Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	924 319 623
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	KANTAR MEDIA NORGE AS
Forretningsadresse:	Lakkegata 23 0187 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Henrik Jørgen Hansen
Dato for fastsettelse av årsregnskapet:	30.06.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert

År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 01.09.2023

Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Revenue	9	245 914 910	258 772 691
Other income		6 973 549	7 622 844
Sum inntekter		**252 888 459**	**266 395 536**
Kostnader			
Raw materials and consumables used		72 771 940	85 491 524
Employee benefits expense	5, 7	110 144 156	107 596 206
Depreciation and amortisation expenses	2	16 181 782	14 508 887
Other expenses	7	48 845 129	51 721 262
Sum kostnader		**247 943 007**	**259 317 879**
Driftsresultat		**4 945 452**	**7 077 656**
Finansinntekter og finanskostnader			
Annen renteinntekt		436 474	510 846
Other financial income		200 330	128 408
Sum finansinntekter		**636 804**	**639 253**
Annen rentekostnad		13 978	25 663
Other financial expenses		553 695	1 208 594
Sum finanskostnader		**567 674**	**1 234 256**
Netto finans		**69 131**	**-595 003**
Ordinært resultat før skattekostnad		**5 014 582**	**6 482 653**
Income tax expense	6	850 617	1 418 404
Ordinært resultat etter skattekostnad		**4 163 965**	**5 064 249**
Årsresultat	1	**4 163 965**	**5 064 249**
Årsresultat etter minoritetsinteresser		**4 163 965**	**5 064 249**
Totalresultat		**4 163 965**	**5 064 249**

Resultatregnskap

Beløp i: NOK	Note	2021	2020
Overføringer og disponeringer			
Ordinært utbytte		48 000 000	
Transferred from other equity		-43 836 035	5 064 249
Sum overføringer og disponeringer		**4 163 965**	**5 064 249**

Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Research and development		2 666 397	5 332 796
Utsatt skattefordel	6	8 056 727	6 353 980
Sum immaterielle eiendeler		**10 723 124**	**11 686 776**
Varige driftsmidler			
Buildings and land	2		
Machinery and equipment	2		
Ships	2		
Equipment and other movables	2	18 987 094	28 473 565
Sum varige driftsmidler	2, 10	**18 987 094**	**28 473 565**
Finansielle anleggsmidler			
Investering i datterselskap	3	422 864	422 864
Investering i annet foretak i samme konsern	3		
Other long-term receivables	11	13 337 520	12 750 537
Sum finansielle anleggsmidler		**13 760 384**	**13 173 401**
Sum anleggsmidler		**43 470 601**	**53 333 743**
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables	11	26 759 581	31 069 907
Other short-term receivables	11	106 918 530	80 579 194
Konsernfordringer		2 186 751	780 857
Sum fordringer		**135 864 862**	**112 429 958**
Investeringer			
Aksjer og andeler i foretak i samme konsern	3		
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	8	10 695 066	7 870 355

Balanse

Beløp i: NOK	Note	2021	2020
Sum bankinnskudd, kontanter og lignende		**10 695 066**	**7 870 355**
Sum omløpsmidler		**146 559 928**	**120 300 314**
SUM EIENDELER		**190 030 530**	**173 634 056**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	4	5 000 000	5 000 000
Beholdning av egne aksjer	4		
Annen innskutt egenkapital		1 893 307	1 893 307
Sum innskutt egenkapital		**6 893 307**	**6 893 307**
Opptjent egenkapital			
Other equity		14 778 817	58 614 852
Sum opptjent egenkapital		**14 778 817**	**58 614 852**
Sum egenkapital	1	**21 672 124**	**65 508 159**
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser		15 397 309	14 986 549
Utsatt skatt	6		
Sum avsetninger for forpliktelser		**15 397 309**	**14 986 549**
Annen langsiktig gjeld			
Langsiktig konserngjeld	11		
Sum langsiktig gjeld		**15 397 309**	**14 986 549**
Kortsiktig gjeld			
Leverandørgjeld	11	16 825 907	16 140 721
Tax payable	6	2 805 955	2 336 874
Public duties payable		15 157 623	14 047 236
Other current liabilities	11	118 171 611	60 614 516
Sum kortsiktig gjeld		**152 961 096**	**93 139 348**

Balanse

Beløp i: NOK	Note	2021	2020
Sum gjeld		**168 358 405**	**108 125 897**
SUM EGENKAPITAL OG GJELD		**190 030 530**	**173 634 056**
POSTER UTENOM BALANSEN			
Garantistillelser	10		
Pantstillelser	10		

KANTAR

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ÅRSBERETNING FOR 2021

Kantar AS og datterselskapet, Norsk Gallup Institutt AS, er det norske underkonsernet av Kantar gruppen. Kantar er verdens ledende data, innsikt og konsulentselskap, og er verdens største aktør innenfor intervjubasert markedsinformasjon. Kantar AS er Norges største aktør innen markedsanalyse, innsikt og rådgivning. Selskapet har forretningskontor i Oslo.

Utviklingstrekk i det norske markedet for innsiktstjenester

Utviklingen i det norske markedet er i hovedsak drevet av den pågående digitaliseringen av bedrifters arbeids- og markedsføringsprosesser. Som en følge av digitaliseringen, blir det produsert mye data i kontaktpunkter mellom bedriftene og deres kunder og i markedsføringsprosesser. Bedriftenes behov for hjelp til å håndtere og analysere disse dataene fører til vekst i etterspørselen etter innsiktstjenester. Som et resultat av bransjeglidning, er imidlertid antall leverandører av disse tjenestene økende, noe som gir økt konkurranse i det norske markedet for innsiktstjenester.

Organisasjon og miljø

Selskapet hadde ved årets slutt 111 fast ansatte (115 i året før), som tilsvarer 106 årsverk (115 året før).

Styret anser arbeidsmiljøet i selskapet som tilfredsstillende, og det er derfor ikke iverksatt spesielle tiltak på dette området i 2021. Det vises for øvrig til vedlagte rapport om Aktivitets- og redegjørelsesplikt for likestilling og mangfold.

Totalt sykefravær i regnskapsåret utgjorde 4,1% av total arbeidet tid, mot 4,07% året før.

Det er ikke inntruffet personskader relatert til virksomheten i løpet av året.

DIRECTORS' REPORT 2021

Kantar AS and its subsidiary, Norsk Gallup Institutt AS, are the Norwegian subgroup of the Kantar Group. Kantar is the world's leading data insights and consulting company and is ranked as the world's largest survey-based market information group. Kantar AS is the largest market research company in Norway, within the area's analysis, research, and consulting. The company is based in Oslo.

Trends in the Norwegian market for insight services

The trends in the Norwegian market are mainly driven by the ongoing digitization of the clients work and marketing processes. As a result of the digitization much data is being produced in touch points and marketing processes. The client's need of help to handle and analyze these data leads to growth in the demand for insight-services. As a result of industry fragmentation, the number of suppliers of these services is increasing, however, giving a stronger competition in the Norwegian market of insight-services.

Organisation and working environment

The company had 111 permanent staff at year-end (115), representing the equivalent of 106 full-time employees (115).

The Board of Directors considers the company's working environment to be satisfactory, and thus has not initiated any special measures in this area in 2021. Attached to the Directors report is the Annual Inclusion and Diversity Report for 2021.

Absence due to illness amounted to 4,1% of the total number of workdays, 4,07% last year.

No personal injuries related to the business occurred during the year.

The company is certified as eco-friendly and strives to use environment friendly products in its

SERTIFISERT STYRINGSSYSTEM DNV·GL ISO 9001

Org nr/VAT NO 924 319 623

KANTAR

Selskapet er sertifisert som Miljøfyrtårn og tilstreber å bruke miljøvennlige produkter i sin virksomhet. Selskapets drift forurenser ikke det ytre miljø.

Styreansvarsforsikring

Styrets medlemmer er dekket av en global forsikring for styreansvar.

Likestilling

Kantar har som mål å være en arbeidsplass med like muligheter for kvinner og menn. Selskapet har fokus på dette og det hensyntas i aktiviteter som rekruttering, lønn, arbeidsforhold, utviklingsmuligheter og forfremmelser.
Selskapet hadde ved årsskiftet en kvinneandel på 41% i 2021 mot 41% året før.

Økonomi

Driftsresultatet ble kr 4 945 452 (kr 7 077 657 ved forrige år). Resultat etter skatt ble kr 4 163 965 (kr 5 064 250 ved forrige år).

Selskapet hadde ved årsskiftet en totalbalanse på kr 190 030 928 (kr 173 634 055 forrige år). Egenkapitalandelen ved årsskiftet var 11,4 %, mot 37,7 % året før.

Finansiell risiko

Selskapet vurderer risikoen for ikke å kunne innfri sine forpliktelser som lav. Selskapet hadde en positiv kontantstrøm fra sin virksomhet i 2021 og hadde ved årsskiftet en likviditet på kr 112 982 745 (kr 83 815 236 året før), herav kr 10 695 066 (kr 7 870 355 forrige år) i bankinnskudd og kr 102 287 679 (kr 75 944 881 forrige år) i innestående midler i konsernkontoordning. Styret vurderer likviditeten som meget god og som gir selskapet tilstrekkelig handlefrihet.

Risiko for at motparten ikke har økonomiske evner til å oppfylle sine forpliktelser anses lav, da det historisk sett har vært lite tap på fordringer. Det er ikke inngått avtaler om motregning eller andre finansielle instrumenter som minimerer kredittrisikoen i selskapet.

operations. The company's operations do not pollute the environment.

Board member insurance policy

Board members are covered by a global insurance policy.

Equal status

Kantar's objective is to be a workplace with equality between women and men. The company has focus on this, reflected in activities as recruiting, salary, working conditions, development opportunity and promotions.
The ratio of female to male employees for 2020 was 41% women against 41% previous year.

Financial results

Operating profit came to NOK 4 945 452 (NOK 7 077 657 previous year). Profit after tax was NOK 4 163 965 (NOK 5 064 250 previous year)

The balance sheet total at year-end was NOK 190 030 928 (NOK 173 634 055). The equity ratio at year-end was 11,4 %, against 37,7% previous year.

Financial risks

The Board considers the risk of not being able to meet its financial obligations to be low. The company had positive cash flow from its operations in 2021. Liquidity at year-end was NOK 112 982 745 (NOK 83 815 236 previous year), of which NOK 10 695 066 (NOK 7 870 355 previous year) in bank deposits and NOK 102 287 679 (NOK 75 944 881 previous year) in a group cash pool arrangement. The Board considers this to be satisfactory and ensures sufficient liquidity and financial flexibility.

The risk that the counterpart does not have financial ability to meet its obligations is considered low, as historically there have only been small losses on receivables. The company has not entered into any form of netting agreement or other financial instruments to minimize the credit risk of the company.

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Valutarisiko

Styret vurderer virksomhetens valutarisiko som lav, da mesteparten av selskapets kjøp og salg skjer innenlands. Selskapets valutarisiko ved salg til utlandet, hovedsakelig i EUR og USD, oppveies til dels ved kostnader i de samme valutaene.

Kontantstrøm

Netto kontantstrøm fra operasjonelle aktiviteter beløp seg til kr 33 196 421 i 2021 (kr 26 124 203 forrige år), som i hovedsak gjenspeiler årets overskudd, justert for netto økning i fordringer og periodens betalte skatt. Netto kontantstrøm fra investeringsaktiviteter beløp seg til kr – 4 028 912 (kr –7 668 185 forrige år). Selskapet har egenfinansiert investeringene over drift. Netto kontantstrøm fra finansielle investeringer ble kr – 26 342 798 (kr -21 719 078) som i sin helhet knyttes til en økning i bankinnskudd som inngår i konsernets konsernkontoordning.

Styret mener at årsregnskapet gir et rettvisende bilde av Kantar AS eiendeler og gjeld, finansielle stilling og resultat. Det har etter regnskapsårets utløp ikke inntrådt forhold som er av betydning for bedømmelsen av selskapets stilling. I samsvar med regnskapslovens § 3-3a bekreftes det at forutsetninger for fortsatt drift er til stede.

Styret foreslår å overføre årets resultat på kr 4 163 965 til annen egenkapital og avsette kr 48 000 000 i utbytte. Utbyttet vil i sin helhet dekkes fra annen egenkapital.

Forskning og utvikling

Selskapet har ikke gjennomført forsknings- eller utviklingsprosjekter i 2021.

Fremtidsutsikter

Selskapet har hatt en betydelig vekst og økning i profitabilitet i første halvår av 2022 og forventer videre et sterkt marked ut året. Virksomheten har i vesentlig mindre grad enn foregående år vært påvirket av Covid-pandemien.

Currency risk

The Board considers the currency risk as low, as most of its purchases and sales are domestic. The company’s currency risk on sales to foreign companies, mainly sale in EUR and USD, is partly offset by costs in the same currencies.

Cash flow

Net cash flow from operating activities amounted to NOK 33 196 421 (NOK 26 124 201) and reflects the year-end net income adjusted for net increase in receivables and tax payables. Total capital expenditure amounted to NOK 4 028 912 (NOK - 7 668 185). All investments have been financed with cash from operations. Net cash flow from financial activities was NOK - 26 342 798 (NOK - 21 719 078), which relates in its entirety to an increase in the cash position at year-end included in group cash pool arrangement.

In the opinion of the Board of Directors, the profit and loss account and balance sheet, with accompanying notes, provide adequate information about the company’s operations for the year and financial situation at year-end. No changes have occurred in the financial situation since the close of the accounting year that could significantly affect the evaluation of the company’s performance. In accordance with Accounting Act § 3-3a, the Board of Directors confirms that the conditions for the going concern assumption have been met.

The Board of Directors proposes to transfer profit of NOK 4 163 965 to other equity and a dividend of NOK 48 000 000. Proposed dividend will be covered by other equity.

Research and development

The company has not conducted any research or development projects in 2021.

Outlook

Kantar has seen a strengthened marked during the first half of 2022 and expect continued growth and profitability for the remaining 2022. The company has to a much lesser degree been affected by the Covid-pandemic than the previous two years.

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Selskapets fokus er vekst og en tydelig spissing av selskapets divisjoner i tråd med konsernets definerte strategiske vekstområder. I andre kvartal ble det annonsert salg av konsernets Kantar Public divisjon til Trilantic Europe. Dette salget vil ytterligere forsterke Kantar's satsning på divisjonene Media og Insight. Salget forventes gjennomført i løpet av 2022.

Kantar will maintain a strong focus on continued growth in line with the groups defined strategy. In second quarter it was announced that Kantar's Public division will be sold to Trilantic Europe. This will further strengthen the strategic focus on accelerated growth and aligning Media and Insight divisions business with group strategy. The sale is expected to close during 2022.

Oslo, 30.06.2022

Henrik Jørgen Hansen
Styrets leder / Chairman

Paul Francis Cherry
Styremedlem/Member

Lars Petter Horsgård
Styremedlem/Member

Erlend Haftor Espedal
Styremedlem/Member

Knut Arne Futsæther
Styremedlem/Member

RESULTATREGNSKAP

KANTAR AS

DRIFTSINNTEKTER OG DRIFTSKOSTNADER	**Note**	**2021**	**2020**
Salgsinntekt	9	245 914 910	258 772 691
Annen driftsinntekt		6 973 549	7 622 844
Sum driftsinntekter		**252 888 459**	**266 395 536**
Varekostnad		72 771 940	85 491 524
Lønnskostnad	5, 7	110 144 156	107 596 206
Avskrivning av driftsmidler og immaterielle eiendeler	2	16 181 782	14 508 887
Annen driftskostnad	7	48 845 129	51 721 262
Sum driftskostnader		**247 943 007**	**259 317 879**
Driftsresultat		**4 945 452**	**7 077 656**
FINANSINNTEKTER OG FINANSKOSTNADER			
Annen renteinntekt		436 474	510 846
Annen finansinntekt		200 330	128 408
Annen rentekostnad		13 978	25 663
Annen finanskostnad		553 695	1 208 594
Resultat av finansposter		**69 131**	**-595 003**
Ordinært resultat før skattekostnad		5 014 582	6 482 653
Skattekostnad på ordinært resultat	6	850 617	1 418 404
Ordinært resultat		**4 163 965**	**5 064 249**
EKSTRAORDINÆRE INNTEKTER OG KOSTNADER			
Årsresultat	**1**	**4 163 965**	**5 064 249**
OVERFØRINGER			
Avsatt til utbytte		48 000 000	0
Overført fra annen egenkapital		43 836 035	-5 064 249
Sum overføringer		**4 163 965**	**5 064 249**

BALANSE

KANTAR AS

EIENDELER	Note	2021	2020
ANLEGGSMIDLER			
IMMATERIELLE EIENDELER			
Forskning og utvikling		2 666 397	5 332 796
Utsatt skattefordel	6	8 056 727	6 353 980
Sum immaterielle eiendeler		**10 723 124**	**11 686 776**
VARIGE DRIFTSMIDLER			
Driftsløsøre, inventar o.a. utstyr	2	18 987 094	28 473 565
Sum varige driftsmidler	**2, 10**	**18 987 094**	**28 473 565**
FINANSIELLE ANLEGGSMIDLER			
Investeringer i datterselskap	3	422 864	422 864
Andre langsiktige fordringer	11	13 337 520	12 750 537
Sum finansielle anleggsmidler		**13 760 384**	**13 173 401**
Sum anleggsmidler		**43 470 601**	**53 333 743**
OMLØPSMIDLER			
FORDRINGER			
Kundefordringer	11	26 759 581	31 069 907
Kundefordringer konsern		2 186 751	780 857
Andre kortsiktige fordringer	11	106 918 530	80 579 194
Sum fordringer		**135 864 862**	**112 429 958**
INVESTERINGER			
Bankinnskudd, kontanter o.l.	8	10 695 066	7 870 355
Sum omløpsmidler		**146 559 928**	**120 300 314**
Sum eiendeler		**190 030 530**	**173 634 056**

BALANSE

KANTAR AS

EGENKAPITAL OG GJELD	Note	2021	2020
EGENKAPITAL			
INNSKUTT EGENKAPITAL			
Aksjekapital	4	5 000 000	5 000 000
Annen innskutt egenkapital		1 893 307	1 893 307
Sum innskutt egenkapital		**6 893 307**	**6 893 307**
OPPTJENT EGENKAPITAL			
Annen egenkapital		14 778 817	58 614 852
Sum opptjent egenkapital		**14 778 817**	**58 614 852**
Sum egenkapital	**1**	**21 672 124**	**65 508 159**
GJELD			
AVSETNING FOR FORPLIKTELSER			
Pensjonsforpliktelser		15 397 309	14 986 549
KORTSIKTIG GJELD			
Leverandørgjeld	11	16 825 907	16 140 721
Betalbar skatt	6	2 805 955	2 336 874
Skyldig offentlige avgifter		15 157 623	14 047 236
Annen kortsiktig gjeld	11	118 171 611	60 614 516
Sum kortsiktig gjeld		**152 961 096**	**93 139 348**
Sum gjeld		**168 358 405**	**108 125 897**
Sum egenkapital og gjeld		**190 030 530**	**173 634 056**

Oslo, 30.06.2022
Styret i Kantar AS

Paul Francis Cherry
styremedlem

Erlend Haftor Espedal
styremedlem

Knut Arne Futsæter
styremedlem

Henrik Jørgen Hansen
styreleder

Lars Petter Horsgård
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Kantar AS

Noter til regnskapet 2021

Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapsloven og god regnskapsskikk.

Hovedregel for vurdering og klassifisering av eiendeler og gjeld
Eiendeler bestemt til varig eie eller bruk er klassifisert som anleggsmidler. Andre eiendeler er klassifisert som omløpsmidler. Fordringer som skal tilbakebetales innen et år er klassifisert som omløpsmidler. Ved klassifisering av kortsiktig og langsiktig gjeld er tilsvarende kriterier lagt til grunn.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til gjenvinnbart beløp dersom dette er lavere enn bokført verdi, og verdifallet forventes ikke å være forbigående. Anleggsmidler med begrenset økonomisk levetid avskrives planmessig.

Leievtaler er ikke balanseført.

Annen langsiktig gjeld og kortsiktig gjeld er vurdert til pålydende beløp.

Eiendeler og gjeld i utenlandsk valuta
Pengeposter i utenlandsk valuta er i balansen omregnet til balansedagens kurs.

Immaterielle eiendeler
Utgifter til egen tilvirkning av immaterielle eiendeler, herunder utgifter til egen forskning og utvikling, balanseføres når det er sannsynlig at de fremtidige økonomiske fordelene knyttet til eiendelene vil tilflyte selskapet og anskaffelseskost kan måles pålitelig.

Immaterielle eiendeler som er kjøpt enkeltvis, er balanseført til anskaffelseskost. Immaterielle eiendeler overtatt ved kjøp av virksomhet, er balanseført til anskaffelseskost når kriteriene for balanseføring er oppfylt.

Immaterielle eiendeler med begrenset økonomisk levetid avskrives planmessig. Immaterielle eiendeler nedskrives til gjenvinnbart beløp dersom de forventede økonomiske fordelene ikke dekker balanseført verdi og eventuelle gjenstående tilvirkningsutgifter.

Aksjer i datterselskap
Investeringer i datterselskaper vurderes etter kostmetoden. Investeringene blir nedskrevet til virkelig verdi dersom verdifallet ikke er forbigående og det må anses nødvendig etter god regnskapsskikk. Mottatt utbytte og konsernbidrag fra datterselskapene er inntektsført som annen finansinntekt. Tilsvarende gjelder for investeringer i tilknyttede selskaper.

Inntekter
Inntekt regnskapsføres når den er opptjent, altså når krav på vederlag oppstår. Dette skjer når tjenesten ytes, i takt med at arbeidet utføres. Inntektene regnskapsføres med verdien av vederlaget på transaksjonstidspunktet.

Kostnader
Kostnader regnskapsføres som hovedregel i samme periode som tilhørende inntekt. I de tilfeller det ikke er en klar sammenheng mellom utgifter og inntekter fastsettes fordelingen etter skjønnsmessige kriterier. Øvrige unntak fra sammenstillingsprinsippet er angitt der det er aktuelt.

Fordringer
Kundefordringer og andre fordringer er oppført til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av en individuell vurdering av de enkelte fordringene.

Bankinnskudd, kontanter og lignende
Bankinnskudd, kontanter og lignende inkluderer kontanter, bankinnskudd og andre betalingsmidler med forfallsdato som er kortere enn tre måneder fra anskaffelse.

Pensjoner
Innskuddsplaner periodiseres etter sammenstillingsprinsippet. Årets innskudd til pensjonsordningen kostnadsføres

Ved regnskapsføring av pensjon som er ytelsesplan, kostnadsføres forpliktelsen over opptjeningstiden i henhold til planens opptjeningsformel. Allokeringsmetode tilsvarer planens opptjeningsformel med mindre det vesentlige av opptjeningen skjer mot slutten av opptjeningsperioden. Lineær opptjening legges da til grunn. For pensjonsordninger etter lov om foretakspensjon anvendes således lineær opptjening.

Netto pensjonsforpliktelse er differansen mellom nåverdien av pensjonsforpliktelsene og verdien av pensjonsmidler som er avsatt for betaling av ytelsene. Pensjonsmidlene vurderes til virkelig verdi. Måling av pensjonsforpliktelse og pensjonsmidler gjennomføres på balansedagen. Arbeidsgiveravgift er inkludert i tallene, og er beregnet av netto faktisk underfinansiering.
Pensjonsmidlene er vurdert i henhold til markedsverdien på fondet 31.12

Skatter
Skattekostnaden sammenstilles med regnskapsmessig resultat før skatt. Skatt knyttet til egenkapitaltransaksjoner er ført mot egenkapitalen. Skattekostnaden består av betalbar skatt (skatt på årets direkte skattepliktige inntekt) og endring i netto utsatt skatt. Skattekostnaden er fordelt på ordinært resultat og resultat av ekstraordinære poster i henhold til skattegrunnlaget. Utsatt skatt og utsatt skattefordel er presentert netto i balansen.

Note 1 Egenkapital

Mor	Aksjekapital	Annen innskutt egenkapital	Annen opptjent egenkapital	Sum egenkapital
Egenkapital 01.01.21	**5 000 000**	**1 893 307**	**58 614 852**	**65 508 159**
Årets endring i egenkapital:				
Avsatt utbytte			**-48 000 000**	**-48 000 000**
Årets resultat			**4 163 965**	**4 163 965**
Egenkapital 31.12.21	**5 000 000**	**1 893 307**	**14 778 817**	**21 672 124**

Note 2 Varige driftsmidler/ Immaterielle eiendeler TV kontrakt

	Immateriell eiendel TV kontrakt	Kunst	Goodwill	Driftsløsøre, inventar, verktøy o l	Sum
Anskaffelseskost 01.01.21	13 331 993	46 720	4 933 000	122 312 750	**140 624 463**
Tilgang kjøpte driftsmidler	0	-	-	4 028 913	**4 028 913**
Anskaffelseskost 31.12.21	13 331 993	46 720	4 933 000	126 341 663	**144 653 376**
Akk. avskrivninger 01.01.21	7 999 197		4 933 000	93 885 906	**106 818 103**
Avgang		-	-	-	-
Avskrivninger 2021	2 666 399	-	-	13 515 383	**16 181 782**
Akk. avskrivninger 31.12.21	10 665 596	-	4 933 000	107 401 289	**122 999 885**
Bokført verdi pr. 31.12.21	**2 666 397**	**46 720**	**-**	**18 940 374**	**21 653 491**

Økonomisk levetid	5 år	Avskrives	5 år	3-5 år
Avskrivningsplan regnskapsmessig	lineær	ikke	lineær	lineær
Skattemessig	Lineær 5 år	0 %	0 %	20-30%

Fra 2021 ble det inngått en 10 års leieavtale om lokaler i Lakkegata 23
Leieavtalen er ikke balanseført i regnskapet.

Note 3 Datterselskap, tilknyttet selskap m.v.

Firma	Forretnings-kontor	Eierandel/ Stemme-andel	Bokført verdi	Egenkapital siste år 100 %	Resultat siste år 100 %
Norsk Gallup Institutt AS	Oslo	100 %	422 864	1 302 216	1 538

Note 4 Aksjekapital og aksjonærinformasjon

Aksjekapitalen i selskapet pr 31.12.21 består av følgende aksjeklasser:

	Antall	Pålydende	Bokført verdi
Aksjer	5 000	1 000	5 000 000

Eierstruktur
De største aksjonærene i selskapet pr 31.12.21 var:

	Aksjer	Sum	Eier-andel	Stemme-andel
Taylor Nelson Sofres BV, Holland	5 000	5 000	100 %	100 %

Selskapet var en del av Kantar Group som frem til november 2019 var heleiet av WPP Group. I desember 2019 ble Kantar Group kjøpt opp av Bain Capital med 60 % og WPP Group sitter igjen med en eierandel på 40%.

Note 5 Pensjoner

Foretaket er pliktig til å ha tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon og har pensjonsordning som tilfredsstiller kravene i denne loven.
Foretaktet har en innskuddsbasert pensjonsordning som for morselskapet omfatter 111 ansatte i 2021.

Selskapet har i tillegg til ordinær pensjonsavtale for samtlige ansatte etablert en supplerende pensjonsordning for ledergruppen som finansieres over driften. Ordningen er organisert som en innskuddsordning for lønnsgrunnlag over 12G. Selskapet skyter inn midler i et fond som administreres av foretaket, hvor årlig avkastning fra fondet allokeres til den enkeltes ansatte basert på rettighetsandel. Selskapet har stilt fondet som sikkerhet for innskuddsforpliktelsen.

Note 6 Skattekostnad

Årets skattekostnad fremkommer slik:	**2021**	**2020**
Betalbar skatt	2 805 955	2 336 874
For mye avsatt skatt tidligere år	-252 591	
Endring i utsatt skatt	-1 702 747	-918 470
Skattekostnad	**850 617**	**1 418 404**

Betalbar skatt i balansen fremkommer som følger:

	2021	**2020**
Årets betalbare skattekostnad	2 805 955	2 336 874
For mye avsatt skatt tidligere år		0
Betalbar skatt i balansen	**2 805 955**	**2 336 874**

Avstemming fra nominell til faktisk skattesats:

	2021	**2020**
Årsresultat før skatt	5 014 582	6 482 653
Forventet inntektsskatt etter nominell skattesats 22 %	1 103 208	1 426 184
Skatteeffekten av følgende poster:		
For mye avsatt skatt i 2020	-252 591	
Andre ikke fradragsberettigede kostnader	-	314

Andre ikke skattepliktige inntekter	-	-8 093
Skattekostnad	850 617	1 418 404
Effektiv skattesats	**22 %**	**22 %**

Spesifikasjon av skatteeffekten av midlertidige forskjeller og underskudd til framføring:

Mor

2021			**2020**	
Fordel	**Forpliktelse**		**Fordel**	**Forpliktelse**
7 399 700		Driftsmidler	1 480 210	
95 780		Fordringer	341 000	
	3 506 905	Saldo på gevinst- og tapskonto		4 383 632
15 397 309		Pensjon	14 986 549	
17 235 601		Andre forskjeller	16 457 601	
40 128 390	**3 506 905**	**Sum**	**33 265 360**	**4 383 632**
-			-	-
8 056 727		**Netto utsatt fordel i balansen 22%**	**6 353 980**	

Utsatt skattefordel er oppført med utgangspunkt i fremtidig inntekt.

Note 7 Lønnskostnad, antall ansatte, godtgjørelser, lån mm

Lønnskostnad	**2021**	**2020**
Lønn	86 180 879	87 128 224
Folketrygdavgift	13 491 971	12 642 392
Pensjonskostnader	7 684 471	5 762 090
Andre ytelser	2 786 836	2 063 500
Sum	**110 144 157**	**107 596 206**
Antall årsverk sysselsatt i regnskapsåret	106	115

Ytelser til ledende personer	**Ytelser til ledende personer**	**Sum**	**Lønn**	**Annen godtgjørelse**
Kari Nordstad	Daglig leder 1.1 -31.12.2121	1 556 689	1 546 769	9 920
Styret	Styret	-	-	-
Lønn totalt		1 556 689	1 546 769	9 920

Det er ikke betalt noen godtgjørelse til styreformann som lønnes fra Danmark.
Daglig leder i Norsk Gallup Institutt AS er ansatt i morsekapet og lønnes derfra.

Selskapet har ikke gitt lån eller stilt sikkerhet til fordel for daglig leder, styrets leder eller andre ledende personer. Ingen av de nevnte personene eier aksjer i selskapet.

Revisor
Godtgjørelse til Deloitte AS og samarbeidende selskaper fordeler seg slik, eks. mva:

-

	2021	**2020**
Lovpålagt revisjon	326 549	556 000
Andre attestasjonstjenester	-	-
Andre tjenester utenfor revisjonen	-	-

Note 8 Bankinnskudd

	2021	**2020**
Bankinnskudd, kontanter o.l. omfatter bundne skattetrekksmidler	10 695 066	7 870 355

Innestående midler på skattetrekkskonto (bundne midler) er på kr 3 856 138

Note 9 Salgsinntekt

Per virksomhetsområde:	**2021**	**2020**
Markedsundersøkelser	245 914 910	259 704 108
Annen driftsinntekt	6 973 549	6 691 428
Sum	**252 888 459**	**266 395 536**

Per geografisk marked:	**2021**	**2020**
Norge	230 517 531	241 483 002
Andre land	22 370 928	24 912 534
Sum	**252 888 459**	**266 395 536**

Annen driftsinntekt er tjenester levert til datterselskapet, Norsk Gallup Institutt AS

Note 10 Pantstillelser og garantier m.v.

Bokført verdi av eiendeler stilt som sikkerhet for bokført gjeld	**2021**	**2020**
Kundefordringer	-	-
Pensjonsmidler (stilt som sikkerhet for innskuddsforpliktelse overfor ledergruppen)	13 337 520	12 750 537

Note 11 Mellomværende med selskap i samme konsern m.v.

Resultatmessige transaksjoner med nærstående parter:

Transaksjon/transaksjonsgruppe	**Motpart**	**Forhold til motparten**	**2021**	**2020**
Salg av tjenester / markedsundersøkelser	*Kantar / WPP selskap, Norge*	Søsterselskap	2 857 304	3 029 928
Salg av tjenester / markedsundersøkelser	*Kantar / WPP selskap, Utland*	Søsterselskap	6 325 303	7 564 344
Salg av tjenester	*NGI AS*	Datterselskap	6 973 549	6 691 428
Sum driftsinntekter			**16 156 156**	**17 285 700**
Kjøp av tjenester / markedsundersøkelser	*Kantar / WPP selskap utland*	Søsterselskap	9 489 680	9 489 680
Kjøp av software/hardware og IT tjenester	*Kantar / WPP selskap utland*	Søsterselskap	17 623 692	17 623 692
Kjøp av konserntjenester	*Kantar / WPP selskap utland*	Morselskap	20 818 403	17 517 223
Kjøp av tjenester	*NGI AS*	Datterselskap	25 453 994	28 457 107
Sum andre driftskostnader			**73 385 769**	**73 087 702**

Mellomværende med nærstående parter:

Motpart	**Forhold til motparten**	**Kundefordringer 2021**	**Kundefordringer 2020**	**Andre fordringer 2021**	**Andre fordringer 2020**
Kantar / WPP selskap utland	Søster	2146240	780 857	102 287 679	75 944 881
Sum		**2 146 240**	**780 857**	**102 287 679**	**75 944 881**

	2021	**2020**
Bankinnskudd pr 31.12 som inngår i Kantar sin konsernkontoordning.	**102 287 679**	**75 944 881**

Motpart	**Forhold til motparten**	**Leverandørgjeld 2021**	**Leverandørgjeld 2020**	**Annen kortsiktig gjeld 2021**	**Annen kortsiktig gjeld 2020**

Kantar / WPP selskap utland	Søster	12 282 472	9 396 432	-	-
NGI AS	Datter	-	-	3 009 186	2 985 051
		12 282 472	**9 396 432**	**3 009 186**	**2 985 051**

Note 12 **Hendelser etter balansedagen**

Det er ingen hendelser etter balansedagen som påvirker regnskapet for 2021.

Kantar AS org nr 924 319 623

Årsrapport for likestillingsredegjørelse, samfunnsansvar og arbeidsmiljø **2021**

Kjønnsbalanse I Kantar AS

Kantar AS hadde pr 31.12.2022 111 fast ansatte.

Kantar AS har kun heltidsstillinger, hvorav kjønnsbalansen vises som antall mannlige og kvinnelige i *Tabell 1.*

Tabell 1: Kjønnsbalanse i heltidsstillinger i Kantar AS pr 31.12.2021:

Divisjoner i Kantar	**Kantar AS**	
	Antall kvinner	Antall menn
Total antall ansatte : 111	45	66
Ledergruppen	4	3
Insights	17	23
Media	17	30
Public	2	6
Økonomi / Admin	5	4

Stillingskategorier i *Tabell 1:*

- **Ledergruppen :** inkluderer administrerende direktør, divisjonsdirektører, finansdirektør og HR direktør (utdanningsnivå: master / annet)
- **Insights** inkluderer konsulenter og rådgivere (utdanningsnivå: master bachelor grad)
- **Media :** konsulenter, tekniske personell (utdanningsnivå: master /bachelor grad/ annet)
- **Public:** konsulenter og rådgivere (utdanningsnivå: master/ bachelor grad)
- **Økonomi /Finans/ Admin :** controllere, regnskapsmedarbeidere (utdanningsnivå : master / bachelor/ annet)

*Tabell 2: Kjønnsbalanse i ulike grupperinger. Grupperinger med **mindre** enn fem kvinner og fem menn rapporteres ikke, og er markert med '-'.*

	Fast ansatt		**Frivillig deltid**		**Ufrivillig deltid**		**Foreldrepermisjon**	
	Kvinner	Menn	Kvinner	Menn	Kvinner	Menn	Kvinner	Menn
	45	65		-	-	-	**35**	**5**

Grupperingene i *Tabell 2* er definert slik:

- **Fast ansatte:** Oppgis i antall
- **Frivillig deltid:** Frivillig nedgang i % vis stilling
- **Ufrivillig deltid:** Varig lønnstilskudd / AAP / Uførepensjon
- **Foreldrepermisjon:** Oppgis i antall uker

Tabell 2.1 Gjennomsnittsalder og lønninger i bedriften 2021:

	Kantar AS	
Gjennomsnitt:	**Alder**	**Lønn**
Kvinner	45,5	737 476
Menn	48,6	757 267
Totalt	47,4	749 450

Vårt arbeid for likestilling og mot diskriminering

- Kantar AS er avhengig av kompetente og motiverte medarbeidere med spesialkompetanse for å kunne nå målene sine. Gjennom fokuset med å rekruttere riktig kvalifiserte medarbeidere med ulik bakgrunn, har Kantar AS blitt en stadig mer mangfoldig arbeidsplass. Kantar AS sine medarbeidere representerer for tiden 5 forskjellige nasjonaliteter. Dette mangfoldet gir en rekke ulike perspektiver og tilnærminger til problemstillinger, og dermed en mer dynamisk og kreativ arbeidsplass. Kantar AS er en del av Kantar, med 25 000 ansatte i 80+ land, noe som er med på å stimulere til et omfattende internasjonalt samarbeide hvor inkludering og mangfold er en del av vår arbeidshverdag, og en uttalt målsetning for virksomheten totalt sett.

For 2021 har Kantar utarbeidet en ***Inclusion & Diversity 2021 Annual Report***. Rapporten tar for seg hva man har oppnådd innenfor området I&D og ser framover og identifiserer områder vi som konsern skal bli bedre og jobbe videre på. I rapporten gjøres det rede for:

- Kjønnsbalanse i selskapet
- Kjønnsbalanse på ulike ledernivå
- Kjønnsbalanse ved forfremmelser

Den inneholder også indekstall for inkludering som måles internt i virksomheten samt mål for de kommende 4 årene:

The Inclusion Index Score is the following formula

[COMPANY SENSE OF BELONGING + ABSENCE OF DISCRIMINATION] - PRESENCE OF NEGATIVE BEHAVIOUR

Rapporten og dens innhold gjenspeiler de overordnede prinsippene vi jobber etter i Kantar og hva vi fokuserer på lokalt.

Overordnede prinsipper for mangfold, inkluderings- og likestillingsarbeidet i Kantar

- I Kantar er vi forpliktet til å skape en inkluderende kultur og verdsette mangfoldet til alle våre medarbeidere, så vel som våre kunder, leverandører og det samfunnet vi betjener.
- I Kantar forplikter vi oss til å være inkluderende i samfunnene vi jobber i, for å oppfylle formålet vårt med å styrke mennesker og organisasjoner til å leve sitt fulle potensiale gjennom;
  - Å gi rettferdighet og like muligheter på jobb
  - Skape en arbeidsplass som fremmer inkludering
  - Inspirere mennesker gjennom mangfold og erfaringer
- I Kantar sikter vi mot en inkluderende kultur der alle føler seg verdsett, engasjert og respektert og hvor alle behandles rettferdig.
- I Kantar er mangfold de individuelle forskjellene og de ulike erfaringer, ferdigheter og perspektiver den enkelte medarbeider bringer til arbeidsplassen. Mangfold omfatter en rekke kjennetegn som kulturell bakgrunn, etnisitet, nasjonalitet, rase, alder, kjønn, funksjonshemning, seksuell legning, religiøs overbevisning og sivilstand. Mangfold inkluderer også egenskaper som faglige ferdigheter, utdanning, livsstil, arbeidsstil, språk og livserfaringer.
- I Kantar sikter vi på mot en inkluderende kultur, der alle føler seg verdsatt, engasjert og respektert og hvor alle behandles rettferdig og gis mulighet til å lykkes.
- Vi tar påstander om diskriminering, mobbing og trakassering på alvor og sørger for at de etterforskes på riktig måte. Rapporterte hendelser vil bli håndtert sensitivt og behandlet konfidensielt. Hvis våre ansatte ikke lever opp til vår forpliktelse om å

skape en inkluderende kultur og verdsetter mangfoldet til alle våre medarbeidere, kan det føre til disiplinære tiltak.

Praktiske prosedyrer for likestilling og mot diskriminering

Lokalt i Kantar Norge jobber vi aktivt og målrettet med likestilling og ikke-diskriminering som en viktig del av arbeidet for å sikre gode arbeidsforhold i praksis. Ansvaret for dette arbeidet er delt over flere funksjoner i Kantar. Dette arbeidet inkluderer, fagforening, verneombud, arbeidsmiljøutvalget (AMU), HR, ledere på alle nivå, ledergruppen og styret. Disse gruppene møtes regelmessig for å utføre dette arbeidet. AMU møtes fire ganger om året for å diskutere temaer som er relevant for ansatte og videreformidler eventuelle bekymringer fra ansatte til arbeidsgiver. Ledergruppa møtes jevnlig for å behandle saker som er relevant på tvers i Kantar. Tiltak som blir besluttet iverksettes av ledelsen, og i flere tilfeller innledes samarbeid med representanter for de ansatte (tillitsvalgte, verneombud eller fagforeningsrepresentant). Informasjonsflyt sikres via regelmessige møter mellom divisjonslederne og administrasjonsfunksjoner. I tillegg har alle ansatte i Kantar et ansvar med å bidra til et inkluderende arbeidsmiljø, samt varslingsplikt om de oppdager noen form for trakassering på jobb.

Arbeidsmiljø

Kvalitetssikring og utvikling av arbeidsplassen er et kontinuerlig arbeid som utøves gjennom et internt inspeksjonssystem som omfatter helse, sikkerhet og arbeidsmiljø. AMU i Kantar bestreber seg på å utvikle og opprettholde arbeidsmiljøkvaliteten og følge opp spørsmål angående sikkerhet, helse og velferd hos medarbeiderne. Resultater fra arbeidsmiljøundersøkelsen som gjennomføres årlig, nå sist høsten 2020, gir en god pekepinn på forhold som må gjennomgås og forbedres. Arbeidsmiljøundersøkelsen skal etter planen gjennomføres på nytt i august 2022.

Arbeidsforholdene i 2020/2021 ble påvirket av Covid-19 pandemien. Fra Norges første nedstengning i mars 2020 og frem til gjenåpningen av samfunnet våren 2022, hadde alle ansatte hjemmekontor med noen unntak for de som trengte tilgang til spesielt utstyr på kontoret eller hadde andre behov. De ansattes hjemmekontor ble utstyrt med skjermer, dokkingstasjoner, tastatur og stoler der dette var et behov, for å sikre best mulig arbeidsforhold.
Kantar gjennomførte en ansattundersøkelser i løpet av 2020 hvor fokuset var arbeidsforholdene på hjemmekontor, for å bedre kunne tilpasse tiltakene til de ansattes ulike behov. Det ble lagt arbeid i å tilrettelegge for både fysiske og digitale møteplasser som bidro til sosialisering i tråd med smitteverntiltak. I post-pandemi har fokuset vært å få de ansatte tilbake til en arbeidshverdag på kontoret, med fortsatt fleksible løsninger for hjemmekontor- dager der dette trengs, dette i samråd med nærmeste leder. Vi i Kantar tror på at våre ansatte jobber bedre sammen og har et stort ønske om at kontoret skal være vårt felles samlingspunkt, dette for å bedre samhandling og styrke tilhørighet.

Tilrettelegging og mulighet for å kombinere arbeid og familieliv

Kantar har gode ordninger som legger til rette for en god balanse mellom arbeid og fritid, og herunder familieliv. Med fleksibel arbeidstid kan ansatte kombinere jobbhverdagen med aktiviteter og ansvar utenfor jobb.

Rekruttering og kompetanseutvikling
Kantar ønsker å tiltrekke seg, utvikle og holde på dyktige medarbeidere med ulike bakgrunn og legger til rette for personlig faglig utvikling og kompetanseheving.

Dette innebærer tilgang til faglige og administrative ressurser som er nødvendige for å kunne utvikle seg som medarbeider. Alle ansatte oppfordres til å delta på kurs eller andre opplæringsmuligheter som kan bidra til utvikling, både som fagperson og leder. Kantar har et innholdsrikt og omfattende løsninger for å utvikle egen kompetanse innen definerte fagområder. Her finner medarbeidere til oppdatert informasjon og opplæringsmateriell.

Lønnsvilkår
Kantar har ikke som mål å være markedsledende på lønn, men målet er at våre lønninger er konkurransedyktige i det eksterne markedet, samt at lønnsnivået skal gjenspeile den enkeltes ansvarsområde og stillingskategori (skale) i selskapet.

Det gjennomføres årlige lønnsforhandlinger med den lokale fagforeningen, som pt har ca 60 % av arbeidsstokken som medlemmer. Forut for lønnsforhandlingen har ledelsen sammen med fagforeningen en gjennomgang av lønnsnivå pr stillingskategori (skale) for å evnt avdekke skjevheter og ulikheter, der man ser på stilling, erfaring, bidrag og kjønn. Avvik som identifiseres blir håndtert og tatt inn i videre lønnsvurderinger.

Gjennomsnitt årslønn (100%) 2021 pr skale	Kjønn	
Skale	Kvinne	Mann
40	493 453	
50	572 574	579 647
60	717 178	699 018
70	829 250	930 749
80	1 049 747	1 112 962

Sykefravær
Sykefraværet er generelt lavt i Kantar. I 2021 var sykefraværet på 4,1 % i Kantar AS. Kantar har en avtale med NAV om et inkluderende arbeidsliv. Hensikten med avtalen er å forebygge og redusere sykefravær, styrke jobbnærværet og hindre utstøting og frafall fra arbeidslivet

Arbeid mot trakassering og konflikthåndtering
Kantar skal sørge for et trygt og sikkert arbeidsmiljø i henhold til selskapets prinsipper om kultur på arbeidsplassen. Kantar tar hensyn til den enkelte ansattes individuelle behov og hverken aksepterer eller tolererer noen form for trakassering, utsetting eller diskriminering basert på religion, kjønn, seksuell legning, alder, nasjonalitet, funksjonshemning eller

politiske synspunkter. Kantar har utarbeidet retningslinjer for konflikthåndtering og varsling. Retningslinjene oppfordrer medarbeiderne til aktivt å bidra til et arbeidsmiljø der konflikter blir håndtert på en åpen, ærlig og konstruktiv måte, og til å forsøke å forhindre at det oppstår ødeleggende konflikter.

Etikk
Opprettholdelse av høye etiske standarder har en stor verdi i seg selv for både Kantar og hver enkelt medarbeider. Kantar`s etiske retningslinjer er utarbeidet med formål om å øke bevisstheten rundt, og overholdelsen av, de høye etiske standardene som kreves av medarbeiderne. De etiske retningslinjene inneholder punkter som forretningsetikk; arbeidsmiljø og inkludering; gaver, bestikkelser og korrupsjon; konfidensialitet; og interessekonflikter. Overholdelse av disse etiske standardene skaper et grunnlag av troverdighet for samarbeid med samarbeidspartnere og det norske samfunnet generelt.

Slik arbeider Kantar for likestilling og mot diskriminering

Kantar`s arbeid for likestilling og mot diskriminering er et kontinuerlig samspill mellom mange aktører i selskapet, inkludert ledelsen, styret, administrasjonen, ansatte og tillitsvalgte.

- I løpet av de siste 3 årene er kvinneandelen i ledergruppen gått fra 1 til 4 kvinner.
- I Public divisjonen jobbes det nå også målrettet med å ansette flere kvinner for å få opp kvinneandelen, fra høsten 2022 vil andelen være 6 menn / 3 kvinner (mot 6 menn/ 1kvinne 2021).

Kantar baserer og vil jobbe aktivt med syklusen i en 4-trinns arbeidsmetode, se *Tabell 3,* og vil fremover skjerpe dette fokuset slik at rapporteringen for 2022 i større grad reflekterer den lovbestemte arbeidsmetoden:

1. Undersøke risiko for diskriminering og hindre for likestilling
2. Analysere årsaker
3. Iverksette tiltak
4. Evaluere resultater av arbeidet

I løpet av 2022 vil Kantar jobbe med målrettet prosesser for å identifisere mulige diskrimineringsrisikoer for likestilling og utvikle tilsvarende tiltak. Sammen med AMU og fagforeningen vil ledelsen igangsette arbeidet med å bedre kartlegge likestillings- tilstanden i Kantar og identifisere tiltak.
Utvalgte eksempler for dette arbeidet finnes i *Tabell 3.*

Tabell 3: Utvalgte eksempler fra arbeid med risikoidentifisering og tiltaksutvikling.

	Potensiell risiko	Mulige årsaker	Tilsvarende tiltak	Effekt av tiltak

1.	*Mulig risiko for at høyt kvalifiserte kandidater ikke blir identifisert i rekrutteringsprosesser, og dermed ikke blir vurdert*	*Mangel på overordnet struktur for rekrutteringsprosesser som sikrer objektiv vurdering av søkernes kvalifikasjoner og egnethet for stillingen*	*Kreve at det kalles inn ett minimum av kvalifisert kandidater av hvert kjønn/ bakgrunn til intervju.*	*Sikret at man har vurdert kandidater utifra i et mangfolds-perspektiv og høster resultat deretter.*
2.	*Mulig risiko for at enkelte medarbeidere har langsommere faglig opprykk pga kjønn/ bakgrunn/ livssituasjon?*	*Enkelte medarbeidere produserer mindre og påtar seg færre prosjekter pga kjønn/ bakgrunn / livssituasjon?*	*Utvikle en kvalitetssikringsprosess som sikrer alle medarbeidere en lik faglig utvikling uavhengig av kjønn/ bakgrunn/ livssituasjon.*	
3.	*Har vi gode nok tiltak som sikrer at vi beholder talentfulle medarbeidere på seniornivå i organisasjon uavhengig av kjønn/ bakgrunn og livssituasjon ?*	*Deler av arbeidsmiljøet er ikke tilstrekkelig tilrettelagt for å tiltrekke og beholde de beste medarbeiderne – uavhengig av kjønn, bakgrunn eller livssituasjon.*	*Behov for økt kompetanse og kunnskap mtp interne karriereveier*	

Ifølge de nye kravene fra Aktivitets- og redegjøringsplikten (ARP) skal arbeidet for likestilling og mot diskriminering utføres i mer aktivt samarbeid med tillitsvalgte, etter den lovbestemte arbeidsmetoden. En struktur som tydeligere reflekterer dette er i ferd med å bli definert, og vil inngå som en del av likestillingsredegjørelsen fra og med regnskapsåret 2022.

