Bloomsbury Publishing Plc

Annual Report and Accounts 2022

Our mission is to be an entrepreneurial, independent publisher of works of excellence and originality.

Our purpose is to inform, educate, entertain and inspire readers of all ages.

We champion a life-long love of reading and learning to help build a reading culture with all the benefits which that brings to society.

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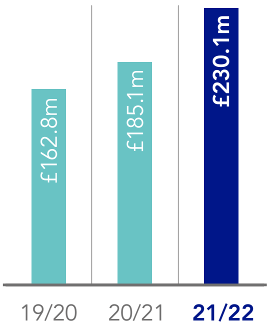
Highlights of Financial Year 2021/2022

Financial Highlights

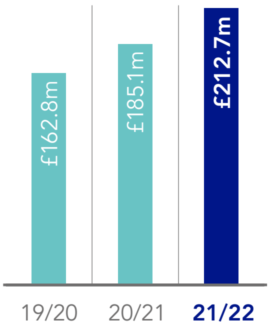
Revenue

£230.1m
+24%



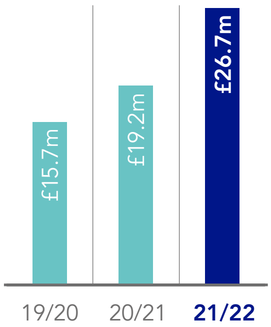
Organic revenue[1]

£212.7m
+15%



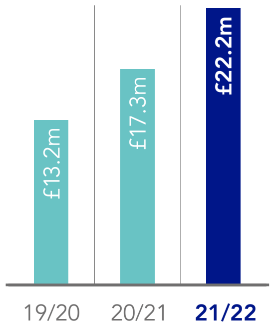
Profit before taxation and highlighted items[2]

£26.7m
+40%



Profit before taxation

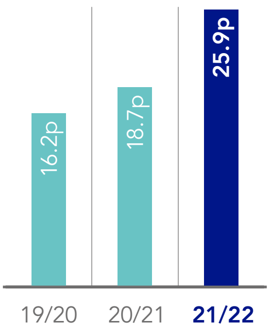
£22.2m
+28%



Adjusted diluted earnings per share[3,4]

pence per share

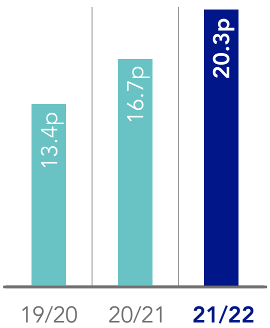
25.9p
+39%



Diluted earnings per share[4]

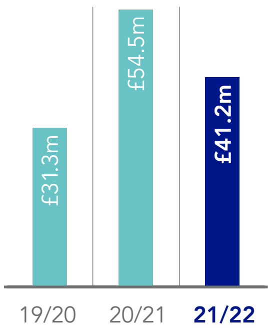
pence per share

20.3p
+22%



Net cash

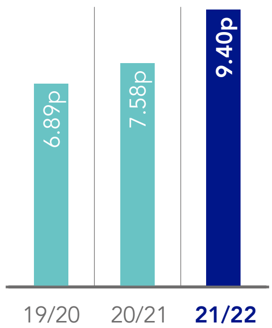
£41.2m
-24%



Final dividend[5]

pence per share

9.40p
+24%



Notes

1. Highlighted items comprise amortisation of acquired intangible assets and legal and other professional costs relating to ongoing and completed acquisitions and restructuring costs. (2020/2021 also included a grant under the US Government Paycheck Protection Program.)
2. Organic revenue for 2021/2022 is defined as total revenue of £230.1m less revenue attributable to the acquisitions of HoZ, RGP and ABC-CLIO in the year. Organic profit for 2021/2022 is defined as total profit before taxation and highlighted items of £26.7 million less profit attributable to the acquisitions of HoZ, RGP and ABC-CLIO in the year.
3. Adjusted diluted EPS is calculated from profit before tax and highlighted items with taxation on profit before tax and highlighted items deducted.
4. Restatement of 2019/2020 earnings per share due to bonus issue of shares in the year.
5. For the year ended 29 February 2020, Bloomsbury had intended to declare a final dividend for the year of 6.89 pence per share. Bloomsbury decided in light of COVID-19 to conserve cash and therefore made a bonus issue to Shareholders in lieu of, and with a value equivalent to, it's proposed final cash dividend of 6.89 pence per ordinary share.

Operational Highlights

Consumer Division

- Excellent Consumer revenue growth of 25% to £148.2 million (2020/2021: £118.3 million)
- Consumer profit before taxation and highlighted items[2] increased by 25% to £17.8 million (2020/2021: £14.2 million)
- Organic revenue growth was 18% and organic profit growth was 24%
- Excellent Adult Trade performance, with revenue up 26% to £55.2 million (2020/2021: £43.7 million) and profit before taxation and highlighted items[2] of £2.0 million (2020/2021: £3.9 million)
- Excellent Children's Trade performance, with revenue growth of 25% to £93.0 million (2020/2021: £74.6 million) and profit before taxation and highlighted items[2] up 52% to £15.8 million (2020/2021: £10.4 million)
- Exceptional sales of Sarah J. Maas' titles with growth of 86%; Harry Potter sales grew by 5%; growth of 2% in other Children's titles
- Acquisition of Head of Zeus Ltd ("HoZ") in June 2021, providing a strong addition to the thriving Consumer Division and supporting our long-term growth strategy. HoZ contributed £9.0 million revenue and £0.1 million profit before taxation and highlighted items[2] to Adult Trade

Non-Consumer Division

- Strong Non-Consumer performance, with revenue growth of 23% to £81.9 million (2020/2021: £66.8 million)
- Non-Consumer profit before taxation and highlighted items[2] increased by 68% to £9.1 million (2020/2021: £5.4 million)
- Organic revenue growth was 10% and organic profit growth was 55%
- Excellent Academic & Professional performance, with revenue growth of 34% to £59.3 million (2020/2021: £44.3 million) and profit before taxation and highlighted items[2] up 111% to £9.1 million (2020/2021: £4.3 million)
- Bloomsbury Digital Resources ("BDR") revenue growth of 50% to £18.6 million (2020/2021: £12.4 million) and profit of £6.8 million (2020/2021: £2.9 million)
- BDR performance well ahead of the target, set six years ago, of £15 million of revenue and £5 million of profit
- Acquisition of ABC-CLIO, LLC ("ABC-CLIO") in December 2021 for £16.7 million, further strengthening BDR and significantly accelerating Bloomsbury's academic publishing in North America, growing international revenues
- Acquisition of the assets of Red Globe Press ("RGP") completed in June 2021 for £3.2 million, accelerating our digital growth and our significant presence in humanities and social sciences academic publishing
- RGP contributed £6.2 million revenue and £1.0 million profit before taxation and highlighted items[2] and ABC-CLIO contributed £2.2 million revenue and £0.6 million profit before taxation and highlighted items[1] to Academic & Professional

Investment Case

Strong financial position and liquidity

Combined academic and general publishing

Focused M&A strategy

Brand reputation

Global reach

»
See pages 6 to 7 of this Annual Report for more detail

A Year of Winning Major Prizes

2021/2022 was a landmark year in Bloomsbury's 35-year history, with our authors and titles gaining recognition from some of the publishing world's most prestigious awards.

Nobel Prize in Literature Winner

Abdulrazak Gurnah

Abdulrazak Gurnah is the winner of the Nobel Prize in Literature 2021. He is the author of ten novels: *Memory of Departure, Pilgrims Way, Dottie, Paradise* (shortlisted for the Booker Prize and the Whitbread Award), *Admiring Silence, By the Sea* (longlisted for the Booker Prize and shortlisted for the Los Angeles Times Book Award), *Desertion* (shortlisted for the Commonwealth Writers' Prize), *The Last Gift, Gravel Heart*, and *Afterlives*, which was shortlisted for the 2021 Orwell Prize for Fiction and longlisted for the Walter Scott Prize.

Financial Times and McKinsey Business Book of the Year Winner

This Is How They Tell Me The World Ends by Nicole Perlroth

Go to https://www.bloomsbury.com/uk/connect/awards-bestsellers/ to see a full list of award shortlistings and wins for this year.

Women's Prize for Fiction Winner

Piranesi by Susanna Clarke

Winner

ipa 21

IPG Independent Publishing Awards

Academic, Educational and Professional Publisher of the Year

The Booker Prize Shortlist

No One Is Talking About This by Patricia Lockwood

The British Book Awards 2022

Trade Publisher of the Year

The Telegraph Sports Book Awards, Sports Entertainment Book of the Year Winner

26.2 Miles to Happiness by Paul Tonkinson

Investment Case

Bloomsbury's strong financial position and cash generation, combined academic and general publishing, investment in strategic company and asset acquisitions, access to global markets and partners and our reputation for excellence and originality support the Group's long-term growth.

Strong financial position and liquidity

Bloomsbury's growth remains strong as a result of the successful execution of our diversified, international strategy, organic digital growth, and our acquisition strategy, delivering record results for 2021/2022 with year-on-year revenue growth of 24% to £230.1 million and profit growth of 40% to £26.7 million. The bulk of Bloomsbury's turnover each year comes from its backlist: repeat sales on older titles and services. Over 66% of revenues come from outside the United Kingdom. An increasing percentage of revenue derives from digital formats, including significant annuity-based income. Bloomsbury had cash reserves of £41.2 million at 28 February 2022, the result of continued strong demand for Bloomsbury titles in all formats, excellent sales of our digital products and a profitable product mix.

Bloomsbury has a back catalogue of over 70,000 active titles in multiple formats and a wide range of digital resources covering a variety of disciplines in the Humanities, Social Sciences, Visual Arts, and Performing Arts.

Brand reputation

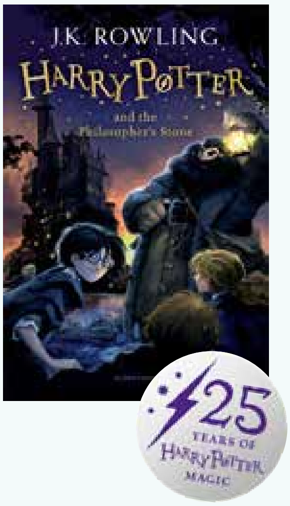
Bloomsbury's reputation is for quality, excellence and originality and our brand is recognised worldwide. Our publishing is known for its high production values and award-winning design, and our Academic list for its scholarly excellence and focus on digital delivery to the modern student.

Combined academic and general publishing

Bloomsbury is the only major UK publisher to combine general and academic publishing, balancing the steady, high margins of academic publishing against the volatility of trade publishing with its explosive upside potential as demonstrated by bestsellers such as Harry Potter, the highest-selling children's series of our time. Bloomsbury has a back catalogue of over 70,000 active titles in multiple formats and a wide range of digital resources covering a variety of disciplines in the Humanities, Social Sciences, Visual Arts, and Performing Arts. Our titles and products appeal to a wide range of audiences, with an increasing percentage classified as a "must have" for professionals, academics and students. Our Consumer lists are increasingly diverse, with sizeable lists in specific areas of non-fiction, such as cookery, sport, crime, natural history, health and well-being, as well as best-selling award-winning fiction lists for both adults and children. This diversified portfolio has enabled Bloomsbury to benefit from changes including the accelerated shift from print to digital products during the pandemic to support remote learning, a trend which has continued even after institutions have resumed in-person instruction, and increased consumer demand for titles across multiple platforms and formats.

Global markets and partners

Bloomsbury is a worldwide publisher with offices in London, Oxford, New York, Santa Barbara, Sydney and New Delhi, and a joint venture in China. Bloomsbury has relationships with over 1,200 customers in over 90 countries worldwide. Bloomsbury's customer base ranges from small independent bookshops to large online retailers. In addition, we have relationships with wholesalers for print and ebooks, which supply retail customers and libraries, both public and academic. Bloomsbury also sells direct to educational and academic and institutions and corporate and professional bodies via our Academic & Professional digital resource platforms ("Bloomsbury Digital Resources" or "BDR"), and direct to consumers via our consumer-facing websites.



Focused M&A strategy

Bloomsbury has a strong and successful track record in strategic acquisitions, with 32 acquisitions completed since the inception of the Company, 18 since 2008. We are actively targeting further acquisition opportunities in line with our long-term growth strategy. Our targeted acquisitions strategy supports long-term growth, strengthening existing areas of publishing, allowing us to expand into new areas, and accelerating our digital offering.

In 2021/2022 we completed three acquisitions, expanding our Non-Consumer publishing business with the acquisitions of ABC CLIO LLC and the Red Globe Press list, and strengthening our Consumer Division with the acquisition of Head of Zeus Limited.

32
acquisitions

18
since 2008

▲ Top to bottom: *Chef and author Tom Kerridge; author Sarah J. Maas; author Femi Kayode*

Bloomsbury at a Glance

Bloomsbury is an entrepreneurial, independent publisher, with offices in London, Oxford, New York, Santa Barbara, Sydney and New Delhi, and a joint venture in China. Bloomsbury was founded in 1986 by its Chief Executive Nigel Newton and three other publishers. Following significant early success, the Company floated on the main London Stock Exchange in 1994.

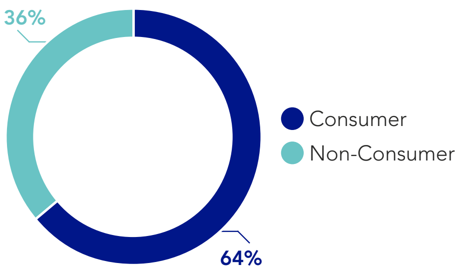
Bloomsbury combines academic, educational, general fiction and non-fiction publishing for the general reader, children, teachers, students, researchers and professionals.

We bring together the best talent in publishing by combining our dedicated, passionate colleagues and our bestselling authors. Through our single-minded commitment to quality, vigorous pursuit of growth, focus on digital publishing and our diversified, international strategy, Bloomsbury has grown to become one of the world's leading independent publishers in academic, educational and general consumer publishing.

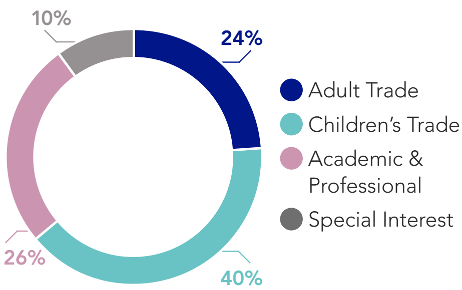
Operating Divisions

The Group is organised as two worldwide publishing Divisions supported by global back office functions. These Divisions reflect the core market segments for our different publishing activities.

Revenue split by division:

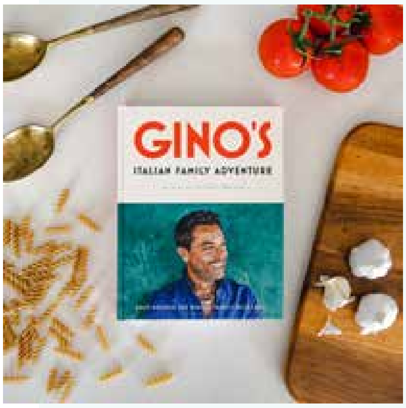


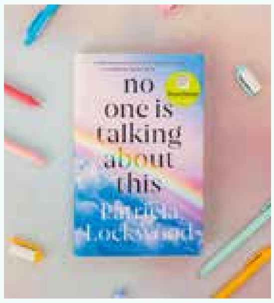
Revenue split by subdivision:



Consumer Division

The Consumer Division publishes trade books for both adult and child readers and sells these books globally. It publishes approximately 550 new titles per year, in print, ebook and audio book formats.





Adult Trade Division
Core areas of publishing:

- **Bloomsbury Trade** – focuses on the core existing areas of current publishing, including prize-winning literary fiction and non-fiction; bestselling crossover and book club fiction, ground breaking non-fiction (history/politics/science/ideas/psychology), nature writing, culture and well-being, memoir, and poetry
- **Bloomsbury Lifestyle** – builds on Bloomsbury's cookery publishing, and the development of illustrated non-fiction, including well-being and books for the gift market
- **Bloomsbury General** – includes the best-selling and prize-winning Raven imprint, and expands into new key areas of commercial fiction, genre fiction (including science-fiction and fantasy) and popular culture

£17.8m[1]
Adjusted profit

£148.2m
Revenue

Bestselling authors include Susanna Clarke, Patricia Lockwood, Madeline Miller, George Saunders, Abdulzarak Gurnah, Nicole Perlroth, Amia Srinivasan, Tom Kerridge and Rutger Bregman.

Children's Trade Division core areas of publishing:

- Illustrated picture books
- Activity books
- Young Adult fiction and non-fiction
- Preschool titles

Major authors include J.K. Rowling, Sarah J. Maas, Louis Sachar, Neil Gaiman, Sarah Crossan and Brian Conaghan.

1 Adjusted profit is profit before taxation, amortisation of acquired intangibles and other highlighted items.

See pages 31 to 33 of this Annual Report for more detail

Non-Consumer Division

The Non-Consumer Division comprises the Academic & Professional, Special Interest and Education publishing subdivisions within Bloomsbury. The Division's activities are focused on life-long learning, publishing books and digital resources to support study, professional careers, hobbies, skills and interests.

Bloomsbury Academic & Professional

Bloomsbury Academic & Professional publishes innovative content and resources to help students become critical thinking adults; classroom teachers discover innovative ways to teach; and professionals re-skill and develop in their careers.

Core areas of publishing:

- Books for students and scholars in the arts, humanities and social sciences
- Digital resources and databases for higher education and school libraries
- Books and digital resources for professionals
- Educational content for primary and secondary schools
- Professional development content for teachers and trainee teachers

£9.1m[1]
Adjusted profit

£81.9m
Revenue

1 Adjusted profit is profit before taxation, amortisation of acquired intangibles and other highlighted items.

Bloomsbury Digital Resources

Bloomsbury Digital Resources is committed to serving a global community of students, scholars, instructors, professionals and librarians with creative online research and learning environments that deliver excellence and originality.

Key products include:

- Bloomsbury Collections
- Drama Online
- Bloomsbury Fashion Central
- Study Skills
- Bloomsbury Professional Online

Bloomsbury Special Interest

Bloomsbury Special Interest publishes expert content for dedicated communities that supports hobbies and interests, promotes health and well-being and encourages curiosity and learning.

- Books, audiobooks, games and digital reference content
- Core disciplines include sport and well-being, history, current affairs, science and nature, the creative arts and games

Key brands include Wisden Cricketers' Almanack, the Writers' & Artists' Yearbook, Who's Who and partnership publishing with the RSPB, The National Trust and Wellcome Collection.

Bloomsbury Education

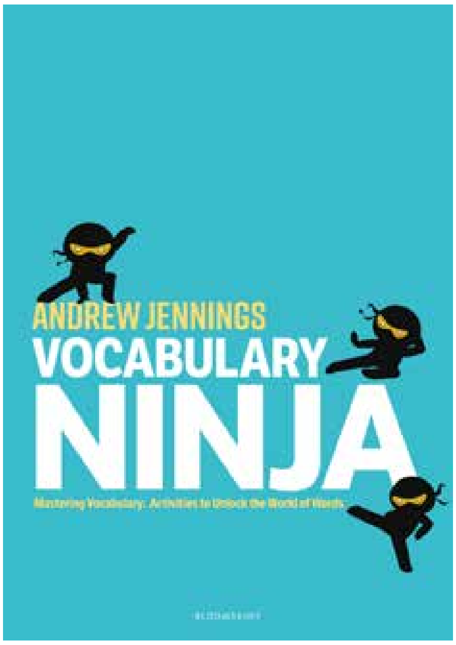
Bloomsbury Education publishes content to support primary and secondary school education, including classroom and professional development resources for teachers. Imprints include Bloomsbury Education, Andrew Brodie and Featherstone Education.

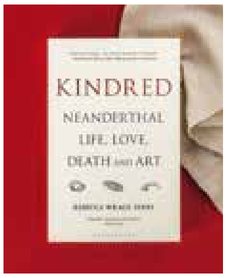
Core areas of publishing:

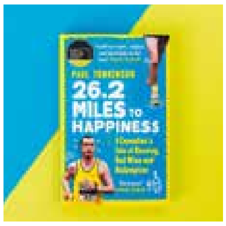
- Educational fiction
- Children's poetry
- Teachers' books
- Learning apps and digital platforms

Bestselling series include Bloomsbury Readers, which includes stories by award-winning authors for every National Curriculum reading band, and Andrew Jennings' vocabulary and reading workbooks *Vocabulary Ninja* and *Comprehension Ninja* and mathematics workbooks *Arithmetic Ninja* and *Times Table Ninja*.

Go to https://www.bloomsbury.com/uk/connect/awards-bestsellers/ to see our best-selling titles in 2021/2022







Bloomsbury's Culture

Bloomsbury's culture is shaped by our purpose and our people, and reflects our shared values. In turn, Bloomsbury's culture shapes the way we do things, informs the decisions we make and enhances the spirit of cohesion and belonging amongst Bloomsbury people. It is the foundation of our success.

The Board and senior management seek to promote a culture of partnership and trust, creativity and collaboration, inclusivity and respect, entrepreneurship and agility, in support of individual and collective success.

Our purpose

Our purpose is to inform, educate, entertain and inspire readers of all ages, championing a life-long love of reading and learning to help build a reading culture with all the benefits which that brings society.

Our purpose is inherent in what we do, bringing us together in a common cause and guiding us in our long-term business strategy. We believe that our progress over the long-term requires us to deliver commercially sustainable social impact. Our purpose inspires Bloomsbury people to be creative and innovative, and to make a difference to society through the works that we publish.

Our people

Bloomsbury is the only major UK publisher to combine general and academic publishing. The breadth of our publishing brings together the best talent across a variety of disciplines, including expertise in digital, ebooks and audio publishing; open access, academic and professional publishing, working with universities and libraries; and excellence in literary fiction and non-fiction, cookery, children's education and illustration. This broad and diverse range of talent provides an environment where best practice is shared across different disciplines and teams. This fusion is enhanced by the regular addition of new companies and publishing lists, bringing fresh talent and diverse perspectives to the Company. Since Bloomsbury's inception, the Company has acquired 32 publishers and imprints.

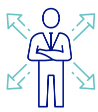
Read more about employee engagement and experience on pages 66 to 69 of this Annual Report

Below: *Annie Muyang and Pooja Aggarwal collect the Independent Publishing Guild Diversity Award*

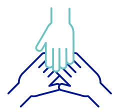
Bloomsbury's success is due to the belief, commitment and hard work of our talented employees, never more so than this year, during which our teams delivered record results for the Company. Our colleagues consistently demonstrate adaptability, optimism, an entrepreneurial spirit and dogged determination to capitalise on positive market trends and demand for our books. In addition, they have continued to show resilience, positivity and commitment to supporting the Company and each other, and to keep serving our authors and our customers, despite ongoing pandemic-related disruptions and pressures during the year, including the global supply chain crisis. The collaborative spirit with which our teams have responded to these disruptions, and their unwavering focus on delivering the Company's strategic goals, are reflective of Bloomsbury's strong, positive and vibrant culture. The Board and senior management seek to create a working environment where Bloomsbury employees have a sense of belonging, understand their value, and are committed to both personal and organisational desired outcomes. We are determined to nurture and develop our employees to their highest potential and to promote a working environment that is inclusive, supportive and ethical. Our overriding priority is the well-being of our staff, and we have continued to evolve a range of HR initiatives aimed at supporting our employees, personally and professionally.

Our values

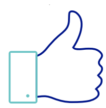
Our values frame how we work with each other and with our partners, and shape the culture of Bloomsbury. They are essential to achieving our purpose.



Independence



Collaboration



Optimism

Ethical attitude

Determination

Inclusiveness

Entrepreneurial spirit

These values drive Bloomsbury to have:

- An intense author focus
- A determination to create an environmentally sustainable business
- A creative and innovative approach to achieving our long-term goals
- Integrity and respect in our dealings with each other and with our partners
- A focus that supports Diversity, Equity and Inclusion

2022 Milestones

25 Years of Harry Potter

This year we are celebrating 25 years of one of the world's greatest children's books, Harry Potter and the Philosopher's Stone by J.K. Rowling.

Harry Potter and the Philosopher's Stone is the unforgettable first novel that set Harry Potter's destiny in motion. This magical story has been inspiring new generations ever since its publication in the UK on 26 June 1997 – becoming an unprecedented publishing phenomenon beloved by fans all over the world. From the idea which struck J.K. Rowling on a train journey in 1990, with an initial hardback print run of just 500 copies, the series has gone on to sell over 500 million books worldwide in over 80 languages, inspiring a major movie franchise, a spellbinding theatre production and so much more. In the years since Harry Potter was first whisked from King's Cross Station onto Platform Nine and Three-Quarters, his incredible adventures have left a unique and lasting mark on popular culture.

"He'll be famous – a legend – I wouldn't be surprised if today was known as Harry Potter Day in future – there will be books written about Harry – every child in our world will know his name!"

Chapter One: The Boy Who Lived
Harry Potter and the Philosopher's Stone

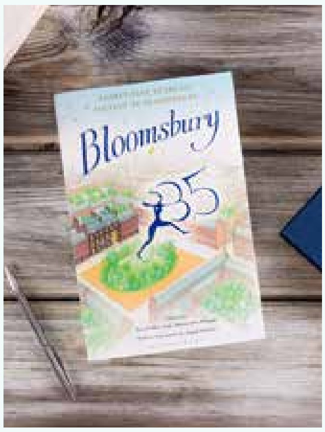
500
initial copies printed

80
languages

500m
copies sold

Go to https://www.bloomsbury.com/uk/connect/awards-bestsellers/ for more information on Harry Potter publishing in 2021/2022

35 Years of Bloomsbury



In 1984, a time when the publishing landscape was becoming increasingly corporate, Nigel Newton decided to start a new independent literary publishing company. The following year, over early mornings and late nights, he and publisher David Reynolds came up with a plan.

In 1986, Bloomsbury began its life, with Newton and Reynolds joined by Liz Calder and Allan Wherry, in a small office above a Chinese restaurant in Putney. For all its early ambition, no-one could have envisaged the 35 years that would follow. There were to be books from authors all over the world, some becoming Nobel, Booker and Women's Prize winners, some million copy bestsellers, and some to become modern classics.

Following significant early successes, Bloomsbury floated on the main London Stock exchange in 1994. It has grown to become one of the world's leading independent publishers.

In *Bloomsbury 35*, former Editors-In-Chief Liz Calder and Alexandra Pringle have made selections from novels they have published on Bloomsbury's Adult publishing list, from each year of Bloomsbury's life, forming an anthology that represents the creative heart of Bloomsbury. Featuring work from Margaret Atwood, Susanna Clarke, Jeffrey Eugenides, Richard Ford, Abdulrazak Gurnah, Khaled Hosseini, Jhumpa Lahiri, Colum McCann, Madeline Miller, Michael Ondaatje, Caryl Phillips, George Saunders, Will Self, Kamila Shamsie, Ahdaf Soueif, Jeanette Winterson, and many more, it is a celebration of the first 35 years of Bloomsbury's Adult fiction list.

Chairman's Statement

Sir Richard Lambert - Non-Executive Chairman

The Nobel Prize for Literature. The Pulitzer Prize for Biography. The Women's Prize. The FT/McKinsey Business Book of the Year. These, and a clutch of other national and international awards, have come Bloomsbury's way in the past months, showing how its continuing commercial success has been built firmly on the outstanding talents of its authors, editors and everyone else involved in the business of making books in both print and digital formats. Any of the global publishing giants would have been thrilled to garner such broad recognition in a single year. For an independent like Bloomsbury, these were truly remarkable achievements.

On the strategic front, too, there have been a number of real successes. Bloomsbury Digital Resources was created in May 2016 with the explicit goal of generating £15 million of sales and £5 million of profit by the year ending 28 February 2022. It seemed like a bold promise at the time, but those figures were duly delivered with some room to spare. There is more to come here. Another long-term objective has been to build on our key assets on the Consumer side, and the continuing success of Harry Potter, together with the extraordinary popularity of books by Sarah J. Maas show that we are on track on this side of the Company as well.

A strong financial performance and the cash that this has generated have created opportunities for further acquisitions across the business, together with significant investment in organic growth. We have further expanded our position in Non-Consumer publishing, which is characterised by higher, more predictable margins. And we are building up our firepower on the Consumer side by investing in areas that we expect to be generating attractive returns in the future. At the same time, we remain committed to our progressive dividend policy, which now stretches back over many years.

To support all this, there has been a continued focus on recruiting and retaining talent of all kinds. To this end, we have developed our employee bonus scheme and launched new initiatives to encourage diversity, equity and inclusion across the whole business. This is not about box ticking: it is an essential requirement of a creative enterprise. So we were particularly proud to win the Inclusivity in Publishing Award at the 2022 London Book Fair and the Diversity Award at the 2022 IPG Awards. There is much more to be done here, but the path ahead is clear.

"We were particularly proud to win the Inclusivity in Publishing Award at the 2022 London Book Fair and the Diversity Award at the 2022 IPG Awards."

A company like Bloomsbury ought to be a model when it comes to sustainability measures, and this is certainly our aim. We have made good progress in setting Science Based Targets for reducing carbon emissions and are now putting in place appropriately challenging goals for the way ahead.

At this year's Annual General Meeting, we will say goodbye to Steven Hall, who joined the Board five years ago and has brought his deep knowledge of academic and professional publishing to support the Company's expansion in this area. He has also been a rigorous Chair of the Remuneration Committee. We owe him a big vote of thanks. And we will welcome John Bason as a new Non-Executive Director and Steven's successor on the Remuneration Committee. John brings with him very broad and deep experience of the corporate world.

The year ahead promises to be tough for all our customers, with high inflation squeezing disposable incomes, the after-effects of the pandemic, and a deeply worrying geopolitical outlook. But we have great new titles to publish, together with a strong backlist, clear opportunities on the academic and professional side and a robust balance sheet. So we can look to the future with confidence.

Sir Richard Lambert
Non-Executive Chairman
Bloomsbury Publishing Plc

Strategic Report

Strategy

Our overall growth strategy and long-term focus remains to invest in high-value intellectual property, to publish works of excellence and originality, to build our diversified portfolio of content and services across our Consumer and Non-Consumer Divisions, and to diversify into digital channels to build quality revenues and increase earnings.

How we aim to achieve this

01 Acquisitions
We continue to pursue acquisitions which will support our growth strategy, accelerate our digital offerings, strengthen existing areas of publishing, and enable us to expand into new areas. Since Bloomsbury's inception we have made 32 acquisitions of publishers and imprints, 18 of those occurring since 2008.

02 Content
We continue to invest in new content by acquiring works of originality and excellence from established and emerging authors and partners across a range of genres and from an array of voices in order to enhance our diversified portfolio of intellectual property and build a strong publishing pipeline.

03 Our employees
We are committed to ongoing investment in our colleagues and our working environment, including through the provision of development and training opportunities, the implementation of flexible and balanced working, and the promotion of a diverse, inclusive and ethical culture in order to enable individual and collective success and attract new talent.

04 Digital
We are focused on delivering growth by investing in the development of our existing and most successful digital resource products and accelerating the launch of new products. We continue to invest in audio publishing as this market continues to grow.

Our strategic priorities

Non-Consumer publishing; BDR

Consumer publishing

International expansion

Employee experience and engagement; DE&I

Sustainability

Go to pages 16 to 23 of this Annual Report for further information on our strategic priorities, and our progress during 2021/2022

Strategy In Action: Case Study

Acquisition of ABC-CLIO

In December 2021, Bloomsbury acquired ABC-CLIO. The company is an established publisher of reference, online curriculum, scholarly and professional development materials, primarily aimed at the US schools and higher education markets. Its mission is to support educators and librarians in their work to foster 21st-century skills, independent critical thinking, and genuine exploration and understanding of the complex issues of our world – past, present, and future. ABC-CLIO have been at the forefront of affordable digital learning solutions that reflect US cultural diversity and align exceedingly well with curricular shifts towards greater inclusiveness. Their digital solutions are very market-facing: 24/7 remote access and continual updating are valuable features. An ABC-CLIO subscription product effectively replaces textbooks by enabling access for all, thereby saving schools and districts money that they would otherwise pay for static solutions. The African American Experience, The Latino Experience and the American Indian Experience comprise their popular database series, The American Mosaic, which will see a new product launch this autumn with Asian American Experience.

Content highlights

ABC-CLIO has four imprints and 32 databases that provide curriculum-aligned content and lesson plans, professional development support and student activities to US schools and academic institutions. It has more than 23,000 titles in its portfolio.

The company complements the Bloomsbury portfolio incredibly well:

- ABC-CLIO has strengths in Contemporary History, Politics, and Current Affairs
- The Greenwood reference list adds a significant number of high-value reference titles in the areas of Popular Culture, Daily Life and the Arts
- The Politics list complements Bloomsbury's Red Globe Press acquisition with US content
- The Praeger imprint has an outstanding reputation for homeland security and terrorism studies and adds an important mature product to Bloomsbury Digital Resources' portfolio.
- Praeger also contains over 2,000 Business titles, in addition to other very large lists in Politics, Law, Economics and Current Events

Contributing to Bloomsbury's long-term growth strategy

The ABC-CLIO acquisition is an excellent strategic fit for the Academic & Professional Division of Bloomsbury, and importantly, it supports the ambitious growth plans and overall presence of Bloomsbury US. Bloomsbury is in a strong position to increase international revenues for ABC-CLIO products. Equally, ABC-CLIO's penetration of the US schools and public library markets creates opportunities for Bloomsbury's broader digital portfolio, thereby strengthening and scaling Bloomsbury's digital ambitions. Sharing content across the extensive backlists of the two businesses will also create opportunities for new digital products, and for the expansion of existing products.

"Our goal is to make sure every part of our company, from reference texts to provocative scholarship to professional development materials, makes positive impacts across education. There will always be new ways to help students become critical thinking adults who can identify and solve the next generation of problems. There will always be new opportunities to help classroom teachers discover innovative ways to teach. There will always be exciting new frontiers for librarians who want to build their school and district communities. And there will always be new issues that lend themselves to research and deep scholarship. ABC-CLIO is committed to finding those new opportunities and to never stop looking for more ways to serve education and research."

What audiences does it serve?

What began as a small family publishing company has grown to become a recognised leader in the field, providing print and online materials for learners across levels, educators, librarians, and information specialists.

Chief Executive's Review

Nigel Newton - Founder and Chief Executive

Our mission at Bloomsbury is to be an entrepreneurial, independent publisher of works of excellence and originality to a worldwide audience.

Bloomsbury's Purpose and Values

Our purpose at Bloomsbury is to inform, educate, entertain and inspire readers of all ages. We champion a life-long love of reading and learning to help build a reading culture with all the benefits that brings society.

Our values are to be independent, entrepreneurial, collaborative, author-focused, ethical, optimistic, determined, inclusive and sustainable.

Embedded in our purpose is the impact that comes from publishing, the change that we can create. Many of our books make a positive impact on readers and, in a few cases, help make the world a better place. The *Harry Potter* series, aside from its commercial success, encouraged more reluctant readers around the world – especially boys – to pick up a book and read for pleasure, more than any other book published at that time. Books about sustainability like *Climate Justice* by Mary Robinson and structural racism like *Why I'm No Longer Talking to White People About Race* by Reni Eddo-Lodge and *White Rage* by Carol Anderson have the power to educate and contribute to a change of attitudes in society.

Our clear sense of purpose, and our shared values, are the foundation of Bloomsbury's strategy for building a sustainable business and guide our priorities and decision-making throughout the Company. They unite and connect colleagues around the world and are the cornerstone of our approach to publishing. They shape our culture and define Bloomsbury's character.

We are committed to helping authors, both new and established, bring original and powerful works across an array of genres and subjects to readers and learners worldwide, sharing ideas, knowledge and experience, and challenging the status quo. Our independence allows us the freedom to publish in a manner that reflects the value we place on being inclusive by publishing works from a wide spectrum of international – and often contrarian – voices. We are entrepreneurial in the way we seek out new opportunities to reach more readers and learners, whether by entering into new markets, as we have done with Bloomsbury China, or leveraging our digital rights and our resources in response to the increasing demand for digital products. Determination, optimism and high standards underline the actions we take in pursuit of our purpose, and inform our dealings with all our stakeholders.

"I am grateful to our colleagues for demonstrating the strong and positive culture of Bloomsbury in the way in which they have risen to meet our challenges and their commitment to ensuring Bloomsbury's continued success. Bloomsbury's excellent performance is testament to how our values drive our behaviours, and to the strength and cohesion of the Bloomsbury community."

At Bloomsbury, we want to ensure our approach to sustainable and responsible business is consistent with the environmental, social and governance ("ESG") issues that matter most to our business and our stakeholders. Building from the progress we have made in recent years, we committed to undertaking a materiality assessment in 2021/2022 to better understand the ESG topics that currently matter most to our internal and external stakeholders. Our conversations have revealed six priority issues that are most material for aligning our broader business performance and societal impact with the expectations of our Shareholders, stakeholders and society at large, the detail of which can be found on pages 60 to 61 of this Annual Report. These insights will serve to shape the priorities and objectives of our business plans during 2022/2023 and guide our future sustainability strategy and reporting.

I am grateful to our colleagues for demonstrating the strong and positive culture of Bloomsbury in the way in which they have risen to meet our challenges and their commitment to ensuring Bloomsbury's continued success. Bloomsbury's excellent performance is testament to how our values drive our behaviours, and to the strength and cohesion of the Bloomsbury community.

Strategy

Bloomsbury's long-term growth strategy is aimed at continuing our success in building digital channels, increasing quality revenues and earnings. To achieve this, we are focused on the following long-term strategic objectives:

Non-Consumer Publishing and BDR

Grow Bloomsbury's portfolio in Non-Consumer publishing.

Non-Consumer publishing is characterised by higher, more predictable margins, is less reliant on retailers and presents greater digital and global opportunities.

2021/2022:

- delivered 23% growth in Non-Consumer revenue.

Achieve BDR target of £15 million of sales revenue and £5 million of profit by 2021/22.

2021/2022:

- delivered £18.6 million revenue, up 50%, and profit of £6.8 million, up £3.9 million.

New BDR target is to achieve further 50% organic growth and 30% margin over the five years from 2022/2023.

