflation trends and adjust budgets accordingly
Transition: Reputation, short to long term	Reputational risks to brand value	**Risk:** Reduced brand value of the Group as a progressive liberal news organisation in a climate-breakdown scenario leading to a 3°C warmer world	L	L	L	The Economist Group is committed to drawing attention to climate issues through its editorial coverage, and weaving sustainability into the fabric of its growth strategy and operations, to help ensure that a 3°C warmer world does not happen
Products and services, long term	Sustainability-related products and services	**Opportunity:** Growing demand for The Economist Group's established and growing portfolio of sustainability-related products and services	H	H	L	Build on a strong portfolio of climate-related products and services, including *The Economist*'s independent editorial coverage, Economist Impact's policy insights, marketing solutions and events, and Economist Intelligence's country, risk and ESG rating services
Resource efficiency, short term	Digital products	**Opportunity:** Increase in customer demand for lower-carbon products across the Group's product portfolio, less reliance on physical supply chains	V	V	V	Continued investment in digital transformation and world-class digital-product delivery
Products and services, short term	Talent attraction and retention	**Opportunity:** The Economist Group's liberal agenda, sustainability portfolio and commitments will become increasingly important considerations for attracting and retaining talent	L	L	L	Continue strengthening The Economist Group's sustainability agenda and progressive liberal coverage of climate issues, and showcase this in recruitment
Net impact for Group			+	+	–	Analysis indicates that the Group will remain resilient in the 1.5°C and 2°C scenarios through increasing demand for digital products, our portfolio of climate- and sustainability-related products, less reliance on physical supply chains, and the achievement of our strategic plans and climate-related commitments. The 3°C scenario would be likely to have a net negative impact on the business

Resilient revenue and a strong bottom-line performance.

"The strong performance of *The Economist*, now truly a digital-first business, helped drive increased profitability for the Group despite headwinds in Economist Impact."

Marcus Roy
Group chief financial officer

Financial performance at a glance	Change on prior year	Constant currency
Revenue £367.0m	-3%	in line
Operating profit £47.4m	+12%	+14%
Earnings per share 171.6p	+9%	+11%
Dividend 160.0p	+33%	+33%
Net cash before lease liabilities £24.8m	+£7.2m	n/a

Revenue

Revenue of £367.0m was down 3% on the prior year. The weaker US dollar to sterling exchange rate compared with the prior year reduced revenue by £8.6m and so, on a constant-currency basis, revenue was in line with last year. Revenue for *The Economist* increased by 5% at actual exchange rates, and by 7% at constant currency, reflecting the annual price rise, careful management of discounting and an additional reporting week this year. Economist Intelligence revenue decreased by 3% at actual exchange rates but increased by 1% at constant currency. EIU subscription revenues increased strongly and were partially offset by a reduction in consulting revenue for Clearstate. At Economist Impact, revenue was down 16% due to challenging market conditions which affected advertising and research sales.

Operating profit

Operating profit of £47.4m was 12% higher than the prior year and 14% higher at constant currency. Operating expenses declined, mainly in Economist Impact Partnerships given the reduction in revenue from that business, in the finance function in contact centres and because of lower property costs this year. A return to more stable sterling to US dollar exchange rates this year, following last year's volatility, resulted in a reduced foreign exchange charge. Marketing costs increased, principally in respect of digital campaigns and brand spend for *The Economist*, while technology costs also increased.

Finance income and expense

Finance expense decreased by £1.0m as borrowings were lower and benefited from an interest rate cap in the first half. Finance income was £0.3m lower as there was a gain on sale of an interest rate hedge of £0.6m reported within finance income last year.

Taxation

The taxation charge for the year was £11.4m (2023: £8.5m). The effective rate of taxation for the year increased from 21.3% last year to 25.1% because the UK corporate tax rate increased from 19% to 25% from April 2023.

Profit after tax and earnings per share

Profit after tax increased by £2.9m to £34.1m. Basic earnings per share were 171.6p, compared with 157.0p last year.

Balance sheet

The shareholders' deficit on the Group's balance sheet decreased by £7.5m in the year to £68.5m. The reduction in net liabilities is due to retained profits generated in the year offset by the payment of dividends and other movements through the statement of comprehensive income.

Pensions

The Group's defined-benefit pension scheme accounting valuation at the year-end was a surplus of £11.5m compared with a surplus of £13.6m last year. Scheme asset values decreased by £3.2m while scheme liabilities were £1.0m lower. The pension accounting standard (IAS 19) only permits recognition of a surplus when the sponsor is entitled to a refund from the scheme. As this is not the case, a liability of £6.2m (2023: £8.8m) has been recognised on the balance sheet which represents the net present value of commitments made by the company to fund the scheme to achieve a self-sufficiency basis as established at the last actuarial valuation date.

The most recent actuarial valuation of the UK defined-benefit pension scheme was undertaken as at January 1st 2021, which determined a deficit on a funding basis of £50m. A more recent actuarial valuation, as at January 1st 2024, is currently under way.

Dividend

Reflecting the Group's financial performance during the year, the Board is proposing a final dividend of 120.0p per share, taking the full-year dividend to 160.0p per share, which represents dividend cover of 1.1 times and an annual yield of 5.1% on the year-end indicative share price of £31.50.

Dividends for 2023 were 120.0p per share.

Financing

The Group has committed borrowing facilities of £80m via a syndicated multi-currency revolving credit facility which matures in October 2027. During this financial year the Group exercised its option to extend the facility by one year. Cashflow is seasonally strong during the final quarter of the year, so the facility was undrawn at year-end.

Net debt at the end of the year was £5.4m (2023: £18.2m). Excluding lease liabilities, the Group had net cash of £24.8m at the year-end (2023: £17.6m). There were no bank borrowings at year-end (2023: £16.4m) and cash amounted to £24.8m (2023: £34.0m).

Foreign exchange

The main currency exposure of business transactions relates to US dollar receipts from US dollar-denominated sales. The foreign exchange risk on this and other smaller currency exposures is managed through the use of forward foreign-exchange contracts. This year, the US dollar averaged $1.26 against sterling (2023: $1.21) and closed at $1.26 (2023: $1.24). The weaker average dollar has decreased revenue and operating profit on translation over the prior year by £8.6m and £0.7m respectively. Realised and unrealised gains from currency derivatives and translation of the balance sheet were £0.9m (2023: losses of £5.3m) and are reported in central costs within the segmental information on page 96.

Cashflow

There was a cash inflow of £7.7m before debt financing during the year, compared with a £5.8m inflow last year. Operating cashflow of £61.9m was £10.6m higher than reported last year, reflecting the higher profitability and lower trade receivables.

Going concern

In order to assess the Group's ability to operate on a going-concern basis, the directors have considered the future trading prospects of the Group's businesses and the available financing facilities.

Financial projections including profit, cash, debt and balance-sheet commitments have been prepared covering short-, medium- and longer-term periods and reviewed to ensure the Group has sufficient liquidity and available financing facilities in place.

As at March 31st 2024 the Group had £24.8m of cash and £80.0m of undrawn credit facilities.

Based on these cashflow projections, available facilities and covenants in place, the Board has concluded that it is appropriate to prepare the financial statements on a going-concern basis.

Marcus Roy
Group chief financial officer

June 10th 2024

Section 172(1) statement

Under s172 of the Companies Act 2006, as directors we must act in a way which we believe, in good faith, would be most likely to promote the success of the company for the benefit of our shareholders as a whole. In doing so, our duty is to have regard (among other matters) to:

- The likely consequences of any decision in the long term
- The interests of our employees
- The need to foster relationships with suppliers, customers and others
- The impact of our operations on the community and the environment
- The importance of maintaining our reputation for high standards of business conduct
- The need to act fairly as between shareholders of the company.

Our report on pages 70-73, which should be read in conjunction with the strategic and governance reports, sets out how the directors comply with the requirements of Section 172 of the Companies Act 2006 and how these requirements have impacted the Board's decision-making throughout 2024. When the Board takes decisions, it will always have in mind the views and interests of relevant stakeholders, which will sometimes be very different, and the need to balance these as a part of reaching a consensus in the long-term interests of the Group and its stakeholders; and these will be represented in Board papers and presentations prepared by the management team, as well as in Board discussions. The Board recognises implicitly that the interests of our stakeholders, and engaging with them, is part and parcel of ensuring the long-term success of the Group.

Monitoring and managing our risk.

The Economist Group's leadership team and audit and risk committee ensure that inherent and emerging risks are identified and managed appropriately and in a timely manner.

Day-to-day management of risk is the responsibility of our leadership team, overseen by the Group chief executive. Certain categories of risk are overseen by specialists: for example, the chief technology officer oversees information-security risk, the chief legal officer oversees legal risk and data privacy, the chief financial officer oversees financial risk, and the head of ESG and the SVP sustainability oversee environmental and climate risk. They present regular reports to the audit and risk committee. Our risk-governance process is also discussed on pages 74-75.

The Group maintains a risk register, compiled using individual business-area risk registers, which describes strategic, operational and external risks as well as actions taken to mitigate them. This is formally updated twice a year and is reviewed by the audit and risk committee. Key risks are also reported to and discussed by the Board.

We disclose the risks and opportunities of different climate scenarios on all aspects of our business in line with the recommendations of the Task Force on Climate-related Financial Disclosures on pages 48-51.

Our internal-audit function is outsourced to PwC, which enables access to broader and independent subject-matter expertise and allows efficient resource allocation.

The internal-audit plan agreed to by the audit and risk committee is driven by the Group's organisational objectives and priorities, and considers the risks that may prevent the Group from meeting those objectives. In developing the internal-audit plan, the internal auditor considers the audit universe: areas of the business subject to regulation; the risks and control environment associated with each area included in the audit universe; and the most significant risks faced by the organisation. Recent audits have looked at the effectiveness of our financial-control environment.

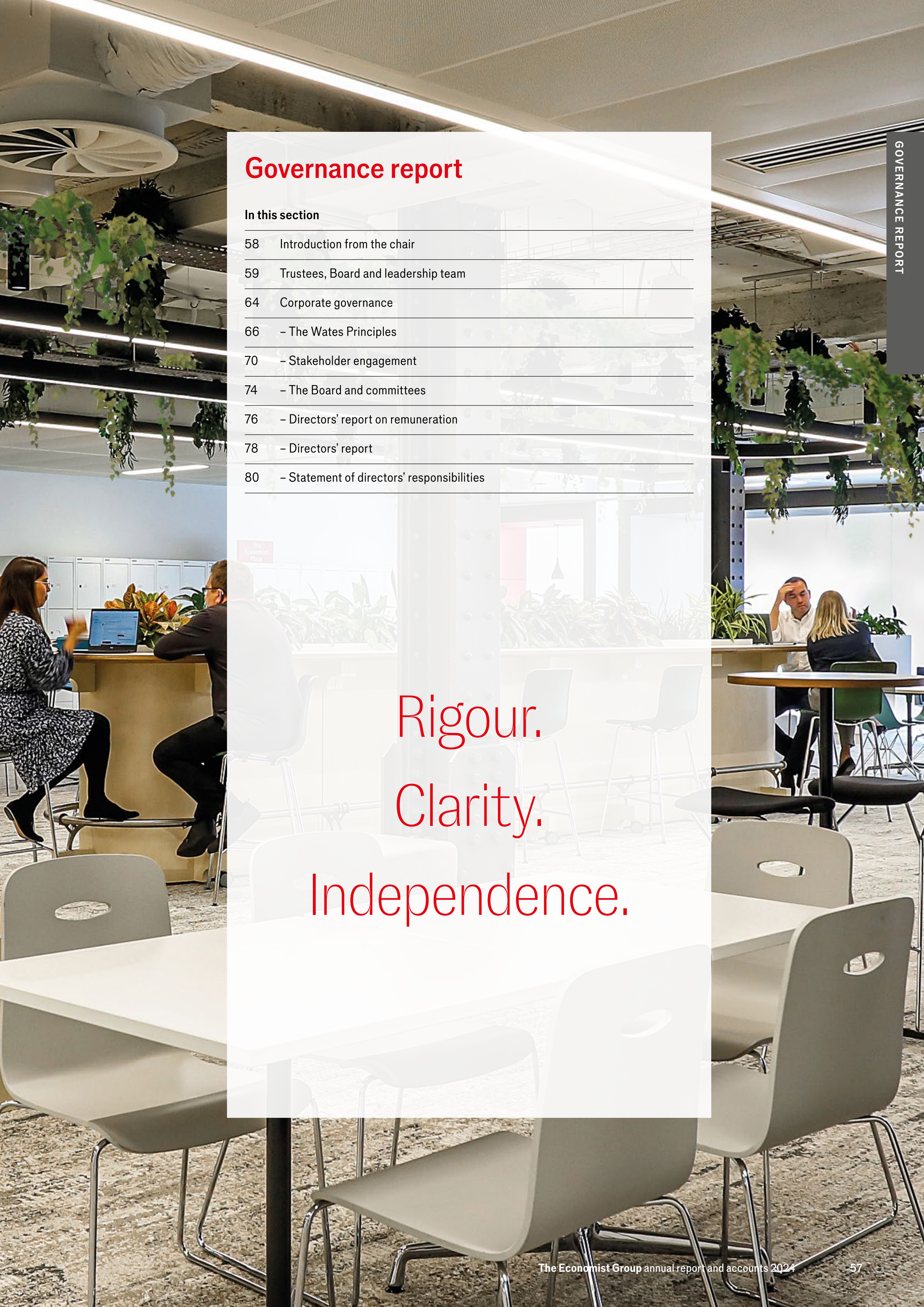
Our key risks and how we mitigate them

Risk	Description	Mitigation
Strategic		
Consumer demand for premium news	Wider availability of free, online news and journalism may limit the Group's ability to grow subscription volumes and revenues.	Our digital-product offer is constantly evolving to appeal to customers in new demographics and markets. We monitor and analyse data relating to web traffic, marketing effectiveness and customer engagement.
Artificial intelligence	Generative AI technologies using our content without permission may impact our intellectual property. AI tools may result in a reduction in search traffic to our websites.	We have established a working group focused on the risks and opportunities in this area. We closely monitor legal and regulatory developments, and protect our IP through appropriate legal frameworks.
Operational		
Data-privacy compliance	New and evolving legislative and regulatory requirements in respect of data privacy by key technology suppliers create complex compliance demands to ensure user and employee personal data are used and protected appropriately, and may affect certain revenue streams.	Our specialist data-privacy team monitors local and regulatory developments and briefs management regularly to help shape decision-making.
Availability of business-critical applications	Certain applications are based on old technology which, if compromised, could affect our ability to deliver business-critical services.	We have upgraded key editorial and product platforms and their supporting infrastructure, and have plans in place for remaining legacy infrastructure to be replaced or upgraded. Recovery and resilience capabilities in the event of failures are managed and monitored by an internal IT working group.
Safety of colleagues	*The Economist* is a high-profile publication and our colleagues travel to high-risk zones. There are high-profile attendees at our events.	Training is provided to journalists travelling to high-risk locations, and we monitor colleagues in such locations closely. Local government rules and health restrictions are followed, including restrictions on travel.
Phasing out of online third-party identifiers	Growing restrictions on the use of third-party identifiers by online platforms and regulators could impact the effectiveness of advertising.	We use marketing effectiveness measurement techniques that do not rely on cookies and invest in first-party-data collection to optimise advertising reach.
External		
Cyber-security	A cyber-attack could jeopardise our applications, access customer information or product data, or compromise journalistic accuracy.	We operate a comprehensive cyber-security programme aligned to industry standards. This includes employing best-in-class detection and monitoring systems and establishing a vulnerability-management programme. We test our systems with regular penetration testing, and our colleagues through targeted phishing exercises and training.
Economic uncertainties in our core markets	Lower growth rates and inflationary pressures in developed economies in which the Group operates may affect business and consumer confidence, resulting in lower demand for the Group's products and services.	We rigorously monitor our sales pipeline in each region and conduct scenario-planning, including mitigation planning in response to potential revenue risks.
Operating restrictions in certain countries	Restrictions on overseas-based media organisations could limit our ability to operate.	We work with local advisers and provide our staff with clear operating guidelines. We have business-continuity plans in place in case of disruptions. Activities and product launches are subject to legal review.

By order of the Board

Oscar Grut
Chief legal officer, Group company secretary and head of ESG

June 10th 2024



Governance report

In this section

Rigour.

Clarity.

Independence.

Introduction from the chair

Providing clear, transparent insight is at the heart of what we do as a business—and it should always be our goal in how we conduct our corporate governance, and how we report to shareholders and other stakeholders. Our duty as a Board is to support The Economist Group through robust governance that reflects our values and furthers our purpose: the pursuit of progress.

Our aim is for all our communications with shareholders and other stakeholders to improve each year—including our annual report. This year, we have again updated our climate-related financial-risk disclosures in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), as well as our materiality assessment. As last year, we have published a separate sustainability report, providing an in-depth account of our approach to, and progress in, social and environmental sustainability, including our science-based targets for emissions reduction by 2030; it is available on our website, www.economistgroup.com.

As in previous years, this governance report describes how we comply with the most relevant code of corporate governance practice—the Wates Corporate Governance Principles for Large Private Companies—and sets out our guiding principles and our unique governance model.

Paul Deighton
Chair

Governance structure

Our governance structure at The Economist Group is unusual in that we have a group of Trustees who are separate from and independent of the board of directors, and of the shareholders. That's because The Economist Group's success is based on the reputation of *The Economist* for honesty, integrity and independence—so its journalism must remain free from the commercial pressures of the Group.

The Trustees' principal role is to safeguard those qualities, which includes ensuring the continued independence of ownership of the company and the editorial independence of our journalism, while the Board's role is a more traditional one of overseeing the Group's long-term success. The table below sets out how this works in practice, with the respective roles and responsibilities of the Trustees, the Board and the leadership team.

Trustees	Board	Leadership team
Role To ensure the continued independence of ownership of the company and the editorial independence of *The Economist*.	**Role** To promote the long-term success of *The Economist* and the company as a whole. The Board determines the long-term strategy of the Group, with the added responsibility of preserving its unique independent editorial voice.	**Role** To carry out the strategy approved by the Board, which delegates authority for day-to-day management to these executives (see pages 62-63). The team meets every two weeks and is led by the chief executive.
Specific rights The Trustees have rights attaching to their shares to fulfil their role, which are set out in the company's articles of association. These are to: · Approve the appointments of the editor-in-chief of *The Economist* and the chair of the Board. · Approve transfers of "A" special and "B" special shares. · Approve changes to fundamental provisions of the company's articles of association. **Restrictions** Apart from these rights, the Trustees have no others. They do not have the right to vote on most other matters, receive dividends or have any other economic interest in the company. **How Trustees are appointed** There are four Trustees (see page 59). When there is a vacancy, the remaining Trustees appoint their new colleague.	**How the Board is appointed** The Board may have up to 13 directors, seven of whom may be appointed by the holders of the "A" special shares (who are all individuals) and six by the holder of the "B" special shares (Exor). There are currently nine directors (see pages 60-61). Non-executive Board appointments are reviewed every three years (six years in the case of the chair).	**How the leadership team is appointed** The chief executive is appointed by the Board. The editor-in-chief is proposed by the Board and appointed by the Trustees. The other members of the leadership team are appointed by the chief executive, in consultation with the Board and, where appropriate, its committees.

Trustees

Baroness Bottomley of Nettlestone PC, DL

Dame Alison Carnwath

Tim Clark

Lord O'Donnell CB, KCB, GCB, FBA

Baroness Bottomley of Nettlestone PC, DL

Appointed: October 2005

Chairs Odgers Berndtson Board Practice. Member of the House of Commons (1984-2005). Environment minister in Margaret Thatcher's government. Served in John Major's cabinet as secretary of state for health (1992-95), and then as secretary of state for national heritage (1995-97). Appointed to the House of Lords in 2005. Non-executive director of AkzoNobel (2000-12), Bupa (2006-12) and Smith & Nephew (2012-21). Board member of the International Chamber of Commerce UK (2006-21). Member of the International Advisory Council, Chugai Pharmaceutical Co (2012-20). Chancellor of the University of Hull (2006-22). LSE emeritus governor and member of the Court of Governors (1985-2016).

Dame Alison Carnwath

Appointed: January 2019

A senior adviser at Evercore. Chair of the audit committee of BASF, non-executive director and chair of the audit committee of EG Group, non-executive director of Asda, chair of the audit committee of Zurich Insurance Group, an independent director of PACCAR and of CICAP (Coller Capital) and chair of the Livingbridge strategic advisory board. In the not-for-profit sector, she is a member of the advisory council of the St George's Society of New York. Engages in a number of mentoring assignments in the UK and overseas. Has been involved with Livingbridge Private Equity (formerly Isis Private Equity) for 17 years, where she was previously chair of the investment committee and of the management board. Formerly a senior adviser at Lexicon, a managing director of Donaldson Lufkin and Jenrette, and a partner in the Phoenix Partnership (a corporate advisory and private-equity business).

Tim Clark

Appointed: December 2009

A former senior partner of Slaughter and May and a founder of BCKR, a company that assists lawyers to develop their careers through taking on board and other roles. Chair of the board of HighTide Theatre and a senior adviser to G3 and Hudson Sandler. A member of the Council of RADA and of the advisory board of the Centre for European Reform. Formerly chair of the boards of WaterAid and the Royal Air Squadron, and a member of the boards of the National Theatre and Big Yellow Group. He was also senior independent director of Big Yellow Group, and a member of the development committee of the National Gallery, the audit committee of the Wellcome Trust, the board of senior advisers of Chatham House, the international advisory board of Uria Menendez and the International Chamber of Commerce UK Governing Body.

Lord O'Donnell CB, KCB, GCB, FBA

Appointed: October 2012

Chair of Frontier Economics, strategic adviser to TD Bank, executive director and strategic adviser to Brookfield Asset Management, president of the Council of the Institute for Fiscal Studies, chair of the board of trustees for Pro Bono Economics, and visiting professor at LSE and UCL.
He was cabinet secretary and head of the British civil service (2005-11). In 2010 he oversaw the introduction of the first coalition government since the second world war. Permanent secretary of the Treasury (2002-05) and served on the IMF and World Bank boards. Studied economics at Warwick University and Nuffield College, Oxford, then lectured at Glasgow University. Appointed to the House of Lords in 2012, sitting as a crossbencher (ie, not affiliated to any political party). Honorary fellow of the British Academy and fellow of the Academy of Social Sciences.

Board

The Board currently comprises seven non-executive directors and two executive directors. Lord Deighton, Georgina Cadbury, Eli Goldstein, Zanny Minton Beddoes and Mustafa Suleyman were appointed by the "A" special shareholders. The "B" special shareholder, Exor, appointed Lara Boro, Vindi Banga, Lady Heywood and Diego Piacentini.

The non-executive directors have a breadth of successful commercial and professional experience, and they exercise independent judgment. Lady Heywood is managing director of Exor, which, by virtue of its holdings of "B" special and ordinary shares, owns 43.4% of the issued share capital in the company. Eli Goldstein was nominated by the Rothschilds, who, through their own and related parties' holdings of "A" special and ordinary shares, control 26.7% of the issued share capital in the company. Details of directors' interests and, in relation to the executive directors only, their interests in the employee share ownership trust, are given in the directors' report on remuneration on pages 76-77.

The appointments of both the chair of the Board and the editor-in-chief of *The Economist* are subject to Trustee approval (discussed further on page 58).

