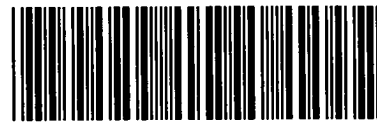


Reed Global

**Annual Report
And Financial Statements
Period ended 10 May 2024**

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Reed Global Limited

Company Information

Executive Directors

James Reed CBE, CCMi, FCIPD, MBA, MA

Lewis Crowther ACMA, BA

Jennifer May MSc (appointed 01 July 2023)

Non-Executive Directors

Anita Dougall BA

Clifford Tompsett FCA, MA

Secretary

Siu Fai Yuen LLB

Registered office

Academy Court

94 Chancery Lane

London

WC2A 1DT

United Kingdom

Company number

10169598

Independent Auditors

PricewaterhouseCoopers LLP

1 Embankment Place

London

WC2N 6RH

Reed Global Limited

Strategic report
Period Ended 10 May 2024

The directors present their Strategic Report on the affairs of Reed Global Limited (the "Company") and its subsidiaries (collectively the "Group", "Reed") and the consolidated financial statements for the period ended 10 May 2024.

Principal activities

The Group's principal subsidiaries and significant activities are detailed below.

Reed Specialist Recruitment: a specialist provider of permanent, contract, temporary and outsourced recruitment solutions.

Reed in Partnership: provides services that positively transform people and their communities, focussed on public service contracts in areas including Employability, Health and Wellbeing, Assessment Services, Justice, Business Support, Skills, Advice and Guidance, and services providing support to young people.

Reed Online Limited: provision of digital recruitment and training services offering online vacancy advertising, curriculum vitae access and course advertising, delivered through reed.co.uk.

Reed Learning Limited: inspire and develop those seeking professional learning through the delivery of qualifications issued by the Chartered Institute of Personnel and Development and the Chartered Management Institute.

The directors do not envisage any major changes in the Group's activities in the next year to 30 June 2025.

The Company's principal activity is that of a holding company of trading subsidiaries. The Company receives income from its subsidiaries for the use of the Reed brand.

Change of fiscal year end

The Reed Group decided in the current period to shorten its reporting period for Group participants to 10 May from the previous reporting date of 30 June, hence comparative amounts presented in the financial statements are not entirely comparable. The Group took this decision as a part of the implementation of a new Enterprise Resource Planning system to simplify its reporting in the period of the system's adoption. The Group plans to revert to a 30 June reporting date for the next financial year.

Environmental data contained within the Directors' Report is reported to 30 June 2024 to aid comparisons with the prior year and to best comply with Streamlined Energy and Carbon Reporting guidelines.

Trading results

The Company's trading results are set out in the Income Statement on page 30.

It should be noted that the presented numbers do not represent a like-for-like comparison due to the current period being shortened to accommodate the implementation of a new ERP across the Reed Group.

Business review

The trading environment was generally challenging throughout the period. The Group has exposure to changing economic conditions in the UK, its primary market, and particularly to the creation and loss of jobs in the UK. Data published by the Office for National Statistics showed the number of vacancies in the UK labour market fell for the 23rd consecutive period in the quarter to May 2024. The continued decline in demand directly impacted upon the Group's core trade and, together with the cessation of some large contracts in Reed in Partnership, gave rise to a reduction in revenue versus the prior year. The Group also faced inflationary cost pressure, both generally and specifically through increased wages. These pressures are evident in the gross margin and particularly the net margin, both shown in the Key Performance Indicator ("KPI") table on the following page. Nevertheless, the business continued to expand its service offering, particularly in Reed in Partnership and in the Reed Talent Solutions division of Reed Specialist Recruitment. This led to the growth in the number of business units seen on the KPI table.

Reed Global Limited

Strategic report
Period Ended 10 May 2024

Operating activities generated a positive contribution to group cash balances, but inflows were substantially lower than in the prior year due to the unwind of advance payments made on certain Reed in Partnership contracts, together with a general reduction in the profitability of trading activities. Conversely, cash outflows arising from investing activities fell versus the prior year, with flows in the comparator year significantly influenced by the purchase of a freehold building. Including the payment of a dividend of £20,000k in the period, Group cash balances fell by £26,445k to £87,108k (2023: £113,553k) in the period to 10 May 2024.

Return on Capital Employed, Earnings per Share and EBITDA all fell versus the comparator year. These measures were significantly affected by the short reporting period compared to the prior year. The Current Ratio improved slightly on the prior year, an indicator of the strength of the Group's balance sheet. The Group remains funded by its retained earnings and is unencumbered by external borrowings, except for debentures held by certain shareholders.

Results and dividends

The profit for the period is set out in the Consolidated Income Statement on page 30. Note that results in the current period relate to the 45 weeks to 10 May 2024 versus 52 weeks in the comparator year. Interim dividends of £20,000k were declared on 15th December 2023 and paid during the period (2023: £20,000k) and no final dividend was declared.

Future developments

The directors do not expect significant changes to the business in the foreseeable future.

Key Performance Indicators

	10 May 2024	30 June 2023 Restated	30 June 2022	30 June 2021	30 June 2020
Gross margin	23.0%	23.8%	24.9%	20.0%	19.4%
Net profit margin	1.9%	3.4%	5.1%	3.2%	0.7%
Number of business units	620	602	605	600	468
Employee cost ratio	31.4%	31.8%	35.3%	44.2%	36.5%
Current ratio	1.40	1.32	1.28	1.33	1.14
Return on capital employed	9.5%	21.5%	31.3%	23.7%	4.3%
Earnings per share	7.58p	18.08p	24.21p	14.10p	1.79p
EBITDA	£38.1m	£67.6m	£75.6m	£38.9m	£16.1m

Results for 2023 were restated due to a change in accounting policy. See note 3 for details.

Results in the current period relate to the 45 weeks to 10 May 2024 versus 52 weeks in the comparator years. This shorter period adversely affects return on capital employed, earnings per share, and EBITDA.

Reed Global Limited

Strategic report
Period Ended 10 May 2024

Notes to key performance indicators

- Gross margin is calculated as gross profit as a percentage of revenue.
- Net profit margin is calculated as operating profit as a percentage of revenue.
- The number of business units counts business units providing services to external customers.
- Employee cost ratio represents the staff costs as a percentage of revenue.
- Current ratio is derived by dividing current assets by current liabilities, and is a good indicator of a Group's ability to meet short-term debt obligations.
- Return on capital employed is derived by dividing the profit for the period by total shareholders' equity.
- Earnings per share is derived by the profit for the period divided by the average number of shares in issue during the period
- EBITDA represents Earnings before Interest, Taxes, Depreciation and Amortisation and is derived from the operating profit for the period plus depreciation, amortisation and fair value gains and losses on financial investments, and investment properties.

Return on capital employed, Earnings per share and EBITDA are all adversely affected by the short period to 10 May 2024 versus the restated comparator year in 2023. The short period has the effect of reducing the number of days over which profit may be generated, which in turn reduces these three metrics.

The Group changed its accounting policy for certain categories of Plant, Property and Equipment during the period. Further details regarding this restatement may be found in Note 3 ("Summary of significant accounting policies").

Transactions in own shares

As of the reporting date, the Company held 529,412 (2023: 529,412) of its own ordinary shares through the Group's arrangements with the Reed Employee Benefit Trust. The nominal value of the shares is 10 pence per share.