Link to KPIs

01 02 03 04

Further information on the Non-Consumer Division and BDR is set out on pages 34 to 41 of this Annual Report.

Consumer

Discover, nurture, champion and retain high-quality authors and illustrators, while looking at new ways to leverage existing title rights.

2021/2022:

- Bestsellers included *Piranesi* by Susanna Clarke, *The Priory of the Orange Tree* by Samantha Shannon, Tom Kerridge's *Outdoor Cooking*, and *The Song of Achilles* and *Circe*, both by Madeline Miller.

Grow our key authors through effective publishing across all formats alongside strategic sales and marketing.

2021/2022:

- 86% growth in sales of Sarah J. Maas title sales, with her new title, *Crescent City: House of Sky* and *Breath*, reaching Number 1 on the New York Times bestseller list.
- Winner of the 2022 IPG Bookseller Marketing Award.

As the originating publisher of J.K. Rowling's Harry Potter, to ensure that new children discover and read it for pleasure every year.

2021/2022:

- 5% growth in Harry Potter title sales, 24 years after first publication. *Harry Potter and the Philosopher's Stone* was the 6th bestselling children's book of the year on UK Nielsen Bookscan.

Link to KPIs

01 02 04

Further information on the Consumer Division is set out on pages 31 to 33 of this Annual Report.

International Expansion

Expand international revenues and reduce reliance on the UK market.

Continuing our international growth in order to take advantage of the biggest academic market in the USA and reduce reliance on the UK market.

2021/2022:

- Increased overseas revenues to 66% of Group revenue.
- 78% of Academic BDR sales are international.
- US revenues increased to 30% of Group revenue.
- Acquisition of ABC-CLIO significantly accelerates Bloomsbury's academic publishing in North America, further growing international revenues.

Link to KPIs

01 02 03

Further information on Bloomsbury's international operations is set out on pages 42 to 43 of this Annual Report.

KPIs

- 01 Revenue growth
- 02 Adjusted profit
- 03 Digital resources revenue growth
- 04 Adjusted operating profit margin
- 05 Employee engagement
- 06 Gender diversity
- 07 Ethnic and racial diversity
- 08 Environmental performance

See pages 24 to 25 to read about our KPIs

Chief Executive's Review

continued

Employee Experience and Engagement; Diversity, Equity and Inclusion

Our success is driven by the expertise, passion and commitment of our employees highlighting the importance of attracting, supporting and engaging colleagues. We value diversity of thought, perspectives and experience in shaping our culture and strategy, driving our long-term success and informing the ways in which we fulfil our social purpose.

Be an attractive employer for all individuals seeking a career in publishing, regardless of background or identity, adding cultural value to our business operations and performance.

Focus on initiatives to create an environment that promotes diversity, nurtures talent, stimulates creativity and collaboration, supports well-being and is inclusive and respectful of difference.

Implement Bloomsbury's Diversity, Equity and Inclusion Action Plan (DEIAP).

2021/2022:

- Developed our employee bonus scheme, ensuring the rewards of our financial success are fairly shared across all of our employees.
- Increased focused resource with the appointment of our Diversity and Inclusion and Training Administration Manager.
- Development of Bloomsbury's first ever Learning and Development Programme, launched in April 2022.
- Launched and begun implementation of our DEIAP, focusing on recruitment, retention, training and development, education, engagement and inclusion, publishing and communication.
- As a part of a three-year action plan, Bloomsbury plans to increase ethnic diversity through stated and tracked goals. By 2024, our target is for black and minority ethnic groups to represent 20% of new recruits in the UK and 35% of new recruits in the US. In 2021/2022, black and minority ethnic groups represented 22% of new direct recruits in the UK and 33% of new direct recruits in the US.
- Became an official partner of the 'Lit in Colour' initiative with The Runnymede Trust and Penguin Random House.
- Winner of two major industry diversity awards, the Inclusivity in Publishing Award at the 2022 London Book Fair International Excellence Awards and Winner of the Diversity Award at the 2022 IPG Awards.
- Updated Parental, Maternity, Paternity and Adoption Leave policies to promote gender equality and they recognise the need to balance career progression with personal and family life.
- During 2020/2021, employees were offered two additional wellness days, and this is now a permanent benefit.
- Core hours were extended to give staff better flexibility in managing work and personal/family responsibilities and Flexible Fridays were introduced to enable employees to finish work early on a Friday.

Link to KPIs

05 06 07

Further information on employee engagement and Diversity, Equity and Inclusion is set out on pages **70 to 72** of this Annual Report.

Sustainability

Maximise our use of sustainable resources while seeking to reduce carbon emissions in line with our science-based targets.

We recognise our responsibility to conserve the Earth's resources and we are committed to monitoring and improving the environmental impact of our operations.

2021/2022:

- Set science-based targets, validated by the Science Based Targets Initiative (SBTi), to reduce carbon emissions in line with the goals of the Paris Agreement.
- Committed to a 46% reduction in our Scope 1 and 2 emissions by 2030; this reduction is aligned with pursuing efforts to limit global warming to 1.5°C. We have achieved a 40% reduction since 2019/20.
- Our Scope 3 target is a 20% reduction in emissions by 2035. This reduction is in line with keeping the global temperature increase below 2°C.
- Completed qualitative analysis of climate-related risks and opportunities for our business and operations and progressed adoption of the Task Force on Climate-Related Financial Disclosures (TCFD).

Link to KPIs

08

Our environmental policy and an analysis of our environmental performance during the year are set out on pages 73 to 81 of this Annual Report.

KPIs

- 01 Revenue growth
- 02 Adjusted profit
- 03 Digital resources revenue growth
- 04 Adjusted operating profit margin
- 05 Employee engagement
- 06 Gender diversity
- 07 Ethnic and racial diversity
- 08 Environmental performance

See pages 24 to 25 to read about our KPIs

Creating value for stakeholders

Bloomsbury creates value for our stakeholders through our business model, set out on pages 26 to 27 of this Annual Report.

Highlights for 2021/2022 are:

Consumers and society
We publish works of excellence and originality – to inform, educate, entertain and inspire, supporting literacy and culture. During the year, Bloomsbury authors have won two of the most important prizes in the literary world: The Nobel Prize for Literature and The Women's Prize, which were won by Abdulrazak Gurnah and Susanna Clarke respectively. We congratulate them both and are immensely proud to publish them. In addition, *This Is How They Tell Me The World Ends* by Nicole Perlroth won the FT & McKinsey Business Book of the Year.

Our economic and social contribution to our communities was delivered through tax contributions, charitable donations, (pages 62 to 63 of this Annual Report), and partnerships, including with the National Literacy Foundation and the 'Lit in Colour' initiative.

Authors and illustrators
We help our authors and illustrators create stories and communicate ideas to a global audience, connecting them with readers worldwide through multiple formats and channels. Bestsellers during the year included the *Crescent City: House of Sky and Breath* by Sarah J. Maas, which was a *Sunday Times* and *New York Times* number one bestseller. Other *Sunday Times* bestsellers in the year included *Piranesi* by Susanna Clarke, Tom Kerridge's *Outdoor Cooking*, *Animal* by Lisa Taddeo, *The Song of Achilles* and *Circe*, both by Madeline Miller, *Gino's Italian Family Adventure* by Gino D'Acampo, Humankind by Rutger Bregman and *The Wolf Den* by Elodie Harper. *New York Times* bestsellers in the year included *The Priory of the Orange Tree* by Samantha Shannon.

Shareholders
We are a resilient, global publishing Company with a diversified portfolio. Our strong and resilient diversified, international strategy enabled us to deliver 22% growth in diluted earnings per share, to 20.33 pence.

In recognition of our strong performance and the importance of delivering attractive Shareholder returns in accordance with our dividend policy, the Board proposes an increase of 24% to our final dividend to 9.40 pence per share.

Bloomsbury is well positioned for the future; our strong financial position enables us to invest in continued organic growth and further acquisition opportunities.

Top to bottom:
Author Abdulrazak Gurnah; author Susanna Clarke

Employees
We create an environment that enables rewarding work, supports ongoing professional development, and provides the opportunity for our employees to align with a business with a strong socially responsible purpose, entrepreneurial spirit and compelling global opportunity in a dynamic marketplace. During the year, we continued our focus on employee engagement and development initiatives, including development of our all employee bonus scheme, increase of focused resource, training pilots, launch and start of implementation of our Diversity, Equity and Inclusion Action Plan and increase of support to employees. Our achievements were recognised after the financial year end when we won the Inclusivity in Publishing Award at the 2022 London Book Fair International Excellence Awards and the Diversity Award at the 2022 IPG Awards.

Partners
We generate business activity that creates commercial opportunity for our suppliers, business partners and commercial customers.

Key risks and management

The focus of Bloomsbury's risk management process is on identifying, evaluating and managing risk, with the goal of supporting the Group in meeting its strategic and operational objectives.

The principal risks of the Group are set out on pages 93 to 98.

Chief Executive's Review

continued

Overview of 2020/2021

Bloomsbury achieved its highest ever performance in the year ended 28 February 2022, with revenue growth of 24% to £230.1 million (2020/2021: £185.1 million) and a 40% increase in profit before taxation and highlighted items to £26.7 million (2020/2021: £19.2 million). Profit before taxation increased by 28% to £22.2 million (2020/2021: £17.3 million).

Growth in organic revenue was 15%, with the three strategic acquisitions, ABC-CLIO, RGP and HoZ, contributing revenue of £17.4 million. Growth in organic profit before taxation and highlighted items was 28%, with ABC-CLIO, RGP and HoZ contributing £1.7 million.

The strength of demand for Bloomsbury titles and the excellent sales of our digital products, demonstrate the strength of our long-term growth strategy, the publishing judgement of our editors and the strength of our sales and marketing. During the year, Bloomsbury authors have won three of the most important prizes in the literary world - The Nobel Prize in Literature, the Pulitzer Prize in Biography and The Women's Prize – which were won by Abdulrazak Gurnah, Winfred Rembert and Erin I. Kelly and Susanna Clarke respectively. We are immensely proud to publish them.

We achieved the major milestone for Bloomsbury Digital Resources ("BDR") of significantly exceeding the target announced six years ago of £15 million of sales and £5 million of profit by the year ending 28 February 2022. We beat this target with sales of £18.6 million and profit of £6.8 million (2020/2021: £2.9 million). Achieving this goal of building high margin, quality revenues, demonstrates the strength and successful execution of our digital strategy. We saw growth due to the shift to digital learning, excellent digital products, platforms and infrastructure, with an 18% increase in the number of customers year-on-year. We have strengthened BDR with the acquisitions of RGP and ABC-CLIO.

The highlighted items of £4.6 million (2020/2021: £1.8 million) consist of the amortisation of acquired intangible assets of £2.8 million (2020/2021: £1.8 million), one-off legal and other professional fees relating to the three acquisitions and restructuring costs of £1.8 million (2020/2021: £1.3 million) and, in 2020/2021 only, a one-off US Government grant under the Paycheck Protection Program of £1.3 million. The effective rate of tax for the year was 24% (2020/2021: 21%). The adjusted effective rate of tax, excluding highlighted items, was 19% (2020/2021: 20%). Diluted earnings per share, excluding highlighted items, grew 39% to 25.94 pence (2020/2021: 18.68 pence). Including highlighted items, profit before tax was £22.2 million (2020/2021: £17.3 million) and diluted earnings per share grew 22% to 20.33 pence (2020/2021: 16.71 pence).

Consumer Division

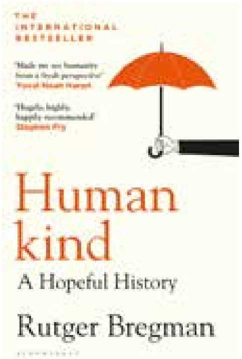
The Consumer division consists of Adult and Children's trade publishing. The Consumer division generated revenue growth of 25% to £148.2 million (2020/2021: £118.3 million). Organic revenue growth was 18%. Profit before taxation and highlighted items increased by 25% to £17.8 million (2020/2021: £14.2 million). Profit before taxation increased to £17.5 million (2020/2021: £14.2 million). The excellent performance was from both the Adult and Children's divisions, across front and backlist titles, and includes £9.0 million revenue and £0.1 million profit before taxation and highlighted items from HoZ, for the nine months since June 2021.

Adult Trade

The Adult division achieved a 26% increase in revenue to £55.2 million (2020/2021: £43.7 million) and profit before taxation and highlighted items of £2.0 million (2020/2021: £3.9 million). Profit before taxation was £1.7 million (2020/2021: £3.8 million). This was driven by bestsellers from our front and backlist, and includes the revenue and profit generated by the acquisition of HoZ.

24%
revenue growth

40%
profit growth



UK bestsellers in the year included *Piranesi* by Susanna Clarke, Tom Kerridge's *Outdoor Cooking, Animal* by Lisa Taddeo, *The Song of Achilles* and *Circe*, both by Madeline Miller, *Gino's Italian Family Adventure* by Gino D'Acampo, *Humankind* by Rutger Bregman and *The Wolf Den* by Elodie Harper. US bestsellers in the year included *The Priory of the Orange Tree* by Samantha Shannon. *This Is How They Tell Me The World Ends* by Nicole Perlroth won the FT & McKinsey Business Book of the Year.

We are proud that Bloomsbury authors have won three of the most important prizes in the literary world – The Nobel Prize for Literature, the Pulitzer Prize in Biography and The Women's Prize - which were won by Abdulrazak Gurnah, Winfred Rembert and Erin I. Kelly and Susanna Clarke respectively. We congratulate them all.

Children's Trade

Children's sales saw growth of 25% to £93.0 million (2020/2021: £74.6 million). Profit before taxation and highlighted items increased by 52% to £15.8 million (2020/2021: £10.4 million). Profit before taxation was £15.8 million (2020/2021: £10.4 million). High demand continued the momentum from last year, with excellent sales of Sarah J. Maas' new and backlist titles.

Sales of the Harry Potter titles increased by 5%. *Harry Potter and the Philosopher's Stone* was the 6th bestselling children's book of the year on UK Nielsen Bookscan, twenty-four years after it first began, showing the enduring appeal of this classic series.

Sarah J. Maas' sales grew by 86% compared to last year, with *Crescent City: House of Sky* and *Breath*, published in February 2022, reaching number one on the *New York Times* and *Sunday Times* bestseller lists, and strong backlist sales.

Sarah J. Maas is the bestselling author of the *Crescent City, Court of Thorns and Roses* and *Throne of Glass* series, with all of her 15 titles published by Bloomsbury, since her first novel, *Throne of Glass*, in 2012. Hulu is developing a television adaptation of the *Court of Thorns and Roses* series for its streaming service.

Non-Consumer Division

The Non-Consumer division consists of Academic & Professional, including Bloomsbury Digital Resources, and Special Interest. Revenues in the division increased by 23% to £81.9 million (2020/2021: £66.8 million). Profit before taxation and highlighted items for the Non-Consumer division increased by 68% to £9.1 million (2020/2021: £5.4 million). Profit before taxation increased by 81% to £6.6 million (2020/2021: £3.6 million). Organic revenue growth was 10% and organic profit growth was 55%, with RGP and ABC-CLIO contributing £8.4 million revenue and £1.6 million profit before taxation and highlighted items.

Academic & Professional revenues increased by 34% to £59.3 million (2020/2021: £44.3 million) and profit before taxation and highlighted items increased by 111% to £9.1 million (2020/2021: £4.3 million). Profit before taxation was £6.7 million (2020/2021: £2.7 million). Strong demand for our digital products delivered 50% growth in BDR revenue and print sales recovered well from last year, up 29%.

We are focused on achieving BDR growth by accelerating our most successful products, including Drama Online, leveraging platforms and content from acquisitions, building partnerships and launching new products. We achieved an 18% increase in the number of customers in the year, and maintained our existing customer retention rate at over 90%. We have further strengthened our portfolio of products with the acquisition of ABC-CLIO's 32 digital databases and RGP's three digital platforms.

In recognition of these achievements, we were voted Academic Publisher of the Year at the 2021 British Book Awards and Education Publisher of the Year at the 2022 IPG Awards.

Special Interest revenue grew by 1% to £22.6 million (2020/2021: £22.5 million), and broke even before taxation and highlighted items (2020/2021: £1.1 million profit), with resilient demand for wildlife titles, Wisden and Osprey Games during the year.

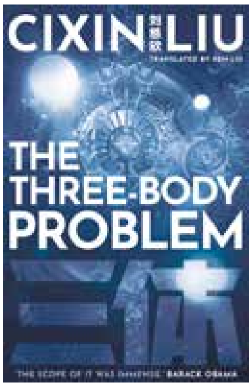
Chief Executive's Review

continued

Acquisitions

In June 2021, we achieved another key step in the delivery of our growth strategy for our Non-Consumer business, with the completion of the acquisition of certain assets of RGP, the academic imprint, from Springer Nature Group as previously announced. These RGP titles are a good strategic fit, strengthen Bloomsbury's existing academic publishing, and establish new areas of academic publishing in Business and Management, Study Skills and Psychology. RGP's digital product Cite them Right has been migrated to BDR's own platform with further digital product migrations to follow. RGP's relevant content will also be added to Bloomsbury Collections. The consideration was £3.2 million, of which £1.8 million was satisfied in cash on completion in June 2021 and £1.3 million was satisfied in cash post completion during the year, with an expected further £0.1 million to be satisfied post completion and post year end subject to assignment of certain contracts. The integration of RGP is going well and contributing as projected.

In June 2021, we also completed the acquisition of the issued share capital of HoZ, the independent trade publisher, as previously announced. This acquisition provides a strong addition to Bloomsbury's Consumer division and supports our long-term Consumer growth strategy, with new high- quality authors and effective publishing across all formats, including ebook and audio. The consideration, net of pre-existing loans, was £7.0 million, of which £5.5 million was satisfied in cash at completion, with £1.1 million paid in cash post completion, and £0.4 million of deferred consideration payable in cash subject to achievement of Netflix release targets. HoZ won Publisher of the Year at the CWA Daggers Awards and *The Wolf Den* by Elodie Harper was a number one Times bestseller. Popular writers from HoZ include Dan Jones, Cixin Liu, Nadine Dorries, Victoria Hislop and Lesley Thomson. Cixin Liu's bestselling science trilogy, *The Three-Body Problem*, is currently being filmed for Netflix by David Benioff and D.B. Weiss, creators of HBO's Game of Thrones. HoZ is contributing as planned.



In December 2021, we completed the purchase of the members' interests of ABC-CLIO, as previously announced. ABC-CLIO is an established academic publisher of reference, non-fiction, online curriculum and professional development materials in both print and digital formats for schools, academic libraries and public libraries, primarily in the USA. Founded in 1955, ABC-CLIO is based in Santa Barbara, California. ABC-CLIO has four imprints and 32 databases that provide curriculum-aligned content and lesson plans, professional development support and student activities to US schools and academic institutions. It has more than 23,000 titles in its portfolio. The consideration was £16.7 million, of which £16.6 million was satisfied in cash on completion and up to £0.1 million will be satisfied in cash post completion.

Bloomsbury has a successful track record in strategic acquisitions, with 18 completed since 2008. We are actively targeting further acquisition opportunities in line with our long-term growth strategy.

Cash and Financing

Bloomsbury's cash generation was strong with cash at the year end of £41.2 million (2021: £54.5 million) and cash conversion[1] of 194% (2020/2021: 142%). During the year we invested £26.6 million in cash consideration net of cash acquired for the acquisitions of ABC-CLIO (£16.3 million), HoZ (£6.6 million) and RGP (£3.1 million) and £1.0 million of capital expenditure in BDR. We also paid £7.9 million for the 2020/2021 special dividend.

The Group has an unsecured revolving credit facility with Lloyds Bank Plc. The facility comprises a committed revolving loan facility of £10.0 million and an uncommitted incremental term loan facility of up to £6.0 million. At 28 February 2022, the Group had no drawdown (2021: £nil) of this facility.

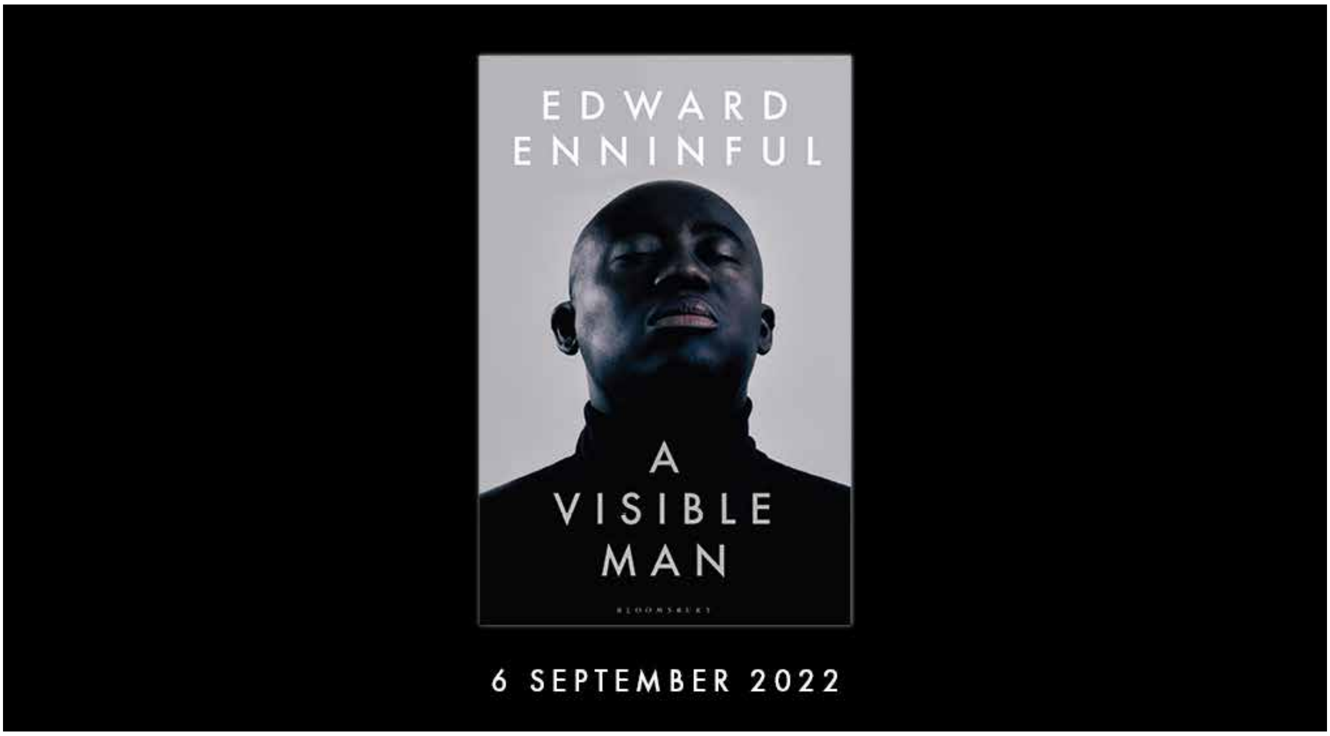
Dividend

The Group has a progressive dividend policy aiming to keep dividend earnings cover in excess of two times, supported by strong cash cover. The Board is recommending a final dividend of 9.40 pence per share, totalling £7.7 million. Together with the interim dividend, this makes a total dividend for the year ended 28 February 2022 of 10.74 pence per share, a 21% increase on the 8.86 pence value of the dividend for the year ended 28 February 2021.

Subject to Shareholder approval at our AGM on 20 July 2022, the final dividend will be paid on 26 August 2022 to Shareholders on the register on the record date of 29 July 2022.

Including the proposed 2021/2022 final dividend, over the past ten years, the dividend has increased at a compound annual growth rate of 8%.

1 Cash conversion is defined in the Financial Review section on page 49.



Board Changes

As announced in March 2022, John Bason joined the Board as a Non-Executive Director on 1 April 2022. John also became a member of the Remuneration, Nomination and Audit Committees. We welcome John to the Board.

£26.6m
invested in 3 acquisitions

Steven Hall will step down from the Board at the conclusion of Bloomsbury's 2022 AGM taking place on 20 July 2022. Steven joined the Board in 2017 and is the Chair of the Remuneration Committee. It is intended that Steven will be succeeded by John Bason as Chair of the Remuneration Committee.

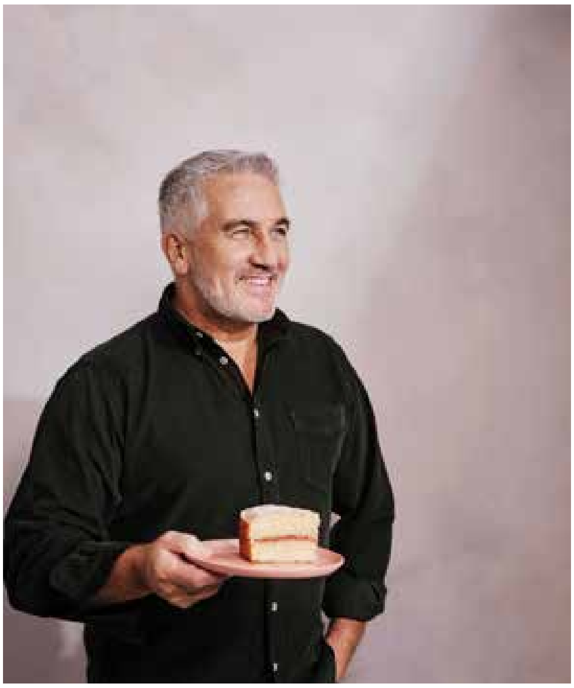
Sir Richard Lambert, Chairman of Bloomsbury, said: "Steve Hall joined the Bloomsbury Board five years ago, and his deep knowledge of the world of academic and professional publishing has been an invaluable support to the Company as it has built its presence in this sector. He has been a rigorous Chair of the Remuneration Committee, and a lively contributor to Board discussion. We owe him a big vote of thanks."

Future Publishing

Our strong Consumer publishing list for 2022/2023 includes the Illustrated edition of the fifth Harry Potter title, *Harry Potter and the Order of the Phoenix*, Paul Hollywood's *Bake, A Visible Man* by Edward Enninful, *This Wicked Fate* by Kalynn Bayron, *The House of Fortune* by Jessie Burton, *A Life in Light* by Mary Pipher and *Essex Dogs* by Dan Jones. The next new Sarah J. Maas novel, the third in the Crescent City series, will be published in 2023/2024.

2022 is the 25th anniversary of the original publication of the first Harry Potter, with a special anniversary edition publishing in June 2022 and a series of exciting marketing activities to celebrate this milestone.

Our BDR strategic initiatives include bringing ABC-CLIO's 32 databases into Bloomsbury Digital Resources, enabling Bloomsbury to scale ABC-CLIO's digital offering globally. In addition, we will expand Bloomsbury Collections to include the RGP titles and migrate RGP's digital products to BDR's own platform.



Right: *Chef and author Paul Hollywood*

Outlook

Trading for 2022/2023 has started in line with the Board's expectations.

Bloomsbury aims to deliver continued success, given the strength and resilience of our proven strategy, combined with our strong financial position, which enables us to invest in continued organic growth and further acquisition opportunities. Digital sales continue to materially increase and are a growing proportion of both revenue and profits.

Nigel Newton
Chief Executive
15 June 2022

Key Performance Indicators

Financial measures

1 Revenue

£230.1m

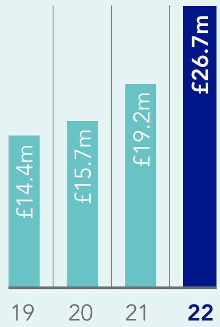
+24%

Link to risks:
A B D H L

2 Adjusted profit[1]

£26.7m

+40%



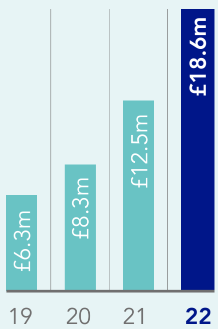
Link to risks:
A B C D F H L

1 Adjusted profit is profit before tax, amortisation of acquired intangibles and other highlighted items. A reconciliation between profit before tax and adjusted profit can be found in note 3 to the Financial Statements.

3 Digital resources revenue

£18.6m

+50%



Link to risks:
A B C

4 Adjusted operating profit margin[2]

11.8%

+11%

Link to risks:
A B C D F H L

2 Adjusted operating profit margin is operating profit before amortisation of acquired intangibles and other highlighted items divided by revenue.

Non-financial measures

5 Environmental performance: Scope 1 and 2 greenhouse gas emissions (absolute tonnes CO_2e)

21
Stationary fuel use
(2021: 9)

194
Electricity use:
location-based emissions
(2021: 128)

244
Electricity use:
market-based emissions
(2021: 170)

19
Vehicle fuel use
(2021: 9)

Go to pages 73 to 81 of this Annual Report for more information on Bloomsbury's environmental performance during the year

Link to risks:
I J K

Key to risks:

- A Market
- B Importance of digital publishing
- C Acquisitions
- D Title acquisition
- E Information and technology systems
- F Financial valuations

6 Employee engagement

16[1]

Employee Voice Meetings connecting employees with the Board and senior management

(2021: 23)

11

Active employee Diversity and Inclusion networks

(2021: 9)

62%[2]

Average attendance rate at monthly Town Halls

(2021: 70%)

1 During the year, Employee Voice Meetings ("EVMs") were complemented by an additional employee communication channel, which focused on the new ways of hybrid working following the pandemic. The Company partnered with a consultant to listen to views of employees through pulse surveys and workshops, which formed part of the overarching EVM programme. The figures above do not reflect these workshops.

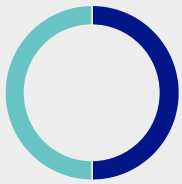
2 Includes live attendance and after-event viewing. During the year, employee head count increased by 23.8%.

Link to risks:

I K

7 Gender diversity

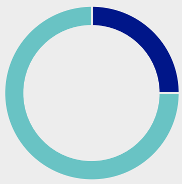
Female Board members



2022
50%

2021
42.9%

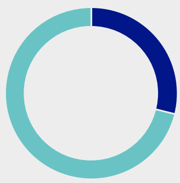
Female Executive Committee members



2022
75%

2021
75%

Female employees



2022
71%

2021
70.3%

● Male ● Female

UK median gender pay gap

14.8%

(2021: 11.7%)

UK mean gender pay gap

19.3%

(2021: 15.6%)

Go to www.bloomsbury-ir.co.uk to see Bloomsbury's 2021/2022 Gender Pay Gap Report

Link to risks:

I K

8 Ethnic diversity

Board

1 (14%)

Board member – Ethnic minority groups

(2021: 1)

Company

13.4%

Ethnic minority groups[1]: UK

(2021: 10%)

19.8%

Ethnic minority groups: US

(2021: 22.7%)

1 The UK figures have been taken from the results of the Bloomsbury workforce survey and UK Publishers Association industry survey conducted in 2020 and 2021 respectively. Participation in these surveys was voluntary, therefore the figures may not have captured Bloomsbury's full workforce.

Link to risks:

I J K

- G Intellectual property
- H Reliance on key counterparties and supply chain resilience
- I Talent management
- J Legal and compliance
- K Reputation
- L Cost Inflation

Business Model

Key Resources

Intellectual property

Strong financial position and liquidity

Global brand recognition

Talent

Diversified portfolio of content and services

Access to global markets and partners

Key Activities

01
Focus on digital publishing

02
Growing Bloomsbury's portfolio in Non-Consumer publishing

03
Acquisition of rights from authors, illustrators and other copyright owners

04
Leveraging existing intellectual property rights

05
Strategic acquisitions in key areas of publishing

06
International expansion

Channels

Traditional wholesalers and retailers

Online retailers – print and digital, ebooks and audio books

Digital content aggregators

Direct to academic and educational institutions, libraries and corporates

Market Segments

Non-Consumer

- Academic institutions
- Libraries
- Corporates
- Professional bodies
- Students and academics
- Primary and secondary schools
- Teachers and trainee teachers

Consumer

- Adult Trade: fiction, non-fiction and cookery
- Children's Trade: fiction, non-fiction, picture books, pre-school titles and activity books

Creating value for stakeholders

Consumers and society

Publishing works of excellence and originality to inform, educate, entertain and inspire, supporting literacy and culture and fostering a passion for reading and learning.

Economic and social contribution to our communities through tax contributions, charitable donations and partnerships, and employee time.

Authors and Illustrators

Helping our authors and illustrators to create stories and communicate ideas to a global audience, connecting them with readers worldwide through multiple formats and channels.

Shareholders

The opportunity to invest in a resilient, global publishing company with a diversified portfolio operating in global markets.

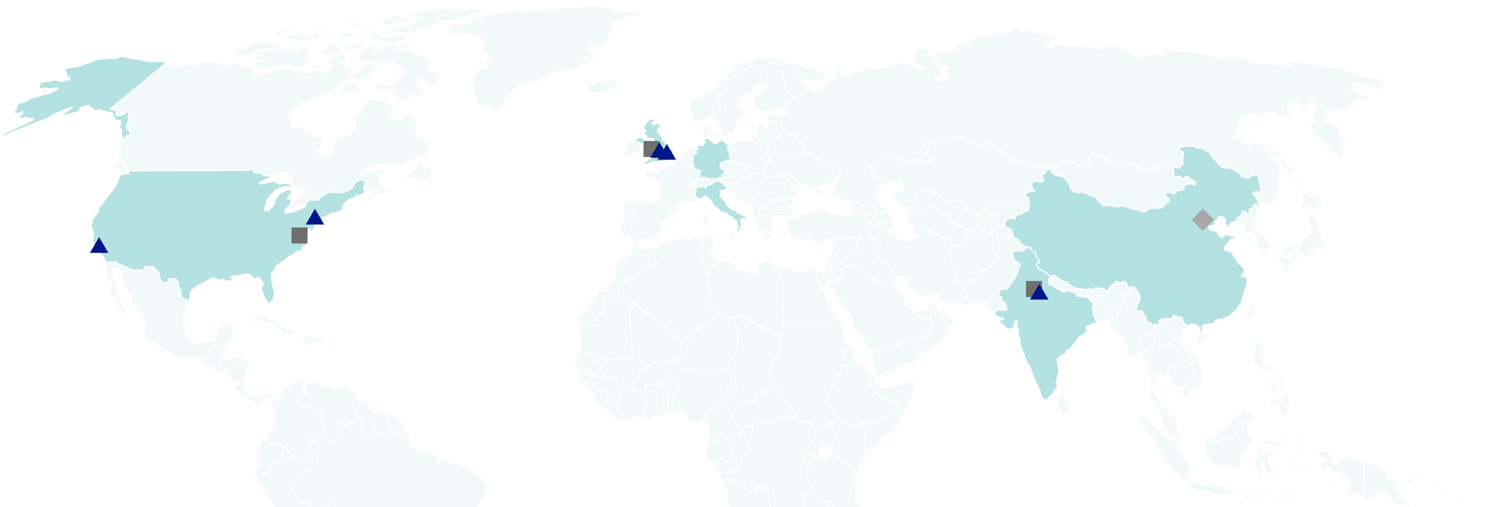
Employees

Creating rewarding work, enabling ongoing professional development. Providing the opportunity to align with a business with a strong socially responsible purpose, entrepreneurial spirit and compelling global opportunity in a dynamic marketplace.

Partners

Generating business activity that creates commercial opportunity for our suppliers, business partners and commercial customers.

Marketplace



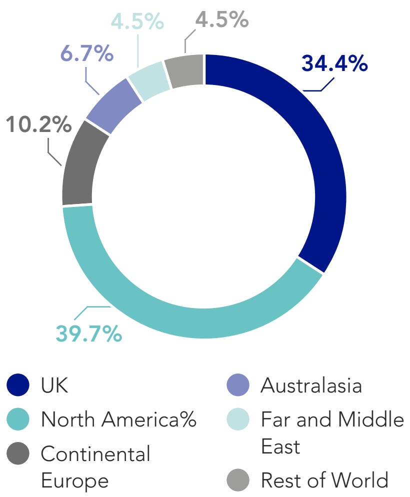
Our geographical reach

Our teams based in London, Oxford, New York, Santa Barbara, New Delhi, Sydney, and China – through our joint venture partnership with China Youth Publishing Group and its subsidiary Roaring Lion Media – serve all territories, selling and distributing our products worldwide in multiple formats and via multiple channels. These include in print, as ebooks and audio books, through digital downloads and apps and via online educational databases; in schools, libraries and universities; and through physical and online wholesalers and retailers.

Key

▲ Bloomsbury Offices ◆ China Joint Venture ■ Main printing partners ■ Main distribution partners

Sales split by territory



Our market

Consumer

- Adult Readers: fiction, non-fiction, poetry and cookery
- Young Readers (Children and Young Adults): fiction, non-fiction, picture books, pre-school titles and activity books

Non-Consumer

- Academic institutions
- Libraries
- Corporates
- Professional bodies
- Academics and students
- Primary and secondary schools
- Teachers and trainee teachers
- Specialist interest communities

Marketplace Trends

Bloomsbury's worldwide publishing encompasses a wide range of sectors and genres spanning adult fiction and non-fiction, children's books, digital academic and professional resources and humanities and social sciences monograph publishing. With international offices in the United Kingdom, the United States, Australia, and India, and a joint venture in China, we are well positioned to assess global and local market trends.

Global Supply Chain

The unprecedented global supply chain crisis has impacted all industries and markets, with publishing no exception. As businesses unlocked post-COVID-19, publishers had to assess and respond to a new normal of huge demand, shortages of raw materials and significant challenges in transport from shipping and road haulage delays, as well as a shortage of labour. This environment was particularly challenging in the US market.

In response, we have shifted suppliers depending on supplier capacity and to ensure speed to market. While we now print more books locally in the Australian and Indian markets, the US print market remains challenging. Our response has been to print more units of US titles in the UK for supply to the US market. We continue to increase our use of Distributed Print on Demand programmes wherever possible, and have increased direct deliveries from printers to customers to expedite supply. Ongoing monitoring of paper stocks by Bloomsbury ensures sufficient materials are available to meet demand.