Lord Deighton
Non-executive chair

Appointed: February 2018, and as non-executive chair in July 2018

Commitments: Chair of Hakluyt, chair of Heathrow, director of Block, chair of the governing body of King's College School Wimbledon.

Previous roles: Leadership of organisations and projects in private and public sectors, partner at Goldman Sachs, CEO of the London Organising Committee of the Olympic and Paralympic Games, commercial secretary to the Treasury.

Committees:
- Remuneration (chair)
- Nomination (chair)

Lara Boro
Chief executive

Appointed: September 2019

Commitments: Advisory board member of *MIT Technology Review*.

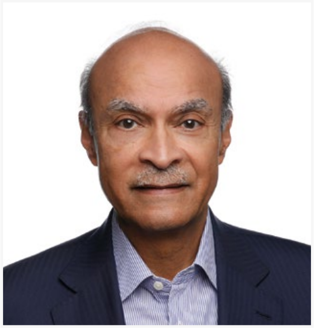
Previous roles: Chief executive of Informa Intelligence. Before that, held senior positions at Ascential (formerly EMAP), CPA Global and the Financial Times.

Zanny Minton Beddoes
Editor-in-chief

Appointed: February 2015

Commitments: Chair of the Marjorie Deane Financial Journalism Foundation, member of *Die Zeit* publisher's advisory board, trustee of the Bilderberg Association UK, board member of the Clooney Foundation for Justice.

Previous roles: Joined *The Economist*'s editorial team in 1994.



Vindi Banga

Appointed: September 2020

Commitments: Partner at Clayton, Dubilier & Rice, chair of Marie Curie, senior independent director of Haleon plc, chair of UK Government Investments, board member of the International Chamber of Commerce UK.

Previous roles: Member of executive board at Unilever, president of Unilever Asia, chair and managing director of Hindustan Unilever. Member of India's Prime Minister's Council on Trade & Industry and of the board of governors of the Indian Institute of Management Ahmedabad. Non-executive director of the Confederation of British Industry and of Thomson Reuters Corporation. Senior independent director at GSK and Marks & Spencer, and chair of the supervisory boards of Mauser Group, Kalle and Diversey.

Committees:
– Remuneration

Georgina Cadbury

Appointed: January 2023

Commitments: Co-founder partner of Platypus Partners, director of the LJC Fund, a benevolent company.

Previous roles: Director of fundraising and investor relations at Palmer Capital (subsidiary of Oakley Capital).

Committees:
– Audit and risk

Eli Goldstein

Appointed: October 2017

Commitments: Founder and managing partner of The Radcliff Companies, director of Chrome Hearts Holdings, Jet Linx Global, CrossCountry Mortgage, WatchBox, Ojos Locos Sports Cantina, ZBS Partners and Boundary Rail.

Previous roles: Chief investment officer and partner of E.L. Rothschild, investment banker at Bear, Stearns & Co.

Committees:
– Audit and risk
– Nomination

Lady Heywood (Suzanne)

Appointed: October 2015

Commitments: Chief operating officer of Exor; chair of CNH Industrial, Iveco Group and Shang Xia; director of Christian Louboutin and Clarivate; member of UK Investment Council.

Previous roles: Civil servant in HM Treasury, senior partner (director) at McKinsey & Company.

Committees:
- Audit and risk (chair)
- Remuneration
- Nomination
- Technology investment

Diego Piacentini

Appointed: November 2019

Commitments: Chair of the board of Apolitical.co; board member of Endeavor Italy, Institute for Health Metrics and Evaluation (IHME), Voi Technology and DoorDash; mentor at Endeavor Global; adviser at Exor Ventures, KKR and several US and EU startups.

Previous roles: Italian government's high commissioner for digital transformation, senior vice-president of international consumer business at Amazon, general manager of EMEA at Apple.

Committees:
- Technology investment

Mustafa Suleyman

Appointed: June 2019

Commitments: CEO, Microsoft AI.

Previous roles: Co-founder and CEO of Inflection AI. Co-founder of DeepMind.

Committees:
– Technology investment

Leadership team

Alongside **Lara Boro** and **Zanny Minton Beddoes**, our leadership team comprises:

Kristin Anderson
Chief people officer

Kristin leads the Group's HR, talent, leadership, learning, culture, and diversity, equity and inclusion initiatives.

Joined the Group in July 2024. Previously served as chief people and culture officer at World Vision International, and held senior roles at Citrix and Microsoft.

Michael Fleshman
Group chief technology officer

Michael is responsible for leading the Group's technology team, with responsibility for the Group's technology platforms and the tools and applications required for our editorial, data and business teams to create and distribute best-in-class content.

Joined the Group in May 2022. Previous roles include SVP consumer digital technology at BBC Worldwide, and chief technology officer at the Financial Times, AOL France and Nickelodeon Online/MTV Networks.

Gareth Bridge
Transformation director

Gareth has responsibility for strategic projects and transformation initiatives across the Group.

Joined the Group in October 2019. Previously held senior roles at RBS, TUI, Reed Elsevier, UBM and Informa.

Jennifer Devereux
Director of corporate development

Jennifer leads corporate development strategy across the Group.

Joined the Group in November 2022. Jennifer has held senior in-house, private-equity and investment-banking roles in the media, data/information and technology sectors. Most recently she served as corporate development director at Informa.

Liz Goulding
Chief product officer

Liz leads the strategy, design and development of the customer experience across the digital product portfolio. Joined the Group in May 2022. Has held senior product positions at Discovery and the London Olympics.

Freddie Cornes
Interim managing director, *The Economist* business

Freddie joined in October 2022 as finance director and currently serves as interim managing director of *The Economist* business. Prior to joining The Economist Group, Freddie was the managing director of Yopa, the proptech subsidiary of Daily Mail and General Trust (DMGT). Previously he held senior finance roles at DMG Media, the media arm of DMGT, various private-equity backed businesses and Sky. He qualified as a chartered accountant with Deloitte.

Oscar Grut
Chief legal officer, Group company secretary, head of ESG

Oscar leads the legal and business operations team, as well as having responsibility for ESG reporting and the company's Sustainability network, whose mission is to drive sustainable practices and reduce emissions across the organisation.

He is also the executive sponsor of the DisAbility Network, the Group's affinity network that fosters an inclusive environment that supports colleagues with visible and invisible disabilities, long-term health conditions, and carers.

Joined the Group in 1998 from Linklaters. Founded *The Economist*'s digital-editions business, launching its first mobile apps, and served as managing director for its digital operations.

Ian Hemming
Managing director, Economist Impact Events

Ian leads the Group's events business, which is part of Economist Impact.

Joined the Group in July 2019. Has 30 years' experience in the commercial events and B2B media industry, serving as CEO of the TMT division of Informa for 16 years and latterly as a media adviser to private-equity groups and events companies. Also non-executive director of Landmark Group Holdings.

Charlotte Howard
Executive editor, *The Economist*

Charlotte joined *The Economist* in 2004. She is the newspaper's New York bureau chief and co-host of the Checks and Balance podcast. She previously served as *The Economist*'s US business editor. In other beats she has covered the energy sector and climate policy, consumer goods and retail, the global healthcare industry, and politics and policy in America's Midwest.

Daragh Kelly
Chief data officer

Daragh joined the Group in November 2023 and leads the data, research and insight team. Previously led the data, analytics and AI function at Burberry, and he has held senior data and analytics positions at Sky, Experian and Orange. He began his career as an economist with the Irish government. Daragh is passionate about education policy and social mobility and serves as a non-executive director with UCAS Media.

Claudia Malley
President/managing director, Economist Impact Partnerships

Claudia leads the global partnerships business of Economist Impact, which combines policy research and insights, multimedia content and advertising.

Joined the Group in October 2020. Claudia previously led the global corporate partnership business at National Geographic, and served as worldwide publisher at Runner's World. She began her career in public television, working on corporate partnerships. Claudia is the executive sponsor of Minds of All Kinds, the Group's affinity network whose mission is to bring awareness to mental health and well-being.

Marcus Roy
Group chief financial officer

Marcus is responsible for the financial affairs of the Group and leads the Economist Education business.

Joined the Group in February 2021. Marcus brings 20 years' experience in subscription-based and consumer businesses. Previously held senior finance roles in the UK and US with Dixons Carphone and Associated British Foods, and qualified as a chartered accountant with Deloitte.

Leon Saunders Calvert
President/managing director, Economist Intelligence

Leon is responsible for leading the Economist Intelligence business, which incorporates EIU, Clearstate and the Corporate Network.

Leon joined in April 2024 and was formerly chief product officer at ESG Book, and previously a group director at The London Stock Exchange Group. He has also run various business lines at Refinitiv and Thomson Reuters.

Departures in the year

Bob Cohn resigned in February 2024. Formerly president/managing director, *The Economist* business.

Ramsey Hashem resigned in October 2023. Formerly president/managing director, Economist Intelligence.

Lauren Hood stepped down from her role as interim chief talent officer in July 2023 and is now head of people services.

Safeguarding our values. Earning trust. Sustaining our growth.

Trust is being eroded, and information weaponised. In a polarising news culture, the integrity and independence of *The Economist*'s journalism are more important than ever. Our governance structure is designed to preserve that independence while ensuring the commercial sustainability and success of the business as a whole. That means applying high standards of corporate governance that are appropriate for our size, our profile and the specific nature of our business. For many years we have published our guiding principles and explained how we comply with relevant codes of practice.

We consider the Wates Corporate Governance Principles for Large Private Companies, published by the Financial Reporting Council (FRC), to be the most relevant code to our business, and we confirm that we have applied these principles throughout the financial year ended March 31st 2024.

In this section we describe how we apply the Wates Principles and incorporate the requirements of reporting against Section 172(1) of the Companies Act 2006. The two overlap somewhat and so, having set out the Wates Principles, we go on to illustrate their application by describing how they apply in the context of our own guiding principles, along with some examples of what we have done during the year, and our plans for the year ahead. The strategic report shows many of these principles in action.

The Economist Group's guiding principles

Independence in our DNA

***The Economist* has been published since 1843 to take part "in a severe contest between intelligence, which presses forward, and an unworthy, timid ignorance obstructing our progress".**

The Economist Group is editorially independent and free of partisan bias, state control or outside influence of any kind. Today, this autonomy is among our most fiercely upheld attributes. Since 1843, *The Economist*'s editor-in-chief has been the guardian of our editorial values.

Guiding principles

The Group operates in a clear and ethical context, and the Board has approved a set of guiding principles, which are as follows.

We value our customers

We offer insight, analysis and services that are valued by our customers.

We are committed to independence, integrity and quality

Our commitment to independence, integrity and delivering high quality in everything we do governs our relationships with readers, audiences and clients, shareholders, colleagues, suppliers and the community at large.

We believe in conducting business with common decency

We are opposed to bribery and do not engage in corrupt practices. We abide by strict guidelines governing the acceptance of gifts and the disclosure of potential conflicts of interest.

We are opposed to slavery and human trafficking

We are opposed to slavery and human trafficking, both in our business and in our supply chain. See our Modern Slavery Statement at www.economistgroup.com.

We abide by local laws and regulations

As an international company, we conduct business in many different markets around the world. In the countries in which we operate, we abide by local laws and regulations.

We follow a robust tax-governance and risk-management policy

We follow clear principles in the conduct of our tax affairs and how we engage with the UK and other tax authorities. See our current UK tax strategy and tax- and risk-management policy at www.economistgroup.com.

We believe in charitable giving

We make an active contribution to charities by charitable giving. We encourage our colleagues to participate in charitable and community activities and we enable them to take time off for this purpose. We match employee donations of time and money to charities.

We are committed to climate-change management

We respect environmental standards and comply with relevant local laws. We take environmental issues seriously. See our report on climate and environment on pages 44-47, our TCFD report on pages 48-51, and our separate sustainability report at www.economistgroup.com.

We value our colleagues and treat each other fairly

The Group is committed to equality of opportunity in all employment practices and policies. We do not discriminate against employees or job applicants on the grounds of age, sex, sexual orientation, gender reassignment, marital status, race, colour, religion, national origin, maternity, pregnancy or disability. We support colleagues who through disability or illness are unable to perform their duties, by adapting the work environment and hours of work to suit them as far as practicable. We provide employee-assistance programmes and access to mental-health facilities.

We have a consultative culture

We recognise that it is essential to keep colleagues informed of the progress of the Group. We provide colleagues with information on the Group's activities and its financial performance through regular meetings and communication through our intranet. We have a strong consultative culture, and we follow legal and regulatory requirements to consult with colleagues on major issues affecting the company.

We are committed to increasing colleague diversity

We particularly focus on ensuring that we recruit from the widest possible pool of talent. Data about how our Group is composed by gender and ethnicity can be found on page 43. We are also keen that people feel comfortable and valued at work, regardless of their background.

We are committed to reducing the gender pay gap

The Group is committed to reducing the gender pay gap and achieving parity. Our 2023 gender pay gap report was published in March 2024. While our gender pay gap has, again, narrowed—it is less than half what it was when we started reporting it in 2017—we will continue our efforts until the pay gap no longer exists.

The Wates Principles

The Economist Group is not bound by any corporate governance code, although we have always sought to manage our corporate affairs as closely as possible in line with prevailing standards of governance. The audit and risk committee of the Board reviews how the Group has applied corporate governance under the Wates Principles.

Principle One

Purpose and leadership

The Economist Group's Board develops and promotes the purpose of the company and ensures that our values, strategy and culture align with that purpose. Our purpose is to champion progress by delivering the best journalism, business information, events and marketing services to our readers and clients. For more on this, please see the strategic report (pages 2-56) and our guiding principles (page 65).

We operate a hybrid-working model. Non-editorial colleagues are expected to work in the office at least two days a week, with exceptions for some roles where more days in the office are required (or fewer, particularly for software engineers). While we keep this model under review, our experience so far is that hybrid working has not affected productivity and has had an overall benefit in terms of colleague satisfaction and recruitment.

As previously reported, Russia's continuing war on Ukraine has had some impact on the business, in terms of managing our (albeit small) workforce and business in the region; and, of course, we are not alone in seeing the wider impact on the economic environment, along with the pressures of inflation and economic slowdown in some important geographic markets and industries.

We have continued to manage our cost base carefully, investing for growth where it has the most impact while reducing expenditure where appropriate.

The Board and its committees exercise oversight of the Group to ensure it reflects the purpose, values and principles discussed in this report. The Board receives and discusses regular reports from management on areas including:

- Financial and operational performance
- Investments
- Strategy
- Technology
- Product developments and new services
- Business risks and opportunities
- People, including our values, diversity and inclusion efforts, reducing the gender pay gap, colleague engagement surveys, and the closely linked topics of fixed and variable remuneration, benefits, recruitment and retention
- Environmental sustainability, where the Group has ambitious goals in terms of reducing the Group's greenhouse-gas emissions as well as other areas where we have an impact on the environment (see pages 44-47 and our separate sustainability report); we have voluntarily adopted climate-related financial risk disclosures in line with the recommendations of the TCFD (see pages 48-51); we updated our materiality assessment in 2024, the results of which are reported on page 51; and we obtained our second CDP (formerly Carbon Disclosure Project) score in 2024 (see page 45 and our sustainability report at www.economistgroup.com)
- Charitable and other social initiatives (see page 72 and our separate sustainability report)
- Shareholder value.

The Board has supported and guided the management team in all these areas during the year and, as ever, pressed for continued progress.

The impact of global events on the business is discussed in more detail in the strategic report on pages 6-37; and our reporting on these events is highlighted on pages 12-19.

Principle Two

Board composition

Please see the governance structure of the Board and the details of directors set out on pages 58-61. The chair leads the Board and is responsible for its overall effectiveness, promoting open debate and facilitating constructive discussion. The company's constitution preserves the company's corporate and editorial independence through various safeguards, including the trust shares that are held by four Trustees, whose key rights and responsibilities are described on page 58. The idiosyncratic nature of the company's constitution, including the governance of appointments to the Board, has been in existence in some form since the early 20th century. Its purpose was—and continues to be—to ensure that The Economist Group (and *The Economist* newspaper in particular) remains independent from the control of another corporate entity or any single shareholder. See page 75 for details of the nomination committee.

The Board takes its own diversity seriously. Four of its nine members are women (including the chief executive and the editor-in-chief), and three are from minority-ethnic backgrounds, as defined by the FCA's Listing Rules (which do not apply to the Group). The remuneration committee has approved diversity and sustainability targets for senior management as part of their incentive plans.

Principle Three

Director responsibility

The Board, chaired by Lord Deighton, met for regular business six times in the 12 months to March 31st 2024. Five of these meetings were held in London, and one—given the size of our business in the US—in New York. The Board also convenes at other times on an ad hoc basis or in committee when necessary. The Board receives regular reports and presentations on a wide range of topics from the leadership team and other colleagues from across the Group's operations. In its six regular meetings this financial year, as well as in meetings of its committees, the Board's priorities included:

- Completing the Group's digital transformation, combined with strong governance and close scrutiny of the performance of investment in this area. Major digital projects include investing in cyber-security, improving the *Economist* app, the introduction of Economist Podcasts+, new digital content management systems for *The Economist* and the EIU, AI-related developments and a new, central sales and marketing platform for our B2B businesses.
- Our sustainability strategy, including working towards our ambitious goals to reduce our greenhouse-gas emissions by 43% by 2030 against a 2020 baseline, which the Board keeps under review. In addition, the Board resolved to continue reporting in line with the recommendations of the TCFD on a voluntary basis, to obtain a second CDP score, and to publish—in digital format only—a second sustainability report (see pages 48-51 and our sustainability report, which can be found at www.economistgroup.com).
- Supporting the Group's work on evaluating the risks and opportunities to the business of AI.
- Our colleagues. This year, the Board was particularly focused on strengthening our HR capabilities under the leadership of our new chief people officer, Kristin Anderson, who has defined a new global operating model and is driving digital transformation of the people function (see more on pages 42-43 and in our sustainability report).
- Through the audit and risk committee, continuing to engage constructively with the trustee of the UK defined-benefit pension plan, which is closed to new entrants and future accrual.
- Our hybrid-working policy, introduced in 2023 based on colleague feedback. This policy has been a success, although we continue to monitor it to ensure it is suitable for all our colleagues and the business. At the same time, we continued to right-size and equip our offices around the world to best serve colleagues as we adapt to new working norms.
- Maintaining our policy of lifting our paywall in both Ukraine and Russia, given the importance that we attach to giving our audiences access to fact-based, impartial and independent reporting. As we first reported in 2023, when Russia illegally invaded Ukraine we ceased trading with sanctioned individuals and entities and stopped selling subscriptions in Russia.
- Continuing a policy of paying an appropriate level of dividends, bearing in mind the needs of the business, having successfully maintained a strong balance sheet (see page 78).

The Board's responsibilities

- Overall direction and strategy of the Group
- Securing the best performance from the Group's assets
- Determining matters specifically reserved for the Board in a formal schedule (which only the Board may change), including significant acquisitions and disposals, significant capital expenditure and major office leases
- Approving the Group's strategy, annual budgets and accounts
- Reviewing key risks
- Reviewing management's activities—for example, its delivery of the Board-approved strategy for the business, specific actions taken under a formal schedule of delegated authorities, progress on diversity and inclusion, and ESG goals
- Ensuring a clear and transparent system of governance

Note: the company's articles of association require the approval of the Trustees for some actions (see page 58).

The Board conducts an annual self-evaluation, led by the chair and the company secretary. The areas covered by the most recent evaluation included:

- Board diversity
- The composition, skills and experience of the Board
- Attendance at Board meetings
- The quality and quantity of information provided to the Board and of Board discussions
- The duration and frequency of Board meetings
- Attention to long-term strategy, key talent, succession, interactions with top management, ESG, and risk assessment and management
- Board insight and understanding of the Group's businesses and its markets, products, shareholder communications and shareholder value
- How stakeholders are considered in its decision-making, including shareholders, colleagues, clients, readers and suppliers
- The committee structure, the work of the committees and the delegation of powers by the Board
- A free-form element giving Board members the opportunity to highlight areas where they felt improvements could be made.

Key features of the Board

- Induction process for new directors.
- Board-approved delineation of the roles of the chair and the chief executive.
- Terms of reference for each of the Board's committees (see more on the Board's committees on pages 74-75).

Principle Four

Opportunity and risk

In promoting the long-term success of the Group, the Board is responsible for the Group's overall appetite for risk and looks for opportunities for growth while mitigating risk. The chief executive and other members of the leadership team regularly highlight short-, medium- and long-term strategic and operational opportunities in their reports.

We look particularly at long-term opportunities during the annual strategy-review process. As part of looking at opportunities, the leadership team, along with the audit and risk committee, also identify and manage risk, and highlight key risks twice a year to the Board.

The leadership team is responsible for the day-to-day management of risk, overseen by the chief executive. Certain risks are overseen by technical specialists—for example, the chief technology officer oversees information security, the chief legal officer oversees legal and data-privacy risk, the chief financial officer oversees financial risk, and the head of ESG and the SVP sustainability oversee environmental and climate risk. Their reports are presented to, and discussed by, the audit and risk committee and the Board on a regular basis.

Our risk register lists strategic, operational and external risks and how we mitigate them. We update it formally twice a year and it is reviewed by the audit and risk committee, which then reports on key risks to the Board (see page 56 for our table of key risks and how we mitigate them, pages 48-51 for our TCFD report on climate-related risks and opportunities, and pages 74-75 on the work of the audit and risk committee).

Principle Five

Remuneration

We aim to build a compelling compensation offering to attract and retain high-calibre talent and to reward excellence—and, in doing so, earn the loyalty of our colleagues and their commitment to our long-term strategic goals.

Fairness of reward decisions, in line with colleagues' roles and contributions to the business, is a fundamental principle of The Economist Group, and audits are carried out to ensure equitable treatment across all colleague groups. We aim to align individual salary levels to the local, external marketplace for equivalent roles within similar organisations, based on factors such as industry, size and location.

Rather than focus on a single point within a market range as the target salary, such as the median, we instead look at zones within the range. This provides flexibility to determine compensation levels based on multiple factors, as opposed to focusing on a single reference point. These include role-based factors, such as the scarcity of skills, the criticality of the role to the organisation, other compensation elements (such as bonus and commission) and market forces influencing attraction and retention; and individual factors, such as personal performance, experience and competence.

We also aim to reward colleagues for personal excellence and the high performance of the business through variable pay such as bonuses and commissions.

In setting the remuneration policy, the remuneration committee and the Board are mindful of the views of shareholders and other stakeholders. We link a significant proportion of remuneration to corporate and individual performance in a way that is designed to promote the long-term success of the company.

During the year, the remuneration committee undertook a detailed exercise to benchmark expenditure on total remuneration and its component parts, such as fixed pay and long- and short-term incentives, against the media sector. The committee also benchmarked leadership-team compensation packages.

For more details, including on the role and responsibilities of the remuneration committee and our remuneration policies, see the directors' report on remuneration on pages 76-77.

Principle Six

Stakeholder relationships and engagement

We rely on good relationships with our stakeholders—from our readers and clients to our colleagues, pensioners, shareholders, suppliers and communities—in order to deliver excellence in everything that we do.

Once again, thanks to the hard work, diligence and skill of our colleagues we have been able to deliver high-quality products and services to our readers and clients and to post commendable results. As ever, we are deeply grateful to them, as well as our loyal and supportive shareholders, clients, suppliers and audiences.

