

Group Chief Executive's Review

Specialisation & Scale



We are more confident than ever in our brands, businesses and the markets we have chosen to be in.

2023 was a standout year for Informa by any measure. Our financial performance was strong; we invested in improving our products and serving customers in new ways; we added high-quality brands and businesses that have expanded our positions in the specialist markets we focus on; and our performance on sustainability and environmental, social and governance measures was again well recognised.

As a point-in-time snapshot, it is positive and encouraging. For everything that went into creating such a strong and successful year, my deep thanks go to all Informa colleagues.

But just as importantly, our 2023 performance reflects the outcomes of decisions and actions taken over the course of the last decade. Informa has progressively become a higher-quality and a higher-growth business, and we are confident that there are further opportunities ahead and more to come for our customers, partners, colleagues and shareholders.

We have a clear strategy. Informa is a growth business, and creating accelerated growth through building scale in our chosen specialist markets has long been our focus.

The pandemic interrupted and tested the Group, bringing significant disruption to some areas of our business for a prolonged time, as well as challenges to many of our personal and professional lives. But that period also enabled us to look again at the value of our first-party data, expand and invest in our digital services, be creative and flexible in how we serve customers, reassess the markets we were in and double down on the markets where we see the best long-term potential for growth and leadership.

30%
Group underlying revenue growth in 2023

Informa also has a clear focus and operating model. After successfully divesting our Intelligence portfolio in 2022, we entered 2023 focused on Academic Markets, where we deliver specialist academic research, advanced learning and open research through Taylor & Francis, and B2B Markets, where we deliver live and on-demand events and digital services through Informa Markets, Informa Connect and Informa Tech.

We are a leader in both areas, with the opportunity and the ambition to do more. Early in 2024, we have illustrated this ambition through our agreement to combine the digital businesses of Informa Tech with US-listed TechTarget, to build a leading platform in B2B Digital Services. The proposed combination will create a new TechTarget, listed on Nasdaq, in which Informa will have a 57% ownership position. This is of course subject to customary conditions and approvals, but it represents one of the further growth opportunities we see ahead and reflects the confidence and ambition with which we are entering 2024.

Strong and performing businesses

Each of our four divisions performed well in 2023 and has clear further growth opportunities ahead.

In Academic Markets, Taylor & Francis delivered another year of consistent growth, with total revenues of £619m and underlying revenue growth of 3.0% (2022: 3.0%).

Taylor & Francis has transformed since our first Growth Acceleration Plan (GAP 1) in 2014 and is a higher-quality business, a more digital business and, increasingly, a more customer-focused business, centred around researchers and knowledge makers.

Over that time, we have consistently invested in platforms and technology that make research more discoverable and easier to apply, maximising its impact and value. We have progressively established a strong position in the growing area of open research too, adding businesses and expanding our capabilities. And in common with all parts of the Group, we have deliberately focused on specialist subject categories where output and demand for expert research are growing, such as in medicine and education.

In 2023, pay-to-read subscriptions to research remained resilient, the volume of open research published continued to grow and our advanced learning business performed consistently, with ongoing investment into our digital books platform supporting customers' continuing shift towards ebooks and other digital formats.



Stephen A. Carter presenting a winner's trophy on stage at the 2023 colleague Informa Awards

We are well placed to step up further in 2024. Taylor & Francis has a clear focus on growth subject categories and offers a choice of publishing models to academic and research institutions, providing a flexible approach that can align to evolving views on funding and research access. These value-added features, combined with the underlying structural growth in higher education and research, mean we are targeting higher underlying revenue growth in 2024 of around 4%.

Across our B2B Markets businesses, we delivered an aggregate underlying revenue growth of nearly 40% in 2023. This significant rate of growth reflects strong demand for our major brands as markets progressively reopened after the pandemic, coupled with the long-term decisions we have taken to operate in specialist markets that have good growth characteristics.

At the start of the year, it was not clear when, or how quickly, Mainland China and Hong Kong would reopen for travel and live B2B events. That process began in around April and was felt most keenly in Informa Markets, as one of the largest operators of exhibitions in China. The pace at which live events restarted, and the strength of demand from businesses to get back to exhibiting and trading in person, underlines the unique value of what we offer, particularly in a world that is increasingly communicating and interacting online. Our performance prompted us to raise our revenue expectations and market guidance three times during 2023.

Elsewhere in Informa Markets and in Informa Connect – our content-led live and on-demand B2B events business – part of our ongoing growth comes from our investment in improving the customer experience and expanding our range of services. This is helping to maintain and increase the benefits and value we deliver to customers, as we will come on to.