Post pandemic market landscape

Over the past two years, consumers have re-discovered the joy of reading, seeking out books which inspire, inform and entertain. Figures from the UK Publisher's Association indicate UK publisher sales rose 5% to £6.7 billion in 2021, a new high for the industry, with consumer sales increasing by 4%. NPD Bookscan reported that unit sales for trade print books in the US in 2021 rose 9% over the prior year. Our publishing, sales and marketing strategies aim to maintain reader engagement in the post pandemic landscape and in the face of inflationary pressures.

Clockwise from above:
National Theatre 2021 production of Romeo and Juliet, available on Drama Online; podcast based on the 33 1/3 book series published by Bloomsbury

Sales Channels

Bookshops have recovered since pandemic lockdowns in 2021, with stores open and back in full swing. Local booksellers continue to build on the growth in reading during the pandemic, further strengthening their community ties, with "shop local" initiatives. The buoyancy of independent bookshops looks set to continue with the Booksellers' Association in the UK reporting that the number of independent bookshops in the UK and Ireland has grown for the fifth consecutive year, despite challenges brought by the pandemic.

After a peak in 2020/2021, we have seen a levelling off in online consumer book sales as High Street and physical retail has re-opened and is operating normally. Despite this, online sales account for the highest proportion of retail sales of Bloomsbury's Consumer titles and we continue to invest in sales and marketing resource to maximise sales through online channels.

Direct sales to institutions of Bloomsbury's Academic Digital Resources remain buoyant reflecting the ongoing shift to the use of online learning resources, even as academic institutions resume in-person teaching.

Marketplace
continued

Demand for Digital Content

Strong demand for digital academic resources continues following the pivot by academic institutions as a result of the pandemic to digital learning formats. This is reflected in the significant growth in sales of Bloomsbury Digital Resources, as reported in the Chief Executive's Review on pages 16 to 23 of this Annual Report. Bloomsbury remains well placed to continue to support the ongoing transition by academic institutions from print to digital and is committed to enhancing the research and learning experience with innovative, engaging, and dynamic digital resources of the highest quality.

In response to requests from academic institutions globally, in 2021/2022 Bloomsbury made 400+ textbooks available for the first time via Bloomsbury Collections. By making these titles available for library purchase, we have expanded access to our content for students globally. Bloomsbury also expanded its digital offerings by adding 12 new collections to existing platforms, launching two new digital subject hubs, and migrating Bloomsbury Fashion Central to a new, even more user-friendly platform. These new resources offer creative research solutions in fields such as Philosophy, Religion, History, Drama, Music and Sound.

The audiobook market continues to grow apace, with consumers in all age groups switching to digital audio, and increasingly listening to the format at home and for leisure. The UK Publisher's Association reported a 14% growth in digital audio book sales in the calendar year 2021. In the US, the Association of American Publishers reported a 13.4% increase in the calendar year 2021 in industry revenues from sales of consumer audiobooks as against the prior year. Bloomsbury has seen continued strong growth of digital audio sales on the back of increasing consumer demand for this format, and we continue to invest resources in our audiobook publishing and to expand Bloomsbury's digital audio output in response.

Podcasts have become a popular medium for discovering books, with over 100 million Americans listening daily and Bloomsbury is actively leveraging that market reach, most prominently with the 33 1/3 series Spotify podcast. With features in *The New York Times, The Guardian*, and *Forbes*, Spotify's 33 1/3 podcast ranks within the top 20 music podcasts in the US and has vastly expanded the series' audience. In addition, the Bloomsbury Academic podcast features a wide range of the world's top scholars and is an excellent showcase of the strength and diversity of our publishing program.

BookTok

Since mid-2020, TikTok has been one of the driving forces of an unprecedented surge in Consumer book sales. The platform allows readers to discover books and recommend them to others and the BookTok community have resurfaced books and brought them to an exciting new generation of readers. *The Song of Achilles* by Madeline Miller, first published by Bloomsbury over a decade ago, saw its hashtags reach 210 million views by early 2022. Bloomsbury capitalised on the trend by publishing a new hardback anniversary edition, which went straight into the *Sunday Times* Top Ten bestseller chart and sold over 130,000 copies in the calendar year 2021. Sarah J. Maas' perennially popular series has had over 2 billion views on TikTok to date, placing her firmly in the top list of authors. *Throne of Glass* was one of the hottest trending examples with an accumulated 439.1 million hashtag views at launch and, combined with views for the rest of her titles, Sarah J. Maas is the number one author on TikTok. Bloomsbury's TikTok account is in the top five of all publishers worldwide.

2bn
views on TikTok for Sarah J. Maas

439.1m
hashtag views for Throne of Glass on TikTok

Open Access

UK Research and Innovation's ("UKRI") new policy will require Open Access for books and chapters that acknowledge UKRI funding published from 1 January 2024, and UKRI has indicated it will provide ring-fenced funding to enable this. We support UKRI's goal of achieving full and immediate open access to 100% of articles arising from UKRI funded research. Similarly, cOAlition S has recommended that funders require immediate Open Access for books and that they provide financial support.

Bloomsbury is well positioned to respond to the demand for Open Access, and has been offering Open Access options for books since it entered the academic book publishing market in 2006. We offer all our academic authors the option to publish their research work with Bloomsbury on a Gold Open Access basis.

Driven by our new Director of Research and Open Access, opening up access to academic books helps the important scholarship we publish in the arts, humanities, and social sciences to find its broadest possible readership. It enables anyone around the world with an internet connection to read, respond to, and build upon a work and helps raise the profile of authors and their research. It means students, independent scholars, researchers in low-income countries, and anyone with a passion for their subject can access an Open Access work without needing to pay.

The Consumer Division

Ian Hudson - Managing Director

The Consumer Division publishes under the following imprints: Bloomsbury Absolute, Bloomsbury Activity Books, Bloomsbury Children's Books, Bloomsbury Circus, Bloomsbury Publishing and Raven Books.

Adult Trade publishes lifestyle, fiction and non-fiction titles, whilst Children's Trade publishes illustrated books, fiction and non-fiction, picture books and preschool titles. Our main publishing operations are based in London and New York, and are led by experienced editorial and publishing staff supporting authors and their works throughout the world.

Known for the quality and the prize-winning calibre of our lists, we publish authors such as Abdulrazak Gurnah, Susanna Clarke, Patricia Lockwood, Madeline Miller, George Saunders, Reni Eddo-Lodge, Lisa Taddeo, Kamilia Shamsie, Isabel Allende and Khaled Hosseini on our Adult Trade list. On our Cookery list, we publish Tom Kerridge, Gino D'Acampo, Hugh Fearnley-Whittingstall, Heston Blumenthal, Paul Hollywood and Craig and Shaun McAnuff. On our Children's Trade list, we publish exceptional talent ranging from Katherine Rundell, Brigid Kemmerer, Kalynn Bayron, Jessie Burton, Sarah J. Maas, Ben Bailey Smith, Andrew Jennings and Neil Gaiman, to Benjamin Zephaniah and J. K. Rowling.

The markets we serve

Our publishing serves the global bookshop and online retail market, in print, audio and ebook formats; and rights sales to foreign language publishers.

2021/2022 Highlights

Growth in Consumer Publishing

Consumer Division revenue grew to £148.2 million from £118.3 million in 2020/2021, growth of 25%. Profit before tax and highlighted items increased by 25% to £17.8 million (2020/2021: £14.2 million). Profit before taxation increased to £17.5 million (2020/2021: £14.2 million). The Division represented 64% of Group revenue in 2021/2022. Further information on the financial performance of the Adult and Children's subdivision can be found on pages 20 to 21 of this Annual Report.

2021/2022 was a landmark year for the Consumer Division. Our authors won major prizes, our books reached more readers than ever and we enjoyed significant sales success. We were named Trade Publisher of the Year at the IPG Awards and welcomed award-winning publisher Head of Zeus into the Group.

Our author Susanna Clarke won the prestigious Women's Prize for Fiction, for her book *Piranesi,* and the spectacular success of the audio version underscored the importance of our ongoing investment in audio publishing. Beautifully read by Chiwetel Ejiofor, it won the Audio Book of the Year at the British Book Awards and has sold over 77,000 copies during the year.

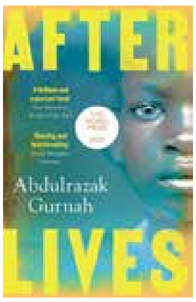
We published the only writer to be shortlisted for both the Booker Prize and the Women's Prize for Fiction: debut novelist Patricia Lockwood. Her book *No One is Talking About This* was one of the critics' most-picked books of the year and over 88,000 copies were sold during the year.

"The Consumer Division is ambitious, creative, independent and entrepreneurial. We work to deliver both creative success and critical acclaim."

Capitalising on market trends and opportunities

The market for consumer books continued its lockdown-driven growth but much of our success in 2021/2022 was due to our rapid response to developing market opportunities. Within five months of embarking on an ambitious project to publish a post-lockdown, summer cookbook with Tom Kerridge, *Outdoor Cooking* was on bookshelves in time for Father's Day. Abdulrazak Gurnah won the Nobel Prize in Literature in October; within weeks, we had new editions of all eight of Gurnah's paperbacks available globally and have sold over 190,000 copies across all territories.

Our Tenth Anniversary hardback edition of *The Song of Achilles* by Madeline Miller progressed from conception to publication



Right:
Chef and author Hugh Fearnley-Whittingstall

The Consumer Division

continued

in less than six months, meeting an ecstatic response on the now essential marketing channel, TikTok. This was followed by the equally rapid creation and publication of the gift edition of her most recent work, *Galatea*. Over 950,000 copies of titles by Madeline Miller were sold in 2021/2022.

Diversity, Equity and Inclusion

Bloomsbury publishes the only two black African writers to win the Nobel Prize: Wole Soyinka and Abdulrazak Gurnah. The Raven list brought diversity to the traditionally conservative genre of crime and thriller writing with the publication of Imran Mahmoud's *I Know What I Saw* and debut author Femi Kayode's novel, *Lightseekers*. We also announced the launch of the Bloomsbury Poetry list under the editorship of Kayo Chingonyi, which will reflect the diversity and vibrancy of the poetry community.

Written by the founders of *The Black Girls' Book Club*, Bloomsbury Children's publication of *Grown: The Black Girls' Guide to Glowing Up* exemplifies our commitment to addressing the lack of children's titles by people of colour, for people of colour, and supporting more diverse representation in the works that we publish.

Making data work for us

In 2021, we established a dedicated metadata unit to drive digital discovery and sales across the business. This expert unit created a comprehensive guide to metadata and delivered training to editorial and marketing staff on best practice. This has been harnessed to revamp metadata for key authors like Sarah J. Maas, whose *House of Sky and Breath* became a number one bestseller in the UK, US, Canada and Australia. A major backlist revival project is now underway for Adult Trade backlist, with plans for the Children's Trade backlist to follow.

Below right top to bottom: *author Imran Mahmoud; editor Kayo Chingonyi*

Acquisitions

In 2021/2022, the Consumer Division undertook the strategic acquisition of independent trade publisher, Head of Zeus. Head of Zeus publishes genre fiction and narrative non-fiction and children's books. To date, they have published 93 number one bestsellers around the world, won 21 literary prizes and two industry awards. Bestselling authors on the list include Dan Jones, Cixin Liu, Victoria Hislop, Lesley Thomson, and Elodie Harper. In 2021, Head of Zeus was awarded Best Crime & Mystery Publisher by the Crime Writers Association. *The Three Body Problem* by Cixin Liu is currently under development by Netflix, co-curated by David Benioff (Game of Thrones), Dan Weiss and Alexander Woo (True Blood) and will be directed by Derek Tsang (Better Days).

The acquisition supports the Division's long-term growth strategy, with new high-quality authors and effective publishing across all formats.

The value we add

Adult publishing

We seek to discover and publish incisive, engaging, entertaining and challenging books that are essential reading for a wide range of audiences, amplifying voices across a wide spectrum from high quality to popular culture and supporting authors with great stories to tell or insights to share. Heightened public concerns about racial inequality and the pandemic-related lockdowns in recent times have highlighted the vital role books play in our society. Our backlist titles have provided thought-provoking perspective on the former and education, entertainment, escapism and mental well-being in response to the latter.

Sarah J. Maas publishing

Sarah J. Maas is the number one *New York Times* and internationally bestselling author of the *Throne of Glass*, *Court of Thorns and Roses*, and *Crescent City* series. Sarah's writing sweeps her readers up into elaborate fantasy worlds, but her characters are very real. Readers can identify with the struggles they face and Sarah's ability to write a killer twist is unparalleled. Her books have sold millions of copies and are published in 37 languages. The full *Court of Thorns and Roses* series is currently in development by Ron Moore, creator of Outlander, for Hulu.

Children's publishing

We publish and promote high-quality, entertaining and award-winning books for children and young adults. Our aim is to foster joy, curiosity, empathy and imagination with the best books for every child – and ignite a lifelong love of reading. We believe that every young person's life is improved by having access to great books and we work closely with the very best authors and illustrators to do this in a creative, ambitious and supportive environment. We support the development of our authors through their publishing career as they move into new categories of publishing. An example of this is our best-selling author Sarah J. Maas, who is now writing for young adult and adult readers, having started her career as a children's author.

Harry Potter publishing

We continue to promote J.K. Rowling's best-selling series in imaginative and novel ways, publishing illustrated editions by Jim Kay, Chris Riddell and Olivia Lomenech Gill, Hogwarts House editions and special format editions such as interactive, paper-engineered (pop-up) editions. Our ambition is to continue to attract new generations of readers and introduce new children to reading these books for pleasure every year.

Strategy for growth

- Invest in our people through training and development, engender a culture of empowerment and focus on further improving diversity and inclusion within our business
- Deliver market-leading levels of author care and become the publisher of choice for authors, illustrators and publishing professionals alike
- Grow our digital format sales, especially audio, and improve the "discovery" of our titles on digital sales platforms such as Amazon
- Maximise the sales and profitability of our strong backlist catalogue
- Implement exciting and ambitious new publishing plans, expanding into new areas of commercial fiction, genre fiction (incl. science fiction and fantasy), popular culture, wellness, children's illustrated non-fiction, and "soft" education
- Focus on author/property brand development and growth, maintaining the phenomenal success of Harry Potter, driving the success of Sarah J. Maas and growing our leading cookery brands and our existing literary stars, whilst at the same time discovering and publishing new talent
- Implement margin enhancement programmes with a view to both reducing cost and improving the sustainability of our products
- Fully integrate Head of Zeus into the Consumer Division in 2022/2023, delivering opportunities and synergies for the Group
- Seek value adding M&A opportunities

2021/2022 Key financial figures

£148.2m
Consumer revenue

£82.2m
Consumer revenue - UK

£52.1m
Consumer revenue - US

£13.9m
Consumer revenue - Other territories

£17.8m
Consumer Adjusted profit[1]

£12%
Consumer Adjusted profit margin

1 Adjusted profit is profit before taxation, amortisation of acquired intangible assets and other highlighted items. A reconciliation between profit before tax and adjusted profit can be found in note 3 to the Financial Statements.

Non-Consumer Division

Jenny Ridout - Managing Director, Non-Consumer Division

The Non-Consumer Division publishes works of excellence and originality to inspire, educate and inform its specialist audiences. Non-Consumer publishing is characterised by more predictable and profitable repeat revenue streams, is less reliant on retailers and presents greater direct digital and global sales opportunities. Revenues are derived from Academic & Professional, Digital Resources, Educational and Special Interest publishing.

2021/2022 Highlights

Growth in Non-Consumer Publishing

The Non-Consumer Division's revenue grew to £81.9 million, up 23% from £66.8 million in 2020/2021. 2021/2022 profit before tax and highlighted items increased by 68% to £9.1 million (2020/2021: £5.4 million). Profit before taxation increased by 81% to £6.6 million (2020/2021: £3.6 million).

Over the years, the Division has grown significantly and now represents 36% of Group turnover. This is the result of a clear long-term investment strategy and strong vision for growth, particularly in terms of digital innovation.

Bloomsbury Digital Resources

Bloomsbury Digital Resources ("BDR") was established in 2016, with the long-term strategic goal of building high-margin, high-quality revenues by developing digital academic content and platforms. BDR provides innovative digital education and information resources, sold directly to Higher Education institutions, schools, public libraries and companies worldwide.

Combining digital products of excellence with the strength and range of the Division's extensive IP catalogue alongside new media content partnerships enables BDR to deliver growth from the high-quality platforms and infrastructure it is continuing to build.

Bloomsbury's goal was to achieve BDR revenue of £15 million and profit of £5 million for 2021/2022. BDR has exceeded that target and in 2021/2022 delivered revenue of £18.6 million and profit of £6.8 million. BDR is set for a new era of growth through the acquisition during the year of ABC-CLIO, which has major digital resources in the US high school library market, and ambitious continued organic growth plans.

BDR's customer base continues to increase as our market penetration deepens. The number of Academic customers increased by 18% during the year.

"Bloomsbury is highly committed to building the business of the Non-Consumer Division, with its clear focus on life-long learning in the fields of study, academic research, professional practice and specialist interests. We continue to invest strategically in expert content, digital innovation, company acquisitions, and creative partnerships."

Bloomsbury Education

Bloomsbury Education responded quickly to the need for catch-up content for teachers, parents and pupils by highlighting our home-learning brands. There is a proven link between vocabulary acquisition and improving children's outcomes and Andrew Jenning's *Write Like a Ninja* was a bestselling book in Nielsen Bookscan's Teaching and Education TCM, which tracks sales through retail channels, and featured in the overall Amazon top 100 for five weeks.

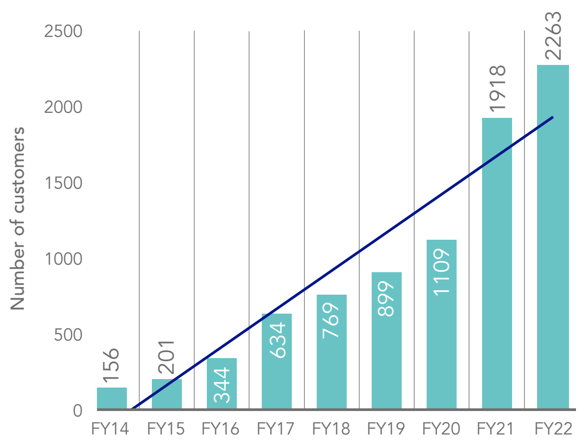
Expansion in international revenues

In 2021/2022, we continued our strategy of expanding international revenues, including taking steps to maximise sales in the US academic market, the biggest academic market worldwide.

2021/2022 progress:

- 78% of Academic BDR sales are international
- The acquisition of ABC-CLIO will serve to close to double the size of Bloomsbury's Academic publishing in the US next year
- The acquisition of Red Globe Press has doubled Academic sales in Australia

Total number of BDR customers year on year



The markets we serve

- The international research community and higher education students, who use our books and digital resources, which are purchased by academic libraries and institutions worldwide
- UK and Eire professionals, who use our online law, accounting and tax services
- Corporations and institutions worldwide looking for publishing services
- Niche communities of interest in sports and sports science, nautical, military history, natural history, arts and crafts and popular science
- Teachers and trainee teachers looking for content to support continuing professional development and their teaching

Content of excellence and originality

The Division's excellence and originality shone through with many stunning award wins, including being named Academic, Professional and Education Publisher of the Year at the 2021 British Book Awards. Other notable wins include the PEN Hessell-Tiltman Prize for History for Rebecca Wragg Sykes's *Kindred*; two PROSE Awards from the Association of American Publishers for Nancy Worman and Angela Zottola; the International Political Science Association Global South Award for Abdalhadi Alijla; the British Army Military Book of the Year 2021 and the Society for Nautical Research's Anderson Medal, while Osprey Games won numerous games industry award accolades. Digital resources *Drama Online* and *Bloomsbury Architecture Library* were both chosen as 2021 Choice Outstanding Academic Titles, along with ten other Bloomsbury titles.

Diversity, Equity and Inclusion

The Division has renewed its workflow and publishing practice with a view to widening access to authors and readers.

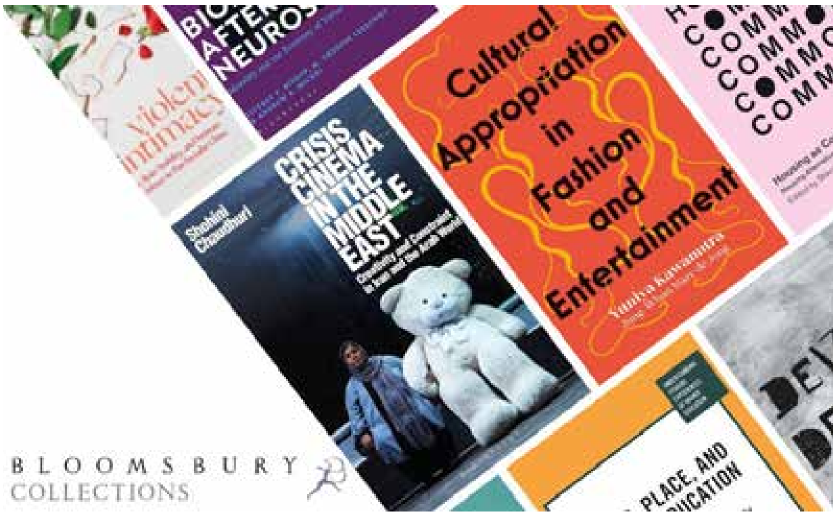
The Special Interest division received 70 entries for the annual Writers & Artists Working-Class Writers' Prize in 2021, which includes author mentoring and a year's membership to The Society of Authors. Financial assistance for Writers & Artists ("W&A") editing services was offered to four writers of low-income, while 20 free places were made available across W&A's full range of events. We have partnered with established organisations such as the Arts Council of Northern Ireland and the Open University to extend the reach of Writers & Artists events and courses into our communities as widely as possible.

The Osprey Games division engaged in a renewed drive to solicit submissions from underrepresented voices in the industry. Sensitivity consultants are used as standard on all relevant titles, reviewing written content, illustrations, and graphic design, and providing guidance from an early stage. Osprey Games also supports The Zenobia Award, a game design competition to attract and reward more diverse creative talent and subject matter in the historical game design sphere.

Bloomsbury Education published a diverse list of educational fiction by authors and illustrators from traditionally underrepresented backgrounds, continuing our progress towards a list in which all children see themselves represented.

In March 2022, Bloomsbury became an official partner of the Lit in Colour campaign, a joint initiative between Pearson, Penguin Random House UK and The Runnymede Trust, which supports UK schools in diversifying their GCSE and A Level English Literature curriculum. Bloomsbury will be working with teachers and students to introduce new plays to the curriculum, which will create more representative and inclusive drama experiences in classrooms across the UK.

Prior to launching its official partnership with Lit in Colour, Bloomsbury supported Pearson's Lit in Colour Pioneers programme, donating 4,391 copies of set texts by Black, Asian and Minority Ethnic writers to UK schools, including The Empress by Tanika Gupta, Refugee Boy by Benjamin Zephaniah, adapted by Lemn Sissay and Khaled Hosseini's A Thousand Splendid Suns.



Non-Consumer Division

continued

Acquisitions

The division undertook three strategic acquisitions in 2021/2022.

For over 70 years, ABC-CLIO has stood at the forefront of scholarly publishing and academic solutions, faithfully committed to igniting a lifelong passion for learning through student-led research. ABC-CLIO publishes reference, non-fiction, online curriculum and professional development materials in both print and digital formats for schools, academic libraries and public libraries, primarily in the US. ABC-CLIO has four imprints and 32 databases, 16 school databases that provide curriculum-aligned content and lesson plans, professional development support and student activities to US schools and 16 academic scholarly research tools for academic institutions. It has more than 23,000 titles in its portfolio.

Bloomsbury acquired certain book and digital assets of Red Globe Press from Macmillan International Higher Education, providing a gateway to new and attractive academic subject areas and new digital Study Skills products for students. Red Globe Press specialises in high-quality publishing for Higher Education students globally in humanities and social sciences, business and management, and study skills. It has a backlist of more than 7,000 titles and publishes more than 100 new titles per year, with content including digital platforms, textbooks, research-driven materials and general academic publishing. The acquisition establishes new areas of academic publishing for Bloomsbury in business and management, study skills and psychology.

The acquisition of certain assets of Artfilms, the video streaming service of Contemporary Arts Media, significantly expands our streaming video and international content portfolio aimed at arts educators and practitioners. Artfilms offers more than 2,000 films from top artists and independent filmmakers, mainly aimed at arts education and arts practitioners. The unique collection, which showcases the global diversity and breadth of the arts, is truly international, with content that originates from Australia, the UK, the US, Germany, Denmark, France, Hungary, Canada, Switzerland, Pakistan, Indonesia, Africa, and Japan. Artfilms includes masterclasses, documentaries and interviews, and covers such subject areas as visual and applied arts, film studies, media studies, music and dance, history and philosophy.

The Value We Add

Academic books in print and ebook formats
Arts, humanities and social sciences publishing for students and academics. Expert content curation, editorial and publishing services, global specialist sales and marketing expertise. Global sales distribution through multiple channels.

Digital academic resources
Online services sold direct to institutions worldwide through subscription and perpetual access. Expertise in content curation, user experience, digital platform development and direct selling to institutions worldwide.

Professional development book and online information publishing
Online and print resources for librarians, business practitioners, qualified and trainee solicitors, barristers, accountants and tax practitioners, e.g. Bloomsbury Professional Online sold direct through subscription. High-quality content and digital platform capabilities.

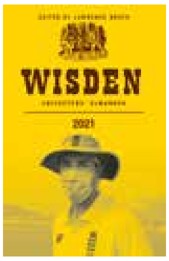
Books and online resources for teachers
Content to support professional development for school teachers and trainee teachers.

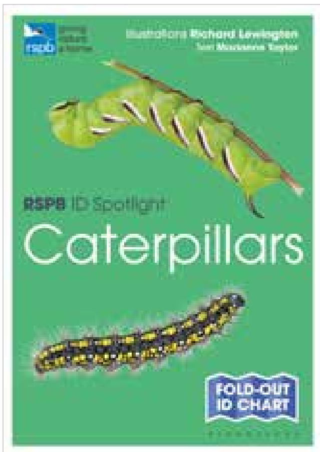
Publishing services
A range of end-to-end publishing and content services including open access, digital and print, provided direct to authors, funders, corporations and organisations.

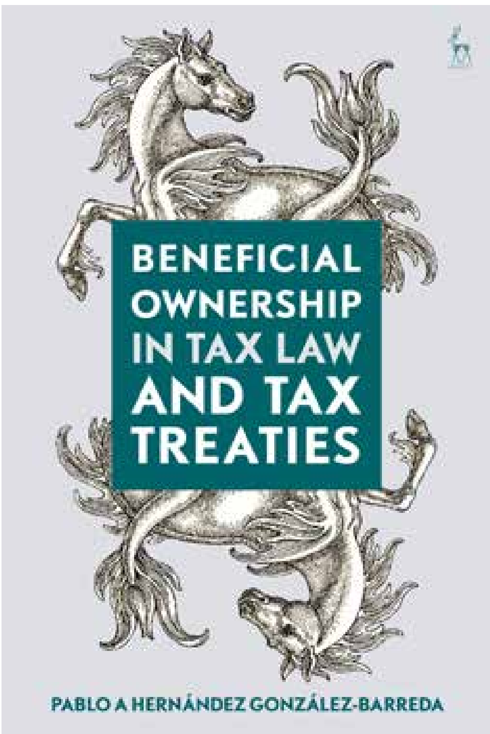
Books, audiobooks, games and special interest digital resources
Rich and compelling content and online services for a range of niche communities of interest. Content is sold direct through Bloomsbury websites and through retail intermediaries.

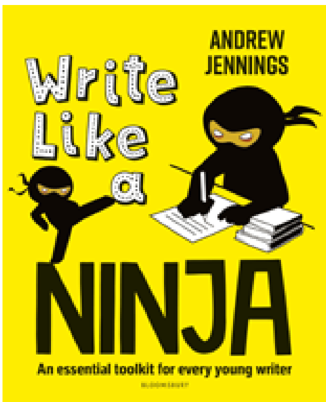
Strategy for growth

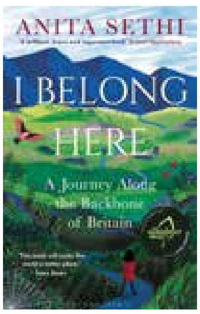
- Ongoing investment in organic growth plans in core publishing areas
- Implementation of strategy plans for Academic, Professional and Special Interest publishing
- Expansion of Bloomsbury Digital Resources portfolio of products
- Growth in sales of Bloomsbury Digital Resources; BDR target from 2022/2023 of achieving a further 50% organic revenue growth and 30% margin over the next five years
- Expansion of international revenues particularly in the US
- Strategic bolt-on acquisitions to accelerate growth, strengthen content coverage and IP ownership, grow market penetration and bolster digital strategy
- ESG: pursue new innovation, partnerships and initiatives in line with our Group wide Sustainability and Diversity, Equity and Inclusion Action Plans











2021/2022 Key financial figures

£81.9m
Non-Consumer revenue

£61m
Non-Consumer revenue - UK

£17.5m
Non-Consumer revenue - US

£3.4m
Non-Consumer revenue - Other territories

£9.1m
Non-Consumer adjusted profit[1]

£11%
Non-Consumer adjusted profit margin

1 Adjusted profit is profit before taxation, amortisation of acquired intangible assets and other highlighted items. A reconciliation between profit before tax and adjusted profit can be found in note 3 to the Financial Statements.

Bloomsbury Digital Resources

Bloomsbury Digital Resources ("BDR") is committed to serving a global community of students, scholars, instructors, professionals and librarians with creative online research and learning environments that deliver excellence and originality.

Aside from Bloomsbury Collections, the ebooks platform, all BDR products are based around the concept of taking specialist content that serves the specific needs of academic, student or professional users, and building products that fulfil those needs. Content is highly varied across subject areas and includes not only high-level academic works, but also textbooks, playtexts, professional titles and reference. BDR has world leading subject hubs, such as Drama Online and Bloomsbury Fashion Central. The focus is on developing new products in core subject areas and increasing market penetration in the US and Asia in particular.

BDR continues to widen its product portfolio: 2,000 titles were added to Bloomsbury Collections in 2021/2022, a 15% increase on prior year, and two major new products were launched – Bloomsbury Philosophy Library and Bloomsbury Religion in North America. In line with the strategic goal to build out major subject hubs, BDR also released 13 new product modules.

The leading subject hub, Drama Online, released a new content collection from its video streaming partnership with the National Theatre, as well as a major new collection of 200 plays from Theatre Communications Group ("TCG"). TCG is the largest independent trade publisher of dramatic literature in North America; their backlist consists of diverse voices in contemporary American theatre, including 18 winners of the Pulitzer Prize for Drama. In addition, BDR signed an exclusive licence with the Globe Theatre to bring videos of the Globe to Globe Festival to the educational market. The festival, attended by more than 100,000 people, presented 37 productions of Shakespeare's plays in 37 different languages over a six-week period, in part as an experiment to show how important Shakespeare is to the rest of the world.

Bloomsbury's acquisitions have further bolstered its digital strategy. Acquisition of the digital content assets of ArtFilms adds over 2,000 films that showcase the global diversity and breadth of the visual and performing arts world. These will be migrated to a new video hub that will go live later this year. New video content licences were also agreed with the Royal Opera House and Glyndebourne, amongst other leading houses. These will be hosted on the new video hub and will bolster the division's strengths in the performing arts while at the same time expanding its video offerings, a key strategic goal.

The acquisition of the prestigious US publishing house, ABC-CLIO, enables new digital reach into US high school and public library markets with 32 databases that provide curriculum-aligned reference content and lesson plans. The acquisition also brings more than 23,000 titles to our Academic & Professional Division that will significantly enhance Bloomsbury Collections' offering and that can be incorporated into other digital products. The acquisition of certain assets of Red Globe Press from Macmillan International Higher Education brings major digital resources to BDR that align with our mission to provide creative learning environments for students.

BDR is helping to drive the accelerated transition to digital, which has supported teaching and research during the pandemic. Greater exposure to digital solutions, combined with necessity when remote learning was the only option, has resulted in a culture shift. This is particularly the case in the arts and humanities, where the benefit of adopting digital solutions was initially less apparent but is now gaining momentum. Success has been fuelled by increased exposure, an expanding and well-received product portfolio, and broader recognition of the reputation of the BDR brand.

Sold in
69
countries

2,263
customers in 2021/2022

More than
100
products or modules now live

Diversity, Equity and Inclusion

Unlike print, digital products possess the great advantage of being able to evolve to reflect current events and cultural changes relatively quickly. BDR is committed to Diversity, Equity and Inclusion because it is right, but also because a panoply of voices enriches the learning experience.

From its earliest days, BDR products have spotlighted areas previously thought unworthy of academic study. A prime example, Berg Fashion Library (launched in 2010), not only provided a scholarly resource for the study of fashion, it highlighted dress practices from around the world with deep and substantive coverage of Asia, Africa, and South America. Every country was covered, and as far as possible, local scholars were commissioned to write articles so that scholarly communication was not filtered through a Western lens. At its heart was a corrective approach to coverage of its subject. The product has gone on to win multiple awards and has helped to define the field.

Drama Online: Case Study

What is Drama Online?

Drama Online is an academic digital resource which was created in 2013 in response to the need for a high-quality online research tool for drama and literature students, professors, and teachers.

Comprising 22 collections and growing, it is the only resource to combine exclusively available play texts and scholarly publications with filmed live performances, film adaptations and audio plays. In addition to play texts from Bloomsbury's Methuen Drama, Arden Shakespeare and Oberon Books lists, it includes performances from high-profile partners such as the National Theatre, the Royal Shakespeare Company, the Globe Theatre, the Donmar Warehouse, Faber & Faber, Nick Hern Books, and Theatre Communications Group ("TCG"), amongst others.

What audiences does it serve?

Drama Online caters to a wide range of users, from students and researchers of literature to actors and theatre practitioners. Offering plays, videos, acting classes, scholarly critical books and audio plays, the potential to use Drama Online in the classroom is wide-ranging, from Shakespeare classes to drama practitioner classes, and beyond. Drama Online also features unique Play Tools that include character grids, words and speech graphs, and part books, offering new ways to engage with plays for close study or performance. Video content is supported by an interactive transcript player and video clipping functionality, for increased accessibility and functionality that aids study. From the epic to the monologue; ensemble to one-person plays; comedy to tragedy; the historical to the contemporary; and from the highly political to the profoundly personal, there is plenty to discover all on this one resource.

Endorsements from users

In December 2021, Drama Online was recognised as an Outstanding Academic Title 2021 by CHOICE. CHOICE is a publishing unit of the Association of College & Research Libraries, a division of the American Library Association. The award was based on a CHOICE review, which described Drama Online as a "unique offering among the theatrical databases currently available" on the basis that play texts, video and audio are all available in one space.

A full list of awards and reviews can be found at https://www.dramaonlinelibrary.com/awards-and-reviews

Testimonials are online at https://www.dramaonlinelibrary.com/testimonials

Case Studies from Royal Holloway University of London and School of Humanities, NUI Galway can be read at https://www.dramaonlinelibrary.com/case-studies

Major partnership with the National Theatre

We have seen significant interest in Drama Online's National Theatre Collection since the announcement of its launch, notably from schools that do not regularly invest in theatre materials. The combination of the exceptional quality of the productions with the National Theatre's reputation created a steady stream of demand from every kind of institution – from community colleges to the Ivy League. The productions are already being actively incorporated into theatre and literature courses globally.

Customer feedback on the National Theatre collections

"We were interested in the National Theatre Collection for its high quality, both in terms of production value and filming, and its non-Shakespeare content. We had requests from students and faculty – there's name recognition for NT content, especially since they play in movie theatres and other venues commercially. The National Theatre collection has great, well-known productions and is one of the few "name brands" that I get asked about."
University of Iowa

"Our usage is getting better every year. I think the fact that it is usually a live performance actually filmed with an audience, makes it quite authentic. Plus the fact that new plays are added all of the time is a bonus. Seeing the live stage craft really helps to bring a play to life. It is especially useful at the moment when not everyone can access the theatres."
University of Nottingham

"The National Theatre collection has been such a great resource and our Theatre Arts teachers and students are very happy!"
Melbourne Polytechnic

Contributing to Bloomsbury's digital strategy

Drama Online is the ultimate digital tool in this field of study. It is the only resource to combine exclusively available playtext content and scholarly publications with filmed live performances, film adaptations, and audio plays, which fulfils Bloomsbury's digital strategy to innovate and provide excellence in content. Drama Online also shines a spotlight on Black British Playwrights, LGBTQ+ Playwrights, Female Playwrights, and works that discuss such topics as Climate Change to contribute to another key goal of Bloomsbury and present diversity in scholarship.

As one reviewer noted, "Theatre's future will be shaped by students who have this as a go-to-resource." With Drama Online, students can read a play and then watch or listen to a stellar version to learn more about how it could be presented, designed and performed. High calibre performances are now available to all students and not just those in close proximity to a bricks-and-mortar theatre.

Content Highlights

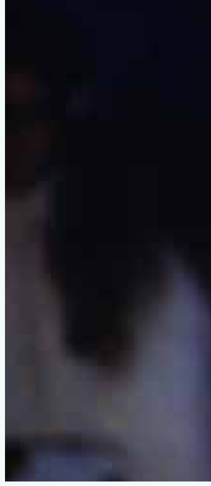
Offering a complete multimedia experience of theatre

3,500+
play texts from over 1,300 playwrights

400+
audio plays

400
hours of video

450
scholarly books from leading theatre publishers and companies



Bloomsbury Fashion Central: Case Study

What is Bloomsbury Fashion Central?

Bloomsbury Fashion Central is a dynamic academic digital resource launched in 2010 for interdisciplinary research in fashion and dress. It is comprised of five databases that can be purchased singly or in any combination:

- Berg Fashion Library
- Fairchild Books Library
- Fashion Photography Archive
- Bloomsbury Fashion Business Cases
- Bloomsbury Fashion Video Archive

Content is peer reviewed by industry and academic experts. It includes interconnected major reference works, exclusive articles, scholarly ebooks, case studies, biographies, lesson plans, bibliographic guides, textbooks, video content, runway and backstage photos from fashion shows, and tens of thousands of images from museums around the world to create a rich and vibrant educational resource.

What audiences does it serve?