The Board continued its support for the Group's sustainability-related initiatives. We continued our drive to reduce the Group's carbon emissions by 25% by 2025, which we have now surpassed, and upgraded our emissions-reduction target to 2030—aligned with the aim of the Paris agreement to limit global warming from pre-industrial levels to 1.5°C. This new target is validated by the Science Based Targets initiative (SBTi), a coalition for corporate climate action. We carried out projects to assess the impacts of Group operations on the climate and the environment more generally, and made contributions to a number of carbon-reduction and avoidance initiatives. Having resolved to adopt, on a voluntary basis, the climate-related disclosures recommended by the TCFD, the Board also supported our second CDP (formerly the Carbon Disclosure Project) rating (see page 45). Our climate strategy and data are discussed in depth on pages 45-47 and in our separate sustainability report, which can be found at www.economistgroup.com; our TCFD report can be found on pages 48-51.

We continued, primarily through the audit and risk committee, our constructive dialogue with the trustee of the UK defined-benefit pension plan, including the investment strategy for the plan's assets. The trustee represents an important group of stakeholders: current and former colleagues who are members of the plan.

We have in place numerous policies to protect our various stakeholders, including data-privacy and information-security policies, editorial codes, a modern-slavery statement, an anti-bribery policy, and a gifts and entertainment policy. We also introduced new codes of ethics for colleagues and suppliers.

We discuss our relationships with stakeholders in more detail in the next section, by reference to the directors' duty under Section 172 of the Companies Act 2006.

Stakeholder engagement

Our report below, which should be read in conjunction with our report on the Wates Principles on pages 66-69 and more generally the strategic and governance reports, sets out how the directors comply with the requirements of Section 172 of the Companies Act 2006 (referenced in our Section 172(1) statement on page 54) and how the Board, in its decision-making throughout the year, considered stakeholders' interests.

As explained in the strategic report, the past year was marked by some momentous events:

- The brutal assault by Hamas in Israel, followed by Israel's invasion of Gaza and the increasing tension in the region, Russia's war on Ukraine, and increasing political instability around the world have had marked effects in most regions where we operate (see pages 12-13 and below)
- More droughts, floods and heatwaves around the world
- The rapid advances in AI, which promises to be disruptive
- Continuing pressures on the cost of living
- The energy crisis, inflation and high interest rates in our key markets continued to affect many parts of the business.

Here we set out how the Board has responded against this backdrop.

Engaging with our shareholders

Our shareholder base is nearly 1,000 strong, ranging from increasingly dispersed long-standing family holdings to existing and former colleagues and their families, as well as other unrelated individuals and companies.

Exor owns a 43.4% stake in the company, including both ordinary shares and all the "B" special shares. There are more than 100 holders of the "A" special shares; the holders of the more substantial parcels of shares include some of the long-standing families and former editors and CEOs. These include the Rothschilds' holdings, which total 26.7% of the company's issued share capital.

Some of our "A" special, "B" special and ordinary shareholders are represented on the Board. Currently they include the Rothschilds, whose nominee, Eli Goldstein, was appointed by the "A" special shareholders; Exor, through Lady Heywood; and Georgina Cadbury. In addition, the chair, other directors and members of the leadership team regularly speak to individual shareholders. Our AGM has always been an important opportunity to talk to our shareholders and, since 2021, the Board has hosted quarterly calls to which all shareholders are invited. These are an opportunity to give shareholders updates on the Group's performance, product developments, and editorial and other initiatives. They also provide a forum for shareholders to offer feedback and ask questions of the chair and senior executives. The feedback from shareholders continues to be that they greatly value these calls.

The Board recognises the importance of the dividend to most shareholders. Given the company's strong performance, the Board has recommended to shareholders the payment of a final dividend in respect of 2024, in addition to the interim dividend paid during the year.

Colleagues

Members of the leadership team and other colleagues in the business are regularly invited to present and discuss business matters with the Board, at Board meetings as well as informal settings. Once again, we held a Board meeting in New York in March, with opportunities for colleagues to meet our directors. Our chief executive, as well as other members of the leadership team, present regular updates to colleagues covering a wide range of topics, from strategy and business performance to product development, editorial initiatives, sustainability and diversity. These sessions are frank, open discussions and include time for questions and feedback.

Members of the Board also engage individually with colleagues in areas where they wish to learn more about the business or feel they can be of particular help. One area that continues to be of considerable value to the Group has been some of our Board members' experience in technology, AI and e-commerce—in particular Diego Piacentini and Mustafa Suleyman, who have been exceptionally generous with the time and advice they have given us, both in sessions with colleagues and through their participation on the Board and in our technology investment committee. Georgina Cadbury was appointed as a designated non-executive director for workforce engagement, and we look forward to reporting on her activities in this area next year.

The Group conducts regular surveys—using an employee feedback platform, Your Voice, as well as through more targeted "pulse" surveys—the results of which, along with recommended actions arising, are reported to and discussed with the Board. They are important sources of feedback and insight.

Given the favourable colleague feedback about being able to choose to work remotely at least some of the time, we have continued our hybrid-working policy, with most full-time colleagues expected to attend an office a minimum of two days a week. Editorial colleagues at *The Economist* have different flexible-working arrangements given the nature of their work. Our colleagues are also able to work from abroad for up to five weeks a year. Those who wish to be in the office more frequently are of course welcome.

While this flexibility was introduced primarily for the benefit of colleagues, it has also had significant implications for our real-estate portfolio, given the reduced space requirements. We have continued to move offices as leases come up for review, resulting in a reduction in lease costs and, just as importantly, providing the opportunity to improve and adapt our offices to suit flexible, hybrid-working habits, which has been popular with colleagues.

Diversity and inclusion

We believe that everyone deserves to be treated fairly and inclusively, and that diversity is good for the business by providing access to the best talent and to diversity of ideas. The Board is therefore very supportive of the many diversity and inclusion initiatives that have been put in place both within the newspaper's editorial team and across the business, and on which the Board receives regular progress reports.

We also have a number of affinity groups, each sponsored by a senior executive:

- TEG in Colour, a group for ethnically diverse identities and allies across the Group that aims to create a more inclusive and equitable workplace for colleagues from all backgrounds. It champions more inclusive policies and strategies and provides a forum where colleagues can come together to share their experiences and celebrate their culture
- Minds of All Kinds, which raises awareness of mental health and well-being by facilitating conversations, providing a supportive community and helping colleagues thrive in an environment that includes mental well-being in the fabric of our culture
- WILDE, which promotes acceptance and support for LGBTQ+ colleagues and allies and engages the Group and the wider community in debate and activism on LGBTQ+ issues
- Women of TEG, which supports, promotes, empowers and recognises the women of The Economist Group. It provides a place where women can connect, inspire and learn from one another, both professionally and personally
- VOICES, which focuses on making our offices in India—Gurugram is home to our second-largest office worldwide—more inclusive spaces for people from various backgrounds. Its aim is to create a culture of equitable opportunities and foster a diverse workplace that includes representation from marginalised groups
- The DisAbility Network, which is committed to fostering an inclusive environment that supports and empowers colleagues with visible and invisible disabilities, long-term health conditions or who are caregivers. Its mission is to raise awareness, advocate for accessibility and celebrate diverse abilities at The Economist Group
- The Family Network, which supports, promotes and empowers parents and carers to take control, creating the best versions of themselves at home and at work.

Data on the composition of our Group by gender and ethnicity is published on our Group website. Our 2023 gender pay gap report was published in March 2024.

Our communities and the environment

The Board is, as ever, very supportive of The Economist Educational Foundation, an independent charity that combines the journalistic expertise of *The Economist* newspaper with teaching know-how. The Foundation's mission is to change young people's lives by giving them the skills to think and speak for themselves about current affairs. It does this by enabling inspiring discussions about the news in classrooms and between schools in different communities, giving young people exciting experiences of engaging with the biggest issues of our time. The Group makes a financial contribution to the charity every year, as do—with our gratitude for their generosity—some of our shareholders, while many colleagues (current and past) contribute time and expertise to its projects. Last year, the Group contributed £135,000 to the Foundation (2023: £148,000) (see our sustainability report at www.economistgroup.com).

The Board also supports The Economist Charitable Trust, which matches charitable donations made by colleagues. It is a global programme overseen by a group of trustees who are all current or former colleagues. The trustees oversee the budget and ensure that the scheme is widely communicated in the organisation. Any budget that is not spent by the end of the financial year is donated to charities proposed by colleagues. The trustees review all proposals and select those most in line with The Economist Group's values where the money would make the most significant impact. The charitable trust can determine that a charitable cause may merit double-matching by colleagues. It can also decide to promote campaigns to colleagues and encourage them to donate time or money.

In the year to March 31st 2024, the charitable trust was given a £104,000 budget by the company (2023: £108,000). In August 2023, the charitable trust promoted a global campaign to tackle wildfire relief, highlighting charities in Greece and Hawaii. This was followed in March 2024 by supporting a charity in Harlem, New York, providing educational opportunities to young people.

Colleagues are encouraged to undertake other work to support various communities.

The Board is committed to reducing carbon emissions and other environmental impacts of the Group's operations and has, in recent years, resolved to report in accordance with the recommendations of the TCFD and to seek regular CDP ratings, as well as conducting a materiality assessment. This is discussed on pages 44-47. Last year, in response to shareholder feedback about the size of the annual report, the Board decided to publish a separate, digital-only report on social issues and sustainability (see our sustainability report at www.economistgroup.com). To comply with applicable legislation and good practice, some sustainability-related reporting is contained in full, or at least summarised, in this annual report.

Readers and clients

We aim to deliver the best journalism, business information, events, educational and marketing services to our readers and clients, and our long-term success depends on this (see pages 14-37).

We gather feedback from our readers and clients through many channels, including an extensive annual subscriber survey and feedback at in-person events, and this is reported to the Board. During the year, the Board has been closely involved in determining how best to allocate resources to launch new products, improve existing products and services, develop the platforms for their delivery and improve customer service, putting our clients and audiences at the heart of everything that we do.

As previously reported, we ceased trading with sanctioned individuals and entities following Russia's illegal invasion of Ukraine in 2022. We have continued with our policies in the region: we do not sell subscriptions in Russia and, given the importance of access to independent, trusted news reporting and analysis, we have lifted the paywall on our website at www.economist.com to all those who visit the site from Ukraine and Russia. We are also renewing Ukrainian and Russian subscribers' digital subscriptions without charge. This continues to deprive the Group of some revenue, but we feel it is justified in the circumstances. More on our editorial coverage can be found on pages 12-19.

Suppliers

The Board recognises the importance of the Group's supply chain and of maintaining good relations with suppliers. Major supplier contracts are subject to Board review and approval, and the Group has a supplier payment policy to ensure our suppliers are paid on time. The leadership team, often with the assistance of functional specialists, reports to the Board on supplier relationships as part of updates on the business. The Board's technology investment committee reviews and assesses the Group's relationships with technology suppliers in particular.

We introduced a code of ethics that we expect our suppliers to adhere to. We continue to press for sustainability targets and data from suppliers, who are responsible for 98% of our reported greenhouse-gas emissions (see pages 44-47 and our sustainability report at www.economistgroup.com); this is becoming an increasingly meaningful part of our supplier selection process.

The Board and committees

The Board is supported by three permanent committees: audit and risk, remuneration and nomination. We set up other committees on an ad hoc basis when needed, and currently have a technology investment committee.

The permanent committees are all made up of non-executive directors, and they report to the Board after each meeting. Meetings are all attended by executives as required by committee members.

Audit and risk committee

The audit and risk committee is made up of three non-executive directors. Chaired by Lady Heywood, the other members are Georgina Cadbury and Eli Goldstein.

The committee's role, on behalf of the Board, is to ensure that the management team produces reliable financial information, such that our published financial statements give a true and fair view of the business. The committee is also responsible for reviewing risk, the suitability and effectiveness of the Group's internal financial controls, the work and findings of our internal and external auditors, key accounting policies and judgments, corporate governance, and governance around reporting in line with the recommendations of the TCFD. The audit and risk committee has outsourced the internal-audit function to PwC to access broader and independent subject-matter expertise and enable efficient resource allocation. During the year, PwC reported to the committee on the results of completed internal audits and provided status updates on implementing actions from previous audits.

Risk management

The Group has carried out a thorough risk assessment, as it does every year, which is summarised on pages 55-56.

The internal financial-control system has been designed and developed to provide the audit and risk committee with reasonable assurance of the accuracy and reliability of the Group's financial records, and its effectiveness has been reviewed by the committee. The control system includes the following important features:

- The Board reviews the Group's strategy, long-term plan and goals annually. In addition to this annual review, the strategies of individual businesses are reviewed as required.
- The Board approves an annual budget.
- Monthly results are reported against the annual budget and forecasts. Page 4 (Financial highlights) and the business review on pages 20-37 include some of the key performance indicators that are used to measure business performance. The company reports to shareholders formally twice a year through its interim and annual reports. There are also quarterly shareholder calls or meetings (one of which is the AGM) to which all shareholders are invited (see page 143).
- Treasury procedures cover banking arrangements, hedging instruments, investments of cash balances and borrowing procedures. These procedures include colleague responsibilities, segregation of duties and levels of delegated authority for treasury matters.
- PwC carries out an independent risk-based programme of internal-audit work in all parts of the Group.
- The company has a risk-management function that reviews the register of key business risks and mitigation actions and reports to the Board (see pages 55-56). This now includes climate-related risks and opportunities (see pages 48-51).

- The company has a cyber-security function that manages the Group's risk of cyber-attack. Controls to prevent and detect attacks are supplemented with assurance, mitigation and education activities. We manage cyber-resilience by ensuring we have appropriate, tested plans and recovery resources in place, coupled with crisis-management actions.
- The company has clearly defined guidelines for the review and approval of capital-expenditure projects that, in the case of digital-product development and technology, currently include project appraisals and reviews by a dedicated Board technology investment committee.

Reviews

During the year, the audit and risk committee reviewed:

- The Group's interim and annual reports, and considered the narrative description of performance in the reports and the accounting principles, policies and practices adopted in the financial statements
- Results of internal audits, the adequacy of management's response and the timeliness of the resolution of key findings. The chair of the committee met with the PwC internal-audit team to monitor the effectiveness of the internal-audit function
- The scope of the external audit, the work plan and fees proposed, the level of errors identified during the audit, and the external auditor's report summarising its work on the interim and annual reports
- The independence of the external auditor (which is reviewed twice-yearly)
- Business-risk updates from the chief executive
- Progress updates on the Group's approach to cyber-security and fraud risk
- The Group's tax and treasury management
- The investment strategy of the Group's UK defined-benefit pension scheme.

Nomination committee

The nomination committee is responsible for Board succession planning (although not for that of the Group's Trustees). Its aim is to make sure that the Board has a diverse range of directors who, between them, have a breadth of experience in useful and relevant areas. The committee meets as and when required, but at least annually.

The nomination committee's terms of reference state that the committee should be chaired by the chair of the Board, and that it should include a director representing the holder of the "B" special shares (currently Lady Heywood) and a director nominated by any shareholder group that owns more than 15% of both the "A" special shares and the ordinary shares (currently Eli Goldstein, who was nominated by the Rothschild family).

Its terms of reference also provide that any shareholder group that owns more than 15% of both the "A" special shares and the ordinary shares may propose nominees for up to two non-executive directors (whose election remains subject to the approval of the holders of a majority of the "A" special shares). There is currently one such nominee on the Board: Eli Goldstein. During the year, the tenures of Vindi Banga and Eli Goldstein were each extended for another three years.

Remuneration committee

The remuneration committee is made up of three non-executive directors. It is chaired by Lord Deighton, and the other members are Vindi Banga and Lady Heywood. The committee's role is described in the directors' report on remuneration on pages 76-77. See also page 69.

Technology investment committee

The technology investment committee comprises three non-executive directors: Lady Heywood, Mustafa Suleyman and Diego Piacentini. Its purpose is to advise on, oversee and track the performance of our investments in digital products and technology, reflecting the Board's recognition of the importance of strong governance in an area that is so critical to the Group and of the contributions these three directors in particular can make in this field.

Directors' report on remuneration

The remuneration committee is responsible for the remuneration policy for senior executives of the Group, as well as the policy and structure of pay and Group bonus schemes for colleagues generally.

The committee

The remuneration committee of the Board is made up of three non-executive directors: Lord Deighton (chair), Vindi Banga and Lady Heywood. The quorum necessary for transacting business is two members.

The committee is responsible for the remuneration policy for senior executives of the Group and the policy and structure of pay and Group bonus schemes for colleagues generally. In determining remuneration, the committee follows a policy designed to attract, retain and motivate high-calibre executives, aligned with the interests of shareholders.

In reaching decisions about salaries and bonuses, the committee considers information about remuneration in other companies in similar sectors of comparable scale and complexity, and takes advice from remuneration consultants, particularly in terms of best market practice and benchmarking.

See page 69 for more on the remuneration committee's activities and the Group's remuneration policy.

Table 1 Directors' interests as at March 31st 2024

	March 31st 2024			March 31st 2023		
Beneficial holdings	**Ordinary**	**"A" special**	**"B" special**	Ordinary	"A" special	"B" special
Lord Deighton	–	3,300	–	–	3,300	–
Lara Boro	24,975	1,150	–	12,950	500	–
Zanny Minton Beddoes	44,965	–	–	38,340	–	–
Vindi Banga	–	–	–	–	–	–
Georgina Cadbury[1]	181,416	14,446	–	181,416	14,446	–
Eli Goldstein	–	–	–	–	–	–
Lady Heywood	–	–	–	–	–	–
Diego Piacentini	24,168	–	–	17,288	–	–
Mustafa Suleyman	–	–	–	–	–	–
Holdings as trustee						
Zanny Minton Beddoes[2]	97,500	–	–	97,500	–	–

The beneficial interests above include directors' personal holdings, holdings of their spouses and children, and holdings through companies and trusts in which they have an interest.

1 This includes 134,000 Ordinary shares held by L.J.C. Fund Limited, a benevolent company of which Georgina Cadbury is a director.

2 Held as a joint trustee of the Marjorie Deane Journalism Foundation.

Lara Boro and Zanny Minton Beddoes each have the right to acquire 32,500 ordinary shares (2023: 45,000 and 35,000 respectively) under the restricted share scheme described in the next section. Lara Boro exercised 22,500 options and Zanny Minton Beddoes exercised 12,500 options in the year.

The executive directors of the company, together with all employees of the Group, are beneficiaries of the company's employee share ownership trust. As such, Lara Boro and Zanny Minton Beddoes are treated as interested in the 314,052 ordinary shares (2023: 283,353) held by the trustee of that trust.

The Group operated a number of annual and long-term bonus plans during the year, providing performance-based bonuses for executive directors and colleagues.

(a) Annual bonus plans

Executive directors and colleagues participated in annual bonus incentives in which rewards were linked to Group and business-unit revenue and profit performance, personal performance and diversity targets.

(b) Executive long-term plans

Executives participate in a three-year cash-bonus scheme. The amount paid to each participant is determined by the growth in the Group's earnings per share, revenue and subscriptions volume, its carbon-emissions reductions, and by the number of units awarded to the participant at the start of the three-year period. There is a minimum hurdle to achieve before any payments are made.

(c) *The Economist* editorial long-term plan

Some senior journalists who do not participate in the executive long-term plan participate in this three-year cash-bonus scheme, which is designed to help retain key editorial colleagues. The amount paid to each participant is determined by the growth in the Group's earnings per share, revenue and subscriptions volume, its carbon-emissions reductions, and by the number of units awarded to the participant at the start of the three-year period. There is a minimum hurdle to achieve before any payments are made.

(d) Restricted share scheme

The Group also has in place a restricted share scheme under which a small number of key colleagues have been awarded a right to acquire ordinary shares at a nominal price, usually between one and four years after the date of the award. The Group has the discretion to pay out shares or cash on exercise.

Directors' remuneration

Directors' remuneration and benefits are shown in table 2. Non-executive directors do not participate in any bonus scheme, any long-term incentive scheme or any of the company's pension plans. This table shows salaries/fees, annual bonuses and benefits earned in and charged to the income statement in the year unless otherwise noted. The table includes future and uncashed entitlements under annual and long-term incentive schemes.

Table 2 Remuneration for the year ended March 31st 2024

	Salary/Fees 2024 £000	Annual bonus 2024 £000	Long-term plan 2024 £000	Benefits 2024 £000	Total 2024 £000	Total 2023 £000
Lord Deighton	150	–	–	–	150	150
Lara Boro	640	396	702	17	1,755	2,149
Zanny Minton Beddoes	507	228	278	18	1,031	1,193
Vindi Banga	39	–	–	–	39	39
Georgina Cadbury	39	–	–	–	39	9
Eli Goldstein	39	–	–	–	39	39
Lady Heywood[1]	39	–	–	–	39	39
Philip Mallinckrodt (retired October 2022)	–	–	–	–	–	23
Diego Piacentini	39	–	–	–	39	39
Mustafa Suleyman	39	–	–	–	39	39
Total	**1,531**	**624**	**980**	**35**	**3,170**	**3,719**

1 Paid to Exor.

Table 3 Directors' accrued pensions

The pensions that would be paid annually on retirement at age 65 based on service with the company to March 31st 2024 are shown below. The table does not include any additional voluntary contributions or any resulting benefits.

	Age at March 31st 2024	Accrued pension at March 31st 2024	Accrued pension at March 31st 2023	Change
Zanny Minton Beddoes	**56**	**£154,637**	£146,663	£7,974

Directors' report

The directors present their report to shareholders, together with the audited consolidated financial statements, for the year ended March 31st 2024.

Developments and principal activities

The principal activities of the Group consist of publishing, the supply of business information and consulting services, conferences, marketing services and data design. More details about the activities, developments and likely future developments of the Group are on pages 2-37.

Information on the use of financial instruments can be found on page 120. Information on engagement with suppliers, employees and others can be found on pages 70-73.

Results and dividends

The profit after tax from continuing operations for the financial year to March 31st 2024 was £34.1m (2023: £31.2m). A final dividend of 120.0p per share (2023: 80.0p) is proposed for the year to March 31st 2024. Together with the interim dividend already paid, this makes a total proposed dividend for the year of 160.0p per share (2023: 120.0p).

Colleagues

We recognise the importance of engaging our colleagues and encouraging them to contribute their diverse perspectives to the business to help achieve our Group's strategy and long-term ambition. We strive to have meaningful two-way dialogue with our colleagues through a range of formal and informal channels. For example, our all-colleague events, "TEG Conversation", "Insight Hours" and "Coffee Withs", as well as newsletters and colleague surveys, inform, inspire and engage. We consistently ask our colleagues to share their feedback with managers, and have regular conversations, making a point of seeking questions or comments in every communication channel. We have affinity groups and task-forces to generate meaningful discussions about our internal culture and to strengthen our diversity.

Our policies and procedures have been developed to continue the spirit of open dialogue and to align to our purpose. We have employee-assistance programmes and an anonymous hotline for any colleague who wishes to speak to a third party in confidence.

We solicit feedback from all colleagues through regular colleague engagement surveys, in which we ask questions about purpose, working relationships, culture and working environment; we also conduct occasional "pulse" surveys during the year. Each year we select important drivers for organisational improvement based on colleague feedback and work collectively for improvement. The results of our surveys are discussed with the Board, who monitor the progress of our improvement initiatives. See also the "Our colleagues" section on pages 42-43 and our sustainability report at www.economistgroup.com.