Principal risks and uncertainties facing the Group

Financial risks

The Group did not utilise any bank finance during the reporting period. The only source of external borrowing is that of the debentures which stood at £12,210k at the end of the period (2023: £12,210k) as disclosed in Note 19.

The Group's operations are exposed to a variety of financial risks including the effects of changes in exchange rates, interest rates, credit risk and liquidity risk. The Group does not have material exposures in any of these areas and consequently does not use derivative instruments to manage these exposures.

The Group's principal financial instruments comprise sterling cash and bank deposits and debentures together with trade debtors and trade creditors that arise directly from its operations.

The main risks arising from the Group's financial instruments can be analysed as follows:

Foreign currency risk

The Company and most of its trading operations are in the UK, where revenue and costs are in pounds sterling, meaning that the Group's exposure to foreign exchange risk is low. Translation reserves presented in the Consolidated Statement of Financial Position arise on consolidation of those businesses forming part of the Group that transact in currencies other than pounds sterling. Movements in these reserves reflect the cumulative differences between the average rates applied to profits or losses and the prevailing rate as at the period-end at which balance sheet assets are translated.

Reed Global Limited

Strategic report
Period Ended 10 May 2024

Credit risk

The Group's principal financial assets are cash and trade debtors. These represent the Group's major exposure to credit risk in relation to the financial assets. Both are discussed in detail within Financial Risk Management (Note 21). Reporting in this area includes daily aged debt for every client as well as overall ledger profiles from the invoicing date, accounting for pre-agreed payment terms. Credit risk in respect of cash is low as the Group's cash is placed primarily with four quality financial institutions which hold a long-term A1 rating from Moody's.

The amounts presented in the Statement of Financial Position are net of allowances for doubtful debts, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

The Group has no significant concentration of credit risk, with the exposure spread over many customers. Credit risk is mitigated by robust credit control functions that work closely with operations teams to perform credit checks and use the resultant rating in accordance with sectoral risk, the type of sale, and past client experience to assign payment terms and to determine an appropriate credit strategy. In some cases, credit insurance is utilised to further mitigate credit exposure. Because of these measures, together with the diverse spread of clients across many sectors and Group's the large volume of public sector business, bad debt experience is low.

Liquidity risk

The Group's policy has been to ensure continuity of funding through the operation of its Treasury function, discussed in more detail in Financial Risk Management (Note 21).

Cash flow interest rate risk

The Group is exposed to cash flow interest rate risk on its debentures, which carry a floating interest rate pegged to movements in SONIA, however this risk is not deemed significant due to the value of debentures versus the overall value of assets held by the Group.

Other risks and business response

The Group is exposed to changes in government policy in the markets in which it operates, though it seeks to mitigate these through positive engagement through industry forums and through external advisors.

The risk of fraud is taken seriously. Prevalent in circumstances where high volumes of transactions are routinely processed, such as within a temporary recruitment model, this risk is mitigated through system automation, dedicated compliance and internal risk management teams and thorough vetting of our employees, who are referred to as co-members, in positions of trust, as well as through exception reporting.

The ever-increasing need to keep data secure, as highlighted by cyber security and the Data Protection Act, is met by a range of mitigation actions to ensure the Group remains vigilant and compliant. The Group prioritises the security and integrity of its digital assets and customer data. A comprehensive cybersecurity strategy includes regular risk assessments, continuous monitoring, and the implementation of advanced security technologies. Reed adheres to industry best practices and complies with relevant regulations to safeguard against cyber threats. A dedicated cybersecurity team conducts ongoing training and awareness programs to ensure all co-members are vigilant and informed about the latest security protocols. Cybersecurity is taken extremely seriously and Reed is committed to maintaining a robust and resilient defence against any potential cyber incidents.

The increasing use of Artificial Intelligence (AI) presents both ethical and compliance risks when considering the safety of users, other stakeholders, and their data. The Group reviews all AI use cases and applies ethical principles to decision making. To that end, the Group has created a set of policies governing the safe and acceptable uses of AI by its co-members and an AI Ethics Committee, with external subject-matter experts, to consult on the use of AI in customer-facing products developed by Reed.

The Group invests to ensure continued compliance with regulations and awareness of changes in government policy.

Reed Global Limited

Strategic report
Period Ended 10 May 2024

Consideration of climate change

The impact of climate change has been considered when preparing these financial statements. There has not been a material impact on the financial reporting judgments and estimates from these considerations, consistent with the assessment that climate change is not expected to have a meaningful impact on the viability of the Group in the medium term. Further details can be found in the UK Climate-related Financial Disclosure Report at the end of the Directors' Report.

Section 172 Statement

This Statement sets out how the Board of Directors ("the Board") of Reed Global Limited ("Reed" or "the Company") complies with the requirements of Section 172 of the Companies Act 2006 and how consideration of stakeholder interests has impacted the Board's activities and decision making during the financial period ending 10th May 2024 ("FY24").

Section 172 of the Companies Act 2006 states that directors of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of the members as a whole, and in doing so have regard (amongst other matters) to:

- a) the likely consequences of any decision in the long term,
- b) the interests of the Company's employees,
- c) the need to foster the Company's business relationships with suppliers, customers, and others,
- d) the impact of the Company's operations on the community and the environment,
- e) the desirability of the Company maintaining a reputation for high standards of business conduct, and
- f) the need to act fairly between members of the Company.

These duties are designed to ensure that directors act in such a way as to promote the long-term success of the company by delivering and creating sustainable shareholder value as well as contributing to wider society. The Reed Group ("the Group") comprises the Company and its subsidiaries, including Reed Specialist Recruitment Limited ("RSR"), Reed in Partnership Limited ("Reed in Partnership"), Reed Online Limited ("Reed Online"), and Reed Learning Limited ("Reed Learning"). As a director of all the Group's companies, James Reed, our Chairman and Chief Executive Officer, ensures strong governance principles are applied consistently across the Group.

Engaging with stakeholders to deliver long-term success has remained a priority for the Board during FY24. The Board is conscious of the environment in which the Company operates and the importance of engaging with key stakeholders including but not limited to co-members; UK government; local communities; and shareholders. A Stakeholder Map, identifying the key internal and external stakeholders and how the Company interacts with them, has been created and may be found, along with other relevant statements, on the Company's 'Corporate Governance' page on its website, <https://www.reed.com/corporate-governance>.

We are proud to be a family business and work tirelessly to achieve the Company's purpose: improving lives through work. All Reed directors understand and adhere to the requirements of Section 172 due to the nature, ethos, purpose, and vision of the Company. In addition, all Reed directors have received formal training on their responsibilities and accountabilities, and principal decisions have been defined and formalised as part of Board meetings.

Principal decisions that were taken by the Board across FY24 include the establishment of a new committee focussed on our sustainability programme, and the approval of interim dividend payments. The Board took these decisions after considering their impact on stakeholders alongside the potential long-term consequences and growth opportunities presented.

We made a decision to change the accounting reference date of all UK-based companies in the Group for this financial period, from 30th June 2024 to 10th May 2024, to align with the implementation date of our new Finance and HR platform, Workday. We considered various operational advantages to making this one-off change to the accounting periods, as well as a significant cost saving which led us to determine that this was the best course of action.

