Carlton Communications Limited

Strategic Report for the year ended 31 December 2025

The Directors present their Strategic Report for Carlton Communications Limited ("the Company") for the year ended 31 December 2025. The Company is a wholly owned subsidiary of ITV plc and the ultimate parent of the Company is also ITV plc.

Principal activities
The principal activity of the Company continues to be that of an investment company.

Fair review of the business
The results for the Company show a loss for the year of £1,147.7 million (2024: profit for the year of £1,707.3 million). The loss in the current year, is primarily due to an impairment of investments of £4,083.9 million (2024: £nil) resulting from the corporate restructure described below. At the statement of financial position date the Company had net assets of £129.3 million (2024: £2,907.5 million). During the year the Company received interim dividends of £2,938.4 million (2024: £1,688.5 million) and paid interim dividends of £1,630.5 million (2024: £1,688.5 million).

Corporate restructure
During the year the Company's parent entity, ITV plc, restructured its investments to simplify the overall Group holding structure and ensure that businesses within the same segment report to a common parent. This involved ITV plc incorporating two new directly owned subsidiaries, ITV Studios Holdings Limited and ITV M&E Holdings Limited, to serve as the parent companies for the ITV Studios and Media & Entertainment businesses.

As result of this restructure some of the Company's investments are now owned by either one of the new holding companies and the remaining investments have been impaired, as they hold minimal value as nontrading entities.

KPI's
The Directors of the Company use the KPIs of ITV plc to manage the performance of the Company. The KPIs are included on pages 12 to 15 of ITV plc's 2025 Annual Report.

Principal risks and uncertainties
The key risk in the Company is the value and performance of its investments. The Directors review the performance of its investments regularly and provide for impairment where necessary.

A comprehensive review of the Company's strategy, outlining the development, performance and position of the Company's business can be found in the Strategic Report of the group in the ITV plc Annual Report. The Annual Report of ITV plc is available to the public and may be obtained from www.itvplc.com or the Company Secretary, ITV White City, 201 Wood Lane, London, W12 7RU.

Directors statement in performance of their duties under section 172(1)

The Board of ITV plc are responsible for governance and oversight across the ITV Group and the duties under Section 172(1) of the Companies Act 2006 ("s172") in respect of ITV plc. As Carlton Communications Limited is part of the ITV Group, its directors (the "Directors") believe that certain matters they are responsible for under s172 in respect of the Company have been considered to an appropriate extent by the Board of ITV plc in relation both to the ITV Group and the Company and reference to this is made below.

The Directors consider and approve relevant matters during the year. To the extent necessary for an understanding of the development, performance and position of the Company, an explanation of how the Directors have specifically considered the matters set out in s172 is set out below:

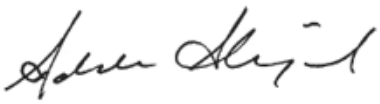
• **The long term**: The Directors remain fully cognisant of the evolving competitor and viewer landscape in which the Company operates. The primary focus during 2025 continued to be driving ITV's Group strategy to transform the Broadcast business over the longer term. The Directors addressed both the opportunities and challenges of wider structural change on the Company's digital channels, ensuring they continue to drive the mass audiences that remain highly valuable to advertisers. The Directors maintain that collaborative and connected digital ways of working are essential for long term business success. There remains a consistent focus on reducing costs and driving efficiencies through the Company's ongoing transformation programme. This involves reprioritising resource allocation to better align with the digital strategy and viewer dynamics.

• **Business relationships - suppliers, customers**: The Directors are committed to fostering strong relationships with their key stakeholders which include viewers, suppliers, advertisers, platform owners, legislators and regulators. The Directors recognise that an understanding of the issues relating to these stakeholders is fundamental to building and maintaining the successful relationships, enabling the Company to take advantage of the strong and mutually beneficial opportunities needed to ensure the success of the Company. As the Company is fully embedded within the ITV Group governance structure, the Directors seek to align themselves with ITV plc's engagement mechanisms and an explanation of how the Directors of ITV plc have had regard to the need to foster the Company's business relationships are set out on pages 64 to 72 of ITV plc's 2025 Annual Report which does not form a part of this report, with detail on viewers page 65, advertisers page 66, citizens page 68 and programme participants on page 70.

• **Community & environment**: The Directors have regard to the impact of its operations on the environment and consider that as a result of being embedded within the ITV Group governance structure, the Directors of ITV plc have taken the lead in carrying out the duties in respect of the community and wider environmental issues. Further information on how ITV aims to reduce its carbon emissions and waste, and source responsibly is set out on page 31 of ITV plc's 2025 Annual Report, which does not form a part of this report.

• **High standards of business conduct**: The Board's intention is to ensure that the Company operates in an ethical and responsible way. As a part of the ITV Group it recognises that a healthy corporate culture is the cornerstone of high standards of business conduct and governance as set on page 32 of the ITV plc Annual Report. ITV's culture also pervades its business dealings with stakeholders outside of the organisation.

Approved by the Board on 18 September 2026 and signed on its behalf by:



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A Abigail
Director