Tiltak fra og med regnskapsåret 2022
I tillegg til å videreføre tiltakene nevnt ovenfor, innføres nye tiltak i løpet av 2022 (se *Tabell 4*).

Kantar vil fremme deltagelse- og prosjekter i organisasjonen rundt strukturelle endringer som fremmer likestilling og kjønnsbalanse, som igjen vil ha som mål og oppnå langsiktig kjønnsbalanse og mangfold ved å skape en god ledelseskultur på tvers i Kantar med tanke på de ansattes bakgrunn og livssituasjon. Videre vil Kantar benytte seg av tilgangen til oppdatert kunnskap og utprøvde praksiser for å jobbe for likestilling og mot diskriminering.

Tabell 4: Oppsummering av de nye tiltakene planlagt for 2022

Område	Tiltak
Rekruttering	• Utarbeide opplæringsmateriell til støtte for ansatte i rekrutteringsrollen mtp mangfold, likestilling og inkludering.
Utviklingsmuligheter	• Oppdatere informasjon om tilgjengelige utviklingsmuligheter for alle ansatte på egen intranett-side • Arrangere lederutviklings-workshops med fokus på å skape inkluderende arbeidsmiljø. • Etablere mentor-grupper som gir realistiske utviklingsmuligheter samt støtte fra ledere og kollegaer. • Veilede i tilgang til et mangfoldig utvalg av webinar og seminar, gitt av både Kantar og eksterne leverandører
Mangfold og kombinere jobb og familieliv	• Innføre fast struktur for samtaler med nærmeste leder for å legge til rette for ansatte som kommer tilbake fra permisjon ("re-boarding") • Etablere flere 1-1 samtaler med ansatt / leder for å avdekke mulige utfordringer raskere.
Lønnsforhold	• Utføre analyse av lønnsvilkår i organisasjonen
Arbeidsmiljø	• Gjennomføre møte med verneombud, tillitsvalgte og AMU for diskusjon om arbeidsmetode og planlagte tiltak • Planlegge neste arbeidsmiljøundersøkelse i virksomheten • Evaluere retningslinjer for bruk av hjemmekontor (etter pandemien)

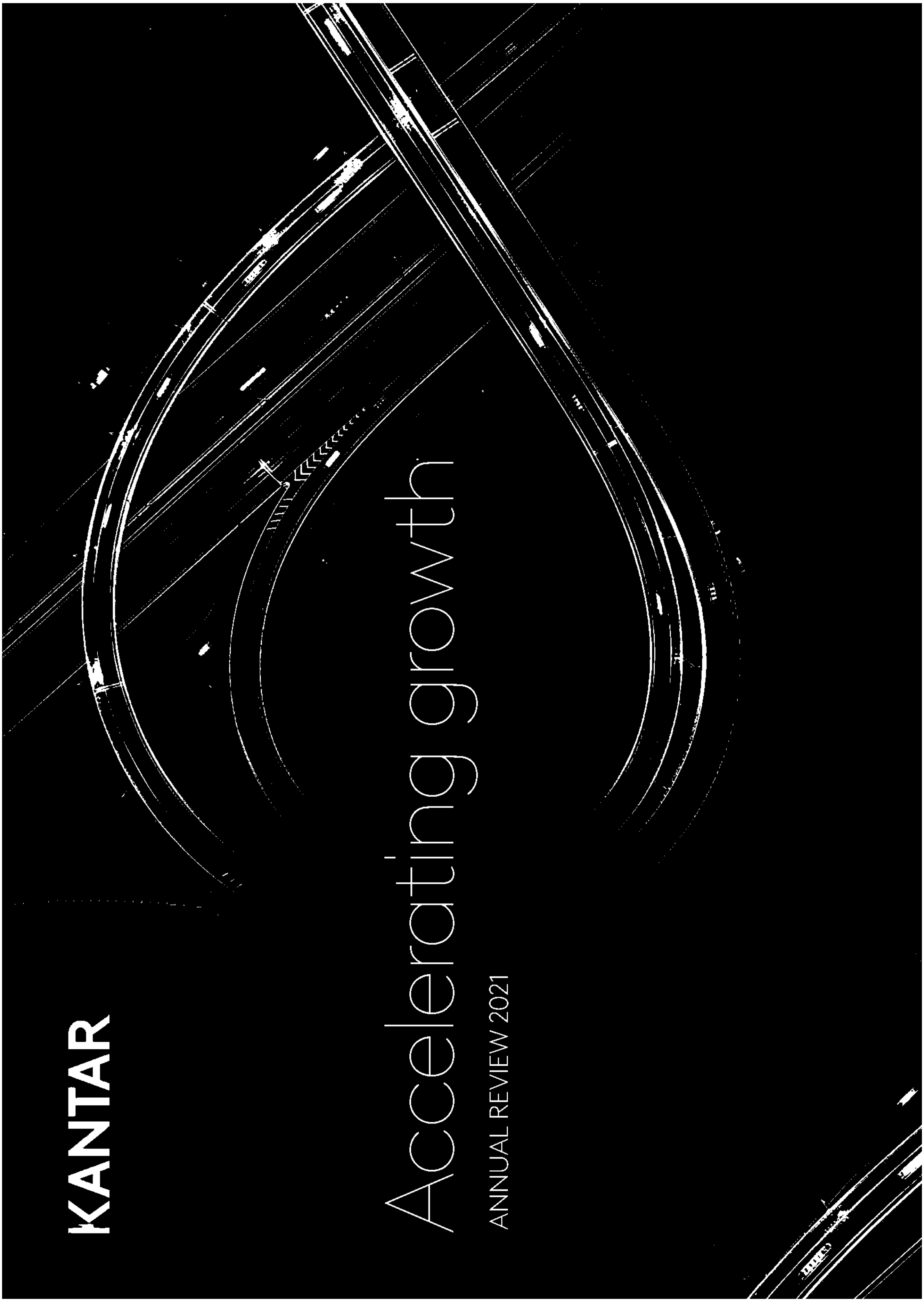
I konsernets ***Inclusion & Diversity 2021 Annual Report*** er det identifisert 6 områder som vil være i fokus i 2022. Dette vil også prege vår virksomhet i Norge

1. ***Policies:*** *Ensuring our policies are inclusive and help us to attract, retain and develop underrepresented talent.*
2. ***Processes:*** *Making our processes equitable and inclusive.*
3. ***Data:*** *Being transparent with both inclusion and diversity data to inform our strategy, monitor progress and hold ourselves accountable.*
4. ***Learning & Development:*** *Enabling all colleagues with the skills and knowledge to be inclusive and ensuring we're intentionally growing our diverse talent.*
5. ***Employee Resource Groups (ERGs):*** *Evolving our ERGs so they are vehicles to drive meaningful change into the organisation.*
6. ***Governance:*** *Making sure we have a governance model that drives consistency, ensures everyone feels supported to lead on I&D, and accountability is sitting in the right place.*

Kantar AS

Kontantstrømoppstilling

	2021	2020
Ordinært resultat før skattekostnad	5 014 582	6 482 654
Periodens betalte skatt	-2 336 874	-2 981 065
Ordinære avskrivninger	16 181 782	14 508 887
Forskjell mellom kostnadsført pensjon og utbetalinger	-463 584	229 487
Endring i kundefordringer	4 555 546	7 133 358
Endring i andre kortsiktige fordringer	3 463	-245 295
Endring i leverandørgjeld	685 186	1 470 714
Endring i andre omløpsmidler og andre gjeldsposter	9 556 320	-474 536
Netto kontantstrømmer fra operasjonelle aktiviteter	**33 196 421**	**26 124 203**
Utbetalinger ved kjøp av varige driftsmidler	-4 028 912	-7 668 185
Netto kontantstrøm fra investeringsaktiviteter	**-4 028 912**	**-7 668 185**
Netto endring i konsernkontoordning	-26 342 798	-9 719 078
Utbetalinger av utbytte	-	-12 000 000
Netto kontantstrøm fra finansieringsaktiviteter	**-26 342 798**	**-21 719 079**
Netto endring i bankinnskudd	2 824 711	-3 263 062
Beholdning av bankinnskudd pr 01.01.	7 870 355	11 133 417
Beholdning av bankinnskudd pr 31.12.	**10 695 066**	**7 870 355**


Accelerating growth
ANNUAL REVIEW 2021
KANTAR

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Annual Review 2021

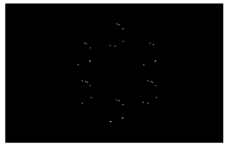
About Kantar

About us >

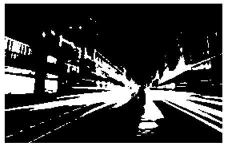
Kantar is a data and evidence based advisory business providing information and recommendations to clients, worldwide. We help clients understand people and inspire growth.

Our business model >

By combining the expertise of our people, our data resources and benchmarks and our innovative analytics and technology, we help our clients understand their consumers, identify growth opportunities and execute against those opportunities.



Divisional deep dive



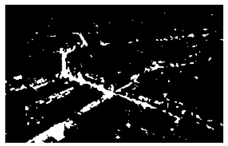
Insights Divison > Informs business and marketing strategies for the world's biggest consumer brands.

Profiles Divison > Connects brands with people through the world's highest quality survey panels.

Media Divison > Expert in measuring and understanding the changing media landscape.

Worldpanel Divison > Experts in shopper behaviour.

Numerator > Unique understanding of North American shoppers.



Public > Unlocking the most difficult public policy challenges.

About Kantar

Kantar is a data and evidence based advisory business providing information and recommendations to clients, worldwide. We help clients understand people and inspire growth.

About Kantar

We have a complete, unique and rounded **understanding of people** around the world: how they think, feel and act; globally and locally in more than 130 markets. We know more about people than any consultancy and we know more about business than any research company.

About Kantar

Understanding people

Consumer panels

>150m
panellists

130
markets

Measuring real shopping decisions

624m
decisions measured globally every year

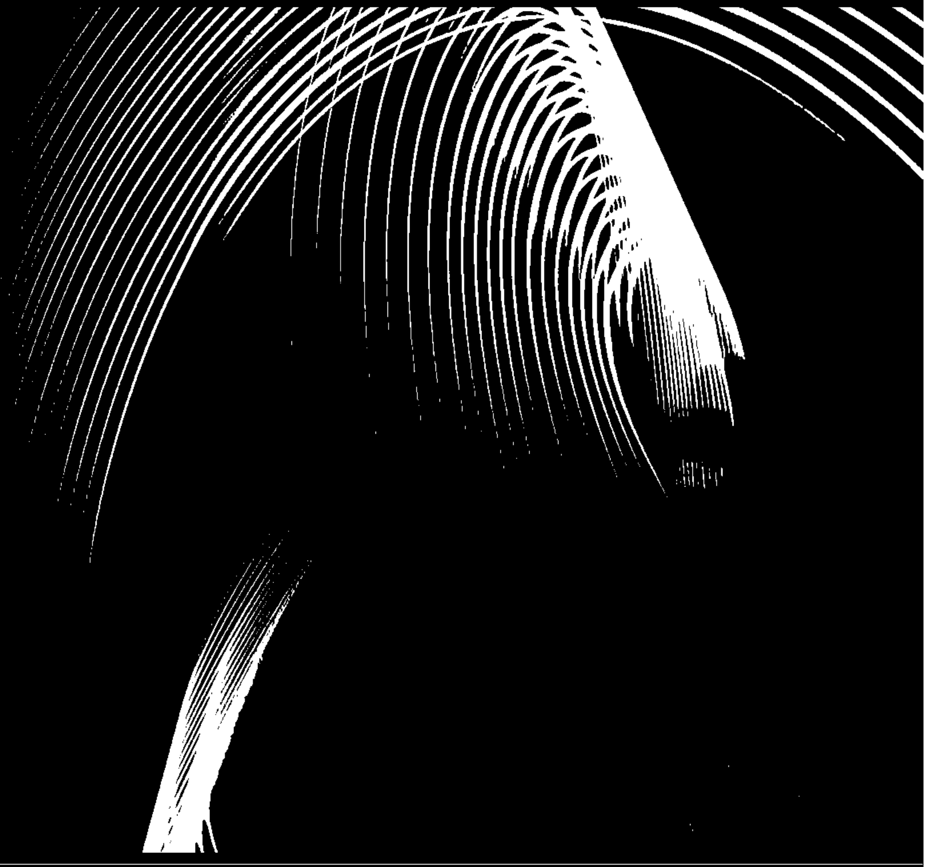
20
decisions tracked per second

Measuring media audiences

61
markets use our panels and technology globally

About Kantar

Our insights, foresight and advice are embedded within our clients' processes and **at the heart of their decisions**. We do not just help clients understand what has happened, we explain why and how they can **shape the future**.



About Kantar

Shaping the future

Market analytics

500m

social-media conversations analysed every year

Retail trends

1,500

retailers analysed on an ongoing basis in

130

markets

Leading companies

93

of the world's 100 biggest advertisers work with Kantar

65

of the Fortune 100

At a glance

Revenue

$3,283m

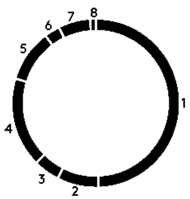
in FY21 (+16% FY20 $2,838m)

Adjusted EBITDA[1]

$600m

in FY21 (+35% FY20 $443m)

Gross revenue by division[1]



1	Insights	**49%**
2	Profiles	**8%**
3	Consulting	**5%**
4	Media	**17%**
5	Worldpanel	**10%**
6	Numerator	**3%**
7	Public	**6%**
8	Health	**2%**

Operating profit/(loss)

$111m

in FY21 (FY20 loss of $(211) m)

Employees

27,163

Average number of employees during 2021

1. Please note the following:

a) This measure represents an alternative performance measure (APM), please refer to pages 77-80 for definition and reconciliation between APM and consolidated financial statements.

b) This measure is presented at constant currency exchange rates, please refer to page 91 for further details.

c) This measure is presented on a Pro Forma basis including acquisitions and excluding disposals from the time of acquisition or disposal along with the prior year comparatives. This means we have included 6 months of Numerator trading from acquisition to the end of the year for both 2021 and 2020 and excluded Health from the dates of disposal for both 2021 and 2020.

d) Gross revenue includes intercompany revenue between divisions.

Chairman's statement

Getting in shape for continued growth

Adam Crozier
Chairman

"In 2021, we made significant progress in **reshaping the company**."

Welcome to our first Annual Review. Through a second year of pandemic, our teams around the world have continued to deliver a very high level of performance in often very difficult professional and personal situations. Their spirit and determination is remarkable. This spirit and determination has been key to our success during 2021; creating and securing opportunities with our clients, and driving client satisfaction to new highs. My profound thanks go to the entire Kantar team around the world.

Our transformation journey

In 2021, we made significant progress in reshaping the company. We have focused on ensuring we have the best portfolio of products and services – the benchmarks, insights and advanced analytics – to inform our clients' growth strategies. We have invested record sums to acquire new capabilities and accelerate the strategic growth platforms within the business.

Our acquisition of Numerator in the USA, will prove to be transformational. We are now the clear global leader in providing insights into shopper behaviour, and Numerator brings some great technology to the company. Our MeMo2 acquisition significantly expanded our media effectiveness measurement capabilities in Europe. Investments internally enabled us to achieve some major milestones in the development of our priorities such as Brand Guidance, Kantar Analytics Practice, Worldpanel Plus and Kantar Marketplace; all strategically important for our long-term growth.

Focusing on our portfolio also meant re-evaluating our presence in some markets. The disposals we made during 2021; the sale of our Health division, our Reputation Intelligence business and BVS, our ad authentication business, all release capital to fund future investments and importantly free up management time to focus on our growth businesses. Our improved levels of profitability reflect the tremendous work we have done, and the investments we have made in improving our, often very fragmented, processes to make it easier and faster to get things done.

Leadership

I welcome Chris Jansen to Kantar. Chris started as our Chief Executive on 1 November 2021. He brings more than 20 years of leadership experience in the services sector and a well-established reputation for growing the culture within a company and building great companies. His leadership qualities will be instrumental in fulfilling the ambition we have for Kantar. I would also like to acknowledge and thank Ian Griffiths for his invaluable work as deputy CEO and CFO in keeping the organisation focused and moving forward. I wish him the best of luck as he takes on his new role with Bain Capital.

We have appointed new global leaders in several key executive positions, bringing world-leading experience from across the technology and services world. The executive leadership team we now have in place reflects our determination to continue on Kantar's transformation journey and also lead the structural changes taking place in our industry.

Chairman's statement

Chris Jansen, Chief Executive in conversation with Ian Griffiths Deputy CEO and CFO

"Chris Jansen brings a well-established reputation for **growing the culture** within a company and **building great companies**. His leadership qualities will be instrumental in fulfilling the ambition we have for Kantar."

Responsible stewardship

As we build Kantar as an independent entity, we are aiming high in our Environmental, Social and Governance (ESG) obligations from the outset. We have made good progress in beginning to understand and manage the environmental footprint of our organisation. The bigger impact we can have, however, is through the network impact of our Sustainable Transformation Practice. Launched in March 2020, the practice is now advising more than 300 different brands, as well as Kantar, on how to integrate environmental and social issues into the core of their operating models. The positive impact our clients have by implementing our advice will amplify exponentially Kantar's social and environmental impact. An important part of the wider sustainability debate is Inclusion and Diversity (I&D). We have an opportunity to establish ourselves as leaders in this space. We are addressing I&D across our entire value chain. From the suppliers we work with to having an inclusive and diverse workplace. From the survey panels we build to the I&D advice we give our clients through offerings like the Inclusion Index. As part of the process of developing our ESG strategy we are beginning to embed ESG-related thinking and capabilities as a priority across all our systems and survey work.
We have also recently completed the independent Ecovadis sustainability assessment (www.ecovadis.com) to understand our current ESG position, receiving a bronze rating. We have an ambition to improve this rating very quickly as our strategy and infrastructure develop.

Continuing our journey in 2022

I have great confidence in the shape of our business, in the strategic blueprints we are implementing to accelerate growth, in our sharpened commercial focus and in the executive team's ability to continue transforming Kantar.

The wider world context is becoming increasingly challenging. It is clear we will continue to operate in a pandemic era. The more recent attack by Russia on Ukraine, beyond the human tragedy, will create new geo-political complexities that will take time to understand and will cause some uncertainty in the business environment. I am certain though, that, with our ~27,000 people across the business, we have the talent and commitment to navigate these uncertainties, stay focused on building a great company and extend our leadership in our industry.
I am more optimistic today in the outlook for Kantar than at any point since I joined.

Adam Crozier
Chairman

Chief Executive's statement

Pushing Kantar to new heights

Chris Jansen
Chief Executive

"We finished 2021 as a **much stronger and more focused** business compared to the one that started the year."

I joined Kantar in November 2021, and I would like to acknowledge the tremendous welcome I have received. In every meeting I have had with our employees, the quality of our people shines through; their expertise and relentless focus on serving our clients. The talent, dedication and passion of our people is even stronger than I could have imagined. This is a wonderful foundation for the ambitious plans we have for the years ahead.

I echo our Chairman's words in thanking our global team for their outstanding efforts throughout 2021, often made in very challenging personal circumstances. The pandemic affected people's lives in many different ways, and I am keenly aware that staying focused on the day job is a demonstration of conviction and purpose.

I joined a company and leadership team that has been working hard to transform the business. The outstanding results the team achieved in 2021, over and above this work, are a reflection of their skill and leadership qualities. The extended leadership team kept the organisation focused on performance and growth, while simultaneously transforming the business.

As already announced, Ian Griffiths will take on a senior advisor role with Bain Capital. I would like to acknowledge, and thank him for, his achievements in steering the company through the pandemic and sharpening the commercial focus of the business. I look forward to welcoming Michael Uzielli as CFO in June.

We finished 2021 a stronger and more focused business. Revenues rebounded well as our clients reignited their own growth plans. Importantly, as they did so, they understood Kantar's value-add to both their strategic development and measuring tactical execution. This is best illustrated by our performance with our top ten clients, where we achieved double-digit growth in both halves of the year.

While revenue growth was 16%, our Adjusted EBITDA performance was up 35%. Beyond the recent benefits of lower travel and real-estate costs, the structural changes we implemented have made our business faster and simpler. We have created new ways of working and become less centralised with greater delegation of decision-making. Combined with our increased commercial discipline, these evolutions are making sustainable savings.

Our investments are creating incremental revenue. Combined, our tech-driven growth platforms – Kantar Marketplace, Brand Guidance, Analytics Practice and Numerator – delivered 48% annual growth, taking their combined revenue beyond $500 million. Our Media division strengthened its long-term outlook with strategic wins in the Netherlands and the UK. Our Worldpanel business delivered double-digit growth for most of the year, off the back of a strong 2020, as our clients continued to invest in understanding the new pandemic-era consumer behaviour.

Regional growth

We saw good growth in the Americas, with our LatAm business being particularly strong, and the US team really succeeding in brand-related areas. After a very strong second half, they are well positioned for growth. EMEA had a strong year; the UK grew strongly all year and we saw good growth from France and Italy, as Kantar Marketplace rolled out. After restructuring, our

Chief Executive's statement

German team had a very strong last quarter, creating a platform for strong growth in 2022. The MEA region saw strong growth in all key markets, with a combined growth of over 25%.

In Asia, the market recovered to operating normally in the second half of the year. We performed ahead of expectations as we liaised with clients on new ways of working, and improved our product mix.

The market environment

The environment we operate in affects our businesses in different ways. Our Media division derives more than half its revenue from long-term audience measurement contracts, and so is broadly immune to short-term confidence fluctuations. Other parts of our business, particularly in advertising and creative testing, conversely act almost as a barometer for business confidence.

Our performance was set in the context of a very fluid macro-environment dominated by successive waves of Covid-19. In the first half of the year, we saw a growing sense of confidence from clients, characterised by re-investment in their insights and strategy functions. Confidence waned late in quarter three, with the emergence of Covid-19 variants, and short-term investment slowed. These shifts in confidence match closely with the spend patterns we saw in the industry indices we track. Looking to the year ahead, we face two significant externalities: the economic impact from the Ukraine crisis and the potential emergence of new Covid-19 variants. While we are confident in the value and resilience of our offer, these two factors create some uncertainty in our visibility of client spending throughout 2022.

"Irrespective of the external environment, we have ambitious goals to carry on strengthening and growing Kantar."

TRI*M client satisfaction methodology score increase from 86 to 89

+3.5%

Client Satisfaction

Our high levels of recurring and re-occuring revenue are a great indicator of the health of our relationship with clients. Beyond the financials, we measure client satisfaction using TRI*M. Our results for 2021 show a 3.5% increase in client satisfaction, with our score increasing from 86 to 89. This was thanks to our performance rating reaching a score of 100, signifying a 'very strong' satisfaction level.Our preference score increased by 5 points, moving from 73 to 78. These improvements position us more than 20% above the industry benchmark.

It is pleasing to see our teams' efforts recognised by clients, with commentary reinforcing how much we owe our success to our people. The consistent narrative associates our teams with high-quality work, expertise and creativity in addressing challenging briefs. Our clients also identify areas for improvement, including sharper data presentations and bolder recommendations. Consistent with my philosophy of being the best at getting better, we will be sure to act on this valuable feedback in the year ahead.

Employee Satisfaction

Our people underpin our success, and developing a high performing culture is key to our long-term growth. I am pleased our teams say we have strong collaboration across the company, and are working towards clear goals and making timely decisions. In all these spaces we are above 'high performing' norms. Our engagement scores and the level of pride among the team are strong, but could be stronger. I want even more of our colleagues to recommend Kantar as a great place to work. As can be seen in my 2022 priorities, these will be a focus for us in the year ahead.

Priorities for 2022

Irrespective of the external environment, we have ambitious goals to carry on strengthening Kantar and I am excited about my role in continuing to shape the organisation for long-term sustainable growth. The goal of the year ahead will be Accelerating Growth. Growing companies are exciting places to be. They invest in great projects, attract the best talent and aim to become genuinely world class in everything they do. To that end, I am evolving our 2021 strategic priorities that formed the basis for the successes described in this report. You will see our 2022 priorities set out on the next page.

Finally, again a huge thank you to everyone at Kantar for their contribution to the transformation momentum we built up in 2021. I know this effort is continuing as we move through 2022, and I am confident we will finish the year even stronger as a company and even more valuable as a partner.

Chris Jansen
Chief Executive

Our strategic priority for 2022: Accelerating Growth

We are a people business, and people need inspiration and purpose.

We have already started work on developing a new purpose and, in 2022, will become a purpose-led organisation. Our own Purpose 2020 research demonstrates that such organisations achieve 2.5x faster brand growth than low-purpose brands. We will also continue our work to develop a more inclusive and diverse workplace, and to create more opportunities for our people to develop and grow. In addition, we will create tighter and more-cohesive teams, to improve collaboration and coordination, and will develop a comprehensive ESG strategy to set an example for our clients to follow. We will become the best at getting better.

We can only achieve sustainable growth through increasing the impact we create for our clients.

We are investing to improve the solutions and capabilities that help our clients better understand their business and their consumers. We are developing how we interact with our clients, making our engagements simpler, faster and more flexible. Our objective is to become their first choice as strategic partners.

While succeeding today, we are also getting ready for the years ahead.

Each division is working to a 'growth blueprint' – a detailed set of objectives, goals, strategies and plans that define the future opportunity for that business, and identify how we will seize that opportunity. Making our people's expertise scalable through advanced analytics and artificial intelligence is one important element of our future, and our Analytics Practice will play an important role in applying their advanced technology to our portfolio.

Kantar as an investment

Looking to the future

Mark Read
Chief Executive
WPP Plc

Christophe Jacobs van Merlen
Managing Director
Bain Capital Private Equity

"We have everything we need: the people, the expertise, the scale, the customer access and, increasingly, the technology to **reshape the market intelligence and research industry**."

It has been more than two years since WPP Plc completed the sale of 60% of Kantar to Bain Capital Private Equity. We caught up with Mark Read, Chief Executive Officer of WPP Plc and Christophe Jacobs van Merlen, Managing Director at Bain Capital, to ask their views on the intervening period and the coming years.

Since the ownership transaction, have you seen the acceleration in growth you would have hoped for, and how has the pandemic affected your plans?

MR: Yes, the team has made important strategic decisions, and navigated the pandemic extremely successfully. We are very pleased with the progress we have made in more than two years. The business definitely ends 2021 in a stronger position than it began the year.

CJM: Well, obviously no one anticipated that the pandemic would have quite such an impact, but during that very difficult time we made tough choices – but the right choices, to protect the underlying health of the business.

The appointment of Chris Jansen as CEO was a key decision. What mandates have you set for Chris?

MR: Building a strong team is task number one. Thereafter, innovation in the research sector is a real priority alongside responding to clients as they navigate the challenges of the pandemic era.

CJM: Chris is known for his very strong people leadership skills, and with an organisation of over 27,000 people, that was a big attraction. Now that we have the right-sized organisation, it is about creating the right culture to drive top-line growth and accelerate the trajectory that we are now on.

Investment in technology is an important part of the strategy. What examples of this do you find particularly compelling?

MR: The Numerator acquisition for me. It leapfrogs Kantar into a leadership position in the US panel market, but also provides a technology platform we can roll out across our footprint. It is the sort of bold deal the partnership with Bain Capital allows.

CJM: Absolutely, I would agree with that, and Numerator is also about giving us market access. The continual improvements in technology will come from internal investments as well as acquisitions. Take for example the Analytics Practice and Kantar Marketplace. Cumulative $100 million milestone achieved by Kantar Marketplace plus $115 million achieved by Kantar Analytics Practice. These investments include the senior technology people we have brought on board, who bring great experience from more disruptive and technology-driven organisations. They will propel our transformation in tech.

Kantar as an investment

How has the new ownership structure benefited clients, or more broadly, the business's stakeholders?

MR: Given all the priorities we had at WPP Plc, we felt that this move would bring the focus necessary to unlock its potential. And that is certainly what we have seen. And of course, the clients have benefited from a more innovative and faster moving Kantar addressing their needs.

CJM: Yes, it is clear that clients have started to benefit from a more focused organisation. Our investments in product, but also in people, and how these are being reflected in our higher customer-satisfaction scores, especially as we empower our local teams to further strengthen in this area.

WPP Plc and Bain Capital Private Equity add value to Kantar in different ways. How does the relationship work on a day-to-day basis?

MR: We are involved in the big strategic moves but we trust Bain Capital and the management team to run the business day to day. What is important is that we have a shared vision of the future and that we are both committed to Kantar's success. That is why we have continued to invest in Kantar, for instance, by supporting the Numerator acquisition.

CJM: It is a very constructive and collaborative Board. I have massive respect for what WPP Plc brings. Their understanding of clients and how their broader needs are evolving, as well as how Kantar engages throughout the marketing value chain is invaluable. We add our transformation capabilities into those Board discussions, and I think it is the combination of those different voices that ultimately gets us to the right decisions.

That Numerator acquisition needed an incremental investment in Kantar from both Bain Capital and WPP Plc. Was this a signal of confidence in the progress the company is making?

MR: We always knew that the plan for Kantar was not only to transform internally, but to expand its offer through M&A. And the size, scale and valuation of the Numerator acquisition certainly indicates our confidence in these plans.

CJM: I think our excitement about owning Kantar is much greater today than at any point in the past two and a half years. We are now more and more convinced. Numerator is just one example of that. We see enormous value and potential in this business. Maximising the value of data is increasingly important in every business. In that context, Kantar's position with clients as a source of trusted and permissioned data and insights and its growing reputation as a player at the centre of the data ecosystems gives us great confidence in the outlook for the business.

So you foresee future opportunities for further bolt-on acquisitions?

MR: The Numerator transaction illustrates that where we see the right scale of commercial opportunity we have the ambition and willingness to make transformative investments. I am confident that the transformation taking place in the research and insights industry will create future opportunities.

"Kantar's position with clients as a source of trusted and permissioned data and insights and its growing reputation as a player at the centre of the data ecosystems gives us great confidence in the outlook for the business."

Christophe Jacobs van Merlen
Managing Director, Bain

CJM: Yes, definitely. We think about this in two dimensions. One is market access, improving our market share where we believe we do not necessarily have our fair share. The other is on the technology side or, more broadly, capability side, particularly analytics. And we definitely want to be at the forefront of these areas in our sector.

Looking to the future, what are your ambitions for Kantar? What does it need to achieve, to ensure it continues to grow at a faster pace?

MR: Every business needs to grow, and to do so successfully they need to delight their customers through innovation, experiences, and strong products and services. This is what Kantar can bring to its clients, but with technology it can do it faster, smarter and more cost-effectively. So, I am very optimistic about the future for Kantar. It has a strong heritage and an even better future.

CJM: My goal is to look back in five to ten years and say Kantar shaped the market intelligence and market research industry. I would like Kantar to be the benchmark. We have everything we need – the people, the scale, the customer access, and we are bringing the technology. We are very excited about the change in trajectory and acceleration we can already see.

Our business model

What we offer

We are an evidence and technology based research advisory business, providing information and recommendations to brand owners, advertising and marketing agencies and media platforms worldwide.

By combining the **expertise of our people**, our **data resources and benchmarks**, our **innovative analytics** and **technology**, we help our clients understand their consumers, identify growth opportunities, and execute against those opportunities.

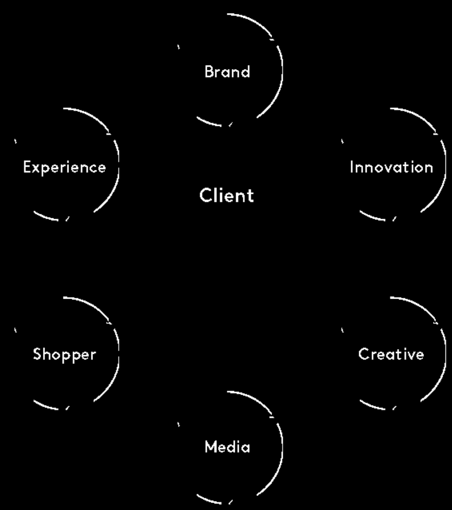
Our business model

What we offer

Creating value

Our 'currency status' in many spaces, from shopper behaviour to advertising and audience measurement, combined with our years of expertise in managing data privacy concerns, create significant barriers to entry across our core businesses.

Kantar's products, solutions and services



Kantar's foundational capabilities

Brand Innovation Creative Media Shopper Experience

Our business model

Who we work with

Our clients are wonderfully diverse. We inspire, inform and work with them to create strategies whatever their objectives – improving brand awareness, attracting more consumers, increasing brand penetration, creating financial success or growing people's confidence in public services.

93/100 Partner of choice

Global partners

Local giants

Specialists

Technology and ecosystem players

Our business model

Who we work with

Diverse and stable client base

Revenue by client concentration

16%

18%

10%

14%

42%

Revenue by sector

48%

25%

9%

6%

5%

5%

2%

Low-churn customer base

1% churn

1% churn

52 wins

Revenue nature

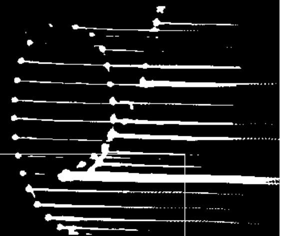
Recurring contractual

Recurring embedded

Re-occurring add-ons

Ad-hoc

Our business model



What makes us different

1

Deep market expertise with global footprint

2

Unparalleled data assets and validated methodologies

>150m
Panellists

Link ad testing

1m+
Shoppers

Brand Lift Insights

Our business model

What makes us different

3

'Currency status' across multiple industries

TV audience measurement

Link ad testing platform

Grocery market share data

Target Group Index (TGI)

4

Advanced analytics capabilities

Our business model

Our divisions

Insights	Profiles	Consulting	Media
Divisional review page 36 >	Divisional review page 53 >		Divisional review page 56 >
Gross revenue	**Gross revenue**	**Gross revenue**	**Gross revenue**
$1,819m	$301m	$186m	$640m
49%	8%	5%	17%
YoY growth in gross revenue	**YoY growth in gross revenue**	**YoY growth in gross revenue**	**YoY growth in gross revenue**
9%	9%	6%	3%

Our business model

Our divisions

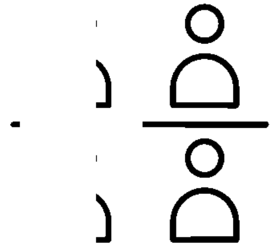
Worldpanel	Numerator	Public
Divisional review page 62 >	Divisional review page 65 >	Divisional review page 68 >
Gross revenue	**Gross revenue**	**Gross revenue**
$357m (10%)	$109m* (3%)	$218m (6%)
YoY growth in gross revenue	**YoY growth in gross revenue**	**YoY growth in gross revenue**
9%	21%	20%

Strategic priorities

2021 transformation priorities

We have executed against a broad **transformation plan** with a detailed set of workstreams to secure the long-term health of the company. These **priorities** ensured we emerged from the pandemic as a stronger business with a **clear and ambitious** growth agenda.

Please refer to the Chief Executive's statement on page 9 to understand how these priorities have evolved for 2022.



Winning with clients

We are…

- leaders in providing world-class data, insights and consultancy. The stronger our work, the better we meet the expectations of our clients
- focused on profitably providing ever-more advanced capabilities that offer the deeper insights and advice our clients need
- becoming world leaders in the big data, AI and automation trends shaping our industry, disrupting the market by innovating faster than our competitors.

We have…

- focused our resources in areas that achieve profitable wins and business growth
- accelerated our investments in strategic growth platforms, including our Analytics Practice, Kantar Marketplace and Brand Guidance solution, and their underlying technology
- developed and are executing divisional growth blueprints
- renegotiated or resigned loss-making contracts.

Strategic priorities

Speed and simplicity

We are…

increasing the speed and simplicity of our organisation and discipline in how we manage it. This ensures better service for our clients, a more-rewarding experience for our employees, and cost savings to fund our growth and investment strategies. Faster, simpler structures also support innovation.

We have…

- re-evaluated and simplified our organisation, operating models and portfolio strategy in line with changes to demand
- progressed workstreams to accelerate transformation in operations, functions, divisions, procurement and third party spend
- strengthened governance
- repurposed savings to invest in making our technical infrastructure a source of competitive advantage
- increased our focus on cash flow and control of discretionary costs.

Invest for the future

We will be…

more rigorous in evaluating and prioritising how and where we invest our management time and resources. We will focus on innovation across the business to retain our competitive advantage in the marketplace, and to inspire growth.

We have…

- developed our M&A and portfolio strategy to build world-class capabilities
- developed our overall platform and data strategy
- identified and funded break-through market opportunities
- generated cash through strategic divestments
- more to do.

Growing our technology-enabled portfolio

Technology Review

Alex Cesar
Chief Technology Officer

Ted Prince
Chief Product Officer

"**Our product vision** is centred around data and analytics-fuelled human insights."

Technology has played a key role in our growth over the years. We have a strong record as pioneers in developing new technologies to better understand people. We were the first to achieve real-time TV audience market share and to combine broadcast streaming and online viewing in audience measurement. In advertising, we were first to use facial coding in testing and were innovators in deploying audio-recognition technology to measure media consumption across multiple devices. We were also a pioneer in the shift to online survey fieldwork.

While technology and data sciences play a key role across much of our portfolio, our tech-enabled platforms, Brand Guidance, Kantar Marketplace, Kantar Analytics Practice, and our Numerator business, today account for more than $500 million in revenue.

Ted Prince, Chief Product Officer, and Alex Cesar, Chief Technology Officer, ensure our advanced technology continues to be a differentiator, and valuable for our clients. We discussed the role of technology at Kantar with them.

What is Kantar's vision for the role of technology in the company's portfolio?

AC: I think it is fair to say we have brilliant pockets of technology, but I would not describe us as a technology company. In the coming years, technology will become a fundamental element of our transformation.

TP: I would add products to that. We have some excellent technology-based products. We have a product vision centred on human insights based on data and analytics. Applying technology and advanced analytics will make the great insights of our experts available to many more clients, more quickly and more cost effectively.

We are definitely moving from products developed independently in different parts of the business, with little overarching strategy, to putting much more discipline into that process. With the appointment of new product-management leaders and technologists over the past year, we now have the skill to identify the right priorities, the capacity to invest in those priorities and the technology capabilities to deliver to clients.

AC: Yes, empowering our people and our clients with the right data and analytics capabilities, I think that is cool. The insights industry and ecosystem of 2025 is going to be completely different to what we have in 2022. And we are going to be leading that transformation.

What are clients saying to us? What are their expectations?

TP: Client input is central to our innovation process, it is where we define our strategic initiatives. We then have a highly structured process to assess the opportunity and then build and deliver the product to our clients much faster than before.

AC: I would say our clients believe insights need to be generated at an ever-faster pace. They tell us that predictive capabilities are fundamental to their roles. Just describing the past is no longer enough.

Growing our technology-enabled portfolio

Kantar's Analytics Practice acts as a centre of expertise across the business. What value does that bring?

TP: Two things. Firstly, if we think about how our Analytics Practice achieve value for clients; data audits, followed by data ingestion, data enrichment and data harmonisation, we are helping clients maximise the value they get out of their own data and from strategic partners like us. Secondly, as some of the world's leading AI and machine-learning specialists, we are helping our business generate new features and even new versions of our core products. Link AI is a great example of that.

AC: Link AI is also a great example of how the Analytics Practice is finding new value in our data sets. We have, probably, the biggest and richest data set for creative, behavioural and consumption data in the world. Important continuous datasets like our Worldpanel data and our Audience Measurement data, as well as normative data sets like Link, BrandZ, Needscope and Product eValuate. The Analytics Practice helps us unlock the power of our collective data, finding new ways to integrate and analyse our beautiful data.

"We now have the **skill** to identify the right priorities, the **capacity** to invest in those priorities and the **technology** capabilities to deliver to clients."

Technology across Kantar's Portfolio:

Kantar Analytics Practice
see page 43 ›

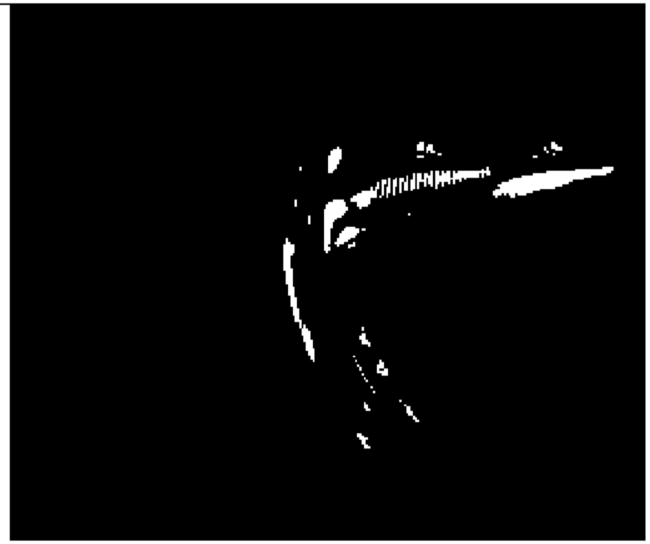
Kantar Marketplace
see page 49 ›

Worldpanel
Our Worldpanel business uses scanning devices and smartphone apps to gather daily shopper behaviour data, and advanced data sciences and client dashboards to turn it into insights for the world's biggest grocery brands.

Brand Guidance
Brand Guidance, our brand-management platform uses validated metrics and extensive benchmarks to allow marketers to analyse their own sales and marketing data to optimise brand performance and campaign effectiveness, and to test and simulate future scenarios.

Brand Lift Insights and Cross Media Measurement
Our Brand Lift Insights and Cross Media Measurement offerings are an illustration of applying data sciences to creative industries. First, absorbing data, then identifying connections so we can predict outcomes and optimise campaign effectiveness, helping clients understand which campaign elements work best in different contexts.

Audience Measurement
Our Audience Measurement and TV Ratings business is built on our proprietary PeopleMeter and Focalmeter hardware that tracks content viewed across all screens in the home. We manage the panels and data using Atria, our cloud-based solution, while the resulting data is analysed by our Techedge research and planning tools.



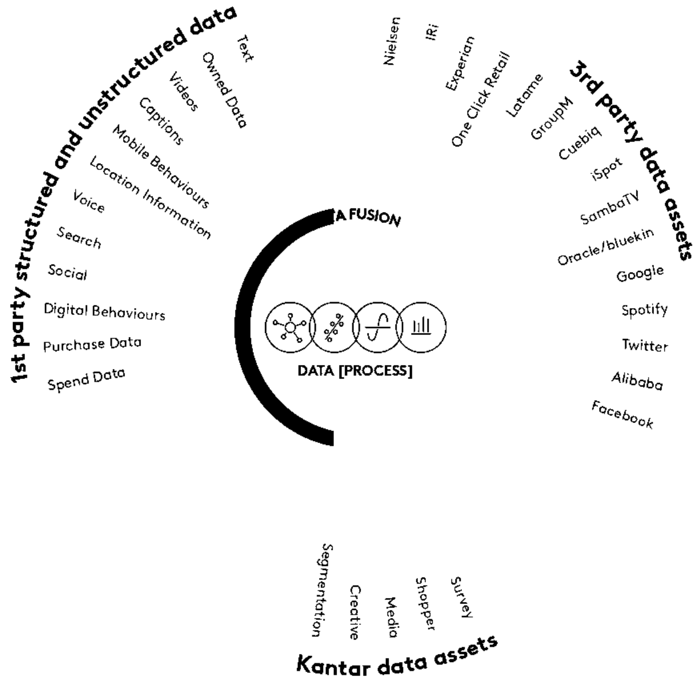
Growing our technology-enabled portfolio

What role do people play in this technology future?

AC: Our people are central to everything we can achieve. From an IT perspective, we are powered by great people. These advancements are not possible unless everybody plays to their strengths and works together. When I think about how rich our data sets are, and our technology plans, I think Kantar is one of the most interesting and attractive places for IT people and data scientists to come and work. They have a seat at the table to collaborate and we are doing a great job at attracting and retaining top talent.

TP: Part of the role of technologies like AI and machine learning is to create the most advanced ways of servicing our clients. That includes analysing data at a scale not achievable by humans, finding relationships in data that we could not identify, doing tasks faster and cheaper than we can. All of that, though, is complementary to the roles of our people. AI and machine learning are facilitators of data management, helping us move faster and at scale. We will blend the intelligence of our researchers, analysts and consultants with that of our data scientists and data engineers, to become world class at developing and deploying technology-based products that help our clients identify, plan and achieve growth opportunities.

We create data ecosystems from any source, anywhere, to discover the unique customer insights.



DATA FUSION

Turning data in to a business asset:

— Audit
— Ingestion
— Enrichment
— Harmonisation

DATA [PROCESS]

Informing tactics and strategy:

Classification
Causality
Prediction
Optimisation

Our approach to ESG

Developing an ESG strategy

We aspire to be a purpose-led company, we make a broad contribution to society and the environment by managing our activities with care, by working with responsible organisations that promote social and environmental causes, and by influencing the ESG performance of our clients through advisory services. Many different stakeholders have an interest in our business and we welcome discussion of our policies and performance.

Kantar was previously part of the WPP Plc sustainability programme. We are now in the process of developing our own ESG strategy and plans, supported by our new majority shareholder Bain Capital. This ESG strategy will sit alongside our purpose and our business strategy in shaping how we operate as a business.

As a first step, we recently conducted a thorough materiality exercise, surveying internal and external stakeholders to find out how important specific ESG issues are to them. We found that some of Kantar's most critical areas included data privacy, human rights, health and wellbeing, and ethics and corruption. We also discovered that financial investors felt particularly strongly about environmental issues, such as office carbon emissions, air travel and energy management.

In developing our strategy, we also recently completed the independent Ecovadis assessment (www.ecovadis.com) to understand our current ESG position, receiving a bronze rating. Our score is higher than the benchmark for other companies of our size in the advertising and market-research industry, but we recognise we have more work to do, and understand the importance of clear reporting and concrete action. Following the Ecovadis assessment, we are developing a new set of priorities to streamline our policies and documentation, and more closely integrate them in to our operations.

We welcome any questions about our Ecovadis scorecard and sustainability strategy, and look forward to publishing future updates in this area.

Our sustainability policy addresses several key ESG issues:

- Environment
- Sustainable procurement
- Labour and human rights
- Research ethics and data protection
- Ethics
- Community impact

Our approach to ESG

Environment

We are developing several initiatives to understand, reduce and monitor our environmental impact. Our environmental policy states we will:

- comply with the requirements of environmental legislation and approved codes of practice
- assess the environmental impact of current and likely future operations
- aim to continuously improve environmental performance
- reduce pollution, emissions and waste
- reduce the use of all raw materials, energy and supplies
- raise awareness, encourage participation and train employees in environmental matters
- expect similar environmental standards from suppliers and contractors
- help customers use our products and services in an environmentally sensitive way.

We will monitor our environmental impact in four areas: carbon emissions (GHG), energy, air travel and waste. Monitoring data will form part of our future sustainability reporting and KPIs under our new strategy.

Kantar additionally has a major 'sustainability network effect' through the positive environmental impact of our Sustainable Transformation Practice. Launched in 2020, the practice (more on page 47) helps brands define, activate and measure sustainability strategies.

Sustainable procurement

We aim to select partners who meet high standards of ethical business conduct, employment practices, human rights and for the environment. To achieve this, we have established a holistic Sustainable Procurement framework to tackle the challenges and develop plans for establishing environmental and social sustainability within our procurement processes.

Plans are in development to require our major markets, which account for the majority of our spend, to use centrally negotiated contracts with preferred suppliers for commonly purchased goods and services, whenever possible. This enables high standards and consistency across our approach and processes.

We include ESG-related questions in all tender requirements and have integrated this into our spend management platform. This carries minimum 20% weighting of the non-commercial proposal.

As part of our onboarding process, suppliers must read and acknowledge the Kantar Supplier Code of Conduct, confirming they will comply with our standards. We include a 'right to audit' clause in our standard terms and conditions.

"The business case for inclusion and diversity has never been stronger. They are not just moral imperatives, but integral to unlocking the innovation, resilience and new ideas that will inspire our people and impact our clients."

Caroline Frankum
CEO Profiles Division

We were named Top 50 UK Inclusive Employer 2021

Top 50

Labour and human rights

Inclusion & Diversity (I&D)

We aim for inclusive workplaces where everyone can grow and flourish equally. Please see further information on page 33. In 2020, we joined The Valuable 500, the global movement putting disability on the business leadership agenda.

Our Sustainable Transformation Practice also aims to have a network effect on I&D issues. Launched in 2019, Kantar's Inclusion Index (see case studies on page 48) is the world's first inclusion and diversity index based exclusively on employee feedback. In 2021, we partnered with the Advertising Association in the UK and the World Federation of Advertisers to measure the state of inclusion across the global advertising industry.