Reed Global Limited

Strategic report
Period Ended 10 May 2024

In FY23, we decided to transition the Group from previous finance and HR software onto Workday, to benefit our co-members, our clients and other stakeholder groups as well as provide efficiency and cost savings in the long-term. Implementation continued through FY24. We consider that the project to deliver this has been an overall success so far, with the right stakeholders engaged to ensure that it was led to fruition on time (with minimal delay), having appropriately considered and managed risks along the way, and remained within its budget constraints.

Workday was implemented after the balance sheet date in June 2024, with implementation completing successfully early in the autumn. Senior members of the steering committee responsible for Workday will continue to monitor and exploit opportunities to deliver greater value to all users of Workday and stakeholders more generally.

The Board furthermore recognises the growing needs of our local communities, co-members and the environment, and considered the recommendations from a third party Environmental, Social and Governance ("ESG") review in FY23. These recommendations suggested the Company and its stakeholders would benefit from a sustainability strategy that connects all the good work that is already taking place across the Group as it relates to our environmental and social impact initiatives. It was decided that a Sustainability Committee, chaired by board member, Jennifer May, would ensure the successful roll out of the sustainability strategy across the Group. More information about the work of the Sustainability Committee can be found in our Corporate Governance Statement in the Director's Report and in our FY24 Sustainability Impact Report available on our website, here: www.reed.com/esg-and-sustainability.

The market in which the Company operates was more volatile compared to the previous year, presenting new opportunities and challenges to the Board and those of the subsidiary companies. In addressing the market challenges and opportunities, the Board made the principal decisions above, whilst supporting its subsidiary company Boards with the following decisions and initiatives:

- Investment in opportunities to grow and expand new markets for Reed in Partnership and RSR;
- Approval of all subsidiary company strategies and budgets for FY25; and
- Work towards the evolution of the Group's sustainability strategy and joining up sustainable initiatives.

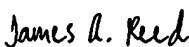
In making these decisions, the Board's main objectives were to ensure continuing high standards of business conduct, support continued positive business relationships with stakeholders and to protect the long-term viability of the Company to the benefit of all stakeholders.

Further detail on how the Board have considered and engaged with stakeholders in the light of their Section 172 duties can be found in the Employee Engagement and Other Stakeholder Engagement Statements within the Director's Report, and our FY24 Sustainability Impact Report, available on our website, www.reed.com/esg-and-sustainability.

Modern Slavery Statement

The Board has approved the Group's 2024 Modern Slavery Statement which can be found here on the Company's website: <https://www.reed.com/slavery-statement>.

On behalf of the Board on 17 December 2024

Signed by:

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James Reed CBE, CCMI, FCIPD, MBA, MA
Chairman

Reed Global Limited

Directors' Report
Period ended 10 May 2024

The directors present their report on the Group and Company audited financial statements and the independent auditors' report thereon for the period ended 10 May 2024.

Board of Directors

The directors who held office in the period and up to the date of signing these financial statements are listed within Company Information presented on page 1 of these financial statements.

Membership of the Board of Directors consists of both Executive and independent Non-Executive Directors. The latter serve limited terms of office and are not selected from former members of the Group, both of which policies ensure their independence. The board meets at least once per calendar quarter and receives input from the various subsidiary boards.

There are two committees of the board. The first is the Group Audit and Risk Committee, chaired by Non-Executive Director Clifford Tompsett. This committee is tasked with ensuring good financial governance of the Group, including the engagement and oversight of independent auditors, as well as supervision and oversight of the general risk management framework of the Group. The Audit and Risk Committee meets at least once every calendar quarter and follows an agreed plan of work.

The second committee is the Sustainability Committee. Established in November 2023, the committee was created to set and to drive Reed's sustainability strategy, which aims to improve people's lives, to help communities prosper, and to care for our planet. The Sustainability Committee is chaired by Chief Customer Officer Jennifer May, and has senior representation from across the Group, including the managing directors of each major operating company. It meets at least once every calendar quarter.

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Acts 2006. The indemnity was in force throughout the last financial period and is currently in force. The Company also purchased and maintained throughout the financial period Directors' and Officers' liability insurance in respect of itself and its Directors.

Success with co-members

The Board values input and feedback from co-members and has various methods in place to capture their thoughts, ideas and views of the Group. These include monthly co-member surveys, public reviews on sites such as Glassdoor, as well as two-way communication channels through Viva Engage and Slack. Feedback is analysed, and actions are taken in response to trends or specific needs. We delegate the collation and initial analysis of co-member feedback to working groups, who present consolidated data to us via their subsidiary company board to enable appropriate decisions and actions to be taken.

In approving the Group's new sustainability strategy and committee, we have aligned the Company's engagement with our various stakeholder groups with that across the Group, across the three pillars of said strategy:

- Improving people's lives
- Helping communities prosper
- Caring for our planet

'Improving people's lives' is the pillar of our sustainability strategy including focus on co-members. We prioritise the health and wellbeing of co-members across the Group, including ensuring access to appropriate wellbeing support and benefits.

Reed has a long-standing approach to nurturing and developing its co-members, including a preference for internal promotion where appropriate which enables Reed to achieve favourable co-member retention figures and develop a supportive and long-serving co-member community. Not only does this approach benefit our co-members we believe it is to the benefit of our customers.

Reed Global Limited

Directors' Report
Period ended 10 May 2024

Key initiatives that took place across the Group for the benefit of our co-members in FY24 include improvements to a selection of training and mentorship programmes that are led by our subsidiary companies, as well as a number of rewards and awards to recognise the work of our high-achieving co-members.

Further details on how Reed has pro-actively and positively engaged with co-members may be found in our Section 172 Statement in the Strategic Report, and in the FY24 Sustainability Impact Report that is available on our website, www.reed.com/esg-and-sustainability.

Success with Other Stakeholders

The Board recognises the importance of its relationships with its stakeholders and values their input and feedback. This may be received through customer-based metrics on satisfaction levels and the views of local communities, as well as external regulatory audit feedback. We delegate specific stakeholder engagement responsibilities and actions to a Customer Service Excellence function, which engages with other stakeholders and provides targeted feedback to the Board so that informed decisions and strategic policies may be implemented with other stakeholders' needs at heart.

The Board continues to advocate for improved standards in its industry for all stakeholders, in line with the Company's purpose of "Improving lives through work". In doing so, Reed proactively engages with its regulators and UK government, as well as working with its local community and supporting charitable initiatives through its single largest shareholder, the Reed Foundation. In FY24, we continued to support and promote through our relationships and channels, the Big Give's campaigns, such as the Christmas Challenge 2023, which ultimately raised a total of over £33m for 458 charities.

Our new sustainability strategy is important to Reed's engagement with stakeholders such as our local communities and UK government. Reed has been CarbonNeutral® since 2005, and we have a long history of having a positive social and environmental impact. The three pillars of our sustainability strategy are aligned with our purpose of improving lives through work for all of Reed's stakeholders. Specifically for our local communities, the 'Helping communities prosper' pillar of the sustainability strategy will ensure we continue to prioritise our communities in our decision-making; and the work finding services we offer under the 'Improving people's lives' pillar directly benefit our candidates, participants and users.