Equal-opportunity employment

The Group is an equal-opportunities employer. Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of colleagues becoming disabled, every reasonable effort is made to ensure that their employment with the Group continues and that appropriate support is provided. Training, career development and promotion of disabled persons is, as far as possible, identical to that of other colleagues. See also our guiding principles on page 65.

UK Streamlined Energy and Carbon Reporting (SECR)

SECR disclosures can be found on page 47.

Transactions with related parties

Details of transactions with related parties, which are to be reported under IAS 24, are set out in note 30 to the financial statements on page 127.

Directors

Profiles of the directors appear on pages 60-61. All executive directors have contracts of employment. All directors have served throughout the year and up to the date of signing.

Directors' indemnities

The company provides, to the extent permitted by law, an indemnity to all directors and officers of the company and its subsidiaries in respect of claims against them arising in respect of the conduct of the business of the Group. The company has also purchased directors' and officers' insurance cover against certain legal liabilities and costs for claims in connection with any act or omission by such directors and officers in the execution of their duties.

Corporate information

The share capital of the company is divided into ordinary shares, "A" special shares, "B" special shares and trust shares. There are more than 100 "A" special shareholders, and the "B" special shares are all held by Exor.

The trust shares are held by Trustees (who are described on page 59), whose consent is needed for certain corporate activities. The rights attached to the trust shares provide for the continued independence of the ownership of the company and the editorial independence of *The Economist*. Apart from these rights, they do not include the right to vote on most other matters, receive dividends or have any other economic interest in the company. The appointments of the editor-in-chief of *The Economist* and of the chair of the company are subject to the approval of the Trustees, as are transfers of "A" special and "B" special shares.

The ordinary shareholders are not entitled to participate in the appointment of directors, but in most other respects they have the same rights as the holders of "A" and "B" special shares. The transfer of ordinary shares must be approved by the Board.

No one shareholder or group of shareholders acting in concert is entitled (in relation to any resolution, whether proposed at a general meeting of the company and voted on by way of a poll or put to shareholders as a written resolution) to exercise votes representing more than 20% of the total voting rights exercisable by shareholders (other than the Trustees); or to hold shares carrying more than 50% in value of the dividend rights of the company.

Shares held in treasury

5,040,000 ordinary shares were repurchased during the year ended March 31st 2016 and are held in treasury. The voting and dividend rights associated with those shares remain suspended.

Corporate governance

Please refer to the report on corporate governance on pages 64-73.

Annual general meeting (AGM)

The notice convening the AGM, to be held at the British Academy of Film and Television Arts, 195 Piccadilly, London W1J 9LN on Tuesday July 9th 2024 at 12.15pm, can be found on page 143.

Independent auditor

A resolution to reappoint Deloitte LLP as auditor to the company, and another resolution to authorise the directors to fix their remuneration, will be proposed at the AGM.

Auditor independence

In line with prevailing good practice, the audit and risk committee has a policy defining those non-audit services that the independent auditor may or may not provide to the Group. The policy requires that the provision of these services be approved in advance by the audit and risk committee or, up to pre-approved limits, by the chief financial officer. A statement of the fees for audit and non-audit services is set out in note 4 to the consolidated financial statements on page 99.

Events after the balance-sheet date

There were no material events after the balance-sheet date.

Disclosure of information to the auditor

As far as each of the directors is aware, there is no relevant information that has not been disclosed to the company's auditor, and each of the directors believes that all steps have been taken that ought to have been to make him or her aware of any relevant audit information, and to establish that the company's auditor has been made aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 Reduced Disclosure Framework. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing the parent company financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgments and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the company will continue in business.

In preparing the Group financial statements, International Accounting Standard 1 requires that directors:

- Properly select and apply accounting policies
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information
- Provide additional disclosures when compliance with the specific requirements in International Financial Reporting Standards is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance
- Assess the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and so for taking reasonable steps to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing how financial statements are prepared and disseminated may differ from legislation in other jurisdictions.

We confirm that to the best of our knowledge:

- The financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole
- The strategic report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face
- The annual report and financial statements, 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.

This responsibility statement was approved by the board of directors on June 10th 2024 and is signed on its behalf by:

Oscar Grut
Chief legal officer
Group company secretary and head of ESG

June 10th 2024

Financial statements

In this section

Safeguarding our values.

Earning trust.

Sustaining our growth.

Independent auditor's report to the members of The Economist Newspaper Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements of The Economist Newspaper Limited (the "parent company") and its subsidiaries (the "Group") give a true and fair view of the state of the group's and of the parent company's affairs as at March 31st 2024 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB);
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 Reduced Disclosure Framework and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cashflow statement;
- the related notes 1 to 32; and
- the parent company notes 1 to 22.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law, United Kingdom adopted international accounting standards and IFRS as issued by the IASB. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom adopted international accounting standards and is applied in accordance with the provisions of the Companies Act 2006.

Basis for opinion

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

We are independent of the Group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 parent 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.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going-concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities 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 auditor's 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.

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act, pensions legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included the General Data Protection Regulation.

We discussed among the audit engagement team and relevant internal specialists such as tax, pensions and IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the consulting revenue stream due to the level of judgement and complexity related to revenue recognition. In addressing this risk we:

- performed detailed substantive testing on a sample of consulting projects that were ongoing at year end, obtaining evidence confirming the milestone had been met in accordance with the contract in assessing whether revenue had been recognised appropriately and in the appropriate period.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgments made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jon Young (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, UK

June 11th 2024

Consolidated income statement

Year ended March 31st 2024

	Note	2024 £000	2023 £000
Revenue	2, 3	**366,988**	376,779
Operating expenses	4	(319,615)	(334,532)
Operating profit	2	**47,373**	42,247
Finance income	6	533	845
Finance costs	7	(2,444)	(3,432)
Profit before tax	2	**45,462**	39,660
Tax	8	(11,389)	(8,462)
Profit for the year		**34,073**	31,198
Attributable to:			
Equity holders of the company		34,073	31,198
Earnings per share			
Basic (pence)	9	**171.6**	157.0
Diluted (pence)	9	170.6	155.9
Dividends per share on a cash basis (pence)	10	120.0	127.0
Dividends per share including proposed dividends (pence)	10	160.0	120.0

Consolidated statement of comprehensive income

Year ended March 31st 2024

	Note	2024 £000	2023 £000
Profit for the year		**34,073**	31,198
Items that may be reclassified subsequently to the income statement:			
Change in fair value of cashflow hedges	24	(794)	2,549
Attributable tax	8	198	(637)
Change in value of interest rate hedges		(341)	393
Attributable tax	8	85	41
Net exchange differences on translation of net investments in overseas subsidiary undertakings		(568)	(796)
Items that will not be reclassified to the income statement:			
Remeasurement of retirement benefit obligations	23	(473)	471
Attributable tax	8	(572)	(812)
Current tax benefit on retirement benefit obligations	8	679	718
Other comprehensive (expense)/income for the year		(1,786)	1,927
Total comprehensive income for the year		**32,287**	33,125
Attributable to:			
Equity holders of the company		32,287	33,125

Consolidated balance sheet

As at March 31st 2024

	Note	2024 £000	2023 £000
Property, plant and equipment	12	4,629	5,129
Right-of-use assets	13	23,514	28,048
Intangible assets	14	50,109	48,501
Deferred tax assets	16	4,436	8,529
Non-current assets		**82,688**	90,207
Inventories	17	282	385
Trade and other receivables	18	53,916	59,977
Current tax assets		1,422	1,054
Derivative financial instruments	24	541	1,795
Cash and cash equivalents	19	24,776	34,042
Current assets		**80,937**	97,253
Total assets		**163,625**	187,460
Trade and other liabilities	20	(6,783)	(10,179)
Borrowings	21	–	(16,423)
Lease liabilities	22	(25,412)	(29,285)
Deferred tax liabilities	16	–	(2,261)
Retirement benefit obligations	23	(7,947)	(10,029)
Other liabilities		–	(160)
Non-current liabilities		**(40,142)**	(68,337)
Trade and other liabilities	20	(185,971)	(186,771)
Lease liabilities	22	(4,748)	(6,572)
Current tax liabilities		(1,298)	(1,861)
Current liabilities		**(192,017)**	(195,204)
Total liabilities		**(232,159)**	(263,541)
Net liabilities		**(68,534)**	(76,081)
Equity			
Share capital	27	1,260	1,260
ESOP shares	28	(5,506)	(4,606)
Treasury shares	29	(188,823)	(188,823)
Translation reserve		(18,126)	(16,764)
Retained earnings		142,661	132,852
Total equity		**(68,534)**	(76,081)

The consolidated financial statements were approved by the Board of directors and authorised for issue on June 10th 2024.

They were signed on its behalf by:

Paul Deighton **Lara Boro**
Directors

The Economist Newspaper Limited registered number 00236383

Consolidated statement of changes in equity

Year ended March 31st 2024

Year ended March 31st 2024	Note	Share capital £000	ESOP shares £000	Treasury shares £000	Translation reserve £000	Retained earnings £000	Total equity £000
		Equity attributable to equity holders of the company					
At April 1st 2023		**1,260**	**(4,606)**	**(188,823)**	**(16,764)**	**132,852**	**(76,081)**
Profit for the year		–	–	–	–	34,073	34,073
Other comprehensive expense		–	–	–	(1,362)	(424)	(1,786)
Total comprehensive income		–	–	–	(1,362)	33,649	32,287
Net purchase of own shares	28	–	(900)	–	–	–	(900)
Dividends	10	–	–	–	–	(23,840)	(23,840)
At March 31st 2024		**1,260**	**(5,506)**	**(188,823)**	**(18,126)**	**142,661**	**(68,534)**

Year ended March 31st 2023	Note	Share capital £000	ESOP shares £000	Treasury shares £000	Translation reserve £000	Retained earnings £000	Total equity £000
		Equity attributable to equity holders of the company					
At April 1st 2022		1,260	(5,248)	(188,823)	(18,517)	126,705	(84,623)
Profit for the year		–	–	–	–	31,198	31,198
Other comprehensive income		–	–	–	1,753	174	1,927
Total comprehensive income		–	–	–	1,753	31,372	33,125
Net sale of own shares	28	–	642	–	–	–	642
Dividends	10	–	–	–	–	(25,225)	(25,225)
At March 31st 2023		1,260	(4,606)	(188,823)	(16,764)	132,852	(76,081)

The translation reserve includes exchange differences arising from the translation of the net investment in foreign operations and of other currency instruments designated as hedges of these investments.

Consolidated cashflow statement

Year ended March 31st 2024

	2024 £000	2023 £000
Cashflows from operating activities		
Operating profit	47,373	42,247
Depreciation, amortisation and impairment charges	14,718	14,675
Decrease in inventories	103	64
Decrease in trade and other receivables	5,889	3,337
(Decrease) in trade and other liabilities	(3,103)	(4,833)
(Decrease) in retirement benefit obligations	(3,000)	(4,000)
(Decrease) in provisions	(123)	(258)
Cash generated from operations	**61,857**	51,232
Taxes paid	(9,853)	(5,860)
Net cash generated from operating activities	**52,004**	45,372
Investing activities		
Interest received	533	242
Purchase of intangible assets	(9,341)	(7,148)
Purchase of property, plant and equipment	(762)	(2,774)
Net cash used in investing activities	**(9,570)**	(9,680)
Financing activities		
Dividends paid	(23,840)	(25,225)
Interest paid	(2,077)	(2,489)
Payment of lease liabilities	(6,711)	(8,508)
Lease incentive receipts	–	4,000
Sale of interest rate derivative	–	1,076
(Purchase)/sale of own shares	(1,590)	112
Proceeds from borrowings	30,000	18,000
Repayment of borrowings	(47,000)	(21,000)
Net cash used in financing activities	**(51,218)**	(34,034)
Effects of exchange rate changes on cash and cash equivalents	(482)	1,162
Net (decrease)/increase in cash and cash equivalents	(9,266)	2,820
Cash and cash equivalents at the beginning of the year	34,042	31,222
Cash and cash equivalents at the end of the year	**24,776**	34,042

	2024 £000	2023 £000
Net debt		
Net debt at beginning of the year	(18,238)	(16,102)
Net (decrease)/increase in cash and cash equivalents	(9,266)	2,820
Proceeds from borrowings	(30,000)	(18,000)
Payment of lease liabilities	6,711	8,508
Lease incentive receipts	–	(4,000)
Inception of new lease liabilities, net of disposals	(1,095)	(12,121)
Repayment of borrowings	47,000	21,000
Other non-cash changes	(577)	203
Effects of exchange rate changes on lease liabilities	81	(546)
Net debt at the end of the year	**(5,384)**	(18,238)
Net debt comprises:		
Cash at bank and in hand	24,776	34,042
Total cash and cash equivalents	24,776	34,042
Lease liabilities	(30,160)	(35,857)
Borrowings	–	(16,423)
Total net debt	**(5,384)**	(18,238)

Notes to the consolidated financial statements

The Economist Newspaper Limited (the company) and its subsidiaries (together the Group) are international businesses covering publishing, the supply of business information and consulting services, conferences, marketing services and data design.

The company is limited by shares and is a private limited company incorporated and domiciled in England. The address of its registered office is The Adelphi, 1-11 John Adam Street, London, WC2N 6HT.

These consolidated financial statements were approved for issue by the Board of directors on June 10th 2024.

NOTE 1 Accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

a. Basis of preparation

These consolidated financial statements have been prepared on the going-concern basis and in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRSIC) interpretations as adopted by the European Union (EU) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. In respect of the accounting standards applicable to the Group, there is no difference between EU-adopted and IASB-adopted IFRS.

These consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and liabilities (including derivative financial instruments) to fair value through profit or loss.

Notwithstanding the fact that the Group has net liabilities, the directors believe it is appropriate to prepare the financial statements on a going-concern basis based on: the strength of future anticipated trading; the nature and timing of settlement of the Group's liabilities; and the availability of committed financing to meet future cashflow needs of the Group.

1. New standards, interpretations and amendments adopted in the year

The following standards, interpretations and amendments were adopted in the year:

- IFRS 17 Insurance Contracts;
- Amendments to IFRS 17 Insurance Contracts;
- Amendments to IAS 1 Presentation of Financial Statements;
- Amendments to IFRS 12 Income Taxes; and
- Amendments to IAS 8 Accounting policies, changes in accounting estimates and errors.

The adoption of these standards has not had a material impact on the financial statements of the Group.

2. Standards, interpretations and amendments to published standards that are not yet effective

The following published standards and amendments to existing standards, which have not yet all been endorsed by the EU, are expected to be effective as follows:

From the year beginning April 1st 2024:

- Amendments to IFRS 16 Leases; and
- Amendments to IAS 1 Presentation of Financial Statements.

From the year beginning April 1st 2025:

- Amendments to IFRS 21 The Effects of Changes in Foreign Exchange Rates

The directors do not expect that the adoption of the standards and interpretations listed above will have a material impact on the financial statements of the Group in future periods, although the full assessment is not complete.

3. Critical accounting assumptions and judgments

The preparation of financial statements in conformity with IFRS requires the Group to make judgments, estimates and assumptions. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. No judgments made in the process of applying the Group's accounting policies, other than those involving estimates, have had a significant effect on the amounts recognised within the financial statements. The areas requiring a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are discussed in the relevant accounting policies under the following headings and in the notes to the accounts where appropriate:

- Employee benefits: Pensions (notes 1m and 23).

NOTE 1 Accounting policies continued

b. Consolidation

1. Business combinations

The acquisition method of accounting is used to account for business combinations.

The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interest issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred in the administrative expenses line of the income statement.

Identifiable assets and identifiable liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The determination of fair values often requires significant judgments and the use of estimates, and for material acquisitions, the fair value of the acquired intangible assets is determined by an independent valuer. The excess of the fair value of consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill.

See note 1e for the accounting policy on goodwill. If this is less than the fair value of the net assets of the subsidiary acquired, in the case of a bargain purchase, the difference is recognised directly in the income statement.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Management exercises judgment in determining the classification of its investments in its businesses.

2. Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

c. Foreign currency translation

1. Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in sterling, which is the company's functional and presentation currency.

2. Transactions and balances

Foreign-currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign-exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying net investment hedges.

3. Group companies

The results and financial position of all Group companies that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i) Assets and liabilities are translated at the closing rate at the date of the balance sheet.

ii) Income and expenses are translated at average exchange rates.

iii) All resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. The Group treats specific inter-company loan balances, which are not intended to be repaid in the foreseeable future, as part of its net investment. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

The principal overseas currency for the Group is the US dollar. The average rate for the year against sterling was $1.26 (2023: $1.21) and the year-end rate was $1.26 (2023: $1.24).

d. Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for intended use. Finance costs which are directly attributable to the cost of construction of property, plant and equipment are capitalised as part of the costs of that tangible fixed asset. Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives as follows:

i) Leasehold buildings: over the period of the lease.

ii) Plant and machinery, and equipment: 3-10 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance-sheet date.

The carrying value of an asset is written down to its recoverable amount if the carrying value of the asset is greater than its estimated recoverable amount.

Notes to the consolidated financial statements

NOTE 1 Accounting policies continued

e. Intangible assets

1. Goodwill

For the acquisition of subsidiaries made on or after April 1st 2014, goodwill represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. For the acquisition of subsidiaries made prior to April 1st 1998, purchased goodwill arising on consolidation was written off to reserves in the year in which it arose. For the acquisition of subsidiaries made on or after April 1st 1998 and prior to the date of transition to IFRS on March 31st 2014, goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets acquired. Goodwill on acquisitions of subsidiaries is included in intangible assets.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. An impairment loss is recognised to the extent that the carrying value of goodwill exceeds the recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use. These calculations require the use of estimates and significant management judgment.

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units (CGUs) to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cashflows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. The carrying amount of goodwill at the balance-sheet date was £20,266,000 (2023: £20,522,000). There have been no impairments to the value of goodwill. See note 14 for details of key assumptions, the tests for impairment and the sensitivity of the estimates used by the Group.

Goodwill is allocated to aggregated CGUs for the purpose of impairment testing. The allocation is made to those aggregated CGUs that are expected to benefit from the business combination in which the goodwill arose.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold except for disposals of entities acquired before April 1st 2008, where goodwill was originally charged to reserves and is not recycled on disposal.

IFRS 3 "Business Combinations" has not been applied retrospectively to business combinations before the date of transition to IFRS.

2. Acquired software

Software separately acquired for internal use is capitalised at cost. Software acquired in material business combinations is capitalised at its fair value as determined by an independent valuer. Acquired software is amortised on a straight-line basis over its estimated useful life of between three and ten years. The amortisation period, method and residual value are reviewed annually.

3. Internally developed software

Internal and external costs incurred during the preliminary stage of developing computer software for internal use are expensed as incurred. Internal and external costs incurred to develop computer software for internal use during the application development stage are capitalised if the Group expects economic benefits from the development. Capitalisation in the application development stage begins once the Group can reliably measure the expenditure attributable to the software development and has demonstrated its intention to complete and use the software. Internally developed software is amortised on a straight-line basis over its estimated useful life of between three and ten years.

4. Acquired intangible assets

Acquired intangible assets include customer lists, contracts and relationships, trademarks and brands, publishing rights, content, technology and software rights. These assets are capitalised on acquisition at cost and included in intangible assets. Intangible assets acquired in material business combinations are capitalised at their fair value as determined by an independent valuer. Intangible assets are amortised over their estimated useful lives of between 2 and 20 years, using an amortisation method that reflects the pattern of their consumption.

f. Other financial assets

Other financial assets, designated as available-for-sale investments, are non-derivative financial assets measured at estimated fair value. Changes in the fair value are recorded in equity in the fair value reserve. On the subsequent disposal of the asset, the net fair value gains or losses are transferred directly from the fair value reserve to retained earnings.

g. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first in first out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. Provisions are made for slow-moving and obsolete stock.

h. Cash and cash equivalents

Cash and cash equivalents in the cashflow statement include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are included in borrowings in current liabilities in the balance sheet.

Short-term deposits and marketable securities with maturities of greater than three months do not qualify as cash and cash equivalents. Movements on these financial instruments are classified as cashflows from financing activities in the cashflow statement where these amounts are used to offset the borrowings of the Group, or as cashflows from investing activities where these amounts are held to generate an investment return.

NOTE 1 Accounting policies continued

i. Share capital

Ordinary, "A" and "B" special shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the company's equity share capital either under the employee share ownership plan or as treasury shares, the consideration paid, including any directly attributable incremental costs, net of income taxes, is deducted from equity attributable to the company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable transaction costs and the related income tax effects, is included in equity attributable to the company's equity holders.

j. Borrowings

Borrowings are recognised initially at fair value, which is proceeds received net of transaction costs incurred. Borrowings are subsequently stated at amortised cost with any difference between the proceeds (net of transaction costs) and the redemption value being recognised in the income statement over the period of the borrowings using the effective interest method. Where a debt instrument is in a fair value hedging relationship, an adjustment is made to its carrying value in the income statement to reflect the hedged risk. Interest on borrowings is expensed in the income statement as incurred.

k. Derivative financial instruments

Derivatives are recognised at fair value and are remeasured at each balance-sheet date. The fair value of derivatives is determined by using market data and the use of established estimation techniques such as discounted cashflow and option valuation models. The Group designates certain of the derivative instruments within its portfolio to be hedges of the fair value of its cashflows (cashflow hedges) or hedges of net investments in foreign operations (net investment hedges).

Changes in the fair value of derivatives that are designated and qualify as cashflow hedges are recorded in other comprehensive income, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The effective portion of changes in the fair value of derivatives that are designated and qualify as net investment hedges are recognised in other comprehensive income. Gains and losses accumulated in equity are included in the income statement when the corresponding foreign operation is disposed of. Gains or losses relating to the ineffective portion are recognised immediately in finance income or finance costs in the income statement.

Certain derivatives do not qualify or are not designated as hedging instruments. Such derivatives are classified at fair value and any movement in the fair value is recognised immediately in administrative costs in the income statement.

l. Taxation

Current tax is recognised on the amounts expected to be paid or recovered under the tax rates and laws that have been enacted or substantively enacted at the balance-sheet date.

Deferred income tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance-sheet date and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available, against which the temporary differences can be utilised.

Deferred tax is recognised on the unremitted earnings of subsidiaries except where the parent is able to control the timing of the remittance of the earnings and it is probable that remittance will not take place in the foreseeable future.

Current and deferred tax are recognised in the income statement, except when the tax relates to items charged or credited directly to equity or other comprehensive income, in which case the tax is also recognised in equity or other comprehensive income.

Current and deferred tax are recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense, except for deferred tax arising on the initial recognition of a business combination, which is recognised via goodwill.

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the estimates in relation to the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax-audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will affect the tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets and liabilities require management judgment in determining the amounts to be recognised. In particular, significant judgment is used when assessing the extent to which deferred tax assets should be recognised, with consideration given to the timing and level of future taxable income together with any future tax-planning strategies.

Notes to the consolidated financial statements

NOTE 1 Accounting policies continued

m. Employee benefits

1. Pensions

The retirement benefit asset and obligation recognised in the balance sheet represents the net of the present value of the defined-benefit obligation and the fair value of scheme assets at the balance-sheet date. The defined-benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined-benefit obligation is determined by discounting estimated future cashflows using yields on high-quality corporate bonds which have terms to maturity approximating the terms of the related liability.