BFC is highly interdisciplinary and is used by students, researchers, and instructors across many fields, including fashion history, fashion theory, the fashion business, costume, anthropology, art history, cultural history, human geography, and museum studies.

Berg Fashion Library is the leading resource for students and researchers of fashion studies. Students discover the richness and complexity of global dress with reference works, images, museum partnerships and teaching tools.

Offering everything a person needs to know to enter and thrive in the fashion industry, **Fairchild Books Library** provides content that covers a full spectrum of topics in fashion, including construction, draping, fashion business management, history, illustration, journalism, marketing, promotion, theory, pattern making, styling, product development, sustainable fashion and textiles.

Curated by Editor-in-Chief Valerie Steele, Director of the Museum at FIT in New York, **Bloomsbury Fashion Photography Archive** showcases more than 775,000 newly-digitised, high-quality images illustrating 40 years of contemporary fashion history, along with a timeline, lesson plans and videos.

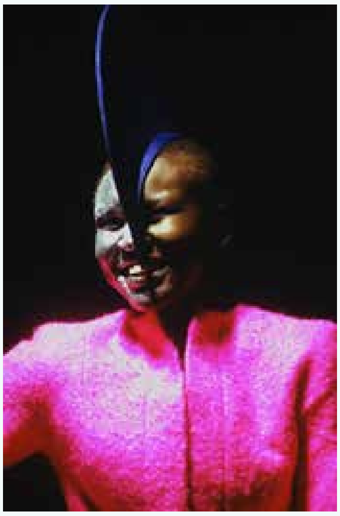
Bloomsbury Fashion Business Cases is tailored to create a link between education and industry. Designed to help students develop the essential business skills required for a career in the fashion industry, this digital resource is global in focus and presents real-world cases on challenges facing the business of fashion, tackling important issues such as sustainability, technology, ethics and leadership.

Displaying nearly 3,000 fashion videos from the YOOX-NET-A-PORTER Runway Archive Collections, the **Bloomsbury Fashion Video Archive** documents fashion's most spectacular era, from 1979 to 2003. Collection highlights include Vivienne Westwood's provocative shows, disruptive innovators Hussein Chalayan and Rei Kawakubo, "les enfants terribles" Alexander McQueen and John Galliano, and the rise of the supermodels.

Endorsements from users

"Bloomsbury Fashion Central more than meets its promise to serve as the central source for interdisciplinary research on fashion and dress. The breadth of peer-reviewed and original content sets it apart, making it valuable for those interested in the history of fashion, industry, culture, and more." **Library Journal**

"The Berg Fashion Library forms part of Bloomsbury Fashion Central, a digital lynchpin for research involving fashion and dress. Alongside the Fashion Photography Archive, Fairchild Books Library, and Bloomsbury Fashion Business Cases, the Berg Fashion Library tightly weaves together an interdisciplinary array of digital resources for those interested in the multifaceted inner workings of dress. Enriching both students and researchers of fashion studies, the vast visual corpus offers an abundant repertoire of benchmark texts in ebook format and encourages cross-cultural study." **Oxford Research Encyclopaedia of Latin American History**



"If you support fashion in any way shape or form, I highly recommend the Fashion Photography Archive database." **Reference Reviews**

"The Berg Fashion Library is the leading resource for students and researchers of fashion studies. Interdisciplinary in nature, with great visual and integrated content ... Earning our gold star rating, it is critical for students of both historical and contemporary fashion." **Library Journal**

"The leading source of information for anyone working in, researching, or studying fashion." **CHOICE**

Response and reaction

BFC has won multiple awards:

- 2017: BFC wins the IPG Ingram Content Group Digital Publishing Award
- 2016: BFC wins Bookseller FutureBook Awards' Platform of the Year (Reference/Education)
- 2016: Berg Fashion Library wins the Charleston Advisors Reader's Choice Award
- 2013: Berg Fashion Library wins the Popular Culture Association/American Culture Association Electronic Reference Award
- 2011: Berg Fashion Library wins the Dartmouth Medal
  Berg Fashion Library wins the ALA Outstanding Reference Source award
  Berg Fashion Library wins the Independent Publishers Guild Frankfurt Book Fair Digital Award
  Berg Fashion Library wins the Bookseller FutureBook Award for Best Website

Contributing to Bloomsbury's digital strategy

Bloomsbury Fashion Central is one of the cornerstones of BDR, representing a core area of publishing for Bloomsbury. The aim of this research hub is to offer a market-leading suite of fashion products that delivers everything students and researchers need: whether major textbooks on all aspects of the industry, images, catwalk videos, research or reference materials, the content shows how rich fashion is as an area for analysis and learning.

Bloomsbury Fashion Central's truly global outlook contributes to Bloomsbury's important strategy to diversify its content. The *Berg Encyclopedia of World Dress and Fashion* examines dress from around the world, with each volume focussing on a different global region. Bloomsbury Fashion Business Cases includes case studies from China, South Korea and Malaysia. We are actively commissioning articles and case studies from a diverse network of authors.

In December 2021, Bloomsbury Fashion Central was migrated to Bloomsbury's self-service platform. This new site is easier to search, browse and navigate, and includes a range of enhanced functionality improving accessibility and discoverability. Users benefit from an improved experience, including:

- Intuitive browsing – by content type, theme, design house, people, period or place
- New curated Collection pages, bringing together key content types, themed "Where to Start" options, curated playlists, Design in Focus pages and more
- Improved accessibility, with features such as video transcripts
- The ability to search within a book, to discover all content of interest instantly
- A fully responsive and mobile-friendly interface
- More intuitive and prominent related content

Content Highlights

150+

academic ebooks that cover important classic and modern writings on fashion

- Major reference works: five reference titles including the renowned Berg Encyclopedia of World Dress and Fashion
- Museum exhibitions: images from museum exhibitions around the world with introductions written by the curators

Image partnerships: over

17,000

colour images from prestigious partners such as the Costume Institute at the Metropolitan Museum of Art, the Victoria and Albert Museum, the Museum at the Fashion Institute of Technology

268

Business Cases and growing

More than

775,000

high-quality images from runway, backstage, and street style in the Fashion Photography Archive Videos from approximately

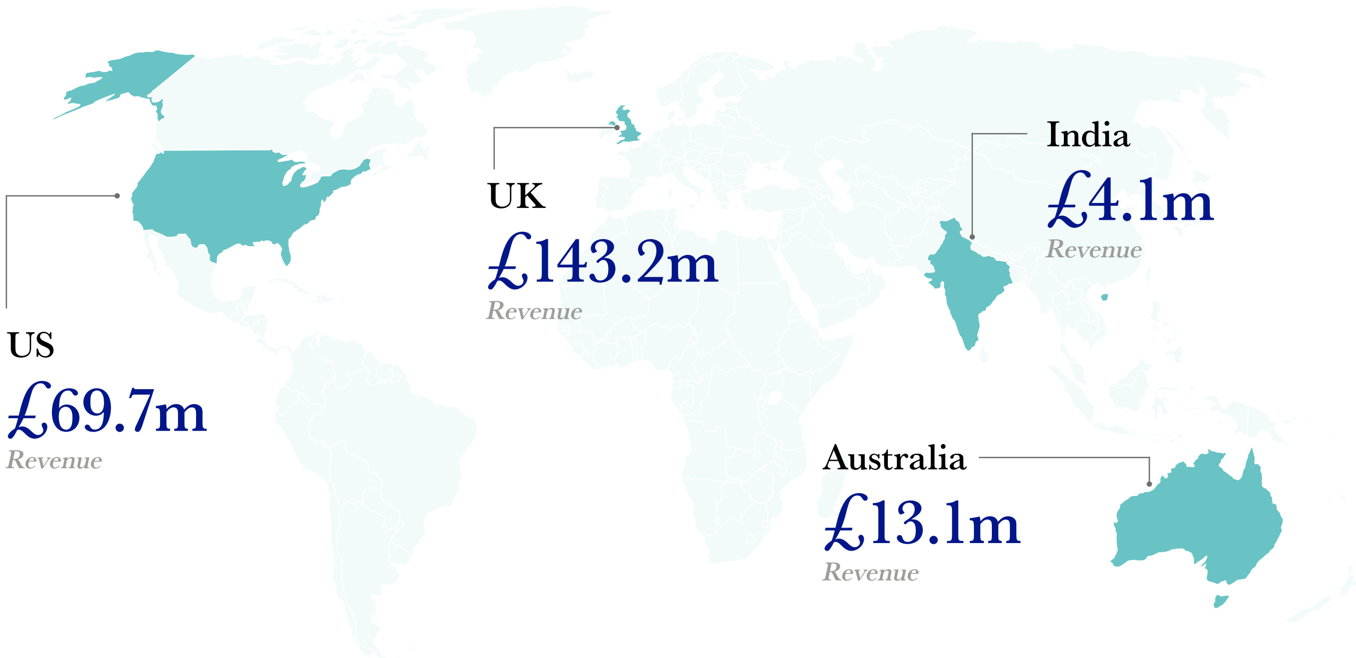
3,000

spectacular fashion shows representing 460 international designers on Bloomsbury Fashion Video Archive

170

textbooks providing content that covers a full spectrum of topics in fashion

Overview of International Offices



Bloomsbury US

Adrienne Vaughan
President

Established in 1998, Bloomsbury US publishes high-quality fiction and non-fiction for adults and children as well as cutting edge scholarship from a global list of renowned academic authors. Located in Manhattan, our extensive list of bestselling and award-winning trade authors includes Carol Anderson, Sam Quinones, Jesmyn Ward, Susanna Clarke, Sarah J. Maas, Brigid Kemmerer, Renée Watson and many more. Bloomsbury US Academic publishes a rich portfolio of content, in both print and digital formats, across a broad range of disciplines within the humanities, social sciences, and law.

At the start of 2021/2022, Bloomsbury US set out with a focus on four key areas: profitability, setting ambitious revenue targets, working smarter through process improvements, and facing opportunities and challenges as a team. 2021/2022 was Bloomsbury US's highest performing year across a number of measures, including record breaking revenue of £69.7million, an increase of 29% from the prior year.

This tremendous growth was led by the success of Sarah J. Maas, who during the year broke every previous record for sales of her titles, including spending a combined 21 weeks on the New York Times Bestseller list in the financial year. Over 19 million copies of titles by Sarah J. Maas have been sold worldwide.

In addition to the stellar performance of Sarah J. Maas, Bloomsbury US Trade publishing saw robust backlist performance across Adult and Children's publishing, compounding on the prior year's growth. Our authors were recognised with prestigious awards, including *Zorrie* by Laird Hunt, Finalist for The National Book Award; *This is How They Tell Me the World Ends* by Nicole Perlroth, which won The Financial Times Business Book of the Year Award; *Real Estate* by Deborah Levy, which won The Los Angeles Times Book Prize; and many more awards, best book listings and Indie Next selections.

Heading into 2022/2023, Bloomsbury US Trade is poised to build on the strength seen this year by adding to its list alongside established authors like Elif Shafak, whose title *The Island of Missing Trees* was a Reese Witherspoon Book of the month selection, and Brigid Kemmerer, who hit the New York Times list for the third time this year.

The excellent performance in 2021/2022 extended to Bloomsbury US Academic as well. The easing of lockdown restrictions, coupled with the increased return to in-person instruction helped drive a print rebound that resulted in net sales increases of 33% over prior year. At the same time, Bloomsbury Digital Resources saw phenomenal growth with invoiced sales increasing by 40% globally from the prior year.

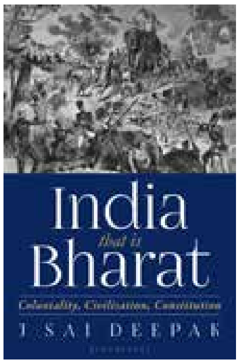
Two strategic acquisitions furthered the reach and market impact of Bloomsbury US Academic. Red Globe Press has greatly expanded our textbook offering across a range of subjects in the humanities and social sciences with particular emphasis in Business and Management and Political Science. ABC-CLIO adds significant breadth and depth to US Academic's offering of US originated content. With 16 databases and more in development, ABC-CLIO's compelling product portfolio includes a number of prestigious award-winners. Recent accolades include the Dartmouth Medal, the highest prize in reference publishing, for The Cold War: The Definitive Encyclopedia and Document Collection and Booklist Editors' Choice for African American Culture. ABC-CLIO positions Bloomsbury US Academic for another year of growth with a suite of high-quality academic databases that will be proactively promoted and sold in to an expanded schools market base.

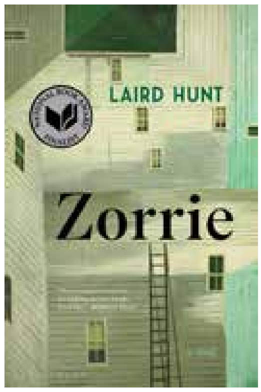
To support and sustain our excellent growth, Bloomsbury US has continued to invest in our people through promotions, new roles and training, as well as enhanced benefits and flexibility. The US Diversity Committee grew to include Staff Networks for Assistants, BIPOC, LGBTQIA+, Mental Health, Socioeconomic Status, and Women at Bloomsbury. Diversity, Equity and Inclusion initiatives launched this year include: Anti-Racism and Unconscious Bias Training, Mentorship Program and diversity tracking of our candidate pools. US President Adrienne Vaughan was an inaugural working group member in the American Association of Publishers DE&I industry efforts. Our Diversity Committee is actively enriching employee experience, belonging and engagement, and strengthening the power of our own publishing and culture as well as the industry.

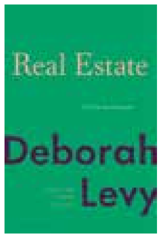
Across all divisions, Bloomsbury US is now focused on developing dynamic, diverse, and differentiated lists, growing the pipeline of sales, author talent, products and channels required to sustain and expand on the tremendous success seen this year.

Bloomsbury Australia

Cristina Cappelluto
Managing Director







Bloomsbury Australia was established in 2010, and is responsible for Australian and New Zealand sales, marketing and distribution of Bloomsbury titles commissioned and published in the UK and US.

2021/2022 was a challenging, yet exciting year for Bloomsbury Australia. Not only did we see strong growth in sales across the board, two overall Number Ones for Sarah J. Maas, and industry recognition by winning International Book of the Year at the Australian Book Industry Awards, we also grew in size as a company from 16 to 20; with new roles added in Academic, HR and Operations.

Despite the challenges associated with the pandemic, book sales in Australia remained strong and print book sales in 2021 were the highest in a decade; the third highest recorded since 2003. For Bloomsbury Australia, 2021/2022 revenues finished the year 18% higher than the prior year. Sarah J. Maas, Harry Potter and Madeline Miller were the key drivers of these results.

During the year, we have had two overall number one bestsellers, with both of Sarah J. Maas' releases in that time hitting the top spot. Sales of *House of Sky and Breath* in March 2022 were up by 17% on her previous novel in March 2021, *A Court of Silver Flames*. We also saw *Stolen Focus* by Johann Hari reach number four on the non-fiction chart, up by 214% to date on his last book *Lost Connections*, and selling over 10,000 copies in just six weeks.

Such a Fun Age by Kiley Reid won the Australian Book Industry Award for International Book of the Year in 2021, a huge achievement with Reid winning over significant competition, including Barack Obama.

Bloomsbury India

Rajiv Beri
Managing Director

Bloomsbury India was established in 2012 with the objective of maximising sales in the market and building strong Indian origin publishing programmes offering significant and sustainable growth. The company has a diverse publishing catalogue with strong publishing programs in Adult Trade, Children's, Academic & Professional. Bloomsbury India is among the top four Indian publishers of adult trade books with over 1000 active India originating titles in its list.

The Academic market in India is contingent on funding of institutes and colleges by the government. Bloomsbury India has established itself as the academic market leader in Fashion and Design and has made rapid strides in its share of the Humanities and Social Sciences digital market with many prestigious institutes opting for Bloomsbury Digital Resources.

The Company has significant ambitions to grow its Academic programme, where the market opportunity is significant.

The publishing market and business environment was challenging due to COVID-19. School children moved to online classes and colleges and universities were closed for almost the whole year, significantly impacting Educational and Academic publishers. Trade publishers also experienced reduced offline sales.

2021/2022 has been a year of recovery for Bloomsbury India. We achieved 50% revenue growth over the prior year. Children's titles led the way, with strong sales of Harry Potter and Sarah J. Maas titles. Bloomsbury India now has a portfolio of best-selling authors including Shiv Khera, the most successful self-help author in India.

In the front list of Bloomsbury India originated titles, one of the many stars was *India That is Bharat* by J Sai Deepak, which sold 35,000 copies and after over six months of publication is still among the top 20 in the Amazon bestseller list. Ebook sales too took a remarkable leap forward with an over 200% increase.

In 2021/2022 Bloomsbury India won eight awards including the National Laadli Media and Advertising Award for Gender Sensitivity for *The Water Phoenix* by Rituparna Chatterjee, and the AG-BLF Book Prize for the best cover design for *Shadow Craft* by Gayathri Prabhu and Nikhil Govind.

Financial Review

Penny Scott-Bayfield - Group Finance Director

In 2021/2022, Group revenues increased by 24% to £230.1 million (2020/2021: £185.1 million). They increased 41% from 2019/2020.

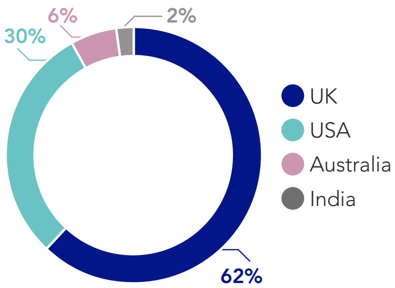
The Consumer Division generated excellent revenue growth of 25% to £148.2 million (2020/2021: £118.3 million), with very strong performance delivered by both the Adult and Children's Divisions, across front and backlist titles.

The Non-Consumer Division delivered excellent revenue growth of 23%. Bloomsbury Digital Resources ("BDR") revenue increased by 50% to deliver £18.6 million revenue, outperforming the long-term strategic goal we set six years ago. Total revenue in the Non-Consumer Division increased by 23% to £81.9 million (2020/2021: £66.8 million), generated by 34% growth in Academic & Professional division, with 1% growth in the Special Interest division.

Revenue by territory

Revenues sold overseas totalled £150.8 million (2020/2021: £119.3 million), increasing to 66% of total revenues.

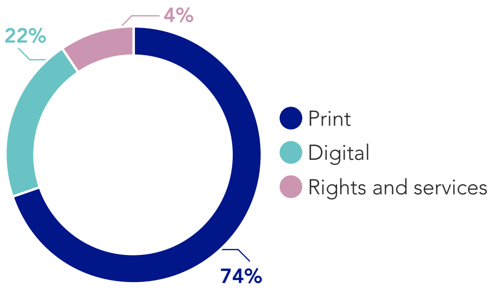
The chart shows where Group revenues by source were generated for the year ended 28 February 2022.



Revenue by channel

Digital sales grew by 34%, driven by ebook revenue growth of 24%, the 50% increase in BDR revenues and audio revenue growth of 54%. Print sales were very strong with a 22% increase during the year, with increased Consumer and Non-Consumer sales. Rights and services revenues increased by 20%.

The chart shows the proportion of Group revenue that each channel generates.



Profit

Profit before tax and highlighted items increased by 40% to £26.7 million (2020/2021: £19.2 million). Profit before tax increased by 28% to £22.2 million (2020/2021: £17.3 million).

The increased profit was driven by the excellent performance of both the Consumer and Non-Consumer Divisions, with Consumer profit before taxation and highlighted items up 25% to £17.8 million (2020/2021: £14.2 million) and Non-Consumer profit up 68% to £9.1 million (2020/2021: £5.4 million).

The operating profit margin increased year-on-year to 9.8% from 9.6%. The operating profit margin before highlighted items increased year-on-year to 11.8% from 10.6%. Administrative expenses, excluding highlighted items were 20% higher; this was due to the impact of acquisitions, increased staff costs including the Group-wide employee bonus and higher share option charges.

Highlighted items in the year comprised the amortisation of acquired intangible assets of £2.8 million (2020/2021: £1.8 million), one-off restructuring costs and legal and other professional fees relating to the acquisitions of £1.8 million (2020/2021: £1.3 million), and in 2020/2021 only, a one-off US Government grant under the Paycheck Protection Program (£1.3 million).

Interest

The net finance cost was £0.4 million (2020/2021: £0.5 million). The finance income of £0.1 million relates to bank interest and the unwinding of interest on long-term revenue contracts. The finance cost of £0.5 million predominantly relates to interest on lease liabilities under IFRS 16.

Taxation

The tax charge of £5.3 million (2020/2021: £3.7 million) is a reported effective rate of tax of 23.9%, higher than the reported rate of 21.0% for the prior year. Excluding the effect of highlighted items, the effective tax rate for the Group was 19.4% (2020/2021: 20.0%).

Earnings per share

Diluted earnings per share before highlighted items increased by 39% to 25.94 pence (2020/2021: 18.68 pence), as a result of the profit growth. Diluted earnings per share, after deducting highlighted items, increased by 22% to 20.33 pence (2020/2021: 16.71 pence). Information on distributable reserves can be found on page 211. Information on the dividend can be found in the Chief Executive's Review on page 22.

Financial Review

continued

Capital structure

Our balance sheet at 28 February 2022 is summarised in the table below:

	2022 £m	2021 £m
Goodwill and acquired intangible assets	**79.7**	58.0
Internally generated intangible assets	**8.6**	8.0
Investments	**0.1**	0.2
Property, plant and equipment	**2.3**	1.8
Net right-of-use assets and lease liability	**(1.6)**	(1.5)
Net deferred tax assets	**3.5**	1.5
Working capital	**35.2**	45.5
Other non-current assets and liabilities	**0.0**	0.2
Total net assets before net cash	**127.8**	113.7
Net cash	**41.2**	54.5
Total net assets	**169.0**	168.2

Net assets per share were 207 pence (2021: 206 pence). The main movements on the balance sheet were goodwill and acquired intangible assets, working capital and cash. Goodwill and acquired intangible assets increased due to the acquisitions made during the year. Working capital decreased mainly due to increased royalties accrued and the £5.3 million employee bonus accrual (2021: £2.6 million) due to the very strong results delivered during the year. The £13.3 million reduction in net cash was due to payments for acquisitions of £26.6 million, offset by strong trading and cash generation.

Inventories increased by 26% to £33.8 million (2021: £26.8 million). On a like-for-like basis, excluding the effect of acquisitions (reduced by £2.8 million), the increase in inventories was 16% or £4.2 million, reflecting the increased levels to ensure stock availability.

Total trade and other receivables increased by 12% to £105.8 million (2021: £94.5 million). Net trade receivables were £6.5 million higher at £65.2 million (2021: £58.7 million) due to strong trading during the year and the impact of acquisitions.

Trade and other liabilities increased by 39% to £103.0 million (2021: £74.3 million). Trade payables were 28% higher at £30.2 million (2021: £23.7 million) due to timing of printing and the impact of acquisitions. Accruals were £12.5 million higher than last year at £41.5 million (2021: £29.0 million) due to the higher royalty accrual, up £4.8 million, and the £5.3 million employee bonus payable for the year (2021: £2.6 million).

Cash

Cash and cash equivalents were £41.2 million (2021: £54.5 million). Cash flow conversion in the year was 194% (2021: 142%).

The net cash generated from operating activities, including the effect of highlighted items, was £39.8 million (2021: £25.2 million). This movement is due to increased profit. Cash used in investing activities was principally the acquisition of certain assets of Red Globe Press ("RGP"), Head of Zeus Ltd ("HoZ") and ABC-CLIO, LLC ("ABC-CLIO") and the cost of internally generated intangible assets such as product and system development. Cash used in financing activities mainly comprised dividend payments.

Liquidity

The Group has an unsecured committed revolving credit facility with Lloyds Bank Plc of £10.0 million. The facility is subject to two covenants, being a maximum net debt to EBITDA ratio of 2.5x and a minimum interest cover of 4x. The loan facilities mature in October 2024. The Group's net cash position changes over the course of the year as a result of the seasonality of the business, with the most significant expenses being the payment of royalties in March and September, and the most significant sale receipts being in February from Christmas sales. At 28 February 2022, the Group had £nil drawdown (2021: £nil) of this facility with £10.0 million of undrawn borrowing facilities (2021: £8.0 million) available.

Acquisitions

In June 2021, the Company acquired certain assets of RGP, the academic imprint. The consideration was £3.2 million, of which £1.8 million was satisfied in cash on completion in June 2021 and £1.3 million was satisfied in cash post completion, with an expected further £0.1 million to be satisfied post completion subject to assignment of certain contracts. For the year ended 28 February 2022, RGP contributed £6.2 million of revenue to the Academic & Professional division.

In June 2021, the Company acquired HoZ, the independent trade publisher, for £7.0 million, of which £5.5 million was satisfied in cash at completion, with £1.1 million paid in cash post completion, and £0.4 million of deferred consideration payable in cash subject to achievement of Netflix release targets. For the year ended 28 February 2022, HoZ contributed £9.0 million of revenue to the Consumer Adult division.

In December 2021, the Company acquired ABC-CLIO, the academic publisher. The consideration was £16.7 million, of which £16.6 million was satisfied in cash on completion and up to £0.1 million will be satisfied in cash post completion. For the year ended 28 February 2022, ABC-CLIO contributed £2.2 million of revenue to the Academic & Professional division.

Alternative performance measures

The Board considers it helpful to provide performance measures that it uses to assess the operating performance of the Group.

The Annual Report presents non-GAAP measures alongside the standard accounting terms prescribed by IFRS and the Companies Act, as the Board considers they would be beneficial to users.

These measures exclude Income Statement items arising from significant non-cash charges and major one-off initiatives, which are highlighted in the Income Statement because, in the opinion of the Directors, separate disclosure is helpful in understanding the underlying performance of the business that underpins long-term value generation. These measures also enable investors to more easily, and consistently, track the underlying operational performance of the Group and its operating segments by separating out those items that are not representative of underlying performance of the business. The Income Statement items that are excluded from adjusted profit measures are referred to as highlighted items.

Alternative performance measures are used by the Board and management for planning and reporting, and have remained consistent with the prior year. The Group's definition of adjusted performance measures may not be comparable to other similarly titled measures that are used by other companies.

Both adjusted profit measures and highlighted items are presented together with statutory measures on the face of the Income Statement. Details of the charges and credits presented as highlighted items are set out in Note 4 to the financial statements. The basis for treating these items as highlighted is as follows:

£26.7m
Group adjusted profit

20.4%
ROCE

£230.1m
Group revenue

25.94p
Adjusted diluted EPS (pence per share)

Profit before tax and highlighted items/Adjusted profit

Profit before tax and highlighted items or adjusted profit is profit before tax, amortisation of acquired intangibles and other highlighted items.

2021/2022	Children's Trade £'000	Adult Trade £'000	Consumer £'000	Academic & Professional £'000	Special Interest £'000	Non-Consumer £'000	Unallocated £'000	Total £'000
Profit/(loss) before taxation and highlighted items	**15,800**	**1,954**	**17,754**	**9,088**	**30**	**9,118**	**(141)**	**26,731**
Amortisation of acquired intangible assets	–	(272)	(272)	(2,349)	(214)	(2,563)	–	(2,835)
Other highlighted items	–	–	–	–	–	–	(1,715)	(1,715)
Profit/(loss) before taxation	**15,800**	**1,682**	**17,482**	**6,739**	**(184)**	**6,555**	**(1,856)**	**22,181**

Operating profit before highlighted items/Adjusted operating profit

Operating profit before highlighted items or adjusted operating profit is operating profit before amortisation of acquired intangibles and other highlighted items.

2021/2022	Children's Trade £'000	Adult Trade £'000	Consumer £'000	Academic & Professional £'000	Special Interest £'000	Non-Consumer £'000	Unallocated £'000	Total £'000
Operating profit/(loss) before highlighted items	**15,962**	**2,048**	**18,010**	**9,141**	**78**	**9,219**	**(117)**	**27,112**
Amortisation of acquired intangible assets	–	(272)	(272)	(2,349)	(214)	(2,563)	–	(2,835)
Other highlighted items	–	–	–	–	–	–	(1,715)	(1,715)
Operating profit/(loss)	**15,962**	**1,776**	**17,738**	**6,792**	**(136)**	**6,656**	**(1,832)**	**22,562**

Amortisation of acquired intangible assets

Charges for amortisation of acquired intangible assets arise from the purchase consideration of a number of separate acquisitions. These acquisitions are strategic investment decisions that took place at different times over a number of years, and so the associated amortisation does not reflect current operational performance.

Other highlighted items

Other highlighted items are recorded in accordance with the Group's policy set out in Note 4 of the financial statements. They arise from one-off major initiatives such that, in the opinion of the Directors, separate disclosure is helpful in understanding the underlying performance of the business that underpins long-term value generation. Examples include major restructuring initiatives or legal and professional fees arising from an acquisition. In the opinion of the Directors, separate disclosure is helpful in understanding the underlying performance and future profitability of the business.

Financial Review

continued

Tax related to highlighted items

The elements of the overall Group tax charge relating to the above highlighted items are also treated as adjusting. These elements of the tax charge are calculated with reference to the specific tax treatment of each individual highlighted item.

Adjusted diluted earnings per share/Diluted earnings per share, excluding highlighted items

Adjusted earnings includes profit before tax and highlighted items net of adjusted tax. Adjusted earnings is included as a non-GAAP measure as it is used by management to evaluate performance and by investors to more easily, and consistently, track the underlying operational performance of the Group over time. Adjusted earnings per share is calculated as adjusted earnings divided by the weighted average number of shares in issue.

Tax on other highlighted items is excluded from adjusted earnings. The Group includes the benefit of tax amortisation of intangible assets within adjusted tax as this benefit more accurately aligns the adjusted tax charge with the expected cash tax payments.

	2021/2022 £'000	2020/2021 £'000
Profit before taxation	**22,181**	17,349
Amortisation of acquired intangible assets	**2,835**	1,809
Other highlighted items	**1,715**	(5)
Adjusted profit before tax	**26,731**	19,153
Tax expense	**5,291**	3,652
Deferred tax movements on goodwill and acquired intangible assets	**(207)**	(41)
Tax expense on other highlighted items	**99**	232
Adjusted tax	**5,183**	3,843
Adjusted earnings	**21,548**	15,310
Diluted weighted average shares in issue	**83,063,193**	80,867,938
Adjusted diluted earnings per share	**25.94p**	18.68p

Organic revenue

Organic revenue excludes the effect of major portfolio changes arising from acquisitions. Portfolio changes are calculated taking account of the additional revenue from acquisition made in the current year.

	Consumer £'000	Non-Consumer £'000	Total £'000
Organic revenue	**139,215**	**73,534**	**212,749**
Head of Zeus	8,981	–	8,981
Red Globe Press	–	6,156	6,156
ABC-CLIO	–	2,224	2,224
Statutory revenue 2022	**148,196**	**81,914**	**230,110**
Statutory revenue 2021	118,360	66,776	185,136

Return on capital employed

Return on capital employed is calculated as profit before tax with other highlighted items and net finance costs added back, divided by average capital employed for the last two years. Capital employed is gross assets excluding cash and cash equivalents, deferred tax assets and current tax receivables less trade and other payables and lease liabilities.

	2021/2022 £'000	2020/2021 £'000
Profit before taxation	**22,181**	17,349
Other highlighted items	**1,715**	(5)
Net interest	**381**	484
Return	**24,277**	17,828
Gross assets	**274,355**	244,449
Less: Average Cash and cash equivalents	**(47,846)**	(42,906)
Less: Average Deferred tax assets	**(5,694)**	(3,330)
Less: Average Current tax receivables	**(782)**	(326)
Average Trade and other payables	**(88,685)**	(68,093)
Average Lease liabilities	**(12,585)**	(13,737)
Capital employed	**118,763**	116,057
Return on capital employed	**20.4%**	15.4%

Cash conversion

Cash conversion shows how well the Company is converting profit into cash. It is taken from the following GAAP measures:

	2021/2022 £m	2020/2021 £m
Cash generated from operating activities	**47.7**	29.6
Settlement of pre-existing acquisition liabilities	**0.4**	–
Adjusted cash generated from operating activities	**48.1**	29.6
Less: Purchase of property, plant and equipment	**(0.6)**	(0.4)
Less: Purchase of intangible assets	**(3.7)**	(3.8)
Net cash generated	**43.8**	25.4
Operating profit	**22.6**	17.8
Cash conversion	**194%**	142%

Financial Review

continued

Constant currency measures

Constant currency measures are disclosed in order to eliminate the effect of the movement in foreign exchange rates. Changes in exchange rates used to record non-sterling businesses result in a lack of comparability between periods since equivalent local currency amounts are recorded at different sterling amounts in different periods. Results using constant currencies are disclosed where they have a material impact on those numbers, enabling a better understanding of the underlying performance.

We have, therefore, restated the current year revenue at the prior year exchange rates below. The currency adjustment is calculated by applying the monthly foreign exchange rates used in 2020/2021 to convert the overseas revenue into sterling. This has been applied on a month-by-month basis to the 2021/2022 revenue. This method allows better comparability given the seasonality of the business.

	Children's Trade £'000	Adult Trade £'000	Consumer £'000	Academic & Professional £'000	Special Interest £'000	Non-Consumer £'000	Total £'000
Group revenue 2021/2022 – Reported	93,039	55,157	148,196	59,328	22,586	81,914	230,110
Currency adjustment	2,514	904	3,418	681	289	970	4,388
2021/2022 – currency adjusted	**95,553**	**56,061**	**151,614**	**60,009**	**22,875**	**82,884**	**234,498**
2020/2021 – reported	74,599	43,761	118,360	44,307	22,469	66,776	185,136

	United Kingdom £'000	North America £'000	Australia £'000	India £'000	Total £'000
Group revenue 2021/2022 – Reported	143,192	69,651	13,133	4,134	230,110
Currency adjustment	–	4,046	98	244	4,388
2021/2022 – currency adjusted	**143,192**	**73,697**	**13,231**	**4,378**	**234,498**
2020/2021 – reported	117,429	53,872	11,084	2,751	185,136

	Children's Trade £'000	Adult Trade £'000	Consumer £'000	Academic & Professional £'000	Special Interest £'000	Non-Consumer £'000	Unallocated £'000	Total £'000
Group operating profit/ (loss) 2021/2022 – reported	15,962	1,776	17,738	6,792	(136)	6,656	(1,832)	22,562
Currency adjustment	642	20	662	113	(13)	100	2	764
2021/2022 – currency adjusted	**16,604**	**1,796**	**18,400**	**6,905**	**(149)**	**6,756**	**(1,830)**	**23,326**
2020/2021 – reported	10,542	3,948	14,490	2,790	958	3,748	(405)	17,833

	Children's Trade £'000	Adult Trade £'000	Consumer £'000	Academic & Professional £'000	Special Interest £'000	Non-Consumer £'000	Unallocated £'000	Total £'000
Group operating profit/ (loss) before highlighted items 2021/2022 – reported	15,962	2,048	18,010	9,141	78	9,219	(117)	27,112
Currency adjustment	642	20	662	119	(13)	106	–	768
2021/2022 – currency adjusted	**16,604**	**2,068**	**18,672**	**9,260**	**65**	**9,325**	**(117)**	**27,880**
2020/2021 – reported	10,542	3,965	14,507	4,368	1,172	5,540	(410)	19,637

Where no reconciliation is provided above for alternative performance measures, sufficient information is included in the narrative to be able to perform a reconciliation.

Penny Scott-Bayfield
Group Finance Director

Section 172 Directors' Duties Statement

The Directors of Bloomsbury – and those of all UK companies – must act in a manner which complies with a set of general duties. These duties are detailed in the Companies Act 2006 and include, in s172, a duty to promote the success of the Company, as set out below.

Section 172 of the Companies Act 2006

A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- The likely consequences of any decisions in the long-term;
- The interests of the company's employees;
- The need to foster the company's business relationships with suppliers, customers and others;
- The impact of the company's operations on the community and the environment;
- The desirability of the company maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between members of the company.

As part of their induction, the Directors are briefed on their duties, including their duties under s172, and are able to access professional advice on these, either through the Company, or from an independent provider should they consider it necessary.

The Board believes that the Company can only be successful when the interests of its key stakeholders are considered and appropriately reflected in how the Company's business and strategy develops. The Board has always had regard for the potential impact of the Group's activities on its various stakeholders. Read more about this on pages 52 to 59 of this Annual Report.

The Directors fulfil their duties partly through a governance framework that delegates day-to-day decision-making to employees of the Company; details of this governance framework are set out on page 101 of this Annual Report. In delegating such decision-making, the Board is mindful of the importance of an organisational culture, which has appropriate regard for the needs and views of its stakeholders and high ethical standards. The Board believes that balancing the interests of the Company's stakeholders with the Company's commercial objectives and the desire to behave as an ethical and responsible business is embedded in the way the Company operates, is informed by the strong social purpose, which underlies the Group's activities and is reinforced by a robust system of controls and assurances. As set out in the Chairman's Statement on pages 100 to 101 of this Annual Report and further on page 113 of this Annual Report, the Board continues to focus on fostering a corporate culture that is aligned with the Company's purpose, values and strategy. Effective engagement with, and regard for the concerns of, key stakeholders is an important aspect of promoting the Company's desired culture and reinforcing its values.

The Board gathers relevant information and feedback on key stakeholder interests and concerns from information provided by the Company's Executive Directors, senior and functional management and through direct engagement where appropriate. During the course of the year, the Board maintains its oversight of the Company's engagement with key stakeholders by receiving reports on the Company's engagement mechanisms, the matters considered during engagement, and the outcomes of such engagement. The insights which the Board gains through the Company's engagement mechanisms form an important part of the context for the Board's discussions and decision-making process.

As is typical of an organisation the size of the Company, engagement with key stakeholders in respect of day-to-day business and operational matters is ordinarily conducted by senior managers and other employees of the Company. By way of example, the Board believes that engagement with the Company's customers and suppliers is most effectively carried out by the operational teams that specialise in and are responsible for these areas. The Board gains an understanding of market trends through briefings by the Executive Directors and senior managers and from financial reporting by the Group Finance Director.

The Directors enjoy engaging with colleagues directly, both through attendance by Senior Managers at Board meetings to report on key developments and strategic focus in their areas of responsibility, and by way of attending Employee Voice Meetings, where Directors hear directly from Bloomsbury's employees on matters of concern and interest to them.