One of the exhibition halls at LEAP 2023, a global tech event held in Riyadh that brought together over 150,000 local and international tech professionals, start-ups, investors and innovators

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In Informa Tech too, we saw strong growth from our portfolio of technology-focused live and on-demand events and a good performance from our specialist research brand Omdia. The broader tech market was somewhat volatile in 2023. While we experienced some knock-on effects to budgets for the specialist B2B digital services Informa Tech delivers, we see significant long-term growth potential for data-driven products that enable tech vendors to identify and access active buyers.

Our confidence, combined with supportive market conditions, opened up the opportunity to expand by joining forces with a US leader, TechTarget, which we look forward to progressing over the course of 2024. In this market and through this proposed combination, our goal is to serve B2B customers at scale digitally, as we already do in live and on-demand events. Read more in the conversation opposite.

Across our B2B Markets businesses, we are also seeing – and starting to capture – additional growth opportunities through geographic expansion. Scale B2B live events can create considerable value for the countries and communities they are held in, by bringing business and trade to the area and supporting employment and economic activity in and around the event.

We have a diversified international portfolio and see the potential to expand further in markets such as India, Thailand and the Middle East. Our Tahaluf partnership in Saudi Arabia is one such example. From a near standing start, Tahaluf now operates some of the region's, and the world's, largest events, including tech event LEAP, and we will be launching a number of other Informa brands in the Kingdom in 2024.

Growth through business strength and performance

In our B2B Markets businesses, we see a path to high-single-digit underlying revenue growth in 2024, outside of any effects from the proposed combination with TechTarget.

This is real growth, and the strength and momentum of our underlying business put us in a great place for 2024, giving us both confidence and an increased ability to invest for further growth and opportunity.

This is supported by a strong balance sheet, which is the result of consistent discipline in allocating capital and relentlessly prioritising cash conversion and cash generation. The dynamics of our business model – and, in particular, the forward commitments that companies make to exhibit at live events and pay for annual and multi-year research subscriptions – give us good visibility on revenue streams, which in turn helps us plan ahead and invest with confidence.

As many shareholders will know, in late 2021, we took the decision to divest our Intelligence portfolio, and this too is a significant factor in the opportunities and choices we have today.

We invested in our Intelligence businesses significantly during GAP 1, improving products and platforms, refocusing on customer benefits and service and successfully turning around performance from sharp decline to consistent growth. This created a high-performing, high-quality portfolio of businesses, but in 2021, we reached the conclusion that there were limited opportunities here to further scale our positions compared with Academic and B2B Markets. We completed the divestment of our Intelligence businesses during 2022, realising a gross value of almost £2.5bn, and have invested the proceeds in a range of ways that strengthen and expand our business and set us up for future growth.

Growth through product and customer investment

In the markets in which Informa operates, to stand still is to move backwards. Investing in our brands, products and platforms has been a consistent feature of the company over the last decade, to keep pace with market and technology developments and continue delivering benefits and value to our customers.

These investments are also part of driving future growth. In Academic Markets, one of the areas we have focused on is making our production processes more efficient and effective through technology, particularly for open research. This helps us to better serve researchers by getting their work published more quickly and means we can accept higher volumes of submissions, expanding our specialist content and titles.

As recent examples, in 2023 Taylor & Francis piloted technology that screens and identifies duplicate submissions more efficiently and accurately, helping maintain the integrity of the publishing process as we expand. We also introduced an article transfer service across a network of over 50 journals, helping researchers find the right journal for their work and maximising the original, peer-reviewed content we publish.

In B2B Markets and since the return of live events after the pandemic, we have prioritised investments that enhance customers' experience and maximise their return on investment. Technology, including existing and newer forms of AI, is creating new ways to extend the value customers get from the connections they make and knowledge they gain at and around live events.

57%
Shareholding in new TechTarget, subject to completion in 2024

AAA
Informa's ESG rating from MSCI

Omdia's VP of Sales Rikki Schmidle and Media & Entertainment Practice Lead Rob Gallagher sat down with Stephen A. Carter to talk about the proposed combination of Informa Tech's digital businesses with TechTarget.



In conversation

with Omdia



This conversation has been lightly condensed; watch it in full on our website.

Q. Stephen, what was the journey to this proposed combination?

So why did we create Informa Tech in the first place? We did it because we believed there was a market, which today we're calling the Digital Services market, providing a range of services to enterprise technology customers that you both know well: thought pieces, research, analytics, audience discovery, lead generation, buyer intent...