Pay

We work to ensure we are paying people fairly at all levels of the organisation through fair-pay policies. We have developed Skale, our own job-levelling framework, using a rigorous methodology to ensure we use fair comparisons of internal and external remuneration data. We were named Top 50 UK Inclusive Employer 2021.

Human rights and modern slavery

We do not tolerate any form of modern slavery or human trafficking in any part of our business. See our Modern Slavery Act statement on our website.

Our approach to ESG

Health and safety

We recognise this as being of equal importance to our business as production and quality, and it is our policy to ensure the health, safety and welfare of all employees, visitors, contractors and others. We provide training to ensure all employees are aware of our policy and apply procedures effectively.

Research ethics and data protection

We carry out research to high ethical and professional standards, and monitor compliance with global data protection and privacy laws including EU & UK GDPR, Brazilian LGPD, Californian CCPA, Japanese APPI, South African POPIA, Australian Privacy Act, Canadian PiPEDA, and Chinese PIPL. We train all employees in ethics, data protection and data security. Kantar is a corporate member of ESOMAR and we abide by the ESOMAR Codes of Conduct and those of local industry bodies.

Ethics

We aim to act ethically in all aspects of our business, and to maintain the highest standards of integrity. Our Head of Global Compliance oversees our policy framework, supported by HR, legal and compliance teams who ensure compliance with law, policy and process across the business. See Kantar Business Principles. Our legal and compliance teams record and investigate potential breaches of the KBRs and whistle-blowing reports and take appropriate action in confirmed cases. Our people and suppliers can report concerns or suspected cases of misconduct in confidence through our third-party-managed 'Right to Speak' facility.

In every country where we operate, we published the Kantar Policy Book on the company intranet. It affirms our business principles and how we should conduct its business. The policies are mandatory for all employees, and any breach may result in disciplinary procedures. All senior management must communicate the policies to their employees, and ensure adherence. All employees undertake mandatory ethics training, and we require all new employees to read the Policy Book as part of their mandatory training.

Community impact

Our global community impact programme, Extraordinary People was launched in 2019. Run in each local market around the world, it comprises:

- Global partnership with Special Olympics
- Undertaking pro bono research
- Volunteer days for our employees
- Support for our local employees to participate and engage in regional charitable projects and local community activities.

"Kantar has been an essential partner on our I&D journey. Their global insights have helped us expand our understanding of the intersectionality of people around the world."

Derek Gordon
Head of Global I&D at Colgate-Palmolive

Special Olympics
Kantar has partnered with Special Olympics since 2019, supporting their Global Youth Leadership work.

Our business principles

The way we work makes us different

Nilema
Bhakta-Jones
Group General
Counsel

"Our Business Principles are designed to **capture our culture**; to create an environment where everyone in the organisation feels included, respected and able to flourish and where we all behave ethically, lawfully and with integrity."

There are many things that make Kantar a fantastic place to work, our incredible people is at the top of the list. When I joined last year, I was greeted with warmth and enthusiasm. I was struck by the passion, intellect and commitment of my colleagues and their willingness to share their knowledge. Everyone I met had a rich story of how they came to work for Kantar and how they developed their mastery.

The 'golden thread' that binds all these stories is the Kantar culture, the desire to work in a growing company where everyone flourishes. It became clear that Kantar already had a winning formula, one that pervades everything it does. But winning companies are not complacent, and Kantar encourages a growth mindset in an inclusive environment.

To ensure that we are consistent in following our values, working with positive intent and continuously improving we have developed a set of business principles. Our goal with these principles is that everyone in the organisation feels included, respected and able to flourish, while we all behave with integrity. Our nine business principles apply to our people, clients, suppliers, panellists, participants and partners. We believe they show we care deeply about the way we operate, communicate and behave towards others.

Why are our Business Principles so important?

Sticking to our beliefs and principles is not just the right thing to do. It is vital to our continued long-term success, because it helps us maintain the reputation we have worked hard to build. It is also central to our culture, helping preserve our unique way of working, which has become so important in attracting and retaining the best people.

Nilema Bhakta-Jones
Group General Counsel

"Winning companies are not complacent, and **Kantar is focused** on being the best at getting better."

Our business principles

Our nine Business Principles

Respecting each other

We do not tolerate bullying or harassment of any kind within our own organisation, or from those we work with. No exceptions, no excuses.

Providing equal opportunities

Race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability. We do not care about labels, only individuals and their exceptional talents.

Acting sustainably and ethically

By acting ethically, respecting human rights, upholding workplace conditions, and helping protect our planet, we always try to do the right thing.

Respecting confidentiality

Naturally, privacy and confidentiality are vital to our business. We process all data legally, ethically and securely, and ensure our systems are protected.

Maintaining financial integrity

We look after the financials, and will never tolerate any kind of bribery, corruption, tax evasion or other illegal practices.

Being fair and transparent

Always behaving ethically, we avoid conflicts of interest and anti-competitive behaviour. We prevent fraud, comply with sanctions, act appropriately in giving and receiving gifts, and follow the research industry's Esomar Code of Conduct at all times.

Complying with the spirit and letter of the law

It goes without saying that we act legally and ethically in all the markets we operate in.

Calling it out

Our people know they can tackle any business or personal behaviour that is not right, without fear or favour, no matter who is involved.

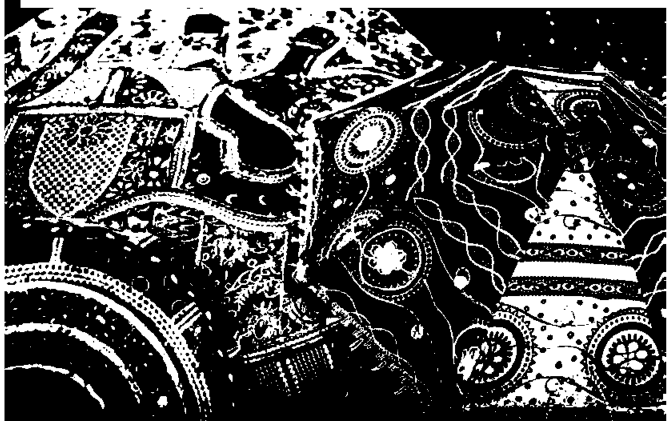
Having your back

We support anyone who reports improper business or personal conduct, and prevent retaliation.

Our people

Embracing diversity makes us better

Inclusion generates a sense of belonging, where everyone feels progress and success are within reach. Diverse perspectives fuel innovation and creativity. So an inclusive and diverse workforce is central to building a high-performing and sustainable business. We aim to establish ourselves as a leader in Inclusion & Diversity (I&D). We have a privilege and duty at Kantar to ensure our data and how we operate truly reflect the diverse world we serve, and that the principles of I&D are woven into all we do.



Our I&D strategy

Over the past two years, we have been developing our I&D strategy by looking across our entire value chain, both internally and externally, with our suppliers, clients and community. We believe in aiming high within our business, and then connecting externally to build a network effect.

We focus on strategic priorities

Inclusive workplace

Building an inclusive culture across everything we do, supported by metrics, to allow everyone to flourish.

Diverse talent

Reflecting the diversity of our clients and communities through attracting, recruiting, developing and advancing people who reflect diverse perspectives.

The network effect

Informing our clients' thinking and supporting their decision-making through data, benchmarks and expert advice, along with partnerships that enhance and promote supplier diversity.

Our people

Our approach

Recognising that different local and global challenges exist as part of Inclusion & Diversity (I&D), we have established country-level I&D steering committees. To date, we have established a Global I&D SteerCo comprising the most senior executives in the company, alongside committees in 38 different markets guiding their local conversations.

We consistently focus on three common global dimensions, alongside one additional local issue: We call this our 3 + 1 approach.

Supporting our Support

Kantar has six global Employee Resource Groups (ERGs), including, new for 2021, the Global CREW Network supporting employees of diverse Cultures, Race and Ethnicities at Work.
The others are:

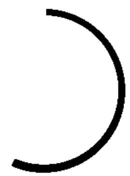
- — Women at Kantar
- — Accessibility for Disability and Neuro Diversity
- — Parents and Carers
- — Pride (LGBTQ+)
- — No Limits (age inclusion)

In 2021 we moved to enhance the impact of these ERGs. We launched a new dedicated 'playbook' to help each group formalise how they operate and establish their goals and priorities. We have additionally funded each ERG to support those priorities and objectives and have appointed executive sponsors to ensure the issues retain management attention.

1 Gender

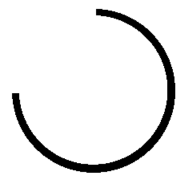
Gender is our primary organisational priority, and 42.8% of our workforce identified as female.

Board of Managers[1]



Male	57.1%
Female	42.9%

Key Management personnel[2]



Male	75.0%
Female	25.0%

Employees[3]

Male	51.2%
Female	42.8%
Non-binary and 'not disclosed'	6.0%

2 Valuing inclusion

Valuing inclusion focuses on creating a culture and climate where people can be themselves, feel they can contribute, and feel a sense of belonging. We use Kantar's own Inclusion Index methodology to measure our progress and aim to improve our Inclusion Index score per ESG strategy meeting.

3 Embracing difference

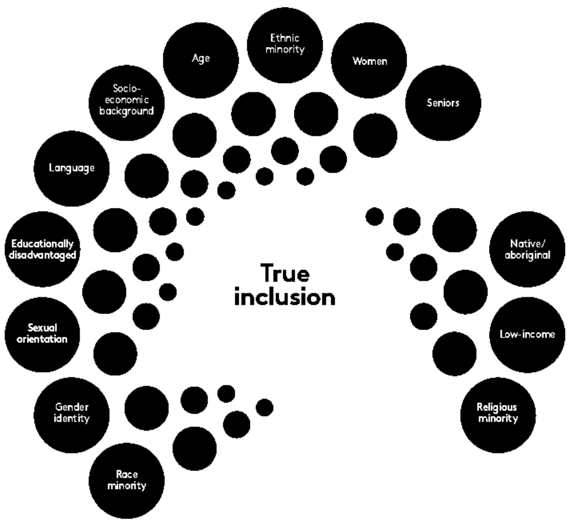
Embracing difference includes, but is not limited to, race and ethnicity, generations, disabilities, LGBTQI+, culture and religions, as well as diversity of thoughts and skills. Our aim is to advance a shift in diversity in our top 300 leaders.

+1

+1 enables steering committees to focus on an area relevant for their market, informed by market data or factors specific to their local context. In the UK this is race and ethnicity, including mentoring for minorities and minority-focused intern programmes.

1. Please refer to page 90.
2. Key management personnel are members of the Executive Committee who have group-wide authority and responsibility for planning, directing and controlling activities of the Group.
3. Employees* – all full time equivalent employees excluding temporary employees as at 31 December 2021.

Our people



"We continue our focus on being the best at getting better when it comes to reflecting the diverse world we serve and creating a culture where every one of our employees feels they have opportunities to succeed, grow and thrive as their true selves. It is really important that we all lean-in on being trusted allies who do not just step up but also step forward on sharing our similarities and embracing our difference."

Caroline Frankum
CEO Profiles division

Turning our diverse expertise into client outcomes

When our values and beliefs as an organisation coincide with a set of solutions we develop based on client needs – it forms a gratifyingly virtuous circle. For example, consumer groups that may have previously been regarded as 'minorities' are growing – in size, in buying power and in influence. Today, it is estimated that 5% of the world's population identifies as LGBTQI+. But we see overt representation of gay and lesbian characters in only 1% of the ads we test, even though this group has an estimated spending power of just under $4 trillion. It is even more odd when the evidence shows this group are early adopters of new ideas, and also more likely to have family and friends ask their opinion on new products.

Our Employee Resource Group, Pride@Kantar, is our 700-strong LGBTQI+ community. By using their expertise and experiences, we have been able to change aspects of our surveys and improve our client offerings. We are releasing original thought leadership in this area and winning industry awards. In addition, our efforts have brought enquiries from major brands, including L'Oréal and Pepsi, and generated new revenue and a recognition of our commitment.

Supporting best-in-class inclusive advertising

"Not enough brands do a good job of representing people like me."

So say 88% of consumers according to our 2021 Global Monitor study. But there is power in inclusive portrayal in advertising. Not only does it benefit society, but our research shows it underpins more effective advertising, and is something consumers increasingly expect. This year we launched a marketing 'playbook' that brings to life how brands can get it right. The resource we have developed for our clients includes what needs to change – and how – with guidance on how to make inclusive advertising, and 40 leading examples complemented by our expert commentary.

Mental wellbeing

At Kantar, we prioritise and promote mental wellness at work and are passionate about providing our employees with tools and resources to support them day to day.

Our people

How we support our people

Respecting work life balance and destigmatising conversations around mental wellbeing, to create a culture where everyone can flourish.

Providing tools for our people and manager training to support their teams effectively, running regular events throughout the year.

Providing all employees with access to our Employee Assistance Programme, a global helpline which offers support and counselling whenever needed.

World Mental Health Day

We are proud of how our culture promotes good mental health all year round, allowing our employees to access support and advice whenever it is needed. World Mental Health Day is an important day allowing us all to reflect and focus on what new practices could improve our mental health – one size does not fit all.

Throughout the month of October, we held several team sessions on different aspects of mental wellbeing. In 2021, we also gave our employees an additional day of leave for World Mental Health Day, in recognition of the challenges we have all faced throughout the pandemic.

Career development at Kantar

Through our Talent, Learning and Leadership programmes we inspire our people to create and flourish in an extraordinary world. Our high-quality learning programmes and extensive leadership development transform and grow our people to support their career goals and development aspirations.

Building global careers

As a global business, internal career development both locally and internationally is openly supported. Encouraging our people to diversify their experiences drives innovation and creativity, enabling us to better serve the needs of our clients.

Hungry to learn?

Continuous learning is the foundation to shaping careers. LinkedIn Learning is available to all our employees, and we encourage time away from the day job to learn at a pace that suits our employees. Our employee networks are lively forums to ask questions, pose challenges and be #keentoshare learning that is simply too good to keep to yourself.

Our learning and development programmes

Management development: The role of the manager is key to engaging our people and developing the best from our teams around the world. We support our managers with a series of learning solutions to develop the key attributes needed to lead with confidence.

Leadership development: As our people progress though the organisation, taking on a new or more senior role, we support this transition with a robust leadership development programme.

Inclusive leaders' podcasts

Our internal podcast series focuses conversations on what inclusive leadership means, why it is important, how each of us can become more inclusive, and the significance we each play in the inclusive cultures we create, and the diversity of thinking and innovation we capture to better face the ever-emerging new world.

Mentoring

Our mentoring scheme has supported our employees to achieve their individual goals and has given our mentees a valuable opportunity to learn and develop. Through our digital mentoring platform, we are creating many successful mentoring relationships globally.

Global Ally Programme

Our goal is for everyone at Kantar to exhibit inclusive behaviours and avoid bias (for or against) any specific group. To help achieve this vision, we have created the Ally Programme. While the goal is for everyone to behave like an ally, there are some individuals who are eager to get involved in a more deliberate and organised way – this is what the Ally Programme achieves.

An Ally at Kantar means stepping up to become engaged in a specific way that includes:

— learning and personal development

— participation in and helping to organise Inclusion & Diversity events

— being a role model of inclusive behaviour

— acting as an extension of the local Inclusion & Diversity Steering Committee to support and drive initiatives.

"Talking about how we feel, in good times, and tough times, is all part of forming great relationships. So, I am delighted to wholeheartedly support our mental health campaign."

Chris Jansen
Chief Executive

Insights

Our **Insights** division informs business and marketing strategies for the world's largest consumer brands. We help clients **define** what their brands should stand for, how to **disrupt** and renew their offer, how to **connect** with people and how to **win** with customers.

We are specialists in helping our clients across all sectors with very specific questions on business and marketing performance. Our expertise is built upon decades of data, validated models and IP, and ongoing surveys to continually track consumer attitudes and behaviour. This allows our insights to be deep and accurate, delivered quickly and efficiently through the latest technology, and at scale through our global footprint.

On top of to the most comprehensive understanding of consumer behaviour we layer advanced analytics from Kantar Analytics Practice and world-class consulting capabilities from our Consulting practice. The consulting team offers deep expertise in brands and marketing strategy, retail and sales, ecommerce strategy and organisational excellence.

Combined these capabilities help clients identify future growth opportunities, and then execute against them.

Gross revenue

$1,819m

21	$1,819m
20	$1,669m

Solutions

We bring together a wide range of research, insight expertise and experience all under one roof. We blend **Qualitative** and **Analytics** expertise to enrich the insights we develop to adress clients' key business challenges:

— **Brand** Our expert teams help position brand portfolios for sustained growth in an ever-changing world, ensuring they stand out, are meaningful and evolve.

— **Creative** We help brands maximise creative effectiveness and engage audiences across channels and regions, enabling creative executions to support strategy.

— **Media** Across new and traditional channels, we help brands understand which media touchpoints will engage their audiences, and how to align messaging effectively across these channels.

— **Customer experience** Helping brands create memorable customer moments, and measuring the impact and ROI of customer-experience initiatives.

— **Innovation** We use the latest thinking in forecasting, segmentation, behavioural economics and cognitive science to help brands identify and launch new solutions.

— **Commerce** In a fast-changing retail environment, with the rise of ecommerce and new go-to-market models, we help brands manage and evolve their offer.

Divisional review > Insights

The answer is in the data

How does brand performance improve business performance? What makes advertising profitable? How do consumers perceive different media channels? How does gender diversity affect advertising performance? Our unrivalled access to large datasets is critical to answering these key questions alongside the thousands of other insights our clients need:

20,000+ brands
We evaluate more than 20,000 brands within our BrandZ diagnostic framework.

230,000+ ads
We have tested and measured the effectiveness of more than 230,000 ads with Link our validated creative effectiveness service.

25m+ respondents
We have 25,000+ campaigns in our Brand Lift Insights and CrossMedia effectiveness databases, based on interviews with more than 25 million respondents.

800+ data scientists and analysts
Our team of more than 800 data scientists and analysts are experts in integrating, modelling, interpreting and synthesising data.

500m social-media conversations
Our AI-based marketing-analytics engine analyses 500 million social-media conversations a year.

160m+ datapoints
Our machine learning systems analyse more than 160 million datapoints across 10,000 brands constantly.

28,000 people
In 2021, our Ecommerce ON study interviewed 28,000 consumers in 14 countries across 16 categories to help brands build their Ecommerce strategies on solid foundations.

140,000+ people
We have collected data from 140,000+ people across 17 countries for our CX+ Customer Experience database.

We maintain strategic partnerships with the world's most powerful data partners:

amazon

FLIPBOARD

Meta

YouTube

Constantly embedding new technologies

- Integrating neuroscience capabilities in to the world showing how consumers react to advertising.
- A comprehensive brand-performance platform, which integrates survey, social, media and sales data into a single system.
- Automated, agile solutions for clients to source results in as little as a few hours through our Kantar Marketplace platform.
- Analytics platforms, AI and machine-learning to make offerings faster and cheaper, with new services such as Link AI and Digital Video AI.

Divisional review > Insights

Implementing our strategic priorities 2021

Winning with clients

Kantar Analytics Practice

- Companies are typically rich in data but struggle to turn it into meaningful insights. We combine a deep human understanding of brand, marketing and sales with AI-powered analytics and technology to predict consumer behaviour rapidly, analyse vast amounts of data sources and formats to include text, images and videos to give purpose and business meaning to data. This allows our clients to quickly translate insights into action with short and long-term strategies for growth. In 2021, the practice grew by 45% and hit record revenues by focusing on four main client challenges:
- Helping them maximise marketing ROI. We launched Digital Video AI, a unique pre-testing tool for digital ads – one customer tested more than 600 ads in its first six months. Link AI, our testing platform for non-digital ads, won more than 40 new clients and revenue grew by 180%. We also continued to invest in Athena, our marketing ROI analytics engine.
- Digital analytics, with three new simplified offers introducing clients to our social-listening capabilities.
- Restructuring clients' data to support their decision making, where we licensed Olympus, our data ingestion and harmonisation engine, to ten new clients.
- Extracting more value from customer data, where we achieved strong organic growth through the teams we run onsite for clients.

Brand Guidance

We have the largest repository of integrated media, survey, sales and search data in the world, all analysed by our intelligence platform to offer our clients near real-time holistic insights to help optimise marketing and improve performance. This year, we invested more than $10 million in developing and rolling out new AI-driven brand diagnostic modules to provide answers to critical client questions on brand, marketing spend and customer relationships. It is part of our drive to build a scalable brand-guidance system that evolves alongside clients' changing needs.

Kantar Marketplace

Kantar Marketplace is an automated market research platform that allows clients to set up their own research projects, either on a completely self-service basis, or with differing levels of service from our expert consultants. The platform provides automated and streamlined versions of our industry-leading solutions and proven methodologies, delivering results in as little as a few hours. Over the past year, we have scaled Kantar Marketplace to be available in 70 countries and have attracted new users in multinational organisations like Amazon, Audi, Coca Cola, Diageo, Samsung, Vodafone and Reckitt.

More than 750 client organisations now take advantage of Kantar Marketplace, testing almost 1,500 creative and innovation assets a month. In 2021 Kantar Marketplace achieved 120% year-on-year revenue growth, with cumulative revenues since launch surpassing $100 million.

Speed and simplicity

Surveys

Surveys lie at the heart of our offerings. In 2021, we conducted an in-depth review of focus areas where we could extract improvements in speed of delivery and cost. In 2022, we are building a tool that provides process automation across our low and medium complexity surveys using our new Product Development Framework.

Invest for the future

Acquiring MeMo2

MeMo2 is a specialist at tracking cross-media effectiveness. Based in Amsterdam, it has a reputation for highly advanced cross-media research and analytics solutions. Their offering is highly complementary to our campaign-effectiveness measurement offer. The acquisition, in June 2021, brought approximately 50 specialists into our team, creating a platform to significantly expand our ad effectiveness business in Europe, as well as strengthening our Dutch business with MeMo2's client roster.

Robotic Process Automation

In 2021, we launched our Robotic Process Automation (RPA) capabilities with a Centre of Excellence in India to service Kantar needs. Using UIPath technology, the initial focus has been to use bots to automate routine tasks within Insights and Profiles divisions to free up staff time to focus on more value-added client activities.

Case study

Turning research into home-building innovation

Client
America at Home Consortium

Sector
Construction

Solution
Innovation

Product
Global Monitor + Consulting services

Challenge

The America At Home Research Consortium was looking to understand the impact for Garman Homes and the home-building industry of pandemic stay-at-home orders on consumers. We joined the partnership to offer our deep understanding of US consumers and our work on the emerging trend of the home as a hub.

Approach

We contributed to the questionnaire and integrated our segmentation to connect attitudinal data to the study. We outlined segment insights, new behaviour, shifting attitudes and lasting trends in a webinar attended by 450 people, and the detail was distributed widely to the broader industry and published in national media.

Insight

We helped identify the target consumers, and helped identify new consumer needs for home builders and domestic goods, technology and CPG clients. Using our segmentation tool MindBase, we identified that two of our segments were the model consumers a concept home was designed for, to reflect America's changing post-pandemic mindset. The home was created and built in 60 days.

Impact

The concept home won a national award for how it addressed the overwhelming burdens many people experienced as they tried to keep their families safe, healthy, and functioning. The work has yielded huge growth opportunities for the home builder and related businesses, and new innovations comparable to those invented after the Spanish flu pandemic a century before.

Case study

Verisure – consolidating existing markets and entering new ones from a position of strength

Client
Verisure

Sector
Home Alarms

Solution
Innovation

Product
Consulting services

Challenge

The professionally monitored security market, and Verisure's strength in it, varied considerably in different countries and regions, and not many customers switch brands anywhere. Verisure was looking to obtain a better customer understanding, to fuel geographic expansion and growth.

Approach

We designed a holistic customised research plan to explore the home-alarm landscape by country, as well as measuring the health of the brand and its communications performance against the competition. We also introduced the views of the consumer into the firm's innovation pipeline, and worked on attracting leads through referrals.

Insight

We were able to qualify and map the real demand achievable by the value proposition and identify the markets with higher potential, and the relevant brand territories, nuances and messages for each market. We also discovered a lack of visibility for certain services, alongside various customer pain points.

Impact

Armed with this insight, Verisure could configure and design the most appropriate service offering for each market and invest in a multi-million advertising budget to surface untapped opportunities. The Group doubled its number of clients in record time. Having taken over 20 years to gain its first two million customers – it doubled that in the next six years. In addition, in their biggest market, Spain, NPS score has tripled in eight years.

Divisional review > Insights

Case study

Helping Brand Lay's to Navigate the Covid-19 Journey

Client
PepsiCo India

Sector
FMCG

Solution
Creative + Customer Experience

Product
Consulting services

Challenge

The Covid-19 pandemic impacted Lay's ability to remain 'in-basket' as this category is strongly dependent on impulse purchases. PepsiCo India asked us to help identify how consumer preferences were evolving and how Lay's could stay relevant.

Approach

Using all our work on PepsiCo and resources from across the Insights Division solutions; Covid-19 Barometer, Demand Moments, Communication Tracker, we developed a holistic point of view with clear actionable insights.

Insight

It was important to remain salient as consumers wanted to hear from their trusted brands. Advertising copy should be comforting and community-centric.we then generated new in-home occasions for young consumers to re-ignite growth.

Impact

Uplift in sales after launch of Limited Time Offer launched Diwali and Valentine's Day. Preference share increased 14% points vs Q1 2020.

"Acknowledging your fantastic, sharp insights on Covid-19 impact. This was super helpful to understand shifts in consumer behaviour and finetune our strategy. This project won 'Best Brand Building Insights' award at the PepsiCo Foods Agency Awards. Thanks a ton for your partnership!"

Vinay Mishra Head, Insights Foods, PepsiCo India

Case study

Developing a Localisation strategy with Zespri

Client
Zespri

Sector
FMCG

Solution
Commerce

Product
Consulting services

Challenge

Zespri, the leading brand of kiwi fruit, saw its growth potential in China limited by its import capability and the emergence of local production. It wanted to learn from international brands' localisation strategies in China, to support its own localisation decisions.

Approach

Through consulting, desk research, expert interviews and consumer panel data, and with expertise in the local market, we built four brand case studies: two fresh food and two packaged food, including one failed attempt to enter the market.

Insight

We found that successful localisation means knowing how to build local supply capability, manage a local portfolio, and expand the route to market. It also meant building a brand with an emotional linkage relevant to Chinese consumers.

Impact

Zespri used these case studies to influence its internal stakeholders on localisation decisions, and they now see us as trustworthy partner at Board level, beyond simply a data supplier.

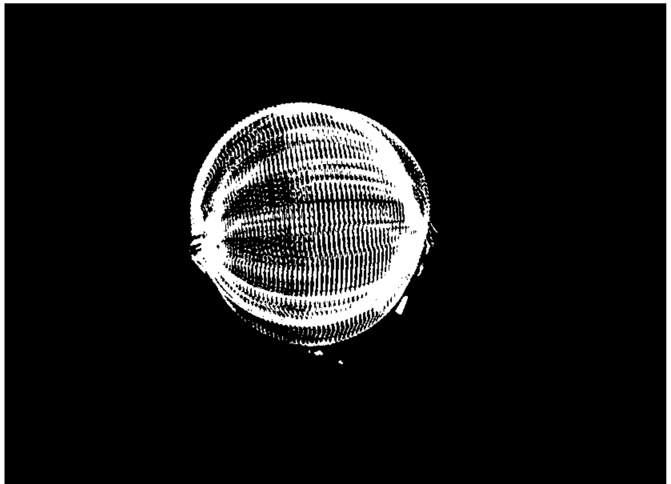
"The work is inspiring us to get the learning on international brands localisation strategy and also the way of organising the learning with the robust Kantar data is quite impressive. Looking forward to the future cooperation with your team together soon."

Wendy Luo CMI Lead Zespri China

Kantar Analytics Practice

Clients continue to struggle in extracting meaningful direction from the wide range of data sets and formats available to them, creating a growing demand for advanced analytics. We launched our Analytics Practice in 2018 to satisfy this demand, and with technology-enabled research growing at 21% annually, and digital data analytics its fastest-growing sub-set*, it is a big growth opportunity.

*Source: ESOMAR's Global Market Research 2020.



With over 1,100 people in more than 20 markets, the Analytics Practice combines our human understanding and business expertise with AI-powered analytics and technology, to predict consumer behaviour. Our solutions allow clients to:

— build strong connections with their brand, and differentiate consumer experiences

— manage complex data and enable faster decisions

— optimise marketing spending to improve both short and long-term ROI

— extract more value from customer relationships, and increase loyalty

— make creative advertising work harder.

The Analytics Practice is our centre of excellence for R&D in artificial intelligence, machine learning and advanced analytics. It provides us with data-engineering capabilities and acts as a critical component in making the delivery of products across our entire portfolio efficient. The practice also supports our clients directly, helping them maximise the value of their data and creating new revenue streams for Kantar in a fast-growing market.

In 2021, our Analytics Practice grew by 45%. We did this by strengthening our portfolio and focusing on four major client needs:

1 Maximising ROI on marketing budgets

Our Brand and Marketing ROI solutions help maximise the value created from brand and media investments by balancing short-term sales performance with long-term brand value and profitability, then applying AI/ML tools to guide optimal creative development.

2021 achievements include:

— global launch of Digital Video AI, a unique pre-testing tool designed for fast-paced and high-volume digital ad development

— acquiring over 40 new Link AI clients and using the product to test over 16,000 ads for creative effectiveness

— integrating Link AI into our Kantar Marketplace platform, making access even easier for clients.

Divisional review > Insights > Kantar Analytics Practice

2 Improving digital performance and portfolio management

Our Brand and Innovation solutions use search, social, content influencer, image and voice analytics to identify new trends faster, align to consumer values, identify key opportunities for growth, and boost digital presence and performance in real time.

2021 achievements include:

— maximising on our 2020 acquisition of Mavens of London with the global launch of Dx Analytics, which includes three separate products, focusing on search, social and trend prediction

— selling work to 30 clients in 14 markets and growing the product line by over 20% in its first year

— using Dx Analytics extensively to increase new business opportunities and provide continuous digital brand intelligence support to clients.

3 Simplifying decision-making

Our Data Strategy and Engineering solutions help clients make decisions using cutting edge AI/ML techniques, built by experts in human and data understanding.

2021 achievements include:

— exceeding $2 million in licensing revenue from the Olympus platform, which launched in June 2020

— more than 25 client deals valued at over $100k.

4 Maximising customer value and loyalty

Customer Analytic solutions help clients make the right operational and strategic investment decisions in customer experience and loyalty marketing, to maximise the value of every customer relationship.

2021 achievements include:

— strong organic growth, particularly from our onsite teams working within large wholesale and retail clients

— adding business development resources to further increase opportunities

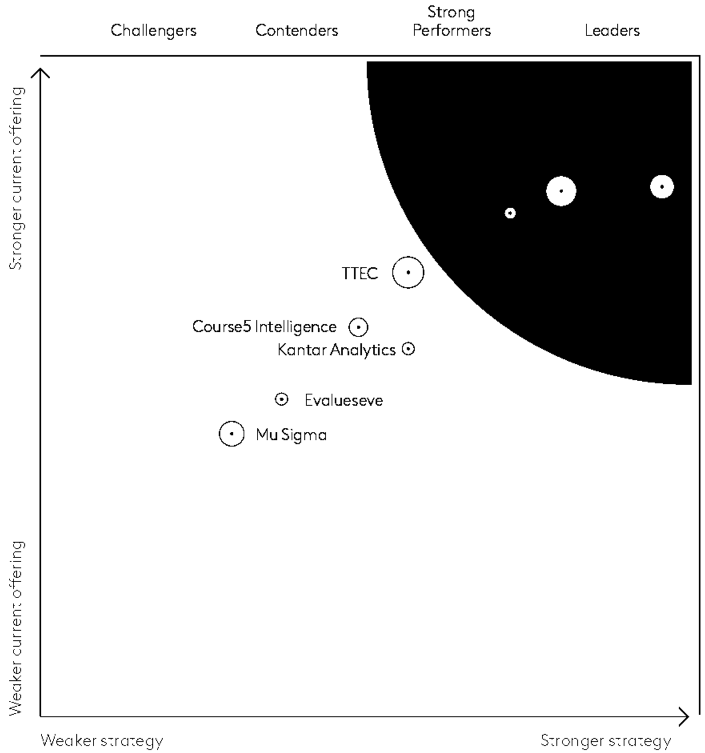
— several high-profile thought-leadership opportunities, providing great brand awareness.

To further increase operational efficiencies and client success, we opened three additional centres of excellence in Bangalore, to support our Customer Analytics, Dx Analytics, and Data Strategy and Engineering businesses.

Forrester Wave™

Customer Analytics Q3 2021

In 2021, Kantar Analytics Practice was included in a 'Forrester Wave' analysis for the first time. IT departments are a key partner to the marketing department in advanced analytical projects. As a leading analyst of the IT industry, Forrester is an important influencer. Our inclusion in their product analysis is an important milestone for the practice.



Case study

Analysing a vast number of campaigns to verify Google's ABCDs

Client
Google

Sector
Technology

Solution
Analytics Practice

Product
Link AI

Challenge

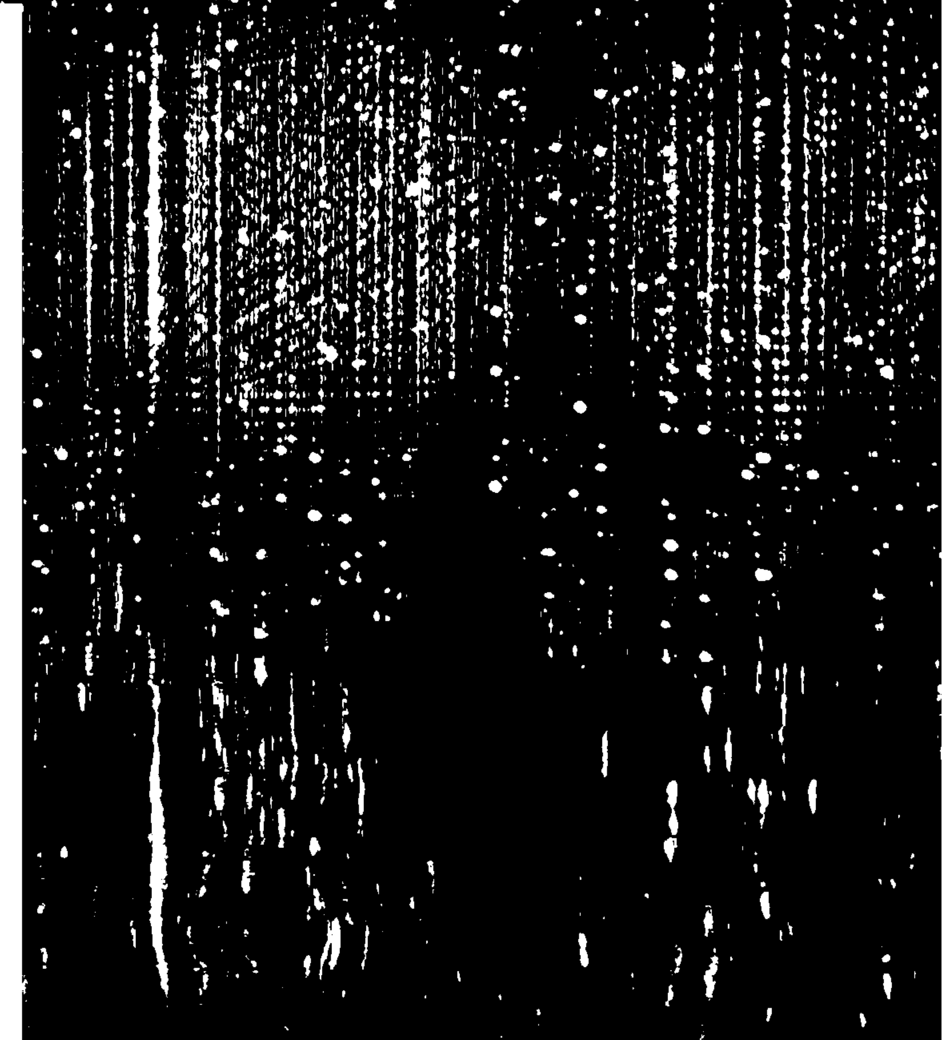
In the face of increasing competition, YouTube aimed to prove that using Google ABCDs creative effectiveness framework effectively, advertisers will see better results. Google chose Kantar to validate this framework to provide proof on short and long-term performance impacts.

Approach

We ran 11,000 YouTube video ad files through Link AI, and scored each for its ability to improve short-term sales and contribute to long-term brand equity. We analysed the results and uncovered the impact of 180 creative features on both short and long-term outcomes. Using traditional survey methods, a study of this size would have been far too costly and taken over a year to conduct.

Insight

We discovered that ads adhering to the ABCDs have been shown to yield 30% lift in short-term sales likelihood and 17% in long-term brand contribution.



Case study

Speedy creative testing of digital ads worldwide for Unilever

Client
Unilever

Sector
FMCG

Solution
Analytics Practice

Product
Digital Video AI

Challenge

Unilever used to test only a very limited number of digital video ads because existing survey-based solutions could not fit with the smaller budgets, nor be conducted fast enough. Therefore, they often had to launch digital campaigns without creative intelligence from pre-testing.

Approach

We developed Digital Video AI and customised it for Unilever to create an internally branded predictor tool. It uses AI and machine learning to predict how well digital ads will perform, offering creative pre-testing that could match the speed and scale of digital campaigns.

Insight

Digital Video AI has also enabled Unilever to identify digital assets they could use in other markets, spot trends across digital campaigns, and benchmark against competitor's digital advertising.

Impact

Using Digital Video AI, Unilever has increased the number of digital video ads it tests. Its creative testing can now cover all digital assets worldwide, improving decision-making and promising higher ROI in digital campaigns across markets, categories and brands.

"Digital Video AI enabled us to make quick decisions, pick from our best creatives, test video edits and even measure competitor campaigns with speed and at scale."

Neha Sharma Global Brand Engagement Lead, Unilever

Kantar Sustainable Transformation Practice

Launched in 2020, the Sustainable Transformation Practice brings together expertise and assets from across Kantar to support organisations in defining, implementing and measuring sustainability strategies. The team of 100 experts helps organisations connect with people on social and environmental issues, and identifies how to help citizens make tangible progress on what is known as the value-action gap, that is the difference between people's beliefs and their actions.

The practice addresses sustainability as defined by the United Nations' Sustainable Development Goals. This provides a useful framework and common language across corporations, governments and NGOs, for addressing the world's most pressing problems.

Our research is clear: people blame business and government for creating our social and environmental problems, and they expect them to take responsibility. Citizens, employees, the media, governments and financial institutions, as well as NGOs, are all putting pressure on companies to act. With a focus on purpose-led transformation, inclusion and diversity, and environmental sustainability, we help organisations understand their role in addressing these challenges and how to achieve a meaningful impact.

Having a specific practice, specialist assets and expertise has allowed us to expand across sectors and across the world. In 2021, we worked with more than 300 clients in over 40 countries, growing revenue by 64% year on year.

In January 2021, we appointed Jeremy Schwartz, former CEO of The Body Shop and Pandora, as Chairman of the practice. Jeremy brings an expertise and passion for both sustainability and commerce, together with a deep and senior-level understanding of how to put sustainability into operation. As well as enhancing the profile of the practice, Jeremy brings a wealth of experience to grow our capabilities and ambition.

Where to play
Defining the social or environmental issue each organisation or brand has the right to solve authentically, and who to engage with.

Purposeful impact
Creating and communicating meaningful, enduring purpose, to make an impact.

Sustainable innovation
Anticipating disruptive change and developing the relevant portfolio.

Employee transformation
Inspiring purposeful employee change agents.

Behaviour change
Understanding and creating commitment to change.

Metrics and ROI
Benchmarking, ongoing metrics and strategic feedback loop.

A transformative year of research

Our starting point is that all brands, and the people behind them, have the power to effect positive change in the world. In January 2021, we hosted our first conference, with more than 1,900 clients attending the virtual event to provide inspiration and gain practical advice.

In 2021, we launched the Sustainability Sector Index, our first global survey of consumer attitudes. We conducted 35,000 consumer interviews across 34 countries to discover how consumers perceive sustainability issues by sector, and their expectations of brands. We published our research for Asia Pacific and Europe, and in early 2022, we did so for the Americas and the Middle East & Africa, as well as publish a global round up. The Index is contributing both as a stand-alone asset for sale to clients and as a base-line study clients can use to define their strategy and measure their performance.

Growing our network effect is an important element of ESG strategy at Kantar. In 2021, we worked with two advertising industry bodies on ground-breaking research into inclusion in the advertising and creative industries.

Taking advantage of our IP

We have introduced our industry-leading sustainability segmentation and studies across Kantar. Now we will be able to link consumer values to sustainability attitudes to purchase behaviour. We can help target individuals through media planning, and understand their relationship with our database of 18,000 brands across the world.

Case study

All In, with the UK's Advertising Association

The Advertising Association is the UK trade network representing advertising agencies, broadcast platforms, and social media and technology companies. In June 2021, we jointly published the All In Census. The aim of the project was for the entire UK advertising industry to share their own protected characteristics and experiences in the workplace. We received 16,000 responses; over 10,000 on day one. Using Kantar's Inclusion Index methodology, the report provides an informed view of the make-up of the industry's workforce. The report sets a benchmark for the industry and also provides a three-part plan to improve the lived experience and representation of black, disabled and working-class talent.

Case study

Measuring Inclusivity across the global ad industry

The World Federation of Advertisers is a global federation of national advertiser associations, with representation in more than 60 markets. Learning from the All In Census initiative, we worked with the WFA on the Global DEI Census report. Published in December 2021, the report reveals the scale of the diversity challenge facing the profession. The research explored the lived experience of more than 10,000 advertising and marketing professionals in 27 markets. It sets a benchmark for individual national advertiser associations to develop plans accordingly.

The Global DEI Census

WFA World Federation of Advertisers

KANTAR

Kantar Marketplace

Kantar Marketplace is an automated market research platform designed for insights professionals, marketers and agencies who want to test, learn and move faster. With its powerful combination of proven solutions and game-changing tech, the platform offers clients speed without compromise, delivering decision-quality insights in as little as a few hours.

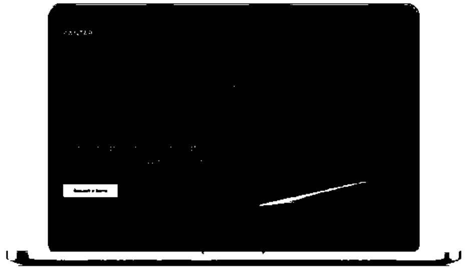
Launched in March 2019, Kantar Marketplace brings together the best of technology and our deep brand-building expertise to provide clients with the agility and confidence required to make decisions in our fast-paced world. Kantar Marketplace is host to automated versions of Insights Division's most popular products. The price points and service levels, including self-serve, open up new buying centres, generating incremental growth for our business. Whether seeking feedback on an idea, developing a new product or launching a campaign, the platform has the tools and servicing options to accelerate consumer insights and unlock growth.

"Kantar Marketplace is super quick, easy to use and very intuitive. Even in the lowest cost solution it delivers so much more for your money than competitors."

Louise Abbott
Cons. mer Insights
Brita Water

Currently available solutions focus on:

— Ad testing and development
— Innovation and product development
— Media planning and effectiveness
— Brand insights



A milestone year for Kantar Marketplace

In 2021...

120%
year-on-year growth

Kantar Marketplace achieved 120% year-on-year growth, surpassing cumulative revenues since launch of $100 million.

750+
clients

750+ clients now utilise the platform, almost double the 2020 client base.

13,000+
assets tested during the year

In the final quarter of 2021 more than 4,700 creative and innovation assets were tested on the Kantar Marketplace platform, an 86% increase on the first quarter total of just over 2,500 assets. In total more than 13,000 assets were tested during the year.

Divisional review > Insights > Kantar Marketplace

Implementing our strategic priorities 2021

Winning with clients

Client onboarding

Kantar Marketplace is proving to be a powerful onboarding platform for new Kantar clients and cross selling. 29% of 2021 revenue came from clients who were either new to the Insights division, new clients within a country or existing clients buying a new solution for the first time.

Portfolio expansion

Over the year more than ten products were launched or enhanced on the platform.
Idea eValuate, the early stage innovation idea screener, was added to the innovation portfolio. Instagram, TikTok, Twitter and Youku (China only) contexts were added to our creative testing portfolio.

Speed and simplicity

Platform Evolution

Across the year fourteen major upgrades were released on the platform. Platform upgrades included self-registration, enhanced check-out features and multiple upgrades to the client dashboards. Significant enhancements were also made to Kantar Marketplace Enterprise – our offer than enables clients to configure the platform, product portfolio and dashboards to their specific requirements.

Invest for the future

Embracing AI

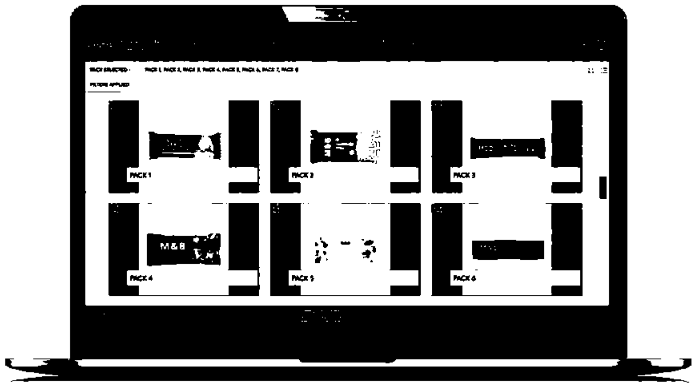
We have recently launched our first AI-powered solution on Kantar Marketplace. Link AI leverages the latest machine learning technology and is powered by our industry-leading norms database, enabling clients to be even more agile – testing their ads in as little as 15 minutes.

Salesforce enablement

More than 1,400 client facing employees have completed the Kantar Marketplace academy program in the second half of 2021, increasing significantly our ability to confidently speak with clients about the benefits of Kantar Marketplace.

"I have been sincerely impressed with the speed that Kantar Marketplace can deliver results. My organisation moves at such a fast pace that most premium suppliers' solutions are not even close in meeting; this platform has unlocked all the Kantar agility needed to match our rigorous internal timelines and enable research informed decisions as quickly as required."

Georgios Papadopoulos
Senior CDI Manager, Hygiene, Reckitt



Case study

Launching Yakult's European campaign with confidence

Client
Yakult

Sector
FMCG

Solution
Creative

Product
Link Now, Link Express, Kantar Marketplace

Challenge

Yakult, a probiotic drink brand, aimed to launch their new campaign, 'Little bottle on a big mission', across their markets with a single creative direction. To execute with confidence, they needed to quickly validate their creative ideas to ensure they resonated with consumers across several European countries, and they would bring incremental sales growth and meaningful brand association.

Approach

With industry-leading consumer norms across multiple European markets, Link Now and Link Express with neuroscience on Kantar Marketplace were natural solutions, providing an ad testing framework with a standardised approach and multi-country insights.

Insight

Yakult was able to quickly assess the potential of their campaign – as well as understand what was driving the success of their creative. With initial results in just four days, the ad pre-test confirmed the creative's viability across markets, as well as its ability to achieve its goals.

Impact

Following such a rapid analysis, Yakult was able to use a consistent creative approach and aired the campaign with confidence across multiple markets.

Case study

Putting a fresh face on new product development for No7

Client
No7

Sector
Health & Beauty

Solution
Innovation

Product
Concept eValuate

Challenge

No7 is a beauty and personal-care brand that offers science-backed products to help women look and feel their best. With a healthy product pipeline and fast-moving innovation, the brand was looking for a systematic way to ensure new products would appeal to their target consumers, and at the same time, grow the brand.

Approach

No7 initially selected Concept eValuate on Kantar Marketplace to test three skincare concepts, but having seen the power of the solution, they expanded their programme testing over 150 concepts in just a few months.

Insight

The use of our platform-based approach enabled No7 to easily access all their test results and aggregated insights across the whole project, providing the backbone for an effective new-product development programme.

Impact

No7 was able to tap into the speed and cost-efficiencies of a market-research platform, while still benefitting from our expert consultancy. This provided them with recommendations on whether to proceed, how to improve product concepts and, ultimately, gave them confidence in their future product pipeline.

"We are confident in the products we are launching and know how to optimise the concepts to maximise commercial potential. The expertise and interpretation we get from the team at Kantar has added so much value."

Caroline Morley No7 Global Insights Manager, Walgreens Boots Alliance

Profiles

Our **Profiles** division are experts in trusted first party data and award-winning **survey design and execution**. Delivering research for our other divisions, as well as leading enterprise clients, we provide access to over 150 million research-ready respondents, enabling clients to build a **rich understanding** of their target audience.

We provide our clients with a deep understanding of consumers thanks to the comprehensive profiles we build of each person in our proprietary panels and the extensive private network of credible suppliers. Using industry-leading survey design and sampling methodologies, we collect data through self-reported answers (on any device) for surveys researching ad exposure and effectiveness, innovation and brands. We offer a full range of solutions to meet clients' specific research requirements and budgets.

Gross revenue

$301m

21	$301m
20	$276m

Our scale

150m+	2,000	1,000	2bn	10
research-ready consumers	clients rely on our insights	longitudal studies tracking brands' performance	data points summarising how consumers think and act	detailed fraud prevention and quality assurance methodologies

Best-in-class data starts with reliable sources

— **Leading panels** Our LifePoints and Healthcare panels are exclusive to Kantar. The profiling information for each panellist covers over 20 categories and an unprecedented 4,800 attributes, which compares to 1,200 for a typical panel manager and 50 for a DIY survey.