The Board believes that, individually and together, they have acted in the way they consider, in good faith, would promote the success of the Company for the benefit of its members as a whole, having regard to the matters set out in s172(1)(a–f) of the Companies Act 2006 in the decisions taken during the year ended 28 February 2022, as described in this Annual Report. In particular, you are encouraged to read the following sections of this report which illustrate how the Directors, with the support of the wider business, consider these matters in the course of their duties. This is not an exhaustive list as such matters are integrated throughout this report:

Business model – this identifies and explains the key resources and relationships which our business depends upon (pages 26 to 27)

Bloomsbury's culture – this describes our purpose and the values which drive our culture (page 10)

Strategy – this summarises our long-term strategy, our strategic priorities, and the progress we have made in implementing that strategy (page 14, and pages 17 to 18)

Chief Executive's Review – this reviews our performance and explains how our key decisions during the year have supported our long-term strategy (pages 16 to 23)

Stakeholder engagement – this identifies our key stakeholder groups and summarises how we engage with them, their key concerns and how their interests are taken into account in the Board's decision-making (pages 52 to 61)

Corporate Social Responsibility Report – (pages 60 to 81) this summarises:

– how the Directors have engaged with employees and had regard to employee interests; and

– the ways in which we engage in respect of, and have regard for, social and environmental issues

The Corporate Governance Report – this sets out the Company's governance framework, including how the Directors monitor culture and support the promotion of the desired culture necessary for the achievement of Bloomsbury's long-term goals (pages 100 to 144)

Engagement with Stakeholders

Engagement with Stakeholders

We believe that effective engagement with our key stakeholders, and consideration of their interests, is a vital aspect of our ability to achieve our mission and purpose, drive long-term value creation and ensure Bloomsbury's continued success. The Board is responsible for oversight of stakeholder engagement, ensuring that we balance the needs and expectations of our different stakeholder groups. The Board maintains its oversight through a variety of direct and indirect mechanisms, as illustrated on the following pages.

The insights which the Board gains through Bloomsbury's engagement mechanisms provide essential context for the Board's discussions and decision-making process. Board materials and discussions seek to appropriately consider the interests of key stakeholder groups while ensuring the need to promote the success of the Company for the benefit of its members as a whole. In addition, at each Board meeting the Directors are presented with a report on a particular stakeholder group, the key issues affecting that group and the engagement that has taken place to ensure a strong and continued understanding of stakeholder interests and concerns and the potential impact of the Board's decisions across our various stakeholder groups.

Bloomsbury's key stakeholder groups:

Shareholders

Authors and illustrators

Employees

Suppliers

Customers – wholesale and retail

Customers – academic and educational institutions, corporate customers

Society (including community and the environment)

On these pages, we have grouped our stakeholders into seven key categories and have provided an overview of their interests and concerns, the ways in which the Company and the Board (either directly and through the senior management team) engage with them, and how the interests of these key stakeholder groups are taken into account in our decision-making and the formulation of our strategy.

This section of the report, in conjunction with our Section 172(1) Statement on page 51 of this Annual Report, sets out how the Directors have taken into account the interests of material stakeholders in their decision-making during the year.

Below: *Bloomsbury Night In book blogger package*

Shareholders

Why they matter	What matters to them	Ways we engage	How we consider the interests of our stakeholders
Our Shareholders are the ultimate owners of Bloomsbury. They provide capital, including for growth, while providing challenge and feedback on our business model and strategic plans. We rely on their confidence, support and investment to deliver our strategy and Bloomsbury's long-term sustainable success.	• Long-term value creation through a mix of capital appreciation and dividends; • Timely and relevant information on performance against expectations; • Dividend Policy; • Remuneration Policy; • Clear strategy to deliver long-term growth; • Opportunities for engagement with management; • A supportive Company culture and the well-being of employees; and • ESG (environmental, social and governance) performance.	Our Executive Directors maintain an investor relations annual plan, which includes: • Presentations given to Shareholders upon the release of annual or interim results; • Meetings with current and prospective Shareholders following annual and interim results; • Feedback from current and prospective Shareholders following investor engagement; and • Reporting to the Board on investor matters and investor feedback. The Chairman offers meetings with our top ten Shareholders twice a year. All meetings during the year were held virtually due to the pandemic. The Company's Annual Report and Accounts provides information about the Company's performance and governance. Key information and investor presentations are published on the Company's investor relations website (www.bloomsbury-ir.com). The Company's Annual General Meeting ("AGM") provides a forum for all Shareholders to address questions to the Board and vote on key resolutions.	The Board is kept informed of all feedback received as part of Shareholder meetings and consultations. Shareholder feedback on Bloomsbury's strategy and performance has been positive; this has affirmed Bloomsbury's commitment to its current strategy and areas of focus. See pages 16 to 23 of this Annual Report, which explains the Company's performance and investment decisions during 2021/2022. The Board recognises that Bloomsbury has a broad range of investors and aims to deliver long-term sustainable value, while recognising their diverse interests (e.g. capital appreciation vs divided earnings). The Board considers these diverse interests in approving annual budgets and longer-term strategic planning. Feedback received from Shareholders in response to the Annual Report and Accounts, and at the Company's AGM in respect of matters relating to governance, are taken into consideration by the Board in deciding whether any revisions to its corporate framework are required.

Engagement with Stakeholders

continued

Authors and Illustrators

Why they matter	What matters to them	Ways we engage	How we consider the interests of our stakeholders
Authors are the lifeblood of our Company.	• Publication of the author's works to a high and consistent standard, in line with the author's vision for the work; • Their work is published in a format that has the furthest reach in the relevant markets; • Effective sales and marketing representation in relevant markets; • Appropriate compensation; • Timely and relevant information on the publication process and sales and marketing strategy for their works; and • For academic authors, to maximise their impact on the scholarly community, secure tenure and promotion at academic institutions, secure research funding and enhance their professional reputation.	Supporting authors in realising their best works and ensuring that their works are brought to market successfully requires close collaboration throughout the entire publishing process, from editorial and design, to sales and marketing, to production and distribution. Frequent and ongoing engagement with authors and/or their literary agents enables us to help authors achieve their vision and to address any concerns they may have during the publishing process. Building strong relationships with the markets we serve, for example libraries, faculties and the student community, enables us to help shape authors' works for the relevant market segment. In respect of academic publications, monthly production surveys and post-publication editorial surveys are conducted with authors in order to monitor author satisfaction and address any issues identified. Rigorous peer reviews are also conducted to ensure their work meets a specific standard in terms of quality. Authors are also provided with a review and marketing update three months following publication of their works, so that they are kept informed of relevant marketing activities. Due to the pandemic, much of our engagement with authors during 2021/2022 took place virtually.	Topics raised during the engagement process vary from author to author. A key topic of engagement in respect of new acquisitions will be terms, including the scope of rights granted and royalties payable. Other topics of engagement include the quality of editorial work, jacket design, marketing and publicity campaigns and sales activities. These are considered and responded to on a case by case basis. Author surveys have yielded a consistently high level of scores. The Board is provided with survey results for consideration and to identify ways in which author satisfaction can be improved or enhanced. Global supply chain challenges have resulted in longer shipping times from printers' location. We have responded to this by building in buffers to our publication schedules to mitigate the impact of ongoing delays and disruptions, which can impact on author submission deadlines. We have sought to provide timely guidance and support to our authors as we respond to these challenges. For debut authors, pandemic restrictions have posed challenges in terms of publicity campaigns, which rely heavily on author appearances at public events. We have actively sought alternative opportunities for our authors online.

Employees

Why they matter	What matters to them	Ways we engage	How we consider the interests of our stakeholders
Our employees are key to delivering Bloomsbury's purpose and strategy, and are the driving force behind Bloomsbury's success. Attracting and retaining talent is, therefore, integral to our performance and our business model.	• Fulfilling work; • Recognition; • Fair and transparent remuneration; • Career development and progression; • To work in a stimulating, positive, ethical and supportive environment for a business with a strong social purpose; • A culture of inclusivity; • To understand business context and strategy; • To have a voice in Bloomsbury's business; • Engagement with management; and • The long-term health of the business.	Information about the ways we engage with our employees is set out on pages 66 to 69 of this Annual Report.	Information about how we consider the interests of our employees and the outcome of our engagement is set out on pages 66 to 69 of this Annual Report.

Engagement with Stakeholders
continued

Suppliers

Why they matter	What matters to them	Ways we engage	How we consider the interests of our stakeholders
Building strong relationships with our suppliers enables us to obtain the best value and quality of service. We rely on our suppliers to provide specialist services, which enable us to bring our publications and products to market. We wish to work with suppliers who understand our priorities and will adhere to our way of working and to our values.	• Shared success; • Appropriate compensation for services provided; • Prompt payment; • Predictable workloads; • Provision of timely information required to manage service provision; • Clear processes; • Inventory management; and • Impact of legislative or regulatory changes which may impact on service provision.	Engagement with key suppliers is ongoing and frequent, and is managed by the Heads of the relevant functional divisions. Regular formal meetings as well as day-to-day engagement ensure close collaboration and the effective flow of information required for the successful and timely provision of services. In the case of printers, this includes the successful delivery of finished stock according to Bloomsbury's publication schedules. In the case of Bloomsbury's distributors, this includes the ability to meet customer demand and expectations, exercise effective credit control, and appropriately manage stock levels. During the year, engagement with key suppliers intensified as we worked closely with them to manage global supply chain challenges and related cost impacts.	Significant issues arising out of engagement with key suppliers were reported to the Board for consideration, including engagement over commercial terms and global supply chain challenges. Various supplier reporting processes have been strengthened, including in respect of credit risk, bad debt and retail customer charges and returns. Factors impacting on the provision of services (such as ongoing global supply chain disruptions, paper availability, supplier capacity due to COVID-related labour shortages, internal restructuring by print supplier or restrictions on storage space) were taken into account by Bloomsbury in placing work with relevant suppliers. The Board is committed to high standards of ethical business conduct. The policies and procedures relevant to business conduct are available to all employees and are incorporated by reference into our contracts with suppliers.

Customers – wholesale and retail

Why they matter	What matters to them	Ways we engage	How we consider the interests of our stakeholders
Wholesalers and retailers are Bloomsbury's primary route to market. Collaboration with them is a critical aspect of ensuring a work is published successfully. Regular engagement with key customers builds trust and nurtures long-term relationships, which in turn encourages support for Bloomsbury titles. Wholesale and retail customers provide valuable insight into consumer trends and advice on optimum release dates in order to maximise sales.	• Maximising sales; • Maximising revenue and margins; • Ensuring a level playing field across wholesalers and retailers; • Reliability of publishing schedules; • Timely delivery of stock; and • Promotional support.	Bloomsbury's sales team meets regularly with customers, to discuss forthcoming titles and publishing programmes. Sell-ins to customers occur on a monthly, quarterly or annual basis, depending on the customer. Our sales and marketing teams liaise with key retailers on an ongoing basis on a range of matters with a view to maximising sales. Senior management meets with key customers at book fairs. During the pandemic, meetings have been virtual.	Key topics of engagement included: • Commercial terms; • Sales activity and sales trends; • Matters relevant to maximising the success of particular titles, including cover designs, publication dates, marketing plans and retailer promotions; • Promotional support for individual titles; and • Logistical issues.

Engagement with Stakeholders

continued

Customers – academic and educational institutions, corporate customers

Why they matter	What matters to them	Ways we engage	How we consider the interests of our stakeholders
Academic and educational institutions and professional organisations are becoming increasingly important customers in respect of Bloomsbury's digital products, and consequently for the delivery of our long-term strategy of focusing on digital opportunities to grow our business.	• Access to high-quality, relevant and comprehensive content to support academic courses and research, and in the case of professional organisations, the activities of their employees or members; • Applying funding to deliver the best value to their own stakeholders; and • To ensure a swift, accurate and cost-effective way to purchase and access relevant products.	Bloomsbury has in place a range of engagement mechanisms to ensure we understand the priorities of these customers. These include: • Regular site visits by our sales team to academic libraries; • Direct meetings with a wide range of senior academics and university staff to understand their requirements; • Attendance of publishing directors and sales team at principal library conferences and professional organisation annual membership events; and • Regular surveys of student, faculty and library users in respect of all aspects of Bloomsbury's publishing and, in particular, in respect of new products. During the pandemic, site visits have been halted, meetings have been online and attendance at conferences and events has been virtual.	Feedback from our customers and their stakeholders informs: • How Bloomsbury develops new and existing products; • The various sales models Bloomsbury offers (subscription vs perpetual access sales, short-term loans, evidence or usage-based sales, title by title sales); and • Product pricing. In response to feedback from librarians, we develop user case studies and marketing materials to support librarians' internal-facing activities.

Society – including community and the environment

Why it matters	What matters	Ways we engage	How we consider the interests of our stakeholders
At the heart of Bloomsbury is a strong social purpose – to inform, educate, and entertain, to inspire a love for reading and to promote literacy. Making a positive contribution to the wider communities in which we operate is, therefore, integral to our activities. In addition, the environmental impact of Bloomsbury's business activities is a growing consideration for us and we are committed to effecting improvements where practicable.	• That Bloomsbury behaves as a responsible and ethical corporate citizen; • That we support relevant charities; • That we contribute to community success; • That we promote diverse representation within our workforce and in the content we publish; and • That we manage our environmental footprint.	The very essence of our business is engagement with wider society, through the dissemination of stories and ideas, the stimulation of debate and dialogue, the support of learning and research and the enrichment of culture. Information about our charitable donations, charitable initiatives and direct community engagement is set out on pages 62 to 65 of this Annual Report. Bloomsbury also works in partnership with theatres and other organisations to publish their cultural output in the form of play texts and programme texts to accompany performances. The inclusion of live performance collections in Bloomsbury's educational databases, made available for free to schools, provides a means of extending audience reach and ensuring cultural heritage is embedded within the curriculum. Expanding the Group's activities on sustainability is a key priority for us. Information on our activities in this area and progress during the year is set out on pages 73 to 81 of this Annual Report. Information on Bloomsbury's work in respect of Diversity, Equity and Inclusion is set out on pages 70 to 72 of this Annual Report.	Information about how we consider the interests of our employees and the outcome of our engagement is set out on pages 66 to 69 of this Annual Report. The Board considers the long-term impact on the environment of Bloomsbury's operations in its decision-making and receives annual reporting on the Group's greenhouse gas emissions, generation of waste, and consumption of water, with comparisons to prior years. Details of the Group's environmental policy and performance can be found on pages 73 to 81 of this Annual Report. The Board has oversight of Bloomsbury's environmental policy and strategies for reducing the environmental impact of our business. The Executive Committee and the Board receive regular presentations on the activities of Bloomsbury's Sustainability Steering Group, considers recommendations from the Steering Group for proposed sustainability initiatives and approves action where appropriate to improve Bloomsbury's environmental footprint, including the setting of targets to reduce greenhouse gas emissions.

Corporate Social Responsibility

Our social purpose

At the heart of our business is a strong social purpose – to inform, educate and entertain, to inspire a love for reading and learning, to promote literacy and to help build a reading culture. Bloomsbury's core business of publishing books and resources to inform, educate and inspire is therefore in itself a social good. We give light to common humanity, ideas, debates, educational and academic rigour and dreams. Our books have impact for generations, change cultures and inspire others.

We are committed to helping authors, both new and established, bring original and powerful works across an array of genres and subjects to readers and learners worldwide, sharing ideas, knowledge and experience by publishing creatively in all formats across our diverse lists. We support learning and help to advance equity through education by way of our extensive portfolio of educational and academic resources for teachers and students.

Books have the power to change and shape lives, whether consumed for entertainment or education. The 2021 Reading Report by the National Literacy Trust ("NLT") reported that reading to relax was one of the main reasons why children and young people were reading in early 2021 with one in two (52.7%) saying this, followed by two educational aspects, namely helping to learn about new things (51.4%) and learning new words (49.8%). One in three (34.4%) said that reading made them feel happy, and over one in four (26.1%) said that reading made them feel better when they were sad. For one in five (19.3%) young people, reading also provided a connection to the world. Reading continues to support children and young people's mental well-being, with over 2 in 5 (44.6%) children and young people agreeing that reading made them feel better.

The importance of books has been illustrated by the huge upsurge in reading over the past two years as the world experienced the unprecedented circumstances of the COVID-19 pandemic and the significant increase in sales of books about race and social inequalities.

There is a pressing need to do more to enable and support the inclusion of people from all backgrounds and identities in our business and the wider publishing industry, ensuring that diverse voices both reflect and shape our culture and society. We have accelerated our activities in this area to drive change, both in respect of our workforce and the books we publish.

Treading lightly

We have made significant progress in our work on environmental sustainability, including having our own emission reduction targets reviewed and validated by the Science Based Targets initiative (SBTi) to align with the goals of the Paris Agreement. This programme of work remains of the utmost importance to Bloomsbury's Board and Executive Committee, and in 2022/2023, we will be working with an external partner to identify carbon reduction measures that will support the achievement of these targets and our climate transition planning.

Engaging with our stakeholders and making good long-term decisions

Stakeholder engagement is integral to how we do business and to the formulation and execution of our strategy for achieving long-term success. Respect and consideration for our stakeholders in how we do business delivers better outcomes not just for Bloomsbury, but for society as a whole.

Through broad engagement, our business decisions are informed by a wide range of perspectives, allowing us to deliver value and opportunities to our stakeholder groups, balanced between the short and long-term. The interests of our various stakeholders and the consequences of any decision in the long-term are considered carefully by the Board. Our stakeholder engagement enables the Board to understand and consider all relevant interests and factors in its decision-making process in order to select the course of action that best leads to the success of Bloomsbury in the long-term, at the same time as serving the interests of the Company's stakeholders as a whole.

Materiality Assessment

Overview

At Bloomsbury, we want to ensure our approach to sustainable and responsible business is focused on the environmental, social and governance (ESG) issues that matter most to our business and our stakeholders. Building from the progress we have made in recent years, we committed to undertaking a materiality assessment in 2021/2022.

A materiality assessment is a process of engagement with internal and external stakeholders that identifies, prioritises and contextualises the most pressing ESG risks and opportunities for an organisation, in order to inform its strategic decision-making.

To ensure an objective approach informed by best practice, we have worked with leading independent sustainability consultancy Corporate Citizenship to deliver our first materiality assessment.

Our Approach

Stage 1: Landscape review and issue selection

An initial longlist of issues was created through desk-based research into key internal documents, peer issues, sector, industry body and investor expectations, and a media scan and review of global sustainability frameworks and standards. This was then formulated into a shortlist of 15 key issues, which was reviewed and agreed by senior stakeholders within Bloomsbury.

This list of 15 issues formed the core part of stakeholder conversations, identifying which issues stakeholders consider the highest priority for Bloomsbury.

Material issues list

- Author Relationships
- Biodiversity & Deforestation
- Circularity & Resource Management
- Climate Resilience & Energy
- Community Engagement
- Creating Societal Impact through Content
- Data & System Security
- Digitisation & Business Transformation
- Diversity, Equity & Inclusion ("DE&I")
- Governance & Business Ethics
- Health & Safety
- Promoting a Reading Culture & Education
- Stakeholder Engagement
- Sustainable Supply Chain
- Talent Attraction & Retention

Stage 2: Stakeholder engagement

Through the materiality process, we engaged with a range of stakeholder groups, including Bloomsbury leadership, literary agents, industry groups, community partners, suppliers and distributors, and investors.

We used a range of methods to gather and understand internal & external stakeholder inputs, including:

- Structured interviews providing in-depth perspectives and strategic insight on the 15 issues, including where stakeholders see Bloomsbury as having the ability to drive impact on ESG issues; and
- Tailored surveys asking all stakeholder groups to prioritise and provide feedback on the identified material issues.

Stage 3: Analysis, mapping and validation

Data captured during the engagement stage was analysed to develop a preliminary set of results and materiality matrix.

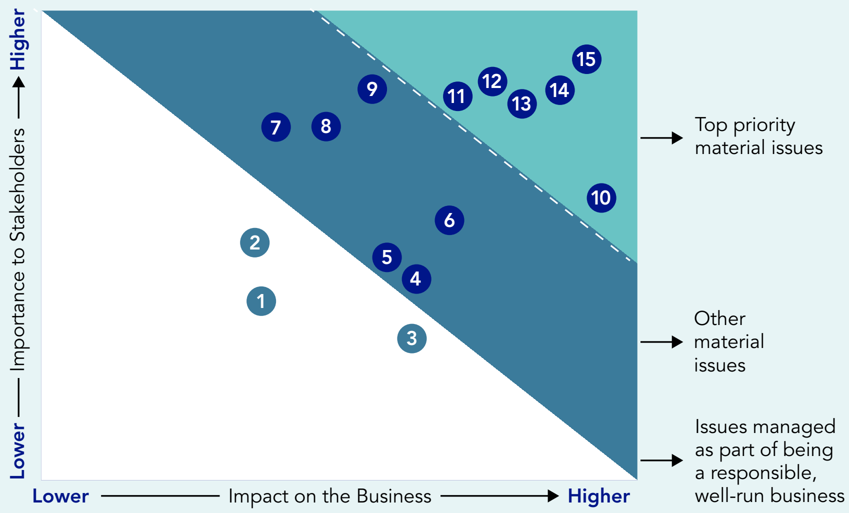
The matrix was then reviewed and approved through an independently facilitated validation session with internal senior leadership members to challenge and review the position of issues on the "impact on the business" axis. Our finalised 2022/2023 materiality matrix is shown below:

Read more about our community engagement and DE&I on pages 70 to 72 of this Annual Report.

Read more on our environmental performance during the year on pages 73 to 81 of this Annual Report.

Read more on how we engage with our stakeholders on pages 52 to 59 of this Annual Report.

Materiality matrix



1 Community engagement
2 Stakeholder engagement
3 Health & safety
4 Data and system security
5 Digitisation and business transformation
6 Governance and ethics
7 Biodiversity and deforestation
8 Circularity and resource management
9 Climate resilience and energy
10 Talent attraction and retention
11 Creating societal impact through content
12 Promoting a reading culture and education
13 Diversity, equality and inclusion
14 Author relationships
15 Sustainable supply chain

While we hold ourselves to the highest standards on all aspects of responsible business, our stakeholders identified six top priority material issues for Bloomsbury. These are:

- **Sustainable Supply Chain** was recognised as a key vehicle for Bloomsbury to act on environmental topics working alongside partners in its supply chain to maximise impact and efficiency;
- **Diversity, Equity & Inclusion** has emerged as an important issue for the industry and an area that can be supported holistically through Bloomsbury's workforce, list of authors and published content;
- **Author Relationships** was identified as core to Bloomsbury's business model and key to our success;
- **Talent Attraction & Retention** was seen as key to fostering a happy, creative and productive workforce, in a competitive industry;
- **Creating Societal Impact through Content** is an area which stakeholders felt Bloomsbury is uniquely placed to influence owing to our publishing in both Consumer and Non-Consumer markets and our broad spectrum of content; and
- **Promoting a Reading Culture & Education** was highlighted by stakeholders as a key area for Bloomsbury to support engagement through its community outreach and influential standing in children's literature.

Linking Materiality to Ongoing Work

Our first materiality assessment has provided invaluable insights into the issues our stakeholders believe are most important to Bloomsbury and where we have the greatest ability to drive positive impact. We intend to continue our work in 2022/2023 to align our materiality assessment with our broad responsible business plans and societal impact and guide our future sustainability strategy and reporting.

Below: *Bloomsbury colleagues support charity efforts in Ukraine*

Our Communities

During 2021/2022, the Group donated £328,911 to charitable initiatives, and made donations of books with a cost value of £247,296.

Corporate donations

In the UK, we supported specialist literary charities Book Aid International with a £50,000 cash donation and a donation of 5,348 books. We also donated £50,000 to the National Literacy Trust to support the valuable work it does to support schools and communities to give disadvantaged children essential literacy skills. We gave £10,000 to the Charleston Literary Festival, £1,000 to the ARU Foundation, which aims to provide financing to advance the education of students attending Anglia Ruskin University, £3,000 to the Booksellers Association, £9,998.33 to Reforest'Action, £10,000 to the David Nott Foundation, and £19,200 to the Woodland Trust. Bloomsbury's work with the Woodland Trust saw us sponsoring a grove in a World War I centenary wood near Epsom in Surrey, where the trees are maintained thanks to our donation. Ancient woodlands now only cover 2.5% of the UK and their protection is vital to our ecosystem.

Donations were also made to Magic Breakfast and The Akshaya Patra Foundation to provide healthy food to disadvantaged children as detailed below.

Bloomsbury's ongoing partnership with the NLT saw a continuation of our work in disadvantaged communities in Hastings, where one in three people have low literacy levels. The NLT's missions and values are aligned with Bloomsbury, seeking to inspire a lifelong love of reading and build a culture of enquiring minds which benefits society. To date, we have donated over 80,000 books to the Hastings area and reached 4,049 schools and schoolchildren through live author events in 2021/2022. We donated adult books to Hasting's community libraries and food banks for International Literacy Day in September 2021. Our Children's team continue to work closely with the NLT on Harry Potter Book Night, donating 800 copies of Harry Potter titles in 2021/2022.

Our support of the Booksellers Association's Books Are My Bag campaign and Bookshop Day with a donation of £3,000 was a crucial part of building back the confidence of high street bookselling, and promoting the joys of bookshops to consumers after a bruising year and a half. Having weathered the COVID-19 storms, bookshops were ready for a celebration and October was the ideal moment for the campaign to get the word out about the value of books, reading, authors and bookshops. Books Are My Bag is a truly trade-wide initiative, recognised across publishing and by customers.

In Australia, we supported the work of the Indigenous Literacy Foundation (ILF) by matching donations made by staff in our Sydney office. Only one in four children living in indigenous communities in Australia can read at an accepted level. The ILF seeks to invest in Aboriginal and Torres Strait Islander remote communities to provide the tools and resources they request to shape the direction of their children's literacy future. Bloomsbury's support contributed to a donation of 99,000 books to remote communities in 2021, support of 83 playgroups for toddlers and their families, and 40 books published in 11 different indigenous languages.

The Group made its largest donation to Indian charities to date in 2021/2022. This included £4,025 given to multiple charities supporting those affected by the COVID-19 pandemic to match donations made by Bloomsbury employees. In addition, Bloomsbury donated £5,000 to each of the following organisations: the Salaam Baalak Trust, which provides care and protection to street children in Delhi; the Prayas Foundation, helping those living in poverty; innovative learning organisation Pratham; Helpage India, which supports disadvantaged elderly people; Kailash Satyarthi Children's Foundation, a leader in child protection; and the Sulabh Hope Foundation, supporting widows. The Company made donations of £10,000 to each of the families of Indian colleagues who sadly passed away due to COVID-19.

Above: *Author and charity founder Khaled Hosseini*

A donation of £15,000 was made to the Akshaya Patra Foundation in support of the charity's mission to serve wholesome food to disadvantaged children every school day to over 1.8 million children from over 19,000 schools across 14 states in India. Bloomsbury's donation supported the Foundation's COVID-19 relief programme, in which they delivered 2727 "happiness kits" directly to students and their families while schools remained closed. The kits included much-needed food, educational materials and hygiene items.

Bloomsbury has also continued to contribute a portion of its proceeds from sales of the Dishoom cookbook by Kavi Thakrar, Naved Nasir and Shamil Thakrar to the Akshaya Patra Foundation in India and to Magic Breakfast in the UK. Both these charities provide healthy school meals to hungry and malnourished children in disadvantaged areas of the UK and India. In 2021/2022, we funded 108,000 meals.

During the year, our US office donated £1,343.65 to the Food Bank of New York and £4,511.28 to the National Coalition Against Censorship, for whom we are a corporate sponsor for their annual fundraising event. Our support of literary charities included a donation of £7,382 to the Children's Book Council and £3,836.74 to the National Book Foundation. We also supported We Need Diverse Books, the Book Industry Charitable Foundation, who supported independent bookshops during COVID-19, and the Center for Fiction's First Novel Fête.

Our US office has also continued its long-standing partnership with the SOHO Center, through which we have donated over 1.7 million books to date. With our donation of 179,032 books in 2021/2022, the SOHO Center reached over 200,000 disadvantage children and their families across Virginia. The books were donated to schools, libraries, domestic violence and homeless shelters, foster care and hospitals.

We have been pleased to support Bloomsbury author Khaled Hosseini's foundation, which provides vital humanitarian aid in Afghanistan. More than 50% of the population in Afghanistan is facing extreme hunger, with nine million people at risk of famine, due to a combination of factors including the current political situation, climate change and COVID-19. Bloomsbury's donation of £50,000 helped the Khaled Hosseini Foundation provide vital support to Afghan families who are in desperate need, in collaboration with various charities working in the country.

Publishing partnerships

£80,779

was paid to charities during the year in royalties as a result of our partnership publishing, including

£45,490

to the Royal Society for the Protection of Birds ("RSPB"),

£22,227

to the Save the Children Fund,

£10,592

to NHS Charities Together and

£2,470

to Royal Botanic Gardens Kew.

Supporting humanitarian aid efforts in Ukraine

We donated

£15,000

to the British Red Cross and

£15,000

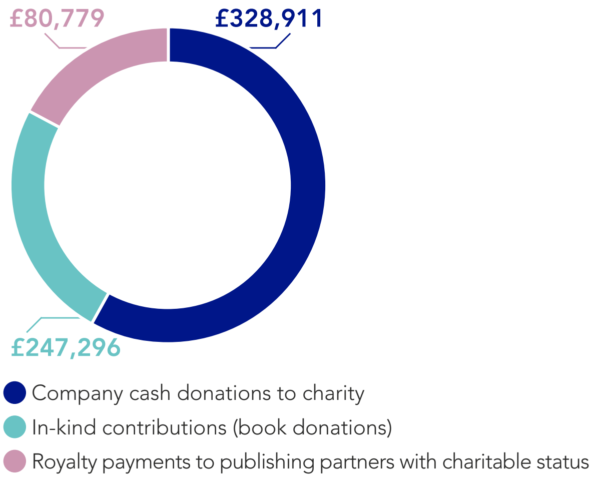
to the UNHCR, the UN Refugee Agency.

Our

£10,000

donation to the David Nott Foundation supported a 12-hour surgical training course delivered to over 500 healthcare professionals in Ukraine. The David Nott Foundation joined with former neurosurgeon Henry Marsh to rapidly develop the war surgery training course for doctors who are working on the front line.

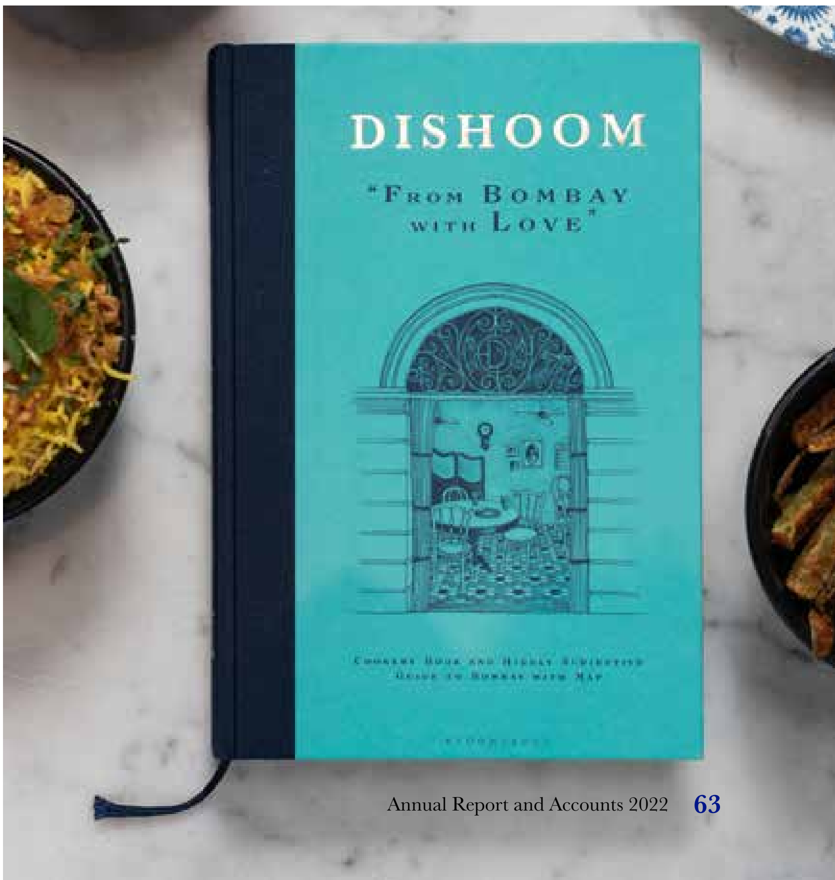
Total community investment in 2021/2022



Developing partnerships with impact

Our publishers seek to promote the enjoyment of reading and high-quality literature that is often cutting edge and provides new authors with opportunities to establish themselves.

In addition to our direct commercial activities and with a focus mainly on promoting literature, literacy and education, we actively support numerous organisations worldwide, including schools, universities, libraries and charities. We also encourage the spare time involvement of staff worldwide in the promotion of literature, literacy and education. These voluntary activities by employees are often directly or indirectly assisted by the business and by Bloomsbury colleagues. The following examples illustrate the range of Bloomsbury's support.



Our Communities

continued

Working with the NLT in Hastings

In 2021/2022, Bloomsbury entered into the third year of its partnership with the NLT, continuing with the mission of supporting the NLT in its efforts to overcome literacy challenges facing the residents of Hastings. During our partnership, Bloomsbury has donated over 80,000 books to schools, libraries, food banks and community centres in cooperation with the NLT.

Hastings is characterised by deprivation and intergenerational low literacy. Children from disadvantaged backgrounds in Hastings are less likely to read regularly than their more affluent peers and this is likely caused by children not having enough positive reading experiences.

The focus of activity for Bloomsbury and the NLT is to create a number of experiences to engage children to make reading fun and entertaining and improve attitudes towards writing and reading for pleasure. A range of activities were developed and supported by Bloomsbury during 2021/2022, including the "drop everything and read" campaign to encourage everyone to take ten minutes to read and a series of four pirate/sea-themed virtual events, with three featuring Bloomsbury authors Laura James, Caryl Hart and Bethan Woollvin. The events were offered to all schools in Hastings to watch from the classroom and were available for viewing for a week after the events, helping inspire children to read for pleasure into the summer holidays. To celebrate the launch of *Harry Potter: A Magical Year*, featuring illustrations by Jim Kay in October 2021, a creative writing competition was launched to encourage children to illustrate and describe their favourite scene from the Harry Potter books in order to win a copy of the book. On International Literacy Day 2021, Bloomsbury supplied both Hastings Library and Hastings Voluntary Action with free books suitable for adults to support adult learning. Books featured stickers pointing readers to the NLT website where they could find information on accessing literacy support.

Highlights so far

Hub in Hastings April 2021 – 2022

Engaged with

30 schools

prioritising those serving the most disadvantaged

Distributed

13,180 books

Engaged

2,622 children

and young people in our Take 10 well-being moment

Reached a live audience of

4,049 children

through live author events

Media reach of over

26,146

World Book Day 2021

Bloomsbury's World Book Day ("WBD") author in 2021 was Katherine Rundell, whose middle grade novel *Skysteppers* was one of the books included in WBD's annual £1 promotion. Events included a virtual launch event with HRH The Duchess of Cornwall, Katherine Rundell and other WBD authors joining the children of Acklam Whin School for a morning of celebration. Katherine appeared alongside fellow Bloomsbury author Ben Bailey Smith on a BBC Live Lessons event and joined Share a Story Live, which had over 15,000 live online views.

Bloomsbury also took part in WBD's The Power of Books teen and young adult research project with an event featuring Bloomsbury authors Melissa Cummings-Quarry and Natalie A. Carter, authors of *Grown: The Black Girls' Guide to Glowing Up*. The project explored how young people today feel about reading in relation to future plans and success, stress, anxiety and mental health.

Harry Potter Book Night 2022

On 3 February 2022, we enjoyed a truly global Harry Potter Book Night, with fans joining us from 139 territories across six continents. In partnership with the NLT, we hosted over 26,000 children at a magical draw-along event with Harry Potter illustrator Jonny Duddle. This year's Book Night theme was Magical Journeys and we created an event kit bursting with party tips, enchanting games, bewitching activities, crafts, recipes, costumes, quizzes and easy-to-make design ideas for fans' favourite modes of transport inspired by the Harry Potter stories, such as the Hogwart's Express, broomsticks, or maybe even a Thestral.

Ahead of Harry Potter Book Night, 18,000 event kits were downloaded and registrations in the UK were up by 28% on 2021. The week before, an estimated 120,000 children were using resources downloaded from Twinkl.co.uk.

As part of Harry Potter Book Night, Bloomsbury and the NLT also partnered to launch a series of events and resources to invite schools across the UK to join the magic of Harry Potter. These included a live event with Jonny Duddle, the illustrator of the Harry Potter 2014 book covers and this year's silver anniversary edition of *Harry Potter and the Philosopher's Stone*, the Miles of Magic Reading Challenge, and the Harry Potter Book Relay to encourage children to read for pleasure and develop their reading stamina.

Guiding the next generation

Bloomsbury's Children's and Education teams work with EmpathyLab, the first organisation to build children's empathy, literacy and social activism through a systematic use of high-quality literature. EmpathyLab's strategy builds on new scientific evidence showing the effectiveness of reading in building real-life empathy skills. Working closely with this charity and our authors, we ensure that our books support this important mission.

Bloomsbury Education also works with the Centre for Literacy in Primary Education ("CLPE") to create and promote free online teaching notes for our guided reading series, Bloomsbury Readers. The CLPE is an independent UK charity dedicated to raising the literacy achievement of children.

Partnership publishing

Our Children's team publishes books in partnership with three leading UK charities whose key focus is nature conservation and wildlife: the RSPB, Royal Botanic Gardens Kew and The Woodland Trust. These partnerships involve the publication of titles by Bloomsbury that support the activities of these charities, and embed their public mission statements into the commercial world of bookselling, reaching far beyond their membership pool with titles across all age groups from three years upwards. We are experts at commissioning high-profile authors with excellent credentials to work alongside charities we support.