When the calculation results in a potential asset, the recognition of that asset is limited to the asset ceiling, that is the present value of any economic benefits available in the form of refunds from the plan or a reduction in future contributions. Management uses judgment to determine the level of refunds available from the plan in recognising an asset.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

The service cost, representing benefits accrued over the year, is included in the income statement as an operating cost. Past-service costs are recognised in full in the income statement in the period in which they occur. Net interest is calculated by applying the discount rate to the net defined-benefit obligation and is presented as finance costs or finance income. Obligations for contributions to defined-contribution pension plans are recognised as an operating expense in the income statement as incurred.

Determining the value of pension liabilities at the balance-sheet date requires a number of key variables, including inflation, longevity, salary growth and the discount rate to be estimated by the Group. These estimates have a material impact on the valuation of the pension liability. See note 23 for details of the pension liability valuation and the sensitivity of the assumptions used by the Group.

2. Other post-retirement obligations

The liabilities and costs relating to other post-retirement obligations are assessed annually by independent qualified actuaries.

3. Share-based payments

The Group awards certain employees entitlements to cash-settled share-based payments in accordance with its restricted share plan. The fair value of the awards granted is recognised as an employee expense after taking into account the Group's best estimate of the number of awards expected to vest. Fair value is measured at the date of grant and at each period end and is spread over the vesting period of the award.

Management regularly performs a true-up of the estimate of the number of awards that are expected to vest. This is dependent on the anticipated number of leavers.

A liability equal to the portion of the services received is recognised at the current fair value determined at each balance-sheet date.

n. Provisions

Provisions are recognised if the Group has a present legal or constructive obligation as a result of past events, if it is more likely than not that an outflow of resources will be required to settle the obligation, and if the amount can be reliably estimated. Provisions are discounted to present value where the effect is material.

The Group recognises a provision for contingent consideration at fair value. Where this is contingent on future performance or a future event, judgment is exercised in establishing the fair value.

The Group recognises a provision for onerous lease contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract. The provision is based on the present value of future payments for surplus leased properties under non-cancellable operating leases, net of estimated subleasing income.

o. Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of circulation, subscriptions, advertising, sponsorship, research, marketing services and delegate fees net of sales tax, rebates and discounts and after eliminating sales within the Group.

Circulation and advertising revenue relating to a newspaper or other publication is recognised on the date of publication, or, in the case of free publications, the date of dispatch. Subscription revenue, whether from print circulation, digital or online, is recognised in the income statement over the period of the subscription. Sponsorship and delegate revenue arising in the year relating to future events is deferred until those events have taken place.

Research revenue is derived from sales of economic, industry and management research products to clients. This revenue is accrued or deferred and recognised over the contract term in line with milestones or on delivery of the final product, in accordance with the contract.

Where a contractual arrangement consists of two or more separate elements that can be provided to customers either on a stand-alone basis or as an optional extra, such as the provision of supplementary materials or online access, revenue is recognised for each element as if it were an individual contractual arrangement.

Revenue from multi-year contractual arrangements, such as licensing and second rights contracts or access to business information, is recognised as performance occurs. The assumptions, risks and uncertainties inherent in long-term-contract accounting can affect the amounts and timing of revenue and related expenses reported. Certain of these arrangements, either as a result of a single service spanning more than one reporting period or where the contract requires the provision of a number of services that together constitute a single project, are treated as long-term contracts with revenue recognised on a percentage of completion basis. Percentage of completion is calculated in line with contract terms. Losses on contracts are recognised in the period in which the loss first becomes foreseeable. Contract losses are determined to be the amount by which estimated total costs of the contract exceed the estimated total revenue that will be generated by the contract.

NOTE 1 Accounting policies continued

On certain contracts for the sale of digital editions of *The Economist*, where the Group acts as agent, only commission and fees receivable for services rendered are recognised as revenue. Any third-party costs incurred on behalf of the principal that are rechargeable under the contractual arrangement are not included in revenue.

Income from recharges of freight and other activities which are incidental to the normal revenue-generating activities are included in other income.

p. Dividends

Dividends are recorded in the Group's financial statements in the period in which they are approved by the company's shareholders.

Trade receivables are stated at fair value after provision for bad and doubtful debts and anticipated future sales returns.

q. Assets held for sale and discontinued operations

Non-current assets and businesses which are to be sold ("disposal groups") classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets (and disposal groups) are classified as held for sale if their carrying amount is expected to be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when such a sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets are classified as held for sale from the date these conditions are met, and such assets are no longer depreciated.

Discontinued operations are classified as held for sale and are either a separate business segment or a geographical area of operations that is part of a single co-ordinated plan to sell. Once an operation has been identified as discontinued, or is reclassified as discontinued, the comparative information in the income statement is restated.

r. Leases

The Group assesses whether a contract is, or contains, a lease at inception of the contract. A lease conveys the right to direct the use and obtain substantially all of the economic benefits of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

A right-of-use asset and corresponding lease liability are recognised at commencement of the lease.

The lease liability is measured at the present value of the lease payments, discounted at the rate implicit in the lease, or if that cannot be readily determined, at the lessee's incremental borrowing rate specific to the term, country, currency and start date of the lease. Lease payments include: fixed payments; variable lease payments dependent on an index or rate, initially measured using the index or rate at commencement; penalties for early termination if the lease term reflects the Group exercising a break option; and payments in an optional renewal period if the Group is reasonably certain to exercise an extension option or not exercise a break option.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured, with a corresponding adjustment to the right-of-use asset, when there is a change in future lease payments resulting from a rent review, change in an index or rate such as inflation, or change in the Group's assessment of whether it is reasonably certain to exercise an extension or break option.

The right-of-use asset is initially measured at cost, comprising: the initial lease liability; any lease payments already made less any lease incentives received; initial direct costs; and any dilapidation or restoration costs. The right-of-use asset is subsequently depreciated on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. The right-of-use asset is tested for impairment if there are any indicators of impairment.

Leases of low-value assets and short-term leases of 12 months or less are expensed to the Group income statement, as are variable payments dependent on performance or usage, "out of contract" payments and non-lease service components.

s. Alternative performance measures

This annual report contains both statutory measures and alternative performance measures which, in management's view, reflect the underlying performance of the business and provide a more meaningful comparison of how the Group's business is managed and measured on a day-to-day basis.

The Group's alternative performance measures and key performance indicators are aligned to the Group's strategy and together are used to measure the performance of the business.

Alternative performance measures are non-GAAP (Generally Accepted Accounting Practice) measures and provide supplementary information to assist with the understanding of the Group's financial results and with the evaluation of operating performance for all the periods presented. Alternative performance measures, however, are not a measure of financial performance under International Financial Reporting Standards (IFRS) and should not be considered as a substitute for measures determined in accordance with IFRS. As the Group's alternative performance measures are not defined terms under IFRS, they may therefore not be comparable with similarly titled measures reported by other companies. Refer to page 142 for further information on our alternative performance measures.

Notes to the consolidated financial statements

NOTE 2 Segment information

Segment information is presented in respect of the Group's business divisions and reflects the Group's management and internal reporting structure. A breakdown of the Group's revenue and operating profit by business division is set out below, together with an analysis of the trading performance of the Group by geographical area.

	Revenue		Operating profit	
Analysis by business	**2024 £000**	2023 £000	**2024 £000**	2023 £000
The Economist	**217,669**	207,515	**84,277**	79,855
Economist Impact	**99,124**	117,524	**25,592**	31,329
Economist Intelligence	**50,195**	51,740	**13,032**	12,795
Technology and central costs	**–**	–	**(75,528)**	(81,732)
Revenue/Operating profit	**366,988**	376,779	**47,373**	42,247

Revenue reported above is generated from external customers, and inter-segment revenue has been eliminated.

	Profit/(loss) before tax		Net (liabilities)/assets	
Analysis by origin of legal entity	**2024 £000**	2023 £000	**2024 £000**	2023 £000
United Kingdom	**32,664**	31,716	**(21,607)**	(18,307)
Europe	**310**	(159)	**2,360**	2,195
North America	**7,437**	5,649	**(79,022)**	(87,090)
Asia	**4,408**	3,009	**30,999**	28,987
Other	**643**	(555)	**(1,264)**	(1,866)
	45,462	39,660	**(68,534)**	(76,081)

Revenue by customer location	**2024 £000**	2023 £000
United Kingdom	**76,545**	70,152
Europe	**79,421**	79,475
North America	**139,158**	147,075
Asia	**52,466**	61,734
Other	**19,398**	18,343
	366,988	376,779

NOTE 3 Revenue from contracts with customers

The following is a description of the nature of the Group's performance obligations within contracts with customers, broken down by revenue stream, along with significant judgments and estimates made within each of those revenue streams.

The Economist

Circulation and subscriptions

Circulation revenue relating to a newspaper or other print publications is recognised at a point in time on the date of publication. The Group acts as agent in the sale of publications and recognises revenues net of commissions paid to distributors. Goods are sold separately. In determining the transaction price, variable consideration exists in the form of anticipated returns. A provision for anticipated returns is made based primarily on historical return rates. If these estimates do not reflect actual returns in future periods, then revenues could be understated or overstated for a particular period. Circulation revenue relating to the download of digital products hosted by a third party is recognised when control transfers as the customer is granted access to the digital product. Payment for these goods generally occurs shortly after the point of sale.

Subscription revenue is derived from the sale of print and digital editions of publications, and revenue is recognised in the income statement on a straight-line basis over the subscription period. The subscription period is based on the number of weeks purchased. Digital subscriptions may be sold separately or purchased together in bundled packages with print. Subscriptions included in bundled arrangements are considered distinct performance obligations. The performance obligation which is based on the number of weeks is the same for both a print and digital subscription. Payment for subscriptions generally occurs at the start of the subscription period.

Revenues generated from licensing the Group's content and sale of second rights contracts are generally recognised over time, as contracts permit customers to access content throughout the contract period.

Economist Impact

Marketing and consulting services

Consulting revenues are derived from the sale of non-client-branded research and analysis services to clients aiming to understand issues affecting public policy, their business, products or industry. Consulting revenues are recognised over the period of the contract, as performance occurs. The performance obligations are distinct, being deliverables issued or events held. Transaction prices for performance obligations are fixed within contracts and recognised in line with the performance obligations. Consulting services sold as part of a bundled arrangement along with the Group's other product offerings are considered to be distinct performance obligations. The transaction price is allocated between distinct performance obligations on the basis of their relative stand-alone selling prices. Customer payments are generally defined in the contract as occurring shortly after invoicing, with invoicing scheduled around the timing of delivery of milestones.

Marketing services includes revenue derived from client-branded thought leadership, design consultancy and films. Revenue is recognised for marketing services over the period the services are provided, as performance occurs. The performance obligations are distinct, being deliverables issued or events held. Transaction prices for performance obligations are fixed within contracts and recognised in line with the performance obligations. Marketing services sold as part of a bundled arrangement along with the Group's other product offerings are considered to be distinct performance obligations. The transaction price is allocated between distinct performance obligations on the basis of their relative stand-alone selling prices. Customer payments are generally defined in the contract as occurring shortly after invoicing.

Advertising

Advertising revenue is generated from customers through the sale of printed pages and digital display adverts in the Group's publications. Advertising is also generated from the sale of online advertising campaigns on the Group's websites or on third-party networks and platforms. Advertising sold into a specific edition is recognised at a point in time when the performance obligation is fulfilled, which is the date of publication. Advertising sold as part of a prolonged campaign is recognised over time, reflecting the pattern in which the performance obligation is fulfilled. Advertising may be sold separately or purchased together in bundled packages. Advertising sold as part of a bundled arrangement along with the Group's other product offerings is considered to be a distinct performance obligation. The transaction price is allocated between distinct performance obligations on the basis of their relative stand-alone selling prices. Customer payments are generally defined in the contract as occurring shortly after invoicing.

Events

Revenues relate to event sponsorship and delegate attendance fees. Sponsorships revenue is recognised at a point in time when the event has taken place. Sponsorship sold as part of a bundled arrangement along with the Group's other product offerings are considered to be distinct performance obligations. The transaction price is allocated between distinct performance obligations on the basis of their relative standalone selling prices. Customer payments are generally defined in the contract as occurring shortly after invoicing and are often invoiced in advance of delivery. Revenues generated from delegates relate to fees charged for attendance at the Group's events and are recognised at a point in time when the event has taken place. Customer payments are generally received prior to the event taking place.

Notes to the consolidated financial statements

NOTE 3 Revenue from contracts with customers continued

Economist Intelligence

Revenue is derived from the sale of subscriptions by EIU, which provides economic, political and business analysis and forecasts for over 200 countries. Revenue is recognised in the income statement on a straight-line basis over the subscription period. The subscription period is generally 12 months, though there are some instances of multi-year deals. In determining the transaction price, variable consideration exists in the form of discounts. Discounts reduce the transaction price on a given transaction. Subscriptions may be sold separately or purchased together in bundled packages. Subscriptions included in bundled arrangements are considered distinct performance obligations. Customer payments are generally defined in the contract as occurring shortly after invoicing, though credit terms may vary between markets.

Sponsorship revenues relate to the sponsorship of the Corporate Network and Executive Briefings and are recognised at a point in time when a meeting has taken place. Customer payments are generally defined in the contract as occurring shortly after invoicing. Revenues generated from memberships relate to fees charged to members of the Corporate Network, and membership fees are recognised over time in accordance with the membership period set out in the contract. Revenue generated from the sale of second rights to content is generally recognised over time, as contracts permit customers to access content throughout the contract period.

Consulting revenues relate to the sale of specialised market intelligence and business consulting services and provision of industry and country data insight in healthcare markets. Revenue is recognised for consulting services over the period of the contract, as performance occurs. The performance obligations are distinct, being deliverables issued or events held. Transaction prices for performance obligations are fixed within contracts and recognised in line with the performance obligations. Consulting services sold as part of a bundled arrangement along with the Group's other product offerings are considered to be distinct performance obligations. The transaction price is allocated between distinct performance obligations on the basis of their relative stand-alone selling prices. Customer payments are generally defined in the contract as occurring shortly after invoicing, with invoicing scheduled around the timing of delivery of milestones.

Contract balances

Transactions within circulation and subscription revenue streams generally entail customer billings at or near the contract's inception, and accordingly deferred income balances are primarily related to subscription performance obligations to be delivered over time.

Transactions within marketing-services and consulting-services revenue streams generally entail contractually agreed billing schedules, sometimes based on progress towards milestones. As the performance obligations within these arrangements are delivered at a point in time, the extent of accrued income or deferred income will depend upon the difference between revenue recognised and billings to date. Refer to note 18 for opening and closing balances of accrued income. Refer to note 20 for opening and closing balances of deferred income.

NOTE 4 Operating expenses

By function	Note	2024 £000	2023 £000
Promotional costs		**31,459**	28,822
Employee benefit costs	5	**155,370**	158,878
Employee-related expense		**7,044**	6,997
Contract labour		**18,590**	22,630
Distribution and fulfilment		**39,563**	39,806
Other product costs		**22,650**	24,963
Depreciation of property, plant and equipment	12	**1,593**	2,727
Depreciation of right-of-use assets	13	**5,402**	7,476
Amortisation of acquired intangible assets	14	**130**	130
Amortisation of software and other intangibles	14	**7,593**	4,342
Property and facilities		**16,895**	15,170
Technology and communications		**3,132**	3,347
Professional and outsourced services		**8,835**	10,426
Other general and administrative costs		**2,119**	1,704
Operating lease charges		**324**	272
Foreign exchange (gains)/losses		**(907)**	5,286
(Gain)/loss allowance on trade receivables		**(177)**	1,556
Total costs		**319,615**	334,532

During the year the Group obtained the following services from the Group's auditor	2024 £000	2023 £000
The audit of parent company and consolidated financial statements	**372**	351
The audit of the company's subsidiaries	**247**	225
Total audit fees	**619**	576
Other assurance services	**43**	40
Tax compliance services	**162**	155
Tax advisory services	**50**	79
Other services	**24**	–
Total non-audit services	**279**	274
Total Group auditor's remuneration	**898**	850

Notes to the consolidated financial statements

NOTE 5 Employee information

The year-end and monthly average number of employees, including executive directors, was as follows:

	2024		2023	
Analysis by business	**Monthly average**	**Year-end**	Monthly average	Year-end
The Economist	**456**	**467**	429	438
Economist Impact	**346**	**348**	413	384
Economist Intelligence	**363**	**367**	381	376
Technology and central	**439**	**461**	409	443
	1,604	**1,643**	1,632	1,641

The details of directors' emoluments are shown on table 2, page 77, within the directors' report on remuneration.

Employee benefit costs including directors' emoluments	**2024 £000**	2023 £000
Wages and salaries	**130,163**	134,158
Social security costs	**13,643**	13,645
Share-based payment costs	**1,397**	1,873
Retirement benefits – defined-benefit plans	**350**	350
Retirement benefits – defined-contribution plans	**9,817**	8,852
	155,370	158,878

Wages and salaries include £1,542,000 (2023: £3,748,000) of restructuring-related costs.

NOTE 6 Finance income

	2024 £000	2023 £000
Interest receivable on bank deposits	**533**	242
Income from sale of interest rate derivative	**–**	603
Finance income	**533**	845

NOTE 7 Finance costs

	2024 £000	2023 £000
Interest payable on bank loans and overdrafts	**583**	987
Amortisation of debt issue costs	**167**	458
Interest on lease liabilities	**945**	913
Net finance costs in respect of retirement benefits	**407**	359
Other finance charges	**342**	715
Finance costs	**2,444**	3,432

NOTE 8 Tax

Current tax expense	2024 £000	2023 £000
UK corporation tax expense	7,063	6,586
Foreign tax expense	2,840	746
Adjustment in respect of prior years	23	594
	9,926	7,926
Deferred tax expense		
Current year	1,013	1,048
Effect of change in tax rates	1	–
Adjustments in respect of prior years	449	(512)
	1,463	536
Total tax expense in income statement	11,389	8,462
Effective tax rate	25%	21%

The UK main corporation tax rate for the year is 25% (2023: 19%). The tax on the Group's profit before tax differs from the theoretical amount that would arise using the UK tax rate for the reasons set out in the following reconciliation:

	2024 £000	2023 £000
Profit before tax	45,462	39,660
Tax calculated at UK tax rate of 25% (2023: 19%)	11,366	7,535
Factors affecting the tax charge:		
Disallowed expenditure	225	310
Non-taxable foreign exchange (gain)/loss	(473)	369
Different tax rates of subsidiaries operating in overseas jurisdictions	(59)	664
US state taxes	(72)	(57)
Movement on uncertain tax provisions	(71)	(289)
Adjustments in respect of prior years	472	82
Effect of change in tax rates on deferred tax	1	(152)
Total tax expense for the year	11,389	8,462
UK	8,081	5,795
Overseas	3,308	2,667
Total tax expense	11,389	8,462

In addition to the amount charged to the income statement, the following amounts relating to tax have been directly recognised in other comprehensive income:

	2024 £000	2023 £000
Current tax	679	718
Deferred tax (note 16)	(289)	(1,408)
	390	(690)

Notes to the consolidated financial statements

NOTE 9 Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the company and held as treasury shares.

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares to take account of all dilutive potential ordinary shares and adjusting profit attributable, if applicable, to account for any tax consequences that might arise from conversion of those shares.

	2024 £000	2023 £000
Profit for the year	**34,073**	31,198

	000s	000s
Weighted average number of shares	**19,852**	19,871
Effect of dilutive share options (restricted share scheme units)	**120**	136
Weighted average number of shares for diluted earnings	**19,972**	20,007

Earnings per share	2024 Pence	2023 Pence
Basic	**171.6**	157.0
Diluted	**170.6**	155.9

NOTE 10 Dividends

Cash dividends paid	2024 £000	2023 £000
Final dividend paid 80.0p per share (2023: 87.0p)	**15,901**	17,274
Interim paid 40.0p per share (2023: 40.0p)	**7,939**	7,951
	23,840	25,225

All shareholders other than holders of trust and treasury shares (see notes 27 and 29) receive the above dividend per share. Dividends amounting to £352,000 (2023: £378,000) in respect of the company's shares held by the ESOP (note 28) have been deducted in arriving at the aggregate of dividends paid.

Dividends proposed in respect of the year	2024 £000	2023 £000
Interim dividend paid of 40.0p per share (2023: 40.0p)	**7,939**	7,951
Final dividend proposed of 120.0p per share (2023: 80.0p per share)	**23,815**	15,901
	31,754	23,852

The directors are proposing a final dividend in respect of the financial year ended March 31st 2024 of 120.0p. Dividends amounting to £502,000 in respect of the company's shares held by the ESOP have been deducted in arriving at the total dividend proposed of £31,754,000. The proposed final dividend is subject to approval by shareholders and has not been recognised as a liability in these financial statements.

NOTE 11 Share-based payments

The Group's total charge recognised with respect to share-based payment transactions amounted to £1,397,000 (2023: £1,873,000).

The total carrying value of share-based payment transactions is £2,911,000 (2023: £3,389,000), analysed as:

	2024 £000	2023 £000
Current liabilities	**1,485**	1,972
Non-current liabilities	**1,426**	1,417
	2,911	3,389

The Group operates a restricted share scheme (RSS). This scheme is for key employees who have been awarded a right to acquire ordinary shares at a nominal price between two and four years after the date of the award. The Group has the discretion to pay out shares or cash on exercise. The vesting of restricted shares is dependent on continuing service over a two- to four-year period. The fair value of the shares granted under the RSS is determined using the share price at the date of grant. Participants are entitled to dividends during the vesting period and therefore the share price is not discounted.

	2024		2023	
Restricted share scheme	No. of options	Weighted average share price (£)	No. of options	Weighted average share price (£)
Outstanding at April 1st	**136,250**	**33.01**	123,000	29.63
Granted during the year	**49,500**	**32.46**	45,500	31.02
Forfeited during the year	**(16,500)**	**(33.27)**	–	–
Exercised during the year	**(49,000)**	**(32.99)**	(32,250)	(32.32)
Outstanding at March 31st	**120,250**	**33.60**	136,250	33.01
Exercisable at March 31st	**38,250**	**34.41**	38,750	37.34

The weighted average remaining contractual life for outstanding options at March 31st 2024 was 13 months (2023: 14 months).

Notes to the consolidated financial statements

NOTE 12 Property, plant and equipment

Cost	Short-leasehold buildings £000	Equipment £000	Total £000
At April 1st 2022	9,382	31,725	41,107
Additions	1,472	1,269	2,741
Disposals	(4,066)	(27,782)	(31,848)
Exchange differences	146	406	552
At March 31st 2023	6,934	5,618	12,552
Additions	133	634	767
Disposals	(821)	(430)	(1,251)
Transfers	–	(85)	(85)
Exchange differences	68	106	174
At March 31st 2024	**6,314**	**5,843**	**12,157**

Accumulated depreciation	Short-leasehold buildings £000	Equipment £000	Total £000
At April 1st 2022	6,093	29,609	35,702
Charge for the year	876	1,851	2,727
Disposals	(3,766)	(27,733)	(31,499)
Exchange differences	143	350	493
At March 31st 2023	3,346	4,077	7,423
Charge for the year	496	1,097	1,593
Disposals	(759)	(383)	(1,142)
Transfers	–	(485)	(485)
Exchange differences	49	90	139
At March 31st 2024	**3,132**	**4,396**	**7,528**

Carrying amounts			
At April 1st 2022	3,289	2,116	5,405
At March 31st 2023	3,588	1,541	5,129
At March 31st 2024	**3,182**	**1,447**	**4,629**

NOTE 13 Right-of-use assets

Cost	Leasehold buildings £000
At April 1st 2022	36,896
Additions	12,920
Disposals	(10,048)
Exchange differences	402
At March 31st 2023	40,170
Additions	1,103
Disposals	(2,084)
Exchange differences	(323)
At March 31st 2024	**38,866**

Accumulated depreciation	Leasehold buildings £000
At April 1st 2022	14,487
Charge for the year	7,476
Disposals	(10,020)
Exchange differences	179
At March 31st 2023	12,122
Charge for the year	5,402
Disposals	(1,986)
Exchange differences	(186)
At March 31st 2024	**15,352**

Carrying amounts	
At April 1st 2022	22,409
At March 31st 2023	28,048
At March 31st 2024	**23,514**

The Group leases several buildings. The average lease term is 55 months (2023: 21 months).