Now back in the day, really, we were way bigger in the B2B events market than we were in anything else. But a few years on, we've added some other services, some other businesses, some other capabilities. And today, we combine those with TechTarget with an intention of creating a market-leading platform in that B2B Digital Services market.

It's taken us five or six years to get to this point, and it will create a leading business with a full suite of capabilities and a real potential to be the leading player.

Q. You've mentioned our businesses have many complementary features. Can you say more about that?

If you take the end-to-end process... you want to scope the market, we can do that. You want to research the market, you can do that. You've identified your product and you want to bring that product to life either through an analytical thought piece or a piece of custom content. This new company can do that.

You want to reach your customers through direct marketing either webinars or video material. We can do that. They own BrightTALK.

You need a digital media real estate which is focused on your end audience. This company will have probably a unique set of digital media real estate. You want to identify your buyers, you want to determine what the buyer intent is, how close they are to the decision making.

From the beginning of the discovery point to the point of buyer contact, new TechTarget will have a full suite of products and services.

Q. Can you say more about how we'll be organised?

We're going to take the world-class enterprise technology event franchises back and stand them up alongside our other world-class content-led event franchises in Informa Connect. Everything else will be combined with the existing TechTarget business to create new TechTarget.

I think for Omdia it will possibly be the biggest change, and I think the best change, because rather than being organised in a distributed way around end markets with multi functions, Omdia will be stood up as a standalone business.

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We are both embedding digital features into live events to drive greater customer value, as shown on pages 46 and 47, and launching new digitally enabled products that support event brands. Recent examples funded by our GAP 2 investment programme include Beacon Discovery, a platform that helps distributors and buyers discover and engage with new suppliers and products in the specialist Natural Products market. Similarly, Informa Connect is expanding its leading partneringONE platform, which enables biotech companies to find investors and schedule in-person meetings at our events, into a year-round matchmaking and investment partnering service.

At the heart of what we are doing in B2B Markets, and fundamental to our future growth opportunities, is data. We took the decision in 2021 to invest in IIRIS, our first-party B2B customer data platform, because we could see a considerable opportunity from better capturing, enriching, analysing and using the data generated when customers interact with our brands in live settings, at on-demand events, when using our specialist media and content sites or product platforms, and so on.

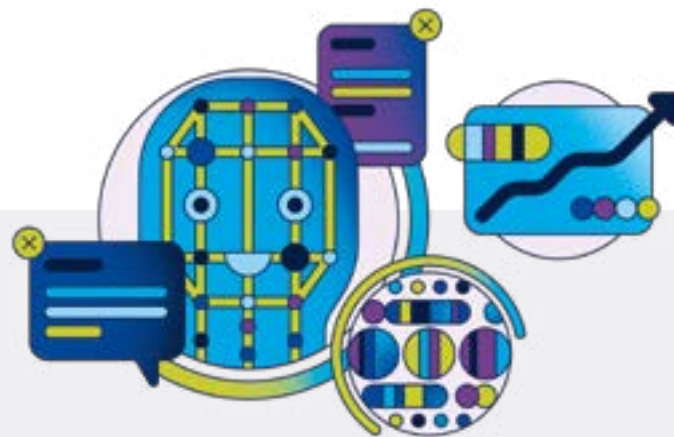
This remains a focus and driver for Informa and we look to roll out IIRIS to all the B2B brands that join the company through addition and combination. It allows us to market our products better, expand our audience, improve customer experience, and develop new digital services based on access to permissioned first-party B2B data. One recent example that has been well received by customers is Lead Insights, described on page 36.

Growth through business addition and combination

Over the last decade, through business growth and addition, Informa has progressively built leadership positions in Academic Markets and B2B Markets, in live and on-demand B2B events, research publishing and specialist research. But these remain relatively fragmented markets, and so we continue to see opportunities to grow and make the most of our scale platforms by adding businesses, brands and portfolios to the Group.

In 2023, the capital available from the proceeds of divesting our Intelligence business, growth from the underlying business and our strong financial position allowed us to further invest in expanding our positions in specialist markets and categories.

In Academic Markets, this included expanding in scientific and medical research by bringing Future Science Group into Taylor & Francis. In B2B Markets, we added Tarsus to the Group in the second quarter: a very complementary portfolio of event brands that has added to our positions in Aviation and Anti-Ageing and brought new positions in markets like Packaging.