Bloomsbury's Non-Consumer Division also publishes in partnership with the RSPB, with Special Interest publishing the popular RSBP Spotlight series, including four titles in 2021/2022: Woodland Birds, Caterpillars, Seals and Crows. The Philip Wilson imprint leads further collaboration in this area, publishing in association with MK Gallery, The Wallace Collection, The National Trust and The George Daniels Educational Trust.

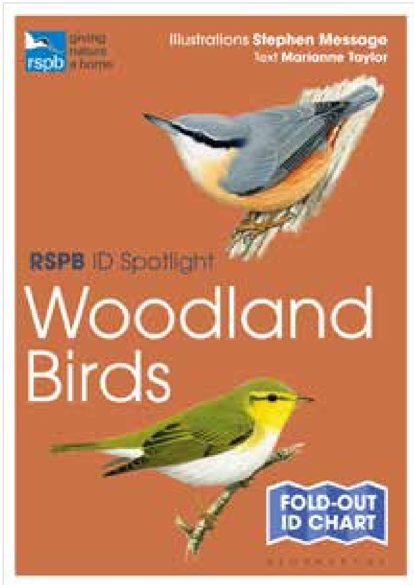
Staff volunteering

Employees worldwide are involved in formal volunteer reading schemes and regularly attend schools in their respective markets. They provide supervised reading support to young readers, often from disadvantaged backgrounds where their opportunities to develop reading skills may be hindered.

Many employees are involved in their local communities, typically promoting literacy, literature and education, by sitting on committees, as governors of schools, by supporting special interest groups and as trustees and supporters of publishing industry and arts voluntary organisations.

Events for the community

Bloomsbury's public events series, The Bloomsbury Institute, produced a series of virtual literary and publishing-related events during the year. Successful events included a brand new series of talks around "A Career in Publishing", which featured Bloomsbury editors, designers, publicists and marketers sharing career advice and mentoring tips to students and professionals from other industries who want to work in publishing. The Bloomsbury Institute hosted five events in this new series in 2021/2022, as well as a number of author events.



Writers & Artists

Bloomsbury's Writers & Artists community (www.writersandartists.co.uk) offers up to £4,000 of financial assistance as part of its accessibility scheme, ensuring that opportunities are available to under-represented and low-income writers and illustrators. The role of Writers & Artists ("W&A") is to put aspiring authors and illustrators in touch with the publishing industry – offering practical, impartial guidance – as well as working with established authors to offer advice on the creative process. The W&A website makes hundreds of advice articles on the writing and publishing process available for free, and features a range of editing services, events and writing courses. In 2021/2022, 24 writers benefited from their accessibility scheme: 16 writers attended evening masterclasses, four attended multi-week courses, three received a Full Manuscript Review, and one writer received a one-to-one meeting with a literary agent to discuss their manuscript submission documents. This accessibility scheme will be repeated in 2022.

Our People

The success of our Company is driven by the expertise, passion and commitment of our workforce.

We want to attract, motivate, develop and retain the highest-calibre employees. The Board and Executive Committee are committed to fostering a culture of partnership and trust which supports individual and collective success through effective employee engagement and support, comprehensive training and development opportunities, and the implementation of reward schemes which appropriately recognise our colleagues' vital contribution to Bloomsbury's ongoing success.

Employee engagement

Bloomsbury has in place a wide range of mechanisms to engage with employees. A key element of our engagement strategy is our Employee Voice programme, which promotes an open dialogue between those that work for Bloomsbury and the Executive Committee and Board. Running globally, colleagues are encouraged to share their views on Bloomsbury as a publisher and employer. Employee Voice Meetings ("EVMs") are held routinely throughout the year, with a selection of employees from different levels across the Group being invited to attend scheduled meetings by rotation. These meetings provide every employee of Bloomsbury with the opportunity to share their views on anything from Bloomsbury's strategy, communications, training, compensation and benefits, to ideas on how to make Bloomsbury a better place to work. Meetings are chaired by members of the Executive Committee on rotation, and Non-Executive Directors are also invited to attend these meetings. Employees are encouraged to share their views on the understanding that the matters discussed will not be attributed to particular individuals in the reports which are provided to the other members of the Executive Committee and the Board on the outcomes of the meetings. The Executive Committee and the Board are provided at each of their respective meetings with the minutes of EVMs on an anonymous basis together with a list of the key themes arising out of EVMs.

"Bloomsbury's culture continues to evolve through our HR initiatives and our work on diversity and inclusion, directed at capturing the full potential of the talented people who work at Bloomsbury and driving value creation for our stakeholders."

This form of engagement with employees across the Group enables senior management and the Directors of Bloomsbury to keep a finger on the pulse of the organisation and to gain unfiltered feedback from employees. The Board and the Executive Committee discuss and approve new policies and actions based on the views expressed at these meetings.

EVMs also provide an effective means for the Board and senior management to monitor the Company's culture in order to ensure that it aligns with the Company's values and purpose, and continues to support the delivery of the Company's strategy.

After a successful first phase of the Employee Voice programme, we announced plans to expand the programme in early 2022.

Bloomsbury also engages with colleagues through a variety of other mechanisms, to ensure they remain aware of business progress and developments, HR policies, training and development opportunities, and other matters which concern them.

Outlook email groups ensure that important updates reach the right people at the right time, segmented by division, team and location. Our Communications channel on Microsoft Teams ensures updates are also shared off email, and colleagues are made aware of announcements and news being shared externally.

Our weekly global newsletter, the "Illustrated Bloomsbury News", focuses on Company news, initiatives and updates, as well as celebrating achievements for colleagues, authors and books. It is introduced in turn by the Chief Executive and members of the Executive Board. Global monthly Town Halls are hosted alternatively by the Chief Executive and Executive Committee Members, presenting current business news and reporting on Group-wide initiatives. Our twice-annual global Bloomsbury Publishing Highlights event brings colleagues together from all areas of the business to present and celebrate upcoming publishing plans and the most exciting titles in the pipeline. New starter meetings occur regularly in the UK and US to introduce Bloomsbury, its values, purpose and mission to new colleagues.

Supporting our colleagues

In 2021/2022, we continued to adjust our working arrangements to improve work-life balance for Bloomsbury staff. Core hours were set from 10am to 3pm to allow for flexible start and finish times, enabling employees to balance wider personal and family responsibilities with work. We have introduced a hybrid working policy with two days in the office and three days at home per week. When in the office, days are allocated to specific teams to facilitate team connection and collaboration. Flexible Fridays have been made a permanent benefit, allowing employees to work additional hours between Monday and Thursday if they wish to finish at lunchtime on Fridays.

Our annual leave policy grants all employees paid holiday between Christmas and New Year to allow for a restorative end of year break.

In addition, all employees are entitled to take two paid Personal Well-being Days in support of mental health and well-being generally. Our global Employee Assistance Programme supports employee well-being and mental health. Provided by Workplace Options, the programme gives all employees free access to counselling and support for work and personal issues. Our partnership with That Day gives employees access to a live wellness platform with virtual fitness and well-being classes, plus a series of workshops led by external expert speakers on topics such as resilience and nutrition. In 2021/ 2022, we trained 15 members of staff across our London and Oxford offices to be Mental Health First Aiders. These members of staff are equipped to provide peer-to-peer, confidential support and guidance to those in need and help us build a mentally healthy workplace.

Globally, we offer free access to appointments with the Company doctor, a general practitioner, providing no-barrier access to medical advice for all staff.

Our Home Rental Deposit Loan Scheme ensures that UK employees in early career roles can secure a suitable place to live.

During 2021/2022, we revised our parental leave policies to promote gender equality and in recognition of the need to balance career progression with personal and family life. The changes included enhanced shared parental leave, and an increased period of discretionary Company maternity and adoption leave pay.

Training and development

A Management Development Programme for UK line managers across all departments supports personal development, career progression and the ability to grow leadership and management capabilities so employees are equipped to progress in their careers. In May 2021, we launched of The Bloomsbury Diploma in Leadership and Management, run by our third-party training provider, Corndel, and were delighted to enrol our first cohort of 32 colleagues.

In 2021/2022, we launched a comprehensive Learning and Development Training Programme for employees. Designed to support staff at all levels and in all areas of the Company, the training programme helps develop skills in support of career progression. In its first year, the training is focused on four key themes: Core Skills, Management Training and LinkedIn Learning, and DE&I and Wellness. The programme will be expanded in future years.

Executive coaching is provided to employees in senior management roles who wish to enhance their personal and professional development to support the performance of their management roles.

In the UK, our mentoring scheme facilitates senior, peer, and reverse mentoring and builds networks and connections across all departments and divisions.

Throughout 2021/2022, our calendar of internal lunchtime events continued, with author talks centring on well-being prioritised in the schedule. We also continued our series of Leadership Talks from members of the Executive Committee about personal leadership styles, their own learning and reflections on the publishing industry.

During the year, Bloomsbury's UK office welcomed 12 Publishing Apprentices in partnership with LDN Apprenticeships, a scheme rated "Outstanding" by Ofsted, with further internships running in the US.

The Company provides training to employees in Unconscious Bias and Allyship in the Workplace and events and talks run variously by the Communications team and our Staff Networks highlight national and international awareness moments such as Black History Month and Pride.

Bloomsbury's formal appraisal programme provides the opportunity for colleagues to give and receive feedback on performance and to discuss opportunities for training and career development through the setting of objectives.

LDN APPRENTICESHIPS

Our People

continued

Reward and recognition

All Bloomsbury employees participate in the Group bonus scheme, which is based on the achievement of Group profit targets set at the beginning of the financial year. The scheme acknowledges the vital role our colleagues play in Bloomsbury's ongoing success, and allows them to share in this success.

In the UK, employees are eligible to participate in an employee HM Revenue & Customs approved Sharesave scheme to enable employee participation in the performance and growth of the Group.

The Company Annual Salary Review is effective from 1 March each year, with employees with at least six months' service at that date benefiting from any Group-wide pay increase from year to year.

Key employment policies and practices

Supported by territory heads of HR, the managing directors of the publishing divisions, the heads of each Group function and managing directors of regional offices have responsibility for the employment matters (including human rights) of their teams. The Chief Executive has overall Board-level responsibility for employment matters.

Key features of the Group's employment policies and practices are:

Employment policy	Description
Health, Safety and well-being	Bloomsbury's Head of Facilities reports to the Chief Executive in respect of Health and Safety ("H&S") and heads an H&S team that ensures compliance with the Company's H&S policy. At least annually, the Board and the Executive Committee review H&S including risks assessments, developments and incident reports. The H&S team works closely with management and employees to ensure that the H&S policy is effectively communicated, implemented and maintained across the business. Managers of the worldwide sites are accountable for ensuring their areas of the business are in compliance with H&S policy. The Group maintains H&S risk assessments and accident books for all its locations worldwide (including where there is no local legal requirement to do so) and staff are encouraged to report all accidents or near misses. During the year, there were no serious injuries, fatalities or reportable incidents. The global Employee Assistance Programme is available to support employee well-being and mental health. This service is provided by an independent company and provides all employees with free, confidential access to counselling and support for work and personal issues. In addition, employees have access to free consultations with a private GP.
Employee engagement	Go to page 66 of this Annual Report for information on our employee engagement mechanisms.
Employee development	Go to page 67 of this Annual Report for information on employee training and development.
Performance and merit	Senior managers are accountable for the performance of their teams and determine the most appropriate approach to performance management for each team. All employees participate in Bloomsbury's formal annual appraisal process which serves as a mechanism for managing performance and identifying opportunities for career development. Promotions and external recruitment are based on merit and ensure that the most suitable person is selected for each position.
Group bonus scheme	All Bloomsbury employees participate in the Group bonus scheme, which is based on the achievement of Group profit targets set at the beginning of the financial year. The scheme acknowledges the vital role our colleagues play in Bloomsbury's ongoing success, and allows them to share in this success. Senior Management employees participate in the senior management bonus scheme which is based on the achievement of Group profit targets set at the beginning of the financial year and personal objectives which are reviewed by the Remuneration Committee of the Board.

Employment policy	Description
Employee participation in share schemes	The Group offers UK employees the opportunity to participate in an all-employee HM Revenue & Customs approved Sharesave scheme to encourage employee participation in the performance and growth of the Group. Executive Committee members are also eligible to participate in the Company's Long Term Incentive Plan.
Flexible working	Go to page 67 of this Annual Report for information on our flexible working policies.
Human rights	Bloomsbury is committed to meeting its responsibility to respect human rights. Bloomsbury is committed to complying with employment and other legislation applicable to the locations in which it employs people, ensuring the human rights of individuals are protected. Bloomsbury's Modern Slavery and Human Trafficking Statement can be found on our investor relations website www.bloomsbury-ir.co.uk.
Ethical behaviour	We expect employees, Directors, and subcontractors to behave ethically in their work relationships and dealings with third parties on behalf of Bloomsbury. Compliance with ethical behaviour Group policies such as for anti-bribery and corruption, dealing in Bloomsbury shares and modern slavery and human trafficking is an employment term of Group employment contracts. Bloomsbury's Whistleblower policy enables employees, other categories of workers and third parties to have any concerns relating to the Group confidentially addressed. Details of these policies can be found at www.bloomsbury-ir.co.uk.
Equality of opportunity	Bloomsbury has a diverse workforce and follows a policy that no employee or other person receives more or less favourable treatment on the grounds of gender, sexual orientation, colour, race and ethnic origin, nationality, religion, disability or age. The Human Resources function monitors compliance with the policy and with applicable legislative requirements to ensure the equality of opportunity in the recruitment, selection and promotion of employees. Grievance and disciplinary procedures protect employees from discriminatory behaviours and attitudes. Further information on our approach to diversity and inclusion is set out on pages 70 to 72 of this Annual Report. During 2021/2022, we revised our parental leave policies to promote gender equality. The changes included enhanced shared parental leave, and an increased period of discretionary Company maternity and adoption leave pay.
Disabled persons	Group policy is to offer equal treatment in respect of the recruitment, training, career development and promotion of disabled persons.

Employment KPIs

The Executive Committee monitors staff-related KPIs (e.g. joiners and leavers) on an ongoing basis in order to assess the effectiveness of the Group's policies and practices in attracting and retaining talent.

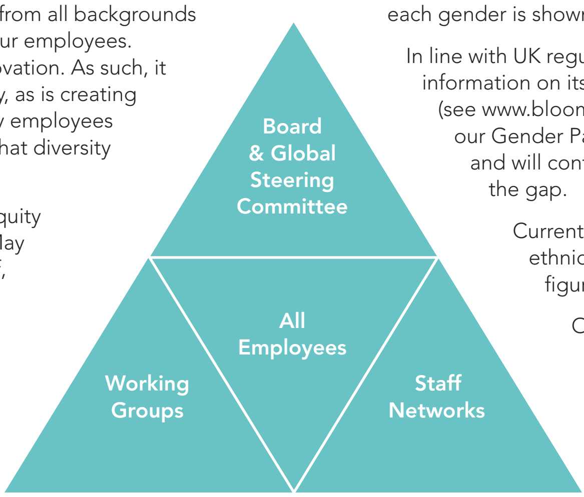
Diversity, Equity and Inclusion at Bloomsbury

Bloomsbury is committed to diversity, equity and inclusion. The Board receives regular updates on strategic initiatives across the Group with a view to ensuring that the strategies in place and in development are supportive of a culture that upholds Bloomsbury's principles of diversity, equity and inclusion.

Diversity is not simply a matter of regulatory compliance, or even social justice. It is also a business-performance imperative. Attracting talented people from all backgrounds enriches our business and the lives of our employees. It drives productivity, creativity and innovation. As such, it is integral to the delivery of our strategy, as is creating an environment in which all Bloomsbury employees feel a sense of belonging. We believe that diversity and inclusion go hand in hand.

Since launching our Global Diversity, Equity and Inclusion ("DE&I") Action Plan in May 2021, created in collaboration with staff, we have been driving tangible positive change across all areas of our business and contributing to wider industry discussions. We are determined to do the vital work needed to make publishing a more inclusive industry, both in terms of authors and employees. We know that diversity in our organisation leads to better culture and performance. A copy of the DE&I Action Plan can be found at https://www.bloomsbury.com/diversity-equity-inclusion.

We have a diverse workforce and management team led by a gender diverse Board. The majority of senior managers and employees worldwide in the Group are women. As at 28 February 2022, the number of employees by each gender is shown below.



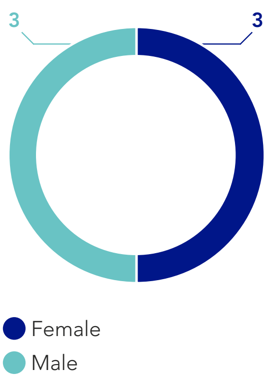
In line with UK regulations, Bloomsbury has provided information on its Gender Pay Gap in the UK (see www.bloomsbury-ir.co.uk). We have benchmarked our Gender Pay Gap against the publishing industry and will continue to identify best practices to close the gap.

Currently in the UK, 13.4% of staff are from ethnic minority groups and in the US, the figure is 19.8%[1].

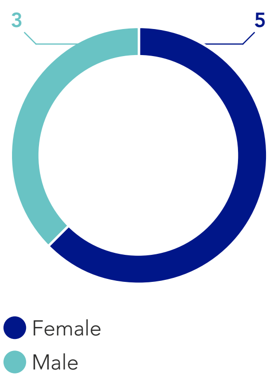
One out of the seven Directors on Bloomsbury's Plc Board is from a minority ethnic group, in line with the recommendations of the Parker Review.

During 2021/2022, the Company's Global DE&I Steering Committee continued to support our DE&I Working Group and DE&I Project Managers, who foster a working environment that is welcoming and supportive of difference and individual well-being, while at the same time promoting an inclusive culture in which our workforce feels connected by a common purpose and shared values. The DE&I Working Group is supported by our Staff Networks.

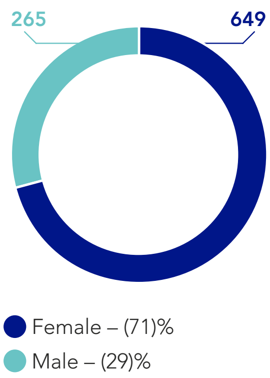
Directors of the Group Parent Company



Senior managers of the Group (other than Directors)[2]



All employees of the Group[3]



1 The UK figures have been taken from the results of the UK Publishers Association industry survey conducted in 2021, in which Bloomsbury employees were invited to participate. Participation in these surveys was voluntary; therefore, the figures may not have captured Bloomsbury's full workforce.

2 Includes the heads of publishing divisions, Group functions and country heads who are not Executive Directors on the parent Company Board.

3 Excludes workers who are freelance consultants and temps.

UK Networks

- Bloom (BAME)
- Disability
- Mental Health and Well-being
- Pride (LGBTQ+)
- Parents, Guardians and Carers

US Networks

- LGBTQ+
- BIPOC
- Mental Health
- Assistants at Bloomsbury
- Women at Bloomsbury
- Socio-economic status

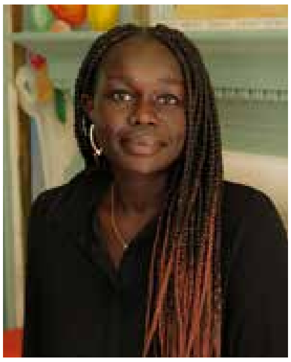
Our Staff Networks complement the activities of the DE&I Working Group by providing valuable feedback and helping to set priorities for future action. They are the backbone of ensuring Diversity, Equity and Inclusion is woven into the workplace and that staff are represented at all levels. To date, 11 Networks and Employee Resource Groups have been established across our offices: Bloom, Pride (LGBTQ+); Mental Health and Well-being, Parents, Guardians and Carers and Disability in the UK, and BIPOC, LGBTQ+, Mental Health, Women at Bloomsbury, Assistants at Bloomsbury and Socio-economic Status in the US.

Initiatives of the Staff Networks include:

- The Bloom network celebrated Black History Month with a series of events and launched the Bloom Buddy Scheme to pair new starters with other ethnically diverse colleagues for guidance and support. They also continued their successful book club.
- The Mental Health Network marked Mental Health Awareness Week with a series of events and recognised World Suicide Prevention Day and World Mental Health Day with seminars from our Employee Assistance Programme. Work began on a menopause policy and 15 staff members became Mental Health First Aiders.
- Our Parents, Guardians & Carers Network launched a buddy scheme for parental leave returners and provided consultation on our flexible working and parental policies.
- The LGBTQ+ Network worked on guidance on supporting transitioning in the workplace and celebrated Pride Month.

Actions we have taken to promote diversity, equity and inclusion within Bloomsbury include:

- Our Diversity and Inclusion and Training Administration Manager was appointed in July 2021, to globally organise and guide our DE&I Working Group and Staff Networks, initiate and deliver DE&I projects, develop outreach partnerships within our community and to organise training, education and engagement programmes.
- We deliver high-quality staff training, including Mental Health First Aid (15 Mental Health First Aiders trained across Bloomsbury UK), and pilots of Unconscious Bias and Allyship in the Workplace. This also includes supporting personal development and career progression, with a Management Development Programme, a Mentoring Scheme and Executive coaching provision. A formal Training and Development Programme for all employees, to cover core publishing skills, management skills, wellness, and diversity equity and inclusion, was launched in May 2022.



Mental Health First Aider

MHFA England

Far left: *Annie Muyang, Diversity and Inclusion Manager*

Diversity, Equity and Inclusion at Bloomsbury

continued

- We are committed to nurturing new talent regardless of background: in 2021/2022, we welcomed 12 Apprentices to Bloomsbury in partnership with the LDN Apprenticeship Scheme which has been rated "Outstanding" by Ofsted.
- We continue to partner with Creative Access – an organisation dedicated to recruiting under-represented talent into the creative industries.
- Our Employee Assistance Programme supports employee well-being and mental health: during 2021, employees were offered two additional wellness days, core hours were extended to give staff better flexibility in managing work and personal/family responsibilities and Flexible Fridays were introduced to enable employees to finish work early on a Friday.

Partnerships

- We are proactively forging partnerships with organisations that drive positive change, including the Black Writers Guild.
- Looking beyond our own activities, we are involved in important discussions across the industry, with our Director of Academic and Professional Publishing, Pooja Aggarwal, speaking at the DESIBlitz Literature Festival on Women of Colour in Publishing and the CSE's Virtual Fall Symposium on ensuring DE&I for the next generation in scholarly publishing. She is now an ambassador of DESIBlitz, further supporting their goal of promoting diverse voices in the literature space.

Our work during 2021/2022 to improve diversity and inclusion within Bloomsbury and the wider publishing industry has been recognised by two major industry awards. Bloomsbury was awarded the London Book Fair International Excellence Awards 2022 Inclusivity in Publishing Award, with judges praising the depth and scope of Bloomsbury's diversity and inclusion efforts. Bloomsbury also won The Alison Morrison Diversity and Inclusivity Award at the 2022 Independent Publishing Awards, with the judges recognising Bloomsbury's efforts to diversify across our lists, plus in-house initiatives on allyship and mental health. The judges also praised Bloomsbury's partnerships with organisations such as Creative Access and the Black Writers' Guild.

Lit in Colour

Bloomsbury Publishing with Lit in Colour

In March 2021, Bloomsbury joined forces with Lit in Colour Pioneers, a joint initiative between Pearson, Penguin Random House UK and The Runnymede Trust, which supports UK schools in diversifying their GCSE and A Level English Literature curriculum. We donated 4,391 copies of set texts by Black, Asian and Minority Ethnic writers to UK schools, including *The Empress* by Tanika Gupta, *Refugee Boy* by Benjamin Zephaniah, adapted by Lemn Sissay and Khaled Hosseini's *A Thousand Splendid Suns*.

In April 2021, we published four new play texts by global playwrights: Ibsen's *A Doll's House* adapted by Tanika Gupta, Sophocles' *Antigone*, adapted by Roy Williams, *Gone Too Far!* by Bola Agbaje and *The Free9* by In-Sook Chappell. All were adopted by Pearson for their Edexcel GCSE Drama curriculum for first teaching in September 2021 and first assessment in 2022 to ensure that the choice for Drama teachers is broader and more representative.

In early 2022, Bloomsbury became an official partner of the Lit in Colour campaign, working with teachers and students to introduce new plays to the curriculum, which will create more representative and inclusive experiences in classrooms across the UK. Bloomsbury's established playwright relationships will complement and expand on the current Lit in Colour initiative by introducing new plays to students, increasing playwright visibility in schools and partnering with exam boards to increase diversity in the curriculum.

We have created an Advisory Board to ensure we are meeting the needs of teachers and representing new and exciting talent, including Talent Development Manager at the Donmar Warehouse and Education Associate at The Old Vic, mezze eade; Artistic Director of Tamasha Theatre Company, Pooja Ghai; and playwright Tanika Gupta MBE. We are also undertaking important research to understand the current landscape of plays taught at GCSE and A Level in schools, in order to make appropriate recommendations.

Environment

Bloomsbury takes its environmental responsibility very seriously. We believe that a responsible and sustainable business allows us to respond to stakeholder expectations and to manage a range of emerging risks, including in the important area of climate change. We aim to reduce the environmental impact of our business wherever possible.

Governance

The diagram on page 84 of this Annual Report illustrates the governance structures in place at Bloomsbury to manage climate change and sustainability topics.

The Board has responsibility for approving substantive strategies for reducing the environmental impact of Bloomsbury's business and addressing climate risk. The Executive Committee, supported by the Sustainability Steering Committee, is responsible for the formulation and execution of the Group's sustainability roadmap, including tracking progress towards its climate-related targets.

The Board and Executive Committee are briefed on climate-related matters by way of regular updates from the Head of Sustainability on progress against the Group's sustainability objectives as well as through education sessions to communicate relevant developments in climate policy, research, and debate, and climate-related regulatory requirements relevant to the Group. This has included a session on the Group's response to the Task Force on Climate-Related Disclosures ("TCFD") recommendations and project work in respect of the Group's climate transition planning.

During the year, our governance of climate-related matters was enhanced by the establishment of a cross-functional TCFD Steering Committee to support our work towards compliance with the recommendations of the TCFD and the work of our Sustainability Steering Committee, which oversees sustainability initiatives and objectives, including the setting of science based targets to reduce Bloomsbury's environmental footprint. Both committees are chaired by the Head of Sustainability and comprise members of the Executive Committee and key stakeholders from relevant functions and divisions within the Company. The TCFD and Sustainability Steering Committees have joint responsibility for developing Bloomsbury's strategic response to climate change.

2021/2022 Progress

During the year, we have made significant strides in our work on environmental sustainability, building on the strong progress made in the prior year. The illustration below sets out some of the key milestones achieved in 2021/2022.

"It is imperative that we embed sustainable principles in the way that we operate and the books and digital resources we publish. Furthermore, to achieve real progress towards net-zero, we must work together as an industry to implement low carbon opportunities in our shared networks. We will actively seek opportunities to take leadership in tackling climate issues at Bloomsbury. In my role as President of the UK Publisher's Association, I am encouraging the acceleration of action throughout the industry."

Nigel Newton Chief Executive

Apr → May → Jun → Jul → Aug → Sep → Oct → Nov → Dec → Jan → Feb → Mar

Submitted our Science Based Targets to the SBTi for Validation.

Published an Environmental Policy which sets out our approach to sustainability as well as our targets.

Received validation from the SBTi for our Scope 1, 2 and 3 emissions targets.

Actively engaged with key suppliers to gather data and engage on sustainability initiatives.

Established the TCFD steering Committee to aid the full alignment with the disclosure requirements of the TCFD.

Continue to contribute to industry sustainability groups raising our collective voice to drive change.

Bloomsbury completed the minimum version of the CDP Climate Change Questionnaire.

Bloomsbury became a founding signatory of the Publishers Association's Publishing Declares pledge.

Sponsored the planting and protection of trees with both Woodland Trust and Reforest'Action.

Appointed external partners to assess our long-term plans to further align with a net-zero transition.

Environment

continued

Environmental policy

During 2021/2022, we published our environmental policy to communicate to staff, customers, suppliers and investors our commitment to measure and reduce carbon emissions both in our operations and in our supply chain. The environmental policy can be found on the Company's investor relations site at www.bloomsbury-ir.co.uk.

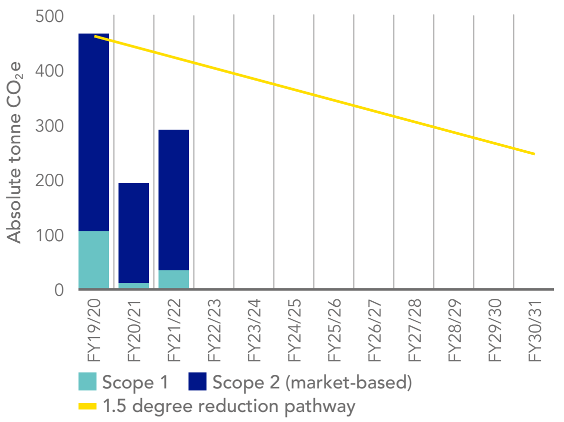
Science based targets

In September 2021, Bloomsbury received validation from the Science Based Targets initiative ("SBTi") for our near-term emissions reduction targets.

We have set reduction targets for our operational footprint (Scopes 1 and 2) in line with the Paris Agreement, and have committed to a 46% reduction in emissions by 2030 (base year 2019/2020).

We have currently achieved a 40% reduction in our Scope 1 and 2 emissions from our base year of 2019/2020, tracking below our SBTi targets. This reduction reflects the continuation of hybrid working among Bloomsbury staff, combined with office closures for periods of the year, and the switch to renewable energy supply in the UK and Australia.

Science Based Target Scope 1 & 2 progress



We have also committed to working with our suppliers and have set further targets to achieve a 20% reduction in Scope 3 emissions across our supply chain by 2035 (base year 2019/2020). This reduction is in line with a 2-degree pathway.

Our science based Scope 3 targets are in respect of Category 1 (purchased goods and services) emissions, which accounted for 83% of Bloomsbury's Scope 3 emissions in our base year of 2019/2020.

In the year ahead, we will assess our long-term plans to further align to the goals of the Paris Agreement with a net-zero transition. This programme of work remains of the utmost importance to Bloomsbury's Board and Executive Committee, and to our employees.

Supplier Engagement

A significant achievement during 2021/2022 was engaging key suppliers and building relationships with their sustainability representatives. Through the spend-based Scope 3 analysis carried out in 2020/2021, we have identified those suppliers which contribute most materially to Bloomsbury's greenhouse gas emissions. Regular meetings with these suppliers enable us to gather data, share progress and work together on sustainable projects and initiatives.

Industry Collaboration

We believe that working as an industry, publishers have the power to drive change. Bloomsbury's Head of Sustainability represents Bloomsbury on the Publishers Association ("PA") Sustainability Task Force as well as the Independent Publishers Guild ("IPG") Sustainability Action Group and the Book Industry Communications ("BIC") Green Supply Chain Committee. All groups drive industry-wide collaboration to tackle climate change. Bloomsbury is an active member of the Book Chain Project ("BCP"), a collaborative project run by Carnstone, which aims to provide accurate information about suppliers (paper mills, printers, etc.), enabling publishers to make responsible decisions throughout the supply chain and drive change towards more sustainable ways of working. The BCP also runs industry-wide research projects. During the year, Bloomsbury committed to joining a BCP project to identify the environmental and social sustainability impacts of commonly used paper types and deliver insights on their availability and useability.

Bloomsbury's was a founding signatory of the Publishing Association's Publishing Declares pledge. Signatories have agreed to:

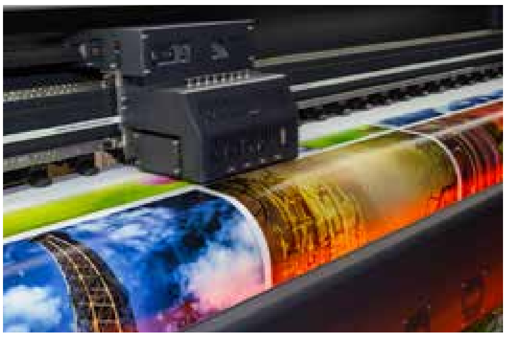
- Set targets across their operations and supply chains to achieve net-zero carbon emissions as soon as possible, and by 2050 at the latest;
- Work with resource-efficient supply chain partners and use sustainable materials and processes where possible;
- Collaborate to achieve their climate aspirations;
- Support colleagues to become climate literate; and
- Raise awareness and drive positive climate action wherever they can.

Next Steps

During 2022/2023, we will be taking the following steps to continue to advance our sustainability objectives:

- Supplier engagement – continue to work with suppliers to gather increasingly accurate data and to reduce emissions in line with our science based targets and our strategic response to climate risks.
- Science Based Targets – review the SBT Net-Zero Standard, and assess our long-term plans to further align to the goals of the Paris Agreement with a net-zero transition.
- Continue to engage staff through our Sustainability Working Groups.
- Industry engagement – work with our peers, suppliers and customers to drive change throughout the supply chain.

Above:
Jude Drake, Head of Sustainability



During 2021/2022 we began a project to reduce the gsm of the paper products used to manufacture our books (paper and boards). In doing so, we reduced paper-related carbon emissions by 13,573kgs of CO_2e (91,473kgs of CO_2e full-year equivalent).

Environment

continued

Key areas of activity to reduce Bloomsbury's environmental impact include:

Book manufacture

We are committed to reducing the environmental impact of our products and to controlling the materials used to produce them. We believe in protecting the world's forests and we are committed to ensuring the paper we use is responsibly sourced. A keystone of our global print purchasing strategy is the requirement for Forestry Stewardship Council ("FSC"), the Programme for the Endorsement of Forest Certification ("PEFC") or Sustainable Forestry Initiative ("SFI") accreditation to act as a print supplier to Bloomsbury, and we direct the printers buying paper on our behalf to use FSC/SFI-accredited materials in the manufacture of our products. Where FSC/SFI-accredited materials are not available we specify alternatives from known and reputable sources. As a result, over 95% of our output is made from FSC/SFI certified materials. Sustainability policies and planning, and a willingness to work together to achieve targets are key factors in our decision to engage a supplier, and once we have entered into partnerships, we make regular trips to factories to monitor progress, observe working practices and recycling programmes, and to learn about other locally relevant environmental initiatives.

During 2021/2022, we introduced the following sustainability initiatives in respect of the manufacture of our books:

- Adjustment of backlist specifications to remove plastics and energy-hungry processes; and
- Cooperation with suppliers to source alternative materials to manufacture and pack our books with a view to reducing our reliance on plastics and chemicals, as well as cutting energy use.

Print-on-demand

Changes in print technology are increasingly making it economic to manufacture books at the time of, and in the quantity needed for, sale – in some cases in the territory of sale. This reduces the CO_2 generated by pulping, recycling and transporting unsold books.

Online publishing and e-formats

Our editorial strategy and XML-based production workflow embrace digital publishing and the potential benefits this may bring to the environment. Our focus on digital formats and products allows millions of students to access essential resources without using paper and enables consumers to purchase Bloomsbury titles in digital formats should they wish to avoid the consumption of paper products.

Building and office facilities

The pandemic has meant a continuation of hybrid working. Bloomsbury's offices have been open for periods during the year with staff having the option to attend on pre-allocated days, but many have chosen to remain working from home. Most of our London-based employees who have chosen to work from our offices travel to work by public transport. We provide bicycle storage and showers for staff who ride to work.

From 1 April 2022, all UK sites under head office control will use 100% renewable electricity. This excludes multi-occupancy sites under landlord control, although we continue to engage with our landlords on this issue.

Lights are generally fitted with motion detectors and our office policy is to turn off lights and non-essential electrical equipment out of hours when not in use. We only use energy-efficient lightbulbs and we are rolling out a programme to upgrade these to LED lamps where possible.

During the pandemic, UK office heating and lighting has been significantly reduced to focus on occupied areas. This is aided by previously installed lighting motion sensors and temperature controllers.

For most employees, we have implemented separate recycling bins for different waste materials so that a significant proportion of our office waste is recycled. Paper and cardboard collection points are provided in every room and next to every photocopier.

All general waste is disposed of in clear sacks for sorting at the relevant recycling centre, where their target is to recycle 98% of all general waste that is sent to them.

We use 95% recyclable cardboard packaging for our shipments from our offices and are working hard to make this 100% in the coming year.

We supply point of use drinking water and do not supply plastic or paper cups.

ESOS Compliance

We are ESOS compliant and have taken advice from Inprova Energy Ltd T/A Energy & Carbon Management, who carried out phase two of our ESOS compliance. We continue to consider and apply their recommendations to reduce our carbon footprint.

Flexible office working

Bloomsbury has implemented a flexible working policy enabling homeworking for parts of the week for all staff, which will impact on emissions related to staff commuting and is likely to lead to a reduction in emissions arising from staff attendance at our offices, when measured against pre-pandemic emissions. We are assessing our ability to account for home working emissions, and will be gathering relevant data via staff surveys.

Encouraging a sustainability culture

We want to engage and educate colleagues to be more climate literate, empowering them to make decisions, in and out of work, that promote environmentally friendly practices and support the journey to a low carbon world.

In collaboration with Bloomsbury's independent pension scheme advisor, Champain, we designed a session, which ran just after year end, inviting UK staff to look at different options for investing in greener and more sustainable pension funds. We wanted to demystify how the funds work, how they are made up and explain how terms such as "sustainable" "responsible" and "ethical" are used when it comes to investing. The aim of the session was to inform staff how they can control the way their pension funds are invested and how this might impact their return.

Following the presentation, staff were offered a 1:1 session to discuss their individual pension options. We had an overwhelming response from staff with approximately 120 staff attending the live webinar.

As a result of this session, we are looking into providing a 'pure green' alternative to the default pension fund available to Bloomsbury staff in the UK.

Sustainability partnerships

Woodland Trust

Alongside wider goals to measure and reduce our carbon emissions, in 2021/2022 Bloomsbury made a donation of £19,200 to The Woodland Trust to sponsor a one-acre grove at the Young People's Forest, near Heanor, in Derbyshire, which contains around 750 newly planted trees. The donation supports ongoing care and management of the trees to ensure they grow into maturity enabling them to provide shelter and food for wildlife. The donation also supports the wider project to engage young people to learn about nature. In addition to donating funds, we are collaborating with the Woodland Trust on a range of events and workshops, bringing together authors and young people who use the woods. The aim of this work will encourage access to wildlife as well as writing and literature.