The maturity analysis of lease liabilities is presented in note 22.

The Group's consolidated income statement includes the following amounts relating to leases:

Year ended March 31st	2024 £000	2023 £000
Depreciation expense on right-of-use assets	**5,402**	7,476
Interest expense on lease liabilities	**945**	913

The total cash outflow for leases in the year ended March 31st 2024 was £7,656,000 (2023: £9,421,000). The total cash inflow for leases in the year ended March 31st 2024 was £nil (2023: £4,000,000).

Notes to the consolidated financial statements

NOTE 14 Intangible assets

Cost	Goodwill £000	Acquired technology & databases £000	Acquired customer relationships £000	Trademarks, licenses and software £000	Intangible assets in development £000	Total £000
At April 1st 2022	30,240	1,474	1,200	54,826	6,364	94,104
Additions	–	–	–	1,412	4,697	6,109
Disposals	–	–	–	(15,810)	–	(15,810)
Transfers	–	–	–	6,364	(6,364)	–
Exchange differences	615	–	–	59	–	674
At March 31st 2023	30,855	1,474	1,200	46,851	4,697	85,077
Additions	–	–	–	–	9,740	9,740
Disposals	–	–	(1,200)	(68)	–	(1,268)
Transfers	–	–	–	9,577	(9,492)	85
Exchange differences	(284)	–	–	266	–	(18)
At March 31st 2024	**30,571**	**1,474**	**–**	**56,626**	**4,945**	**93,616**

Accumulated amortisation	Goodwill £000	Acquired technology & databases £000	Acquired customer relationships £000	Trademarks, licenses and software £000	Intangible assets in development £000	Total £000
At April 1st 2022	10,272	1,094	1,200	34,506	263	47,335
Charge for the year	–	130	–	4,342	–	4,472
Disposals	–	–	–	(15,346)	–	(15,346)
Exchange differences	61	–	–	54	–	115
At March 31st 2023	10,333	1,224	1,200	23,556	263	36,576
Charge for the year	–	130	–	7,593	–	7,723
Disposals	–	–	(1,200)	(68)	–	(1,268)
Transfers	–	–	–	748	(263)	485
Exchange differences	(28)	–	–	19	–	(9)
At March 31st 2024	**10,305**	**1,354**	**–**	**31,848**	**–**	**43,507**
Carrying amounts						
At April 1st 2022	19,968	380	–	20,320	6,101	46,769
At March 31st 2023	20,522	250	–	23,295	4,434	48,501
At March 31st 2024	**20,266**	**120**	**–**	**24,778**	**4,945**	**50,109**

Intangible assets in development and licenses and software are largely internally generated assets which include integration of purchased licences and software.

NOTE 14 Intangible assets continued

Goodwill

The goodwill carrying value of £20,266,000 relates to acquisitions completed after January 1st 1998. Prior to January 1st 1998, all goodwill was written off to reserves on the date of acquisition. For acquisitions completed between January 1st 1998 and March 31st 2014, no value was ascribed to intangibles other than goodwill and goodwill on each acquisition was amortised over a period of up to 20 years. On adoption of IFRS on April 1st 2014, the Group chose not to restate the goodwill balance and at that date the balance was frozen (amortisation ceased) and the useful life of goodwill became indefinite. If goodwill had been restated then a significant value would have been ascribed to other intangible assets, which would be subject to amortisation, and the carrying value of goodwill would be significantly lower. For acquisitions completed after April 1st 2014, value has been ascribed to other intangible assets which are amortised.

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that acquisition. During the year, goodwill was tested for impairment in accordance with IAS 36 Impairment of Assets. The methodology applied to the value in use calculations included:

- Cashflow projections based on financial plans approved by management covering a five-year period;
- Cashflows for the final year of the plan, increased in line with growth expectations of the applicable businesses;
- Pre-tax discount rates of 10.5%, 1.5 percentage points higher than the company's derived weighted average cost of capital (WACC) of 9.0%;
- Long-term nominal growth of 2.5%.

No impairment losses were identified on review (2023: £nil).

Further disclosures in accordance with IAS 36 are provided where the Group holds an individual goodwill item relating to a CGU that is significant, which the Group considers to be 15% of the total net book value, in comparison with the Group's total carrying value of goodwill. The following CGUs fall within this definition of significant: EuroFinance Conferences and Healthcare.

EuroFinance Conferences has a long-term growth rate of 2.5%, a carrying value of £7,526,000 and a recoverable amount of £35,037,000, which equates to a surplus of £27,511,000. A discount rate of 39% would need to be applied for the recoverable amount to fall below the carrying value. Healthcare has a long-term growth rate of 2.5%, a carrying value of £12,740,000 and a recoverable amount of £33,784,000, which equates to a surplus of £21,044,000. A discount rate of 23% would need to be applied for the recoverable amount to fall below the carrying value.

The cumulative goodwill written off to reserves by the Group is £17,943,000 (2023: £17,943,000).

Other intangible assets

Other intangibles include licenses, software developed internally, acquired customer relationships and acquired software and databases.

Acquired intangible assets are valued separately for each acquisition and the primary method of valuation is the discounted cashflow method, and they are amortised over their expected useful lives at the rates set out in the accounting policies in note 1 of these financial statements.

NOTE 15 Investments

The Group holds a 5% equity interest in Parable Ventures Limited, a virtual-reality business. Its registered address is 64 New Cavendish Street, London, W1G 8TB, United Kingdom. The cost of investment of £100,000 has been fair valued at £nil in 2024 (2023: £nil).

Notes to the consolidated financial statements

NOTE 16 Deferred tax

	2024 £000	2023 £000
Deferred tax assets	**4,436**	8,529
Deferred tax liabilities	**–**	(2,261)
	4,436	6,268

Substantially all of the deferred tax assets are expected to be recovered after more than one year.

Deferred income tax assets and liabilities may be offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. At March 31st 2024 the Group has unrecognised deferred income tax assets of £344,000 (2023: £36,000) in respect of non-trading, trading and capital losses.

The recognition of the deferred tax assets is supported by management's forecasts of the future profitability of the relevant businesses.

The movement on the deferred tax account is as follows:

	2024 £000	2023 £000
At April 1st	**6,268**	7,997
Exchange differences	**(79)**	215
(Charge) to income statement	**(1,463)**	(536)
(Charge) to other comprehensive income	**(289)**	(1,408)
Effect of change in tax rates	**(1)**	–
At March 31st	**4,436**	6,268

The movement in deferred tax assets and liabilities during the year is as follows:

Deferred tax assets	Retirement benefit obligations £000	Capital allowances and intangibles £000	Incentives £000	General provisions £000	Other £000	Total £000
At April 1st 2022	3,371	–	1,605	3,323	1,737	10,036
Exchange differences	–	–	35	141	47	223
Credit/(charge) to income statement	–	–	558	(1,208)	330	(320)
(Charge) to other comprehensive income	(812)	–	–	–	(596)	(1,408)
Effect of change in tax rates	–	–	–	–	(2)	(2)
At March 31st 2023	2,559	–	2,198	2,256	1,516	8,529
Exchange differences	–	(2)	(17)	(51)	(9)	(79)
(Charge)/credit to income statement	–	(1,012)	(298)	248	(401)	(1,463)
(Charge)/credit to other comprehensive income	(572)	–	–	–	283	(289)
Jurisdictional netting	–	(1,148)	–	–	(1,113)	(2,261)
Effect of change in tax rates	–	–	–	(1)	–	(1)
At March 31st 2024	**1,987**	**(2,162)**	**1,883**	**2,452**	**276**	**4,436**

Other deferred income tax assets and liabilities include temporary differences on IFRS 16 lease liability of £618,000 (2023: £965,000); IFRS 16 right-of-use lease asset of £(562,000) (2023: £(929,000)); derivatives and financial instruments of £(135,000) (2023: £(449,000)); disallowed interest of £345,000 (2023: £470,000) and other differences. At March 31st 2024 the Group has recognised deferred income tax assets of £nil (2023: £188,000) in respect of capital losses and £nil (2023: £186,000) in respect of trading losses.

NOTE 16 Deferred tax continued

Deferred tax liabilities	Capital allowances and intangibles £000	Other £000	Total £000
At April 1st 2022	(624)	(1,415)	(2,039)
Exchange differences	17	(25)	(8)
(Charge)/credit to income statement	(541)	325	(216)
Effect of change in tax rates	–	2	2
At March 31st 2023	(1,148)	(1,113)	(2,261)
Jurisdictional netting	1,148	1,113	2,261
At March 31st 2024	**–**	**–**	**–**

Deferred taxes recognised at the balance sheet date are determined using the anticipated future tax rate. As the current enacted UK corporation tax rate of 25% is expected to remain stable, the relevant UK deferred tax balances are calculated using this rate (2023: 25%).

No deferred tax liability is recognised on temporary differences of £11,627,000 (2023: £9,829,000) relating to the unremitted earnings of certain overseas subsidiaries as the Group is able to control the timing of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future. The temporary differences at March 31st 2024 represent only the unremitted earnings of those overseas subsidiaries where remittance to the UK of those earnings may result in a tax liability as a result of taxes levied by the overseas tax jurisdictions in which these subsidiaries operate.

NOTE 17 Inventories

	2024 £000	2023 £000
Raw materials	**262**	314
Work-in-progress	**20**	34
Finished goods	**–**	37
	282	385

No inventories are pledged as security. The cost of inventory recognised as an expense in the year is £5,620,000 (2023: £6,805,000).

Notes to the consolidated financial statements

NOTE 18 Trade and other receivables

Current	2024 £000	2023 £000
Trade receivables	**31,619**	37,269
Other receivables	**3,239**	2,676
Prepayments	**9,453**	9,207
Accrued income	**9,605**	10,825
	53,916	59,977

Trade receivables are stated net of provision for expected bad and doubtful debts and trade sales returns. Trade sales return provisions were £1,578,000 at March 31st 2024 (2023: £1,507,000). Accrued income represents contract assets, which are unbilled amounts generally from marketing services and consulting revenue streams where revenue to be recognised over time has been recognised in excess of customer billings to date. The carrying value of the Group's trade and other receivables approximates its fair value.

The movements in the provision for expected credit losses are as follows:

	2024 £000	2023 £000
At April 1st	**3,443**	2,594
Income statement movements	**(539)**	1,157
Utilised	**(183)**	(291)
Exchange differences	**23**	(17)
At March 31st	**2,744**	3,443

The Group reviews its expected credit-loss provisions at least twice a year following a detailed review of receivable balances and historical payment profiles. Management believes all the remaining receivable balances are fully recoverable.

The ageing of the Group's trade receivables is as follows:

	2024 £000	2023 £000
Within the due date	**19,542**	19,586
Past due less than a month	**5,611**	9,394
Past due more than a month but less than two months	**3,712**	4,536
Past due more than two months but less than three months	**1,775**	1,695
Past due more than three months	**979**	2,058
Total trade receivables	**31,619**	37,269

The concentration of credit risk is limited due to the customer base being large and unrelated.

NOTE 19 Cash and cash equivalents

	2024 £000	2023 £000
Cash at bank and in hand	**9,389**	17,943
Short-term bank deposits	**15,387**	16,099
	24,776	34,042

Short-term bank deposits are invested with banks and earn interest at the prevailing short-term deposit rates.

At the end of the year, the currency split of cash and cash equivalents was US dollar 47% (2023: 34%), sterling 33% (2023: 44%), euro 4% (2023: 4%) and other 16% (2023: 18%).

Cash and cash equivalents have fair values that approximate to their carrying value due to their short-term nature.

NOTE 20 Trade and other liabilities

Current	2024 £000	2023 £000
Trade payables	**18,901**	12,051
Social security and other taxes	**3,671**	2,780
Accruals	**19,988**	24,283
Liability for share-based payments	**1,485**	1,972
Deferred income	**124,195**	124,343
Other liabilities	**17,731**	21,342
	185,971	186,771
Non-current		
Liability for share-based payments	**1,426**	1,417
Deferred income	**3,319**	6,544
Other liabilities	**2,038**	2,218
	6,783	10,179
Total	**192,754**	196,950

The carrying value of the Group's trade and other liabilities approximates fair value.

The deferred income balance comprises the unexpired portion of subscriptions for *The Economist* and Economist Intelligence products and services, and revenue billed in advance for future events, research and consultancy projects not yet delivered.

Notes to the consolidated financial statements

NOTE 21 Financial liabilities—borrowings

The Group's borrowings, which are all non-current and all denominated in sterling, are as follows:

Non-current	2024 £000	2023 £000
Bank loans – maturing between two and five years	–	16,423

More detail on the Group's accounting for financial instruments is included in the Group's accounting policies. The Group's approach to managing risks in relation to financial instruments is described in note 26.

The market values stated below are based on clean market prices at the year-end. The effective interest rates relate to the underlying debt instruments.

	2024			2023	
	Effective interest rate %	Carrying value £000	Market value £000	Carrying value £000	Market value £000
Bank loans	–	–	–	16,423	17,000

The Group has the following undrawn capacity on its committed borrowing facilities as at March 31st:

	2024 £000	2023 £000
Floating rate – expiring beyond one year	**80,000**	63,000

The Group has committed borrowing facilities of £80m via a syndicated multi-currency revolving credit facility which matures in October 2027.

NOTE 22 Lease liabilities

Maturity analysis:	2024 £000	2023 £000
Not later than one year	**4,748**	6,572
Later than one year and not later than five years	**16,654**	16,778
Later than five years	**8,758**	12,507
	30,160	35,857
Analysed as:		
Non-current	**25,412**	29,285
Current	**4,748**	6,572
	30,160	35,857

The net decrease in lease liabilities during the year ended March 31st 2024 was £5,697,000 (2023: £8,159,000) which includes foreign exchange gain on lease liabilities of £81,000 (2023: losses of £546,000).

The Group does not face a significant liquidity risk with regard to its lease liabilities.

NOTE 23 Retirement benefit and other post-retirement obligations

A reconciliation of the net retirement benefit obligation reported in the balance sheet is shown in the following table:

	2024 £000	2023 £000
UK Group scheme	**6,174**	8,828
Post-retirement medical benefits	**1,773**	1,201
	7,947	10,029

The Group operates pension schemes for most of its employees throughout the world, which are funded by the Group. The main scheme for UK staff who joined before 2003 (the UK Group scheme) provided funded defined benefits. It was closed to new members on December 31st 2002 and closed to remaining employees on March 31st 2020. The scheme had a defined-contribution underpin and provided for those employees who joined before 2003, for the better of defined-benefit and defined-contribution benefits. Defined-contribution schemes are operated for UK and non-UK staff. In compliance with legislation the Group operates a defined-contribution plan, The Economist Group Pension Plan, into which relevant employees are automatically enrolled. The assets of each scheme are held in separate trustee-administered funds with independent qualified actuaries or other professionals acting as advisers. Actuarial valuations are undertaken at regular intervals. The Group also has a post-retirement medical benefit plan (PRMB) which is unfunded but is accounted for and valued similarly to defined-benefit pension plans.

The most recent full actuarial valuation of the UK Group scheme was at January 1st 2021. This showed the market value of assets of the UK Group scheme to be £385.0m. The actuarial valuation of pension liabilities was £480.9m leaving a technical provisions deficit of £95.9m. The actuarial method used for the valuation was the projected unit method. The foregoing liabilities represent the Scheme Specific Funding (SSF) Technical Provisions as agreed by the Group and the trustees. The SSF level was 80%. The January 2021 valuation was used as a basis for determining the ongoing company funding rate, effective January 1st 2021. A triennial valuation as at January 1st 2024 is under way.

The Group and the trustees agreed to allow for post-valuation experience to determine the Recovery Plan and therefore it is based on a funding shortfall of £50.0m at January 1st 2022. The Group agreed that the funding shortfall will be eliminated by April 30th 2026 and will contribute £3,000,000 per annum until April 2026. In the year ended March 31st 2024, the Group contributed £3,350,000 (2023: £4,350,000) towards the funding shortfall. Following the closure of the scheme to future accrual of benefits for active participants, there are no further regular contributions due to the scheme.

The majority of the benefit payments are from trustee-administered funds; however, there are also a number of unfunded plans where the company meets the benefit payment obligation as it falls due. Plan assets held in the UK Group scheme are governed by local regulations and practice in the UK, as is the nature of the relationship between the Group and the trustees and their composition. Responsibility for governance of the plans, including investment decisions and contribution schedules, lies jointly with the company and the board of trustees. The board of trustees must be composed of representatives of the company and plan participants in accordance with the plan's resolutions.

The main overseas schemes and one UK scheme are based on defined contributions; amounts totalling £122,000 were accrued (2023: £9,000 accrued) in respect of these schemes at the year-end.

UK Group scheme

The valuation of the UK Group scheme has been updated by independent actuaries to March 31st 2024. The major assumptions used to determine this valuation are as follows:

	2024 %	2023 %
CPI inflation	**2.75**	2.75
Increase in pensionable salaries	**n/a**	n/a
Increase in pensions in payment	**2.75**	2.75
Increase in deferred pensions	**2.75**	2.75
Discount rate for scheme liabilities	**4.90**	4.80

The discount rate is derived from the corporate bond yield curve applied to the expected future cashflows from the scheme. The CPI inflation assumption takes into account the UK government's long-term CPI inflation target (expected from 2030 onwards), and expectations of CPI inflation before then.

As the UK Group Scheme is closed to future accrual of active entitlement, there is no future increase in pensionable salaries.

Notes to the consolidated financial statements

NOTE 23 Retirement benefit and other post-retirement obligations continued

The mortality assumptions used in the valuation of the scheme are summarised in the table below, and have been selected to reflect the characteristics and the experience of the membership of the plan. This has been done by using SAPS4 light tables with an external reduction to liabilities of 0.75% with longevity projection based on CMI 2022 and the year in which the member was born, with a 1% per-year underpin to future improvements and Parameter A, equal to 0.25% p.a. (2023: SAPS3 light tables, CMI 2021, year of birth, 1% underpin, Parameter A of 0.25%).

	2024 years	2023 years
Longevity at age 65 for current retirees		
– Men	87.6	88.3
– Women	89.1	89.8
Longevity at age 65 for future retirees, current age 45		
– Men	88.5	89.2
– Women	90.2	90.9

The assets of the UK Group scheme and the deficit are as follows:

	2024 £000	2023 £000
Equities	121,782	109,695
Government and corporate bonds	17,792	21,086
Property	41,206	37,836
LDI	92,342	86,948
Absolute return credit	–	1,051
Other	3,117	22,806
Fair value of scheme assets	276,239	279,422
Present value of scheme liabilities	(264,759)	(265,775)
Scheme surplus	11,480	13,647
Asset ceiling adjustment (IAS 19)	(17,654)	(22,475)
Net defined benefit obligation	(6,174)	(8,828)

The table below further disaggregates the UK Group scheme assets into additional categories and those assets which have a quoted market price in an active market and those that do not:

	2024		2023	
	Quoted market price £000	No quoted market price £000	Quoted market price £000	No quoted market price £000
UK equities	18,658	–	21,880	–
Non-UK equities	102,957	–	87,815	–
Private equity	–	167	–	158
UK corporate bonds	17,792	–	21,086	–
Property	–	41,206	–	37,836
LDI	92,342	–	86,948	–
Other	3,117	–	23,699	–
	234,866	41,373	241,428	37,994

NOTE 23 Retirement benefit and other post-retirement obligations continued

The liquidity profile of the UK Group scheme assets is as follows:

	2024 £000	2023 £000
Liquid – call less than 1 month	**233,943**	233,943
Illiquid – call greater than 3 months	**42,296**	45,479

Invested assets include money-purchase AVCs and transferred-in benefits that are notionally held within assets but which are not included in balance-sheet assets or liabilities.

The assets do not include any of the Group's own financial instruments nor any property occupied by, or other assets used by, the Group. The actual return on scheme assets was a gain of £5,357,000 (2023: £128,424,000 loss).

Fair value of scheme assets	2024 £000	2023 £000
At April 1st	**279,422**	414,979
Interest income	**13,210**	11,506
Return on scheme assets excluding interest income	**(7,853)**	(139,930)
Employer contributions	**3,350**	4,350
Administration expenses	**(350)**	(350)
Benefit payments from the scheme	**(11,540)**	(11,133)
At March 31st	**276,239**	279,422

Present value of scheme liabilities	2024 £000	2023 £000
At April 1st	**265,775**	371,145
Interest expense	**12,483**	10,237
Losses from experience	**5,420**	16,821
Gains from changes in financial assumptions	**(7,379)**	(121,295)
Benefit payments from the scheme	**(11,540)**	(11,133)
At March 31st	**264,759**	265,775

The weighted average duration of the defined-benefit obligation is 15 years (2023: 17 years).

Notes to the consolidated financial statements

NOTE 23 Retirement benefit and other post-retirement obligations continued

Sensitivity analysis of scheme liabilities

The sensitivity of the present value of the scheme's liabilities to changes in the principal assumptions used is set out below:

	Change in assumption by %	Impact on scheme liabilities %
Inflation	+/- 0.5	+/- 6.5
Pensions in payment	+/- 0.5	+/- 5.5
Revaluation rate of deferred pensions	+/- 0.5	+/- 1.5
Discount rate	+/- 0.5	+/- 7.0

If the average expected age of death of pensioners lengthened by one year, the liabilities of the scheme would increase by 3.0% (2023: 2.5%).