Making the most of opportunities

We have long used different forms of AI in our business: from machine learning technology that cleanses and de-duplicates customer data records, to automated tools that conduct initial screens of research submissions, index and tag content with metadata at speed and volume, convert video and spoken word into written content and analyse quantities of customer survey feedback for trends.

The latest iteration of AI – generative AI – is creating new opportunities for our business, particularly in improving customer experience and value and working more effectively.

To understand and act on these opportunities in a co-ordinated way, we formed a central project team in early 2023 that brought together colleagues from technology, data and analytics with colleagues from product, customer and commercial roles. They identified the most relevant, valuable and scalable use cases for generative AI – in content production and personalisation, sales enablement, the end-to-end event experience and our day-to-day operations – and trialled them in a set of real-life use cases.

Some are already live in our business, as can be seen on pages 46 and 47, and 52 and 53, and other pilots have been expanded to new areas so we can keep learning and improving as the technology itself advances.

From the project team's work, we are establishing an AI centre of excellence in 2024. This will act as a hub for our expertise and guide investment decisions and choices, partnering with teams across the business to deploy AI in a way that is most relevant and impactful to their products, customers and markets.

Through Informa Connect, we have built a position in the B2B Foodservice market and expanded this in 2023 with the addition of Winsight, enabling us to serve major food, restaurant and hospitality groups more comprehensively through live events and specialist media, research and data. And in Informa Tech, we welcomed the Tech research business Canalis later in the year. Canalis has a particular strength in research on the international Channels market, making it an excellent complement to our Omdia business.

Over time, we have built considerable expertise in identifying high-quality, well-run businesses and brands that take a similar approach to serving customers and have a complementary culture to ours. We have also developed our capabilities so that when we combine businesses, we do it in a way that brings value to those brands and to Informa, and this will continue to be a feature of our growth and development in the years ahead.

Growth through continued progress on sustainability

At Informa, we approach sustainability in the same way we do any other part of our business. We have progressively built, invested in and improved our sustainability capabilities and performance over the course of a decade, focusing on the areas that matter most and deliver the most benefits to customers, shareholders, colleagues and the business.

There are many initiatives underway and embedded in our business, and our long-term targets are encapsulated in the FasterForward programme: an established part of GAP 2.

There is no end point when it comes to sustainability, and as both expectations and possibilities increase, we are focused on continuous improvement and progress. We expanded our Sustainable Event Fundamentals programme in 2023 to cover more brands and introduce even more ambitious standards on environmental, social, community, product and governance matters. Better Stands, which targets waste and carbon at live events, has rolled out to all our geographic markets and is now being piloted by the wider events industry too. Both programmes are described in more detail in the FasterForward section.

Across our operations, products and community activities, we are performing well and with consistency. This continues to be recognised by index providers and analysts. Informa ranked in the DJSI World Index for the sixth consecutive year in 2023 and received an AAA ESG rating from MSCI, the highest possible level and an upgrade on our previous AA rating.

Growth through talent and culture investments

Behind all our sustainability activities, business addition and combination programmes, product creation and innovation, customer insight and customer service lie over 12,000 colleagues.

Great talent, a distinctive culture, and the commitment and contribution of colleagues everywhere really make the difference to everything we do as a company today and want to achieve in the future.

As a colleague myself, I know that it comes down to making Informa a great place to work and keeping it so, by investing in the experience of life at Informa; by listening to and acting on ideas and feedback; by supporting and encouraging diversity of perspectives and experiences; by creating opportunities for personal and professional success; and by sharing the benefits of company growth with those who make it possible.

This is a shared responsibility that leaders at all levels in the company have, and it is often one of the real pleasures of life at Informa too. It was fantastic to be named as a top 20 UK place to work in early 2024 in an independent survey of colleagues by Glassdoor, and there is more insight in our key investments and activities on pages 32 to 35.

Future growth and opportunity

We have entered 2024 confident of and committed to further growth, and with that comes the opportunity for further investment in shareholder returns too.

We are on course to complete the £1,150m share buyback programme during the first quarter of 2024, which began in 2022 as a way to share a portion of the value created by divesting our Intelligence portfolio. The Board has approved a year-on-year increase in the dividend of over 80%, and I would echo the Chair in thanking shareholders for the ongoing support shown to the company last year and in all recent years.

However, we are well aware that the future is just as important, if not more important, to many shareholders: the opportunities that this company has to go further, and how we make the most of the scale and leadership positions we have created so far.

That is our clear focus as a leadership team and Board for 2024 and beyond, and I look forward to sharing and reporting back on our progress.

Stephen A. Carter
Group Chief Executive

7 March 2024