Reforest'Action

Bloomsbury has also sponsored the preservation of over 8,000 trees in 2021/2022 through a donation of £9,998 to Reforest'Action. All members of staff across Bloomsbury's global offices have been given a code to plant eight trees each via the Reforest'Action projects Bloomsbury are sponsoring. Countries in which Bloomsbury has supported tree-planting include:

Brazil

2,000

trees planted

Project:

Development of fruit forests in the Amazon rainforest

Involving traditional populations of protected reserves in the creation of fruit forests by guaranteeing them access to these resources.

The project aims to recreate forest ecosystems and support increased biodiversity. Planted in formerly deforested areas, the trees help restore the Amazon rainforest cover and provide fruit to alleviate food scarcity for traditional populations. They also serve to increase the volume of water in the surrounding rivers, thanks to a better supply of groundwaters provided by the organic activity of the forest soil.

India

4,000

trees planted

Project:

Restoring forests in the Eastern Himalayas and developing agroforestry

Restoring the forests of the State of Assam, in the Eastern Himalayas, and developing agroforestry to provide local communities with more sustainable agricultural solutions for their cotton and tea crops.

The trees will enrich the soil, recharge the aquifers, and protect the crops from too much sun. Harvests will improve over the years. Restoration of forests will preserve and develop biodiversity and help alleviate food scarcity. Local people are trained in the benefits of agroforestry and the long-term maintenance of the planted trees. Through forest restoration-linked incomes, communities are better able to access universal basic assets such as healthcare and education.

South Africa

2,000

trees planted

Project:

Reforestation of degraded pastures

Restoring ecosystems by planting more than 500,000 seeds of Spekboom, a local species which is essential to the ecological functioning of the region.

The planted trees will help the fight against global warming on a global scale by storing carbon in the form of wood, and on a local scale by humidifying the atmosphere. On average, Spekboom stores more CO_2 than dryland species. They will host a large but environment-specific flora and fauna biodiversity, including a population of elephants living in the project area. The forest help will restore arable land and protect the surrounding areas from natural hazards as well as help to regulate the rainwater cycle.

Environment

continued

2021/2022 Environmental performance

We report on our greenhouse gas emissions as required by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. We also report on our greenhouse gas emissions, waste production and water consumption in alignment with the 2006 Government Guidelines; Environmental Key Performance Indicators: Reporting Guidelines for UK Businesses. In respect of greenhouse gases, we report in respect of stationary fuel use (onsite consumption of natural gas and diesel), vehicle fuel use, refrigerant use and electricity use in kWh, converted to CO_2e following the protocols provided by the Department for Environment, Food and Rural affairs ("DEFRA"). Emissions have been categorised against the Greenhouse Gas Protocol scopes of reporting. The analysis of the Group's emissions, together with waste production and water consumption, is performed by an independent external advisor, Trucost, based on data we have provided, including utility bills, vehicle fuel data, and expenditure on business travel.

Scope 1 and 2 emissions, waste and water consumption

- Total Scope 1 and 2 (market-based) GHG emissions for 2021/2022 were 284 tCO_2e. Scope 2 (market-based) emissions account for 86% of the total, and the remaining 14% is attributed to Scope 1. This represents an increase of 51% from the prior year, due to Bloomsbury offices re-opening during the year for staff to attend on a voluntary basis, and the acquisition of ABC-CLIO and Head of Zeus. Despite this, Scope 1 and 2 emissions remain lower than pre-pandemic emissions in 2019/2020.
- GHG emissions intensity for Scope 1 and 2 (market-based) in 2021/2022 was 20% higher than for the prior year (normalised by revenue), reflecting Bloomsbury's strong financial performance in 2021/2022. Again, this remains lower than emissions intensity in respect of 2019/2020, pre-pandemic.
- Bloomsbury generated 40 tonnes of waste in 2021/2022 (2020/2021:14.7 tonnes), of which 95% is recycled and 5% is sent to landfill. The increase from the prior year reflects partial office reopening as well as packaging and waste relating to implementing COVID-19 health and safety measures in advance of staff returning. 2021/2022 also saw a reconfiguration of Bloomsbury's offices for hybrid working and the associated waste is captured in this increased figure.
- Total water consumption for 2021/2022 is 835 cubic meters (m^3), 1% higher than FY21 (828 m^3).

Greenhouse Gas Emissions: Scope 1 and 2

GHGs	Definition	Data Source and Calculation Methods	Quantity			
			Absolute Tonnes CO_2e		Normalised Tonnes CO_2e per £m Revenue	
			2021/2022	2020/2021	2021/2022	2020/2021
Scope 1 Direct Impacts						
Stationary fuel use	Emissions from natural gas consumption.	Actual annual consumption of natural gas in kWh collected from fuel bills. Data gaps were filled by extrapolating using average daily consumption and multiplied by number of days. This consumption is then converted according to DEFRA guidelines for the London office (Headquarters). Natural gas was not used in Oxford, Alton, Hardwick Street, US (including ABC-CLIO), India and Australia offices.	21	9	0.1	0.1
Refrigerants	Emissions from refrigerant leakage.	No data was provided on the volume refrigerant recharge for 2021/2022	0	0	0.0	0.0
Company Cars	Emissions from petrol and diesel consumption	Annual consumption in litres provided for the UK offices. Converted according to DEFRA guidelines. There are no Company cars in Australia and the US offices. This year, the Company car in India was not used due to home working	19	9	0.1	0.1
Total Scope 1			40	18	0.2	0.1

GHGs	Definition	Data Source and Calculation Methods	Quantity			
			Absolute Tonnes CO_2e		Normalised Tonnes CO_2e per £m Revenue	
			2021/2022	2020/2021	2021/2022	2020/2021
Scope 2 Impacts						
Electricity Use – location-based emissions	Greenhouse gas emissions resulting from electricity purchased.	Actual annual consumption of directly purchased electricity in kWh collected for the London, Alton, Hardwick Street, Oxford, US (including ABC-CLIO), Australia, and India offices. Data gaps were filled by using average daily consumption and multiplied by number of days.	**194**	**128**	**0.8**	**0.7**
		For location-based emissions calculations, the total consumption (kWh) data is converted to emissions according to DEFRA, EPA eGRID, National Greenhouse Accounts Factors (for Australia) and IEA guidelines.				
Electricity Use – market-based emissions	Market-based emission for purchased electricity	UK offices are powered by renewable energy in 2021/2022. However, in the absence of energy attribute certificates (e.g. RECs or equivalent instrument) or supplier-specific emission factor, residual mix emission factor is considered for calculating market-based emissions for UK offices. For the Australia office, market-based emissions are calculated using a combination of supplier-specific emissions factor and residual mix for Australia, as from November 2021 onwards, Australia office started purchasing renewable electricity directly from supplier. For US and India, average grid emission factors are considered for market-based emissions.	**244**	**170**	**1.1**	**0.9**
Total Scope 2			**244**	**170**	**1.1**	**0.9**
Total Scope 1+ 2 (Location-Based)			**234**	**146**	**1.0**	**0.8**
Total Scope 1+2 (Market-Based)			**284**	**188**	**1.2**	**1.0**

The values in the tables above relating to Absolute Tonnes CO_2e have been rounded to the nearest whole number and figures for Normalised Tonnes CO_2e per £m Revenue have been rounded to one decimal place.

Other impacts: waste and water consumption

Water	Definition	Data Source and Calculation Methods	Quantity: Absolute cubic meters 2021/2022	Quantity: Absolute cubic meters 2020/2021	Quantity: Normalised cubic metres per £m Revenue 2021/2022	Quantity: Normalised cubic metres per £m Revenue 2020/2021
Other Impacts						
Water consumption	Directly purchased water	Actual annual volume of water purchased provided for London, Oxford and India offices. This disclosed data for UK and India offices is used to calculate per day water consumption. For Australia and US offices (including ABC-CLIO), water consumption is estimated using per day water intensity multiplied by the respective working days.	**835**	**828**	**4.0**	**4.0**

Waste	Definition	Data Source and Calculation Methods	Quantity: Absolute Tonnes 2021/2022	Quantity: Absolute Tonnes 2020/2021	Quantity: Normalised Tonnes per £m Revenue 2021/2022	Quantity: Normalised Tonnes per £m Revenue 2020/2021
Other Impacts						
Waste generation	General office waste (which includes a mixture of paper, card, wood, plastics and metals) sent to recycling or landfill sites	Actual annual quantity of waste generated in London offices, Oxford, US (including ABC-CLIO) and India are considered. This disclosed data is considered to estimate per day waste generation intensity. For the Australia office, waste generation is modelled using this waste intensity multiplied with number of working days.	**39.9**	**14.7**	**0.2**	**0.1**

Notes:

1 **Electricity consumption**

Our total market-based electricity consumption in 2021/2022 increased by 43% compared to the prior year. This was due to more staff attending our offices, which re-opened for parts of the year, as well as Bloomsbury's acquisitions of Head of Zeus in June 2021 and ABC-CLIO in December 2021.

While the Bloomsbury offices have been closed for parts of 2021/2022, there have been several systems still in operation throughout the year. The server and the server cooling room have been running as usual to facilitate staff working from home. The post room has been operating, albeit at a reduced rate. The lift, lighting sensors, fire and intruder sensors, CCTV, Access Control, and the telephone system have all been in operation.

From 1 April 2022, all UK sites under head office control will use 100% renewable electricity. This excludes multi-occupancy sites under landlord control (e.g. Osprey & Head of Zeus). The Head of Zeus energy supply is a mix of renewable (75%) and nuclear (25%). We continue to lobby the landlord at Kemp House and Bloomsbury USA to switch to renewable energy. From November 2021, Bloomsbury Australia has been supplied by 100% renewable electricity. Bloomsbury India's energy is supplied by a state-owned power company.

2 **Water consumption**

In 2021/2022, water consumption increased by 1% from 828m^3 to 835m^3. This small increase despite acquisitions and the return of staff to the office on a voluntary basis during periods of the year can be explained by more accurate and representative billing. In 2020/2021, head office water consumption was modelled on the reduction seen at Bloomsbury India resulting from office closures. This approach was necessary due to many UK utility bills being produced from estimated meter readings as well as an overpayment via direct debit. Using expenditure would have resulted in a misrepresentation of water consumption. During 2021/2022, more frequent meter readings have been possible meaning that UK spend is more representative of actual consumption.

The actual annual volume of water purchased was used to calculate per day water consumption for the UK and India offices. For the US and Australian offices, water consumption has been estimated using per day water intensity multiplied by the respective working days.

Greenhouse Gas Emissions: Scope 3

Bloomsbury's total Scope 3 emissions for 2021/2022 are 24,214 tCO_2e (2020/2021: 23,203 tCO_2e). Upstream emissions account for the majority (98%) of the Group's Scope 3 emissions. Category 1 (purchased goods and services) contributed to 75 % of Bloomsbury's total value chain emissions. The table below show the breakdown of Scope 3 emissions by category.

	Value chain (Scope 3) category	GHG Emissions (tCO_2e) 2021/22	Scope 3 GHG share (%)	GHG Emissions (tCO_2e) 2020/21	Relevance
Upstream	1) Purchased goods and services	18,234	75.3%	20,877	Relevant
	2) Capital goods	337	1.4%	147	Relevant
	3) Fuel- and energy-related activities	79	0.3%	33	Relevant
	4) Upstream transportation and distribution	4,918	20.3%	934	Relevant
	5) Waste generated in operations	2	0.01%	3	Relevant
	6) Business travel	48	0.19%	0.07	Relevant
	7) Employee commuting	22	0.1%	23	Relevant
	8) Upstream leased assets	12	0.05%	16	Relevant
Downstream	9) Downstream transportation and distribution	344	1%	Not Calculated	Relevant
	10) Processing of sold products				Not relevant
	11) Use of sold products				Not relevant
	12) End-of-life treatment of sold products	218	0.9%	1,169	Relevant
	13) Downstream leased assets				Not relevant
	14) Franchises				Not relevant
	15) Investment				Not relevant
Total		**24,214**		**23,202**	

Notes:
1 The table above shows all 15 categories of Scope 3 emissions; those marked "Relevant" are the categories relevant to Bloomsbury's business.
2 Bloomsbury acquired Head of Zeus in June 2021 and ABC-CLIO in December 2021. The data above does not include Scope 3 emissions for Head of Zeus or ABC-CLIO. This will be included in our calculations for 2022/2023.
3 In respect of 2019/2020, the base year for setting our science based targets, Scope 3 emissions were calculated based solely on spend. This approach allowed us to identify key suppliers who were most material to our carbon footprint. Since carrying out this analysis, we have engaged with these suppliers and gathered more precise data, enabling us to establish more accurate Scope 3 emissions data.
4 Increased engagement with internal stakeholders not only facilitated a more granular approach to data capture, it also led to increased accuracy of industry mapping relating to our Scope 3 analysis. We were able to identify several suppliers who had a cross-function between storage and distribution and establish the service was more heavily weighted towards distribution. As a result, emissions from these suppliers are now captured in Category 4 and 9, upstream and downstream transportation.
5 We have worked with our suppliers to develop new reports that allow us to more accurately track transportation. This has supported the move away from spend-based analysis in calculating our Scope 3 emissions for categories 4 and 9. We continue to work with our suppliers to improve the accuracy of our reporting.
6 In 2021/2022, our Scope 3, Category 1 emissions have decreased by 12.6% as a result of more accurate industry mapping which saw several suppliers move from Category 1 to Categories 4 and 9 (upstream and downstream transportation).
7 We have started working with our biggest print supplier, which purchases paper on our behalf, to develop a more accurate way to capture our paper-related emissions.
8 The table above indicates a significant reduction in Scope 3, Category 12 emissions from the prior year. However, we have been made aware of a significant data gap relating to this category and will be working in the next year to implement a data quality assessment to ensure future calculations for end-of-life emissions become increasingly accurate.

The total Scope 1, 2 and 3* emissions for Bloomsbury in 2021/2022 is 24,498 tCO_2e.

Total Scope 1 = 40 tCO_2e

Total Scope 2 (market-based) = 244 tCO_2e

Total Scope 3 = 24,214 tCO_2e

Total Scope 3, Category 1 = 18,234 tCO_2e (linked to Science Based Target)

* Excludes Head of Zeus and ABC-CLIO

Climate risks and opportunities

As part of the Group's progress towards compliance with TCFD disclosure requirements, in 2021/2022, we completed an initial, qualitative assessment of climate-related risks and opportunities. Further information on this project can be found on pages 82 to 92 of this Annual Report. During 2022/2023, further work will be undertaken to quantify, to the extent possible, the risks identified as most material in terms of having the greatest perceived financial impact on the Group.

TCFD

Task Force on Climate-Related Financial Disclosures (TCFD)

Bloomsbury is making disclosures in accordance with the Financial Conduct Authority ("FCA") Policy Statement 20/17 and listing rule LR 9.8.6R(8), consistent with the 11 TCFD recommendations and supporting guidance. Our disclosures are set out in this Annual Report on pages 83 to 92. The table below indicates where core disclosures can be found for each recommendation and where additional details relevant to the specific recommendation can be found if reported elsewhere in this Annual Report. The disclosures describe our activities to date as well as future areas of focus to strengthen the Group's management and communication of climate-related issues. The table summarises the Group's compliance with the TCFD recommendations and, where the Group partially complies, our plans to improve our reporting towards achieving full disclosure.

	Recommended disclosure	Status	Reference
Governance	**a) Board oversight**	Disclosed	Core information: Pages 73 and 84
	b) Management's role	Disclosed	Core information: Pages 73 and 84
Strategy	**a) Climate-related risks and opportunities**	Disclosed	Core information: Pages 86 to 88
	b) The impact of climate-related risks and opportunities	Partially disclosed	Core information: Pages 83 to 92 • **Transition plan:** The Group has set near-term science based targets for Scope 1, 2 and 3 and plans to assess alignment to the SBTi net-zero guidance in 2022/2023. Alongside this, we will conduct an analysis to identify carbon reduction measures that will support the achievement of these targets. • **Financial planning:** In 2021/2022, the Group completed a qualitative analysis of climate risks and opportunities to understand the potential impact of strategically important risks and opportunities under different climate scenarios. In 2022/2023, the Group will undertake a quantitative scenario analysis to calculate the potential financial impact of priority climate risks and opportunities, as identified from among the risks and opportunities set out on pages 86 to 88 of this Annual Report. This will improve the integration of climate-related issues into our financial and business planning process.
	c) The resilience of the organisation's strategy	Partially disclosed	Core information: Page 90 Additional information: Pages 14, 16 to 23 • **Strategy resilience & financial performance:** The Group's focus in 2021/2022 has been on identifying and assessing climate risks and opportunities under different climate scenarios. In 2022/2023, the potential financial impact of priority risks identified by the Group as described above will be quantified under different climate scenarios. The outcomes of this quantitative analysis will be incorporated into the Group's financial planning and will help inform strategy and the adoption of appropriate resilience measures for inclusion in the Group's climate transition planning.
Risk Management	**a) Identifying and assessing climate-related risks**	Disclosed	Core information: Pages 83 to 91
	b) Managing climate-related risks	Disclosed	Core information: Pages 84 to 91
	c) Integration into overall risk management	Disclosed	Core information: Page 91
Metrics & Targets	**a) Climate metrics**	Partially disclosed	Core information: Page 92 Additional information: Pages 78 to 81 • **TCFD climate metrics & targets:** In 2022/2023, we will develop our climate scenario analysis and evolve risk management processes. Following this, we will seek to identify additional climate-related metrics that align with the new standardised cross-industry metric categories recommended by the TCFD in October 2021.
	b) GHG emissions	Disclosed	Core information: Pages 78 to 81
	c) Climate targets		Core information: Page 92 Additional information: Page 71

Response to the Task Force on Climate-Related Financial Disclosures (TCFD)

Bloomsbury is committed to reducing the environmental impact of our products and acknowledges the importance of sharing climate-related information with our stakeholders.

As such, we welcome the TCFD recommendations which provide a consistent framework to demonstrate how we identify, assess and manage our climate-related risks and opportunities. Through our assessment of climate-related impacts, we will develop an understanding of the financial implications associated with climate change, enabling the integration of climate considerations into our financial and business planning processes.

TCFD progress highlights

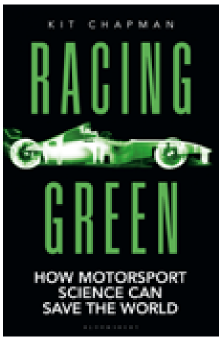
During the year, Bloomsbury has made significant progress across each of the TCFD thematic areas including governance, strategy, risk management and metrics and targets:

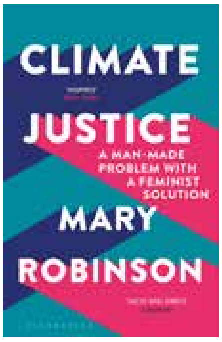
- **Governance:** We established a dedicated TCFD Steering Committee with cross-function representation to drive progress towards full alignment with TCFD recommendations.
- **Strategy:** We have appointed an external advisor to undertake a climate scenario analysis of the transition and physical risks and opportunities across the Group's operations and supply chain. The results of the initial qualitative assessment are disclosed in this report. In 2022/2023, the analysis will include the quantification of the potential financial impact of priority climate risks and opportunities identified by the Group, which will help inform the appropriate response strategy in order to strengthen business resilience.
- **Risk Management:** A systematic methodology has been adopted to assess the Group's climate-related risks and opportunities. For risks and opportunities which are strategically important to the business, we have also identified potential management response measures.
- **Metrics and Targets:** Our near-term science based targets for Scope 1, 2 and 3 were validated by the SBTi. We are also investigating target requirements in the long-term as well as interim milestones, to align with a net-zero transition.

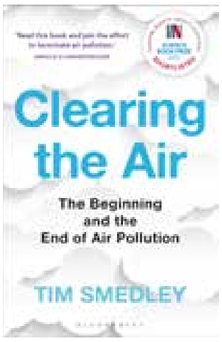
Our wider influence

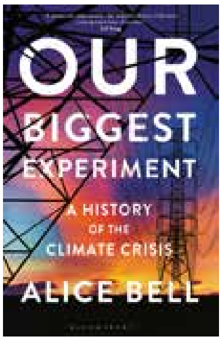
Bloomsbury is proud to be an active member of the Publishers Association Sustainability Task Force, the Independent Publishers Guild Sustainability Action Group, and the Book Industry Communication Green Supply Chain Committee, all of which promote positive climate action. Bloomsbury is also a member of the Book Chain Project, which provides publishers with access to information on sustainable practices and emissions data of paper and print suppliers. This information, alongside additional engagement with key suppliers including printers and distributors, enables Bloomsbury to measure the Group's Scope 3 emissions more accurately and helps us make responsible decisions aimed at reducing our Scope 3 emissions and in turn mitigating our exposure to climate-related risks in our value chain.

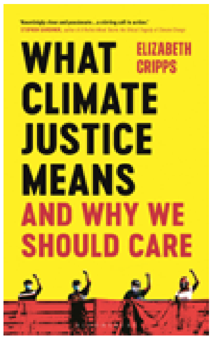
Bloomsbury also supports the transition to a net-zero economy by publishing climate-related content which educates readers about the climate change crisis and inspires climate action. We will continue to publish in this area and aim to increase our activity through the development of new editorial policies within our academic publishing division. Titles published in this area include *An Inconvenient Truth* and the *Assault on Reason* by Al Gore, *Climate Justice* by Mary Robinson, *What Climate Justice Means* by Elizabeth Cripps, *Clearing the Air* by Tim Smedley and *Our Biggest Experiment* by Alice Bell, and many more.











Governance

Climate-related responsibilities are distributed across the organisation, with several committees having key roles in the management of climate-related risks and opportunities. The members of these committees include senior leaders from the Executive Committee, as well as management representatives from different business functions. The Remuneration Committee assists the Board to align the Remuneration Policy with the Group's strategy, which encompasses climate-related matters. For 2022/2023, the bonus objectives for Executive Directors include a 4% weighting for the achievement of reduction targets in respect of the Group's Scope 1 and 2 emissions. The organisational structure below describes the responsibilities of each committee in relation to climate governance.

Bloomsbury climate governance structure

Head of Sustainability
- Advances our sustainability response on climate change
- Represents Bloomsbury on the Publishers Association Sustainability TaskForce, as well as the independent Publishers Guild Sustainability Action Group and the Book Industry Communications Green Supply Chain Committee
- Chairs Sustainability and TCFD Steering Committees

TCFD Steering Committee
- Established in 2021/2022
- Supports full alignment with the disclosure requirements of TCFD
- Cross-function representation ensures that climate considerations are incorporated across our operations and activities

Joint responsibility for developing strategic response to climate change

Sustainability Steering Committee
- Oversees sustainable initiatives and strategic responses to climate risk and opportunities
- Comprises members of the Executive Committee and key stakeholders from Production, Operations and Finance

Executive Committee
- Implements the Group's strategic objectives
- Daily operational control of climate-related risks
- Approves the Company's environmental policy and objectives including those relating to climate change

Audit Committee
- Review of the Annual Report and Accounts will include purview on performance and disclosure against the TCFD recommendations
- Reviews internal controls and risk management systems which will govern climate risk response

Remuneration Committee
- Approves the targets for performance-related remuneration schemes for the Board
- Responsible for the integration of climate targets into remuneration

Board
- The Board oversees the Group's Principal Risks and has overall responsibility for climate-related matters
- Approves substantive strategies for reducing Bloomsbury's environmental impact and addressing climate risk
- Receives regular reports on activities in this area from the Head of Sustainability and the Executive Sponsor of the Sustainability Steering Committee

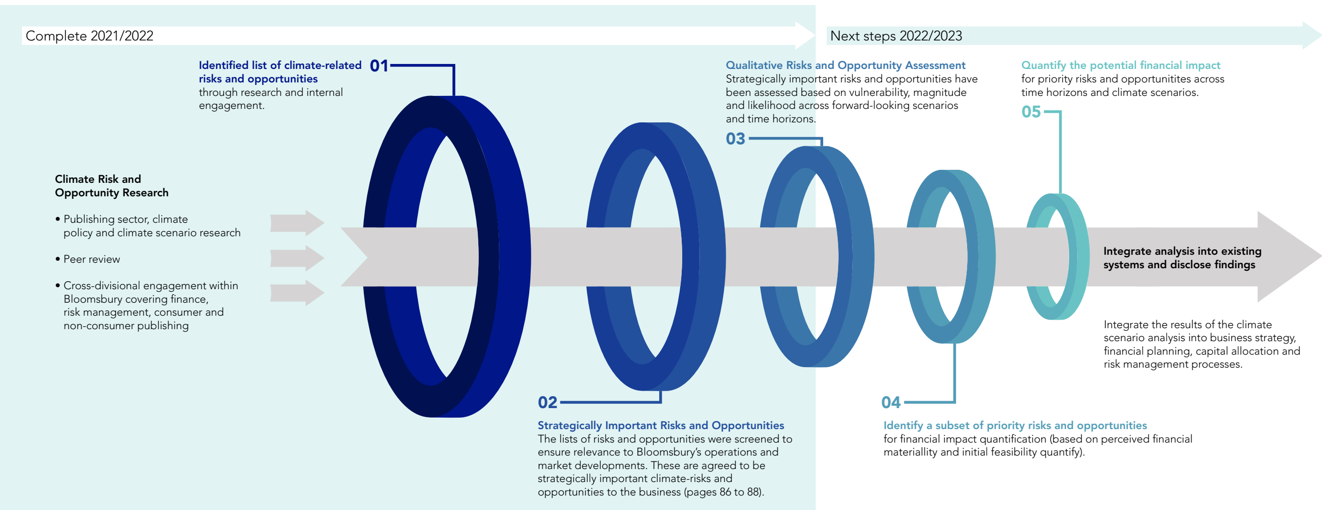
Next Steps

- **Review Remuneration Policy:** Continue to assess the inclusion of climate key performance indicators in remuneration policies.
- **Assign managerial responsibilities:** Explore options to enhance the specificity of responsibility for climate-related matters across divisions and relevant departments to ensure climate objectives are translated into action.
- **Continue education of the Board and senior management:** Schedule climate update sessions to communicate relevant developments in climate policy, research, and debate.

Strategy

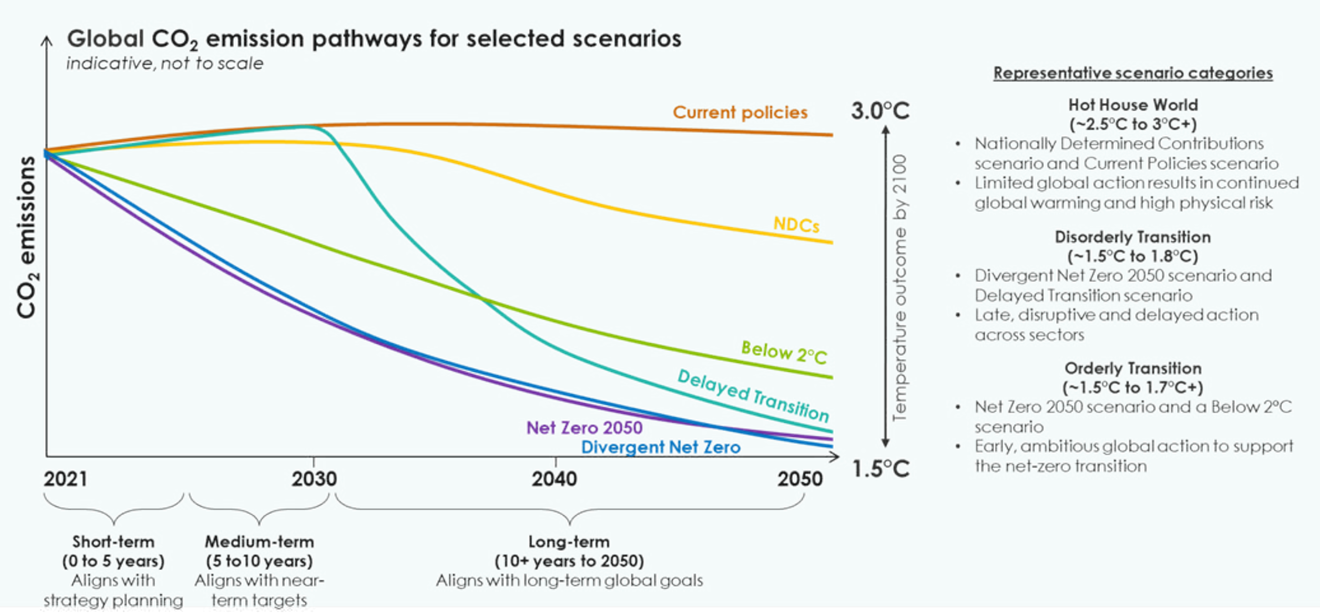
During the year, Bloomsbury initiated a Group-level assessment of climate-related risks and opportunities and carried out a climate scenario analysis of physical hazards and key transition risks across the Group's value chain, including the impact of carbon pricing mechanisms. In 2022/2023, we are expanding the scope and depth of our analysis by quantifying the financial impact of priority climate risks and opportunities identified by the Group from those set out on pages 86 to 88 of this Annual Report. The outputs of this quantification exercise will help inform decisions relating to mitigation and adaptation measures and will be incorporated into the Group's financial planning and business strategy.

Our approach to climate scenario analysis is illustrated below.



Climate Scenarios

Climate scenarios are used to assess how transition- and physical-related impacts may vary over time depending on the level of mitigation activity by governments and policymakers, which will in turn influence the likelihood and magnitude of climate anomalies. To account for uncertainty when projecting climate-related impacts, the Group observes the climate scenarios developed by the Network for Greening the Financial System (NGFS)[1]. These include three representative scenario categories for hypothetical mitigation activity within which there are six possible scenario pathways. We have defined our time horizons as short-term (0 to 5 years), medium-term (5 to 10 years), and long-term (10+ years to 2050). The diagram below presents the global emissions pathways for selected scenarios and the time frames against which we have assessed risks and opportunities. Each scenario is built up from a unique set of assumptions on socio-economic changes and the level of global coordination on climate action. As a result, the projections on transition indicators, climate variables and macro-financial data will vary across scenarios.



1 NGFS Scenarios Portal, https://www.ngfs.net/ngfs-scenarios-portal/

Climate Scenario Analysis

Climate risks and opportunities relevant to our industry have been identified through sector, policy, and climate scenario research. Extensive internal engagement across the Group's publishing divisions and Group functions has also been undertaken to ensure that the climate risks and opportunities identified have been considered in the specific context of the Group's operations. A workshop was held with the TCFD Steering Committee which has cross-functional representation from across the Group, covering publishing, finance, legal, risk, sustainability, production and distribution, in order to validate the analysis to date including the identification of climate-related risks and opportunities and the scoring assessment of the identified risks and opportunities. Climate-related physical and transition risks and opportunities contextualised and mapped for the Group's operations and market developments were qualitatively assessed to determine the relative significance to the Group's business (see our approach to climate scenario analysis on page 84) .

Our qualitative risk and opportunity assessment (see methodology on page 91) assigns scores based on vulnerability, magnitude, and likelihood criteria using indicators from the Network for Greening the Financial System ("NGFS") and the Intergovernmental Panel on Climate Change ("IPCC") databases. This allows scoring to be based on forward-looking projections of transition and physical climate indicators, e.g. fuel price fluctuations and changes to precipitation levels. The assessment results are summarised for each market trend, alongside associated climate-related risks and opportunities and the potential management responses.

TCFD

continued

Strategically Important Climate-related Risks and Opportunities

(Not disclosed in order of priority)

Market Trend | **Assessment Results**

Increase in competition for manufacturing capacity, materials and distribution

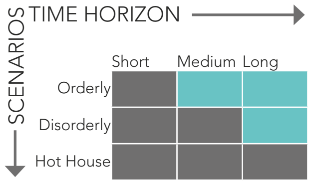
There has been a global rise in competition for print manufacturing capacity, raw materials, and distribution, driving up the cost of sales. While this may incentivise operational efficiencies and product specification rationalisations with associated reductions in carbon emissions, the feasibility of optimising our approach is dependent on the cooperation of our suppliers and on collaboration between publishing houses via concerted lobbying of the supplier base.

Climate-related risks and opportunities

- Inflated cost of sales related to the request for the implementation of sustainable practices or material choices. Put simply, "green" options cost more at present.
- Potential cost savings derived from operational efficiencies and/or specification rationalisations.

Potential Management Response

- Assess the feasibility of efficiencies in production and distribution.
- Seek opportunities to partner with suppliers to reduce carbon emissions through specification adjustments and materials choices in collaboration with our industry peers.



Dependence on localised supplier specialisms

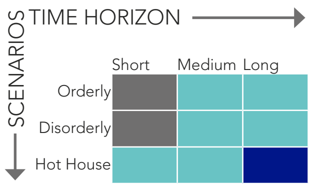
The book and games manufacturing industries have evolved to create localised product specialisms. For example, the Far East dominates Children's novelty book printing and Games components manufacturing. This results in longer-distance transport routes that are inherently exposed to physical hazards which could increase in likelihood and magnitude.

Climate-related risks and opportunities

- Extreme weather events such as storm surges can disrupt land and sea transport networks causing delays in production and distribution.
- Longer transport routes result in higher carbon emissions and distribution costs.
- In some instances, there are no alternatives.

Potential Management Response

- Integrate climate considerations alongside printing and distribution costs when selecting printing suppliers and distribution partners.
- Explore product design modifications to open up alternative manufacturing locations.



Growing demand for transparency around environmental impact

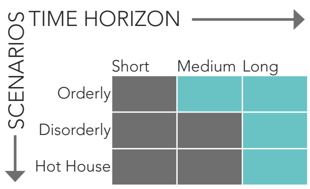
There is a general rise in stakeholder expectation to increase transparency over the carbon emissions resulting from the production of goods and services. The publishing industry is seeking to standardise the calculation of embodied carbon emissions and exploring the idea of a book "carbon label" to inform customers as to the carbon emissions associated with individual books.

Climate-related risks and opportunities

- Potential reputational impact and related loss of revenue if we are perceived to be carbon-intensive in comparison with our peers.
- Potential loss of market share while demand and/or taste remains for carbon-intensive designs and packaging.

Potential Management Response

- Evaluate tools and resources in development by industry associations that enable carbon accounting in our production and design.
- Remain an active participant in industry association discussions regarding the development of industry-specific carbon standards.
- Explore opportunities to influence market preferences in favour of goods with reduced environmental impact.



Score Key: L M H

Market Trend | **Assessment Results**

Market transition to net-zero

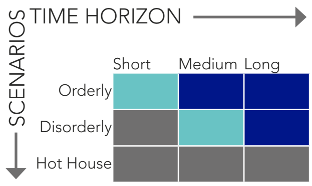
To incentivise the transition to net-zero, the price of carbon will become more apparent, through carbon regulations, carbon pricing mechanisms (global carbon markets and carbon taxes) and the potential knock-on impact to fossil fuel prices.

Climate-related risks and opportunities

- Increased costs of raw materials and distribution due to pass-through of transition costs.
- Higher operational costs related to our direct energy consumption and related carbon emissions.
- Increase capital expenditure for new technologies/low carbon materials and production processes to reduce carbon emissions related to our activities. Conversely, this would also reduce exposure to future potential transition costs identified above.

Potential Management Response

- Achieve our science based targets through the identification and assessment of carbon reduction measures across our value chain.
- Use the results of the TCFD quantitative climate scenario analysis to strengthen the business case for investment in decarbonisation measures.



Digitisation of media

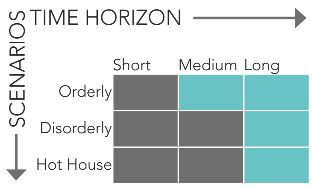
Digital content has become an increasingly important format for certain customer groups. However, preference continues to shift between print and digital formats and there remains uncertainty associated with the climate impacts of digital publishing. While it is expected that energy consumption will increase with business growth, the relationship between carbon emissions and changes in volumes of print and digital content is not yet clear.

Climate-related risks and opportunities

- Unable to project future carbon emissions related to specific market formats and channels, resulting in uncertain exposure to future climate risk.
- Reputational risk if we are unable to provide an adequate response to potential stakeholder enquiries relating to the climate impact of digitisation.

Potential Management Response

- Increase the proportion of renewable and low-carbon energy sources in our operations and encourage digital suppliers to do the same.
- Participate in industry associations that are developing tools and resources that will support Bloomsbury to understand the life cycle emissions of all our product formats and channels.



Growth in publishing content on climate change

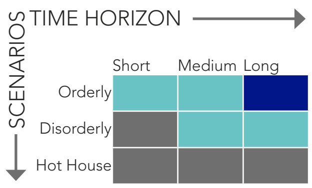
There is an increasing volume of climate-related academic research that when published can broaden discovery and understanding, as well as support higher education in this field.

Climate-related risks and opportunities

- Enhanced reputation for publishing academic content that encourages interaction with the principles of the United Nations Sustainable Development Goals ("SDGs").
- Increase in revenue from demand for content aligned with SDG13: Climate Action, as well as other global goals aligned to clean energy, responsible consumption and production, and biodiversity.

Potential Management Response

- Begin to explore academic content to align with SDGs and increase publication of information linked to climate change.
- Identify opportunities to collaborate within the industry to drive sustainable content, following on from previous initiatives such as the UN SDG Book Club.



Score Key: L M H

TCFD
continued

Market Trend | **Assessment Results**

The publishing industry is collaborating to address climate impacts

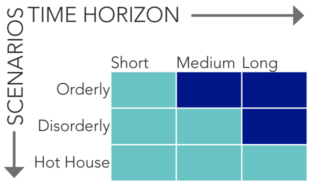
Working as an industry body presents an opportunity to collectively assess, invest and benefit from possible efficiencies across the supply and distribution network with the aim of facilitating carbon emissions reductions that are associated with the publishing industry.

Climate-related risks and opportunities

- Restrictions to the extent of knowledge sharing, and coordinated activities due to competition law concerns.
- Increase in decarbonisation initiatives in the supply chain through supplier partnerships and collaboration.

Potential Management Response

- Continue to collaborate with our peers and suppliers on industry-wide climate initiatives.