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

Post-retirement medical benefit scheme (PRMB)

The Group provides post-retirement medical benefits to certain former employees. At March 31st 2024, 34 retired and former employees (2023: 34) were eligible to receive benefits. The liability was remeasured at the year-end by a qualified independent actuary as follows:

Assumptions	2024 %	2023 %
Healthcare premium inflation	12.00	8.00
Discount rate for scheme liabilities	4.90	4.80

Present value of scheme liabilities	2024 £000	2023 £000
At April 1st	1,201	1,442
Employer contributions	(123)	(134)
Interest expense	55	39
Losses/(gains) from experience	201	(131)
Losses/(gains) from changes in financial assumptions	465	(6)
Gains from changes in demographic assumptions	(26)	(9)
At March 31st	1,773	1,201

NOTE 23 Retirement benefit and other post-retirement obligations continued

Income statement

The amounts recognised in the income statement are as follows:

				2024
	UK Group Scheme £000	**PRMB £000**	**Defined contribution £000**	**Total £000**
Current service cost	**–**	**–**	**9,817**	**9,817**
Administration expenses	**350**	**–**	**–**	**350**
Total operating expense	**350**	**–**	**9,817**	**10,167**
Interest on scheme assets	**(13,210)**	**–**	**–**	**(13,210)**
Interest on scheme liabilities	**12,483**	**55**	**–**	**12,538**
Interest adjustment due to asset ceiling	**1,079**	**–**	**–**	**1,079**
Net finance expense	**352**	**55**	**–**	**407**
Net income statement charge	**702**	**55**	**9,817**	**10,574**

				2023
	UK Group Scheme £000	PRMB £000	Defined contribution £000	Total £000
Current service cost	–	–	8,852	8,852
Administration expenses	350	–	–	350
Total operating expense	350	–	8,852	9,202
Interest on scheme assets	(11,506)	–	–	(11,506)
Interest on scheme liabilities	10,237	39	–	10,276
Interest adjustment due to asset ceiling	1,589	–	–	1,589
Net finance expense	320	39	–	359
Net income statement charge	670	39	8,852	9,561

Notes to the consolidated financial statements

NOTE 23 Retirement benefit and other post-retirement obligations continued

Other comprehensive income

The following (losses)/gains have been recognised in other comprehensive income:

	2024 £000	2023 £000
UK Group scheme	**6**	283
Post-retirement medical benefits	**(640)**	146
Unfunded retirement benefits	**161**	42
Total (losses)/gains recognised in year	**(473)**	471

Through the UK Group scheme the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The scheme holds some growth assets, whose returns are not necessarily well correlated with the movement of the liabilities. As such, the deficit in the scheme may fluctuate as a result of asset volatility. To mitigate investment risk, the trustees monitor the scheme's investment strategy on an ongoing basis.

Inflation risk

The majority of benefits are linked to inflation and so increases in inflation will lead to higher liabilities (although in most cases there are caps in place which protect against extreme inflation).

Longevity risk

Increases in life expectancy will increase the period over which benefits are expected to be paid, which increases the value placed on the scheme's liabilities.

Changes in bond yields

A decrease in corporate bond yields will increase the value placed on the scheme liabilities, although this will be partially offset by an increase in the value of the scheme's bond asset holdings.

Salary risk

Following closure of the scheme to future accrual for active participation, there is no longer any salary risk.

NOTE 24 Derivative financial instruments

Current contracts in a fair value hedge relationship	2024 Gross notional amounts £000	Assets £000	Liabilities £000
Forward foreign US dollar exchange contracts	**74,677**	**541**	**–**
Total contracts in a fair value hedge relationship	**74,677**	**541**	**–**

Current contracts in a fair value hedge relationship	2023 Gross notional amounts £000	Assets £000	Liabilities £000
Forward foreign US dollar exchange contracts	49,980	1,335	–
Non-current contracts in a fair value hedge relationship			
Interest rate cap	264	460	–
Total contracts in a fair value hedge relationship	50,244	1,795	–

The carrying value of the above derivative financial instruments equals their fair value. Fair values are determined by using market data and established estimation techniques such as discounted cashflow and option valuation models.

The Group's portfolio of exchange contract derivatives includes foreign-exchange forwards and is diversified by maturity and counterparty. The Group has designated these forwards as hedges, which reduces the risk of volatility in the income statement from movements in the US dollar. Counterparty exposure from all derivatives is managed, together with that from deposits and bank-account balances, within credit limits that reflect published credit ratings to ensure that there is no significant risk to any one counterparty.

At March 31st 2023, an interest rate hedge was in place to cap the Group's cashflow exposure on variable interest rates on the first £25m of borrowings drawn down under revolving credit facilities at 2% until November 2023. This interest rate hedge has now matured.

No significant derivative transaction had a market value (positive or negative) at the balance-sheet date that exceeded 3% of the Group's consolidated total equity.

The Group has reviewed all of its material contracts for embedded derivatives that are required to be separately accounted for if they do not meet certain requirements, and has concluded that there are no material embedded derivatives.

Notes to the consolidated financial statements

NOTE 25 Classification of financial instruments

The accounting classification of each class of the Group's financial assets and financial liabilities, together with their carrying values and market values, is as follows:

						2024
	Fair value		Amortised cost			
	Fair value hedging instrument £000	FVOCI £000	Financial assets £000	Other financial liabilities £000	Total carrying value £000	Total market value £000
Cash and cash equivalents	–	–	24,776	–	24,776	24,776
Trade receivables	–	–	31,619	–	31,619	31,619
Derivative financial instruments	541	–	–	–	541	541
Total financial assets	541	–	56,395	–	56,936	56,936
Trade payables	–	–	–	(18,901)	(18,901)	(18,901)
Lease liabilities	–	–	–	(30,160)	(30,160)	(30,160)
Total financial liabilities	–	–	–	(49,061)	(49,061)	(49,061)

						2023
	Fair value		Amortised cost			
	Fair value hedging instrument £000	FVOCI £000	Financial assets £000	Other financial liabilities £000	Total carrying value £000	Total market value £000
Cash and cash equivalents	–	–	34,042	–	34,042	34,042
Trade receivables	–	–	37,269	–	37,269	37,269
Derivative financial instruments	1,795	–	–	–	1,795	1,795
Total financial assets	1,795	–	71,311	–	73,106	73,106
Trade payables	–	–	–	(12,051)	(12,051)	(12,051)
Bank loans	–	–	–	(16,423)	(16,423)	(17,000)
Lease liabilities	–	–	–	(35,857)	(35,857)	(35,857)
Total financial liabilities	–	–	–	(64,331)	(64,331)	(64,908)

Transactions in derivative financial instruments are only undertaken to manage risks arising from underlying business activity, in accordance with the Group's treasury policy as described in note 26.

The Group designates certain qualifying financial instruments as hedges of the fair value of its US dollar cashflows and interest rate caps (cashflow hedges). Changes in the fair value of these derivative financial instruments (to the extent they are effective) are recorded in other comprehensive income, together with any change in the fair value of the hedged asset attributable to the hedged risk.

None of the Group's financial assets or liabilities is designated at fair value through the income statement upon initial recognition.

More detail on the Group's accounting for financial instruments is included in the Group's accounting policies (note 1k). The Group's approach to managing risks in relation to financial instruments is described in note 26.

NOTE 26 Financial risk management

The Group's approach to the management of financial risks together with sensitivity analysis of its financial instruments is set out below:

Treasury policy

The Group's treasury policies are directed to giving greater certainty of future revenues and costs and ensuring that the Group has adequate liquidity.

The Group holds financial instruments to finance its operations and to manage the interest rate and currency risks arising from its operations and its sources of finance. The Group finances its operations by a mixture of cashflows from operations, leases on its properties and longer-term facilities from banks. The Group borrows principally in sterling at floating rates of interest, using derivative financial instruments (derivatives), where appropriate, to generate the desired currency profile and interest rate basis. The derivatives used for this purpose are principally rate swaps, rate caps and collars, forward and option foreign-exchange contracts. The main risks arising from the Group's financial instruments are interest rate risk, liquidity and refinancing risk, counterparty risk and foreign-currency risk. These risks are managed by the treasury committee under policies approved by the Board, which are summarised in this note.
All the treasury policies remained unchanged throughout the year.

The audit committee receives regular reports on the Group's treasury activities, policies and procedures. The treasury department is not a profit centre and its activities are subject to regular review by the treasury committee.

Interest rate risk management

The Group's bank borrowings are in sterling, with the interest rate on these borrowings tied to SONIA. The Group's exposure to interest rate fluctuations on its borrowings is managed by borrowing on a floating-rate basis and by hedging interest rate exposures where appropriate.

At March 31st 2024, there were no hedges of interest rate exposures in place (see note 24). The fair value of the interest rate hedges at March 31st 2024 was nil (2023: £460,000).

Liquidity and refinancing risk management

The maturities of contracted cashflows associated with the Group's financial liabilities are shown in the table on page 122. This table has been drawn up based on the undiscounted contractual cashflows of the financial liabilities including both interest and principal cashflows. Any cashflows based on a floating rate are calculated using interest rates as set at the date of the last rate reset. The contractual maturity is based on the earliest date on which the Group may be required to settle. All derivative amounts are shown gross, although the Group net settles these amounts wherever possible.

Any amounts drawn under revolving credit facilities are assumed to mature at the maturity date of the relevant facility, with interest calculated as payable in each financial year up to and including the date of maturity of the facility.

Notes to the consolidated financial statements

NOTE 26 Financial risk management continued

				2024
Maturity analysis:	**GBP £000**	**USD £000**	**Other £000**	**Total £000**
Not later than one year	**60,165**	**(78,132)**	**(5,142)**	**(23,109)**
Later than one year and not later than five years	**(14,778)**	**(1,594)**	**(281)**	**(16,653)**
Later than five years	**(8,758)**	**–**	**–**	**(8,758)**
	36,629	**(79,726)**	**(5,423)**	**(48,520)**
Analysed as:				
Derivative financial instruments – inflows	**74,677**	**–**	**–**	**74,677**
Derivative financial instruments – outflows	**–**	**(74,136)**	**–**	**(74,136)**
Trade payables	**(11,542)**	**(3,456)**	**(3,903)**	**(18,901)**
Lease liabilities	**(26,506)**	**(2,134)**	**(1,520)**	**(30,160)**
	36,629	**(79,726)**	**(5,423)**	**(48,520)**

				2023
Maturity analysis:	GBP £000	USD £000	Other £000	Total £000
Not later than one year	35,222	(50,161)	(3,269)	(18,208)
Later than one year and not later than five years	(33,350)	(2,299)	(542)	(36,191)
Later than five years	(12,507)	–	–	(12,507)
	(10,635)	(52,460)	(3,811)	(66,906)
Analysed as:				
Derivative financial instruments – inflows	49,980	–	–	49,980
Derivative financial instruments – outflows	–	(48,600)	–	(48,600)
Trade payables	(10,335)	(1,145)	(571)	(12,051)
Lease liabilities	(29,902)	(2,715)	(3,240)	(35,857)
Bank loans and overdrafts	(20,378)	–	–	(20,378)
	(10,635)	(52,460)	(3,811)	(66,906)

NOTE 26 Financial risk management continued

The following table details the Group's remaining contractual maturity for its non-derivative financial assets. This table has been drawn up based on the undiscounted contractual maturities of the financial assets, including interest that will be earned on those assets, except where the Group anticipates that the cashflow will occur in a different period.

				2024
Maturity analysis:	**GBP £000**	**USD £000**	**Other £000**	**Total £000**
Not later than one year	**17,378**	**32,971**	**6,046**	**56,395**
	17,378	**32,971**	**6,046**	**56,395**
Analysed as:				
Cash and cash equivalents	**8,181**	**11,662**	**4,933**	**24,776**
Trade receivables	**9,197**	**21,309**	**1,113**	**31,619**
	17,378	**32,971**	**6,046**	**56,395**

				2023
Maturity analysis:	GBP £000	USD £000	Other £000	Total £000
Not later than one year	25,886	35,673	9,752	71,311
	25,886	35,673	9,752	71,311
Analysed as:				
Cash and cash equivalents	15,092	11,547	7,403	34,042
Trade receivables	10,794	24,126	2,349	37,269
	25,886	35,673	9,752	71,311

The Group's debt facilities require it to meet certain covenants based on interest cover, net debt and profits adjusted for certain non-cash items and the impact of foreign exchange. Breaching the covenants would result in the Group being in default of the facilities, potentially resulting in the facilities being withdrawn. Management regularly monitors the covenants and prepares detailed cashflow forecasts to ensure that sufficient headroom is available and that the covenants are not close or potentially close to breach. At March 31st 2024, the Group's net debt to EBITDA measured before the impact of IFRS 16 and before exceptional items was (0.5) times (2023: (0.45) times).

The Group also maintains undrawn committed borrowing facilities. At March 31st 2024, the committed undrawn facilities amounted to £80,000,000 (2023: £63,000,000) and their weighted average maturity was 42 months (2023: 42 months).

Financial counterparty risk management

Counterparty credit limits, which take published credit ratings and other factors into account, are set to cover the Group's total aggregate exposure to a single financial institution. The limits applicable to published credit-ratings bands are approved by the treasury committee within guidelines approved by the Board. Exposures and limits applicable to each financial institution are reviewed regularly.

The Group also has counterparty risk with respect to trade and other receivables. The concentration of this risk is limited due to the Group's large and broad customer base. Trade receivable exposures are managed locally in the business units where they arise. Allowance is made for expected credit losses based on management's assessment of the risk of non-payment, taking into account the ageing profile and circumstance.

Foreign-currency risk management

The Group's principal foreign-exchange exposure is to the US dollar. The Group's businesses generated approximately 59% of its revenues in US dollars, including approximately 32% of the revenues of its UK-based businesses, and approximately 68% of its operating profits are US dollar-denominated. The Group is therefore exposed to foreign-exchange risk on the US dollar incomes in its UK businesses, the translation of results of foreign subsidiaries and of loans to and from foreign operations within the Group where the denomination of the loan is not in the functional currency of the lender/borrower.

Notes to the consolidated financial statements

NOTE 26 Financial risk management continued

The carrying amounts of the Group's US dollar-denominated monetary assets and liabilities at March 31st are as follows:

	Assets		Liabilities	
	2024 £000	2023 £000	**2024 £000**	2023 £000
US dollar	**32,971**	35,673	**(5,590)**	(3,860)

A series of US dollar contracts is put in place each month to sell forward surplus US dollars so as to hedge up to 85% of the company's UK-based US dollar cashflows for the coming 12 months. The value of these forward contracts is based on management's estimate of its future US dollar cashflows over a 12-month period. If management materially underestimates the company's future US dollar cashflows, this would lead to too few forward contracts being in place and the company being more exposed to swings in US dollar to sterling exchange rates. An overestimate of the company's US dollar-denominated cashflows would lead to associated costs in unwinding ineffective and excess forward contracts. Forward exchange contracts are gross settled at maturity. Subsidiaries normally do not hedge transactions in foreign currencies into the functional currency of their own operations. Each subsidiary is encouraged to invoice sales in its local functional currency where possible.

Cashflow hedges – maturing in less than one year	**2024**	2023
Average exchange rate	**$1.25**	$1.20
Foreign currency ($000)	**93,594**	60,044
Contract value (£000)	**74,677**	49,980
Fair value (£000)	**541**	1,335

As at March 31st 2024, the aggregate amount of unrealised gains/losses under forward foreign-exchange contracts deferred in the fair value reserve relating to future income transactions is £541,000 gains (2023: unrealised gains of £1,335,000). It is anticipated that the transactions will take place over the next 12 months, at which stage the amount deferred in equity will be released to the income statement. Prior-year gains of £1,335,000 were recycled from other comprehensive income into the income statement during the year.

As at March 31st 2024, the fair value of interest rate caps is £nil (2023: £460,000). The interest rate cap was in place until November 2023.

There were no ineffective cashflow hedges in place at the year-end.

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

Level 1 – the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices.

Level 2 – foreign-currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Interest rate caps are measured using dealer quotes. The fair value of other financial assets and liabilities is determined in accordance with generally accepted pricing models based on discounted cashflow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

Level 3 – fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at March 31st 2024 and the prior years, all the resulting fair value estimates have been included in level 2, apart from investments in unlisted securities, which are classified as level 3. Movements in level 3 fair value measurements are shown in note 15.

NOTE 26 Financial risk management continued

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of debt, which includes cash deposits (note 19), bank borrowings (note 21) lease liabilities (note 22) and equity attributable to equity holders comprising share capital, reserves and retained earnings as disclosed in the statement of changes in equity.

Other financial instruments not recorded at fair value

The directors consider that the carrying amounts of financial assets and liabilities recorded at amortised cost in the financial statements approximate their fair values. Such financial assets and liabilities include cash and cash equivalents, loans and trade receivables, trade payables and bank loans.

Financial instruments—sensitivity analysis

As at March 31st 2024, the sensitivity of the carrying value of the Group's financial instruments to fluctuations in interest rates and exchange rates is as follows:

		Impact of 1%		Impact of 10%	
	Carrying value £000	increase in interest rates £000	decrease in interest rates £000	stronger US dollar £000	weaker US dollar £000
Cash and cash equivalents	24,776	–	–	1,296	(1,060)
Other net financial assets	12,718	–	–	1,530	(1,252)
Derivative financial instruments	541	–	–	(8,237)	6,740
Lease liabilities	(30,160)	–	–	(188)	154
	7,875	–	–	(5,599)	4,582

The table shows the sensitivities of fair values of each class of financial instruments to an isolated change in either interest or foreign-exchange rates. Other net financial assets comprise trade receivables less trade payables.

The sensitivities of derivative instruments are calculated using established estimation techniques such as discounted cashflows. A large proportion of the movements shown above would affect equity rather than the income statement, due to the location and functional currency of the entities in which they arise and the availability of net investment hedge treatments.

Notes to the consolidated financial statements

NOTE 27 Share capital

	No. of shares	Share capital £000
At March 31st 2024 and 2023	**25,200,000**	**1,260**

Issued, fully paid shares	At March 31st 2024 and 2023 Number	£000
"A" special shares of 5p each	**1,260,000**	**63**
"B" special shares of 5p each	**1,260,000**	**63**
Ordinary shares of 5p each	**22,680,000**	**1,134**
Trust shares of 5p each	**100**	**–**
	25,200,100	**1,260**

The authorised share capital amounts to 40,000,100 and is unchanged in the year. The nominal value of authorised shared capital is £2,000,005.

A summary of the rights of each class of shares is included in the directors' report on page 79. The trust shares participate in a distribution of capital only to a limited extent and accordingly are not treated as equity share capital.

The company holds 5,040,000 of its own ordinary shares in treasury; these shares carry no rights.

NOTE 28 Employee Share Ownership Plan (ESOP)

	No. of shares	£000
At April 1st 2022	305,293	5,248
Purchase of ESOP shares	10,964	324
Sale of ESOP shares	(32,904)	(966)
At March 31st 2023	283,353	4,606
Purchase of ESOP shares	56,463	1,664
Sale of ESOP shares	(25,764)	(764)
At March 31st 2024	**314,052**	**5,506**

The nominal value of the ESOP shares, which have a par value of 5p each, amounted to £15,703 (2023: £14,168). The ESOP provides a limited market for ordinary shares of The Economist Newspaper Limited to be bought and sold. Employees of the Group can apply to buy shares from the ESOP twice a year at the latest indicative share valuation, and all other shareholders can offer to sell their shares to the ESOP. A subsidiary company, The Economist Group Trustee Company Limited, acts as trustee of the ESOP and handles all share transactions. The ESOP has not waived its entitlement to dividends on these shares. At March 31st 2024, 120,250 (2023: 136,250) of the shares are under option to employees and have been conditionally granted to them.

NOTE 29 Treasury shares

	No. of shares	£000
At March 31st 2024 and 2023	**5,040,000**	**188,823**

The treasury shares have a par value of 5p per share and their nominal value amounts to £252,000 (2023: £252,000). These shares do not attach any voting rights or rights to dividends. The shares represent 20% of called-up share capital (2023: 20%).

NOTE 30 Related party transactions

The Group has taken advantage of the exemption allowed under IAS 24 Related Party Disclosures not to disclose transactions and balances between Group companies that have been eliminated on consolidation.

The key management personnel are deemed to be members of the company's Board and the Group leadership team (see pages 60-63). Key management compensation paid or payable, including the value of awards made under the restricted share scheme, is set out below:

	2024 £000	2023 £000
Salaries and short-term employment benefits	**6,279**	7,147
Retirement benefits	**365**	382
Long-term incentives	**3,369**	3,301
	10,013	10,830
Of which:		
Executive directors	**3,683**	4,322
Non-executive directors	**386**	402
Other members of the leadership team	**5,944**	6,106
	10,013	10,830

The directors who served during the year received dividends of £170,000 (2023: £88,000) in respect of shares held in the company.

NOTE 31 Financial commitments

There are contingent Group liabilities that arise in the normal course of business in respect of legal claims, indemnities, warranties and guarantees in relation to former subsidiaries. None of these claims is expected to result in a material gain or loss to the Group.

NOTE 32 Events after the balance-sheet date

There were no material events after the balance-sheet date.

Company balance sheet

As at March 31st 2024

	Note	2024 £000	2023 £000
Investments in subsidiaries	4	**552,077**	552,077
Intangible assets	5	**25,798**	23,690
Property, plant and equipment	6	**3,873**	4,331
Right-of-use assets	7	**20,542**	22,919
Amounts due from subsidiaries		**93,920**	152,343
Deferred tax assets	8	**1,054**	3,505
Non-current assets		**697,264**	758,865
Amounts due from subsidiaries		**50,085**	5,426
Inventories	9	**280**	369
Trade and other receivables	10	**17,361**	17,859
Derivative financial instruments	16	**541**	1,795
Current tax assets		**1,650**	–
Cash and cash equivalents	11	**10,369**	17,578
Current assets		**80,286**	43,027
Total assets		**777,550**	801,892
Trade and other liabilities	12	**(4,827)**	(5,052)
Deferred tax liabilities	8	**–**	(1,323)
Retirement benefit obligations	13	**(6,083)**	(7,875)
Lease liabilities	14	**(23,666)**	(26,460)
Borrowings	15	**–**	(16,423)
Other liabilities		**–**	(161)
Non-current liabilities		**(34,576)**	(57,294)
Amounts due to subsidiaries		**(266,692)**	(268,119)
Trade and other liabilities	12	**(83,328)**	(70,369)
Lease liabilities	14	**(2,950)**	(3,516)
Current tax liabilities		**–**	(480)
Current liabilities		**(352,970)**	(342,484)
Total liabilities		**(387,546)**	(399,778)
Net assets		**390,004**	402,114
Share capital	17	**1,260**	1,260
ESOP shares	18	**(5,506)**	(4,606)
Treasury shares	19	**(188,823)**	(188,823)
Translation reserve		**(3,239)**	(2,445)
Retained earnings		**586,312**	596,728
Total equity		**390,004**	402,114

The profit for the year is £13,651,000 (2023: £4,311,000).

These financial statements were approved by the Board of directors and authorised for issue on June 10th 2024.
They were signed on its behalf by:

Paul Deighton **Lara Boro**
Directors

Company statement of changes in equity

Year ended March 31st 2024

Year ended March 31st 2024	Note	Equity attributable to equity holders of the company Share capital £000	ESOP shares £000	Treasury shares £000	Translation reserve £000	Retained earnings £000	Total equity £000
At April 1st 2023		**1,260**	**(4,606)**	**(188,823)**	**(2,445)**	**596,728**	**402,114**
Profit for the year		–	–	–	–	13,651	13,651
Other comprehensive expense		–	–	–	(794)	(227)	(1,021)
Total comprehensive income		–	–	–	(794)	13,424	12,630
Net purchase of own shares	18	–	(900)	–	–	–	(900)
Dividends		–	–	–	–	(23,840)	(23,840)
At March 31st 2024		**1,260**	**(5,506)**	**(188,823)**	**(3,239)**	**586,312**	**390,004**

Year ended March 31st 2023	Note	Equity attributable to equity holders of the company Share capital £000	ESOP shares £000	Treasury shares £000	Translation reserve £000	Retained earnings £000	Total equity £000
At April 1st 2022		1,260	(5,248)	(188,823)	(4,994)	617,545	419,740
Profit for the year		–	–	–	–	4,311	4,311
Other comprehensive income		–	–	–	2,549	97	2,646
Total comprehensive income		–	–	–	2,549	4,408	6,957
Net sale of own shares	18	–	642	–	–	–	642
Dividends		–	–	–	–	(25,225)	(25,225)
At March 31st 2023		1,260	(4,606)	(188,823)	(2,445)	596,728	402,114

Notes to the company financial statements

NOTE 1 Accounting policies

The financial statements of The Economist Newspaper Limited (the company) are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) as issued by the Financial Reporting Council and with those parts of the Companies Act 2006 applicable to companies reporting under FRS 101.