Further details on how Reed has pro-actively and positively engaged with and impacted our other stakeholders may be found in our Section 172 Statement in the Strategic Report, and in our FY24 Sustainability Impact Report that is available on our website, www.reed.com/esg-and-sustainability.

Inclusion and Belonging – Our commitment

Reed is committed to creating an inclusive and diverse workforce by recognising and understanding each individual's unique differences and celebrating these within the business. By prioritising inclusion and belonging, we hope to create a work environment where co-members feel valued, respected, and a sense of belonging.

Our customers

Reed seeks to promote inclusion and belonging, not only among co-members, but also among our clients and candidates as an equal opportunities employer. It is Reed's policy to support people who hold Protected Characteristics (under the Equality Act 2010) both internally and externally through supporting recruitment practices based solely upon merit.

Our co-members

Reed treats its co-members in accordance with our values: we are fair, open and honest, we take ownership, and we work together to create a workplace where co-members are valued and respected.

Reed Global Limited

Directors' Report
Period ended 10 May 2024

The first pillar of the Group's sustainability strategy focuses on "improving people's lives". We have pledged to ensure that Reed is a place where co-members feel included and where futures are formed. Our three commitments are:

- We ensure that our co-members feel like they belong and are accepted for who they are.
- We ensure there are pathways for our co-members to progress in their careers.
- We actively promote wellbeing in our workplace and provide co-members with access to a range of support, advice and benefits.

In addition to this, co-members are invited to complete diversity training, including an unconscious bias module which is designed to help them recognise and combat any unconscious bias in the workplace.

We have implemented diversity reporting so we can be driven by data, whilst appointing inclusion board sponsors to raise the profile of our commitment. Furthermore, we have developed co-member inclusion resources to encourage understanding and promote a sense of belonging within the workplace, supported by the appointment of inclusion champions. Reed is also proudly signed up to the Armed Forces Covenant and is a gold employer under the Employer Recognition Scheme.

Reed has continued to utilise a range of external accreditations and partnerships to support with best practice resources, support lines, networks and knowledge to make experiences better for co-members at work.

It is a policy of the Company to employ and train disabled people whenever appropriate and to actively promote equal opportunities by evaluating co-members solely on the basis of merit, regardless of age, gender, marital status, sexual orientation, disability or dependants' considerations, and ethnic, racial or religious background. In the event of co-members becoming disabled every effort is made to ensure their employment with the Company continues and the Company is committed to ensuring sufficient and appropriate adjustments are made in order to achieve this objective.

Charitable activities

Charity is core to the values of the Group and of Sir Alec Reed, the Founder of Reed.

Established in 1972, the Reed Foundation owns 18% of the issued share capital of the Company and uses the proceeds of this investment, in conjunction with other donations received, to support a range of charities. Foremost of these are Big Give and Ethiopiaid, both founded by Sir Alec Reed.

Big Give's mission is simple: to multiply the impact of generous giving. It has pioneered the concept of match funding – asking funders to match donations to charities made by members of the public. Founded by philanthropist Sir Alec Reed in 2007, Big Give doubles donations to good causes - from global poverty to gender equality, from climate change to mental well-being. Since 2008, it has raised over £300 million for thousands of charities. Its flagship initiative, the Christmas Challenge, is the UK's largest match funding campaign.

Ethiopiaid was established in 1989 with an original donation of £1m and has grown into a network of four global charity offices each fundraising in their territories. Over £70m has been given in grants by Ethiopiaid since its foundation. The charity works in partnership with locally led implementing partners to create lasting impact for vulnerable and marginalised people and communities. Projects supported are across Ethiopia and include support for women and girls, access to education, ending harmful practices, maternal health and ending obstetric fistula, disability, neglected tropical diseases, supporting the most vulnerable and responding to emergencies. In the last 5 years alone, over 1.5 million people have directly benefited from Ethiopiaid funding. Over the years Reed co-members have supported the charity through fundraising activities and taking part in the Great Ethiopian Run in Ethiopia.

The Group is glad to support its charitable partners and looks forward to continuing to do so in the year ahead.

Reed Global Limited

Directors' Report
Period ended 10 May 2024

Political donations

The Group made no political donations during the period to 10 May 2024 (2023: £Nil).

Dividends

Dividends proposed and paid by the Company in the period amounted to £20,000k (2023: £20,000k).

Pension funds

Reed Executive Limited, a subsidiary of the Group, operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately and are administered by external pension managers. This scheme had two trustees at any one time during the period, namely Darren Murton and Lewis Crowther. The scheme may not invest in the shares of the Group. The audit of the scheme is currently undertaken by Menzies LLP and is thus separate from that of the Group.

Several other Group companies operate defined contribution schemes, provided by Scottish Widows, which are contract based and therefore not subject to audit.

Going concern basis

After making enquiries, the directors have formed a judgement that, at the time of approving the financial statements, there is a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements. See Note 2 for the detailed assumptions used in the going concern model.

The Directors of the Company agreed after the balance sheet date that, should it be required, the Company intends to provide support for the meeting of liabilities as and when they fall due to certain Reed Group companies to continue in operation until at least 31 December 2025.

That support is intended to include assistance to meet the liabilities of payment of intercompany creditors until 31 December 2025, such that certain companies in the Reed Group can meet their liabilities as they fall due. See Note 2 for the detailed assumptions used in the going concern model.

Financial risk management

The Group's financial risk management policies and procedures, including the principal risks and uncertainties identified by the directors, are disclosed in the Strategic Report and within the notes to the financial statements, see Note 3.

Future developments

The future developments of the Group are disclosed in the Strategic Report on page 2.

Corporate Governance Statement

Introduction

Reed is committed to good corporate governance, which supports the running of a responsible business and the upholding of our values.

This Corporate Governance Statement explains how, for the period ended 10th May 2024, the Board has managed its corporate governance responsibilities by applying the Wates Corporate Governance Principles in compliance with The Companies (Miscellaneous Reporting) Regulations 2018.

Principle 1: Purpose and Leadership

Reed is a purpose driven, family run, recruitment and business services philanthropy company ("PhilCo"). A PhilCo is a company which is 10% or more owned by a charitable foundation. Our purpose is improving lives through work. Establishment in 1960, the Group has delivered innovative solutions to private and public sector clients, jobseekers, participants and learners. Through the UK's largest candidate database, across 20 specialist sectors, five public services divisions and via our learning business we are continuing to invest and improve our services.

Reed Global Limited

Directors' Report
Period ended 10 May 2024

Reed has three core values that it expects all co-members to adopt:

We are Fair, Open and Honest

- we treat everyone with fairness and respect
- we act with integrity
- we are true to our commitments

We Take Ownership

- we respond swiftly to execute our promises
- we take responsibility for providing solutions
- we hold ourselves accountable for our actions

We Work Together

- we work in partnership and build sustainable trusted relationships
- we value a diverse workforce and respect the contributions of all
- we support our customers and colleagues in achieving their goals

We ensure our purpose and values are clearly articulated to co-members via effective channels of engagement, including senior leadership communications, events and internal communication networks. It is through these engagement channels that the Board has supported development across FY24 of the Group's sustainability strategy.

The Group conducts an annual strategy review involving co-members from across the organisation, culminating in a board meeting of the Company immediately prior to the start of the new financial year. The strategy defines priorities and overall targets to help co-members and teams understand their role in contributing towards the success of Reed and to enable them to make the right choices to achieve Reed's overall goals.