— **Global scale, local relevance** Our private network of 150 million+ panellists across 130 markets is the largest in the industry.

— **Trusted sources** We have API access to 80% of the industry's most credible sample sources and are fully transparent on sample blends. All panellists go through the same quality checks regardless of source.

— **Connected data** 45 million+ panellists have registered for data connectivity and ad exposure measurement.

— **High-quality** Our rigorous, patented, AI-based quality checks run across the complete lifecycle of a panellist's interaction with us.

Divisional review > Profiles

The importance of permission

We respect the privacy of our respondents and how their data is collected, transferred, stored, managed and used. Permission-based data is one of our most differentiating attributes and we maintain a consistent consent-based model across our entire network. We ask our panellists to consent to specific surveys and uses of data, giving them the ability to manage permissions for each use case and each participating partner. We store these consents as time-stamped flags in our database.

52
Our high quality Lifepoints panel is available in 52 markets

4,800
profile attributes in LifePoints panel

130
Profiles network provides panellist access in 130 markets

1,000+
supporting more than 1,000 trackers annually

Implementing our strategic priorities 2021

Winning with clients

Client preference

In a year where many global clients were reviewing their relationships, we enjoyed phenomenal revenue growth of over 9% year on year, winning more than 800 new business deals. A major indicator of our success was our client preference score, which increased by +8 points, a result of both the quality of our sample supply and the quality of our client servicing.

Speed and simplicity

Profiles Network

The Profiles Network is a private network of programmatic sample supply and continued to grow in size in 2021. Comprising API access to Kantar's proprietary panels and 80% of the industry's most credible sample sources, it the largest single source of programmatic sample supply in the industry.

Superior Delivery Engine (SDE)

SDE is a unique set of data algorithms and machine learning tools that ensures the right panellist is dynamically matched to the right survey, at the right time and price to ensure both the panellist experience and the client impact are optimised. Launch of SDE and its 11 interventions began in 2021 and included the rollout out our LifePoints mobile app across seven countries. In 2022 we will continue to build out SDE, and extend our leadership.

Invest for the future

Accelerated Answers

This is Kantar's 'Do It Together' (DIT) flexible suite of quick-turn survey solutions designed to support clients' increasing demands for answers to more questions, faster and more cost-effectively, without compromising on sample richness and quality. It provides the perfect solution for clients who need more than just a DIY tool to support the needs of their in-house research teams and includes access to both our exclusive, high quality LifePoints panel in 52 markets and our wider Profiles Network across 130 markets.

New features include self-service sample bid requesting, simplifying the interface and making it easier and more flexible for clients to request a sample. Also, the integration of Omnibus, our nationally representative panel in 52 markets.

Case study

Supporting a local government accelerate ecommerce

Client
Local Government

Sector
Public Sector

Product
Managed Service Surveys

Challenge

In April 2021, a local government in Asia planned the launch of an Electronic Consumption Voucher scheme, with the aim to boost the local economy. The scheme immediately became the hottest topic of the town, with residents discussing how they would spend the sudden surplus of money. To ensure the impact of the program was maximised, the local authority commissioned a research project prior to the launch to help businesses prepare through understanding how consumers would behave with the incremental spending power.

Approach

Kantar designed and conducted an online quantitative survey interviewing almost 900 respondents about the scheme including where the economic benefit would be felt most and whether the scheme would trigger a wider wave of electronic payment usage.

Insight

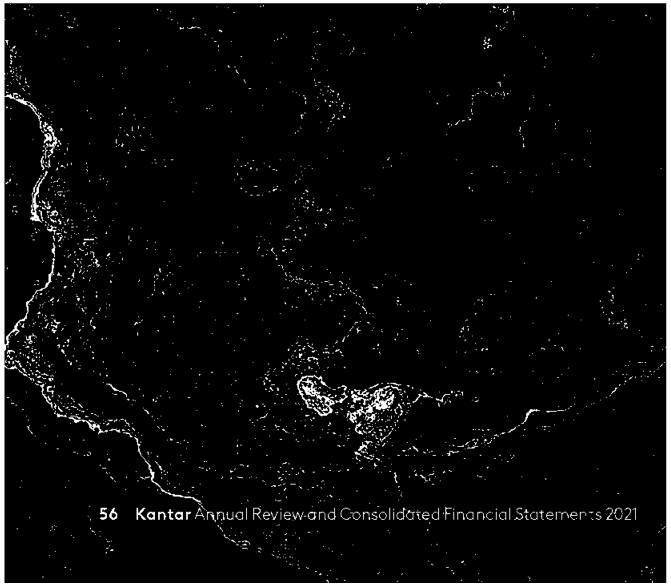
Aside from industry-specific insights, the project identified a number of key findings to help business adjust to changing consumer behaviour influenced by the government scheme.

Outcome

The campaign supported ecommerce in the region. We identified that consumers were willing to incrementally fund purchases by up to 60% in excess of voucher values. Additionally three quarters of respondents said they would continue to use electronic payment tools after the scheme ended.

Media

Our **Media** division provides the most comprehensive and accurate intelligence on **media consumption**, **performance** and **value**.



Our global coverage and local expertise provides clients with the data they need to better understand media audiences and their relationships with brands, and make informed decisions on all aspects of media measurement, monitoring and selection.

Gross revenue

$640m

21	**$640m**
20	**$621m**

The Media division operates four distinct business models:

Audience Measurement	**Advertising Intelligence**	**Consumer Intelligence** Target Group Index (TGI)	**Reputation Intelligence** (sold in 2021)

Audience Measurement

We provide currency-grade audience data measuring how, when and what audiences are consuming – whether content or advertising, and whether through linear or on-demand TV, online video streaming services, or the radio. Designed to work together, our PeopleMeters and Focal Meters measure all viewing across all screens. Our audience measurement systems underpin advertising industry planning, trading, and investment decisions in 61 markets.

Our panels are made up of fully-consented audiences, allowing us to track their viewing behaviour across platforms and devices in a privacy-compliant way. This is essential to understanding reach and frequency. Working with data at scale helps us increase the precision of audience measurement and enhance clients' own data sets too. Our media software unit, TechEdge, supports over 15,000 users a day. Through intuitive dashboards, users can access the data they need and extract meaning from it.

6m
The number of set top boxes from which we process daily data

75,000
Connected devices we measure and report online viewing from our Focal Meters

58,000
VOD assets are referenced every day in our secure reference sites

23,000
Focal Meters already deployed across the world to measure all online viewing

61
Markets where our technology and solutions are used to measure audiences

4,500
TV channels referenced in our secure reference sites daily

86
Markets from which we ingest data daily

1,640
Channels watermarked with our industry-accredited content detection technology

163bn
minutes of broadcast play analysed annually for BARB

Divisional review > Media

Advertising Intelligence

We provide a view of the paid-media advertising market, with in-depth global and local insight into advertising activities in traditional, digital and search media. This helps the media and marketing industries understand their share of voice, shape their campaigns, track performance, benchmark budgets, optimise planning and increase their return on investment.

We do this by monitoring millions of adverts each year across all communication channels – TV, print, radio, outdoor, online, mobile, video, social and search – to help media owners identify new opportunities, media agencies create better-informed strategies, and brand owners better understand competitors' media strategies.

Ad Intelligence Footprint

TGI's Global advertiser study: What do advertisers want?

80%
want their in-house segmentations to enable media planning and activation

53%
are looking for simpler, easier and more customisable ways to access data

64%
believe 'quality of data' will be the most important issue over the next few years

Consumer Intelligence – Target Group Index (TGI)

Consumer behaviour and consumption patterns are constantly changing. The need for verified data giving a clear view of what they are thinking and doing is more critical than ever for advertisers. TGI enables businesses to identify, describe, and reach the right audiences more efficiently and accurately. We do this by connecting consumer data on media consumption, brand usage, attitudes, and lifestyles, covering thousands of brands, hundreds of media vehicles, and hundreds of other lifestyle and attitudinal data-points.

Every year, we survey over 800,000 people in 50+ markets with a questionnaire unparalleled in the industry for its breadth and depth. At an aggregate level, this is representative of 1.5 billion consumers in nearly 70 countries. From this, marketers can access up to 25 billion data points using a suite of flexible and simple-to-use analysis tools to build a full picture of current and prospective customers.

From demographics to attitudes, leisure activities, media consumption, personal values and purchasing factors, TGI is a single source of consumer intelligence that can inform all marketing activity. Marketers can better segment, profile and understand customers in a single dataset, and activate their highest-value target audiences efficiently and effectively across digital, social or off-line media.

Divisional review > Media

Implementing our strategic priorities 2021

Winning with clients

Expanding the currency

Our investment in technology and data science now enables us to measure all forms of video content and advertising across all platforms and providers. In 2021, BARB re-commissioned us to create the audience measurement currency for the UK until the end of the decade, with a 40% increase in panel size, and measurement that includes viewing on TV sets, tablets, PCs and smartphones. The Dutch media industry has selected Kantar and Ipsos to build the world's first integrated audience measurement solution for TV, digital, published media and radio currencies in a single dataset. We are providing the measurement for video viewing and online browsing.

>$200 million

In 2021 alone, Kantar secured multi-year audience measurement contracts with a combined lifetime value in excess of $200 million. These contracts range in duration from 3 to 8 years, illustrating the strength of Media division in generating long-term recurring revenue.

Speed and simplicity

TGI monthly

TGI continues to evolve to meet the changing requirements of our clients, with data now updated and released monthly. It also includes options to integrate clients' own questions and data variables to create unique, tailored datasets. TGI data has also become more accessible in 2021 by developing API solutions that allow subscribers to import TGI directly into first-party tools and applications. Plus, new partnerships enable planners to use TGI-defined audiences to reach audiences via online campaigns.

Invest for the future

Ad Intel enhancements

2021 brought new enhancements to our flagship advertising-intelligence platform, Advertising Insights, with new functionality and data integrations enabling us to retire all legacy client platforms in the US. We have significantly expanded our ability to monitor video advertisements by adding exclusive coverage of Ad-supported Video On Demand (AVOD) services. We also improved coverage across key digital channels by enhancing our paid-search data, adding spend estimates for mobile video, new coverage of paid social channels Instagram and Twitter (in addition to the existing Facebook) and fast aggregate digital-spend estimates.

Acquisition of TechEdge outstanding Shares

In August 2021, Kantar acquired the outstanding shareholding in Techedge ApS it did not already own. Techedge specialises in software that allows global broadcasters, media agencies and advertisers to integrate audience measurement data from multiple countries, enabling all their planning to be done within one single application.

Reputation Intelligence Disposal

In August 2021, we announced the sale of the Reputation Intelligence business, which monitors earned media coverage, to leading software investor Symphony Technology Group. The transaction completed on 1 January 2022.

"Diageo is looking to continually invest and improve in fast growing paths to purchase whilst maintaining our responsible use of data. As digital transformation takes new and important steps we need to have a deeper multi-category view of our consumers. Using data sources like Kantar TGI we leverage our segmentations to plan and activate at speed and scale and deliver a better experience for consumers."

Marco Frade Head of Media, Digital & CRM, Diageo PUB (Brazil, Paraguay and Uruguay)

Divisional review > Media

Case study

Leading the world in true cross-media measurement

Client
Dutch Nationaal Media Onderzoek

Sector
Broadcast Industry

Product
Audience Measurement

Challenge

Kantar were appointed following a competitive tender process to collaborate with other measurement partners to design a single integrated measurement system to help understand Dutch audiences and their media consumption habits across all media, platforms and devices, and enable richer trading currencies for each medium.

Approach

We worked with Nationaal Media Onderzoek (NMO), representing the interests of the Dutch media industry, to create a cross-media measurement solution that is the world's first truly integrated audience measurement programme, and the world's most advanced service.

Insight

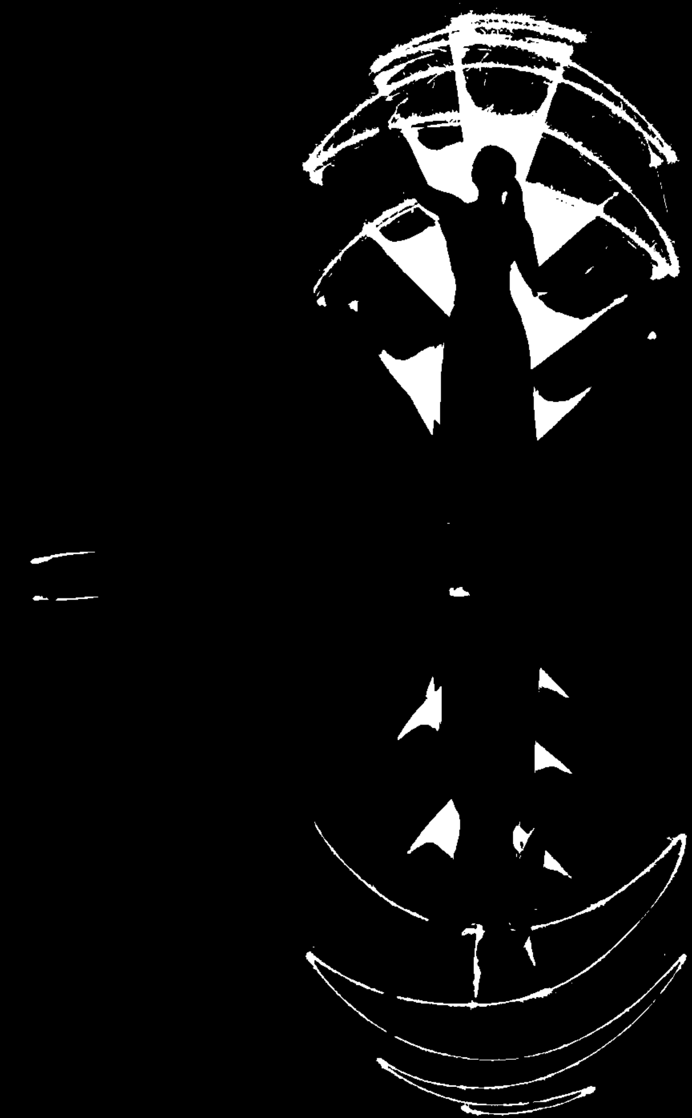
The solution marks the biggest move yet towards taking a total view of audience media consumption, enabling advertisers to better understand their consumers, improve the targeting of brand messages and determine how media trigger consumer purchase decisions.

Impact

In combining audience viewing, listening, browsing and reading through a single, integrated system, we enable advertisers and agencies to optimise the performance of media channels – both in isolation and when combined in a cross-media campaign, helping maximise ROI.

"We are convinced that developments in media consumption, combined with rapid changes of the media industry, create an urgent need for a paradigm shift in the way media is being planned and evaluated. This joined-up approach will allow us to plan and optimise our media investments holistically."

Harry Dekker Media Director, Unilever



Case study

Marcomms audience planning for a leading coffee company

Client
Leading coffee company

Sector
FMCG

Product
Target Group Index (TGI)

Challenge

The leader in home coffee machines, capsules and accessories was looking for richer intelligence on both their loyal and lapsed customers, to develop a more effective marcomms strategy.

Approach

Through Target Group Index (TGI) data, we identified five key coffee-drinker segments to prioritise for media planning, mapping these audiences to segments online to allow easy activation of digital campaigns targeting audiences more likely to consider or convert. We also enriched the TGI data with social media audience intelligence to identify further opportunities.

Insight

This approach unveiled some important insights to inform marketing and communications planning.

These included understanding how important sustainability and environmental protection are to the different audiences, identifying interests, what is important and what this means for partnerships and content strategy. Based on the data we also identified some new coffee formats the company could potentially start offering, to keep growing sales.

Impact

The insights were briefed into the company's marketing team, media planning and social media, with social intelligence providing stark insight that challenged internal assumptions, stimulated debate and inspired new campaign ideas and partnerships the brand is currently exploring.

Divisional review > Media

Case study

Appointed to support a joint industry initiative

Client
ISBA

Sector
Broadcast Industry

Product
Audience Measurement

Challenge

Project Origin is the joint industry initiative led by ISBA (the UK advertiser trade body), designed to address the needs of advertisers seeking to understand and plan campaigns across digital and broadcast platforms.

Approach

In the UK, we have been selected by Origin to build a single-source household panel that will act as the 'source of truth' for the de-duplication model that will sit at the heart of its service.

Insight

The panel will measure advertising exposure across linear and digital channels and include privacy-safe data integrations with first-party data from global and local platforms.

Impact

We now have the widest and most rapidly expanding cross-platform audience measurement footprint in the world. People-based measurement is at the heart of our approach, as clients and data partners seek to measure and report on all viewing, across all platforms.

"We are delighted and excited to be partnering with Kantar on shaping the future of cross-media measurement in the UK. This selection provides the advertising community with the reassurance that the Origin service will be built to highest standards possible."

Joe Lewis Research Lead, Origin

Worldpanel

Our **Worldpanel** division offers data and consulting expertise in shopper behaviour globally, to inform retail and marketing strategies. Worldpanel offers **continuous shopper monitoring and analysis** for the FMCG, out-of-home, DIY, fashion, tech and telecoms markets.

We continuously track the shopping behaviour of more than one million households around the world. The insights our experts derive from this data allow our clients to understand past, and anticipate future trends. Continuous samples help us pick up any change in behaviour from one period to the next and explain it. We can then identify trends affecting the market today, allowing us to forecast their future evolution.

Gross revenue

$357m

21	$357m
20	$327m

Our scale

67
countries

2/3
of the word's population (representative sample)

17
brands that sell more than one billion items globally per year

3,500
experts

Expertise

- **Shopper and retail** Understand shoppers' behaviour along their path to purchase, to convert each step into a business opportunity.
- **Market dynamics** Define successful brand strategies based on an accurate knowledge of what consumers and shoppers do.
- **Media** Optimise media investment.
- **Consumer and shopper attitudes** Quantifying people's value to a business.
- **Segmentation** Understand how segmenting a market can help facilitate more effective marketing.
- **Innovation** Helping innovations better match the latest evolving needs of consumers.
- **Pricing and promotions** Optimise a promotion's investment and price strategies.

Core markets tracked include

- **FMCG** Purchase data for in-home and out-of-home consumption, usage tracking along with specialist panels for alcohol, pet food and baby food.
- **Health and beauty** Purchase data and a specialist toiletries usage panel.
- **Telecoms** Mobile phone and tablet purchase and usage trends.
- **Fashion** Purchase panels and monitoring of global market trends and industry dynamics.
- **Petrol** Fuel and related product purchase panels.
- **Entertainment** Consumption panels for all forms of digital and offline entertainment.
- **Streaming audio and video on demand services** Subscription and usage panels covering streaming services.

Divisional review > Worldpanel

Implementing our strategic priorities 2021

Winning with clients

Worldpanel Plus

Worldpanel Plus is a revolutionary new panel where we capture information from all industries and all retailers to provide a holistic understanding of shopping behaviour across categories, trade channels and all types of stores. Using Shoppix, our new smartphone-based app, we capture real, rather than claimed, purchase behaviour from a larger sample of real shoppers. This provides deeper, more detailed and more accurate insights on which to base business decisions. Worldpanel Plus additionally gives a view of total retail purchases, offering a holistic understanding of shopping behaviour across all categories, trade channels and all types of stores. After testing, we introduced it in the UK in 2019, before extending it to China in 2020. In 2021, we introduced it in Brazil, France and Spain. Taking larger samples of shoppers, it generates stronger, more detailed insights based on actual rather than claimed purchase behaviour.

Expanding geographically

In 2021, we launched what is now the biggest panel across the African continent, covering 6,500 South African households. We have collected data since April 2021 through a smartphone app, and it is representative of the whole South African population. We now cover 11 markets in Africa, including the Ivory Coast and the first ever household panels in Ethiopia and Algeria. We intend to expand into Tanzania, Uganda and Cameroon in 2022.

Extending sectors and their coverage

Throughout 2021, Worldpanel's non-food sectors have been thriving. Our new Entertainment on Demand study expanded into Germany, to add to the UK and US. We additionally conducted preliminary studies in Australia in preparation for a future launch. The Out-of-Home panel rebounded from a quiet spell caused by the pandemic and is preparing to launch in India in 2022, while we introduced our 'eat out and meal delivery' tracker to three new markets. We have also improved our beverages-consumption panel in the US. Our best-in-class beauty panel has now added Thailand, while the fashion panel has grown strongly in all European markets to now exceed pre-pandemic levels. It now includes sustainability, Inclusion & Diversity (I&D) insights in response to consumer demand.

Speed and simplicity

Shoppix

Shoppix is the next-generation mobile app our panellists use to let us know their shopping behaviour. It underpins our new Worldpanel Plus service in the UK, measuring the full breadth of retail channels. During 2021, we have significantly expanded the breadth and depth of daily purchases we track, growing it to more than 100,000 panellists, who upload around 3 million new receipts and online transactions each month. We decode the receipt images to arrive at purchase information for our shopper-behaviour analysis. We now have over 100 million shopping trips in our database.

Invest for the future

MyWorldpanel

In 2021, we invested significantly, to transform our existing infrastructure into a customer-facing platform fit for the future, MyWorldpanel, which will replace all existing client-facing platforms. It is a cloud-based data-delivery platform, radically transforming our clients' experience in accessing our data, analytics and services. With automation, self-serve and connectivity as central features, MyWorldpanel will bring sizeable efficiency gains.

ShopperSphere

During 2021, we enhanced our main consumer-measurement service for all grocery categories, with ShopperSphere. It applies advanced data-science methods to integrate data from multiple panels, creating a new unified panel of 100,000 shoppers ready for introduction in 2022 in the UK, followed by other countries. Using our new smartphone-based apps, it will be possible to engage with these shoppers directly. As receipts are processed in seconds, clients can survey shoppers in real time to add rich attitudinal data alongside the insights into their daily shopping behaviour. Our team of experts worked with over 100 clients in 2021 as part of the development process.

Case study

Supporting Diageo in the UK

Client
Diageo

Sector
Alcohol

Product
Shopper Insights

Challenge

To establish the value of our shopper data and insight with key stakeholders at Diageo, while they already have access to shopper data from our competitors.

Approach

Making the most of Diageo's subscription to our Alcovision consumer panel, we have been providing our shopper data at all available opportunities to demonstrate its value.

Insight

Through monthly presentations, we provided Diageo with critical updates on how consumer and shopper behaviour was changing in reaction to the pandemic, including the degree to which shoppers were switching to online and how they had changed to larger, less frequent trips.

Impact

This Covid-19 Response project was key to our eventual success. We secured a contract for Diageo's shopper-panel business for the next three years, adding to our portfolio the only large UK alcohol client that was not using us for their shopper-panel data.

"The thought leadership pieces are thought-provoking, and the Covid-19 'foresight' work has been very helpful to customer conversations. The ability to get a read across all channels, including online and discounters, is a competitive advantage versus other agencies."

Head of Category Strategy & Development Diageo

Divisional review > Numerator

Numerator

We completed the acquisition of Numerator in July 2021, **extending our shopper-insights capability** to the world's biggest grocery market, the USA, where the majority of Fortune 100 companies use Numerator.

Numerator uses advanced technology to rapidly capture and process first-party consumer purchasing data without biasing influences. This gives Numerator a unique understanding of omnichannel consumer behaviour that identifies growth opportunities for FMCG and general merchandise manufacturers and retailers, quick-service restaurants, marketing agencies, and financial analysts.

Numerator revolutionised shopper research in North America using an app-based collection technology. Receipt Hog, the award-winning mobile app, collects detailed online and in-store purchase behaviour data quickly and at scale.

In addition to its consumer-sourced data business, Numerator provides brands and manufacturers with fast and detailed information on the promotional channels that attract consumers into stores.

Our scale

1bn shopper trips analysed	105,000 static panellists
1m measurement panelists	450,000 survey panelists
800+ demographic, psychographic and media-consumption attributes	200,000 promotions ad blocks coded per week

Gross revenue

$109m

21	$109m
20	$90m

$109 million represents six months of Numerator post-acquisition gross revenue

Reciept Hog

Divisional review > Numerator

Implementing our strategic priorities 2021

Winning with clients

Insights Platform

The Numerator Insights platform provides faster, deeper answers about shopper behaviour, helping brands and retailers identify growth opportunities within a user-friendly platform that enables custom insight creation in real-time. In 2021, Numerator launched new reporting capabilities analysing how consumers behave across a portfolio of products. Numerator Insights is powered by data from the Numerator OmniPanel, North America's largest, most diverse consumer panel. The Numerator OmniPanel provides a holistic view of consumer behaviour across channels including the attitudes and opinions that influence each trip.

TruView market share measurement

In 2021, Numerator launched TruView, introducing manufacturers and retailers to omnichannel share measurement with a consumer lens. For the first time, the industry can measure market share by detailed demographics and across all retail channels, not just in those tracked by point-of-sale data. TruView takes data from our share measurement panel of one million shoppers to inform brand and marketing strategies, channel and retailer execution, corporate strategy, and investor relations.

Speed and simplicity

Data feeds

Numerator Data Feeds power advanced consumer analytics, marketing intelligence, and media activation strategies in client data ecosystems. Numerator Data Feeds provide clients uniformly connected, first-party data on shopping behaviours from over 1 million households. With Numerator's single-source data, clients can now streamline their analytics to follow the consumer journey through purchase behaviour, ecommerce, demographics, psychographics, and media consumption.

Promotions Intel

Numerator's Promotions Intelligence solution allows brands and retailers to adjust their promotional strategies quickly by offering fast, detailed, and omnichannel tracking of traditional and digital promotions. In 2021, Numerator also launched temporary-price-reduction tracking capabilities to provide additional information on one of the largest areas of trade spending. Numerator continued to grow our Promo Insights offer in 2021 to link purchase behaviour to their most direct causal factor: promotions.

Invest for the future

Numerator Surveys

In December 2021, Numerator announced the acquisition of HatchTank, a tech-enabled mobile qualitative-research platform. The acquisition directly links verified buying behaviour with qualitative research. The first mobile qualitative capabilities, featuring photo and video uploads in Receipt Hog, will launch in the first half of 2022.

Receipt Hog

Numerator's mobile app, Receipt Hog, is the foundation of our consumer-sourced data offerings. The app's ease of use enables two-way interaction with consumers, so we can link consumer sentiment to verified buying behaviour. In 2021, Numerator launched a Spanish-language version of the app in the United States. To ensure maximum transparency, we provide app users with simple language explaining what data we collect and how we use it, as well as meaningful rewards in exchange for their data.

Data Processing

In 2021, Numerator continued to grow its receipt-processing and digital-collection capabilities. Numerator deployed new machine learning to further automate processing. Numerator also deployed NuLink technology to collect over 19 million shopping trips through our APIs, to accelerate collecting digital receipts in anticipation of all receipts being paperless.

Case study

Scotts Miracle-Gro Company

Client
Scotts Miracle-Gro

Sector
Home improvements

Solution
Numerator

Challenge

Scotts Miracle-Gro sells consumer lawn, garden and pest-control products in the US, and also part-owns Bonnie Plants. Wanting to evolve their messaging to focus on cross-merchandising between the two, they appointed Numerator to track and validate how their initiatives were performing.

Approach

The new messaging promoted Miracle-Gro Soils and Plant Food alongside Bonnie Plants. By providing insight into the otherwise untracked home-improvement channel, we analysed cross-purchasing of their products in a given trip to measure the impact of their new messaging.

Insight

We showed the strategy brought an increase in the products being bought together in the same trip, and that 18% of shoppers purchased both products throughout the season, helping Scotts Miracle-Gro quantify its decision. We also showed the greatest gains in season-long cross-purchasing was within a particular retailer, helping showcase the company's role for this key retailer.

Impact

The continued year-on-year growth in shopping baskets combining soil, plant foods and Bonnie Plants helped the company improve retailer relationships and provided the validation needed to supporting the decision to continue to invest in the Bonnie Plants relationship.

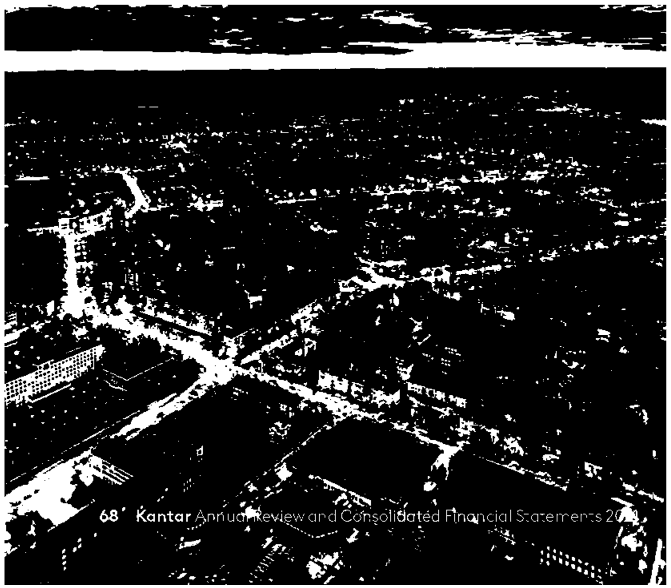
"Numerator not only provides visibility into the value and performance of our marketing initiatives, but has also strengthened the relationship we have with our key retailers as a leader of insight into the customers that shop the Lawn & Garden category."

Scotts Miracle-Gro Company

Divisional review > Public

Public

Our **Public** division provides rigorous evidence, insights and advisory services to **inspire the next generation** of public policy and programmes.

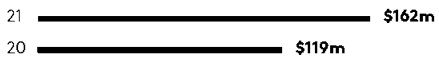


We partner with governments and public sector organisations around the world to unlock some of the most difficult public policy challenges, helping them identify problems, and formulate, implement and evaluate policies.

We work at the intersection of data, technology, and human understanding to create the rigorous evidence base required for making decisions in every area of the public realm – including public health, education, environment, labour policy, migration policy, welfare reform, and crime research. In 2021, we made significant investments in technology, tools, and product R&D to enhance our capabilities and our unrivalled ability to reach all sections of society. As part of these developments, we developed a bespoke data infrastructure and a tech-oriented product and solution pipeline.

Gross revenue

$162m



Our clients

35
national governments

30
multilateral organisations

30
endowments

100+
of the world's leading universities

Our specialist teams work across four strategic areas:

Data & evidence

Drawing on our wide toolkit of capabilities, from classic social research methods to automated mixed-mode platforms, and innovations in digital and non-survey approaches, we provide the evidence base for policy making.

Our capabilities include:

— national and international statistics

— longitudinal studies

— data science and analytics

— deliberative and qualitative approaches

— probability-based panels

Policy development and evaluation

We help enhance and develop effective public policies, programmes, and interventions at every stage of the lifecycle to deliver public value. From randomised controlled trials to visual methods and unstructured data analysis, we apply proven methods to help maximise policy effectiveness.

Our capabilities include:

— Covid-19 response and recovery programmes

— policy development

— programme monitoring and evaluation

— public service design and delivery

Divisional review > Public

Behavioural insights and communications

Our consultancy teams help clients understand people's behaviour and deconstruct the complex range of levers that influence it. We advise on the development and communications of population-level behaviour change programmes to address the gap between intentions and actions.

Our capabilities include:

- behavioural intervention design and trials
- behavioural insights and strategy
- citizen engagement
- public communications development, execution and evaluation

Political and opinion advisory

We have a 70-year history in opinion polling and election forecasting, understanding what is influencing political opinion and tracking societal changes. We provide strategic advice to leaders in governments, political parties, government ministries, international organisations, and public services to help them make informed decisions and contribute to the quality of public debate.

Our capabilities include:

- political advisory services
- political polling and election research
- public opinion polling

Implementing our strategic priorities 2021

Winning with clients

PUBLIC Voice

PUBLIC Voice, Kantar Public's probability-based citizen panel, has been rolled out throughout 2021 across Europe and is now the largest of its kind. Offering gold-standard data quality with the speed advantages of online surveying, the specialist panel is designed to provide governments and policymakers with representative access to the public and answers to challenging policy questions. PUBLIC Voice's design and recruitment methods provide data from a random sample of the populations (including offline and hard-to-reach individuals). PUBLIC Voice is also available across Kenya and Nigeria and roll out will continue in 2022.

PUBLIC Behaviour Change Lab

PUBLIC Behaviour Change Lab is Kantar Public's online experimentation platform that uses behavioural science methods to test, learn, and improve any public communication, interface or policy. Launched in the UK in 2020, PUBLIC Behaviour Change Lab has been used by a range of clients throughout 2021 to simulate highly complex environments (especially during the Covid-19 lockdown periods) in order to uncover and link both behavioural and attitudinal responses to public policy interventions and communications. It is now available in APAC and will be rolled out across Europe in 2022.

PUBLIC Hexis

PUBLIC Hexis is the very first model to integrate behavioural insight with classical programme and policy evaluation. Launched in Australia in 2020 and powered by a unique and fully flexible Behaviour Change framework, Kantar Public's pioneering programme evaluation offer has proved instrumental in helping government and public sector clients to measure and optimise the outcomes of a wide range of programmes by providing a complete view on any drivers and barriers to a policy or programme's impact. PUBLIC Hexis was rolled out in Singapore and New Zealand in 2021, and will be available in the UK and Continental Europe in early 2022.

Invest for the future

Public Data Innovation Hub

In July 2021, Kantar Public launched its Public Data Innovation Hub, an initiative designed to provide partnership support for start-ups that operate in the data, technology and AI space. The first partnership was with Berlin-based start-up Inspirient, a data science and analytics business that helps unlock the hidden value in data using AI-driven automated data analysis processes. In partnership with Kantar Public, Inspirient will use their award-winning approach to increase efficiency and the degree of detail in data analysis in the public sector leading to more informed decisions, and higher impact of public evidence. This Public Data Innovation Hub is the outcome of Kantar Public's wider commitment to supporting innovation for the public realm.

Case study

Pandemic response

Since the onset of the Covid-19 pandemic, Kantar Public has been working with governments and public policy makers across the world to create the evidence for decision making, support population-level behaviour change, ameliorate the impacts of lockdown on vulnerable communities, and address policy and communication challenges during the response and recovery periods.

Some examples of our work include:

- Conducting the Covid-19 Infection Survey (CIS) in the UK – the flagship surveillance study on coronavirus incidence and antibody prevalence
- Using behaviour science to increase Covid-19 vaccine take-up rates in France
- Working to prevent domestic violence in Australia during lockdowns, as part of a long-term behaviour change policy
- Measuring the impact of Covid-19 on newly arrived people and the refugee community in Germany
- Conducting the Corona Compliance Monitor for the Dutch Health Office
- Assessing the impact of Covid-19 on people's wellbeing and mental health in different countries around the world
- Assessing the effectiveness of government communications and community engagement relating to Covid-19 in Kenya
- Understanding the gendered impact of the Covid-19 crisis in India to uncover the extent of the socio-economic challenges facing women
- Exploring the impact of Covid-19 on cultural policy in Singapore
- Assessing the efficacy of support measures to small and medium-sized businesses, to specific sectors of the economy, and to export business, in different European countries
- Identifying the most effective message to encourage the wearing of face coverings on public transport in the UK

Group financial key performance indicators

Revenue

+16%

21 $3,283m
20 $2,838m

Adjusted EBITDA[1,2]

+35%

21 $600m
20 $443m

Gross margin and %[1,2]

+10%

21 $2,494m (68%)
20 $2,263m (67%)

Adjusted EBITDA margin[1,2]

+2ppt

21 18%
20 16%

Loss before taxation

21 $(96)m
20 $(449)m

Operating profit/(loss)

21 $111m
20 $(211)m

1 Constant currency
2 For further information on Alternative Performance Measures refer to page 77

CFO Statement

Continued delivery with clients while building a better business for the future

Ian Griffiths
Deputy CEO
and CFO

I am pleased to report that 2021 was a successful year of delivering against our targets. We closed the year with revenue growth of 16% and Adjusted EBITDA growth of 35%, and delivered an operating profit of $111 million, a year-on-year improvement of $302 million. We have not fully recovered to 2019 levels but our Gross Margin is back at pre pandemic levels and because we are now a more efficient, focussed business our Adjusted EBITDA is at $600 million, and a record margin of 18%.

Implementing our strategic priorities

Winning with clients

+16%
revenue growth in all divisions

$500m+
Combined, our tech-driven growth platforms – Kantar Marketplace, Brand Guidance, Analytics Practice and Numerator – delivered 48% annual growth, taking their combined revenue beyond $500 million

Speed and simplicity

18%
Adjusted EBITDA margin – all time high

~3,700
lower headcount than at December 2020 excluding Heath and Numerator

$200m+
structural cost savings in the year

Invest for the future

- Completed majority of the Health division sale in April 2021 and the final tranche in November 2021.
- Announced the sale of the Reputation Intelligence business to STG with completion in early 2022.
- We continue to invest and transform the business evidenced by our acquisition of Numerator and our continued investment in our growth platforms.

"In 2021, we delivered a strong recovery in revenue, turned that revenue to increased profit and through strong working capital discipline that profit became free cashflow for us to invest back into making Kantar a stronger, better business."

Ian Griffiths
Deputy CEO and CFO

CFO Statement

Revenue

+16%

2021 $3,283m
2020 $2,838m

Adjusted EBITDA

+35%

2021 $600m
2020 $443m

Adjusted EBITDA margin

+2ppt

2021 18%
2020 16%

Operating profit/(loss)

+$322m

2021 $111m
2020 $(211m)

Group Performance

In 2021, revenue grew by 16% from $2,838 million to $3,283 million. Adjusted EBITDA increased by 35% to $600 million; this increase came as the market recovered, client confidence returned and this combined with continued efficiencies and automation via platforms and offers such as Kantar Marketplace, Worldpanel+ and HBG, and the impact of savings from our long-term transformation plans. Operating profit also increased to $111 million from a loss of $(211) million in 2020, driven by the factors explained above.

As a result of events in Ukraine which have occurred subsequent to 31 December 2021 the Group has currently suspended operations in Russia. The operations impacted as a result of this contribute approximately 1.0% of revenue to the Group.

Transactions in the year

The transformational deal completed in the year was Numerator for consideration of $1,318.9 million cash and a loan note of $150.0 million, which is an outstanding business to bring into the Group. It creates a global shopper panel business, and we now have two of the three biggest players in the North American ad intel market. MeMo2 is also a good fit to the solutions our Insights business offers. We are making good progress in scaling it across our European businesses. Focusing on our portfolio also meant re-evaluating our presence in some markets. The disposals we made during 2021; the sale of our Health division, our Reputation Intelligence business, and BVS, our ad authentication business, all release capital to fund future investments and importantly management time to focus on our growth businesses.

All assets and liabilities attributable to the Reputation Intelligence business have been reclassified as held for sale within the Consolidated Statement of Financial Position. An impairment review was undertaken and an impairment of $47 million has been recognised against goodwill and acquired intangible assets attributed to the Reputation Intelligence business from the Media cash generating unit.

Liquidity and net debt

Alongside strong financial and operational performance, we took action to improve our balance sheet, reducing our cost of capital while gaining the financial firepower to deliver on our growth targets. Despite the impact of the Covid-19 pandemic on global markets our strong financial and operational performance enabled us to raise $925 million (in July) in the debt markets to support our acquisition of Numerator and successfully refinance (in July) our €950 million Euro term loan facilities resulting in a 75bps reduction in the interest rate applicable and a $3.2 million reduction in debt costs in 2021, all while maintaining our weighted average cost of debt.

We continue to maintain a healthy liquidity balance.

- $501 million in cash at 31 December 2021 and liquidity of ~$964 million
- Ongoing benefit from improved working capital management
- Continue to invest in growth platforms and one-off transformational projects.

Capital expenditure +31% from $90 million in 2020 to $118 million in 2021

We continued to invest in key growth platforms, technology infrastructure and business systems while being prudent on all other spend. We are investing in Worldpanel, the new data management platform, Prism, in an improved customer experience with MyWorldPanel, in Kantar Marketplace and its infrastructure, and also in our cyber-defence technology.

Outlook

2020 was about getting in shape and 2021 was using that to capitalise on the growth in the market, 2022 is about accelerating our growth – executing our new product-investment and commercial excellence plans, to maintain our focus on sustainable profit growth.

We have ambitious goals to carry on strengthening and growing Kantar and delivering on our 2022 strategic priorities – inspiring people, client impact and future focus.

Ian Griffiths
Deputy CEO and CFO

Detailed operating and financial review

For the purpose of the Operating and Financial Review section of this report, the analysis of the Group's financial results and performance has been performed on a Pro Forma basis, including acquisitions and excluding disposals from the time of acquisition or disposal along with the prior year comparatives. This means we have included 6 months of Numerator trading from acquisition to end of the year for both 2021 and 2020 and excluded Health from the dates of disposal for both 2021 and 2020. We monitor divisional performance on a gross basis i.e. inclusive of intercompany revenue and therefore analyse group performance on an aggregate basis. We provide commentary against constant currency exchange rates (see page 81) as we consider this more appropriate and meaningful.

	Unaudited Constant Currency Rate			Unaudited Actual Exchange Rate		
	2021 $m	2020 $m	% change	2021 $m	2020 $m	% change
Gross revenue	**3,683**	3,387	9%	**3,765**	3,425	10%
Direct costs	**1,189**	1,124	6%	**1,217**	1,140	7%
Gross margin	**2,494**	2,263	10%	**2,548**	2,285	12%
Gross margin %	**68%**	67%	1%	**68%**	67%	1%
Staff costs	**1,556**	1,484	5%	**1,594**	1,478	8%
General and administrative costs	**338**	336	1%	**343**	355	(3%)
Adjusted EBITDA	**600**	443	35%	**611**	452	35%

Divisional performance

	Unaudited Revenue		
Divisions	2021 $m	2020 $m	% change
Insights	1,819	1,669	9%
Profiles	301	276	9%
Consulting	186	176	6%
Media	640	621	3%
Worldpanel	357	327	9%
Numerator[1]	109	90	21%
Public	218	181	20%
Health	53	47	13%
Divisional Gross Revenue	**3,683**	**3,387**	**9%**
Impact of acquisitions and disposals	–	50	2%
FX for constant currency	75	(7)	(4%)
Perimeter adjustment[2]	–	(149)	(7%)
Intercompany revenue	(475)	(443)	1%
Revenue per Consolidated Statement of Income	**3,283**	**2,838**	**16%**

1. $109 million represents six months of Numerator post-acquisition gross revenue. 2. Adjustment to 2020 to include a full year's revenue of the Kantar entities acquired at various dates during 2020.

Divisional Gross Revenue

Divisional Gross Revenue increased by $296 million, or 9% from $3,387 million in the twelve months ended 31 December 2020 to $3,683 million in the twelve months ended 31 December 2021. All divisions showed growth versus 2020, including six of the eight divisions at or above the total group's growth.

Client demand for behavioural data which experienced growth in 2020 despite the pandemic continued in 2021 as our Worldpanel division grew by $30 million or 9% with strong growth across all regions. Demand for behavioural data was also evident in our newly acquired Numerator division which grew by $19 million or 21%. Our Public division delivered double digit growth at 20% or $37 million, driven by the UK's research around Covid-19 in support of the National Health Service home testing program. Our Insights division grew by $150 million or 9%, with our growth platforms of HBG, Kantar Marketplace and Analytics driving c.80% of the growth.

Our Profiles division grew by $25 million or 9% driven by double digit growth with third party clients in all regions. Our Consulting division grew by $10 million or 6% with strong double-digit growth in our trade optimization business, while our Media division grew by $19 million or 3% driven by good growth in our audience measurement business.

Geographically we experienced 14% growth in our faster growing markets; all regions grew with the largest impact in Asia Pacific fueled by growth in China and India. Our mature markets grew by 6% as all regions grew with particularly strong growth in the UK.

Detailed operating and financial review

Direct Costs

Direct Costs, which are the costs of delivering our services, increased by $65 million or 6% from $1,124 million in the twelve months ended 31 December 2020, to $1,189 million in the twelve months ended 31 December 2021, which was less than the increase in Revenue. We continue to drive more efficiencies and automation via platforms and offers such as Kantar Marketplace, Worldpanel+ and HBG. We have also migrated a proportion of surveys from face to face to lower cost video, telephone and online interviews.

Gross Margin

Our Gross Margin as a percentage of Gross Revenue improved by 1% to 68% in line with the increase in Gross Revenue and Direct Costs noted above. Overall, our Gross Margin increased by $231 million or 10% from $2,263 million in the twelve months ended 31 December 2020 to $2,494 million in the twelve months ended 31 December 2021. Our overall Gross Margin has nearly returned to 2019 levels.

Staff Costs

Staff Costs increased by $72 million or 5% from $1,484 million in the twelve months ended 31 December 2020, to $1,556 million in the twelve months ended 31 December 2021. This increase in costs was driven by our strong recovery leading to approximately $90 million of higher sales commission and expected annual incentive payments which are being accrued across the year. In addition, the reversal of temporary savings measures, put in place in Q2 2020 due to the pandemic, increased costs in the region of $150 million. Finally, the impact of pay rises and benefits was c.$40 million. Offsetting these increases were $205 million in year savings from our restructuring program implemented in H2 of 2020. To date we have delivered $275 million of savings since 2020.

General and Administrative Costs

General and Administrative Costs increased by $2 million or 1% from $336 million in the twelve months ended 31 December 2020, to $338 million in twelve months ended 31 December 2021.

Adjusted EBITDA

Adjusted EBITDA increased by $157 million or 35% from $443 million in the twelve months ended 31 December 2020, to $600 million in the twelve months ended 31 December 2021. This increase was primarily due to the increase in Revenue combined with the impact of savings from our long-term transformation plans offset by reversal of temporary savings measures put in place in 2020 as a response to the pandemic.

Finance Costs

Finance costs decreased by $11 million or 4% from $265 million in the twelve months ended 31 December 2020 to $254 million in the twelve months ended 31 December 2021.

This was driven by savings from lower margin on refinanced loans and favourable foreign exchange gains, partially offset by an increase in interest expense due to new borrowings in the year.

Tax

The reported tax charge for the year was $61.3 million (tax credit 2020: $5.6 million), representing an effective tax rate on the reported loss before tax for the year of (64.1%). The tax charge differs from the UK benchmark statutory rate of 19% due to the factors outlined in note 7. Cash taxes of $75.0 million were paid in 2021 (2020: $79.5 million).

Kantar has published its Global Tax Strategy, which can be accessed in the Corporate Governance section of the Group's website at: **www.kantar.com/corporate-governance**

The strategy sets out the Group's strategic tax objectives as follows:

— Engage with tax authorities in an open and transparent way in order to minimise uncertainty

— Pro-actively partner with the business to provide clear, timely, relevant and business focussed advice across all aspects of tax

— Take an appropriate and balanced approach when considering how to structure tax-sensitive transactions

— Manage Kantar's tax risk by operating effective tax governance

— Aim to ensure that all relevant tax compliance obligations are met on a timely basis.

Detailed operating and financial review

Senior Lender Net Debt

	2021 $m	2020 $m
Cash and cash equivalents[1]	501	606
Senior Facilities[2]	1,923	1,670
Senior Secured Notes[3]	1,563	1,224
Total senior secured net debt	**2,985**	2,288
Senior Unsecured Notes[3]	487	524
Total secured and unsecured net debt	**3,472**	2,812
Other debt[4]	295	311
Total net debt	**3,767**	3,123

	2021 $m	2020 $m
Cash and cash equivalents[1]	501	606
Committed facilities[5]	419	272
Uncommitted facilities[6]	44	15
Total liquidity	**964**	893

For reconciliation between the Senior Lender net debt alternative performance measure and Consolidated Statement of Financial Position please refer to page 80.

1. Represents cash and cash equivalents net of overdrafts as of 31 December.
2. The Senior Facilities are comprised of the Senior Term Loans and the Revolving Credit Facility. The amount shown represents the U.S. dollar equivalent of the aggregate principal amount of the Senior Term Loans, without giving effect to discounts or fees to be paid to the lenders thereunder. The Senior Term Loans include (i) a €950 million term loan B bearing interest at EURIBOR plus a 4.25% margin (subject to a margin ratchet), (ii) a $343 million term loan B bearing interest at USD LIBOR plus 5.00% margin (subject to a margin ratchet), and (iii) a $500 million term loan B2 bearing interest at USD LIBOR (floor of 0.75%) plus 4.50% margin (this term loan is not subject to a margin rachet); each maturing in December 2026. The Revolving Credit Facility provides for $400 million of borrowings (including any permitted ancillary facilities established thereunder) in certain specified currencies and any other currencies readily available in the relevant interbank market (subject to the consent of the relevant lenders), subject to customary borrowing conditions, bears a margin of the applicable benchmark rate plus 3.500% (subject to a margin ratchet), and matures in December 2026. There were no drawdowns on the facility as of 31 December 2021 (Q4 2020: $160 million drawn under the facility).
3. Represents the U.S. dollar-equivalent of the aggregate principal amount of (i) the €1,000 million 5.750% Senior Secured Notes maturing 31 October 2026, (ii) the $425 million 5.50% Senior Secured Notes maturing 31 October 2026 and (iii) the 9.250% Senior Notes maturing 31 October 2027, issued in an initial aggregate principal amount of €475 million, with €47 million redeemed in a special mandatory redemption in February 2020 and does not reflect any initial purchaser discount or original issue discount.
4. Represents IFRS 16 lease liabilities, as well as a loan from the WPP Plc to the Kantar Group.
5. Committed facilities have a defined maturity date that cannot be cancelled.
6. Uncommitted facilities are cancellable by either party.