Accounting policies are detailed in note 1 to the consolidated financial statements.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cashflow statement, standards not yet effective and related party transactions.

As permitted by Section 408 of the Companies Act 2006, the company has elected not to present its own income statement for the financial year.

The financial statements are prepared on a going-concern basis under the historical-cost convention, with the exception of derivatives which are recognised at fair value.

The accounting policies applied in the preparation of these company financial statements have been consistently applied to the periods presented unless otherwise stated and are the same as those set out in note 1 to the consolidated financial statements, with the addition of the following:

Investments

Investments in subsidiaries are stated at cost less impairment.

NOTE 2 Employee information

The year-end and monthly average number of employees, including executive directors, was as follows:

	2024		2023	
	Monthly average	**Year-end**	Monthly average	Year-end
The Economist	**414**	**420**	350	365
Economist Impact	**74**	**71**	110	101
Technology and central	**297**	**312**	276	300
Total employees	**785**	**803**	736	766

The details of directors' emoluments are shown on table 2, page 77, within the directors' report on remuneration.

Employee benefit costs including directors' emoluments	**2024 £000**	2023 £000
Wages and salaries	**74,448**	71,311
Social security costs	**9,540**	8,974
Share-based payment costs	**1,499**	1,664
Retirement benefits – defined-benefit plans	**280**	280
Retirement benefits – defined-contribution plans	**6,036**	5,264
	91,803	87,493

Wages and salaries include £1,239,000 (2023: £1,609,000) of restructuring-related costs.

NOTE 3 Share-based payments

The company's total charge recognised with respect to share-based payment transactions comprised:

	2024 £000	2023 £000
Restricted share scheme (cash or share settled)	**1,499**	1,664

Total carrying value of share-based payment transactions	2024 £000	2023 £000
Restricted share scheme (cash or share settled)	**2,598**	2,820

Analysed as:	2024 £000	2023 £000
Current liabilities	**1,255**	1,654
Non-current liabilities	**1,343**	1,166
	2,598	2,820

Details of share-based payment incentive schemes operated by the company and inputs to the valuation models are shown in note 11 of the consolidated financial statements.

	2024		2023	
Restricted share scheme	No. of options	Weighted average share price (£)	No. of options	Weighted average share price (£)
Outstanding at April 1st	**116,750**	**32.89**	107,000	29.52
Granted during the year	**37,500**	**32.46**	37,500	31.02
Forfeited during the year	**–**	**–**	–	–
Exercised during the year	**(45,750)**	**(32.96)**	(27,750)	(32.21)
Outstanding at March 31st	**108,500**	**33.45**	116,750	32.89
Exercisable at March 31st	**32,500**	**33.93**	31,750	33.47

The weighted average remaining contractual life for outstanding options at March 31st 2024 was 14 months (2023: 14 months).

Notes to the company financial statements

NOTE 4 Investments in subsidiaries

	2024 £000	2023 £000
At April 1st and March 31st	**552,077**	552,077

The directors believe that the carrying value of the investments is supported by their underlying net assets.

NOTE 5 Intangible assets

Cost	Licenses and software £000	Intangible assets in development £000	Total £000
At April 1st 2022	48,725	6,279	55,004
Additions	766	4,290	5,056
Disposals	(12,941)	–	(12,941)
Transfer	6,279	(6,279)	–
At March 31st 2023	42,829	4,290	47,119
Additions	–	8,345	8,345
Disposals	(6)	–	(6)
Transfer	8,744	(8,744)	–
At March 31st 2024	**51,567**	**3,891**	**55,458**

Amortisation	Licenses and software £000	Intangible assets in development £000	Total £000
At April 1st 2022	32,111	263	32,374
Charge for the year	3,692	–	3,692
Transfer	(12,637)	–	(12,637)
At March 31st 2023	23,166	263	23,429
Charge for the year	6,231	–	6,231
Transfers	263	(263)	–
At March 31st 2024	**29,660**	**–**	**29,660**
Carrying amounts			
At April 1st 2022	16,614	6,016	22,630
At March 31st 2023	19,663	4,027	23,690
At March 31st 2024	**21,907**	**3,891**	**25,798**

NOTE 6 Property, plant and equipment

Cost	Leasehold buildings: short £000	Equipment £000	Total £000
At April 1st 2022	6,131	22,267	28,398
Additions	709	1,614	2,323
Disposals	(1,628)	(19,981)	(21,609)
At March 31st 2023	5,212	3,900	9,112
Additions	20	538	558
Transfers	–	102	102
Disposals	(123)	(106)	(229)
At March 31st 2024	**5,109**	**4,434**	**9,543**

Depreciation	Leasehold buildings: short £000	Equipment £000	Total £000
At April 1st 2022	2,984	20,890	23,874
Charge for the year	684	1,832	2,516
Disposals	(1,628)	(19,981)	(21,609)
At March 31st 2023	2,040	2,741	4,781
Charge for the year	215	754	969
Disposals	–	(80)	(80)
At March 31st 2024	**2,255**	**3,415**	**5,670**
Carrying amounts			
At April 1st 2022	3,147	1,377	4,524
At March 31st 2023	3,172	1,159	4,331
At March 31st 2024	**2,854**	**1,019**	**3,873**

Notes to the company financial statements

NOTE 7 Right-of-use assets

Cost	Leasehold buildings £000
At April 1st 2022	24,642
Additions	10,776
Disposals	(5,476)
At March 31st 2023	29,942
Additions	596
Disposals	(868)
At March 31st 2024	**29,670**

Accumulated depreciation	Leasehold buildings £000
At April 1st 2022	9,232
Charge for the year	3,235
Disposals	(5,444)
At March 31st 2023	7,023
Charge for the year	2,874
Disposals	(769)
At March 31st 2024	**9,128**
Carrying amounts	
At April 1st 2022	15,410
At March 31st 2023	22,919
At March 31st 2024	**20,542**

The company leases several assets including buildings and IT equipment. The average lease term is 62 months (2023: 30 months).

The maturity analysis of lease liabilities is presented in note 14.

The interest expense relating to right-of-use assets was £799,000 (2023: £744,000).

NOTE 8 Deferred tax

	2024 £000	2023 £000
Deferred tax assets	**1,054**	3,505
Deferred tax liabilities	**–**	(1,323)
	1,054	2,182

Substantially all of the deferred tax assets are expected to be recovered after more than one year.

Deferred tax assets and liabilities may be offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority.

The recognition of the deferred tax assets is supported by management's forecasts of the future profitability of the relevant businesses.

The movement on the deferred tax account is as follows:

	2024 £000	2023 £000
At April 1st	**2,182**	3,459
(Charge) to income statement	**(912)**	(38)
(Charge) to other comprehensive income	**(216)**	(1,239)
At March 31st	**1,054**	2,182

The movement in deferred tax assets during the year is as follows:

Deferred tax assets	Retirement benefit obligations £000	Capital allowances and intangibles £000	Incentives £000	Other £000	Total £000
At April 1st 2022	2,663	–	1,039	713	4,415
(Charge)/credit to income statement	–	–	339	(10)	329
(Charge) to other comprehensive income	(642)	–	–	(597)	(1,239)
At March 31st 2023	2,021	–	1,378	106	3,505
(Charge)/credit to income statement	–	(685)	32	(259)	(912)
(Charge)/credit to other comprehensive income	(500)	–	–	284	(216)
Jurisdictional netting	–	(1,323)	–	–	(1,323)
At March 31st 2024	**1,521**	**(2,008)**	**1,410**	**131**	**1,054**

Other deferred income tax assets include temporary differences on general provisions of £251,000 (2023: £533,000); derivatives and financial instruments of £(135,000) (2023: £(449,000)); and other differences.

Deferred tax liabilities	Capital allowances and intangibles £000	Other £000	Total £000
At April 1st 2022	(956)	–	(956)
(Charge) to income statement	(367)	–	(367)
At March 31st 2023	(1,323)	–	(1,323)
Jurisdictional netting	1,323	–	1,323
At March 31st 2024	**–**	**–**	**–**

Deferred taxes recognised at the balance-sheet date are determined using the anticipated future tax rate. As the current enacted UK corporation tax rate of 25% is expected to remain stable, the deferred tax balances are calculated using this rate (2023: 25%).

Notes to the company financial statements

NOTE 9 Inventories

	2024 £000	2023 £000
Raw materials	**280**	369
	280	369

No inventories are pledged as security.

NOTE 10 Trade and other receivables

Current	2024 £000	2023 £000
Trade receivables	**8,735**	10,111
Other receivables	**1,301**	615
Prepayments	**4,583**	5,748
Accrued income	**2,742**	1,385
	17,361	17,859

Trade receivables are stated at fair value, net of provisions for expected credit losses and anticipated future sales returns. The movements on the provision for bad and doubtful debts are as follows:

	2024 £000	2023 £000
At April 1st	**1,370**	844
Income statement movements	**(579)**	533
Utilised	**(124)**	(7)
At March 31st	**667**	1,370

The ageing of the company's trade receivables which are not impaired is as follows:

	2024 £000	2023 £000
Within the due date	**7,585**	6,606
Past due less than a month	**1,150**	1,974
Past due more than a month but less than two months	**–**	1,531
Total trade receivables	**8,735**	10,111

NOTE 11 Cash and cash equivalents

	2024 £000	2023 £000
Cash at bank and in hand	**1,823**	1,532
Short-term bank deposits	**8,546**	16,046
	10,369	17,578

Short-term bank deposits are invested with banks and earn interest at the prevailing short-term deposit rates.

NOTE 12 Trade and other liabilities

Current	2024 £000	2023 £000
Trade payables	**13,608**	9,297
Social security and other taxes	**2,726**	889
Accruals	**20,015**	24,944
Liability for share-based payments	**1,255**	1,654
Deferred income	**44,490**	33,103
Other liabilities	**1,234**	482
	83,328	70,369
Non-current		
Liability for share-based payments	**1,343**	1,166
Deferred income	**1,654**	1,906
Other liabilities	**1,830**	1,980
	4,827	5,052
Total	**88,155**	75,421

The carrying value of the Group's trade and other liabilities approximates fair value.

The deferred income balance comprises the unexpired portion of subscriptions for *The Economist* and revenue billed in advance for advertising not yet delivered.

Notes to the company financial statements

NOTE 13 Retirement benefit and other post-retirement obligations

A reconciliation of the net retirement benefit obligation reported in the balance sheet is shown in the following table:

	2024 £000	2023 £000
UK Group scheme	**4,939**	7,062
Post-retirement medical benefits	**1,144**	813
	6,083	7,875

The company is a member of The Economist Group Pension Scheme (UK Group Scheme), which provided funded defined benefits. Details about the assets and liabilities of the scheme, the major assumptions used by the actuaries to value the deficit, the funding of the deficit in the scheme and the risks the company is exposed to through the scheme are included in note 23 to the consolidated financial statements. The company accounts for its share of the underlying assets and liabilities of the scheme. The company's share of the total scheme deficit was assessed at 80% by an independent actuary. The calculation of the liability for the company is based on membership records of retirees, deferred and active members.

The company also operates a defined-contribution scheme.

The company provides post-retirement medical benefits to certain former employees. At March 31st 2024, 20 retired and former employees (2023: 23) were eligible to receive benefits. The movement in the liability was as follows:

Present value of scheme liabilities	2024 £000	2023 £000
At April 1st	**813**	976
Employer contributions	**(79)**	(90)
Interest expense	**35**	26
Net loss/(gain) from experience and change in financial assumptions	**375**	(99)
At March 31st	**1,144**	813

Further information on the assumptions used to calculate the liability are shown in note 23 to the consolidated financial statements.

NOTE 14 Lease liabilities

Maturity analysis:	2024 £000	2023 £000
Not later than one year	**2,950**	3,516
Later than one year and not later than five years	**14,918**	13,954
Later than five years	**8,748**	12,506
	26,616	29,976
Analysed as:		
Non-current	**23,666**	26,460
Current	**2,950**	3,516
	26,616	29,976

NOTE 15 Borrowings

Details of the Group's borrowings, which are also those of the company, can be found in note 21 to the consolidated financial statements.

NOTE 16 Derivative financial instruments

Details of the Group's derivative financial instruments, which are also those of the company, can be found in note 24 to the consolidated financial statements.

NOTE 17 Share capital

Details of the company's share capital can be found in note 27 to the consolidated financial statements.

NOTE 18 Employee Share Ownership Plan (ESOP)

Details of the ESOP are presented in note 28 to the consolidated financial statements.

NOTE 19 Treasury shares

Note 29 to the consolidated financial statements provides information on the company's treasury shares.

NOTE 20 Related party transactions

Subsidiaries

The company transacts and has outstanding balances with its subsidiaries. Amounts due from subsidiaries and amounts due to subsidiaries are disclosed on the face of the company balance sheet.

Shareholders

There were no material related party transactions with any shareholders during the year. In the view of the Directors, there is no controlling party of the company or the Group, by virtue of there being no single majority shareholder.

NOTE 21 Events after the balance-sheet date

There were no material events after the balance-sheet date.

Notes to the company financial statements

NOTE 22 Group companies

In accordance with Section 409 of the Companies Act 2006, a full list of subsidiaries, the country of incorporation and the effective percentage of equity owned included in these financial statements at March 31st 2024 is disclosed below. The shares in these companies are included in the consolidation in the Group's financial statements using the equity method of accounting. Principal Group companies are identified in bold.

Company	Proportion held	Principal activity and operation	Country of incorporation
Bazian Limited	100%	Healthcare consulting	United Kingdom
Clearstate (Pte.) Limited[1]	**100%**	**Healthcare consulting**	**Singapore**
data information intelligence GmbH[2]	100%	Information services	Germany
Economist (Shanghai) Management Consulting Company Limited[3†]	100%	Publishing, events and information services	China
Economist Digital Services Limited	100%	Digital service provider	United Kingdom
EIU (Delaware) LLC[4]	100%	Consulting services	US
EuroFinance Conferences Limited	**100%**	**Events and training**	**United Kingdom**
Ryder Street Properties Limited	100%	Dormant	United Kingdom
Signal & Noise Limited	100%	Data design agency	United Kingdom
TEG India Private Limited[5]	100%	Events and media services	India
TEG New Jersey, LLC[4]	100%	Dormant	US
The Economist Books Limited	100%	Dormant	United Kingdom
The Economist Editorial (Overseas) Company Limited	100%	Representative agent	United Kingdom
The Economist Group (Asia/Pacific) Limited[6]	**100%**	**Events and information services**	**Hong Kong**
The Economist Group (Brazil Holdings) Limited	100%	Investment holding company	United Kingdom
The Economist Group (Investments) Limited	100%	Investment holding company	United Kingdom
The Economist Group (Switzerland) SA[7]	100%	Media services	Switzerland
The Economist Group do Brasil Serviços de Informação sobre Negócios Ltda[8†]	100%	Business information	Brazil
The Economist Group France SARL[9]	100%	Media services	France
The Economist Group GmbH[10]	100%	Investment holding company	Austria
The Economist Group Limited	**100%**	**Business information**	**United Kingdom**
The Economist Group Operations Limited	100%	Investment holding company	United Kingdom
The Economist Group (Services) Limited	100%	Dormant	United Kingdom
The Economist Group Singapore Pte Limited[1]	100%	Investment holding company	Singapore
The Economist Group Trustee Company Limited	100%	Trustee services	United Kingdom
The Economist Intelligence Unit Canback SA Proprietary Limited[11†]	100%	Dormant	South Africa
The Economist Intelligence Unit Limited	**100%**	**Information services and events**	**United Kingdom**
The Economist Intelligence Unit, NA, Incorporated[4]	**100%**	**Events and information services**	**US**
The Economist Newspaper (Asia/Pacific) Limited[6]	100%	Dormant	Hong Kong
The Economist Newspaper Group Incorporated[4]	100%	Publisher and management services	US
The Economist Newspaper (Holdings) Limited*	100%	Investment holding company	United Kingdom
The Economist Newspaper, NA, Incorporated[4]	**100%**	**Media services**	**US**
The Economist Overseas (Holdings) Limited	100%	Investment holding company	United Kingdom
The Economist Pension Trustee Limited	100%	Pension trustee company	United Kingdom
The Television Consultancy Limited	100%	Dormant	United Kingdom
TVC Group Limited	100%	Investment holding company	United Kingdom

Unless noted, the registered office is The Adelphi, 1-11 John Adam Street, London WC2N 6HT.

All companies are indirectly owned by The Economist Newspaper Limited except for those indicated*, which are directly owned.

† Year-end December 31st

1 8 Cross Street, #23-01 Manulife Tower, Singapore 048424

2 Schwagrichenstrasse 8, 04107 Leipzig, Germany

3 Rm 2508B, 1909-1910 Rui Jin Building, No. 205 South Mao Ming Road, Huangpu District, Shanghai, China 200020

4 900 Third Avenue, New York, NY 10022, USA

5 17, Subhash Marg, Darya Ganj, New Delhi 110002, India

6 1301, 12 Taikoo Wan Road, Taikoo Shing, Hong Kong

7 Rue de la Rotisserie 11-1204, Geneva, Switzerland

8 Rua Joaquim Floriano 1052. cj. 81, CEP 04534-004, São Paulo, -SP, Brazil

9 11 Avenue Delcassé, 75008 Paris, France

10 Gonzagagasse 17, 1010 Wien, Austria

11 Inanda Greens Building 8, 54 Wierda Road, West Wierda Valley, Sandton, Gauteng, 2196, South Africa

For the year ended March 31st 2024, the following subsidiary undertakings of the Group were exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of section 479A of the Companies Act 2006:

Company	Principal activity and operation	Company registration number
The Economist Books Limited	Dormant	01775942
The Economist Group (Brazil Holdings) Limited	Investment holding company	09164810
The Economist Group Trustee Company Limited	Trustee services	01775932
Bazian Limited*	Healthcare consulting	03724527
Economist Digital Services Limited*	Digital service provider	09282716
Eurofinance Conferences Limited*	Events and training	03015764
Ryder Street Properties Limited*	Dormant	00626084
Signal & Noise Limited*	Data design agency	05842108
The Economist Editorial (Overseas) Company Limited*	Representative agent	03312640
The Economist Group Limited*	Business information	02642807
The Economist Group (Services) Limited*	Dormant	10429178
The Economist Group (Investments) Limited*	Investment holding company	04319845
The Economist Newspaper (Holdings) Limited*	Investment holding company	10304105
The Economist Overseas (Holdings) Limited*	Investment holding company	02147173
The Economist Pension Trustee Limited	Pension trustee company	14065151
The Television Consultancy Limited*	Dormant	03588331
TVC Group Limited*	Investment holding company	06618821

*At the balance sheet date the outstanding liabilities of these subsidiaries have been guaranteed by The Economist Newspaper Limited pursuant to section 479A to section 479C of the Companies Act 2006.

Five-year summary

	2024 £m	2023 £m	2022 £m	2021 £m	2020 £m
As reported in the year					
Revenue	**367**	377	346	310	326
Operating profit	**47**	42	46	42	31
Profit after tax	**34**	31	36	17	21
Basic earnings per share	**171.6p**	157.0p	180.9p	83.8p	106.5p
Continuing business*					
Revenue	**367**	377	346	310	320
Operating profit	**47**	42	46	42	53**
Profit after tax	**34**	31	36	17	42**
Continuing business—adjusted* **					
Revenue	**367**	377	346	310	320
Adjusted operating profit	**47**	42	46	42	33
Adjusted operating profit to revenue	**12.9%**	11.2%	13.4%	13.5%	10.3%
Adjusted profit after tax	**34**	31	36	31	22
Adjusted earnings per share	**171.6p**	157.0p	180.9p	155.3p	110.0p
Balance Sheet					
Non-current assets	**83**	90	85	74	158
Net debt	**(5)**	(18)	(16)	(30)	(119)
Deferred income	**(128)**	(131)	(128)	(120)	(119)
Other assets and liabilities (net)	**(19)**	(17)	(26)	(15)	(18)
Net liabilities	**(69)**	(76)	(85)	(90)	(98)
Dividends and shares					
Interim and final dividend proposed per share	**160.0p**	120.0p	120.0p	100.0p	40.0p
Total dividend per share paid in the year	**120.0p**	127.0p	133.0p	0.0p	115.0p
Indicative share value***	**£31.50**	£30.00	£30.00	£25.00	£23.00
Dividend yield	**5.1%**	4.0%	4.0%	4.0%	1.7%

*Income statement restated to exclude TVC and Canback, closed in 2021.

**Includes an exceptional defined-benefit pension scheme credit on the closure of the scheme to future accrual.

***Alternative performance measures. Refer to note 1s of the consolidated financial statements for further information.

Alternative performance measures

The Group uses alternative performance measures in order to monitor the performance of the business. We present these as we believe they are useful to the users of the accounts; they include adjusted operating profit, indicative share value and adjusted earnings per share.

Adjusted earnings and adjusted earnings per share are stated before exceptional items and profit/loss on disposal of businesses together with the related interest and tax effects.

The indicative share price is calculated by our independent valuation adviser. Our adviser uses a number of criteria, including the Group's financial position and the performance of comparator companies to calculate an indicative share price and valuation. The indicative share price is used for the purpose of measuring the performance of the business and administering the ESOP and RSS schemes.

Notice of annual general meeting

Notice is hereby given that the annual general meeting (AGM) of The Economist Newspaper Limited will be held at the British Academy of Film and Television Arts, 195 Piccadilly, London W1J 9LN on Tuesday July 9th 2024 at 12.15pm, for the purposes set out below.

1. To receive the accounts and the reports of the directors and the auditor for the year ended March 31st 2024.
2. To declare a final dividend of 120.0 pence per share in respect of the year ended March 31st 2024 to all “A” Special, “B” Special and Ordinary shareholders on the company’s register of members at the close of business on June 10th 2024.
3. To reappoint Deloitte LLP as the company’s auditor to hold office until the conclusion of the next general meeting at which accounts are laid before the company.
4. To authorise the directors to fix the remuneration of the auditors.

By order of the Board

Oscar Grut
Chief legal officer
Group company secretary and head of ESG

Registered in England and Wales 00236383

Registered Office

The Adelphi
1-11 John Adam Street
London WC2N 6HT

June 18th 2024

NOTES:

1. A member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to exercise all or any of his/her rights to attend, speak and vote at the meeting. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him/her.
2. A Form of Proxy is enclosed and the notes to the form set out the details of how to appoint a proxy.
3. To be valid, shareholders must complete the Proxy Form and submit it in accordance with the instructions printed on the form so as to be received by the Company’s registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 48 hours before the meeting or, if the meeting is adjourned, no later than 48 hours before the adjourned meeting. Proxy appointments and voting instructions can now be submitted:
   - Electronically, through www.investorcentre.co.uk/eproxy; or
   - In hard copy, by posting the duly completed and signed form proxy to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY.

Whether or not you intend to attend the AGM, please submit your form of proxy electronically or in hard copy as soon as possible.

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