James Reed, Chairman, actively engages with the Group via regular office visits and maintains his visible presence within Reed, promoting its ethos, engagement and increasing focus on our environmental and social impact, alongside other strategic transitions.

Principle 2: Board Composition

The leadership and responsibility for the overall effective running of the Board sits with the Chairman. The Board comprises three executive directors (including the Chairman) and two independent non-executive directors ("independent NEDs"), the latter of which serve limited terms of office and are not selected from former members of the Group to ensure their independence. The Board's size and balance between executive and non-executive directors is appropriate to facilitate prompt and effective decision making.

The Board delegates some of its responsibility to its two committees - the Audit and Risk Committee ("ARC"), and the Sustainability Committee - which both report to the Board and each have a documented Terms of Reference that are reviewed and approved annually.

A short biography for each Board member, detailing their appropriate skills, background, experience, and knowledge is below:

James Reed CBE, CCMi, FCIPD, MBA, MA - Chairman and Chief Executive of Reed.

James Reed is the Chairman and Chief Executive of Reed. He was appointed Chief Executive in 1997 and became Chairman in 2004 when he took over the role from his father, the founder of the Reed Group, Sir Alec Reed. He was awarded the CBE in the 2023 New Year Honours List for services to business and charity. James is a regular media commentator on work and labour market issues, with recent appearances including BBC News, Sky News, and BBC Radio 4. He has contributed insight to a wide range of publications including the Financial Times, Harvard Business Review and The Sunday Times.

James is also a best-selling author of four books, *Life's Work: 12 Proven Ways to Fast-Track Your Career*, *The Happy Recruiter: The 7 Ways to Succeed*, *The 7 Second CV: How to Land the Interview*, and *Why You?: 101 Interview Questions You'll Never Fear Again*. He also co-authored *Put Your Mindset to Work* with Dr Paul Stoltz. James has an MA in Philosophy, Politics and Economics from Oxford University,

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an MBA from Harvard Business School and is a Fellow of the Chartered Institute of Personnel and Development and a Fellow of the Chartered Management Institute. James Reed's podcast All About Business covers everything from business, management and leadership. Each episode, James sits down with different guests who have bootstrapped companies, masterminded investment models or built a business empire. Providing insights and actionable advice for listeners to apply ideas to their own career or business venture.

Lewis Crowther ACMA, BA – Group Chief Financial Officer of Reed.

Lewis Crowther has served as the Group's Chief Financial Officer since being appointed to the Board in 2022. Lewis joined Reed in 2006 on the Reed Graduate Training Scheme and held a series of Finance roles within Reed Specialist Recruitment, Reed in Partnership, Reed Online and in Group finance prior to his appointment to the Global board. He is a trustee of Big Give, a charity founded by Sir Alec Reed that brings together larger donors with the giving public and the charities who need them. Lewis is a Chartered Management Accountant and holds a degree in Economics and Politics from the University of York.

Jennifer May MSc – Chief Customer Officer of Reed and Chair of the Sustainability Committee

Jennifer May was appointed to the Global Board in 2023 after joining the Reed Group in 2019 as Customer Experience Officer. Since 2019, Jennifer has been involved in a variety of customer experience and brand initiatives. Jennifer's background is within commercial organisations such as Dixons Retail, Tesco, Argos and Travelex. She holds a Master of Science in Behaviour Change from Henley Business School.

Anita Dougall BA – Independent Non-Executive Director.

Anita Dougall is a founder and CEO of Sagacity Solutions, an innovative data solutions company dedicated to helping organisations increase revenues and profitability through its specialised solutions for Utilities, Water, Energy, Telco and Financial Services.

Anita's operational expertise underpinned by advanced technology and data solutions allows her to add significant value to businesses by improving their customer experience and financial performance. Prior to setting up Sagacity, Anita held senior positions within the finance and commercial teams at One 2 One (T-Mobile and now EE), having started her career as an Energy analyst in investment banking at NatWest Markets. Anita has a BA in Political Economy from Greenwich University. Anita joined the board of the Company in 2018.

Clifford Tompsett MA, FCA – Independent Non-Executive Director and Chair of the Audit & Risk Committee.

Clifford Tompsett is a Fellow of the Institute of Chartered Accountants in England and Wales with over 40 years of experience advising companies and their boards on financial matters including financial reporting, internal controls, risk and governance. He is a former audit, capital markets and transaction partner at PricewaterhouseCoopers LLP where he worked for 37 years until he retired in 2017. More recently he has also been the Senior Independent Director and Chair of the Audit and Risk committee of Cello Health plc, Non-Executive Director and Chair of the Audit Committee of Asia Energy Impact Trust plc and three Nasdaq listed purpose acquisition companies, and a Trustee of RAFT, a medical research charity. He has an MA in Chemistry from Oxford University. Clifford joined the board of the Company in 2018.

The independent NEDs broaden the Board's skills, knowledge and experience, and constructively challenge the Board to develop insightful strategies and deliver strong performance. The independent NEDs' prior working experience brings expertise on governance, audit, accounting, innovation in technology, data analytics and improving customer experience, in addition to perspectives from outside the sectors in which the Company operates.

The Company is committed to ensuring that the composition of the Board continues to comprise directors who possess the diversity of skills and experience required to fulfil the role, and fully supports the professional development of all board members. The Board has adopted standardised documentation and receives information regarding each subsidiary company covering financial, commercial, people, and social responsibility matters in a timely fashion ahead of each meeting.

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The Chairman facilitates a constructive relationship between the executive and non-executive directors, enabling the independent NEDs to discuss Board agendas ahead of meetings, challenge current practices, and communicate with senior executives outside of meetings.

A formal effectiveness review of the Board takes place every other year, the most recent of which commenced in FY24. Feedback from the most recent board effectiveness review was overwhelmingly positive with the Board being recognised as sufficiently effective regarding its responsibilities under the Wates Principles. Where there were some recommendations for improvement, these are built into work plan for the next financial year.

Principle 3: Director responsibilities

The Board is responsible for establishing the culture, values, and framework within which the Company operates, including the central values as defined under Principle 1. The Board upholds its responsibility to stakeholders for ensuring Reed's long-term success and considers stakeholder needs and impact in its decision making. The Board provides leadership, oversees strategy, ensures the necessary resources are available and sets policies, key operational initiatives, and standards across the Group.

The ARC meets quarterly and is chaired by independent NED, Clifford Tompsett, who has extensive experience of financial reporting and risk management and can appropriately challenge and influence the Board. The ARC supports the Board by reviewing the comprehensiveness and reliability of assurances on governance, risk management, control environment, and the integrity of Reed's financial statements and annual report. During the period under review, the ARC commenced a tender process for appointment of the Group's statutory auditor. After a thorough process, the ARC recommended to the board that the incumbent auditor, PwC, be reappointed for the FY25 year.

The Board established the Sustainability Committee in FY24 to lead the effective roll out of the Group's new sustainability strategy. The committee is chaired by board member Jennifer May who is responsible for the Company's customer success and social value initiatives. This committee features senior stakeholders including the managing directors of each of the main subsidiary companies. It takes responsibility on behalf of the Board for managing and driving opportunity in relation to sustainability initiatives, monitoring sustainability-related regulatory requirements, and supporting the success of the sustainability strategy.