Since the Acquisition, both zero balancing and notional cash pooling arrangements have been utilised where practical and permitted locally. A policy of remitting surplus cash to the UK from overseas subsidiaries via intercompany loans and dividend repatriation is used in order to manage the Group's central liquidity and to support recycling of cash to those parts of the Group that require it. As of 31 December 2021, there were no draws on the Revolving Credit Facility, which leaves $372 million of headroom after excluding a $20 million standalone overdraft facility and $8 million of ancillary facilities, established thereunder. The Group has access to additional committed facilities totalling $26 million maturing between 2022 and 2023.

On 1 July 2021, as part of Numerator financing, a new $500 million Term Loan B2 was issued at a rate of 5.25% (Margin of 4.50% and a LIBOR floor of 0.75%). There is no margin ratchet under the terms of the new Term Loan. All other terms remain the same as those applicable to the Facility B (USD) under the Senior Facilities Agreement. In addition, a new $425 million Senior Secured Note was issued at a rate of 5.50% maturing 2026. The proceeds of the two debt issuances were used to fund the 2 July 2021 acquisition of Numerator.

On 2 August 2021, we refinanced the €950 million Facility B (EUR) with the proceeds of a new €950 million Facility B3 (EUR). The new Facility B3 (EUR) is priced at EURIBOR plus 425 bps (subject to a margin ratchet), resulting in a 75bps reduction in the interest rate applicable to the Facility B3 (EUR) at each level of the margin ratchet in comparison to the previous Facility B (EUR).

Detailed operating and financial review

The Group continues to assess its liquidity and operational needs and to evaluate capital markets and other financing options on an ongoing basis. The Group may at any time and from time to time purchase Notes. Any such purchases may be made through open market or privately negotiated transactions with third parties or pursuant to one or more tender or exchange offers or otherwise upon such terms and with such consideration as the purchaser may determine.

Trade working capital

	Constant Currency 2021 $m	2020 $m
Net Debtors[1]	**448**	445
Accrued Revenue[2]	**152**	186
Creditors incl. accruals[3]	**(432)**	(452)
Deferred Income[4]	**(322)**	(311)
Other	**2**	3
Trade Working Capital	**(152)**	(129)

1. Represents trade account receivables owed to the Group net of any allowance for doubtful accounts.
2. Constitutes revenue recognised in advance of billings.
3. Represents amounts owed to our suppliers including amounts accrued for that have not yet been invoiced.
4. Constitutes revenue billed in advance of services being provided.

Trade Working Capital improved by $23 million from negative $(129) million as at 31 December 2020, to negative $(152) million as at 31 December 2021. The major driver of the improvement was the decrease in our accrued revenue by $34 million driven by continued improvements in our billing processes. The impact of our recent acquisition Numerator drove an improvement of $24 million, so excluding Numerator we held our working capital flat despite the volume increases from the 9% increase in Revenue. We have improved working capital by $383 million from December 2019 levels.

Capital Expenditures

	Constant Currency 2021 $m	2020 $m
Purchases of property, plant and equipment	**37**	32
Purchases of other intangible assets (including capitalised computer software)	**81**	58
Capital Expenditures	**118**	90

Capital Expenditures increased by $28 million, or 31% from $90 million in the twelve months ended 31 December 2020, to $118 million in the twelve months ended 31 December 2021. This increase was due to a $23 million increased investment in our growth platforms including Holistic Brand Guidance (HBG) and Kantar Marketplace in our Insights division and our Big Data service Worldpanel+ within our Worldpanel division. In addition, we continue to upgrade our platforms within our Media and Worldpanel divisions. We increased our purchases of property, plant and equipment assets by $5 million driven by our Media division as we increased hardware spend for recent audience measurement wins.

Alternative Performance Measures

The Group has presented a number of Alternative Performance Measures ('APMs'), which are used in addition to consolidated financial statement statutory performance measures.

The Group believes that these APMs, which are not considered to be a substitute for or superior to consolidated financial statement statutory measures, provide stakeholders with additional helpful information on the performance of the business. These APMs are consistent with how the business performance is planned and reported within the internal management reporting to the Board.

Our APMs are explained on the pages that follow.

- **Adjusted EBITDA**
- **Gross revenue**
- **Gross margin**
- **Net debt and leverage**

Alternative performance measures

Adjusted EBITDA

Definition

We define Adjusted EBITDA as loss for the year before: (i) taxation; (ii) finance income; (iii) finance costs; (iv) revaluation of financial instruments; (v) share of results of associates; (vi) acquisition and disposal related costs, including costs for aborted deals and deal costs not capitalised; (vii) restructuring and transformation costs, including shareholder consulting costs and investment write-downs; (viii) amortisation of intangible assets; (ix) impairment of goodwill and other intangible assets; (x) depreciation of property, plant and equipment; (xi) depreciation of right-of-use assets; (xii) gains/(losses) on disposal of investments and subsidiaries; (xiii) share-based payment charges and associated costs and other adjusting items; Adjusting items are material items that are not indicative of its trading performance by management by virtue of their size and/or incidence. This is presented at actual reported exchange rates.

Adjusted EBITDA is presented including acquisitions and excluding disposals from the time of acquisition or disposal along with the prior year comparatives. This means we have included 6 months of Numerator trading from acquisition to end of year for both 2021 and 2020 and excluded Health from the dates of disposal for both 2021 and 2020. This is presented at constant currency exchange rates; refer to page 81 for further details.

Purpose

The Group believes that Adjusted EBITDA – actual rates and Adjusted EBITDA – constant currency facilitate comparisons of operating performance from period to period and company to company by eliminating potential differences caused by variations in capital structures (affecting interest and finance charges), tax positions (such as the impact of changes in effective tax rates or net operating losses) and the age and booked depreciation and amortisation on assets.
The Group excludes certain items from Adjusted EBITDA, because it believes they are not indicative of its trading performance.

Reconciliation between APM and consolidated financial statements

	Note	2021 $m	2020 $m
Loss for the year		**(156.9)**	**(443.6)**
Add back:			
Taxation	7	61.3	(5.6)
Finance income	6	(3.7)	(5.4)
Finance costs	6	253.5	265.3
Revaluation of financial instruments	6	(26.9)	(8.2)
Profit/(loss) before interest and taxation		**127.3**	**(197.5)**
Add back:			
Share of results of associates	4	(16.5)	(13.3)
Operating Profit/(loss) per the Income statement		**110.8**	**(210.8)**
Add back:			
Acquisition and disposal related costs	3	79.5	19.1
Restructuring and transformation costs	3	197.3	270.9
Amortisation of intangible assets	3	250.7	229.6
Impairment of goodwill	3	32.8	–
Impairment of other intangible assets	3	13.9	–
Depreciation of property, plant and equipment	3	41.9	45.2
Depreciation and impairment of right-of-use assets	3	71.8	75.9
Gains on disposals of subsidiaries	3	(178.8)	–
Other items		(9.1)	8.1
Perimeter adjustment[1]		–	14.0
Adjusted EBITDA – actual exchange rates		**610.8**	**452.0**
FX for constant currency		(10.8)	(9.0)
Adjusted EBITDA – constant currency		**600.0**	**443.0**

1. Adjustment to 2020 to include a full year's Adjusted EBITDA of the Kantar entities acquired at various dates during 2020.

Alternative performance measures

Gross revenue

Definition

We define Gross Revenue as revenue, including acquisitions and excluding disposals from the time of acquisition or disposal along with the prior year comparatives, adjusted for certain perimeter transactions in 2020 and including intercompany revenue. This is presented at constant currency exchange rates, refer to page 81 for further details. We monitor divisional performance on a gross basis i.e. inclusive of intercompany revenue and therefore analyse group performance on an aggregate basis.

Reconciliation between APM and consolidated financial statements

Revenue Reconciliation	2021 $m	2020 $m	Change	% Bridge
Revenue per Consolidated Statement of Income	**3,282.5**	**2,837.7**	**444.8**	**15.6**
Impact of acquisitions and disposals	–	(50.0)	50.0	2.3
FX for constant currency	(75.0)	7.2	(82.2)	(3.8)
Perimeter adjustment[1]	–	148.7	(148.7)	(6.9)
Intercompany revenue	475.5	443.5	32.0	1.5
Gross revenue	**3,683.0**	**3,387.0**	**296.0**	**8.7**

1. Adjustment to 2020 to include a full year's revenue of the Kantar entities acquired at various dates during 2020.

Gross margin

Definition

We define Gross Margin as Gross Revenue after Direct Costs. We define Direct Costs as third party and internal costs as well as other services which directly relate to the services delivered to clients and inclusive of intercompany costs. Costs comprise fieldwork costs including on-line, face to face and telephone, survey scripting and data processing, external data acquisition costs, billable travel, panel recruitment costs and panelist incentives for panelists who complete surveys.

Reconciliation between APM and consolidated financial statements

	2021 $m	2020 $m
Gross profit per Consolidated Statement of Income	**436.6**	**173.9**
Add back:		
Depreciation of property, plant and equipment	10.0	12.6
Depreciation of right-of-use assets	73.2	65.6
Amortisation of other intangible assets	35.3	–
Indirect staff costs	1,758.7	1,622.0
Other items[1]	234.2	321.0
Perimeter adjustment[2]	–	89.9
Gross margin – actual exchange rates	**2,548.0**	**2,285.0**
FX for constant currency	(54.0)	(22.0)
Gross margin – constant currency	**2,494.0**	**2,263.0**

1. Includes property, development and other costs.
2. Adjustment to 2020 to include a full year's gross margin of the Kantar entities acquired at various dates during 2020.

Alternative performance measures

Net debt and leverage

Definition

Net debt is calculated as non-current loans and current loans and long-term and short-term lease liabilities less adjusted cash. Leverage is calculated as net debt divided by last twelve months (LTM) covenant Adjusted EBITDA.

Purpose

Net debt is a measure of the Group's net indebtedness that provides an indicator of overall balance sheet strength. It is also a single measure that can be used to assess both the Group's cash position and its indebtedness. Net leverage is used to show how many years it would take for a company to pay back its debt if net debt and Adjusted EBITDA are held constant.

Reconciliation between APM and consolidated financial statements

	Cash and short-term deposits		Debt (note 19)		Net Debt (exc. Lease Liabilities)		Lease Liabilities (note 20) and other debt (note 19)		Net Debt (inc. Lease Liabilities)	
	2021 $m	2020 $m	2021 $m	2020 $m	2021 $m	2020 $m	2021 $m	2020 $m	2021 $m	2020 $m
Consolidated Statement of Financial Position	(689.0)	(1,274.5)	4,248.6	4,056.7	3,559.6	2,782.2	283.2	297.0	3,842.8	3,079.2
Reclassification of Bank Overdrafts (note 19)	153.0	648.1	(153.0)	(648.1)	–	–	–	–	–	–
Reclassification of WPP loan (note 19)	–	–	(12.0)	(14.0)	(12.0)	(14.0)	12.00	14.00	–	–
Unamortised debt-issuance costs deducted from borrowings	–	–	115.3	98.6	115.3	98.6	–	–	115.3	98.6
Outside the Senior Lenders' perimeter[1]	35.4	20.9	(226.0)	(75.4)	(190.6)	(54.5)	–	–	(190.6)	(54.5)
Senior Lender Net Debt	**(500.6)**	**(605.5)**	**3,972.9**	**3,417.8**	**3,472.3**	**2,812.3**	**295.2**	**311.0**	**3,767.5**	**3,123.3**
Outside the Senior Lenders' perimeter[1]	–	–	(500.0)	(538.6)	(500.0)	(538.6)				
Reclassification of WPP loan (note 19)	–	–	12.0	14.0	12.0	14.0				
Pro forma adjustments per the covenant definition[2]	(16.0)	(226.0)	–	–	(16.0)	(226.0)				
Retranslation at LTM average FX rates	(10.0)	21.0	90.0	(176.3)	80.0	(155.3)				
Consolidated Senior Secured Net Debt	**(526.6)**	**(810.5)**	**3,574.9**	**2,716.9**	**3,048.3**	**1,906.4**				
Covenant LTM Adjusted EBITDA					790.0	602.0				
Leverage					3.86x	3.17x				

1. Excludes cash and debt in legal entities above the level of Summer (BC) Holdco B S.à.r.l. and Summer (BC) US Bidco B LLC in the legal structure of the Group.
2. Pro forma adjustments related to the definitions within the Senior Facilities Agreement dated 26 November 2019 (amended 30 November 2021).

$M	Adjusted EBITDA
LTM Adjusted EBITDA per Operating and Financial Review	**611.0**
Numerator LTM Adjusted EBITDA	24.0
Other adjustments per the Covenant Definition of LTM Adjusted EBITDA(1)	11.0
Dividends Received from Associates	9.0
Run-rate Adjustment(2)	135.0
Covenant LTM Adjusted EBITDA	**790.0**

1. Includes adjustments for: property taxes, non-cash pension costs, other non-cash charges, foreign exchange, and the exclusion of LTM Adjusted EBITDA for the Health business.
2. Run rate adjustment for covenant purposes is limited to 25% of overall LTM Adjusted EBITDA.

Consolidated Senior Secured Net Debt on 31 December was $3,048 million and LTM Adjusted EBITDA for the Relevant Period was $790 million. As at 31 December 2021, Consolidated Senior Secured Net Debt was 3.86 times LTM Adjusted EBITDA. The impact of Russia and Ukraine Adjusted EBITDA and cash balances on leverage are immaterial.

Presentation of financial and other information

Constant Currency and Actual Rates

We present certain financial measures on a constant currency basis in U.S. dollars. These constant currency measures eliminate the effect of fluctuations in the exchange rates we use in the translation of our non-U.S. denominated sales into U.S. dollars by instead assuming that exchange rates were constant in all periods. For financial information for the year ended 31 December 2020 and 2021, we use the budgeted constant currency rate for the year ended 31 December 2021, which is prepared on a forward-looking basis. We additionally show financial information for the year ended 31 December 2021 at the actual exchange rates calculated by taking the income statements of foreign subsidiary undertakings translated into dollars at average exchange rates and the net assets of these companies translated at exchange rates as of 31 December 2021. The discussion and analysis of the financial information presented in "Operating and Financial Review" is presented in U.S. dollars on a constant currency basis, other than as specified.

We believe that these measures facilitate an understanding of the economic performance of our operations. These constant currency measures are computed by translating the actual values of our non-U.S. dollar denominated results as per our subsidiaries' financial statements using the following foreign exchange rates instead of the actual foreign exchange rates used for reporting purposes during the applicable period (except with respect to consolidation adjustments):

	Constant Currency Rate per US dollar	Actual Rate per US dollar
EUR	0.86	0.85
GBP	0.77	0.75
INR	73.08	73.95
CNY	6.92	6.45
BRL	5.54	5.39
AUD	1.38	1.33

Actual and Pro Forma Financial Information

The Actual and Pro Forma financial information as of and for the year ended 31 December 2020 discussed in the Operating and Financial Review is presented on a consolidated basis as if 100% of the Acquisition had been completed 1 January 2020. As 100% of the Target Group has been acquired as of the date of this report and the results relating to 100% of the Target Group are reflected in the financial information for the year ended 31 December 2021, we believe that this presentation allows for the greatest comparability of results between periods.

2021 Consolidated Financial Statements

The 2021 Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and IFRS Interpretation Committee adopted for use in the European Union and comply with Article 4 of the EU International Accounting Standard (IAS) Regulation.

Principal Risks and uncertainties

Our Enterprise Risk Management Framework (ERMF) allows us to be consistent in how we identify, assess, manage, and monitor the risks and opportunities the business faces. The ERMF is a new process to the business, roll out of the framework started in 2021 and it is in the process of being embedded.

How we identify our Principal Risks

Our Principal Risks are aligned to the priority risks in our divisional and functional units. The priority risks are updated via quarterly input from our senior leaders and governance committees. The Principal Risks are reviewed by the Risk, Opportunity and Controls Committee, a forum comprised of senior leaders from across the business, prior to review and approval from the Audit Committee and the Executive Team.

Management and oversight of the Principal Risks

A key principle of our ERMF is that each of our risks have a single owner, from within the Executive Team, who is responsible for monitoring the risk, understanding the effectiveness of how the risk is being managed and taking suitable action to remediate the risk in line with our risk appetite.

All our risks are mapped to a category (strategic, technological /operational, commercial, people, legal/regulatory or financial). The assigned executive risk owners are accountable for confirming adequate controls are in place and that the necessary mitigation plans are implemented to bring the risk within an acceptable tolerance. We continue to monitor the status of our risks across the year and hold in-depth reviews with key risk stakeholders.

Our risks and their key drivers are identified through both a top-down discussion with the executive risk owners and bottom-up discussion with key stakeholders across all the Divisions and Functions.

Emerging risks and horizon scanning are included as part of the ERMF to ensure that the business is being proactive and raising awareness as necessary, an example of this is in our ESG plans as noted above page 27.

Principal Risks and uncertainties

Risk Governance

	Governance – oversight and guidance
Board	— Sets tone from the top — Positions risk appetite and tolerance — Challenges the 3 lines — Accountable to shareholders
Audit Committee Non-executive	— Provides independent challenge to the first and second lines — Provides assurance to the Board
Risk, Opportunity and Controls Committee Executive	— Provides advice and guidance to the first and second lines — Considers emerging risks — Accountable to Audit Committee and Board
Divisions and functions	— Identifies and manages risks — Implements risk responses, identifies, and escalates risks — Reports to the Risk Committee

We use the three lines model to help define structures and processes to facilitate governance and risk management:

— Management control is the first line in risk management

— Oversight functions established by management are the second line

— Independent assurance is the third.

Summary

We assess our risks both individually and collectively so that we can fully understand our risk landscape. We analyse the relationship between risks so that we can identify those that have the potential to impact or increase other risks, to ensure we prioritise our management of the risks appropriately.

The Covid-19 risk has been incorporated in our wider risk assessments as both the risk and opportunities from Covid-19 has impacted many risks across all our risk categories.

Crises in Ukraine

With the rapidly evolving situation in the Ukraine and Russia that threatens the lives and wellbeing of our people and disrupts our business operations we have established a Group leadership team that reports through to our Executive Team. The purpose of the team is to assess the situation, take key actions, ensure clear communication to key stakeholders and to continue to monitor the situation. This team is looking at key risk areas such as the wellbeing of our people, sanctions exposure, cyber security, data protection, our clients, our facilities, and ensuring liquidity in the countries impacted.

Strategic

— Market risk

— Economic and political instability

— Acquisitions and divestitures

Operational & technology

— Cyber resilience and information technology

— Transformation: Change management

— Quality of service

Commercial

— Key client and third party relationships

People

— Talent: Recruitment and retention

Legal & Regulatory

— Data protection and privacy

— Legal and regulatory compliance

Financial

— Financial risk

— Tax risk

Year-on-year change in risk:

↑ Increase

↔ No change

↓ Decrease

Mapping risk to strategy:

Winning with clients

Speed and simplicity

Invest for the future

Principal Risks and uncertainties

	Strategic		
Risk	**Market risk** ↔	**Economic and political instability** ↑	**Acquisitions and divestitures** ↑
Owner	Divisional CEOs	Chief Executive	Chief Executive
Description	Kantar operates globally across a number of markets. Failure in product innovation or ineffective response to threats from emerging technology or new disruptive business models could impact our growth, revenues, and margins.	A slowdown in the growth of, or a reduction or disruption in demand for our services could have a material adverse impact on Kantar's financial condition. There are risks related to political instability, security, and regional tensions in some of the regions in which we operate.	Part of Kantar's strategy is to balance its portfolio of products and enhance our positions in key markets. Acquiring, integrating, and divesting businesses is one of the ways the business can achieve this. How the business performs can vary from expectation due to market conditions or integration/carve out complexity, which can impact overall growth and returns, the strength of our brands and business culture.
How we manage and mitigate	— We have a new central group products team that is introducing customer centric innovative propositions and services, which will enable us to deepen our client engagement. — We are rebalancing our portfolio through investment in acquisitions and divestitures. We are improving our operating model and processes to focus our resources on markets and products where we believe we can be a global leader. — We are accelerating our technology transformation (including the use of AI and Robotics), to deliver the technologically enabled expertise that our clients require. — We conduct monthly business reviews to assess improvements in margin to ensure our ongoing competitiveness.	— We continue to conduct market analysis and business intelligence gathering activities to better understand our clients' future requirements and potential future innovations. — We monitor economic, governmental, and regulatory changes that could impact our business. — Our business is spread over a wide geographic area, and this minimises material reliance on any specific country/market. — Ongoing monitoring of national tax requirements by the Group Tax and local tax teams with support of external specialists. — Actively work with our units to ensure our pricing reflects inflationary demands.	— We allocate capital to the markets and Divisions with the best long-term value creation opportunity. — We actively monitor the market to identify suitable acquisition targets. Targets are analysed by the M&A team and assessed according to strategic fit, with experts from multiple functions involved in the due diligence process. — All acquisitions and disposals have formal governance, leadership, and project management with significant acquisitions/disposals receiving heightened governance.

Principal Risks and uncertainties

	Operational & technology	Operational & technology	
Risk	**Cyber resilience and information technology** ↑		**Transformation – Change management** ↑
Owner	Chief Technology Officer		Chief Executive
Description	In common with other companies and organisations we are increasingly dependent on the security and performance of our IT systems. Globally there is a threat of increasingly sophisticated cybercrime and an external cyber-attack. Internally we have the risk of an insider threat or supplier breach could cause service interruption or the loss of confidential data. Cyber threats could lead to major customer, financial, reputational, and regulatory impacts.	There is an increasing reliance on our technology solution to drive business performance and any network, system, or platform outages resulting from internal or external events could lead to reduced client satisfaction, and/or reputational damage.	Failure to execute our organisational transformation plan could result in loss of business value and additional cost.
How we manage and mitigate	— Building an intelligence-led, risk-based model for understanding cyber threats. — Developing and implementing a Cyber Controls framework, aligned to top threats supported by risk management and control monitoring procedures and governance. — Monitoring and logging our networks and systems to rapidly detect and respond to threats to our systems. — Evaluating our security posture through testing and assessments to identify vulnerabilities. — Working with the Divisions and Regions to ensure they are clear on their responsibilities and have a sound plan for security remediation of vulnerabilities identified within their assets. — Raising security awareness and promoting good security practice among our people through campaigns, training, and phishing tests.	— Adopting an accountability model across the organisation for critical roles with key cyber responsibilities. This must ensure they are educated on and understand their responsibilities for cyber security. — Developing and maintaining a cyber security strategy which drives security objectives and transformation programs to achieve focused de-risking and maturity uplift. — Continuously working to identify our assets through sound asset inventory monitoring and reduce complexity in our technology landscape by streamlining/replacing legacy systems. — Building and implementing third party supplier security assessments. Supported by procedures and governance.	— We have specialist teams, managing, executing, and monitoring our transformation activities. — We have governance structures in place to oversee the execution of the transformation. These are at a functional and divisional level to actively management the day-to-day programme management, through to Functional/Divisional leadership and then report through to the Transformation and Strategic Committees on the latest status and actions.

Principal Risks and uncertainties

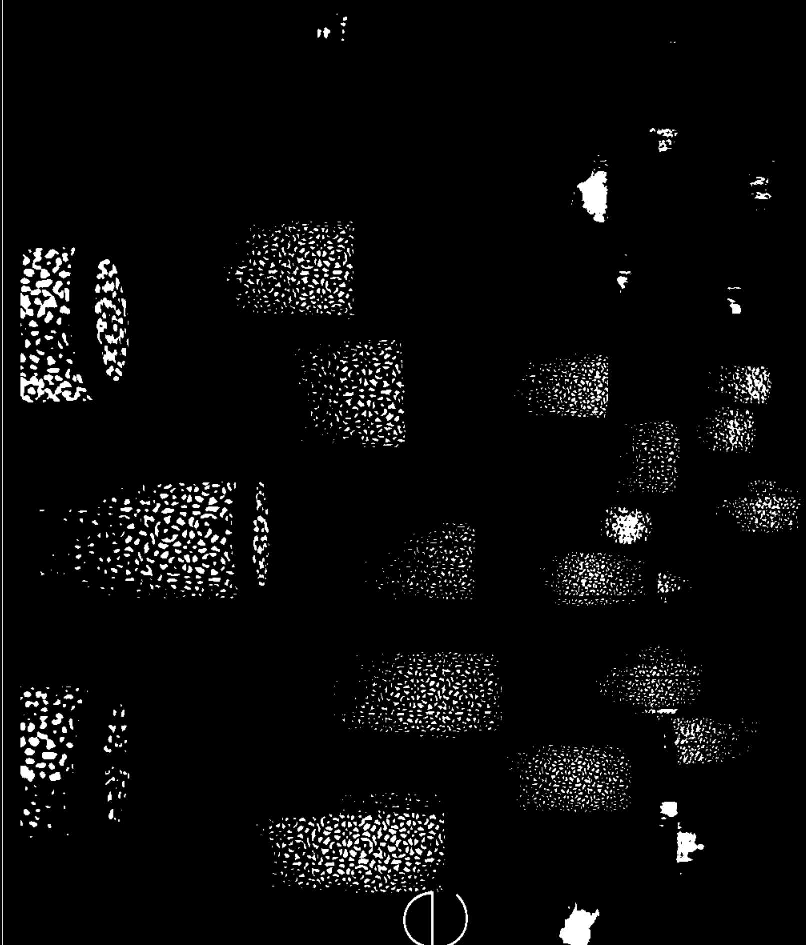
	Operational & technology	Commercial	People
Risk	**Quality of service** ↔	**Key client and third party relationships** ↔	**Talent: Recruitment and retention** ↑
Owner	Group Chief Operations Officer	Divisional CEOs	Group Chief People Officer
Description	Our reputation and profitability could be damaged if we fail to meet our clients' expectations on the quality of our data and insights within the agreed delivery schedules.	We are dependent on maintaining strong relationships with our clients based on the quality of our service. Our service is key and any failure could result in loss of key clients, reputation and/or a negative impact on our revenues/profit.	An inability to attract, develop and retain a diverse and inclusive workforce could impact our business performance. A failure to look after the wellbeing of our people could impact their health and wellbeing, our ability to help them perform well and retain them in the business.
How we manage and mitigate	— Continued skills development and training programmes for our operational teams. — A comprehensive research and operations methodology and quality-control process from defining initial client requirements through to client reporting. — Investing in continuous improvement in our internal/external facing solutions. — Ongoing monitoring and management of customer relationships. — Ongoing monitoring and management of supplier delivery. — Ensuring new suppliers meet rigorous quality assurance criteria.	— Maintaining close relationships with our clients and reflecting their needs in our broader technology, transformation, and investment strategy. — Close monitoring of our supply chain and ongoing quality assurance measurement of the data we receive and process. — Clear definition of our operational and business requirements, against which suppliers are assessed. — Utilising a source to pay platform to deliver global standardisation in our supplier selection process.	— There is a deep understanding of the skills and capabilities required to deliver our strategic objectives. Our HR department works closely with the business to ensure the delivery of current and future capability needs to drive growth and performance. — An ongoing inclusion and diversity programme to demonstrate to our people their importance and show how they help us deliver for our clients. — Improved incentive and reward schemes to accelerate how we attract, recruit, develop, and retain our talent in our highest value business areas. — Enabling our people to work flexibly where possible and highlighting guidance and support mechanisms available to them. — HR and Divisional leadership foster inspiring and inclusive engagement with our people to drive high performance and retention. — We are leveraging new processes and technology to automate and standardise where possible across the employee lifecycle to drive efficiency and effectiveness.

Principal Risks and uncertainties

	Legal and Regulatory	
Risk	**Data protection and privacy** ↑	**Legal and regulatory compliance** ↔
Owner	Group Chief Operations Officer	Group General Counsel
Description	A breach in data protection and privacy laws and regulations through the misuse of, or failure to secure and protect all personal data.	Failure to comply with applicable laws and regulations may lead to reputational damage, substantial fines and penalties, and a negative impact on future growth prospects. Changes in laws and regulations, in respect of their interpretation or application and enforcement, both locally and internationally, may require Kantar to modify its existing business practices, incur increased costs and subject it to potential additional liabilities.
How we manage and mitigate	— Ongoing management focus across the business to ensure compliance with our Data Framework. — Implementation of risk management of third parties' data-handling and security arrangements. — Evaluating and enhancing our systems related to our evolving research data gathering requirements. — Developing a new data protection training programme targeted to our people based on their roles and responsibilities. — Investment to systemise how we handle consent and in how we oversee the changes of laws. — Further improving our data governance and assurance programmes.	— We have a Group General Counsel and Legal function which consists of subject matter experts who oversee and are responsible for ensuring ongoing compliance with all elements of regulatory and legal requirements. Where appropriate we also engage specialist external legal advisers to support. — Ongoing refresh of compliance and related policies, including specific details covering anti-bribery and corruption, facilitation of tax evasion, anti-money laundering. — Group wide policy framework with a defined roll out and training programme which is monitored via a group level governance forum.

Principal Risks and uncertainties

	Financial	
Risk	**Tax Risk** ↔	**Financial Risk** ↔
Owner	Group Chief Financial Officer	Group Chief Financial Officer
Description	Local tax legislation and international tax frameworks are frequently subject to change and failure to understand these changing requirements may have an adverse effect on the performance, and financial position of the business, including as a result of reputational damage with tax authorities and other stakeholders in the jurisdictions in which we operate.	The inability to effectively manage our exposure to financial markets, meet our financial obligations and ensure the accuracy of financial reporting could result in financial misstatement, financial loss including a failure to prevent fraud, and/or key decisions being taken based on incorrect information. Funding and liquidity risks could impact our viability and ability to continue as a going concern.
How we manage and mitigate	— The Group Tax Department has been established to support the business to comply with the ever-changing tax landscape. The department is staffed by experienced tax advisors. They work with a network of tax advisors who provide advice when required, and ensure the team is kept up to date with legislative developments globally. — Financial control framework for tax controls has been developed and rolled out across the Group and is monitored via ongoing second line assurance activities.	— Management of our liquidity and funding requirements and financial risks through a centralised treasury function. — Implementation of a treasury controls framework that oversees payments, liquidity, foreign exchange dealing and cash management. — Implementation of a financial controls framework with appropriate policies, processes, and controls including semi-annual certifications over key controls by senior leaders. — Training of our finance teams on the financial controls framework and fraud awareness and implementing best practice, awareness and understanding of controls. — Carrying out first and second line assurance activities.



Governance

Board composition

Management

Board of Managers

The Group is managed by the Boards of Directors of ROW JVCo and US JVCo (the "Boards"), which are the Group's principal governing bodies. Each of the Boards will be composed of up to eight members, out of which six will be appointed by the Sponsor and two by WPP Plc pursuant to the terms of the Shareholders' Agreement.

Name	Position
John Rogers	WPP Director
Andrew Scott	WPP Director
Isabelle Dardard Arker	Bain Director
Christophe Jacobs van Merlen	Bain Director
Jana Oleksy	Bain Director
Stella Le Cras	Bain Director
Manfred Schneider	Bain Director

The following are brief biographical descriptions of the members of the Boards mentioned above.

John Rogers

Mr. Rogers became Chief Financial Officer of WPP Plc in February 2020, joining from J Sainsbury Plc where he was Chief Executive Officer of Argos, leading its integration into the Sainsbury's business and its digital transformation into one of the UK's leading online retailers.
He was previously the Chief Financial Officer of J Sainsbury Plc, responsible for its business strategy, new business development, Sainsbury's Online and Sainsbury's Bank, in addition to its core finance functions. Mr. Rogers is a member of The Prince's Advisory Council for Accounting for Sustainability. He sits on the Retail Sector Council, which acts as a point of liaison between the UK Government and retail sector. John is also an Independent Non-Executive Director of Grab Holdings Limited, a technology company listed on NASDAQ.

Andrew Scott

Mr. Scott joined WPP Plc in 1999 as Director of Corporate Development. He held a number of other senior roles including Chief Operating Officer for Europe before being appointed COO in 2018.

Board composition

Christophe Jacobs van Merlen

Mr. Jacobs van Merlen is a Managing Director in the Technology Financial and Business Services Vertical and a member of the European Private Equity team at Bain Capital. Prior to joining Bain Capital in 2004, Mr. Jacobs van Merlen was a consultant at Bain & Company in Brussels, Amsterdam, and Boston, where he provided strategic and operational advice to private equity, business services, industrial, and financial services clients. He graduated from École Centrale in France and received a MS magna cum laude in Civil Engineering from University of Brussels.

Stella Le Cras

Ms. Le Cras serves as a Finance Director of Bain Capital's office in Luxembourg. She joined Bain Capital in 2020. Ms. Le Cras has over 30 years of experience in the financial services industry and serves as a board member on the holding companies of various Bain Capital investments.

Isabelle Dardard Arker

Ms. Arker serves as a Finance Director at Bain Capital's Luxembourg office which she joined in June 2020. She also serves as a board member on the holding companies of various Bain Capital investments. Prior to that she was a General Manager and board manager in a private equity house in Luxembourg for 7 years and Tax and Accounting manager in Big 4 and fiduciary companies for 15 years. Isabelle has over 20 years of experience in accounting, tax and corporate administration.

Jana Oleksy

Ms. Oleksy serves as a Finance Director and board manager at Bain Capital's Luxembourg office which she joined in November 2018. Prior to that she was a finance director and board manager in a private equity house in Luxembourg for 12 years and financial controller in international banks for 8 years. Jana has over 30 years of experience in accounting, controlling, reporting, tax and corporate administration. Jana has an ACCA Diploma in International Financial Reporting Standards.

Manfred Schneider

Mr. Schneider is a Director at Alter Domus. Since 2004, he has managed transactions, including structuring, reorganizing and refinancing Luxembourg entities. Before joining Alter Domus, he was an audit manager at PricewaterhouseCoopers. He is a certified chartered accountant and treasurer of the Association of Chartered Accountants in Luxembourg. Alter Domus provides corporate and back office services to investment funds, including Bain Capital. Mr. Schneider is on the board of numerous companies and special purpose vehicles domiciled in Luxembourg.

The business address of ROW JVCo and US JVCo is 4, rue Lou Hemmer, L-1748 Senningerberg, Grand Duchy of Luxembourg.

Board Practices

The Boards meet on a regular basis, at least four times per calendar year, to review the Group's performance and business plans. All resolutions at meetings of the Boards are decided by a simple majority of votes cast. In addition, the Boards have established policies for the conduct of the Group's business, including delegations of the Boards' authority to Directors and members of senior management. Pursuant to the Shareholders Agreement, each Board has established or shall establish an Audit Committee, a Remuneration Committee, a Risk and Compliance Committee and a Nomination Committee to ensure appropriate oversight of the Group's operations.

Principal shareholders

Bain Capital indirectly holds 60% of the equity interests in US JVCo, which indirectly holds the equity interests in the U.S. entities, and ROW JVCo, which indirectly holds the equity interests in the non-U.S. entities. The remaining 40% of the equity interests in US JVCo and ROW JVCo are held by certain affiliates of WPP Plc. ROW JVCo and US JVCo in turn hold equity interests in ROW Midco and US Midco, respectively, and senior management of the Group also hold their equity securities in each of ROW Midco and US Midco.

Our Ownership

Shareholders

Bain Capital

Bain Capital Private Equity (Europe), LLP is an investment adviser authorised and regulated by the Financial Conduct Authority ("FCA"). Bain Capital Private Equity (Europe), LLP is an indirect subsidiary of Bain Capital, L.P., a global investment firm based in Boston, Massachusetts, USA. It is based in London and is the investment adviser to the following four European private equity funds:

— Bain Capital Fund VII-E, L.P.

— Bain Capital Fund VIII-E, L.P.

— Bain Capital Europe Fund III, L.P.

— Bain Capital Fund Europe – V, SCSp

and the investment sub-advisor to:

— Bain Capital Fund Europe – IV, L.P. (collectively the "European Private Equity Funds")

Bain Capital Private Equity (Europe), LLP provides investment advice to the Bain Capital European Private Equity Funds regarding the acquisition and disposition of securities. Bain Capital Private Equity (Europe), LLP has implemented a Conflicts of Interest Statement.

As of July 2021 there were 51 Bain Capital Private Equity investment professionals based in Europe, as well as 18 portfolio group executives dedicated to assisting portfolio company management teams in improving their businesses. This team works closely with the broader Bain Capital organization, which has more than 1,300 employees worldwide.

Bain Capital's History in the UK

Since its founding in 1984 in Boston, Bain Capital has grown and evolved into one of the leading global private investment firms in the world. Many of the Managing Directors and team members have worked as strategic consultants advising a large number of companies across a wide range of industries. From this heritage, Bain Capital has built upon the experience and ability of its professionals to assess a company's potential, develop powerful strategies, and implement fundamental change in partnership with great management teams. Bain Capital Private Equity now has eleven offices on four continents and has raised 13 global private equity funds, five European funds and four Asian funds.

In August 2005, Bain Capital Credit established a presence in London. Bain Capital Credit's European team now consists of 61 investment professionals and has a successful track record of investing in Europe, managing €6.4 billion across European bank loans and high yield bonds as of 31 March 2021. In addition to mezzanine investments, the team has invested approximately €6.4 billion of equity across more than 65 non-performing loans, non-core assets, special situations real estate, and traded investments for a total GBV / REV of nearly €19 billion (as of 31 March 2021).

Bain Capital Private Equity's European investment team is based in London and Munich, and operates within the globally integrated team. Since establishing a dedicated Europe office in London in 2000, the firm has raised five Europe-focused funds and has invested in companies across a broad range of industry sectors and countries.

In October 2001, Bain Capital Fund VII-E, L.P. ("Fund VII-E") was organised as the primary vehicle for making European private equity investments, with $500 million in commitments. While Fund VII-E's primary focus was to invest in attractive European mid-market companies, it also maintained the flexibility to opportunistically pursue select larger European investments by sharing these investment opportunities with Bain Capital's global private equity funds.
This investment sharing structure enabled Fund VII-E to invest in a range of transaction sizes, without becoming overly concentrated in a small number of very large investments and without the pressure of investing a fund that Bain Capital felt was too large.

In August 2004, Bain Capital Fund VIII-E, L.P. ("Fund VIII-E") was organised as a successor fund to Fund VII-E, with €1.015 billion in commitments. Like Fund VII- E, Fund VIII-E focused its investment activities in mid-market European companies while opportunistically investing in attractive larger transactions alongside Bain Capital's global private equity funds. It also expanded its investment focus to include two investments in South Africa.

Our Ownership

In March 2008, Bain Capital Europe Fund III, L.P. was organised as the successor fund to Fund VIII-E, with €3.5 billion in commitments. It pursued a similar strategy to Fund VIII-E.

In November 2014, Bain Capital Fund Europe IV, L.P. was organised as the successor fund to Europe Fund III, with €3.5 billion in commitments. Europe IV continued to focus on companies headquartered in Europe, typically with international operations or aspirations, where Bain Capital has significant comparative advantage over other potential bidders.

In June 2018, Bain Capital Fund Europe V, L.P. was organised as the successor fund to Europe Fund IV, with €4.35 billion in external commitments.

Bain Capital Private Equity's Investment Strategy

Bain Capital Private Equity pioneered the value-added investment approach. Bain partner with management teams to help build and grow great companies. Bain's success is built on a collaborative approach that harnesses the power of those great teams to generate the best ideas and strategies.

The Bain global team, which now operates in eleven offices on four continents, has made more than 1,000 primary and add-on investments that have generated consistently strong returns.

Bain Capital Private Equity's expected holding period for an investment is four to seven years. Each of its funds is formed for a period of approximately ten years, which allows Bain Capital Private Equity to make considered, long-term investments with a view towards true improvement and value creation in its portfolio companies.

WPP Plc

WPP Plc is a British multinational advertising and public relations company. Its main management office is in London, England, and executive office in Dublin, Ireland. WPP Plc owns a number of advertising, public relations, media and market research networks, including Ogilvy, J. Walter Thompson, Young & Rubicam, Burson-Marsteller, Hill & Knowlton and GroupM. WPP Plc has operations in 112 countries, employs over 130,000 people and is quoted on the London and New York Stock Exchange.

Shareholders Agreement

In connection with the Acquisition, the Sponsor and certain affiliates of WPP Plc entered into a shareholders' agreement (the "Shareholders' Agreement") regulating the affairs of ROW JVCo and US JVCo and their investment in the Group, among other things, including governance rights in relation to ROW JVCo and US JVCo as well as certain matters which require the consent of WPP Plc.

The Shareholders' Agreement provides for certain pre-emptive rights on issues of new securities of US JVCo and ROW JVCo (subject to customary exclusions), as well as certain restrictions on transfers of the securities of US JVCo and ROW JVCo (subject to limited permitted transfers) in the first three years of the term of the Shareholders' Agreement. After the expiry of the first three years of the term: (i) each shareholder will have a right of first offer in the event another shareholder decides to dispose of any of its JVCo securities; and (ii) WPP Plc will receive tag-along rights to participate in a transfer of securities by Bain Capital, other than certain specified transfers. The Shareholders' Agreement also includes a drag-along right entitling Bain Capital to require WPP Plc to transfer all of its securities upon a transfer of all of Bain Capital's securities in ROW JVCo and US JVCo at any time following the third anniversary of the Shareholders' Agreement, subject to certain conditions.

Voting rights for the ROW JVCo and the US JVCo are determined (i) at the Boards' meetings on a show of hands by simple majority; and (ii) at shareholder meetings on a poll (i.e. one vote per share held). The Shareholders' Agreement includes a number of reserved matters which require both shareholders' approval. These reserved matters will be reduced if WPP Plc ceases to hold at least 15% and fall away if WPP Plc ceases to hold at least 5% of the shares in the relevant JVCo.

Governance overview

The Kantar Group has established a governance model comprising the following committees which **exercise governance and risk oversight over the business and escalate** to the Board of Managers as appropriate under the Shareholders Agreement.

The Strategic Committee

The Strategic Committee meets monthly and is comprised of Kantar's Chairman, representatives from Bain Capital and Kantar's Chief Executive, Deputy CEO / Group CFO and Group General Counsel. The Strategic Committee recommends strategy, investments, and significant transformational projects to Board of Managers level. The Committee also reviews overall business performance and progress of transformation initiatives.

The Executive Leadership Team

The Executive Leadership Team meets monthly and is comprised of senior business leaders from across the organisation who support the Chief Executive in managing the business and delivering results. It is an alignment and decision-making forum for cross-division topics. Its agenda includes, Top Clients, Strategy, Purpose and Culture, Business Performance, Leadership and People strategies, Communications and sharing best practice.

The Risk, Opportunity and Controls Committee

The Risk, Opportunity and Controls Committee meets quarterly ahead of, but in sequence with, the Audit Committee and assists the Board and the Audit Committee in fulfilling their responsibilities by:

— Overseeing the effectiveness of governance, risk management and compliance activity within the Kantar Group

— Assessing Principal Risks, reviewing the Risk Management Framework and systems and its overall effectiveness

— Analysing and addressing risks, internal control deficiencies and non-compliance.

The Transformation Review

The Transformation Review is a forum, chaired by the Chief Executive, that meets monthly to drive the Group's transformation and strategic priorities, from design to impact, holding sponsoring Executives to account. It reviews investments related to transformation projects and makes recommendations to the Board of Managers as appropriate, undertaking a bi-annual assessment of prioritisation of the overall transformation roadmap, including a review of lessons learned on approved projects.

The Audit Committee

The Audit Committee meets quarterly and is comprised of two members of the Board, an investor director, and an independent chair. The Committee's responsibilities include oversight of the Group's accounting and financial reporting practices, reviewing and recommendation of the consolidated financial statements, independently challenging the 1st and 2nd lines of defence and reviewing and monitoring the adequacy and effectiveness of the financial and operational controls and key systems, in conjunction with the Risk, Opportunity and Controls Committee. They are also responsible for oversight of the external auditor and review of the external audit reports and effectiveness of the external audit process.

The Remuneration Committee

The Remuneration Committee (the 'RemCo') meets bi-annually and on ad-hoc occasions as required. Its membership consists of the Kantar Group Chairman and three members of the Boards. The RemCo has delegated authority from the Boards for determining the policy for Executive Remuneration across the Kantar Group, exercising independent judgement in the application of remuneration schemes that align with and promote the long-term success of the Group for the benefit of shareholders.

Management Report

The Board of Managers of Kantar Global Holdings S.à r.l. is pleased to present its management report for the year ended 31 December 2021.

Principal activity and business developments

The Group's principal activity is the provision of global data, research, consulting and analytics products and services offering a comprehensive combination of attitudinal and behavioural data (i.e. understanding the way consumers think, feel, shop, share, vote and view) and serving over 20,000 clients in more than 100 countries. We aggregate and connect multiple data sources including our own proprietary data as well as client, third party and public data, to provide trusted and increasingly real time, predictive and actionable insights and analytics to assist clients in making evidence-based decisions.

These financial statements consolidate the financial performance, financial position and cash flows of Kantar Global Holdings S.à r.l. and its subsidiary undertakings (the "Group") for the year ended 31 December 2021.

Revenue

Revenues of $3,282.5 million (2020: $2,837.7 million) in the year ended 31 December 2021. See note 2 for further details.

Operating loss and earnings before interest, tax, depreciation and amortisation ("Adjusted EBITDA")

	Notes	2021 $m	2020 $m
Operating Profit/(loss) per the income statement		**110.8**	**(210.8)**
Add back:			
Acquisition and disposal related costs	3	79.5	19.1
Restructuring and transformation costs	3	197.3	270.9
Amortisation of intangible assets	3	250.7	229.6
Impairment of goodwill and other intangible assets	3	46.7	–
Depreciation of property, plant and equipment	3	41.9	45.2
Depreciation and impairment of right-of-use assets	3	71.8	75.9
Gains on disposals of subsidiaries	3	(178.8)	–
Other items		(9.1)	8.1
Perimeter adjustments[1]		–	14.0
Adjusted EBITDA – actual rates		**610.8**	**452.0**

1. Adjustment to 2020 to include a full year's Adjusted EBITDA of the Kantar entities acquired at various dates during 2020.

Net finance costs

See note 6 for further details.

Taxation

The reported tax charge for the year was $61.3 million (tax credit 2020: $5.6 million), representing an effective tax rate on the reported loss before tax for the year of (64.1%). The tax charge differs from the UK benchmark statutory rate of 19% due to the factors outlined in note 7. Cash taxes of $75.0 million were paid in 2021 (2020: $79.5 million).

Goodwill and acquired intangible assets

See note 9 for further details and notes 24 and 25 for acquisitions and disposals during the year.

Management Report

Borrowings

See note 19 for details of the Group's borrowings.

Cash flow

Cash and cash equivalents decreased by $90.4 million in the year, for further details please refer to note 8.

Principal Risks and uncertainties

We assess our risks both individually and collectively so that we can fully understand our risk landscape. We analyse the relationship between risks so that we can identify those that have the potential to impact or increase other risks, to ensure we prioritise our management of the risks appropriately.

The Covid-19 risk has been incorporated in our wider risk assessments as both the risk and opportunities from Covid-19 has impacted many risks across all our risk categories (Figure 1).

See the section on Principal Risks and uncertainties for further details.

Figure 1

Strategic

— Market risk
— Economic and political instability
— Acquisitions and divestitures

Operational & technology

— Cyber resilience and information technology
— Transformation: Change management
— Quality of service

Commercial

— Key client and third party relationships

People

— Talent: Recruitment and retention

Legal & Regulatory

— Data protection and privacy
— Legal and regulatory compliance

Financial

— Financial risk
— Tax risk

Recent developments and subsequent events

On 1 January 2022, the Group completed the sale of its Reputation Intelligence business to leading technology investor Symphony Technology Group "STG". The transaction completes in accordance with the definitive agreement announced on 4 August 2021, having obtained approvals from all relevant authorities. The Reputation Intelligence business has been classified as held for sale as at 31 December 2021, as described in note 14. The goal of the year ahead will be Accelerating Growth. This is achieved through our strategic prior ties for 2022:

— Inspiring people – we are a people business, and people need inspiration and purpose.

— Client impact – we can only achieve sustainable growth though increasing the impact we create for our clients.

— Future focus – while succeeding today, we are also getting ready for the years ahead.

As a result of events in Ukraine which have occurred subsequent to 31 December 2021 the Group has currently suspended operations in Russia. The operations impacted as a result of this contribute approximately 1.0% of revenue to the Group.

On 15 March 2022, the Group agreed in principle to dispose of the Numerator eCommerce Path Intelligence Solutions business to Wiser Solutions.

Management Report

Going concern

The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the Consolidated Financial Statements and the notes to the financial statements. They include the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

The latest updates to this strategic plan were finalised in 2021. This considered the Group's current positions and business prospects for the next five years, focusing on potential market expansion, growth opportunities in existing markets and the scope for new product development.

Based on this analysis, detailed financial forecasts were prepared for a five year period. The forecasts for the first year represent its operating budget, which is subject to ongoing review and formal monitoring during the year. A similar level of detail is included in the second year of the forecast and this is flexed, based on the actual results obtained in year one. Forecasts for the remaining years are extrapolated from these first two years, based on the overall content of the strategic plan. We assume that debt refinancing will be available in all plausible market conditions and that there will be no material change to the Group's capital structure over the period.

The Group has also considered a number of downside scenarios by quantifying their potential financial impact and assessing the potential impact on planned delivery. For 2021, as a result of the increased pressures on the global financial markets driven by Covid-19, we conducted additional financial stress testing and sensitivity analysis.

Under all the stress-tested scenarios, the Group would be able to operate with appropriate liquidity and headroom on its financial banking covenant and would be able to meet its liabilities as they fall due. We therefore have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, the Consolidated Financial Statements have been prepared on a going concern basis of accounting.

