

ITV Services Limited

Strategic Report for the year ended 31 December 2023

The Directors present their Strategic Report for the year ended 31 December 2023.

Principal activity

The principal activity of ITV Services Limited ("the Company") continues to be to provide services for other companies within the ITV plc Group. It also acts as a holding company.

The Company is the principal employer of the ITV Pension scheme.

Fair review of the business

The results for the Company show a profit for the year of £198,000,000 (2022: £613,000,000). At the statement of financial position date the Company had net assets of £2,926,000,000 (2022: £2,954,000,000). During the year the Company received interim dividends of £287 million (2022: £786 million) from fellow group undertakings and paid a dividend of £217 million (2022: £400 million) to a fellow group undertaking.

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 14 to 17 of ITV plc's 2023 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.

Anti-bribery and corruption

A comprehensive review of the Company's policies relating to anti-bribery and corruption can be found in the Strategic Report of the group in the ITV plc annual report.

ITV Services Limited

Strategic Report for the year ended 31 December 2023

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 ITV Services Limited (the 'Company') 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 are members of the ITV Management board that met regularly during the year through a mix of weekly catch-ups and ten board meetings, to consider and approve matters that relate directly to the Company and its subsidiaries. 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 successful execution of the More Than TV strategy of investing in and growing both production in ITV Studios, and ITVX in Media and Entertainment (M&E), enables the wider Group to capitalise on the opportunities presented by the rapidly changing viewing, content production and advertising environments, by creating a more valuable digital media and entertainment company. This strategy was kept under review through regular strategy sessions, the output of which formed the basis of the plc Board off-site discussions further described on page 83 of ITV plc's 2023 report and accounts, which does not form part of this report. The Directors continued to monitor business performance against a range of scenarios throughout the year to inform planning and ensure costs and cash were managed appropriately. The Directors also believe that collaborative and connected digital ways of working will help deliver and have a positive long-term impact on the business and safeguard the interest of its shareholders. Accordingly, they approved the launch of the ITV Together Programme in April 2023, a hugely significant global programme for our business and transforming how we all work.

- **Employees:** The Directors know that the workforce are key to the Company's success and are dedicated to nurturing an inclusive working environment where everyone can reach their full potential and thrive. As the Company is embedded within the ITV Group governance structure, it is fully aligned with ITV on workforce engagement and through the Management board meetings the Directors are regularly consulted on and approve HR related policies and initiatives that affect their employees and those of the Company's subsidiaries. An explanation of how ITV plc engaged with the workforce and took them into consideration through its discussions and decision-making is set out on pages 94 and 95 of ITV plc's 2023 annual report. Further information on ITV's commitment to its workforce is set out on pages 40 to 41 of ITV plc's 2023 annual report, which does not form part of this report.

- **Business relationships - suppliers, customers:** The Directors are committed to fostering good working business relationships with their key stakeholders. As the core Central Services company that holds both the M&E and Studios businesses of ITV plc, the Directors consider the key stakeholders to be aligned with its subsidiaries and as such these include: Programme Participants; Viewers, Customer and Subscribers; Partners (including Suppliers, Advertisers, other Broadcasters and Platform Owners), Citizens; Legislators and Regulators; and Colleagues. The Directors recognise that an understanding of the issues relating to these stakeholders is fundamental to building and maintaining the successful relationships, enabling ITV to take advantage of the strong and mutually beneficial opportunities needed to ensure the success of the Company. The Directors consider the Company to be fully aligned 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 page 84 to 91 of ITV plc's 2023 annual report which does not form a part of this report.

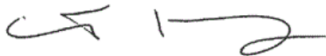
ITV Services Limited

Strategic Report for the year ended 31 December 2023

• **Community and environment:** The Directors are constantly striving to reduce the environmental impact of the Company's activities, which is kept under regular review. Through the Social Purpose Strategy, the Directors consider that the ITV Group have given due consideration to the community, wider environmental issues and diversity and inclusion targets. Further information on ITV's Social Purpose strategy and initiatives in 2023 - structured around better health, giving back, climate action and diversity and inclusion, environment and giving back targets - is set out on pages 32 to 39 of ITV plc's 2023 annual report, which does not form a part of this report.

• **High standards of business conduct:** The Directors' intention is to ensure that the Company and its subsidiaries operate in an ethical and responsible way. As a part of the ITV Group, they recognise that a healthy corporate culture is the cornerstone to ensuring high standards of business conduct and governance that also pervade business dealings with stakeholders outside of the organisation. The Directors promote these facets together with the Directors of ITV plc and details on how culture was monitored and assessed during the year is set out on pages 96 to 97 of ITV plc's 2023 annual report, which does not form a part of this report. ITV's commitment to high standards of business conduct is also enshrined in the Code of Ethics and Conduct available on the ITV plc website. ITV's culture also pervades its business dealings with stakeholders outside of the organisation, as exemplified by its work with suppliers in relation to modern slavery and membership of the Prompt Payment Code.

Approved by the Board on 13 June 2024 and signed on its behalf by:



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Chris Kennedy
Director