The Board relies on accurate and relevant information to make effective business decisions and is free to challenge decisions as it sees fit. Part of this information includes the Board's review of a balanced scorecard with a number of key metrics that it expects the Company to deliver. It also receives regular reports from each subsidiary company on areas such as financial performance, strategy, and operations, to keep the members informed of the Group's overall performance, position, and long-term sustainable success.

Principle 4: Opportunity and Risk

The Board prioritises future opportunities for innovation and entrepreneurship where possible. Short-term opportunities are highlighted through Board meetings, executive reporting and subsidiary company board meetings, whilst longer term strategic opportunities are reviewed through the annual Strategic Review process. The evolving nature of the labour market, environmental and social pressures, and the impact of technological innovation mean that the Board is regularly presented with opportunities to assess.

The Board, with assistance from the ARC, has oversight on how risk is managed and responsibility for determining the nature and extent of the principal risks the Group is facing, the overall risk appetite, and for Reed's internal control framework. There are robust procedures in place to identify, monitor and manage risk via an established risk framework. This framework includes structured communication channels between the subsidiary companies and the Board as well as other stakeholders, to ensure effective risk management and mitigation. RSR and Reed in Partnership hold certifications for ISO 9001 and ISO 14001, and these standards are incorporated into Reed's overall approach to risk management.

Throughout FY24, the Board's oversight of risk has continued to evolve, including a greater consideration placed on climate-related risks as well as how the Company controls and mitigates its principal risks. In FY24, Reed's subsidiary companies evaluated the impact of principal risks to their own operations, which supported the Board's full annual assessment of group-wide risk. Furthermore, the ARC has access to in-house audit resource which provides assurance to the ARC and the Board on the effectiveness of internal controls, risk management and governance processes.

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Principle 5: Remuneration

Remuneration of the Board executives is based on performance, behaviours, demonstration of company culture and values, and achievement of business goals. The Board's approach to remuneration considers fairness and ensures alignment with Reed's strategic objectives whilst considering the impact of said remuneration package on co-members, investors and other stakeholders, and the possible risks that could result from ineffective incentives such as talent loss and misaligned goals and values. The Board regards existing remuneration processes as appropriate to the needs of the Company and includes executive remuneration as a consideration in its board effectiveness reviews.

The Board recognises the importance of closing the Gender Pay Gap across all levels of the Company, which is supported by clear policies across all subsidiary companies. The last set of reports published in FY24 (for 2023) reported a reduction in the Gender Pay Gap across all main subsidiary companies; with particular success in Reed in Partnership, where the median pay gap decreased to only 2% compared to the UK average of 14.3% (Source: Office for National Statistics). Across both Reed in Partnership and RSR, women make up more than 50% of the co-member population.

Principle 6: Stakeholder Engagement

Reed has a strong emphasis on corporate responsibility and a long track record of positive social impact, philanthropy and sustainability. It achieves this through our proactive and effective engagement with stakeholders and communities, forming strong, meaningful relationships.

For all principal decisions, the Board engages with, and considers feedback, as appropriate, from affected stakeholder groups.

Further detail regarding effective stakeholder engagement during FY24 can be found in the Section 172 Statement in the Strategic Report, and in the FY24 Sustainability Impact Report, available on our website, www.reed.com/esg-and-sustainability.

The Company's overall position and prospects are assessed within the going concern basis of the Director's Report.

Success with the Environment

UK Climate-related Financial Disclosure Report

Governance of our climate-related risks and opportunities

Climate-related risks and opportunities are identified by our sustainability leads across the Group and considered by the Sustainability Committee as part of the opportunity identification and risk management process. The managing directors of Reed's respective subsidiary companies are responsible for the management of any climate-related risks and opportunities relevant to their company with the support of the Group functions including Property, Customer Experience, Risk and Compliance.

The Board is ultimately responsible for the oversight and governance of the Group's climate-related risks and opportunities. Responsibility for managing climate-related risks is delegated to the Sustainability Committee. The Sustainability Committee ensures that any climate-related risks and opportunities are identified and addressed. The Group's overarching risk management process will ensure that governance arrangements are regularly reassessed to ensure they remain appropriate.

Based on a recent assessment from FY23, we do not currently foresee any material impacts to operations posed by climate change.

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Management of our climate-related risks

During FY23, we engaged a third-party consultancy to identify and prioritise specific transition and physical climate risks, as well as climate-related opportunities for the Group. Identification of these risks was guided by the non-binding BEIS guidance issued by the Department for Energy Security and Net Zero.

This exercise included research and consultation within every major part of the Group to understand the climate-related risks and opportunities that could impact our operations. During these discussions, it was explored how the Group is being impacted by climate considerations; for example, exploring the extent to which customers are increasingly interested in engaging with companies that are sustainable and ethical. Conversely, we also recognise that there are opportunities created in response to climate change in our chosen markets, such as growth sectors supporting retrofitting of housing stock in the UK.

Climate risks and opportunities were identified during this exercise, their time horizons were reviewed, and the findings were discussed with the Group's management teams through a workshop. From these workshops a prioritised list of risks and opportunities was determined. This third-party engagement included training on sustainability generally and climate risks specifically for the relevant stakeholders in the business. The Group provides regular training on climate change for all our co-members.

The Sustainability Committee reviewed the list of identified climate-related risks and opportunities based on their materiality under different scenarios and integrated any material climate-related risks as part of the Group's risk management process.

As climate change is not considered a principal material risk to Reed or the Group, it is not specifically included within the scope of work managed by the Group's risk management teams. Nonetheless, the Board identifies and considers climate-related risks when necessary while evaluating business decisions; for example, stakeholder perception and client needs regarding sustainability are key components of strategic planning.

The Group's existing risk management process involves the identification and prioritisation of key risks, the development of appropriate controls and plans for mitigation, together with a comprehensive system of review.

We manage any identified risks via a 6-step approach:

1. Identifying the risks to achieving strategic and operational objectives.
2. Determining the owner of the risk.
3. Determining and assessing the existing controls in place.
4. Assessing the impact and likelihood of the risk after taking account of existing controls.
5. Determining further control improvements to mitigate the risk and indicate what the impact on net risk will be when they are fully implemented.
6. Liaising with operations management to agree implementation of controls and actions.

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Climate scenario analysis:

In identifying the Group's climate-related risks and opportunities, we considered the impact of climate change on the Group under two carefully considered qualitative scenarios (A and B, see below). In future, the Board may consider undertaking a quantitative scenario analysis that accounts for scientific assessments of its risks, opportunities and targets.

Scenario A: Higher transition risk scenario: The assumption is for early, committed action by society to reduce global emissions in conjunction with policies and legislation, immediately implemented towards a low carbon economy for which the pressure to comply is intensifying over time. This action is viewed as an effective way to limit global warming to less than 2°C in line with the 2015 Paris Climate Agreement.

It is not expected that the identified transition risks discussed in table 2, will lead to significant impacts to Reed's performance, but their impact will be monitored regularly within the Group's risk management framework.

The actions to reduce Reed's carbon emission footprint, monitor and comply with regulatory developments, and diversify our product and service offerings through new opportunities make Reed resilient towards a high transition risk scenario.