Research and development

During the year, the Group incurred $85.6 million (2020: $55.3 million) of costs related to research and development.

Use of financial instruments

The use of financial instruments as well as the risk management policies of the Group are described in the note 18.

Acquisition of own shares

The Group did not acquire any of its own shares during the year to 31 December 2021.

Signed on behalf of the Board of Managers

Isabelle Dardard Arker
Manager

Stella Le Cras
Manager

Luxembourg, 6 April 2022

Walker guidelines statement of compliance

The Walker Guidelines, introduced in 2007, require certain private equity firms and their larger portfolio companies to meet enhanced rules on disclosure on a "comply or explain" basis. Kantar's statement of compliance against these guidelines is set out below.

Ref	Section	Requirement	
1.0	**Guidelines specific** – Disclosures focussed on the features that occur from being under private equity ownership.		
1.1	Identity of private equity firm	The report should identify the private equity fund or funds that own the company and the senior executives or advisers of the private equity firm who have oversight of the company on behalf of the fund or funds.	
1.2	Details on board composition	The report should give detail on the composition of the board, identifying separately executives of the company, directors who are executives or representatives of the private equity firm and directors brought in from outside to add relevant industry or other experience.	
1.3	Financial review – position	The financial review should cover risk management objectives and policies in the light of the principal financial risks and uncertainties facing the company, including those relating to leverage, with links to appropriate detail in the footnotes to the balance sheet and cash flow section of the financial statements. To cover the financial review requirement the analysis has been split into two parts. The first looks at information on the position of the entity at year end. The second looks at the financial risks identified.	
1.4	Financial review – financial risks	The financial review should cover risk management objectives and policies in the light of the principal financial risks and uncertainties facing the company, including those relating to leverage, with links to appropriate detail in the notes to the balance sheet and the cash flow section in the financial statements. To cover the financial review requirement the analysis has been split into two parts. The first looks at information on the position of the entity at year end. This second section looks at the financial risks identified.	
2.0	**Strategic report – Large private** – Disclosures required for all large private companies in order to comply with the Strategic Report Regulations and included in the Guidelines regardless of whether the portfolio company meets the criteria of being a large private company.		
2.1	Balanced and comprehensive analysis of development and performance during the year and position at the year end	The strategic report must contain a balanced and comprehensive analysis of development and performance of the company's business during the year and position at the year end. The purpose of this is to inform the members of the company and help them assess how the directors have performed their duty.	
2.2	Principal risks and uncertainties facing the company	The strategic report must contain a description of the principal risks and uncertainties facing the company.	
2.3	Key performance indicators – financial	The strategic report must, to the extent necessary for an understanding of the development, performance or position of the company's business, include analysis using financial key performance indicators. 'Key performance indicators' means factors by reference to which the development, performance or position of the company's business can be measured effectively.	
2.4	Key performance indicators – non-financial including environmental matters and employees	The strategic report must, to the extent necessary for an understanding of the development, performance or position of the company's business, include, where appropriate, analysis using other key performance indicators, including information relating to environmental matters and employee matters. 'Key performance indicators' means factors by reference to which the development, performance or position of the company's business can be measured effectively.	We have chosen not to disclose non-financial KPIs which we believe are commercially sensitive.

Walker guidelines statement of compliance

Ref	Section	Requirement
3.0	**Strategic report – Quoted** – Additional elements from the Strategic Report Regulations for quoted companies that have been adopted into the Guidelines for portfolio companies to further explain the business and offer comparability to those disclosures often seen in listed groups.	
3.1	Strategy	The strategic report should clearly articulate how the business intends to achieve its objectives.
3.2	Business model	The strategic report must include a description of the business model.
3.3	Trends and factors affecting future development, performance or position	The strategic report must, to the extent necessary for an understanding of the development, performance or position of the company's business, include the main trends and factors likely to affect the future development, performance and position of the company's business.
3.4	Environmental matters	The business review must, to the extent necessary for an understanding of the development, performance or position of the company's business, include information about environmental matters (including the impact of the company's business on the environment), including information about any policies of the company in relation to those matters and the effectiveness of those policies. Disclosures concerning greenhouse gas emissions are not a mandatory requirement under the Guidelines. However, where this information is available and is significant to the understanding of the portfolio company and its operations, its inclusion could only improve the transparency and quality of reporting.
3.5	Employees	The strategic report must, to the extent necessary for an understanding of the development, performance or position of the company's business, include information about the company's employees including information about any policies of the company in relation to those matters and the effectiveness of those policies.
3.6	Social, community and human rights issues	The strategic report must, to the extent necessary for an understanding of the development, performance or position of the company's business, include information about social, community and human rights issues, including information about any policies of the company in relation to those matters and the effectiveness of those policies.
3.7	Gender diversity information	The strategic report must include a breakdown at the end of the financial year showing the number of people of each sex who were directors of the (parent) company, the number of people of each sex who were senior managers of the company (other than those already identified as directors) and the number of people of each sex who were employees of the company. The Guidelines allow a portfolio company to apply their own definition in relation to the role of a senior manager.

Statement of compliance

The Directors consider the annual review and Consolidated Financial Statements to comply with all aspects of the Guidelines for Disclosure and Transparency in Private Equity except as noted in the table above.

Financial statements

Report on the Audit of the Consolidated Financial Statements

Report of the Réviseur d'entreprises agréé

To the Partners of
Kantar Global Holdings S.à r.l.
4, rue Lou Hemmer
L – 1748 Senningerberg

Opinion

We have audited the consolidated financial statements of Kantar Global Holdings S.à r.l. and its subsidiaries (the "Group"), which comprise the Consolidated Statement of Financial Position as at 31 December 2021, the Consolidated Statement of Income, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Cash Flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted in the European Union.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "*Commission de Surveillance du Secteur Financier*" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "*réviseur d'entreprises agréé*" for the Audit of the Consolidated Financial Statements" section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on the Audit of the Consolidated Financial Statements

Other information

The Board of Managers is responsible for the other information. The other information comprise the information stated in the Annual Review including the consolidated management report but does not include the consolidated financial statements and our report of the "*réviseur d'entreprises agréé*" thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Managers and Those Charged with Governance for the Consolidated Financial Statements

The Board of Managers is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRSs as adopted in the European Union, and for such internal control as the Board of Managers determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Managers is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Managers either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the "*réviseur d'entreprises agréé*" for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "*réviseur d'entreprises agréé*" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Report on the Audit of the Consolidated Financial Statements

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

— Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Managers.

— Conclude on the appropriateness of the Board of Managers' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "*réviseur d'entreprises agréé*" to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "*réviseur d'entreprises agréé*". However, future events or conditions may cause the Group to cease to continue as a going concern.

— Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

— Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

The consolidated management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

For Deloitte Audit, *Cabinet de révision agréé*
Maël Garo, *Réviseur d'entreprises agréé*
Partner
6 April 2022

Consolidated financial statements

Kantar Global Holdings S.à r.l.

Consolidated Statement of Income

For the year ended 31 December

	Notes	2021 $m	2020 $m
Revenue	2	**3,282.5**	**2,837.7**
Costs of services	3	(2,845.9)	(2,663.8)
Gross profit		**436.6**	**173.9**
General and administrative costs	3	(325.8)	(384.7)
Operating profit/(loss)		**110.8**	**(210.8)**
Share of results of associates	4	16.5	13.3
Profit/(loss) before interest and taxation		**127.3**	**(197.5)**
Finance income	6	3.7	5.4
Finance costs	6	(253.5)	(265.3)
Revaluation of financial instruments	6	26.9	8.2
Loss before taxation		**(95.6)**	**(449.2)**
Taxation	7	(61.3)	5.6
Loss for the year		**(156.9)**	**(443.6)**
Attributable to:			
Equity holders of the parent		(120.4)	(266.5)
Non-controlling interests		(36.5)	(177.1)
		(156.9)	**(443.6)**

Consolidated financial statements

Kantar Global Holdings S.à r.l.

Consolidated Statement of Comprehensive Income

For the year ended 31 December

	Notes	2021 $m	2020 $m
Loss for the year		**(156.9)**	**(443.6)**
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences on translation of foreign operations		103.8	(222.4)
Fair value movements on derivatives in effective hedge relationships		10.5	(3.6)
		114.3	**(226.0)**
Items that will not be reclassified subsequently to profit or loss:			
Actuarial profit/(loss) on defined benefit pension plans	17	7.0	(1.8)
Movement on equity investments held at fair value through other comprehensive income		3.5	–
Deferred tax on defined benefit pension plans	12	(2.7)	0.7
		7.8	**(1.1)**
Other comprehensive income/(loss) for the year		**122.1**	**(227.1)**
Total comprehensive expense for the year		**(34.8)**	**(670.7)**
Attributable to:			
Equity holders of the parent		(45.8)	(402.3)
Non-controlling interests		11.0	(268.4)
		(34.8)	**(670.7)**

Consolidated financial statements

Kantar Global Holdings S.à r.l.

Consolidated Statement of Financial Position

As at 31 December

	Notes	2021 $m	2020 $m
Non-current assets			
Goodwill	9	2,627.3	1,681.3
Other intangible assets	9	2,307.8	2,007.8
Property, plant and equipment	10	122.4	159.0
Right-of-use assets	20	261.5	287.5
Interests in associates	11	95.8	87.2
Other investments	11	22.0	9.4
Corporate income tax recoverable		16.0	18.6
Deferred tax assets	12	55.3	123.5
Trade and other receivables	13	12.6	11.5
		5,520.7	**4,385.8**
Current assets			
Corporate income tax recoverable		24.6	34.5
Trade and other receivables	13	846.0	839.9
Cash and short-term deposits		689.0	1,274.5
Assets classified as held for sale	14	64.8	250.0
		1,624.4	**2,398.9**

	Notes	2021 $m	2020 $m
Current liabilities			
Loans payable	19	(10.4)	(5.5)
Trade and other payables	15	(1,542.6)	(1,402.9)
Corporate income tax payable		(127.6)	(74.4)
Bank overdrafts	19	(153.0)	(648.1)
Short-term lease liabilities	20	(55.3)	(60.7)
Liabilities directly associated with assets classified as held for sale	14	(48.7)	(106.2)
		(1,937.6)	**(2,297.8)**
Net current (liabilities)/assets		**(313.2)**	**101.1**
Total assets less current liabilities		**5,207.5**	**4,486.9**
Non-current liabilities			
Loans payable	19	(4,085.2)	(3,403.1)
Trade and other payables	15	(18.3)	(66.4)
Deferred tax liabilities	12	(430.9)	(548.1)
Provision for post-employment benefits	17	(42.7)	(58.4)
Provisions and other liabilities	16	(228.4)	(170.5)
Long-term lease liabilities	20	(227.9)	(236.3)
		(5,033.4)	**(4,482.8)**
Net assets		**174.1**	**4.1**
Equity			
Share capital	22	19.7	6.6
Share premium	23	518.0	426.1
Retained losses		(430.6)	(305.0)
Translation reserve		(64.4)	(164.4)
Equity attributable to owners of the Company		**42.7**	**(36.7)**
Non-controlling interests	31	131.4	40.8
Total equity		**174.1**	**4.1**

Consolidated financial statements

Kantar Global Holdings S.à r.l.

Consolidated Statement of Changes in Equity

For the year ended 31 December

	Called-up share capital $m	Share premium $m	Translation reserve $m	Retained losses $m	Total share-holder's equity $m	Non-controlling interests $m	Total $m
Balance at 1 January 2020	**6.1**	**390.8**	**4.3**	**(35.9)**	**365.3**	**341.5**	**706.8**
Acquisition of subsidiaries	–	–	–	–	–	12.7	12.7
Acquisition of minority interests	–	–	–	–	–	(21.0)	(21.0)
Loss for the period	–	–	–	(266.5)	(266.5)	(177.1)	(443.6)
Currency translation adjustment	0.5	35.3	(168.7)	–	(132.9)	(89.5)	(222.4)
Actuarial (loss) on defined benefit plans	–	–	–	(1.1)	(1.1)	(0.7)	(1.8)
Deferred tax on defined benefit plans	–	–	–	0.4	0.4	0.3	0.7
Fair value movements on derivatives in effective hedge relationships	–	–	–	(2.2)	(2.2)	(1.4)	(3.6)
Other comprehensive income/(expense)	**0.5**	**35.3**	**(168.7)**	**(2.9)**	**(135.8)**	**(91.3)**	**(227.1)**
Dividends paid	–	–	–	–	–	(24.2)	(24.2)
Capital contributions from shareholders	–	–	–	0.3	0.3	0.2	0.5
Balance at 1 January 2021	**6.6**	**426.1**	**(164.4)**	**(305.0)**	**(36.7)**	**40.8**	**4.1**
Ordinary shares issued	14.1	127.2	–	–	141.3	–	141.3
Contribution from minority shareholders	–	–	–	–	–	129.3	129.3
Acquisition of minority interests	–	–	–	(16.2)	(16.2)	(29.6)	(45.8)
Disposal of subsidiaries	–	–	0.1	–	0.1	(1.1)	(1.0)
Loss for the period	–	–	–	(120.4)	(120.4)	(36.5)	(156.9)
Currency translation adjustments	(1.0)	(35.3)	99.9	–	63.6	40.2	103.8
Actuarial gain on defined benefit plans	–	–	–	4.2	4.2	2.8	7.0
Movements on equity investments held at fair value through other comprehensive income	–	–	–	2.1	2.1	1.4	3.5
Deferred tax on IAS 19 pension plan	–	–	–	(1.6)	(1.6)	(1.1)	(2.7)
Fair value movements on derivatives in effective hedge relationships	–	–	–	6.3	6.3	4.2	10.5
Other comprehensive (expense)/income	**(1.0)**	**(35.3)**	**99.9**	**11.0**	**74.6**	**47.5**	**122.1**
Dividends paid	–	–	–	–	–	(54.1)	(54.1)
Issue of equity instruments	–	–	–	–	–	35.1	35.1
Balance at 31 December 2021	**19.7**	**518.0**	**(64.4)**	**(430.6)**	**42.7**	**131.4**	**174.1**

Consolidated financial statements

Kantar Global Holdings S.à r.l.

Consolidated Cash Flow Statement

For the year ended 31 December

	Notes	2021 $m	2020 $m
Operating activities			
Cash generated from operations	8	325.2	586.2
Interest received		2.8	5.5
Interest paid		(222.1)	(219.3)
Tax paid		(75.0)	(79.5)
Dividends from associates	11	8.7	10.3
Net cash inflow from operating activities		**39.6**	**303.2**
Investing activities			
Acquisition of subsidiaries	24	(1,296.8)	(170.2)
Deferred and contingent consideration paid		–	(18.1)
Disposal of subsidiaries	25	354.9	–
Purchases of property, plant and equipment		(38.5)	(31.7)
Purchases of other intangible assets		(83.3)	(52.4)
Proceeds on disposal of property, plant and equipment		51.7	0.4
Earnout payments	15	–	(12.2)
Proceeds from sale of associates		–	0.3
Net cash outflow from investing activities		**(1,012.0)**	**(283.9)**

	Notes	2021 $m	2020 $m
Financing activities			
Repayment of lease liabilities	20	(63.1)	(55.6)
Proceeds from issue of shares		141.3	–
Proceeds from minority shareholder contributions		129.3	–
Acquisition of minority interests		(33.3)	–
Proceeds from borrowings	8	897.9	632.0
Repayment of borrowings	8	(162.3)	(351.2)
Repayment of loans from related parties	8	(2.0)	(120.2)
Issue of equity instrument		33.7	–
Dividends paid to non-controlling interests in subsidiaries		(54.1)	(24.2)
Net cash inflow from financing activities		**887.4**	**80.8**
Net (decrease)/increase in cash and cash equivalents		**(85.0)**	**100.1**
Effect of foreign exchange rate changes		(5.0)	18.6
Cash and cash equivalents at the beginning of the year		629.3	510.6
Cash and cash equivalents including cash held in disposal group at end of the year		**539.3**	**629.3**
Cash held in disposal group presented as held for sale		(3.3)	(2.9)
Cash and cash equivalents at the end of the year	8	**536.0**	**626.4**

Notes to the consolidated financial statements
Kantar Global Holdings S.à r.l.

1 Significant accounting policies

General information

Kantar Global Holdings S.à r.l.("the Company") was incorporated on 13 September 2019 in Luxembourg and is limited by shares. The registered office is 4, rue Lou Hemmer L-1748 Senningerberg.

These Consolidated Financial Statements are presented in United States Dollars because that is the currency of the primary economic environment in which the Group operates, and are rounded to the nearest one hundred thousand.

The Group holds some of the world's leading research, data and insights brands operating in over a hundred countries worldwide. They cover a breadth of techniques and technologies, including purchase and media data, predicting long term trends, neuroscience, exit polls, large scale quantitative studies, qualitative research, incorporating ethnography, and semiotics.

Basis of preparation

The Consolidated Financial Statements of the Group for the year ended 31 December 2021 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The Consolidated Financial Statements have been prepared on a going concern basis under the historical cost convention, except for the revaluation of certain financial instruments, investments and defined benefit pension obligations. The significant accounting policies are set out on the following pages, all of which have been consistently applied to all periods presented in the Consolidated Financial Statements.

Going concern

The Managers believe that the Group is well placed to manage its business risks successfully, despite the current uncertain economic outlook in the wider economy. The Group's forecasts and projections, taking account of possible changes in trading performance, show that the Group should remain adequately liquid and should operate within the covenant levels of its current debt facilities. The Managers consider it appropriate to adopt the going concern basis of preparation for the Consolidated Financial Statements.

As part of their regular assessment of the Group's working capital and financing position, the Managers have prepared a detailed trading and cash flow forecast for a period which covers at least 12 months after the date of approval of the Consolidated Financial Statements. In assessing the forecast, the Managers have considered:

— trading risks presented by the current economic conditions in the operating markets

— the impact of macroeconomic factors, particularly interest rates and foreign exchange rates

— the status of the Group's financial arrangements

— progress made in developing and implementing cost reduction programmes and operational improvements and

— mitigating actions available should business activities fall behind current expectations, including the deferral of discretionary overheads and restricting cash outflows.

In particular, the Managers have considered the impact of Covid-19 on the Group's operations. Management have considered the latest forecasts available to them and additional sensitivity analysis has been prepared to consider any reduction in anticipated levels of Adjusted EBITDA and operating profit arising from various scenarios. The Managers continue to consider it appropriate to adopt the going concern basis of accounting in preparing the consolidated financial information.

Basis of consolidation

The Group's Consolidated Financial Statements comprise the financial statements of Kantar Global Holdings S.à r.l. and its subsidiaries presented as a single economic entity. The results for all the subsidiaries are prepared for the same reporting period, using consistent accounting policies across the Group.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved when the Company:

— has the power over the investee

— is exposed, or has rights, to variable returns from its involvement with the investee and

— has the ability to use its power to affects its returns.

Notes to the consolidated financial statements

Kantar Global Holdings S.à r.l.

1

Significant accounting policies continued

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has control over an investee, including:

— Contractual arrangements with the other vote holders of the investee

— Rights arising from other contractual agreements and

— The Group's voting rights and potential voting rights.

Where there is loss of control of a subsidiary, the Group derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in the Consolidated Statement of Income. Any investment retained is recognised at fair value.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Non-controlling interest may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of entities consolidated into these financial statements to bring their accounting policies into line with Group's accounting policies. All intra-Group balances, transactions, income and expenses are eliminated in full on consolidation. The results of subsidiary undertakings acquired or disposed of during the period are included or excluded from the Consolidated Statement of Income from the effective date of acquisition or disposal.

New IFRS accounting pronouncements

In the current year, the following Standards and Amendments, became effective:

— Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2

— Amendments to IFRS 4 Insurance Contracts – deferral of IFRS 9

— Amendments to IFRS 16 Leases: Covid-19 -Related Rent Concessions beyond 30 June 2021.

The adoption of these amendments has not led to any material changes to the Group's accounting policies or had any other material impact on the financial position or performance of the Group.

The replacement of benchmark interest rates such as LIBOR and other interbank offered rates (IBORs) is a priority for global regulators. Phase 2 amendments to IFRS 9 'Financial Instruments', IAS 39 ' Financial Instruments: Recognition and Measurement', IFRS 7 'Financial Instrument Disclosures', IFRS 4 'Insurance Contracts' and IFRS 16 'Leases' were issued in August 2021 and have been adopted by the Group for 2021 reporting. Instruments held by the Group include floating rate term loans, an interest rate swap and other arrangements. The Group has an internal working Group on interest benchmark reform to monitor market developments and manage the transition to alternative benchmark rates. The impacts on contracts and arrangements that are linked to interest rate benchmarks, for examples, borrowings, leases and derivative contracts, have been assessed and transition plans have been either executed or are being developed. A practical expedient is provided such that the change to contractual cash flows for financial assets and liabilities (including lease liabilities) is accounted for prospectively by revising the effective interest rate. In addition, hedge accounting will not be discontinued solely because of the IBOR reform.

At the Consolidated Statement of Financial Position date, the Group was primarily exposed to two benchmark interest rates, US Dollar London Interbank Offered Rate (USD LIBOR) and the Euro Interbank Offered Rate (EURIBOR). The Group also has the option to borrow in GBP Sterling based on GBP London Inter-bank Offered Rate (GBP LIBOR) under a multi-currency revolving credit facility.

Notes to the consolidated financial statements

Kantar Global Holdings S.à r.l.

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Significant accounting policies continued

The Group has borrowings with a par value of $845.3 million linked to the USD LIBOR maturing in December 2026 and borrowings with a par value of €950.0 million linked to the EURIBOR. The Group has a $280 million notional interest rate swap with a maturity of June 2023 that effectively converts variable rate debt three month USD LIBOR to fixed rate debt. The Group also entered into three interest rate caps in 2020 to reduce its exposure attributable to changes in three month USD LIBOR and three month EURIBOR. These consist of €149 million and €487 million notional interest rate caps maturing June 2025 with a three month EURIBOR cap rate of 0.25% and a $280 million notional interest rate cap, effective date of June 2023, maturing June 2025 with a three month USD LIBOR cap rate of 1.00%.

There are no changes in respect of EURIBOR within the Group's financing or risk management activities. In respect of USD LIBOR, the Group expects to complete transition arrangements for borrowing facilities and interest rate derivatives by 30 June 2023 when the USD LIBOR transitions to Secured Overnight Finance Rate (SOFR). There have been no changes to the Group's risk management strategy due to IBOR reform.

New IFRS accounting pronouncements not yet adopted

At the date of authorisation of these financial statements, the following Standards, which have not been applied in these financial statements, were in issue but not yet effective. The Group shall adopt the standard upon their effective date unless stated otherwise.

- Amendments to IFRS 3 Reference to the Conceptual Framework (EU effective date 2022)
- IFRS 17 (including Amendments to IFRS 17) Insurance Contracts (EU effective date 2023)
- *Initial Application of IFRS 17 and IFRS 9 – Comparative Information
- Annual Improvements to IFRS Standards 2018-2020 Cycle Amendments to IFRS First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture (EU effective date 2022)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current – Deferral of Effective Date and IFRS Practice Statement 2: Disclosure of Accounting policies (EU effective date 2023)
- Amendments to IAS 8 Definition of Accounting Estimates (EU effective date 2023)
- *Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 16 Property, Plant and Equipment Proceeds before Intended Use (EU effective date 2022)
- Amendments to IAS 37 Onerous Contracts Cost of Fulfilling a Contract (EU effective date 2022)

The Standards and Amendments listed above that are not yet effective, are not expected to have a material impact on the Group in the current or future reporting periods.

* These standards are not yet endorsed for use by the EU however will be adopted in the period the standard is denoted as effective by the EU. Where standards are not endorsed the Group shall monitor the progress of adoption.

Business combinations

The acquisitions of subsidiaries and other asset purchases which are assessed as meeting the definition of a business under IFRS 3 Business Combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition costs are expensed as incurred.

The excess of the consideration transferred, amount of any non-controlling interest in the acquired entity, and acquisition date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Goodwill is initially measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any), over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities

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Significant accounting policies continued

assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the Consolidated Statement of Income.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Contingent consideration only applies to situations where contingent payments are not dependent on future employment of vendors and any such payments are expensed when they relate to future employment.

Future anticipated payments to vendors in respect of contingent consideration are initially recorded at fair value which is the present value of the expected cash outflows of the obligations. The obligations are dependent on the future financial performance of the interests acquired (typically over a four to five year period following the year of acquisition) and assume the operating companies improve profits in line with Management estimates. The Managers derive their estimates from internal business plans together with financial due diligence performed in connection with the acquisition.

Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

Contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in the Consolidated Statement of Income.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Equity transactions

Where there is a change of ownership of a subsidiary without a change of control, the difference between the consideration and the relevant share of the carrying amount of net assets acquired or disposed of the subsidiary is recorded in equity. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect changes in their relative interests in the subsidiary. Any difference between the amount at which the non-controlling interests are adjusted and the fair value of the consideration is recognised directly in equity.

Goodwill and other intangible assets

Intangible assets comprise goodwill, trade names, customer relationships, and technology and databases acquired through business combinations.

Goodwill

Goodwill is initially recognised and measured as set out above. Goodwill is not amortised but is reviewed for impairment at least annually.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units (or groups of cash generating units) expected to benefit from the synergies of the combination. Cash Generating Units ('CGUs') to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Other intangible assets

Identifiable intangible assets acquired as part of a business combination are recognised separately from goodwill if their fair value can be measured reliably on initial recognition and it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group. Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and impairment losses.

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Significant accounting policies continued

Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset on a straight-line basis over its estimated useful life as follows:

— Trade name – 10 years

— Customer-relationships – 12 – 16 years

— Technology and databases – 4 – 10 years.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

— the technical feasibility of completing the intangible asset so that it will be available for use or sale

— the intention to complete the intangible asset and use or sell it

— the ability to use or sell the intangible asset;

— how the intangible asset will generate probable future economic benefits

— the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset and

— the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in the Consolidated Statement of Income in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. The expected useful economic lives of intangible assets are reviewed annually. The Group does not have any intangible assets with indefinite lives (excluding goodwill).

Impairment of goodwill and other intangible assets

The carrying value of goodwill is compared to the net present value of future cash flows derived from the underlying assets using a projection period of up to five years for each cash-generating unit outside of Numerator for which a ten year forecast was prepared. After the projection period a steady growth rate representing an appropriate long-term growth rate for the industry is applied.

Other intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units).

Intangible assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Assets classified as held for sale

Non-current assets or disposal groups are classified as held for sale if: their carrying amount will be recovered principally through sale, rather than continuing use; they are available for immediate sale; and the sale is highly probable. A disposal group consists of assets that are to be disposed of, by sale or otherwise, in a single transaction together with the directly associated liabilities. Goodwill arising from business combinations is included for CGUs which are part of the disposal group.

On initial classification as held for sale, non-current assets or components of a disposal group are remeasured at the lower of their carrying amount and fair value less costs to sell. Any impairment of a disposal group is first allocated to goodwill and then to remaining assets and liabilities on a pro-rata basis. Impairment on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in the Consolidated Statement of Income. Gains are not recognised in excess of any cumulative impairment.

Notes to the consolidated financial statements

Kantar Global Holdings S.à r.l.

1

Significant accounting policies continued

No amortisation or depreciation is charged on non-current assets (including those in disposal groups) classified as held for sale. Assets classified as held for sale are disclosed separately on the face of the Consolidated Statement of Financial Position and classified as current assets or liabilities, with disposal groups being separated between assets held for sale and liabilities held for sale.

Property, plant and equipment

Property, plant and equipment is recorded at cost less accumulated depreciation and any provision for impairment with the exception of freehold land which is not depreciated. The Group assesses the carrying value of its property, plant and equipment annually, to determine if any impairment has occurred. Where this indicates that an asset may be impaired, the Group applies the requirements of IAS 36 Impairment of Assets in assessing the carrying amount of the asset. This process includes comparing its recoverable amount with its carrying value. The estimated useful lives and residual values are also reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset on a straight-line basis over its estimated useful life, as follows:

— Freehold buildings – 50 years

— Leasehold land and buildings – over the term of the lease or the useful economic life of the asset, if shorter

— Fixtures, fittings, equipment and motor vehicles – 3-10 years.

Interests in associates

Associates are undertakings over which the Group exercises significant influence, usually from 20%-50% of the equity voting rights. In certain circumstances, significant influence may be represented by factors other than ownership and voting rights, such as representation on the Board of Managers.

Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost. The Group's share of the profits less losses of associate undertakings net of tax, interest and non-controlling interests is included in the Consolidated Statement of Income and the Group's share of net assets is shown within interests in associates in the Consolidated Statement of Financial Position. The Group's share of the profits less losses and net assets is based on current information produced by the undertakings, adjusted to conform with the accounting policies of the Group.

The Group assesses the carrying value of its associate undertakings to determine if any impairment has occurred. Where this indicates that an investment may be impaired, the Group applies the requirements of IAS 36 in assessing the carrying amount of the investment. This process includes comparing its recoverable amount with its carrying value.

Accrued and deferred income

Accrued income is a contract asset and is recognised when a performance obligation has been satisfied but has not yet been billed. Contract assets are transferred to receivables when the right to consideration is unconditional and billed per the terms of the contractual agreement.

In certain cases, payments are received from customers prior to satisfaction of performance obligations and recognised as deferred income. These balances are considered contract liabilities and are typically related to prepayments for third party expenses that are incurred shortly after billing.

Financial instruments

(i) Classification of financial assets

The Group classifies its financial assets in the following measurement categories:

— those to be measured subsequently at fair value (either through OCI or through profit or loss); and

— those to be measured at amortised cost.

The classification depends on the business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

(ii) Trade and other receivables

Trade receivables are initially recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. The Group applies the requirements of IFRS 9 Financial Instruments,

Notes to the consolidated financial statements
Kantar Global Holdings S.à r.l.

1 Significant accounting policies continued

recognising lifetime expected credit losses for trade receivables and contract assets.

The Group has applied the simplified approach to measuring expected credit losses, as permitted by IFRS 9. Therefore, the Group does not track changes in credit risk, but recognises a loss allowance based on the financial asset's lifetime expected credit loss. The Group measures expected credit losses based on the ageing of the receivable, based on the Group's historical experience and informed credit assessment. Allowances in respect of loans and other receivables are initially recognised at an amount equal to twelve month expected credit losses. Allowances are measured at an amount equal to the lifetime expected credit losses where the credit risk on the receivables increases significantly after initial recognition.

Further details on provisions for bad and doubtful debts are provided in note 13.

Work in progress includes outlays incurred on behalf of clients, including production costs, and other third party costs that have not yet been billed and are considered receivables under IFRS 15 Revenue from Contracts with Customers.

Prepayments recognised as an asset comprise prepaid expenses regarding subsequent financial reporting periods.

(iii) Recognition and derecognition of financial assets

Purchases and sales of financial assets are recognised on trade date, being a date on which the Group commits to purchase or sell the asset. The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

(iv) Classification of financial liabilities

The Group classifies its financial liabilities in the following measurement categories:

— those to be measured subsequently at fair value (either through OCI or through profit or loss); and

— those to be measured at amortised cost.

The Group's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(v) Recognition and derecognition of financial liabilities

A financial liability is recognised when the Group becomes party to the contractual provisions of the instrument. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(vi) Measurement of financial assets

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss with loss allowances for expected credit losses on financial assets which

1 Significant accounting policies continued

are held at amortised cost are recognised on initial recognition of the underlying asset. Further detail of this policy is outlined in the section Trade and other receivables.

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/losses), and impairment expenses are presented as separate line item in the statement of profit or loss.

FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

As at the balance sheet date, the Group's debt financial assets include trade and other receivables, which are subsequently measured as amortised cost.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(vii) Measurement of financial liabilities

Financial liabilities at amortised cost: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ('EIR') method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

FVPL: Financial liabilities at Fair Value through Profit or Loss include financial liabilities held for trading and gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

Cash and cash equivalents

Cash and cash equivalents consist of cash at bank, in hand, demand deposits with banks, loans and advances to banks, certificates of deposits and other receivables together with short-term deposits with an original maturity of three months or less. There are no restricted cash balances. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Consolidated Cash Flow Statement.

Trade and other payables

Trade payables are initially recognised at fair value and subsequently measured at amortised cost using the Effective Interest Rate method.

Liabilities in respect of option agreements

Option agreements that allow the Group's minority shareholders to require the Group to purchase a non-controlling interest are treated as derivatives over equity instruments and are recorded in the Consolidated Statement of Financial Position initially at the present value of the redemption amount in accordance with IAS 32 Financial Instruments: Presentation and subsequently measured at fair value in accordance with IFRS 9 Financial Instruments. The movement in the fair value is recognised as income or expense within revaluation of financial instruments, in the Consolidated Statement of Income.

1

Significant accounting policies continued

Borrowings

Interest-bearing debt is initially recorded at the proceeds received, net of direct issue costs. Subsequently it is measured at amortised cost using the Effective Interest Rate method. The amortised cost calculation is revised when necessary to reflect changes in the expected cash flows and the expected life of the borrowings including the effects of the exercise of any prepayment, call or similar options. Any resulting adjustment to the carrying amount of the borrowings is recognised as interest expense in the Consolidated Statement of Income. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Debt issuance costs

Debt issuance costs are recognised in the Consolidated Statement of Income over the term of the related borrowings using the Effective Interest Rate method.

Derivative financial instruments and hedge accounting

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The derivative instruments utilised by the Group to hedge these exposures are interest rate swaps and caps and foreign exchange forward contracts. The Group does not use derivative contracts for speculative purposes. Where an effective hedge is in place against changes in the fair value of borrowings, the hedged borrowings are adjusted for changes in fair value attributable to the risk being hedged with a corresponding income or expense included in the Consolidated Statement of Income within finance costs. The offsetting gains or losses from remeasuring the fair value of the related derivatives are also recognised in the Consolidated Statement of Income within finance costs.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The method of recognising the resulting gain or loss depends on whether the derivative is designated under IFRS 9 as a hedging instrument and, if so, the nature of the item being hedged.

The Group designates certain derivatives as either:

— Hedges of a change of fair value of recognised assets and liabilities or firm commitments (fair value hedge)

— Hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge)

The Group designates and documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions.

Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item.

Fair value hedge

Changes in the fair value of derivative financial instruments that are designated and qualify as fair value hedges are recorded in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in the line of the Consolidated Statement of Income relating to the hedged item.

Cash flow hedge

Changes in fair value of derivative financial instruments that are designated, and effective, cash flow hedges of forecast transactions are recognised in other comprehensive income. The cumulative amount recognised in other comprehensive income is reclassified into the Consolidated Statement of Income out of other comprehensive income in the same period when the hedged item is recognised in profit or loss.

Hedges of net investment in foreign operations

Hedges of net investment in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument in relation to the effective portion of the hedge is recognised in other comprehensive income and accumulated in the foreign currency translation reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Consolidated Statement of Income. Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to profit or loss when the hedged item is disposed of.

Notes to the consolidated financial statements
Kantar Global Holdings S.à r.l.

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Significant accounting policies continued

Discontinuation of hedge accounting

Hedge accounting is discontinued when the hedge instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the Consolidated Statement of Income in the period.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Revenue recognition

The Group is the world's leading data, insights and consulting company. The Group applies the five-step model in IFRS 15 Revenue from Contracts with Customers. All Divisions apply the same revenue recognition criteria. Prescriptive guidance in IFRS 15 is followed to deal with specific scenarios and details of the impact of IFRS 15 on the Group's Consolidated Financial Statements are described below.

In line with IFRS 15, the Group has identified its performance obligations. On inception of the contract a 'performance obligation' is identified based on each of the distinct goods or services promised to the customer. The consideration specified in the contract with the customer is allocated to a performance obligation identified based on their relative standalone selling prices.

Revenue is recognised when a performance obligation is satisfied, in accordance with the terms of the contractual arrangement. Typically performance obligations are satisfied over-time as services are rendered. Revenue recognised over-time is based on the proportion of the level of service performed. Generally, the performance obligations are met uniformly over the period between the date on which a customer agrees to a project and the date on which the findings are presented. When the terms of the transaction provide for licensing the right to access a product on a subscription basis, revenue is recognised over the subscription period, typically on a straight-line basis.

Revenue is measured at the fair value of the consideration received or receivable and represents fees earned in respect of amounts billed and is stated exclusive of VAT, sales taxes and trade discounts. Revenue includes pass-through fees; these are fees charged directly to customers reflecting costs that the Group pays to external suppliers engaged to perform part or all of a specific project, and are predominantly data collection costs.

The terms of local, regional, and global contracts can vary to meet customer needs and regulatory requirements. Consistent with the industry, contracts are typically short-term in nature and tend to be cancellable by either party with 90 days' notice. The Group is generally entitled to payment for work performed to date.

Incremental costs to obtain a contract with a customer are recognised as an asset if the Group expects to recover those costs. The Group does not have material revenue that is recognised at a point in time.

Taxation

The tax expense represents the sum of current tax payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Consolidated Statement of Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

The Group is subject to corporate taxes in a number of different jurisdictions, which inherently leads to complexity in the Group's tax profile. The calculation of the Group's current tax liabilities and tax expense necessarily involves a degree of estimation and judgement in respect of items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The resolution of issues is not always within the control of the Group and issues can, and often do, take many years to resolve. A current tax provision is recognised when the Group has a present obligation as a result of a past event and it is probable that the Group will be required to settle that obligation. The provision is the best estimate of the consideration required to settle the present obligation at the Statement of Financial Position date, taking into account the risks and uncertainties surrounding the obligation.

Where the final outcome of such matters differs from the amount recorded, any differences may impact the income tax and deferred tax in the period in which the final determination is made.

Notes to the consolidated financial statements

Kantar Global Holdings S.à r.l.

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Significant accounting policies continued

Any interest on overdue tax accrued is excluded from income taxes both in the Consolidated Statement of Income and Statement of Financial Position. Where the final outcome of such matters differs from the amount recorded, any differences may impact the income tax and deferred tax provisions in the period in which the final determination is made.

The tax laws that apply to the Group may be amended by the relevant tax authorities. Such potential amendments are regularly monitored and adjustments are made to the Group's tax liabilities and deferred tax assets and liabilities where necessary.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the Statement of Financial Position liability method. Deferred tax liabilities are recognised for all taxable temporary differences unless specifically exempted by IAS 12 Income Taxes. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or other assets and liabilities (other than in a business combination) in a transaction that affects neither the taxable profit nor the accounting profit. To the extent that goodwill is tax deductible, where a taxable temporary difference arises from the subsequent tax deductible amounts, the associated deferred tax liability is recognised.

The Group's deferred tax assets and liabilities are measured at the end of each year in accordance with IAS 12 Income Taxes. The recognition of deferred tax assets is determined by reference to the Group's estimate of recoverability, using models where appropriate to forecast future taxable profits. Deferred tax assets have only been recognised for territories where the Group considers that it is probable that all or a portion of the deferred tax asset will be realised. The main factors that we consider include:

— the future earnings potential determined through the use of internal forecasts

— the cumulative losses in recent years

— the various jurisdictions in which the potential deferred assets arise

— the history of losses carried forward and other tax assets expiring

— the timing of future reversal of taxable temporary differences

— the expiry period associated with the deferred tax assets and

— the nature of the income that can be used to realise the deferred tax asset.

If it is probable that some portion of these assets will not be realised, then no asset is recognised in relation to that portion.

If market conditions improve and future results of operations exceed our current expectations, our existing recognised deferred tax asset may be adjusted, resulting in future tax benefits. Alternatively, if market conditions deteriorate further or future results of operations are less than expected, future assessments may result in a determination that some or all of the deferred tax assets are not realisable. As a result, all or a portion of the deferred tax asset may need to be reversed.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on enacted or substantively enacted legislation.

Current and deferred tax is charged or credited in the Consolidated Statement of Income, except when it relates to items charged or credited to other comprehensive income or directly to equity, in which case the deferred tax is also dealt with in other comprehensive income or equity.

Retirement benefit costs

The Group accounts for retirement benefit costs in accordance with IAS 19 Employee Benefits.

For defined contribution plans, contributions are charged to the Consolidated Statement of Income as payable in respect of the accounting period. For defined benefit plans the amounts charged to operating profit are the current service costs, past service costs, administrative expenses and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Consolidated Statement of Income when the related plan amendment occurs. Net interest expense is calculated by

Notes to the consolidated financial statements

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Significant accounting policies continued

applying the discount rate to the recognised overall surplus or deficit in the plan.

Actuarial gains and losses are recognised immediately in the Consolidated Statement of Comprehensive Income.

Where defined benefit plans are funded, the assets of the plan are held separately from those of the Group, in separate independently managed funds. Pension plan assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the plan liabilities. The actuarial valuations are updated at each Statement of Financial Position date.

The retirement benefit obligation recognised in the Consolidated Statement of Financial Position represents the actual deficit or surplus in the Group's defined benefit plans under IAS 19.

Recognition of a surplus in a defined benefit plan is limited based on the economic gain the Group is expected to benefit from in the future by means of a refund or reduction in future contributions to the plan, in accordance with IAS 19.

Related parties

For the purpose of these Financial Statements, parties are considered to be related to the Group if they have the ability, directly or indirectly to control the Group or exercise significant influence over the Group in making financial or operating decisions, or vice versa, or where the Group is subject to common control or common significant influence. Related parties may be individuals or other entities.

Provisions for liabilities and charges

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation and are discounted to present value where the effect is material.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The Group recognises provisions for lease dilapidations and other property-related liabilities. Also included are other provisions, such as certain long-term employee benefits and legal claims, where the likelihood of settlement is considered probable.

Restructuring provisions are recognised when the Group has a detailed formal plan for the restructuring that has been communicated to the affected parties or implementation has commenced.

Leases

The Group in accordance with IFRS 16 applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index

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Significant accounting policies continued

or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rates at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as an expense on a straight-line basis over the lease term.

Translation of foreign currencies

Foreign currency transactions arising from normal trading activities are recorded at the rates in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the rates prevailing at that date. Foreign currency gains and losses are credited or charged to the Consolidated Statement of Income as they arise.

The income statements of overseas subsidiary undertakings are translated into United States Dollars at average exchange rates and the year-end net assets of these companies are translated at year-end exchange rates.

Exchange differences arising from retranslation of the opening net assets are reported in the Consolidated Statement of Comprehensive Income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the acquisition closing rate. They are then revalued at the reporting date with any foreign exchange difference taken to the Translation Reserve.

Share capital

Ordinary shares are classified as equity.

Critical accounting judgements and estimation uncertainty in applying accounting policies

In applying the Group's accounting policies, the Managers are required to make judgements that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Where judgement has been applied or estimation uncertainty exists, the key factors taken into consideration are disclosed in the accounting policies and the appropriate note in these financial statements.

Notes to the consolidated financial statements

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Significant accounting policies continued

The most significant areas of estimation uncertainty include:

— Fair value of identifiable net assets acquired relating to acquisitions within the measurement period: Acquisitions of businesses are accounted for using the acquisition method. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. For material acquisitions, where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The valuations of intangible assets, land and buildings and contingent liabilities are particularly sensitive to changes in one or more unobservable inputs which are considered reasonably possible within the next financial year. Once the measurement period has ended, the estimates of fair value are not re-visited. Further information on the carrying amounts of these assets and the sensitivity of those amounts to changes in unobservable inputs is provided in notes 9, 10 and 24.

— Goodwill: Goodwill impairment testing requires an estimation of the value in use of the CGUs to which goodwill has been allocated. The value in use is calculated using the discounted cash flow methodology, which requires estimates on growth rates, operating margins, working capital requirements and discount rates. Further details are set out in note 9.

— Contingent consideration payable for business combinations: Contingent consideration for business combinations consists of amounts expected to be paid in future periods on satisfaction of certain conditions. Estimates are required in determining amounts to be paid and the value of any services to be received, taking into account uncertainty in the ultimate timing and resolution of each of these. The sensitivity to these estimates is specific to each individual circumstance.

— Measurement of retirement benefit obligations: Estimates are required in the accounting for defined benefit pension plans, including establishing discount rates, rates of increase in salaries and pensions in payment, inflation and mortality assumptions. These estimates are made by management based on the advice of qualified advisors.

Details of the assumptions used and the sensitivity of the benefit obligation to these assumptions are set out in note 17.

The most significant areas of judgement include:

— Allocation of goodwill to groups of cash generating units: For impairment testing purposes, judgement is used to determine the basis on which goodwill is allocated to the specific groups of CGUs that have benefited and are expected to benefit from this goodwill. When there are changes in business structure, the basis of allocation may need to be reassessed.

Deferred tax assets: Judgement is required when considering all available evidence and the associated weighting to be given in support of recognition of deferred tax assets. Further details around this judgement are set out on page 118.

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2 Revenue

Revenue by geographical area for the year were as follows:

	2021 $m	2020 $m
Asia Pacific	623.4	500.1
Continental Europe	980.7	892.9
United Kingdom	575.3	485.5
Latin America	252.6	231.4
Middle East and Africa	124.9	88.2
North America	725.6	639.6
	3,282.5	**2,837.7**

Revenue reported by categories of division for the year were as follows:

	2021 $m	2020 $m
Insights	1,673.9	1,424.2
Profiles	107.5	90.9
Consulting	178.2	159.6
Media	586.8	562.2
Worldpanel	358.3	308.0
Numerator	109.6	–
Public	217.1	138.5
Health	51.1	154.3
	3,282.5	**2,837.7**

Notes to the consolidated financial statements

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3 Cost and services and general and administrative costs

	2021 $m	2020 $m
Costs of services	2,845.9	2,663.8
General and administrative costs	325.8	384.7
	3,171.7	**3,048.5**

Costs of services and general and administrative costs include:

	Notes	2021 $m	2020 $m
Staff costs	5	1,762.2	1,625.8
Establishment costs		122.2	152.5
Data collection pass-through costs		736.1	638.2
Other costs of services and general and administrative costs		551.2	632.0
Total costs of services and general and administrative costs		**3,171.7**	**3,048.5**

Included in the costs above are:	Notes	$m	$m
Acquisition and disposal related costs		79.5	19.1
Restructuring and transformation costs		197.3	270.9
Amortisation of other intangible assets	9	250.7	229.6
Impairment of goodwill	9	32.8	–
Impairment of other intangible assets	9	13.9	–
Depreciation of property, plant and equipment	10	41.9	45.2
Depreciation and impairment of right-of-use assets	20	71.8	75.9
Short term lease expense	20	5.7	4.2
Variable lease expense	20	14.3	9.6
Loss allowances on trade receivables	13	6.7	3.3
Gain on disposal of subsidiaries	25	(178.8)	–
Foreign exchange losses on trading activities		8.0	3.6

In 2021, government grants of $0.1 million (2020: $11.9 million) were received as part of government initiatives to provide immediate financial support as a result of Covid-19. This credit is included within general and administrative costs over the same period as the staff costs for which it compensates. There are no future related costs in respect of these grants which were received solely as compensation for costs incurred in the year.

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4 Share of results of associates

Share of results of associates include:

	2021 $m	2020 $m
Share of profit before interest and taxation	21.7	17.6
Share of taxation	(5.2)	(4.3)
Share of results of associates	**16.5**	**13.3**

5 Our people

The average number of staff and their geographical distribution for the year were as follows:

	2021	2020
Asia Pacific	8,632	7,791
Continental Europe	6,184	7,026
United Kingdom	3,220	3,276
Latin America	5,222	5,688
Middle East and Africa	1,008	1,135
North America	2,897	2,547
	27,163	**27,463**

The Managers of the Company are not employees of Kantar Global Holdings S.à r.l. and did not receive any compensation for their services to the Company in the current period or preceding period.

Staff costs include:

	Notes	2021 $m	2020 $m
Wages and salaries		1,217.5	1,092.3
Cash-based incentive plans		106.4	32.4
Social security costs		172.1	166.1
Pension costs	17	41.6	35.0
Other staff costs[1]		224.6	300.0
		1,762.2	**1,625.8**

1 Freelance and temporary staff costs are included in other staff costs.

Included above are costs of $15.8 million (2020: $10.5 million) in respect of key management personnel. Further details of compensation for key management personnel are disclosed in note 26.

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Finance costs and revaluation of financial instruments

	2021 $m	2020 $m
Interest income	3.7	5.4
	3.7	**5.4**

Finance costs:

	Notes	2021 $m	2020 $m
Interest expense and similar charges[1]		237.0	215.7
Interest expense related to lease liabilities	20	16.9	17.0
Interest expense related to defined benefit plans	17	0.6	0.7
Unwinding of discounts on provisions		4.8	5.6
Foreign exchange (gains)/losses on financing activities		(5.8)	26.3
		253.5	**265.3**

Revaluation of financial instruments:

	Notes	2021 $m	2020 $m
Revaluation gain of investments held at fair value through profit or loss	11	38.9	–
Revaluation gain on derivatives		0.5	0.7
Revaluation (loss)/gain on earnout payments due to vendors	15	(0.3)	0.4
Revaluation (loss)/gain on put option payments due to vendors	21	(12.2)	7.1
		26.9	**8.2**

1 Interest expense and similar charges are payable on bank overdrafts and other borrowings held at amortised cost.

Notes to the consolidated financial statements

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Taxation

The tax charge/(credit) comprise:

	2021 $m	2020 $m
Current tax charge/(credit):		
Current year	146.5	74.7
Adjustments in respect of prior periods	(7.7)	3.7
Total current tax charge	**138.8**	**78.4**
Deferred tax charge/(credit):		
Origination and reversal of temporary differences	(83.4)	(82.1)
Adjustments in respect of prior periods	19.3	–
Impact of changes in statutory tax rates	(13.4)	(1.9)
Deferred tax credit	**(77.5)**	**(84.0)**
Total income tax charge/(credit) for the year	**61.3**	**(5.6)**

The tax charge/(credit) for the year can be reconciled to loss before taxation in the Consolidated Statement of Income as follows:

	2021 $m	2020 $m
Loss before taxation	**(95.6)**	**(449.2)**
Tax at the corporation tax rate of 19.0%[1]	**(18.2)**	**(85.3)**
Items that are not deductible or taxable in determining taxable profit	53.2	48.6
Effect of different tax rates in subsidiaries operating in other jurisdictions	13.2	(8.3)
Irrecoverable withholding taxes and other taxes	15.8	14.0
Temporary differences (including losses) not recognised or utilised in the period	38.3	29.8
Recognition of previously unrecognised temporary differences (including losses)	(36.3)	(3.2)
Tax effect of share of results of associates	(3.0)	(3.0)
Impact of changes in statutory tax rates	(13.4)	(1.9)
Adjustments in respect of prior periods	11.7	3.7
Tax charge/(credit)	**61.3**	**(5.6)**

1 As the Group is subject to the tax rates of more than one country, it has chosen to present its reconciliation of the tax charge/(credit) using the UK corporation tax rate of 19% as this represents a material operation jurisdiction for the group as well as the head office location. The impact of changes in statutory tax rates includes the impact of the enactment of an increase in the UK statutory rate of corporation tax to 25% with effect from 1 April 2023. Deferred tax assets and liabilities of UK resident subsidiaries have been revalued to the extent that they are expected to unwind after that date. Deferred tax assets and liabilities have also been revalued to reflect changes to the rates of corporation income tax in several states of the United States enacted during the period.

Notes to the consolidated financial statements

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Taxation continued

Factors affecting the tax charge in future years

Factors that may affect the Group's future tax charge include the levels and mix of profits in the many countries in which it operates, the prevailing tax rates in each of those countries and also the foreign exchange rates that apply to those profits. The future tax charge may also be affected by the impact of acquisitions, disposals and other corporate restructurings, the resolution of open tax issues, changes in local or international tax rules and the ability to use brought forward tax losses.

The Group has a number of open tax returns and various ongoing tax audits worldwide but does not currently expect material additional tax exposures to arise, above the amounts provided, as and when the audits are concluded. Liabilities relating to these open and judgemental matters are based upon estimates of whether additional taxes will be due after taking into account external advice where appropriate. Where the final tax outcome of these matters is different from the amounts which were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Tax risk management

Kantar Group Tax manage the tax strategy for the Group. Kantar Group Tax maintains constructive engagement with the tax authorities and relevant government representatives, as well as active engagement with a wide range of international companies and business organisations with similar issues.
The Group engages advisors and legal counsel to obtain opinions on tax legislation and principles. Kantar Group Tax monitors proposed changes in taxation legislation and ensures that these are taken into account when considering future business plans. The Kantar Group Managers and Audit Committee are informed by management of any tax law changes, the nature and status of any significant ongoing tax audits, and other developments that could materially affect the Group's tax position.

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Analysis of cash flows

	2021 $m	2020 $m
Net cash from operating activities:		
Operating profit/(loss)	110.8	(210.8)
Adjustments for:		
Depreciation of property, plant and equipment	41.9	45.2
Depreciation of right-of-use assets	71.8	65.6
Impairment of right-of-use assets	–	10.3
Impairment of other intangible assets	13.9	–
Amortisation of other intangible assets	250.7	229.6
Other non-cash movements	5.4	9.4
Impairment of goodwill	32.8	–
Gains on disposal of investments and subsidiaries	(178.8)	–
Operating cash flow before movements in working capital and provisions	**348.5**	**149.3**
Decrease in trade receivables and accrued income	65.7	293.0
Increase in other receivables	(60.8)	(1.8)
Decrease in trade payables and deferred income	(149.6)	(15.4)
Increase in other payables	96.6	119.5
(Decrease)/increase in balances with related companies, net	(21.8)	30.6
Increase in provisions	46.6	11.0
Cash generated by operations	**325.2**	**586.2**

	2021 $m	2020 $m
Cash and cash equivalents:		
Cash and short-term deposits	692.3	1,277.4
Overdrafts[1]	(153.0)	(648.1)
Cash and cash equivalents including cash held in disposal group at end of period	**539.3**	**629.3**
Cash and cash equivalents held in disposal group presented as held for sale	(3.3)	(2.9)
Cash and cash equivalents at the end of the period	**536.0**	**626.4**

1 Bank overdrafts are included in cash and cash equivalents because they form an integral part of the Group's cash management.

The Group considers that the carrying amount of cash and cash equivalents approximates its fair value.

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Analysis of cash flows continued

Changes in liabilities arising from financing activities

			Cash		Non-Cash			
	Notes	1 Jan 2021 $m	Cash inflow $m	Cash outflow $m	Acquisition of subsidiaries $m	New leases $m	Other changes[1] $m	31 Dec 2021 $m
External borrowings[1]	19	3,319.4	897.9	(162.3)	–	–	(47.9)	4,007.1
Loans from related parties	19	89.2	–	(2.0)	–	–	1.3	88.5
Lease liabilities	20	297.0	–	(80.0)	22.0	34.8	9.4	283.2
Total liabilities from financing activities		**3,705.6**	**897.9**	**(246.3)**	**22.0**	**34.8**	**(35.2)**	**4,378.8**

			Cash		Non-Cash			
	Notes	1 Jan 2020 $m	Cash inflow $m	Cash outflow $m	Acquisition of subsidiaries $m	New leases $m	Other changes[1] $m	31 Dec 2020 $m
External borrowings[1]	19	2,751.7	632.0	(351.2)	–	–	286.9	3,319.4
Loans from related parties	19	90.0	–	(120.2)	118.4	–	1.0	89.2
Lease liabilities	20	272.0	–	(72.6)	42.9	45.9	8.8	297.0
Total liabilities from financing activities		**3,113.7**	**632.0**	**(544.0)**	**161.3**	**45.9**	**296.7**	**3,705.6**

1 External borrowings in this reconciliation does not include the overdraft balance of $153.0 million (2020: $648.1 million).

9 Goodwill and other intangible assets

Goodwill

The movements in 2021 and 2020 were as follows:

	Notes	$m
Cost:		
1 January 2020		1,616.8
Additions[1]	24	130.7
Exchange adjustments		18.4
Reclassified as held for sale		(84.6)
31 December 2020		**1,681.3**
Additions[1]	24	1,033.0
Exchange adjustments		(52.3)
Disposal		(1.9)
31 December 2021		**2,660.1**
Accumulated impairment losses and write-downs:		
1 January 2020 and 31 December 2020		–
Impairment loss		32.8
31 December 2021		**32.8**
Net book value:		
31 December 2021		**2,627.3**
31 December 2020		1,681.3
31 December 2019		1,616.8

1 Additions represent goodwill arising on the acquisition of subsidiary undertakings including the effect of any revisions to fair value adjustments that has been determined provisionally at the immediately preceding Statement of Financial Position date, as permitted by IFRS 3 Business Combinations.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. The test consists in a formal estimate of whether the carrying value of each CGU exceeds the recoverable amount of the CGU.

During the year, the Group changed the annual impairment testing date to 30 September, so it could be aligned with the timeline for the Group's forecast and budget processes. As at 31 December 2021, the Group did not identify any indications of impairment.

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Goodwill and other intangible assets
continued

The carrying amounts of goodwill allocated to each CGU group is set out in the table below.

CGU groups	2021 Goodwill $m	2021 Pre-tax discount rates %
Insights	808.5	8.83
Media	416.5	11.24
Worldpanel	324.6	10.06
Profiles	181.8	9.53
Consulting	72.8	10.89
Public	60.9	10.03
Numerator[1]	762.2	10.34
Total	**2,627.3**	

1 Goodwill has been allocated to the CGUs which shall benefit from the Numerator acquisition including where synergies exist which benefit another CGU.

The recoverable amount of each CGU was determined under the value in use approach using a Discounted Cash Flow (DCF) methodology. This method required estimates and assumptions regarding revenue growth, operating margins, working capital requirements and discount rates.

Key assumptions

Cash flow forecasts: A forecast period of five years is used for the value in use calculation, except for Numerator which uses ten year forecasts. The ten year forecast period is viewed as appropriate for the Numerator division as the business matures through its development cycle and therefore a five year forecast is not indicative of the long-term future prospects of this division. Accordingly, it has been determined that this planning horizon reflects the medium to long-term market developments, appropriately covers market dynamics and better reflects the expected performance in the markets in which the Numerator division operates. If a five year period had been adopted for the purposes of impairment assessment of the Numerator CGU there would be no reduction to the carrying value of this CGU. Key assumptions were made relating to revenue growth and operating margin when forecasting the cash flows. These assumptions take account of the businesses' expectations for the projection period. These expectations consider the macroeconomic environment, industry and market conditions, the CGU groups' historical performance and any other circumstances particular to the CGU group, such as business strategy and client mix.

Terminal growth rate: The long-term growth rate of the cash flow forecasts after the initial five year forecast period was assumed as 2.0%. Management have made the judgement that this long-term growth rate does not exceed the long-term average growth rate for the industry.

Discount rates: A pre-tax Weighted Average Cost of Capital (WACC) between 8.83% and 11.24% was determined for each CGU group. The WACCs used market participant CGU specific inputs for the risk-free interest rate, the beta factor, country risk premium and market risk premium.

The impairment review based on the above inputs did not indicate a requirement to impair goodwill. As a result of the agreement reached on 3 August 2021 to dispose of the Reputation Intelligence business to leading software investor Symphony Technology Group "STG" an impairment review was performed. The recoverable amount of the assets of the cash-generating unit exceeded the carrying value by $46.7 million and therefore an impairment has been recognised which was allocated between goodwill of $32.8 million and other intangible assets of $13.9 million. The recoverable amount was determined by reference to the fair value less costs of disposal. The assets and liabilities of the Reputation Intelligence business were recognised as held for sale at 31 December 2021 (see note 14). The Group applied realistic sensitivities to the value in use estimates for all CGUs groups. A decrease of 0.5% in the terminal growth rate and an increase of 0.5% in the discount rate would not cause an impairment in any of the CGU groups aforementioned. If an Adjusted EBITDA growth assumption for each CGU was 5% lower for the purposes of impairment assessment there would be no reduction to the carrying value of any of the CGUs.

No estimate was made using the fair value less costs of disposal method as permitted by IAS 36 Impairment of Assets when the value in use exceeds the carrying amount.

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9 Goodwill and other intangible assets continued

Other intangible assets

The movements in 2021 and 2020 were as follows:

	Technology and databases $m	Customer relationships $m	Trade names and other $m	Total $m
Cost:				
1 January 2020	335.2	1,470.4	324.8	2,130.4
Acquisition of subsidiaries	24.0	110.6	25.6	160.2
Additions	53.3	–	0.7	54.0
Disposals	(15.7)	–	(0.7)	(16.4)
Exchange adjustments	8.4	11.4	2.0	21.8
Reclassified as held for sale	(18.8)	(81.4)	(17.5)	(117.7)
31 December 2020	386.4	1,511.0	334.9	2,232.3
Acquisition of subsidiaries	167.5	383.5	32.7	583.7
Additions	81.7	–	1.6	83.3
Disposals	(2.1)	(3.7)	(2.6)	(8.4)
Exchange adjustments	(9.2)	(52.6)	(9.3)	(71.1)
Reclassified as held for sale	(34.9)	(24.2)	(8.4)	(67.5)
31 December 2021	**589.4**	**1,814.0**	**348.9**	**2,752.3**
Amortisation and impairment:				
1 January 2020	5.3	10.3	2.7	18.3
Charge for the year	69.1	126.8	33.7	229.6
Disposals	(15.7)	–	(0.7)	(16.4)
Exchange adjustments	4.9	0.6	–	5.5
On assets reclassified as held for sale	(4.6)	(6.3)	(1.6)	(12.5)
31 December 2020	59.0	131.4	34.1	224.5
Charge for the year	78.6	136.7	35.4	250.7
Impairment loss	2.5	9.4	2.0	13.9
Disposals	(0.2)	–	(0.1)	(0.3)
Exchange adjustments	1.6	(10.2)	(4.1)	(12.7)
On assets reclassified as held for sale	(22.3)	(5.0)	(4.3)	(31.6)
31 December 2021	**119.2**	**262.3**	**63.0**	**444.5**
Net book value:				
31 December 2021	**470.2**	**1,551.7**	**285.9**	**2,307.8**
31 December 2020	327.4	1,379.6	300.8	2,007.8
31 December 2019	329.9	1,460.1	322.1	2,112.1

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Goodwill and other intangible assets
continued

Technology and databases comprise:

— costs directly associated with producing identifiable and unique technology products controlled by the Group, and that will generate economic benefits beyond one year;

— software licences purchased for internal use are capitalised on the basis of the costs incurred to purchase and bring into use the specific software; and

— rights to obtain data, data purchases and capture costs of internally developed databases.

Costs of internally generated assets include capitalised expenses of employees working full time on technology development projects and third party consultants.

Customer relationships – customer relationships acquired as part of a business combination are capitalised on acquisition at fair value and separately from goodwill.

Trade names – trade names acquired as part of a business combination are capitalised on acquisition at fair value and separately from goodwill and include the Kantar and Numerator trade names.

Capital commitments contracted, but not provided for, in respect of intangible assets at 31 December 2021, are set out in note 27.

The Kantar and Numerator trade names are the only intangible assets that are material to these financial statements. At 31 December 2021, the net book value of the Kantar and Numerator trade names are $246.1 million (2020: $293.7 million) and $31.0 million (2020: nil) respectively and are both being amortised over 10 years.

As required by IFRS 3, the Group's intangible assets acquired in a business combination are initially recognised at their fair values at the acquisition date. For the acquisition of Numerator, the valuations of these assets were performed by an independent valuation firm to serve as a basis for allocation of the purchase price to the various classes of assets. In determining the fair value of the intangible assets, the three traditional approaches to valuation were considered: the income approach, the market approach and the cost approach. The income approach was utilised in arriving at the value of customer relationships, trade names, technology and databases.

The valuation of these assets includes significant judgement and estimation uncertainty. Contemporaneous cash flow forecasts have been used with a long-term growth rate of 2.0% and discount rates of between 8.2% and 9.2%. Additionally, the customer attrition rate used in the valuation of customer relationships was 8.0%, and royalty rates used for trade name, technology and databases were between 1.5% and 10.0%.

A sensitivity has been performed for each significant judgement. A 0.5% increase in the growth rate of future estimated financial performance would result a $8.3 million increase in intangible asset value and a 0.5% decrease in the growth rate of future estimated financial performance would result a $4.6 million decrease in intangible asset value. A 0.5% increase in the risk adjusted discount rate would result a $18.7 million decrease in intangible asset value and a 0.5% decrease in the risk adjusted discount rate would result a $23.4 million increase in intangible asset value. A 0.5% increase in the customer attrition rate would result a $14.2 million decrease in intangible asset value and a 0.5% decrease in the customer attrition rate would result a $18.7 million increase in intangible asset value. At the date of finalisation of these Consolidated Financial Statements, the necessary market valuations for this transaction have only been provisionally determined based on management's best estimate.

During the year, the Group incurred $83.7 million (2020: $55.3 million) of costs related to research and development.

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Property, plant and equipment

The movements in 2021 and 2020 were as follows:

	Land $m	Freehold buildings $m	Leasehold buildings $m	Fixtures, fittings and equipment $m	Computer equipment $m	Motor vehicles $m	Total $m
Cost:							
1 January 2020	40.1	7.4	31.3	36.5	48.3	2.0	165.6
Acquisition of subsidiaries	–	0.2	3.3	3.2	7.5	0.1	14.3
Additions	–	0.1	7.8	4.7	19.0	0.3	31.9
Disposals	–	–	(9.1)	(6.4)	(20.7)	(0.8)	(37.0)
Exchange adjustments	2.5	0.7	(0.4)	0.4	(0.5)	(0.2)	2.5
Reclassified as held for sale	–	–	–	(0.9)	(2.0)	–	(2.9)
31 December 2020	**42.6**	**8.4**	**32.9**	**37.5**	**51.6**	**1.4**	**174.4**
Acquisition of subsidiaries	0.4	–	0.8	0.9	3.4	–	5.5
Additions	0.3	–	8.4	3.7	25.1	1.0	38.5
Disposals	(23.4)	(4.1)	(5.3)	(2.3)	(7.3)	(0.2)	(42.6)
Reclassification	–	–	6.7	5.1	15.9	0.5	28.2
Exchange adjustments	(1.7)	(0.5)	(1.3)	(2.1)	(2.3)	(0.3)	(8.2)
Reclassified as held for sale	–	–	(0.1)	(1.8)	(5.1)	–	(7.0)
31 December 2021	**18.2**	**3.8**	**42.1**	**41.0**	**81.3**	**2.4**	**188.8**
Depreciation:							
1 January 2020	–	0.2	0.7	0.7	2.1	0.1	3.8
Charge for the year	–	2.2	9.8	6.6	26.1	0.5	45.2
Disposals	–	–	(7.4)	(5.7)	(19.1)	(0.6)	(32.8)
Exchange adjustments	–	0.3	0.5	0.2	0.6	0.1	1.7
On assets reclassified as held for sale	–	–	–	(0.8)	**(1.7)**	–	(2.5)
31 December 2020	**–**	**2.7**	**3.6**	**1.0**	**8.0**	**0.1**	**15.4**
Charge for the year	–	2.2	7.3	6.9	24.9	0.6	41.9
Disposals	–	(1.2)	(2.5)	(1.8)	(5.7)	(0.2)	(11.4)
Reclassification	–		6.7	5.1	15.9	0.5	28.2
Exchange adjustments	–	(1.9)	(1.5)	1.7	(1.2)	1.0	(1.9)
On assets reclassified as held for sale	–	–	–	(1.8)	(4.0)	–	(5.8)
31 December 2021	**–**	**1.8**	**13.6**	**11.1**	**37.9**	**2.0**	**66.4**
Net book value:							
31 December 2021	**18.2**	**2.0**	**28.5**	**29.9**	**43.4**	**0.4**	**122.4**
31 December 2020	42.6	5.7	29.3	36.5	43.6	1.3	159.0
31 December 2019	40.1	7.2	30.6	35.8	46.2	1.9	161.8

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Property, plant and equipment continued

Capital commitments contracted, but not provided for, in respect of property, plant and equipment at 31 December 2021, are set out in note 27.

The Group's freehold land and buildings are stated at their revalued amounts, being the fair value at the date of acquisition. The fair value measurements were performed by independent valuers who are not related to the Group and have appropriate qualifications and recent experience in the fair value measurement of properties in the relevant locations. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

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Interests in associates and other investments

The movements in 2021 and 2020 were as follows:

	Interests in associates $m	Other investments $m
1 January 2020	89.3	9.4
Acquisitions	17.1	–
Disposals	(0.6)	–
Share of results of associate undertakings (note 4)	13.3	–
Dividends	(10.3)	–
Exchange adjustments	2.2	–
Impairment of associates	(1.7)	–
Controlling interest in associates acquired	(20.9)	–
Transfer to disposal group classified as held for sale	(1.2)	–
31 December 2020	**87.2**	**9.4**
Revaluation gain through profit and loss (note 6)	–	38.9
Revaluation gain through other comprehensive income	–	3.5
Disposals	–	(29.8)
Share of results of associate undertakings (note 4)	16.5	–
Dividends	(8.7)	–
Exchange adjustments	(1.2)	–
Other adjustments	2.3	–
Reclassification to subsidiaries	(0.3)	–
31 December 2021	**95.8**	**22.0**

The investments included above as 'other investments' represent investments in equity securities that present the Group with opportunity for return through dividend income and trading gains. They have no fixed maturity or coupon rate. For unlisted securities, where market value is not available, the Group has estimated relevant fair values on the basis of publicly available information from outside sources.

The carrying values of the Group's associates are reviewed for impairment in accordance with the Group's accounting policies.

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Interests in associates and other investments continued

The Group's principal associates at 31 December 2020 and 2021 included:

	Principal activity	% owned	Country of incorporation
CSM Media Research Co Limited[1]	Media research	42.6%	China
CTR Market Research Co Limited	Market research	46.0%	China
Finnpanel Oy	TV & Radio audience monitoring	50.0%	Finland
Marktest Investimentos SGPS S.A.	Holding company	40.0%	Portugal
Nielsen IBOPE Mexico, S.A. de C.V.	TV & Radio audience & advertising monitoring	46.3%	Mexico
Nielsen IBOPE Puerto Rico, Inc	TV & Radio audience & advertising monitoring	46.3%	Puerto Rico
RSMB Limited	Market research	50.0%	UK
Tam Media Research Private Ltd	Media research	50.0%	India
TNS Media Vietnam Co., Ltd	Media research	50.0%	Vietnam

1 The Group holds the ownership rights to 42.6% of the share capital of CSM Media Research Co Limited and does not control the company, however it has economic interests of 67.6%.

The Group's investments in its principal associate undertakings are represented by ordinary shares.

The Group's investments in associates acquired in the business combination are recognised at their fair values at the acquisition date. The valuations of these assets were performed by an independent valuation firm to serve as a basis for allocation of the purchase price to the various classes of assets. In determining the fair values the income approach was utilised. The significant judgements made and the estimation uncertainty included in these valuations relate to the cash flow forecasts, discount and long-term growth rates.

Aggregate information of associates

The following table presents a summary of the aggregate financial performance and net asset position of the Group's associate undertakings that are not individually material. These have been estimated and converted, where appropriate, to an IFRS presentation based on information provided by the relevant companies at 31 December 2021.

	2021 $m	2020 $m
The Group's share of profit from continuing operations	16.5	13.3
The Group's share of other comprehensive income	(1.2)	2.2
The Group's share of total comprehensive income	15.3	15.5
Aggregate carrying amount of the Group's interest in these associates	**95.8**	**87.2**

The application of equity accounting is ordinarily discontinued when the investment is reduced to zero and additional losses are not provided for unless the investor has guaranteed obligations of the investee or is otherwise committed to provide further financial support for the investee.

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Deferred tax

The table below outlines the deferred tax assets/(liabilities) that are recognised in the Statement of Financial Position, together with their movements in the year. We have presented the deferred tax assets and liabilities together in one table for ease of analysis.

	Investment in USA partnership $m	Property, plant & equipment $m	Brand & other Intangibles $m	Retirement benefit obligations $m	Tax losses & credits $m	Deferred compensation $m	Other temporary differences $m	Total $m
At 1 January 2020	11.7	1.4	(550.4)	14.1	0.8	0.7	18.4	(503.3)
As acquired	–	1.7	(41.0)	0.9	–	–	6.2	(32.2)
Charge to income	(5.0)	6.7	39.2	0.3	23.0	1.3	18.5	84.0
Credit to other comprehensive income	–	–	–	0.7	–	–	–	0.7
Other movements	–	(0.1)	–	(0.1)	–	–	(0.2)	(0.4)
Exchange differences	–	1.3	(3.5)	0.4	–	0.2	2.0	0.4
Reclassified as held for sale	–	–	26.4	–	–	–	(0.2)	26.2
At 31 December 2020	**6.7**	**11.0**	**(529.3)**	**16.3**	**23.8**	**2.2**	**44.7**	**(424.6)**
As acquired	–	(0.9)	(136.8)	0.2	54.3	–	14.4	(68.8)
As disposed	–	0.3	27.5	–	(0.7)	–	(1.1)	26.0
Credit to income	(38.0)	7.9	52.7	–	46.8	–	8.1	77.5
Charge to other comprehensive income	–	–	–	(2.7)	–	–	–	(2.7)
Other movements	–	–	–	(0.1)	–	(2.2)	3.3	1.0
Exchange differences	–	(0.3)	16.4	(0.1)	(1.1)	–	(2.2)	12.7
Reclassified as held for sale	–	(3.6)	6.9	–	–	–	–	3.3
At 31 December 2021	**(31.3)**	**14.4**	**(562.6)**	**13.6**	**123.1**	**–**	**67.2**	**(375.6)**

Notes to the consolidated financial statements

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Deferred tax
continued

At 31 December 2021, total deferred tax assets are $218.3 million (2020: $123.5 million) and total deferred tax liabilities are $593.9 million (2020: $548.1 million). After netting off balances within countries, there is a deferred tax asset of $55.3 million and a deferred tax liability of $430.9 million (2020: deferred tax asset of $123.5 million and a deferred tax liability of $548.1 million) recognised in the Consolidated Statement of Financial Position.

The deferred tax balances relate to:

- The deferred tax liability for brand and other intangibles relates to intangibles acquired in business combinations and held on consolidation. The deferred tax liability reduces over time as the intangibles are amortised.
- The deferred tax asset for Investment in US partnership reflects the Group's investment in Kantar's US business, which is structured as a partnership.
- Fixed asset temporary differences, where property, plant, and equipment is depreciated for tax purposes over different periods than for book.
- The deferred tax asset for retirement benefit obligations relates to future tax deductions for pension costs which are deductible only when paid in many of the jurisdictions in which we operate.
- Deferred tax assets are recognised for losses and tax credits where the group expects profits to arise against which such losses can be offset.
- Deferred tax relating to deferred compensation is now included within other temporary differences.
- Other temporary differences comprise a number of items, none of which is individually significant to the Group's Consolidated Statement of Financial Position. At 31 December 2021, the balance related to temporary differences in relation to revenue adjustments, fair value adjustments, deferred consideration and other temporary differences.

At the Statement of Financial Position date, the Group has gross tax losses and carried forward interest deductions of $557.2 million (2020: $460.0 million) available for offset against future profits. Deferred tax assets have been recognised in respect of the tax benefit of $153.3 million (2020: $132.1 million) of such tax attributes. No deferred tax asset has been recognised in respect of the remaining $403.9 million (2020: $327.9 million) of losses and interest deductions as the Group considers that there will not be enough taxable profits in the entities concerned such that any additional asset could be considered recoverable.

Included in the total unrecognised temporary differences are losses and interest deductions of $178.3 million (2020: $115.8 million) that will expire within 1–10 years, and $225.6 million (2020: $212.1 million) of losses and interest deductions that may be carried forward indefinitely.

A provision for deferred tax liabilities of $6.7 million as at 31 December 2021 (2020: $6.7 million) has been made in respect of taxation that would be payable on the remittance of profits by certain overseas associates. Whilst the aggregate of unremitted profits at the Statement of Financial Position date was approximately $3,999.1 million (2020: $3,574.0 million), the majority of these unremitted profits should not be subject to tax, including withholding tax on repatriation, as UK and Netherlands legislation relating to company distributions provides for exemption from tax for most overseas profits, subject to certain exceptions.

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13 Trade and other receivables

The following are included in trade and other receivables:

	2021 $m	2020 $m
Amounts falling due within one year:		
Trade receivables (net of bad debt provisions)	432.3	430.5
Work in progress	0.9	1.1
VAT and sales taxes recoverable	38.9	31.0
Prepayments	64.5	66.0
Accrued income	149.3	180.8
Other debtors	151.1	130.1
Fair value of derivatives	9.0	0.4
	846.0	**839.9**

The ageing of trade receivables and other financial assets by due date is as follows:

	Carrying amount at 31 December 2021 $m	Neither past due nor impaired $m	Past due but not impaired 0 – 30 days $m	31 – 90 days $m	91 – 180 days $m	181 days – 1 year $m	Greater than 1 year $m
Trade receivables	432.3	398.8	9.0	17.7	6.2	0.6	–

	Carrying amount at 31 December 2020 $m	Neither past due nor impaired $m	Past due but not impaired 0 – 30 days $m	31 – 90 days $m	91 – 180 days $m	181 days – 1 year $m	Greater than 1 year $m
Trade receivables	430.5	334.7	52.6	32.4	10.6	0.2	–

Past due amounts are not impaired where collection is still considered likely.

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Trade and other receivables
continued

Bad debt provisions:

	2021 $m	2020 $m
Balance at beginning of the period	1.2	0.5
New acquisitions	0.7	–
Charged to the statement of income	6.7	3.3
Released to the statement of income	(1.2)	(0.5)
Exchange adjustments	(0.6)	(0.1)
Utilisations and other movements	0.5	(2.2)
Transfer to disposal group classified as held for sale	–	0.2
Balance at end of the period	**7.3**	**1.2**

The allowance for bad and doubtful debts is equivalent to 1.7% (2020: 0.3%) of net trade accounts receivable.

Amounts falling due after more than one year:

	2021 $m	2020 $m
Prepayments	0.2	0.1
Accrued income	–	0.5
Other debtors	12.4	10.9
	12.6	**11.5**

The Group has applied the practical expedient permitted by IFRS 15 to not disclose the transaction price allocated to performance obligations unsatisfied (or partially unsatisfied) as of the end of the reporting period as contracts typically have an original expected duration of a year or less.

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Assets classified as held for sale

On 4 August 2021, the Group announced the proposed sale of its Reputation Intelligence business to leading software investor Symphony Technology Group "STG" which completed on 1 January 2022. This transaction allows the Media division to focus on its highest priority growth platforms such as Cross Media Audience Measurement and new digital approaches for its Advertising Intelligence and TGI offerings.

As outlined in the accounting policies, the criterion of a highly probable sale was met on 3 August 2021 when the best and final offer for the Reputation Intelligence business was accepted. The Reputation Intelligence disposal group therefore became held for sale on this date.

As the Reputation Intelligence business makes up less than 5% of the Group's total Adjusted EBITDA, management do not consider it a major line of business for the Group. As such, the disposal group is not considered as a discontinued operation.

On 16 December 2020, the Group announced an agreement for the sale of its global Health division to Cerner Corporation for consideration of $375 million. On 1 April 2021, the Group completed the divestment of substantially all of the Health division with the remainder of the divestment, relating to China and Taiwan, completing on 1 September 2021 and 1 November 2021 respectively. The associated assets and liabilities were no longer held for sale at these dates. For further detail of this disposal refer to Note 25.

As outlined in the accounting policies, the criterion of a highly probable sale was met on 15 December 2020 when the best and final offer for the Health division was accepted. The Health disposal group therefore became held for sale on this date.

As the Health division only made up approximately 5% of the Group's total Adjusted EBITDA, management did not consider it a major line of business for the Group. As such, the disposal group was not considered as a discontinued operation.

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Assets classified as held for sale continued

The major classes of assets and liabilities comprising the operations classified as held for sale are as follows:

	2021 $m	2020 $m
Goodwill	–	84.6
Other intangible assets	35.9	105.2
Property, plant and equipment	1.2	0.4
Right-of-use assets	0.5	2.0
Interests in associates	–	1.2
Deferred tax assets	3.6	0.1
Trade and other receivables	20.1	51.9
Corporate income tax recoverable	0.2	1.7
Cash and short-term deposits	3.3	2.9
Total assets classified as held for sale	**64.8**	**250.0**
Trade and other payables	(34.3)	(75.6)
Corporate income tax payable	(0.3)	(0.9)
Short-term lease liabilities	–	(0.5)
Deferred tax liabilities	(6.9)	(26.3)
Provisions for post-employment benefits	(6.8)	(1.2)
Provisions for liabilities and charges	–	(0.1)
Long-term lease liabilities	(0.4)	(1.6)
Total liabilities associated with assets held for sale	**(48.7)**	**(106.2)**
Net assets of disposal group	**16.1**	**143.8**

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Trade and other payables

The following are included in trade and other payables falling due within one year:

	2021 $m	2020 $m
Trade payables	424.0	446.0
Fair value of derivatives	1.3	1.6
Deferred income	306.9	282.5
Payments due to vendors (earnout agreements)	7.4	–
Liabilities in respect of put option agreements with vendors	–	0.3
Other creditors and accruals	803.0	672.5
	1,542.6	**1,402.9**

The Group considers that the carrying amount of trade and other payables approximates their fair value.

All $282.5 million (2020: $253.5 million) deferred income as at 31 December 2020, was recognised through revenue in the current year.

The following are included in trade and other payables falling due after more than one year:

	2021 $m	2020 $m
Payments due to vendors (earnout agreements)	4.0	3.5
Liabilities in respect of put option agreements with vendors	–	40.6
Other creditors and accruals	14.3	20.0
Fair value of derivatives	–	2.3
	18.3	**66.4**

The Group considers that the carrying amount of trade and other payables approximates their fair value.

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Trade and other payables continued

The following tables sets out payments due to vendors, comprising contingent consideration and the Managers' best estimates of future earnout-related obligations:

	2021 $m	2020 $m
Balance at beginning of the period	3.5	15.4
Acquisition of subsidiaries	7.7	3.2
Earnouts paid	–	(12.2)
Earnouts matured but still to be paid	–	(3.7)
Revaluation of payments due to vendors (note 6)	0.3	(0.4)
Unwinding of discount	0.5	1.5
Exchange adjustments	(0.6)	(0.3)
Balance at end of period	**11.4**	**3.5**

As of 31 December 2021, the total potential undiscounted amount of future payments that could be required under the earnout agreements for all earnout agreements range from $nil to $19.3 million (2020: $nil to $6.2 million). $11.1 million (2020: $nil) would be due payable within one year, and $8.2 million (2020: $6.2 million) would be due payable after more than one year of the Statement of Financial Position date.

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Provisions and other liabilities

The movements in 2021 and 2020 were as follows::

	Property $m	Deferred and contingent consideration $m	Other $m	Total $m
1 January 2020	17.3	60.0	71.2	148.5
Charged to the statement of income	6.9	2.6	5.7	15.2
Acquisition of subsidiaries	7.0	–	1.7	8.7
Additions	–	11.7	–	11.7
Utilised	(0.3)	(8.7)	(3.8)	(12.8)
Released to the statement of income	(0.1)	–	(0.9)	(1.0)
Other movements	0.7	–	(1.4)	(0.7)
Exchange adjustments	0.3	–	0.7	1.0
Transfer to disposal group classified as held for sale	(0.1)	–	–	(0.1)
31 December 2020	**31.7**	**65.6**	**73.2**	**170.5**
Charged to the statement of income	7.8	0.9	11.0	19.7
Acquisition of subsidiaries	1.1	–	(0.8)	0.3
Acquisition of minority interest	–	63.3	–	63.3
Additions	2.6	1.5	–	4.1
Utilised	(0.1)	(2.0)	(7.6)	(9.7)
Released to the statement of income	(12.2)	–	(1.5)	(13.7)
Other movements	(4.7)	–	1.0	(3.7)
Exchange adjustments	(0.2)	–	(2.2)	(2.4)
31 December 2021	**26.0**	**129.3**	**73.1**	**228.4**

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Provisions and other liabilities continued

Property

Property provisions relate to lease dilapidations and onerous lease provisions.

The Group is required to restore many of its leased premises to an agreed condition at the end of the respective lease terms. A lease dilapidations provision has been recognised for the present value of the estimated expenditure required to remove any leasehold improvements. It is anticipated that these provisions will be utilised over the remaining lease terms which range up to 15 years.

Deferred and contingent consideration

Deferred and contingent consideration of $64.6 million (2020: $65.6million) relates to the acquisition of the Kantar trading entities from WPP Plc, which is payable within 3 years from the sixth and final acquisition date on 29 October 2023.

Further deferred consideration of $64.3 million relates to the acquisition of the remaining 41% minority shareholding in its subsidiary, Techedge ApS, which is payable across two further instalments on 31 July 2023 and 31 July 2024.

Other

Other provisions of $73.1 million (2020: $73.2 million) consists of $43.0 million (2020: $50.2 million) relating to employment related liabilities and $30.1 million (2020: $23.0 million) to legal claims, indirect taxes and other provisions. The timing of the utilisation of these provisions is uncertain.

The Group's entities are, from time to time, parties to legal proceedings and claims which arise in the ordinary course of business. The Managers do not anticipate that the outcome of these proceedings and claims will have a material adverse effect on the Group's financial position or on the results of its operations over and above the provisions already made.

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Provision for post-employment benefits

Companies within the Group operate a large number of pension plans, the forms and benefits of which vary with conditions and practices in the countries concerned. The Group's pension costs are analysed as follows:

	2021 $m	2020 $m
Defined contribution plans	33.0	30.0
Defined benefit plans charge to operating loss	8.6	5.0
Pension costs (note 5)	41.6	35.0
Net interest expense on pension plan liabilities (note 6)	0.6	0.7
	42.2	**35.7**

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Provision for post-employment benefits continued

Defined benefit plans

The pension costs are assessed in accordance with the advice of local independent qualified actuaries. The latest full actuarial valuations for the various pension plans were carried out at various dates in the last three years. These valuations have been updated by the local actuaries to 31 December 2021.

The Group's policy is to close existing defined benefit plans to new members. This has been implemented across a significant number of the pension plans.

Contributions to funded plans are determined in line with local conditions and practices. Contributions in respect of unfunded plans are paid as they fall due. The total contributions (for funded plans) and benefit payments (for unfunded plans) paid in 2021 amounted to $5.6 million (2020: $4.8 million). Employer contributions and benefit payments in 2022 are expected to be approximately $13.7 million.

(a) Assumptions

There are a number of areas in pension accounting that involve estimates made by management based on advice of qualified advisors. These include establishing the discount rates, rates of increase in salaries and pensions in payment, inflation, and mortality assumptions. The main weighted average assumptions used for the actuarial valuations at 31 December are shown in the following table:

	2021 % pa	2020 % pa
UK		
Discount rate[1]	1.8	1.0
Rate of increase in salaries[2]	n/a	n/a
Inflation	3.8	3.3
North America		
Discount rate[1]	2.8	2.6
Rate of increase in salaries	n/a	n/a
Western Continental Europe		
Discount rate[1]	1.4	1.1
Rate of increase in salaries	2.1	2.2
Rate of increase in pensions in payment	0.3	0.5
Inflation	1.7	1.8
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe		
Discount rate[1]	3.7	3.4
Rate of increase in salaries	4.6	4.7
Inflation	3.5	3.5

Note

1 Discount rates are based on high-quality corporate bond yields. In countries where there is no deep market in corporate bonds, the discount rate assumption has been set with regard to the yield on long-term government bonds.

2 The salary assumptions are no longer applicable to the UK plans as the plans were frozen since 2017. Active participants will not accrue additional benefits for future services under these plans.

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Provision for post-employment benefits continued

For the Group's pension plans, the plans' assets are invested with the objective of being able to meet current and future benefit payment needs, while controlling Statement of Financial Position volatility and future contributions. Pension plan assets are invested with a number of investment managers, and assets are diversified among equities, bonds, insured annuities, property and cash or other liquid investments. The primary use of bonds as an investment class is to match the anticipated cash flows from the plans to pay pensions. The Group is invested in high-quality corporate and government bonds which share similar risk characteristics and are of equivalent currency and term to the plan liabilities. Various insurance policies have also been bought historically to provide a more exact match for the cash flows, including a match for the actual mortality of specific plan members. These insurance policies effectively provide protection against both investment fluctuations and longevity risks. The strategic target allocation varies among the individual plans.

Management considers the types of investment classes in which the pension plan assets are invested. The types of investment classes are determined by economic and market conditions and in consideration of specific asset class risk. Management periodically commissions detailed asset and liability studies performed by third party professional investment advisors and actuaries that generate probability-adjusted expected future returns on those assets. These studies also project the estimated future pension payments and evaluate the efficiency of the allocation of the pension plan assets into various investment categories.

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Provision for post-employment benefits continued

At 31 December 2021, the life expectancies underlying the value of the accrued liabilities for the main defined benefit pension plans operated by the Group were as follows:

Years life expectancy after age 65	All plans	North America	UK	Western Continental Europe	Other[1]
– current pensioners (at age 65) – male	21.3	21.8	22.9	21.3	16.5
– current pensioners (at age 65) – female	23.8	23.3	24.0	24.0	20.3
– future pensioners (current age 45) – male	23.1	23.2	24.2	23.2	16.5
– future pensioners (current age 45) – female	25.4	24.6	25.5	25.7	20.3

Note

1 Includes Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe.

At 31 December 2020, the life expectancies underlying the value of the accrued liabilities for the main defined benefit pension plans operated by the Group were as follows:

Years life expectancy after age 65	All plans	North America	UK	Western Continental Europe	Other[1]
– current pensioners (at age 65) – male	21.2	21.7	22.9	21.2	17.3
– current pensioners (at age 65) – female	23.7	23.1	24.0	23.8	21.3
– future pensioners (current age 45) – male	23.1	23.1	24.2	23.2	17.3
– future pensioners (current age 45) – female	25.4	24.5	25.5	25.6	21.3

Note

1 Includes Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe.

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Provision for post-employment benefits continued

In the determination of mortality assumptions, management uses the most up-to-date mortality tables available in each country.

The following table provides information on the weighted average duration of the defined benefit pension obligations and the distribution of the timing of benefit payments for the next 10 years. The duration corresponds to the weighted average length of the underlying cash flows.

	All plans	North America	UK	Western Continental Europe	Other[1]
Weighted average duration of the defined benefit obligation 2021 (years)	17.6	15.6	12.8	19.2	7.4
Expected benefit payments over the next 10 years					
Benefits expected to be paid within 12 months	10.2	4.7	0.2	3.2	2.1
Benefits expected to be paid in 2023	6.5	0.9	0.3	3.0	2.3
Benefits expected to be paid in 2024	6.0	1.4	–	3.3	1.4
Benefits expected to be paid in 2025	6.0	0.9	0.1	3.2	1.8
Benefits expected to be paid in 2026	6.0	1.0	0.1	3.4	1.5
Benefits expected to be paid in the next five years	35.1	6.5	0.6	22.0	6.0

1 Includes Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe.

The following table presents a sensitivity analysis for each significant actuarial assumption showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption that were reasonably possible at the Statement of Financial Position date. This sensitivity analysis applies to the defined benefit obligation only and not to the net defined benefit pension liability in its entirety, the measurement of which is driven by a number of factors including, in addition to the assumptions below, the fair value of plan assets.

The sensitivity analyses are based on a change in one assumption while holding all other assumptions constant so that interdependencies between the assumptions are excluded. The methodology applied is consistent with that used to determine the recognised defined benefit obligation. The sensitivity analysis for inflation is not shown as it is an underlying assumption to build the pension and salary increase assumptions. Changing the inflation assumption on its own without changing the salary or pension assumptions will not result in a significant change in pension liabilities.

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Provision for post-employment benefits continued

Sensitivity analysis of significant actuarial assumptions	All plans $m	Western Continental Europe $m	North America $m	UK $m	Other[1] $m
	Increase/(decrease) in benefit obligation 2021				
Discount rate					
Increase by 25 basis points	(7.8)	(6.5)	(1.0)	–	(0.3)
Decrease by 25 basis points	7.3	6.1	0.9	–	0.3
Rate of increase in salaries					
Increase by 25 basis points	(0.9)	(0.6)	–	–	(0.3)
Decrease by 25 basis points	0.9	0.6	–	–	0.3
Rate of increase in pensions payment					
Increase by 25 basis points	(4.8)	(4.8)	–	–	–
Decrease by 25 basis points	5.1	5.1	–	–	–
Life expectancy					
Increase in longevity by one additional year	4.2	3.8	0.4	–	–

1 Includes Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe.

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Provision for post-employment benefits continued

(b) Assets and liabilities

At 31 December, the fair value of the assets in the pension plans, and the assessed present value of the liabilities in the pension plans are shown in the following table:

	2021		2020	
	$m	%	$m	%
Equity instruments	7.9	5.8	9.5	5.4
Debt instruments	17.9	13.1	40.0	22.9
Real estate	0.9	0.7	–	–
Cash and cash equivalents	0.6	0.4	0.8	0.4
Investment funds	0.4	0.3	0.3	0.2
Insured pensions	109.0	79.7	124.2	71.1
Total fair value of assets	**136.7**	**100.0**	**174.8**	**100.0**
Present value of liabilities	(185.4)		(233.7)	
Deficit in the plans	(48.7)		(58.9)	
Irrecoverable surplus	(0.8)		(0.7)	
Net liability[1]	**(49.5)**		**(59.6)**	
Plans in surplus	0.3		4.2	
Plans in deficit	(49.8)		(63.8)	
Net liability reclassified as held for sale (note 14)	(6.8)		(1.2)	
Net liability per Statement of Financial Position	(42.7)		(58.4)	
Total net liability	**(49.5)**		**(59.6)**	

1 The related deferred tax asset is discussed in note 12.

All plan assets have quoted prices in active markets with the exception of insured annuities and other assets.

The fair value of insured pensions is estimated by discounting the expected future cash flows based on accrued benefits using the discount rate. The allocated value of the indexation depots as per 31 December 2021 has been added to this value.

The discount rate is based on the market yields at the reporting date on high quality corporate bonds. The currency and the term of the corporate bonds should be consistent with the currency and estimated term of the post-employment benefits obligations.

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Provision for post-employment benefits continued

Surplus/(deficit) in plans by region

	2021 $m	2020 $m
UK	0.8	0.7
North America	(3.3)	(4.7)
Western Continental Europe	(30.7)	(37.5)
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	(15.5)	(17.4)
Deficit in the plans	**(48.7)**	**(58.9)**

Some of the Group's defined benefit plans are unfunded (or largely unfunded) by common custom and practice in certain jurisdictions. In the case of these unfunded plans, the benefit payments are made as and when they fall due. Pre-funding of these plans would not be typical business practice.

The following table shows the split of the deficit at 31 December 2021 between funded and unfunded pension plans:

	2021 Surplus/ (deficit) $m	2021 Present value of liabilities $m	2020 Surplus/ (deficit) $m	2020 Present value of liabilities $m
Funded plans by region				
UK	0.8	1.1	0.7	1.8
North America	(3.3)	24.6	(4.7)	26.9
Western Continental Europe	(8.7)	113.8	(7.3)	148.1
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	(1.4)	9.8	(2.4)	11.7
Deficit/liabilities in the funded plans	**(12.6)**	**149.3**	**(13.7)**	**188.5**
Unfunded plans by region				
Western Continental Europe	(22.0)	22.0	(30.2)	30.2
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	(14.1)	14.1	(15.0)	15.0
Deficit/liabilities in the unfunded plans	**(36.1)**	**36.1**	**(45.2)**	**45.2**
Deficit/liabilities in the plans	**(48.7)**	**185.4**	**(58.9)**	**233.7**

In accordance with IAS 19 (amended), plans that are wholly or partially funded are considered funded plans.

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Provision for post-employment benefits continued

(c) Pension expense

The following table shows the breakdown of the pension expense between amounts charged to operating loss, amounts charged to finance costs and amounts recognised in the Consolidated Statement of Comprehensive Income (OCI):

	2021 $m	2020 $m
Current service cost	4.9	4.7
Past service cost	(0.4)	(0.4)
Loss on settlements	3.7	0.2
Administrative expenses	0.4	0.5
Charge to operating loss	**8.6**	**5.0**
Interest income on plan assets	(2.4)	(2.9)
Net interest expense on pension plans	3.0	3.6
Charge to loss before taxation for defined benefit plans	**9.2**	**5.7**
Return on plan assets (excluding interest income)	6.9	(9.6)
Experience gains and losses	(0.3)	0.5
Changes in demographic assumptions	(1.3)	(2.2)
Changes in financial assumptions	(12.4)	13.3
Change in irrecoverable surplus	0.1	(0.2)
Actuarial (profit)/loss recognised in OCI	**(7.0)**	**1.8**

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Provision for post-employment benefits continued

(d) Movement in plan liabilities

The following table shows an analysis of the movement in the pension plan liabilities for each accounting year:

	2021 $m	2020 $m
Plan liabilities at beginning of the year	233.7	188.3
Current service cost	4.9	4.7
Past service cost	(0.4)	(0.4)
Loss on settlement	3.7	0.2
Interest cost	3.0	3.6
Actuarial (gain)/loss	(14.0)	11.6
Benefits paid	(9.4)	(6.9)
Settlements paid	(24.2)	(0.5)
(Gain)/loss due to exchange rate movements	(12.0)	15.3
Other[1]	0.1	17.8
Plan liabilities at end of the year	**185.4**	**233.7**

1 Other includes acquisitions and plan reclassifications.

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Provision for post-employment benefits continued

(e) Movement in plan assets

The following table shows an analysis of the movement in the pension plan assets for each accounting year:

	2021 $m	2020 $m
Fair value of plan assets at beginning of year	174.8	146.3
Interest income on plan assets	2.4	2.9
Return on plan assets (excluding interest income)	(6.9)	9.5
Employer contributions	5.6	4.8
Benefits paid	(9.4)	(6.9)
Settlement payments	(24.2)	(0.5)
Administrative expenses paid from plan assets	(0.4)	(0.5)
(Loss)/gain due to exchange rate movements	(8.9)	11.9
Acquisitions/reclassification	3.7	7.3
Fair value of plan assets at the end of year	**136.7**	**174.8**
Actual return on plan assets	**(4.4)**	**12.5**

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Risk management policies

Foreign currency risk

The Group's results of operations and value of its foreign denominated debt are subject to fluctuations in currency exchange rates, which may adversely affect reported earnings.

The Group's operations conduct the majority of their activities in their own local currency and any significant cross-border trading exposures are hedged by the use of forward foreign-exchange contracts. In addition, through the ordinary course of business foreign currency denominated financial instruments occur consisting primarily of intercompany receivables and payables. At times we utilise forward contracts and currency swaps to minimise the exchange rate risk related to these intercompany payables and receivables. No speculative foreign exchange trading is undertaken.

Interest rate risk

In the normal course of our business, interest rate fluctuations affect future cash flows under our variable rate debt obligations. The Group's risk management strategy is to protect against adverse fluctuations in interest rates by reducing its exposure to variability in cash flows on the floating-rate debt to the extent that it is practicable and cost effective to do so.