Scenario B: Higher physical risk scenario: The assumption is that consumer preferences do not shift, and/or policies to address climate change are not implemented sufficiently. This results in ambitions falling behind the 2015 Paris Climate Agreement targets, which leads to an increase in global temperatures above 3°C, with associated acute and chronic climate events.

We expect to be able to mitigate the potential impacts of climate-related risks identified under this scenario in table 2.

Climate-related risks

Although climate change is not considered as a principal material risk to the Group's operations, we continue to monitor the climate-related risks (transition and physical) identified in table 2 through the Group's risk management framework and strategic plans.

Table 1: Assessment of time horizons

Time	Definition	Rationale
Short	Present - 3 years	Immediate operational and strategic opportunities and risks which are aligned to Reed's financial planning cycle and allows for more reactive action plans.
Medium ("Med")	3 years - 10 years	Medium-term opportunities and risks are those where action is not required immediately or where there is a requirement for a longer-term process to integrate the risk or opportunity.
Long	>10 years	Longer-term opportunities and risks are those that will not affect Reed's current strategies but that should be considered in future strategic plans.

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Table 2: Identified climate-related risks

Risk Category	Risk Detail	Impact	Time Horizon	Resilience
1. Transition: Reputation	1a. Increased stakeholder concern or negative stakeholder feedback regarding sustainability	In scenario A, stakeholders are increasingly considering their carbon footprint and the sustainability of businesses when making choices on purchases and investment etc. Potential impact of risk: Potential reputation risk and reduction in demand from customers through failure to meet expectations.	Short	As part of our sustainability strategy, we will continuously improve our ESG propositions. This includes monitoring targets set on certain ESG and climate-related KPIs
2. Transition: Market	2a. Changing market conditions leading to revenue exposure and job losses in sectors such as fossil fuels	In scenario A, job demand from relevant sectors, such as fossil fuels, is expected to decrease gradually as demand for their services declines. For example, placements and job advertisements for certain manual labour professions may gradually decrease due to shifting demand, linked to companies and society reducing their carbon footprint. Potential impact of risk: Decrease in revenue from clients in emissions-intensive sectors.	Med	The Group will identify potential new business streams to replace weakening markets, as described in the opportunity section of this report.
2. Transition: Market	2b. Green procurement policy (Procurement Policy Note 06/21)	In both scenarios, the 06/21 PPN sets out how government departments account for Supplier Net Zero Carbon Reduction Plans in the procurement of all contracts. In bidding for such contracts, the Company is required to confirm its commitment to achieving Net Zero by 2050 for its UK operations and provide current emissions data. Potential impact of risk: Loss of opportunities for government contracts if we are not able to provide the required information.	Short	The Group will continue to closely measure and monitor the data and targets required under 06/21 PPN, and continuously improve our data collection processes.
3. Transition: Policy and Legal	3a. Increased price of greenhouse gas emissions through carbon tax	In scenario A the price of carbon is expected to increase over time as the economy transitions towards a low-carbon trajectory. This will impact businesses which remain carbon intensive in operations and continue to procure from carbon intensive suppliers but wish to offset their carbon emissions. Since 2005, Reed has been CarbonNeutral® and we offset our emissions through a variety of projects. Potential impact of risk: The higher price for carbon could increase the cost of carbon offset purchases.	Med	Reed is committed to being Net Zero by 2050 and we will regularly monitor our progress against our carbon emissions targets to reduce the need for carbon offsetting.

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Risk Category	Risk Detail	Impact	Time Horizon	Resilience
4. Physical: Acute Risk	4a. Risk of extreme adverse weather events such as flash floods for certain locations	In scenario B, global temperatures rising above 3°C may result in climate events such as flash floods which would impact local offices and/or clients. This would be particularly impactful on certain in-person business activities such as the Reed in Partnership Limited ("RinP") business model which includes offerings which require in-person attendance. Potential impact of risk: Floods and other climate events could leave certain business areas exposed to temporary loss of operations and revenue, especially if the service cannot be offered remotely.	Long	Much of the Group is covered by a Business Continuity Plan which is reviewed and tested regularly. The risk of flooding is considered for any new sites and offices.
5. Physical: Chronic Risk	5a. Longer-term shifts in climate patterns include increase/decrease in temperature	In scenario B, global temperatures rising above 3°C may result in country-wide heatwaves, or other extreme weather. This could cause an increase in cooling or heating costs in the Group's offices, as well as affect operations through the impacts on ability to travel and reduced co-member productivity and wellbeing. Potential impact of risk: Increase in operating costs, reduced co-member productivity and impact on wellbeing.	Long	The Group is committed to being Net Zero by 2050 to help minimise scenario B. In the shorter term, the Group will, where possible, engage in the use of renewable energy sources for the premises we control.

Climate-related Opportunities

We have identified climate-related opportunities, found in table 3, which will be explored and managed through the Group's existing risk management framework and strategic plans.

Table 3: Identified climate-related opportunities

Opportunity category	Opportunity detail	Impact	Time Horizon	Linked risks
1. Market	1a. New markets opening	In both scenarios, the ESG sector has grown rapidly, driving demand for skilled workers in this new market segment. As governments and businesses respond to climate change, new departments are introduced within organisations to address climate-related risks and opportunities. The current shortage of skilled individuals in this area provides opportunity for multiple new market segments including recruitment and reskilling. Potential impact of opportunity: New market opportunities leading to increase in client base and revenue. The impact of this opportunity is considered greater in scenario A.	Short to Med	2a

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Opportunity category	Opportunity detail	Impact	Time Horizon	Linked risks
2. Marketing & Communications	2a. Stakeholder engagement	<p>Reed has been CarbonNeutral® since 2005 and the sustainability of the environment is a key concern to our strategy. With a number of initiatives already in place, we have an opportunity, in both scenarios, to engage our clients and other stakeholders in the ESG strategy, to help them understand the Group's impact on reducing climate change.</p> <p>Potential impact of opportunity: Increased stakeholder awareness of our activities to combat climate change.</p>	Short	1a, 2b
3. Resource Efficiency	3a. Reduced business travel	<p>In scenario A, most meetings and events taking place in society will have a remote attendance option. Within the Group, the introduction of state-of-the-art technology means that most meetings are now conducted online, and business travel is only conducted under certain criteria. This has led, and will lead to a further, reduction in business travel.</p> <p>Potential impact of opportunity: Decrease in travelling costs.</p>	Short	3a
3. Resource Efficiency	3b. Reduction in waste	<p>A reduction in waste is critical to scenario A, and Reed's commitment to being Net Zero by 2050. We are already working towards minimising our use of resources through a 'Reduce, Re-use and Recycle' scheme. All sites where we have control over the waste collection, have full recycling services. The waste reduction plan also covers electronic equipment disposal, printing policies and the digitalisation of certain physical processes.</p> <p>Potential impact of opportunity: decrease in operating costs.</p>	Short	3a
3. Resource Efficiency	3c. Efficient office management and switch to energy efficient infrastructure	<p>With the introduction of technology and increased remote working in both scenarios, Reed has an opportunity to review the efficiency of our office portfolio. The Group's management teams regularly monitor the required space for our businesses to ensure efficient office space management. Where we have control over a property, we have already undertaken initiatives such as using verified renewable electricity tariffs and LED lighting. We continuously encourage landlord-managed buildings to consider renewable tariffs.</p> <p>Potential impact of opportunity: Decrease in operating costs and fossil-fuel-based emissions.</p>	Med	3a, 4b

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Climate-related metrics and targets:

Our sustainability strategy underwent a significant revamp led by our Sustainability Committee. As part of this strategic update, we have revised our environmental targets to better align with our long-term goals, regulatory requirements, and evolving market expectations.