The weighted average rate of interest on senior secured and senior unsecured debt at 31 December 2021, excluding borrowings within associates, was 5.7% (2020: 5.7%) before commitment fees and amortised costs, and 6.4% (2020: 6.4%) after allowing for such items.

The Group may use forward rate agreements, interest rate swaps, caps and floors to minimise the impact of fluctuations in interest rates.

At 31 December 2021, the percentage of fixed rate debt was 61% (2020: 60%). This percentage of fixed rate debt obligations reflect, in part, the effect of a $280 million notional interest rate swap with a maturity of June 2023 that effectively converts variable rate debt to fixed rate debt.

In addition to the $280 million notional interest rate swap maturing June 2023, the Group entered into three interest rate caps in 2020 to reduce its exposure attributable to changes in three month USD LIBOR and three month EURIBOR. These consist of €149 million and €487 million notional interest rate caps maturing June 2025 with a three month EURIBOR cap rate of 0.25% and a $280 million notional interest rate cap, effective date of June 2023, maturing June 2025 with a three month USD LIBOR cap rate of 1.00%.

Liquidity risk

The Group's policy is to maintain a prudent level of cash to finance working capital, along with sufficient committed bank facilities to meet liquidity needs as they arise. Liquidity risk is managed through the use of short-term and long-term cash flow forecasts and ongoing review of facilities. Under the Senior Facilities Agreement the Group has undrawn committed facilities totalling $392 million (2020: $232 million), consisting of a syndicated revolving credit facility of $372 million (2020: $232 million) and an ancillary facility of $20 million (2020: nil), both of which mature in 2026. In addition, the Group has access to additional committed facilities totalling $26 million maturing between 2022 and 2023.

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Risk management policies continued

Credit risk

Credit risk arises from cash and cash equivalents, trade and other receivables, and deposits with banks and financial institutions. The Group regularly monitors counterparty exposure and credit ratings of financial institutions with which it has deposits. The Group considers its maximum credit risk to be $1,569.6 million (2020: $2,135.3 million) being the Group's total financial assets.

Capital risk management

The Group's objectives when managing its capital structure are; to support the Group's ability to continue as a going concern, to provide returns to shareholders and benefits for other stakeholders and to protect and strengthen the Group's Statement of Financial Position. The Group manages its capital structure, and makes adjustments to it, in light of changes to business performance, economic conditions and the strategic objectives of the Group. The capital structure of the Group consists of borrowings (disclosed in note 19), cash and cash equivalents, and equity comprising share capital (note 22), share premium (note 23), retained losses, translation reserve and non-controlling interests (note 31).

Sensitivity analysis

The following sensitivity analysis addresses the effect of currency and interest rate risks on the Group's financial instruments. The analysis assumes that all hedges are highly effective.

Currency risk

The Group operates in international markets which exposes us to movements in foreign currency exchange rates. The Group's primary exposures result from operations with functional currencies in EURO and GBP. At 31 December 2021, the Group's revenues would have decreased approximately $133 million (2020: $117 million) if the EURO and GBP had weakened 10% versus the average rate for 2021 relative to the US dollar.

In addition, the Group is exposed to fluctuations in foreign exchange rates due to foreign denominated debt. At 31 December 2021, a 10% increase in the December month end rate in the EURO against the US dollar would result in a $21 million loss to the Statement of Income and a $249 million loss to Other Comprehensive Income.

Interest rate risk

A 100 bps increase in market interest rates for all currencies in which the Group had cash and borrowings at 31 December 2021 would increase loss before tax by approximately $6.0 million (2020: $5.9 million). A 100 bps decrease in market interest rates would decrease loss before tax by approximately $0.1 million (2020: $0.3 million). This has been calculated by applying the interest rate change to the Group's variable rate cash and borrowings, taking into account interest rate swaps, caps and floors in rates as appropriate.

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Borrowings

Borrowings are made up of the following instruments:

Current	Par value	Maturity	2021 Carrying value $m	2021 Fair value $m	2020 Carrying value $m	2020 Fair value $m
Bank overdrafts	–	–	153.0	153.0	648.1	648.1
Term loan US Libor (0% floor) plus margin (amortisation)	$8.5m	Dec-26	8.5	8.5	3.5	3.5
Loan from WPP Plc – Libor (0% floor) plus margin	£1.4m	Dec-27	1.9	1.8	2.0	1.8
			163.4	**163.3**	**653.6**	**653.4**

Non-current	Par value	Maturity	2021 Carrying value $m	2021 Fair value $m	2020 Carrying value $m	2020 Fair value $m
Revolving credit facility – Euribor (0% floor) plus margin	€0.0m	Jun-26	–	–	160.4	160.4
Term loan US Libor (0% floor) plus margin	$339.5m	Dec-26	321.0	339.1	320.8	339.0
Term loan US Libor (0.75% floor) plus margin	$493.7m	Dec-26	481.3	492.1	–	–
Term loan Euribor (0% floor) plus margin	€950.0m	Dec-26	1,030.7	1,082.5	1,115.8	1,160.1
Senior Notes 9.25% fixed	€428.0m	Oct-27	476.3	525.0	511.1	553.4
Senior Secured Notes 5.50% fixed	$425.0m	Oct-26	414.5	433.5	–	–
Senior Secured Notes 5.75% fixed	€1,000.0m	Oct-26	1,124.8	1,190.6	1,207.8	1,289.0
Loan from WPP Plc – Libor (0% floor) plus margin	£7.23m	Dec-27	9.8	7.5	11.8	8.6
Loans from Bain Capital companies, 1.69%	$67.2m	Jun-28	67.2	42.1	66.1	40.0
Yield Free PECs issued to Bain Capital Companies	$5.9m	Dec-50	5.9	5.9	5.6	5.6
Yield Free PECs issued to WPP Plc	$3.7m	Dec-50	3.7	3.7	3.7	3.7
Vendor Loan Note	$150.0m	Jul-41	150.0	175.4	–	–
			4,085.2	**4,297.4**	**3,403.1**	**3,559.8**

Borrowings are repayable as follows:

	2021 $m	2020 $m
Current	163.4	653.6
Between one and five years	3,858,4	2,814.7
After more than five years	226.8	588.4
Total borrowings	**4,248.6**	**4,056.7**

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Borrowings
continued

Senior Notes

On 1 July 2021, a $425 million Senior Secured Note was issued at a rate of 5.50% maturing 2026.

Term Loans

On 2 August 2021, the Group refinanced €950 million of its EURO term loan facilities resulting in a 75bps reduction in the interest rate applicable.

On 2 July 2021, the Group issued a loan note of $150 million ("Vendor Loan Note") was part of the consideration in acquisition of 'Millennium Park Topco LLC'.

On 1 July 2021, a $500 million Term Loan B2 was issued at a rate of 5.25% (Margin of 4.50% and a LIBOR floor of 0.75%).

Revolving Credit Facility

On 26 April 2021, €61 million ($84 million) of the revolving credit facility was repaid, settling the liability in full.

On 25 March 2021, €30 million ($35 million) of the revolving credit facility was repaid.

On 25 January 2021, €40 million ($49 million) of the revolving credit facility was repaid.

Yield-Free Preferred Equity Certificates

On 3 September 2020, the Group agreed to issue Yield-Free Preferred Equity Certificates (YFPECs) for a total subscription price of $9.7 million in return for the termination of a $5.8 million promissory note from Bain Capital and a $3.9 million promissory note from WPP Plc.

Covenant

There is a financial covenant in favour of the lenders under the revolving credit facility which is subject to a financial covenant test at each quarter end date commencing 30 September 2020. However, this only occurs in the event that all borrowings under the revolving credit facility, net of all cash and cash equivalents, exceed 40% of the total revolving facility commitments at such date. The Group's revolving credit facility borrowings do not exceed 40% of the total revolving credit facility commitment, and therefore the quarterly covenant does not apply as at 31 December 2021.

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Leases

Right-of-use assets

The movements in 2021 and 2020 were as follows:

	Land and buildings $m	Fixtures, fittings and equipment $m	Total $m
Cost:			
1 January 2020	280.3	3.1	283.4
Acquisition of subsidiaries	46.5	0.7	47.2
Additions	42.8	3.3	46.1
Modifications	(16.4)	–	(16.4)
Exchange adjustments	9.7	0.3	10.0
Reclassified as held for sale	(2.3)	–	(2.3)
31 December 2020	**360.6**	**7.4**	**368.0**
Acquisition of subsidiaries	23.0	–	23.0
Additions	45.0	1.8	46.8
Modifications	(15.4)	0.8	(14.6)
Exchange adjustments	(5.5)	–	(5.5)
Reclassified as held for sale	(0.5)	–	(0.5)
31 December 2021	**407.2**	**10.0**	**417.2**
Depreciation:			
1 January 2020	5.3	0.2	5.5
Depreciation of right-of-use assets	62.4	3.2	65.6
Impairment	10.3	–	10.3
Exchange adjustments	(0.5)	(0.1)	(0.6)
On assets reclassified as held for sale	(0.3)	–	(0.3)
31 December 2020	**77.2**	**3.3**	**80.5**
Depreciation of right-of-use assets	68.5	3.3	71.8
Disposals	(0.3)	–	(0.3)
Exchange adjustments	3.6	0.1	3.7
31 December 2021	**149.0**	**6.7**	**155.7**
Net book value:			
31 December 2021	**258.2**	**3.3**	**261.5**
31 December 2020	283.4	4.1	287.5
31 December 2019	275.0	2.9	277.9

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Leases continued

The Group's leases predominantly consist of leases for buildings, without any purchase options.

Lease liabilities

The movements in 2021 and 2020 were as follows:

	Land and buildings $m	Fixtures, fittings and equipment $m	Total $m
1 January 2020	269.6	2.4	272.0
Acquisition of subsidiaries	42.2	0.7	42.9
Additions	42.8	3.1	45.9
Modifications	(16.5)	–	(16.5)
Interest expense related to lease liabilities	16.9	0.1	17.0
Repayment of lease liabilities (including interest)	(70.1)	(2.5)	(72.6)
Exchange adjustments	10.0	0.3	10.3
Reclassified as held for sale	(2.0)	–	(2.0)
31 December 2020	**292.9**	**4.1**	**297.0**
Acquisition of subsidiaries	22.0	–	22.0
Additions	32.5	2.3	34.8
Modifications	3.2	(0.5)	2.7
Interest expense related to lease liabilities	16.8	0.1	16.9
Repayment of lease liabilities (including interest)	(77.7)	(2.3)	(80.0)
Exchange adjustments	(9.9)	(0.2)	(10.1)
Reclassified as held for sale	(0.4)	–	(0.4)
Disposals	0.3	–	0.3
31 December 2021	**279.7**	**3.5**	**283.2**

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Leases continued

The following table shows the breakdown of the lease expense between amounts charged to operating loss and amounts charged to finance costs:

	2021 $m	2020 $m
Depreciation of right-of-use assets:		
Land and buildings	68.5	62.4
Fixtures, fittings and equipment	0.3	0.2
Cars	3.0	3.0
Impairment of right-of-use assets	–	10.3
Short-term lease expense	5.7	4.2
Low value lease expense	0.8	2.4
Variable lease expense	14.3	9.6
Income from sub-leasing right-of-use assets	(3.8)	(4.1)
Charge to operating loss	**88.8**	**88.0**
Interest expense related to lease liabilities	16.9	17.0
Charge to loss before taxation for leases	**105.7**	**105.0**

The maturity of lease liabilities at 31 December 2021 were as follows:

	2021 $m	2020 $m
Year ending 31 December		
Year 1	72.9	77.0
Year 2	60.3	63.2
Year 3	43.7	50.4
Year 4	34.7	35.7
Year 5	26.7	28.3
Later years	111.7	125.2
Undiscounted Lease liability	350.0	379.8
Effect of discounting	(66.8)	(82.8)
Lease liability at 31 December	**283.2**	**297.0**
Short-term lease liability	55.3	60.7
Long-term lease liability	227.9	236.3

The total committed future cash flows for leases not yet commenced at 31 December 2021 is $4.5 million (2020: $29.5 million) .

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21 Financial instruments

Derivative financial instruments are initially measured at fair value on the contract date and are remeasured to fair value at subsequent reporting dates. All derivatives with a positive fair value are recognised in derivative financial instruments as an asset and all derivatives with a negative fair value are recognised in derivative financial instruments as a liability on the Statement of Financial Position.

An analysis of the Group's financial assets and liabilities by accounting classification is set out below:

Classification under IFRS 9	Held at fair value through profit or loss $m	Held at fair value through other comprehensive income $m	Amortised cost $m	Carrying value $m
2021				
Financial assets:				
Other investments	–	22.0	–	22.0
Cash and short-term deposits	–	–	689.0	689.0
Trade and other receivables: amounts falling due within one year	–	–	837.0	837.0
Trade and other receivables: amounts falling due after more than one year	–	–	12.6	12.6
Derivative assets	1.2	7.8	–	9.0
	1.2	**29.8**	**1,538.6**	**1,569.6**
Financial liabilities:				
Loans payable	–	–	(4,095.6)	(4,095.6)
Bank overdrafts	–	–	(153.0)	(153.0)
Trade and other payables: amounts falling due within one year	–	–	(1,533.9)	(1,533.9)
Trade and other payables: amounts falling due after more than one year	–	–	(14.3)	(14.3)
Derivative liabilities	(0.7)	(0.6)	–	(1.3)
Payments due to vendors (earnout agreements) (note 15)	(11.4)	–	–	(11.4)
Deferred and contingent consideration	(129.3)	–	–	(129.3)
	(141.4)	**(0.6)**	**(5,796.8)**	**(5,938.8)**
	(140.2)	**29.2**	**(4,258.2)**	**(4,369.2)**

Notes to the consolidated financial statements

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Financial instruments continued

Classification under IFRS 9	Held at fair value through profit or loss $m	Held at fair value through other comprehensive income $m	Amortised cost $m	Carrying value $m
2020				
Financial assets:				
Other investments	9.4	–	–	9.4
Cash and short-term deposits	–	–	1,274.5	1,274.5
Trade and other receivables: amounts falling due within one year	–	–	839.5	839.5
Trade and other receivables: amounts falling due after more than one year	–	–	11.5	11.5
Derivative assets	0.4	–	–	0.4
	9.8	**–**	**2,125.5**	**2,135.3**
Financial liabilities:				
Loans payable	–	–	(3,408.6)	(3,408.6)
Bank overdrafts	–	–	(648.1)	(648.1)
Trade and other payables: amounts falling due within one year	–	–	(1,401.0)	(1,401.0)
Trade and other payables: amounts falling due after more than one year	–	–	(20.0)	(20.0)
Derivative liabilities	(0.4)	(3.5)	–	(3.9)
Payments due to vendors (earnout agreements) (note 15)	(3.5)	–	–	(3.5)
Liabilities in respect of put options	(40.9)	–	–	(40.9)
Deferred and contingent consideration	(65.6)	–	–	(65.6)
	(110.4)	**(3.5)**	**(5,477.7)**	**(5,591.6)**
	(100.6)	**(3.5)**	**(3,352.2)**	**(3,456.3)**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) and indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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Financial instruments continued

	Level 1 $m	Level 2 $m	Level 3 $m
2021			
Held at fair value through profit or loss			
Other investments	22.0	–	–
Derivative assets	–	1.2	–
Derivative liabilities	–	(0.7)	–
Payments due to vendors (earnout agreements) (note 15)	–	–	(11.4)
Deferred and contingent consideration	–	–	(128.8)
Held at fair value through other comprehensive income			
Derivative assets	–	7.8	–
Derivative liabilities	–	(0.6)	–

	Level 1 $m	Level 2 $m	Level 3 $m
2020			
Held at fair value through profit or loss			
Other investments	–	–	9.4
Derivative assets	–	0.4	–
Derivative liabilities	–	(0.4)	–
Payments due to vendors (earnout agreements) (note 15)	–	–	(3.5)
Liabilities in respect of put options	–	–	(40.9)
Deferred and contingent consideration	–	–	(65.6)
Held at fair value through other comprehensive income			
Derivative liabilities	–	(3.5)	–

Notes to the consolidated financial statements
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Financial instruments continued

Reconciliation of level 3 fair value measurements:

	Put option liabilities $m	Other investments $m
1 January 2020	(43.0)	9.4
Revaluation gain (note 6)	7.1	–
Unwinding of discount	(1.5)	–
Exchange adjustments	(3.5)	–
31 December 2020	**(40.9)**	**9.4**
Revaluation (loss)/gain (note 6)	(12.2)	38.9
Revaluation gain through other comprehensive income	–	3.5
Unwinding of discount	(0.8)	–
Extinguishment of financial instrument	52.5	–
Disposals	–	(29.8)
Transfers out of level 3	–	(22.0)
Exchange adjustments	1.4	–
31 December 2021	**–**	**–**

The reconciliation of payments due to vendors (earnout agreements) is presented in note 15.

The reconciliation of deferred and contingent consideration is presented in note 16.

The fair values of financial assets and liabilities are based on quoted market prices where available. Where the market value is not available, the Group has estimated relevant fair values on the basis of publicly available information from outside sources.

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21 Financial instruments continued

Payments due to vendors and liabilities in respect of put options

Liabilities in respect of put option agreements are initially recorded at the present value of the redemption amount in accordance with IAS 32 and subsequently measured at fair value in accordance with IFRS 9. The obligation is dependent on the future financial performance of the entity and it is assumed that future profits are in line with Managers' estimates. The Managers derive their estimates from internal business plans together with financial due diligence performed in connection with the acquisition. At 31 December 2020, the weighted average growth rate in estimating future financial performance was 5.5%, which is in line with the growth rates in new media sectors. The risk adjusted discount rate applied to these obligations at 31 December 2020 ranged from 3.5% to 10.7%. These liabilities were extinguished in 2021.

Payments due to vendors and liabilities in respect of earnout agreements

Future anticipated payments due to vendors in respect of contingent consideration (earnout agreements) are recorded at fair value, which is the present value of the expected cash outflows of the obligations. Liabilities in respect of earnout agreements are initially recorded at the present value of the redemption amount in accordance with IAS 32 and subsequently measured at fair value in accordance with IFRS 9. The obligations relating to the remaining earnout agreements as at 31 December 2021, derives the fair value from projections on future financial performance as the earnout period for the remaining agreements ends at 31 December 2022. The risk adjusted discount rate applied to this obligation at 31 December 2021 ranged from 3.5% to 4.0% (2020: 4.0%).

A 0.5 percentage point increase or decrease in the risk adjusted discount rate would decrease or increase the consolidated liabilities due to earnouts and put options by less than $0.1 million (2020: $0.2 million and $0.2 million), respectively. An increase in the liability would result in a loss in the revaluation of financial instruments, while a decrease would result in a gain.

Other investments

Other investments included in level 3 are unlisted securities, where market value is not readily available. The Group has estimated relevant fair values on the basis of publicly available information from outside sources. The sensitivity to changes in unobservable inputs is specific to each individual investment. At 31 December 2021 the Group no longer holds any other investments in level 3, after they were disposed of, or transferred to level 1 during the year.

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Share capital

The authorised, issued, allotted and fully paid share capital is as follows:

	2021 Number	2021 $m	2020 Number	2020 $m
Ordinary share capital class A at €0.10 per share	17,319,817	2.0	5,409,836	0.7
Ordinary share capital class B at €0.10 per share	17,319,817	2.0	5,409,836	0.7
Ordinary share capital class C at €0.10 per share	17,319,817	2.0	5,409,836	0.7
Ordinary share capital class D at €0.10 per share	17,319,817	2.0	5,409,836	0.7
Ordinary share capital class E at €0.10 per share	17,319,817	2.0	5,409,836	0.7
Ordinary share capital class F at €0.10 per share	17,319,817	2.0	5,409,836	0.7
Ordinary share capital class G at €0.10 per share	17,319,817	2.0	5,409,836	0.6
Ordinary share capital class H at €0.10 per share	17,319,817	1.9	5,409,836	0.6
Ordinary share capital class I at €0.10 per share	17,319,817	1.9	5,409,836	0.6
Ordinary share capital class J at €0.10 per share	17,319,833	1.9	5,409,864	0.6
As at 31 December	**173,198,186**	**19.7**	**54,098,388**	**6.6**

All the classes of share capital have equal rights.

On 29 June 2021, the Company issued 119,099,798 new shares with a nominal value of €0.10 for an amount of €11,909,980 ($14,162,998).

As of 31 December 2021 the share capital is composed of 173,198,186 shares (2020: 54,098,388 shares) for an amount of $19.7 million; €17.3 million (2020: $6.6 million; €5.4 million).

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Share premium

	$m
1 January 2020	390.8
Exchange adjustments	35.3
31 December 2020	**426.1**
Shareholders contribution	127.2
Exchange adjustments	(35.3)
31 December 2021	**518.0**

24 Acquisition of subsidiaries

Numerator

On 2 July 2021, the Group acquired 100% of the issued and outstanding units of Millennium Park Topco LLC (Numerator), a Chicago-based, tech-driven consumer and market intelligence company for consideration of $1,318.9 million cash and a loan note of $150.0 million. Numerator blends proprietary data, including a digital panel of over one million U.S. consumers, with advanced technology to create unique insights that help companies understand their customers in real time and identify growth opportunities. The Group acquired Numerator to extend the global footprint in shopper insights, to accelerate technology roadmaps and to facilitate significant potential to accelerate growth for the combined group. The acquisition has been accounted for as a business combination using the acquisition method.

The goodwill of $1,009.8 million represents the premium paid in anticipation of future profitability from assets that are not capable of being separately identified and separately recognised such as the assembled workforce as well as the expectation that the Group will be able to leverage its wider market access and strong financial position to generate sustainable financial growth beyond what Numerator would have potentially achieved as a standalone company. None of the goodwill is expected to be deducted for tax purposes.

The intangible assets acquired as part of the acquisition relate mainly to customer relationships ($377.1 million), current technology ($165.4 million) and trade names ($32.7 million), the fair value of which is dependent on estimates of attributable future revenues, profitability and cash flows and are being amortised over 16, 10 and 10 years respectively. Trade and other receivables have a provisional fair value of $45.6 million and a gross contractual value of $46.5 million, all of which is currently expected to be collectable. The fair value of the acquired identifiable assets is provisional pending finalisation of the fair value exercise.

Other payments of $5.0 million relate to one-off payments to Numerator employees as a result of the acquisition which will be recognised as costs of sales, selling, general and admininistrative expenses over the period of service. Acquisition costs for the Group of $27.5 million have been recognised in administrative expenses.

Numerator contributed $109.6 million of external revenue and an loss of $3.8 million to the Groups operating profit from the date of acquisition to 31 December 2021. If the acquisition had completed on 1 January 2021, Group revenue and operating profit for the period ended 31 December 2021 would have been $3,380.9 million and $93.1 million, respectively.

Other

On 27 January 2021, the Group acquired all the remaining shareholding in its associate MERAC Arabia Co. Ltd, for a total consideration of $2.4 million.

On 1 June 2021, the Group acquired MeMo2 B.V. from its shareholders, for a total consideration of $18.9 million. This includes an estimated $8.4 million of contingent consideration.

On 22 December 2021, the Group acquired the trade and assets of Mind IT from its former owners for a total consideration of $2.4 million.

On 20 December 2021, the Group acquired Inet360 Solutions Inc (Hatchtank) from its shareholders, for total consideration of $5.8 million.

The amounts recognised in respect of the net assets acquired and goodwill recognised for these acquisitions is set out in the table on the next page.

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Acquisition of subsidiaries continued

	Numerator $m	Other $m	Total $m
Non-current assets	605.8	8.3	614.1
Current assets excluding cash equivalents	45.6	21.0	66.6
Cash and cash equivalents	34.5	6.9	41.4
Current liabilities	(128.7)	(26.8)	(155.5)
Non-current liabilities	(98.1)	(2.8)	(100.9)
Net assets acquired	459.1	6.6	465.7
Carrying value of associate	–	(0.3)	(0.3)
Goodwill recognised[1]	1,009.8	23.2	1,033.0
Total consideration	**1,468.9**	**29.5**	**1,498.4**
Satisfied by:			
Cash	1,318.9	19.3	1,338.2
Contingent consideration	–	8.4	8.4
Deferred consideration	–	1.8	1.8
Vendor loan note	150.0	–	150.0
Total consideration	**1,468.9**	**29.5**	**1,498.4**
Net cash outflow arising on acquisitions:			
Cash consideration	1,318.9	19.3	1,338.2
Less: cash and cash equivalents acquired	(34.5)	(6.9)	(41.4)
Net cash outflow arising on acquisitions	**1,284.4**	**12.4**	**1,296.8**

1 Goodwill recognised on the Numerator acquisition has been allocated to the CGUs which shall benefit from this acquisition including where synergies exist which benefit another CGU.

During the year ended 31 December 2020 the group made the following acquisitions:

On 27 February 2020, the second stage of the Kantar transaction was completed, consisting of approximately 4.5% of the Kantar group, with cash consideration paid of $166.7 million.

On 11 March 2020, the Group acquired Mavens Limited and its two subsidiaries from its shareholders, for a total consideration of $23.4 million. This includes an estimated $3.2 million of contingent consideration.

On 30 April 2020, the third stage of the Kantar transaction was completed, consisting of approximately 1.4% of the Kantar group, for a total consideration of $36.2 million. This includes an estimated $9.5 million of contingent consideration.

On 30 June 2020, the fourth stage of the Kantar transaction was completed, consisting of approximately 1.1% of the Kantar group, for a total consideration of $63.3 million. This includes an estimated $1.3 million of contingent consideration.

On 3 September 2020, the fifth stage of the Kantar transaction was completed, consisting of approximately 0.5% of the Kantar group, for a total consideration of $53.3 million. This includes an estimated $1.0 million of contingent consideration.

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24 Acquisition of subsidiaries continued

On 29 October 2020, the sixth and final stage of the Kantar transaction was completed, with cash consideration paid of $13.4 million.

The primary reason for these business combinations is to complete the acquisition of Kantar, a new portfolio company for the controlling party, Bain Capital.

As noted above consideration included elements that are contingent in nature. The conditions expected to be met in the future include the settlement of ongoing legal cases, realisation of the value of certain investments and the utilisation of certain tax losses and allowances. There was uncertainty at the acquisition and balance sheet dates in regard to the ultimate resolution of these items and initial estimates of the amounts due to be paid in the future continue to be evaluated. The restated fair value of contingent consideration payable after the measurement period of $15.0 million has been estimated using level 3 inputs, based on information available up to the date of approval of these Consolidated Financial Statements.

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Acquisition of subsidiaries continued

The amounts recognised in respect of the fair values of identifiable assets acquired and liabilities assumed for the remaining stages of the Kantar transaction and Mavens Limited are as set out in the table below.

	Notes	Kantar 2nd to 6th stages $m	Mavens Limited $m	Total Fair Value[1] $m
Intangible assets		152.8	7.4	160.2
Property, plant and equipment		14.2	0.1	14.3
Right-of-use assets		47.2	–	47.2
Investments in associates		17.1	–	17.1
Deferred tax assets		10.5	–	10.5
Trade and other receivables[1]		253.2	2.5	255.7
Cash and cash equivalents		161.3	9.9	171.2
Trade and other payables		(331.2)	(2.4)	(333.6)
Lease liabilities		(42.9)	–	(42.9)
Deferred tax liabilities		(41.3)	(1.4)	(42.7)
Provisions for post-employment benefits		(9.9)	–	(9.9)
Provisions for liabilities and charges		(8.7)	(0.1)	(8.8)
Identifiable net assets acquired		**222.3**	**16.0**	**238.3**
Non-controlling interests		8.3	–	8.3
Controlling interest in associate acquired		(20.9)	–	(20.9)
Goodwill[2]	9	123.3	7.4	130.7
Total consideration		**333.0**	**23.4**	**356.4**
Satisfied by:				
Cash		321.2	20.2	341.4
Contingent consideration		11.8	3.2	15.0
Total consideration		**333.0**	**23.4**	**356.4**
Net cash outflow arising on acquisition:				
Cash consideration		321.2	20.2	341.4
Less: cash and cash equivalents acquired		(161.3)	(9.9)	(171.2)
		159.9	**10.3**	**170.2**

1 The fair value of the trade and other receivables is equal to the gross contractual cash flows that are to be collected.

2 Goodwill reflects the value associated with future customer relationships, future technology and database assets, and the assembled workforce of Kantar. None of the goodwill is expected to be tax-deductible.

Notes to the consolidated financial statements

Kantar Global Holdings S.à r.l.

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Acquisition of subsidiaries continued

The main non-controlling interest is WPP Plc's 40% interest in Kantar. Other non-controlling interests exist in certain Kantar entities. Non-controlling interests were recognised at the acquisition date by reference to their proportional share of the identifiable net assets acquired, after allowing for the equity interest in the Kantar business retained by WPP Plc.

Acquisition related costs (included in administrative expenses) amount to $30.5 million (2020: $9.1 million).

There were no subsequent changes to the value of acquired assets and liabilities assumed over the course of the measurement period.

Notes to the consolidated financial statements

Kantar Global Holdings S.à r.l.

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Disposals

As referred to in note 14, on 1 April 2021 the Group completed the divestment of substantially all of its Health division with a further divestment relating to China and Taiwan, completed in September 2021 and November 2021 respectively.

The net assets of the Health division at their respective disposal dates were as follows:

	Total $m
Intangible assets (including goodwill)	191.1
Property, plant and equipment	1.3
Right-of-use assets	2.9
Corporate income tax recoverable	1.7
Trade and other receivables	40.7
Cash and cash equivalents	15.5
Trade and other payables	(77.7)
Corporate income tax payable	(0.4)
Lease liabilities	(3.2)
Deferred tax liabilities	(26.0)
Provisions for post-employment benefits	(1.3)
Provisions for liabilities and charges	(0.7)
Net assets disposed of	**143.9**
Non-controlling interests	0.7
Net assets disposed of excluding non-controlling interests	**143.2**
Consideration received in cash and cash equivalents	370.4
Total consideration received	**370.4**
Transaction costs	50.5
Profit on disposal before exchange of adjustments	176.7
Exchange adjustments recycled to the income statement	2.1
Gain on disposal	**178.8**
Net cash inflow arising on disposals:	354.9
Less: cash consideration	370.4
Cash and cash equivalents disposed	**(15.5)**

Notes to the consolidated financial statements
Kantar Global Holdings S.à r.l.

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Related party transactions

The Group has a number of transactions and relationships with related parties, as defined in IAS 24 Related Party Disclosures, all of which are undertaken in the normal course of business. Transactions between the Group and its related parties are made on terms equivalent to those that prevail in arm's length transactions.

Bain Capital, Canson Capital, WPP Plc Group and Associates of Kantar are all deemed to be related parties due to them all having a shareholding within Kantar Global Holdings S.à r.l. and/or its subsidiary undertakings.

As part of the acquisition, the Group has entered into Transaction Services Agreements ("TSAs") with WPP Plc in respect of, among other matters, finance, human resources, procurement and information technology. The TSAs range in duration from three months to five years, from the date of acquisition. The Group has also entered into a number of long-term agreements to lease certain properties from WPP Plc Group. In addition, the Group has entered into agreements with Bain Capital Private Equity (Europe) LLP and WPP Plc Group to provide services including consulting, advice on acquisitions and divestiture, financing, marketing and other functions.

Intragroup transactions within the Group which are eliminated on consolidation are not disclosed in these financial statements. Transactions between the Group and its defined benefit plans are set out in note 17. Other related party transactions of the Group are set out below:

2021	Bain Capital $m	Canson Capital $m	WPP Plc Group $m	Associates $m	Total $m
Sales	–	–	70.6	4.7	75.3
Purchases	(15.1)	–	(74.7)	0.1	(89.7)
Interest expense	(1.1)	(0.1)	–	–	(1.2)
Trade and other receivables	–	–	32.7	1.3	34.0
Trade and other payables	0.1	0.1	22.7	1.5	24.4
Loans payable	73.1	–	15.4	–	88.5
Dividend receivable (note 11)	–	–	–	8.7	8.7

2020	Bain Capital $m	Canson Capital $m	WPP Plc Group $m	Associates $m	Total $m
Sales	–	–	53.0	3.8	56.8
Purchases	(13.2)	(1.5)	(79.5)	(0.2)	(94.4)
Interest expense	(1.1)	(0.1)	–	(0.1)	(1.3)
Trade and other receivables	–	–	30.3	13.8	44.1
Trade and other payables	0.1	–	28.9	14.9	43.9
Loans payable	72.1	3.1	17.5	–	92.7
Property lease payments	–	–	22.1	–	22.1
Dividend receivable (note 11)	–	–	–	10.3	10.3

Notes to the consolidated financial statements
Kantar Global Holdings S.à r.l.

26 Related party transactions continued

Key management personnel are members of the Executive Committee who have group-wide authority and responsibility for planning, directing and controlling activities of the Group.

Key management personnel remuneration includes the following employee benefits:

	2021 $m	2020 $m
Short-term employee benefits	10.3	6.4
Post-employment benefits	0.2	0.2
Other employee benefits	1.1	2.3
Termination benefits	4.2	1.6
	15.8	**10.5**

The Managers of the parent Company did not receive any compensation for the period.

Other employee benefits to key management personnel include an expense of $1.0 million (2020: nil) related to a share-based incentive scheme which was entered into during 2021, allowing senior executives to coinvest in the Group and vests upon certain events such as change of control of the Group. The expense related to key management personnel constituted 56% of the total Group expense. The total investment in this scheme by key management personnel was $13.4 million. As at 31 December 2021, included within other debtors are loans of $5.0 million due from members of key management personnel with respect to the investment in this scheme.

27 Capital commitments

At 31 December 2021, capital commitments contracted, but not provided were as follows:

	2021 $m	2020 $m
Property, plant and equipment	1.9	4.2
Other intangible assets	13.5	10.0
	15.4	**14.2**

Notes to the consolidated financial statements

Kantar Global Holdings S.à r.l.

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Controlling party

The immediate parent company is Bain Capital Europe V, S.à r.l. SICAV – RAIF.
The ultimate parent undertaking and controlling party is Bain Capital Europe Fund V, SCSp.

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Events after the reporting period

On 1 January 2022, the Group completed the sale of its Reputation Intelligence business to leading technology investor Symphony Technology Group "STG" for consideration of $18.2 million. The transaction completes in accordance with the definitive agreement announced on 4 August 2021, having obtained approvals from all relevant authorities. The Reputation Intelligence business has been classified as held for sale as at 31 December 2021, as described in note 14.

As a result of events in Ukraine which have occurred subsequent to 31 December 2021 the Group has currently suspended operations in Russia. The operations impacted as a result of this contribute approximately 1.0% of revenue to the Group.

On 15 March 2022, the Group agreed in principle to dispose of the Numerator eCommerce Path Intelligence Solutions business to Wiser Solutions.

Notes to the consolidated financial statements
Kantar Global Holdings S.à r.l.

30 Significant subsidiaries

Listed below are the subsidiaries which are considered to be material to the Group.

The two directly held subsidiaries below are wholly owned by Kantar Global Holdings S.à r.l.:

	Country of incorporation	% Ownership
Summer (BC) Topco S.à r.l.	Luxembourg	100%
Summer (BC) US Blockerco Corp	USA	100%

The combined ownership of the indirectly held subsidiaries listed below is effectively split 60%/40% between Kantar Global Holdings S.à r.l. and WPP Plc:

Legal entity	Country of incorporation	% Combined ownership
AMR Interactive Pty Limited	Australia	100%
Taylor Nelson Sofres Asia Pacific Pty Ltd	Australia	100%
Kantar Insights Australia Pty Ltd	Australia	100%
Kantar Belgium SA	Belgium	100%
Kantar Paulista Participações Ltda	Brazil	100%
Kantar Midia Participacoes S.A.	Brazil	99%
Millward Brown do Brasil Ltda	Brazil	100%
Kantar IBOPE Pesquisa de Mídia Ltda.	Brazil	99%
Kantar IBOPE Monitor de Meios Publicitários Ltda.	Brazil	100%
IGM S.A.	Brazil	99%
Kantar Worldpanel Brasil Pesquisa de Mercado Ltda	Brazil	100%
Kantar Canada Inc.	Canada	100%
Kantar China Ltd	China	95%
KANTAR IBOPE Media Colombia S.A.S.	Colombia	87%
KANTAR CZ s.r.o.	Czech Republic	100%
Kantar Gallup A/S	Denmark	100%
Techedge ApS	Denmark	100%
TNS Dubai BRANCH – TNS Middle East & Africa WLL	Dubai	100%
Kantar TNS Oy	Finland	100%
Taylor Nelson Sofres Suomi OY	Finland	100%
Kantar TNS-MB SAS	France	100%
Kantar Consulting SAS	France	100%
Kantar SAS	France	100%
Sofres Asia Pacific SAS	France	100%
Kantar France Holdings SAS	France	100%
Kantar GmbH	Germany	100%
Kantar Holding GmbH	Germany	100%
Kantar Hong Kong Limited	Hong Kong	100%
TNS India Private Limited	India	100%

Notes to the consolidated financial statements

Kantar Global Holdings S.à r.l.

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Significant subsidiaries continued

Legal entity	Country of incorporation	% Combined ownership
Millward Brown Market Research Services India Private Ltd	India	100%
Firefly Market Research India Private Limited	India	100%
Hindustan Thompson Associates Private Limited	India	74%
Kantar Market Research Services Pvt Ltd	India	95%
P.T. Kantar Indonesia International	Indonesia	100%
Taylor Nelson Sofres Ireland Limited	Ireland	100%
Kantar Italia Srl	Italy	100%
Xtel Srl	Italy	100%
Kantar Japan KK	Japan	100%
Kantar Korea Ltd	Korea	100%
Summer (BC) Holdco A S.à r.l.	Luxembourg	100%
Summer (BC) Holdco B S.à r.l.	Luxembourg	100%
Summer (BC) JVCo S.à r.l.	Luxembourg	100%
Summer (BC) Midco S.à r.l.	Luxembourg	100%
Kantar Global Holdings S.à r.l.	Luxembourg	100%
Kantar Malaysia Sdn Bhd	Malaysia	100%
Millward Brown México, S.A. de C.V.	Mexico	100%
TNS México, S.A. de C.V.	Mexico	100%
Estudios de Mercado L.P. de México, S. de R.L. de C.V.	Mexico	100%
Kantar International Holdings B.V.	Netherlands	100%
Kantar Netherlands B.V.	Netherlands	100%
Kantar Square Two B.V.	Netherlands	100%
Kantar Holdings B.V.	Netherlands	100%
Lightspeed Research B.V.	Netherlands	100%
Research SA B.V.	Netherlands	100%
Taylor Nelson Sofres B.V.	Netherlands	100%
Kantar India Holdings B.V.	Netherlands	100%
Kantar Square Three B.V.	Netherlands	100%
Kantar Square Four B.V.	Netherlands	100%
NFO Worldgroup N.Z. Holdings Ltd	New Zealand	100%
Kantar AS	Norway	100%
Kantar Philippines, Inc.	Philippines	100%
Kantar Polska S.A.	Poland	100%
Closed Joint Stock Company TNS Marketing Information Center	Russia	100%
IMRB Millward Brown International Pte Ltd	Singapore	100%
TechEdge Asia Pacific, Singapore Pte. Ltd	Singapore	100%
Kantar South Africa (Pty) Limited	South Africa	73%

Notes to the consolidated financial statements
Kantar Global Holdings S.à r.l.

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Significant subsidiaries continued

Legal entity	Country of incorporation	% Combined ownership
Insights & Consulting Kantar S.L.	Spain	100%
Kantar Media S.A.	Spain	100%
Taylor Nelson Sofres Group Spain SL	Spain	100%
Taylor Nelson Sofres S.A.	Spain	100%
Kantar Sifo AB	Sweden	100%
Summer (BC) UK Bidco Ltd	UK	100%
Kantar Group Holdings Limited	UK	100%
Kantar UK Limited	UK	100%
Kantar Consulting UK Limited	UK	100%
Kantar Media UK Ltd	UK	100%
Millward Brown UK Limited	UK	100%
Precise Media Monitoring Limited	UK	100%
Taylor Nelson Sofres Services Limited	UK	100%
TNS Asia Holdings Limited	UK	100%
Taylor Nelson Sofres International Limited	UK	100%
TNS Group Holdings Limited	UK	100%
Lightspeed Research Ltd	UK	100%
TNS Research Limited	UK	100%
TNS Worldpanel Limited	UK	100%
Mavens Limited England	UK	100%
IBOPE Latinoamericana, S.A.	Uruguay	99%
Summer (BC) US Bidco B LLC	USA	100%
Summer (BC) US Holdco A LLC	USA	100%
Summer (BC) US Intermediate JVCo SCSp	Luxembourg	100%
Kantar US Holdings SCSp	Luxembourg	100%
Summer (BC) US Midco SCSp	Luxembourg	100%
Kantar IBOPE Media LLC	USA	100%
Kantar LLC	USA	100%
Kantar Consulting LLC	USA	100%
Competitive Media Reporting, LLC	USA	100%
Lightspeed, LLC	USA	100%
Neon Parent, Inc	USA	100%
Neon Purchaser, Inc	USA	100%
Market Track, LLC	USA	100%
Ad Dynamics Inc.	Canada	100%
Information Machine LLC	USA	100%
Neon UK Bidco Limited	UK	100%

Notes to the consolidated financial statements
Kantar Global Holdings S.à r.l.

31 Subsidiaries with material non-controlling interests

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Principal place of business and place of incorporation	Proportion of ownership interests and voting rights held by non-controlling interests	Profit/(loss) allocated to non-controlling interests for the year $m	Non-controlling interests $m
NCI through WPP Plc's 40% shareholding in holding companies[1]	Luxembourg	40%	(53.2)	107.9
Hindustan Thompson Associates Private Limited	India	26%	5.9	8.9
Kantar (Thailand) Limited	Thailand	51%	1.7	1.9
Other subsidiaries with non-controlling interests	Various countries	–	9.1	12.7
Total			**(36.5)**	**131.4**

1 WPP Plc's shareholding in the Group consists of the following holding companies: Summer (BC) JVCo S.à r.l., Kantar US Holdings SCSp and Kantar US Holdings GP S.à r.l.

Certain defined terms and conventions

Certain defined terms and conventions

We have prepared the trading update using a number of conventions, which you should consider when reading information contained herein as follows:

Acquisition: means the acquisition of the entities comprising the Target Group pursuant to the Acquisition Agreement;

Acquisition Agreement: means the Sale and Purchase Agreement, dated 12 July 2019, as amended on 7 October 2019, by and between WPP Plc, ROW Topco and UK Bidco, relating to the Acquisition;

Company: means Reporting Entity;

Faster Growing Markets: refers to Asia Pacific, Latin America, Eastern Europe, Africa and Middle East;

IFRS: means the International Financial Reporting Standards issued by the International Accounting Standards Board, as adopted by the EU;

IFRS as Modified: means IFRS modified by application of the Annexure to SIR 2000 Investment Reporting Standards Applicable to Public Reporting Engagements on Historical Financial Information issued by the UK Financial Reporting Council;

Initial Completion Date: means 5 December 2019, the date of the initial acquisition of entities comprising approximately 92% of the Target Group (measured by Adjusted EBITDA of the Target Group for the year ended 31 December 2018);

Mature Markets: refers to Continental Europe, UK and North America;

Notes: means, together, the Senior Notes and the Senior Secured Notes;

Reporting Entity: means Kantar Global Holdings S.à r.l. (formerly, Summer (BC) Lux Consolidator S.C.A.), a private limited liability company (société à responsabilité limitée) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 4, rue Lou Hemmer, L-1748 Senningerberg and registered with the Luxembourg Register of Commerce and Companies (Registre de Commerce et des Sociétés du Luxembourg) under number B237802;

Revolving Credit Facility: means the $400.0 million (equivalent) senior secured revolving credit facility established under the Senior Facilities Agreement, together with any ancillary facilities;

ROW Bidco: means Summer (BC) Holdco B S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 4, rue Lou Hemmer, L-1748 Luxembourg-Senningerberg and registered with the Luxembourg Register of Commerce and Companies (Registre de Commerce et des Sociétés du Luxembourg) under number B235548;

ROW Holdco: means Summer (BC) Holdco A S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 4, rue Lou Hemmer, L-1748 Luxembourg-Senningerberg and registered with the Luxembourg Register of Commerce and Companies (Registre de Commerce et des Sociétés du Luxembourg) under number B235472;

ROW JVco: means Summer (BC) JVCo S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 4, rue Lou Hemmer, L-1748 Luxembourg-Senningerberg and registered with the Luxembourg Register of Commerce and Companies (Registre de Commerce et des Sociétés du Luxembourg) under number B235250;

ROW Topco: means Summer (BC) Topco S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 4, rue Lou Hemmer, L-1748 Luxembourg-Senningerberg and registered with the Luxembourg Register of Commerce and Companies (Registre de Commerce et des Sociétés du Luxembourg) under number B235480;

Senior Facilities: means, together, the Senior Term Loans and the Revolving Credit Facility;

Certain defined terms and conventions

Certain defined terms and conventions continued

Senior Facilities Agreement: means the senior facilities agreement, dated 26 November 2019, among, inter alios, RoW Bidco, US Bidco, Wilmington Trust (London) Limited, as agent and security agent, as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time;

Senior Notes: means the €428.0 million aggregate principal amount of 9.250% Senior Notes due 2027 issued on 30 October 2019 by ROW Holdco;

Senior Secured Notes: means the €1,000.0 million aggregate principal amount of 5.750% Senior Secured Notes issued on 30 October 2019 by ROW Bidco, and the $425.0 million aggregate principal amount of 5.50% Senior Secured Notes issued on 1 July 2021 by US Bidco;

Senior Term Loans: mean the euro-denominated and U.S. dollar-denominated senior secured term facilities established under the Senior Facilities Agreement;

Shareholders' Agreement: means the Securityholders Agreement dated 30 March 2020;

Target Group or **Kantar:** means the entities comprising the Kantar business of the WPP Group acquired or to be acquired in the Acquisition;

UK Bidco: means Summer (BC) UK Bidco Limited, a private limited company incorporated in England, registered with Companies House under no. 12093836, with registered office at 11th Floor, 200 Aldersgate Street, London, United Kingdom, EC1A 4HD;

US Bidco: means Summer (BC) Bidco B LLC, a limited liability company formed in the State of Delaware and registered with the Secretary of State for the State of Delaware under no. 7475393 with registered office at Suite 302, 4001 Kennett Pike, Wilmington, Delaware 19807;

US JVco: means Kantar US Holdings SCSp (formerly Summer (BC) US JVCo SCSp), a Société en Commandite Spéciale incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 4, rue Lou Hemmer, L-1748 Luxembourg-Senningerberg and registered with the Luxembourg Register of Commerce and Companies (Registre de Commerce et des Sociétés du Luxembourg) under number B239448;

WPP: means WPP plc (registered number 111714), a public limited company incorporated in Jersey, with registered office at Queensway House, Hilgrove Street, St Helier, Jersey JE1 1ES; and

WPP Group: means WPP plc and its subsidiaries.

In addition to the terms defined above, the terms **"Group," "Kantar," "we," "our"** and **"us"** mean, as the context requires, the Target Group and/or the Reporting Entity and its subsidiaries.

Forward-looking statements and risk factors

Forward-looking statements and risk factors

Various statements contained in this report constitute "forward-looking statements" within the meaning of the securities laws of certain applicable jurisdictions. All statements other than statements of historical fact included in this report, including, without limitation, statements regarding our future financial position and results of operation, trends or developments affecting our financial condition and results of operation or the markets in which we operate, strategy, outlook and growth prospects, anticipated investments, costs and results, future plans and potential for growth, projects to enhance efficiency, impact of governmental regulations or actions, competition in areas of our business, litigation outcomes and timetables, future capital expenditures, liquidity requirements, capital resources, the successful integration of acquisitions and objectives of management for future operations or plans to launch new or expand existing operations, may be deemed to be forward-looking statements. When used in this quarterly report, the words "believe," "anticipate," "should," "intend," "assume," "plan," "may," "will," "expect," "estimate," "positioned," "strategy" and similar expressions may identify these forward-looking statements, but the absence of these words does not necessarily mean that a statement is not forward-looking. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements or industry results to be materially different from those contemplated, projected, forecasted, estimated or budgeted, whether expressed or implied, by these forward-looking statements.

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Til generalforsamlingen i Kantar AS

UAVHENGIG REVISORS BERETNING

Konklusjon
Vi har revidert Kantar AS' årsregnskap som består av balanse per 31. desember 2021, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettvisende bilde av selskapets finansielle stilling per 31. desember 2021, og av dets resultater for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen
Vi har gjennomført revisjonen i samsvar med de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet slik det kreves i lov, forskrift og International Code of Ethics for Professional Accountants utstedt av the International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon
Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker ikke informasjonen i årsberetningen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Ledelsens ansvar for årsregnskapet
Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettvisende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Deloitte.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet
Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av den interne kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på hensiktsmessigheten av ledelsens bruk av fortsatt drift-forutsetningen ved avleggelsen av årsregnskapet, basert på innhentede revisjonsbevis, og hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifiserer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet inntil datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke fortsetter driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettvisende bilde.

Vi kommuniserer med styret blant annet om det planlagte omfanget av revisjonen og til hvilken tid revisjonsarbeidet skal utføres. Vi utveksler også informasjon om forhold av betydning som vi har avdekket i løpet av revisjonen, herunder om eventuelle svakheter av betydning i den interne kontrollen.

Tønsberg, 31. august 2022
Deloitte AS

Kenneth Karlsen
statsautorisert revisor

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Svein Kenneth Karlsen
Statsautorisert revisor
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