These new targets reflect a more precise and actionable approach, meaning we can ensure that our environmental reporting is not only in line with current best practices and regulatory standards but also responds to the growing expectations of our stakeholders, including investors, customers, and the communities we serve.

Reed is now committed to three defined targets:

1. 30% scope one (direct) and two (indirect) emissions reduction by 2030
2. 50% scope three (value chain) emissions reduction by 2030
3. Reduce our total emissions by 40% by 2030 and become climate positive by 2050

These targets are driven by the Group's environmental pledges, which will support Reed in achieving our goal of Climate Positive by 2050. To be climate positive means we are removing more greenhouse gas emissions from the atmosphere than are being generated by our business.

We committed to the following pledges in FY24 based on the impacts to our business model:

- We will reduce our natural gas consumption with electricity supply.
- We will ensure all electricity contracts under our control are from verified, renewable sources.
- We will develop a pragmatic sustainability plan with our property team.
- We will continuously improve the way we support and guide co-members on sustainable travel.
- We will use guiding principles to ensure businesses we work with are having a positive impact.
- We will provide co-members with the necessary guidance and facilities to minimise their waste, and actively reduce our single use plastics.
- We will continue to improve the efficiency of our digital, database, and website management across the Reed Group.
- We will continue to support biodiversity and ecosystems through charitable contributions and reduced paper consumption.

The targets above are linked to our efforts in reducing Reed's carbon footprint and are aligned with the climate-related risks and opportunities identified.

The Group's performance in relation to these targets is shown in tables 4, 5a and 5b. In line with SECR guidelines, the Company has continued to report emissions data for a full year rather than to the short period to 10 May 2024. References to FY24 within Tables 4, 5a, 5b and in our narrative SECR analysis therefore relate to the year to 30 June 2024.

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Table 4: Progress against commitments

Climate Target	Baseline (tCO2e) FY2019	Link to risks & opportunities identified	How we assess	FY2023 (tCO2e)	FY2024 (tCO2e)	FY2024 Change from baseline
30% scope one (direct) and two (indirect) emissions reduction by 2030	1360	Transition risk, resource efficiency	Electricity and natural gas spend.	1383	1465	+7.72%
50% scope three (value chain) emissions reduction by 2030	1424	Transition risk, resource efficiency	Spend and expense data, waste tonnage, water metrics.	795	700	-50.84%
Reduce our total emissions by 40% by 2030 and become climate positive by 2050	2784	Transition risk, resource efficiency, marketing & communications	All of the above.	2178	2166	-22.20%

Reed's CarbonNeutral® status is achieved by calculating a carbon footprint and reducing it to zero through a combination of efficiency measures in-house and supporting external emission reduction projects.

Tables 5a and 5b: Emissions data for this FY in comparison to the previous FY

Scope	2023/24 Summary by WBCSD/WRI Scope*	2022/23 Summary by WBCSD/WRI Scope*	% Difference
Scope 1 – direct GHG emissions	288	285	+1.29%
Scope 2 – energy & indirect emissions	1177	1098	+7.26%
Scope 3 – other indirect emissions	700	795	-11.97%
Total	2165	2178	-0.60%

2023/24		2022/23		% Difference
Intensity metric	KPI	Intensity metric	KPI	
FTE	0.53	FTE	0.52	+2.39%

*Location-Based methodology, tCO2e

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Our emissions analysis – Streamlined Energy and Carbon Reporting (“SECR”)

In FY24, Reed measured a 0.52% (12 tCO₂e) decrease in overall carbon emissions compared to the previous financial year (FY23), and an overall reduction of 22% (618 tCO₂e) from our FY19 baseline. The Streamlined Energy and Carbon Report from which this data is sourced covers a full 12 months from 1st July 2023 – 30th June 2024, inclusive of FY24.

We have seen significant decreases in our business travel and waste and water emissions in FY24, which fell by 13% and 29% respectively. The decrease in business travel emissions appears to stem from a change in behaviour by our co-members, who are now choosing public transport over cars and taxis to undertake business travel where possible. This behaviour change was driven by a successful internal campaign to encourage co-members to consider travelling more sustainably.

Electricity emissions (scope 2) increased by 7%, with gas emissions (scope 1) also rising by 1%, which we attribute, at least partially, to an increase in co-member attendance in offices during FY24. In addition, there were adjustments made from our estimated electricity bills in the previous financial year which impacted our emissions calculations.

A decrease in the Company's co-member population in FY24 has meant that the carbon emissions per FTE has increased by 2% compared to the previous financial year.

In FY24 Reed excelled at reducing its scope 3 emissions, already achieving our target of reducing scope 3 emissions by 50% compared to our baseline. This success has also meant that we are currently on track to exceed our target of reducing overall emissions by 40% by 2030. Going forward, Reed will be focussed on reducing our electricity and gas emissions to ensure that we can make greater progress towards achieving our scope 1 and 2 emissions target, leading to overall success.

Our positive impact

In FY24, Reed delivered significant activity that positively impacted the environment. Reed Environment, which launched in 2023 as a division of Reed in Partnership, entered into a joint venture with Oxford Energy Academy to help bridge the green skills gap in the UK. This is through providing training courses, assessments and qualifications to trades people wanting to upskill or reskill in energy technologies, including renewables. In addition to this, the Reed Foundation donated almost £700,000 to the Green Match Fund, an annual campaign run by Big Give which provides vital funds to environmental causes.

In January 2024, Reed published its Environmental Policy to set out its FY24 pledges and commitments and to communicate achievements, demonstrating Reed's long-term intention to continue the legacy of positive environmental impact. The establishment of the Sustainability Committee is a key part of this commitment to maintaining a positive impact.

Further details on Reed's FY24 environmental and social impact activity can be viewed in the Sustainability Impact Report, available on our website, www.reed.com/esg-and-sustainability.

Our SECR assessment has been carried out in accordance with the World Business Council for Sustainable Development and World Resources Institute's (WBCSD/WRI) Greenhouse Gas (“GHG”) Protocol; a Corporate Accounting and Reporting Standard, including the GHG Protocol Scope 2 Guidance. GHG emissions have been reported by the three WBCSD/WRI Scopes. The location-based method applies average emission factors that correspond to the grid where consumption occurs. The intensity metric used is tonnes of CO₂e per full time equivalent employee.

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Disclosure of information to auditors

At the date of making this report each of the Company's Directors, as set out on page 1, confirm the following:

- so far as each Director is aware, there is no relevant information needed by the Company's auditors in connection with preparing their report of which the Company's auditors are unaware and
- each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

This information is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

Independent Auditors

PricewaterhouseCoopers LLP were reappointed Group auditors during the period.

Approval

Approved by the Board of Directors on 17 December 2024 and signed on its behalf by:

Signed by:

James R. Reed

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James Reed CBE, CCMi, FCIPD, MBA, MA
Director

Signed by:

Clifford Tompsett

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Clifford Tompsett FCA, MA
Director