Increase in likelihood of climate-related physical hazards

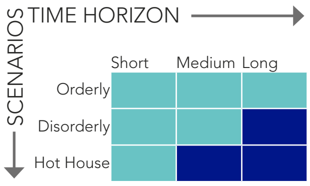
There is an expected increase in the likelihood of extreme weather events and chronic climate anomalies in the future. Hazards related to climate change (including heat stress, water scarcity, flooding, storm surges, wildfire etc.) could impact operations across the publishing value chain, from pre-press, to suppliers, to distribution, and to retail.

Climate-related risks and opportunities

- Physical hazards can result in a reduced availability of materials, resulting in suppliers charging high prices.
- Delays in supply and distribution of products, or in worst-case scenarios a loss of products, resulting from extreme weather events.
- Damage to manufacturing plants reduces supplier production capacity.
- Shift in sales to online channels in response to severe weather conditions.

Potential Management Response

- Further assess physical risk at key manufacturing plants and associated potential financial impact.
- Build resilience in production by identifying alternative suppliers and supplier regions, supporting adaptation planning, and forward purchasing paper.
- Extend schedules to account for potential delays in distribution.
- Identify opportunities to increase online marketing to mitigate impacts from the shift to online retail.



Enhanced market focus on biodiversity and the value of ecosystem services

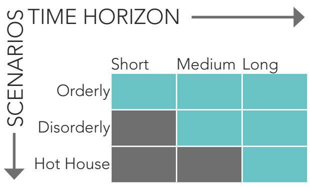
In recent years, businesses have been expected to accelerate the adoption of sustainable procurement of natural resources, such as using FSC/SFI certified paper. There is also emerging regulation on forestry protection, as well as expectations for companies to increase nature-related disclosures. As a result, there is increasing scrutiny concerning the rigour of these standards in protecting habitats, and the importance of the industry in upholding the integrity of standards to limit the degradation of biodiversity.

Climate-related risks and opportunities

- Higher price of raw materials that meet sustainable sourcing standard requirements.
- Reputational impacts should evidence indicate that the effectiveness of standards has low, no, or negative impact on biodiversity and environmental systems.
- Opportunity to increase nature-related positive impacts through industry collaboration on due diligence of standards.

Potential Management Response

- Expand supplier engagement plans to tier 2 and tier 3 suppliers in order to understand opportunities to have a positive influence on biodiversity
- Engage with industry to research the issue of biodiversity loss and the effectiveness of FSC in tackling biodiversity issues including an understanding as to whether there are grades of performance within the various sustainable procurement standards.



Score Key: L M H

Examples of Climate-related Transition Risks and Opportunities

- Potential cost savings derived from operational efficiencies.
- Increase in decarbonisation initiatives in the supply chain through supplier partnerships and collaboration which reduce our risk exposure.
- Use of more efficient distribution and modes of transport reducing disruption and costs.

- Changes in fossil fuel energy prices will impact Bloomsbury directly and indirectly through its own energy consumption and from suppliers.
- Changing consumer and customer behaviour with growing awareness of sustainability issues.
- Increased cost of raw materials including paper, water, chemicals etc

- Future regulations on import requirements/supplier credentials will tighten restrictions and likely incur costs.
- Enhanced emissions reporting obligations driving increased compliance costs.
- Increased pricing of GHG emissions will come as a direct cost to operations and suppliercontracts.

- Decarbonisation of operations will require some investments in energy efficiency and emission reduction measures.
- Costs to adopt and deploy new practices and processes related to sustainable practices and material choice.

- Increased talent attraction and retention for taking lead in sector on climate-related matters.
- Increased stakeholder concern if unable to meet climate targets.
- Reputational repercussions related to increasing awareness on the importance of natural capital and paper use.

Examples of Climate-related Physical Risks

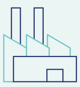
Raw materials

Physical Risks: Water scarcity, drought, wildfires.

Impact: Reduced yield and supply of raw materials which are sensitive to climate anomalies.

Example: Paper pulping is a water-intensive activity which will be impacted if faced with water shortages or restrictions.

Upstream production



Physical Risks: Storms, blizzards, water scarcity, temperature rise.

Impact: Operating capacity of paper mills, and printers may become compromised.

Example: Reduce productivity due to extreme weather and temperatures, or facility damage causing a temporary shutdown.

Upstream logistics

Physical Risks: Flash floods, storm surges, sea-level rise.

Impact: Delivery of product may be delayed, or even lost.

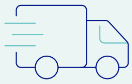
Example: Storm surge increases wave height at ports which causes disruption loading and unloading.

Bloomsbury operations

Physical Risks: Flash floods, blizzards, storms.

Impact: Employee ability to travel to work andor internet disruptions preventing efficiency of work.

Downstream logistics



Physical Risks: Flash floods, wildfires, snow, blizzards.

Impact: Delivery of final product may be delayed.

Example: Snowstorms in areas with limited response infrastructure, mean products cannot be transported until the snow clears.

Consumers

Physical Risks: Flash floods, blizzards, storms, wildfires.

Impact: Consumer buying habits will likely be pushed towards online retail if traditional high street options are impacted by these hazards.

Example: Smoke from wildfires mean consumer stay at home, opting for online deliveries instead of going direct to shops.

End-of-life treatment

Physical Risks: Water scarcity, temperature rise.

Impact: Recycling, reusing or discarding of product my become disrupted.

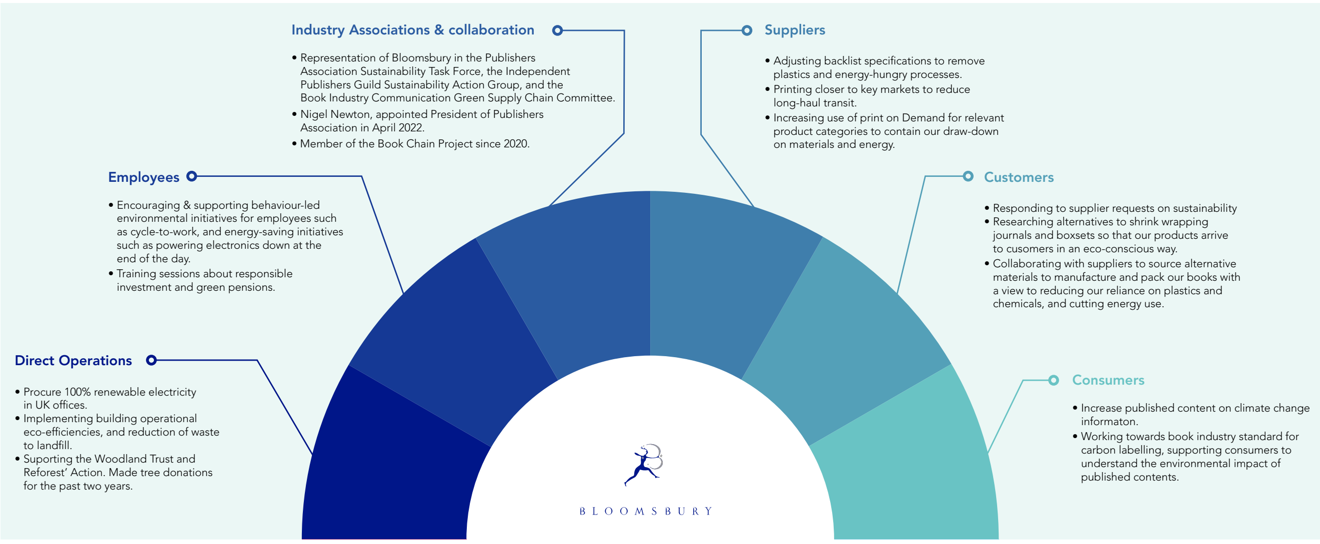
TCFD
continued

Climate resilience and transition planning

In 2021/2022, Bloomsbury set near-term carbon reduction targets for Scope 1 and 2 as well as Scope 3 (Purchased Goods & Services) which were validated by the Science Based Targets Initiative ("SBTi"). In 2022/2023, we will assess our long-term plans to further align with a net-zero transition.

Reducing our Scope 1, 2 and 3 GHG emissions will enhance the Group's resilience to future transition risks. Bloomsbury recognises the importance of working with our value chain partners to identify and implement decarbonisation measures upstream and downstream. These cooperative measures, as well as those that we take within our own operations, reflect and complement the management response measures identified in our climate risk and opportunity assessment (pages 86 to 88). Bloomsbury's proposed management responses also include measures to adapt to and mitigate physical climate risks in our value chain, to ensure a holistic approach to the range of climate-related impacts relevant to the Group.

The diagram below illustrates our sphere of influence and climate-related actions currently underway at Bloomsbury. Further information on steps being taken by Bloomsbury to reduce our greenhouse gas emissions is reported on pages 73 to 81 of this Annual Report.



Next Steps

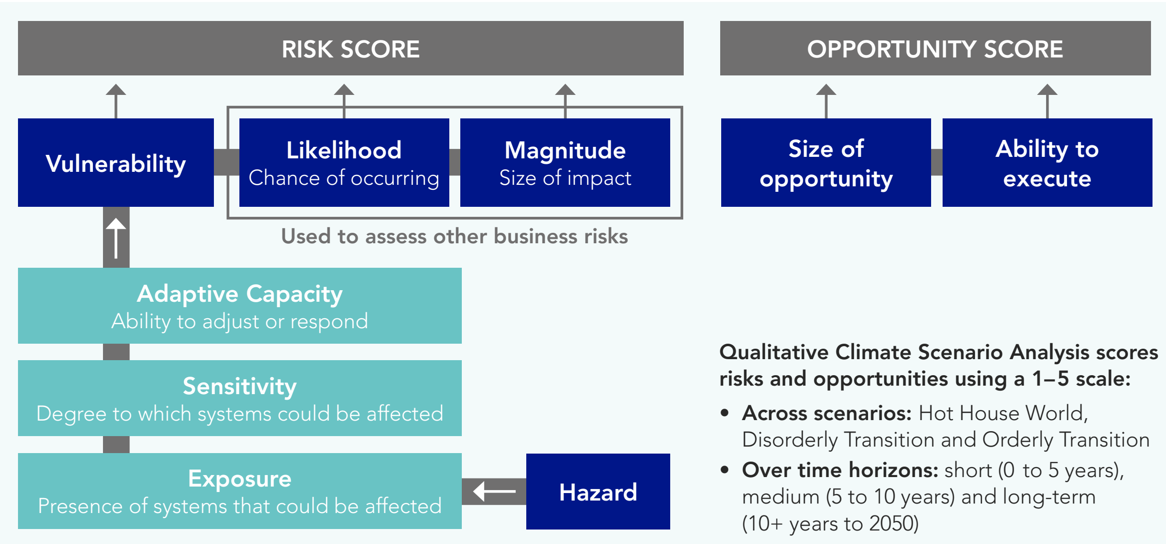
- **Quantify financial impact:** Identify priority risks and opportunities, and quantify the potential financial impact.
- **Integrate climate analyses into Group processes:** Integrate the outcomes of our climate scenario analysis into our financial planning, risk management and strategy development systems and processes.
- **Transition plan:** Combine our decarbonisation and resilience planning into a robust transition plan which describes our targets in the near and long-term with interim milestones and actions on how these will be achieved.
- **Implement and monitor management response to climate impacts:** Continue to implement and evolve management response to reduce our risk exposure and enhance resilience.

Risk Management

Historically, climate-related risks have been assessed in the context of Group business risks. For example, possible disruption to supplier services due to various events including weather impacts. However, in recognition of the unique characteristics of climate-related risks – including uncertainty and unpredictability in terms of climate change and regulatory responses in the short and long-term – in 2021/2022, Bloomsbury undertook a comprehensive project to specifically identify and assess climate-related risks and opportunities. This project provided the Board and senior management with a deeper understanding of the extent to which climate matters could impact the Group's business, as well as the adaptive measures which are likely to be required in response. The outcomes of this climate risk assessment will be integrated into the Group's overarching risk management process as described on page 93 of this Annual Report. As we develop our understanding of the potential impacts of climate issues, we will seek to implement appropriate control measures based on our assessment of the materiality of specific risks. We have already identified potential management responses for climate risks and opportunities which are strategically important to the business, as represented in the table on pages 86 to 88 of this Annual Report, a number of which are already being implemented.

Climate Risk Assessment Methodology

Bloomsbury is in the process of assessing climate risks and opportunities using climate scenario analysis, as described on page 85. In the first stage of the assessment, the Group has undertaken a qualitative assessment of climate-related risks and opportunities based on sector and climate scenario research. The second stage of the assessment will take place in 2022/2023, which will entail a quantitative climate scenario analysis to calculate the financial impact for priority risks and opportunities. It is envisaged that as our climate scenario analysis methodology develops, we expect to expand the coverage of quantification, as well as our ability to act on the outcomes of the analysis. The qualitative assessment process is described below.



The assessment determines climate risk scores based on the same scoring methodology used in respect of Group business risks including likelihood and magnitude of impact. In addition, the process involves a vulnerability assessment which considers the Group's exposure, sensitivity, and adaptive capacity to identified risks.

The potential materiality of opportunities is assessed based on the size of the opportunity (i.e. how big the market is and the level of competition) and the Group's ability to execute (i.e. the level of strategic alignment).

Both risks and opportunities have been scored on a 1 to 5 scale with defined thresholds for the scoring categories to ensure consistency and comparability across all risks and opportunities.

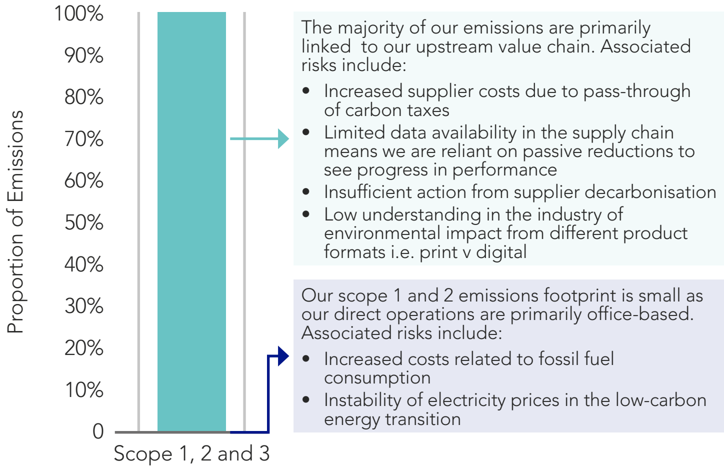
Next Steps

- **Integrate climate risk into Group risk management:** Formalise process to embed climate risk and opportunity assessment within the overall Group Risk Management Framework.
- **Develop risk management measures:** Through a better understanding of climate risks and opportunities, focus on developing suitable and specific control approaches for priority risks.

TCFD
continued

Metrics & Targets

GHG Emission and associated risk



During the year, the Group's near-term science based targets were validated by the Science Based Targets Initiative (SBTi):

- Bloomsbury commits to reduce absolute Scope 1 and 2 GHG emissions by 46% by 2030 from a 2019/2020 base year.
- Bloomsbury commits to reduce absolute Scope 3 GHG emissions from purchased goods and services by 20% by 2035 from a 2019/2020 base year.

Energy-saving and carbon reduction measures reduce the Group's GHG emissions, and inherently reduce exposure to climate-related risks. As a result, we can better manage and strengthen the Group's business resilience to potential climate impacts. Bloomsbury's performance in 2021/2022 against key environmental and climate-related indicators is reported on pages 78 to 81 of this Annual Report.

New Guidance for Metrics and Targets

In October 2021, the SBTi launched its Net-Zero Standard, which outlined the requirements to set science based net-zero targets. Recognising the importance of aligning our targets with the latest science as we work towards a net-zero goal, Bloomsbury is reviewing this guidance.

In October 2021, the TCFD released updated guidance for companies responding to the recommendations, including guidance for organisations in respect of their disclosures around metrics and targets. As part of this, the TCFD has identified "cross-industry climate-related metric categories" which it encourages all organisations to report against, to allow for comparability across organisations globally and to support convergence in the disclosure of key metrics. The TCFD encourages organisations to set, track and disclose targets that align with the cross-industry, climate-related metric categories, to the extent possible.

These cross-industry, climate-related metrics are reflected in the table below, together with the Group's current reporting metrics and plans for responding to the TCFD's updated guidance as our understanding of climate-related matters evolves.

GHG Emissions	Transition & Physical Risks & Climate-related Opportunities	
Metric: The Group reports Scope 1, 2 and 3 emissions (pages 78 to 81).	**Metric:** In 2022/2023, the Group will seek to quantify the potential financial impact of priority risks and opportunities.	
Target: SBTi validated near-term targets for the Group's full value chain.	**Target:** Appropriate targets will be considered upon completion of the quantification exercise.	
Capital Deployment	**Internal Carbon Price**	**Remuneration**
Metric: The Group will assess the level of investment required in the near term to transition to a net-zero economy as part of its SBT, and to reduce the Group's exposure to climate-related risks.	**Metric:** As we develop our understanding of the Group's sensitivity to carbon pricing, we will explore opportunities to incorporate carbon pricing in our financial planning.	**Metric:** For 2022/2023, the bonus objectives for Executive Directors include a 4% weighting for the achievement of reduction targets in respect of the Group's Scope 1 and 2 emissions. The Remuneration Committee is assessing the possibility of introducing a sustainability performance objective in the Group's Long-Term Incentive Plan.

Next Steps

- **Assess alignment to net-zero:** Review the SBT Net-Zero Standard, and assess what this means for Bloomsbury's climate commitments.
- **Climate risk metrics:** Identify and assess the measurement of additional climate-related metrics in response to the TCFD's updated guidance on cross-industry, climate-related metrics, and to better manage the Group's most material climate-related risks.
- **Carbon reduction achievement pathways:** Identify and model potential carbon reduction measures required to meet the Group's emissions reduction targets, alongside associated interim milestones to enable progress to be monitored.

Principal Risks and Risk Management

The focus of Bloomsbury's risk management process is on identifying, evaluating and managing risk, with the goal of supporting the Group in meeting its strategic and operational objectives. The Group has policies and procedures in place to ensure that risks are properly identified, evaluated and managed at the appropriate level within the business. The Group maintains a comprehensive risk register which assesses all pertinent risks, including operational, financial, compliance and strategic risks. The risk assessment is dynamic so includes emerging and retiring risks as the risk landscape changes. Each risk is monitored and where necessary updated, using a rating system which seeks to assess the likelihood and impact of the relevant risks crystallising. Against this, an assessment is made of the controls that are in place to mitigate the relevant risk.

Each division and department maintains the risk register in respect of the risks relevant to that division or functional area. The risk register is reviewed on a quarterly basis by Bloomsbury's Executive Committee and a report on the internal controls and assurances that are in place in respect of the risks identified is submitted to the Audit Committee three times a year.

Further explanation of the Group's risk management and internal control framework is provided on pages 122 to 123 of this Annual Report, and is summarised below.

Risk management:
Risks facing the business are identified and assessed on a regular basis

Internal control:
Internal controls are designed and deployed to mitigate these risks to an accepted level

Assurance:
Assurance activities assess whether the controls are effective and risks are mitigated to an acceptable level in practice

The Board

Audit Committee

Executive Committee

Divisional and departmental management

Bloomsbury's risk management framework is designed to provide the Board with oversight of the most significant risks faced by the Group.

The rating of risks takes into account the likelihood of the risks happening and the potential financial and non-financial impacts they could have.

Risks are rated twice:

- The first rating is based on the potential exposure if nothing is done to manage or mitigate the risk, in order to assess the significance of the risk to the Group's business and provide a baseline ("gross risk rating"); and
- The second rating takes into account the measures and controls in place to manage and mitigate the level and impact of the risk, and indicates the current status of the risk ("net risk rating"). This informs decisions about what additional action may be required to further mitigate the risk, according to the Company's risk appetite.

The most material risks are those which have a higher probability and which, if they were to occur, would have a material impact on the Company's financial results, strategy, reputation or operations. These risks are classed as the Group's principal risks. The Board receives a comprehensive report on the principal risks of the Group and the measures and controls in place to manage those risks twice a year.

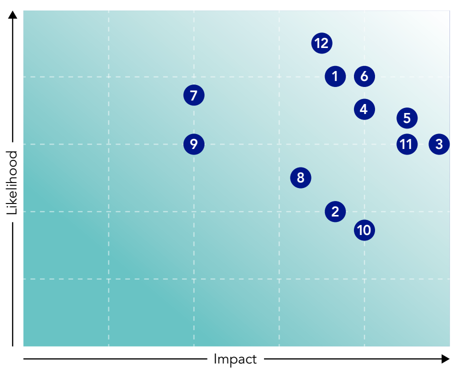
Outlined in the table starting on page 94 of this section of the Annual Report, and shown on the risk heat map on this page, are the principal risks that management have identified to the Group. These risks are included in the table on the basis of the gross risk rating described above; the actions and controls applied to mitigate these risks are described alongside each risk. The risk heat map illustrates the net risk ratings of these risk areas after mitigation and controls.

Not all the risks listed in the table, starting on page 94 of this section of the Annual Report, are within management's control and other factors besides those listed could also affect the Group. Actions being taken by management to mitigate risk factors should be considered in conjunction with the cautionary statement to Shareholders on page 109 of this Annual Report with regards to forward-looking statements. Details on financial risk management are given in Note 26.

Principal risks

The table on pages 94 to 97 summarises those risks which management considers significant for the Group's business being risks which have a higher probability and which, if they were to occur, would have a material impact on our financial results, strategy, reputation or operations, together with the action taken, and controls implemented, by management to mitigate these risks. Other risks besides those listed could also affect the Group and are monitored throughout the year.

The relative net risk ratings of the principal risks (after mitigation and controls) are illustrated schematically in the following chart:



1. Market
2. Importance of digital publishing
3. Acquisitions
4. Title acquisition (Consumer publishing)
5. Information and technology systems
6. Financial valuations
7. Intellectual property
8. Reliance on key counterparties
9. Talent management
10. Legal and compliance
11. Reputation
12. Cost inflation

Principal Risks and Risk Management

continued

Key area	Risk	Description	Mitigation
Market Change in risk: **Increased**	A	**Market volatility: Post-pandemic consumer behaviour; impact of economic instability** Sales may be impacted by changes to consumer spending habits following the lifting of pandemic related restrictions. Economic instability and inflationary pressures may lead to changes in consumer demand for products, impacting revenues and margins.	• Bloomsbury combines academic and general publishing in different formats and distributes its products through different channels. In addition, we operate in multiple countries and sell our products worldwide. This diversified portfolio and customer base, together with our international presence creates a level of resilience in respect of market or country specific downturns; • Close monitoring of revenue streams, lists and channels; range and diversity of our content; resilience of demand for strong content. • Continued focus on promoting Non-Consumer sales and BDR products, as Academic customers pivot to digital resources. • Increased marketing and sales activities focused on retaining reader engagement. • Renewed focus on promotion of reading for pleasure including at key travel points.
		Increased dependence on internet retailing Growth of online retailers may impact on the discoverability of Bloomsbury titles and lead to a reduction in sales channels available to the Group.	• Grow expert marketing teams skilled in internet sales. • Engage with multiple internet retailers and support independent retailers. • Focus on promoting sales from the Company's own website and on direct sales to customers. • Increase focus on developing other marketing opportunities and other revenue streams, e.g. Academic & Professional digital products, rights and services.
		Open access Policies set by the UK's national research funders, UK Research and Innovations (UKRI) will increasingly require open access availability of scholarly research books by UK Authors. UKRI policies require that digital editions of research books be made freely available online within a year of publication from 2024. UKRI policies are anticipated to affect a small minority of Bloomsbury's research titles from 2024. A future policy associated with the UK's Research Excellence Framework (REF) may impact more research titles from around 2026. The impact of not adapting to this change would directly affect digital and print income from scholarly research titles.	• For titles in scope for UKRI's policy, charge an open access publication fee, paid by UKRI from a ring-fenced budget. • Positively engage in the policy consultation for future REF policy. • Pilot innovative new open access business models to explore sustainable ways of providing open access that are not reliant on publishing fees. • Expand our research commissioning in regions outside of Europe, which are generally not as affected by open access policies. • Appointment of Director of Research and Open Access to ensure the successful transition to sustainable open access business models. Business workflow and systems are in the process of being adapted to ensure capacity to operate at scale.
		Sales of used books Sales of used books for academic purposes erode backlist sales.	• Digital subscriptions and multiple ebook purchasing models are offered direct to institutions and students.
		Rental of textbooks US readers may license books from retailers for a limited period at a lower cost to buying books, with no revenues or royalty paid to the publisher.	• Develop digital resources and ebook platforms to deliver, direct to institutions and students, the content and flexible pricing models to suit readers' requirements.

Key area	Risk	Description	Mitigation
Importance of digital publishing Change in risk: **Reduced**	B	**BDR revenues and profit** Revenue and profit from BDR products and services may not grow in line with our stretching targets.	• Develop a portfolio of high-quality online content services in markets we understand well. • Use third-party content and content partnerships to scale up projects more quickly and create economies of scale. • Continue to invest in internal resource and infrastructure to support product pipeline.
		Higher project and development costs may be required or incurred than were budgeted for, impacting profit.	• BDR performance is monitored against annual and monthly budgets and reforecasts on a weekly basis. • The business case for each BDR product requires approval by the Group Finance Director and Managing Director of the Non-Consumer Division. Costs and profitability by project are tracked and reviewed against budget on a monthly and quarterly basis by senior management to identify any corrective action required. Any budget overspend requires approval of the Group Finance Director and Managing Director of the Non-Consumer Division.
		Unforeseen circumstances may delay development of new online content services.	• Standardise the digital delivery platform to simplify and speed up the development and implementation of new digital content services.
		Reduced budgets for academic libraries and institutions may impact on revenue.	• Adoption of flexible sales models where budgets for annual subscriptions are restricted. • Broaden the international institutional customer base so that the Company is not reliant on sales in specific territories.
Acquisitions Change in risk: **Increased**	C	**M&A activity** Acquisitions could deliver lower than expected return on investment. Poor acquisitions may result in potential impairment charges.	• Potential acquisition targets are assessed by the members of the Executive Committee according to strategic and cultural fit. Thorough pre-acquisition due diligence is conducted by relevant functions, including finance, legal, publishing and sales. Capital allocation for acquisitions is determined at Group level and approved by the Board. Integration plans are developed at Divisional level and are implemented by a cross-functional team of experts, with Divisional oversight. • Regular reports are presented to the Board throughout the year on post-acquisition performance, including an assessment of any variation to the expected return on investment.
(Consumer publishing) Change in risk: **Reduced**	D	**Commercial viability** Titles may be acquired that are not commercially or critically successful.	• Advances over a certain limit are required to be authorised by the Chief Executive and Group Finance Director. • Financial forecasts are prepared prior to acquisition to predict commercial success. • Focus on acquiring world rights where possible in order to increase sales opportunities and mitigate the risk posed by competing editions in open markets. • Editorial guidelines and policies in place to guide acquisition decisions.
Information and technology systems Change in risk: **No change**	E	**Cybersecurity/malware attack** Unauthorised access to the Company's systems may result in fraud, data privacy breach, theft of intellectual property, inability to access, or damage to, vital systems and assets, thus causing financial and reputational damage to the Group.	• Clear responsibility for systems, restrictions on software installation, increasing use of the cloud, information back-up, monitoring security risks, internal control reviews of the systems and up-to-date anti-virus software are among the measures in place. • Training provided to all staff on cybersecurity risk.
		Inadequate internal access controls or security measures Inadequate controls over certain processes could lead to sensitive data being inadvertently revealed internally or externally.	• Sensitive personal data is stored securely and protected with password controls or encryption. User access controls are embedded in the Company's finance systems.

Principal Risks and Risk Management

continued

Key area	Risk	Description	Mitigation
Financial valuations Change in risk: **No change**	F	**Judgemental valuation of assets and provisions** Significant assets and provisions in the balance sheet depend on judgemental assumptions, e.g. goodwill, advances, intangible rights, inventory and returns provisions.	• Consistent and evidence-based approach to assumptions. • Board approval of key assumptions.
Intellectual property Change in risk: **No change**	G	**Erosion of copyright** Erosion of traditional copyrights. Erosion of territorial copyrights as a result of global internet retailing.	• Continue policy of support for copyright and intellectual property rights as a fundamental facet of publishing. • Continue to police infringements of the Group's territorial copyrights and take appropriate action to enforce such rights.
		Infringement of Group IP by third parties Failure to adequately manage and protect the Group's intellectual property rights (including trademarks and copyright) may damage the value of our core assets and impact on profits.	• Adopt robust anti-piracy procedures. • Undertake targeted enforcement action against third-party infringers. • Ensure appropriate digital rights management protection of ebooks and digital formats.
Reliance on key counter-parties; supply chain resilience Change in risk: **Increased**	H	**Failure of key counterparties or breakdown in key counterparty relationships** The failure of key counterparties could result in a significant disruption to the Group's business activities, resulting in lower levels of trading and revenues. The Group's ability to meet customer demand for print products depends on timely supply from our printing partners. This may be impacted by the availability of raw materials (e.g. paper pulp) and ongoing global supply chain disruption. A breakdown in key commercial relationships could impact on future publishing opportunities.	• Relationships with key counterparties are closely monitored and actively managed by senior managers. This includes frequent and regular engagement with key counterparties in order to ensure open communication and cooperation and to identify potential issues that may impact on the Company's business at the earliest opportunity. Other mitigations include having appropriate contracts and service level agreements in place, and interrogating the business continuity plans of key counterparties. • Regular review of global supply chain resilience by the cross-function Supply Chain Working Group to ensure proactive steps are implemented to mitigate supply chain risks and prioritise supply of print titles. • Ongoing diversification of supplier base. • Increased local printing to mitigate shipping delays and disruptions.
Talent management and retention Change in risk: **No change**	I	**Failure to attract and retain key talent and create an inclusive and supportive environment in which the Group's employees can thrive** Inability to recruit individuals with the necessary skills and experience could impact on Bloomsbury's ability to innovate and grow. Loss of key talent could lead to loss of skill and knowledge from the business, resulting in decreased efficiency, impact on staff motivation and undermine external relationships.	• Ongoing employee engagement measures to improve employee experience and organisational culture; more information on these measures is set out on pages 66 to 69 of this Annual Report. • Continued focus on employee development through training and mentoring programmes for early and mid-career employees. • Provision of executive coaching for senior staff. • Ongoing Employee Voice Programme, allowing every employee to have their voice heard directly by senior management and the Board. HR initiatives are implemented in response to matters raised during Employee Voice Meetings. • Formal appraisal system provides the opportunity to identify learning and development opportunities to support career progression and succession planning. • Formation of a Diversity, Equity and Inclusion Steering Committee and related Diversity and Inclusion working groups and Staff Networks. • Development of a Diversity and Inclusion Action Plan with clear and ambitious targets to increase diversity within Bloomsbury's workforce and author base. • Appointment of a Diversity, Inclusion and Training manager to oversee Bloomsbury's DE&I work and staff training programmes. • Global staff turnover by Division and functional area is reported to the Executive Committee and monitored against agreed thresholds.

Key area	Risk	Description	Mitigation
Legal and compliance Change in risk: **No change**	J	**Breach of key contracts by the Company** Breach of a key contract by the Company could result in a claim for damages and/or termination of the contract by the relevant counterparty, resulting in financial loss to the Group	• Relevant individuals within the business who are engaged in activities which relate to or are governed by key contracts are made aware of the terms of such contracts. Legal advice is sought from the Group's legal function where appropriate to ensure performance by the Company in accordance with contractual terms.
		Failure to comply with applicable regulations Failure to comply with regulations relating to the reporting of annual financial reports may lead to a range of sanctions including fines, imprisonment, reputational damage and delisting.	• Annual Report and Accounts is reviewed internally by the Head of Group Finance and the Group Finance Director, and externally by the Group's appointed Auditor. Material balances are tested in accordance with relevant standards. The Group Company Secretary advises on content requirements under relevant regulation/legislation.
		Failure to comply with privacy regulations may result in significant fines and reputational damage.	• Mitigation in respect of the risk of a data breach is noted above in connection with Information Technology and Systems. • Since the introduction of the General Data Protection Regulation ("GDPR"), which came into force in May 2018, the Company has implemented a range of measures to ensure compliance with the requirements of GDPR. These include the implementation of policies and guidance in key areas, the provision of training to employees, reviewing and updating the Company's data collection methods and marketing communications, updating supplier terms and conditions, and updating privacy policies on the Company's websites. The Company has appointed a Data Protection Officer to oversee GDPR compliance.
Reputation Change in risk: **No change**	K	**Investor confidence** City confidence undermined by events outside of the Company's control, e.g. collapse of a retailer.	• Diversify the Company's portfolio of products and services to reduce dependencies on individual customers, sales channels and markets.
Cost Inflation New risk	L	**Print Supply Costs** Increased print supply costs resulting from increases to energy prices and raw materials could impact on margin and achievement of the Group's financial targets.	• Long-term contracts with key suppliers to manage and mitigate cost increases; active price management of Bloomsbury products to recover incremental costs; diversification of supplier base.

Principal Risks and Risk Management

continued

Changes during the year

Market

Potential changes to consumer behaviour following the lifting of pandemic restrictions, including travel restrictions, and in response to inflation have resulted in the rating of this risk being increased.

Importance of Digital

Achievement of Bloomsbury's long-term goal of delivering BDR revenue of £15 million and profit of £5 million by 2021/2022 has reduced the rating of this risk. Completion of acquisitions to strengthen BDR in addition to strong organic growth have further contributed to a decreased risk rating.

Acquisitions

The rating of this risk has increased due to the scale and frequency of Bloomsbury's acquisitions during 2021/2022.

Reliance on key counterparties

The rating of this risk has been increased due to continued supply chain challenges including the availability of raw materials.

Cost Inflation

This risk has been added due to increases to the prices of raw materials and increased energy prices impacting on print supply costs.

Risk watchlist

Climate risk and sustainability

Climate change, and the interventions of Governments around the world which are aimed at reducing greenhouse gases, could present risks to our operations, supply chains and business model in the future. Adverse impacts of climate change could include physical (weather-related) risks, as well as transitional risks such as increased regulation, increases in fossil fuel prices, changing consumer behaviour and increases to the cost of raw materials. In addition, the failure of the Group to respond to increasing stakeholder and societal expectations for companies to respond to climate change with action to reduce the environmental impact of their operations may result in reputational damage and the failure to attract and retain talent.

The Group has set emission reduction targets for Scopes 1, 2 and 3 which have been validated by the SBTi. We have engaged an external advisor to support us in developing our roadmap for achieving these targets and assessing our long-term plans to further align to the goals of the Paris Agreement with a net-zero transition. Further information on our targets and sustainability measures can be found on pages 73 to 81 of this Annual Report.

Work is underway to identify and quantify climate-related risks and opportunities relevant to the Group's operations, as further described on pages 82 to 92 of this Annual Report.

Viability statement and going concern assessment

Provision 31 of the 2018 UK Corporate Governance Code requires the Board to assess the viability of the Group over a period significantly longer than 12 months from the date the financial statements are approved. The Board of Directors confirm that it has carried out a robust assessment of the principal and emerging risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity.

The Group prepares five-year plans for the Group and each of the global publishing divisions. Projections for the first three years of the plan are based on performance of future new publishing, online platforms and other income pipelines, as well as sales of backlist titles. There is inherently less certainty in the fourth and fifth years.

The Board therefore concludes that three years is an appropriate period for the viability statement.

The Group's principal risks (see pages 94 to 97 of this Annual Report) and its approach to managing them have been taken into account for the purposes of assessing viability, both in connection with the period covered by the viability statement and longer term. We have evaluated all the principal risks above and focused our sensitivity analysis on the areas the Board believes to be the key risks to viability:

- Market volatility;
- Increased dependence on internet retailing; and
- Inflation.

We have developed plausible downside scenarios for each of these risk areas and quantified the impact on the Group's revenue, profit and cashflows. All scenarios modelled significant impact on print revenues and delayed customer payments due to the ongoing impact of the COVID-19 pandemic.

The analysis took account of the Group's current funding, forecast requirements and existing banking facilities.

The severe but plausible downside scenario, assumes:

- Print revenues are reduced by 20% during 2022/2023, with recovery during 2023/2024;
- Digital revenues are reduced by 20% during 2022/2023, with recovery during 2023/2024;
- Print costs are increased by 15% from 2022/2023 and staff costs are increased by 5% from 2023/2024;
- Downside assumptions about extended debtor days during 2022/2023, with recovery during 2023/2024;
- Cash preservation measures implemented and variable costs reduced.

Under this severe but plausible downside scenario, the Group has sufficient liquidity to be able to manage these downside assumptions.

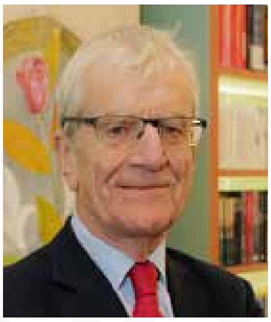
Through this analysis, the Board concludes that the Group does not face a risk to longer-term viability except in the event of remote combinations of material events.

The Board has a reasonable expectation that the Group has adequate resources to continue in operation for at least 12 months from the date of approval of the financial statements, being the period of the detailed going concern assessment reviewed by the Board, and therefore continues to adopt the going concern basis of accounting in preparing the annual financial statements.

The Board has a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period to 28 February 2025.


THE BOOK OF HOPES
KATHERINE RUNDELL
no one is talking about this Patricia Lockwood
Abdulrazak Gurnah
AFTERLIVES
BRIGHT BURSTS OF COLOUR
POEMS BY MATT GOODFELLOW

Governance



Chairman's Introduction to Corporate Governance

On behalf of the Board, I am pleased to introduce Bloomsbury's Corporate Governance Report for the financial year ending 28 February 2022. The aim of this report is to explain Bloomsbury's Corporate Governance Framework and how it was applied in the year under review.

Compliance with the 2018 UK Corporate Governance Code

This year, the Company is reporting against the UK Corporate Governance Code published in July 2018 (the "Code"), which applies to accounting periods beginning on or after 1 January 2019. The Code is published on the Financial Reporting Council's ("FRC") website at www.frc.org.uk.

During the year, the Board has continued to strengthen the measures implemented by the Company to ensure compliance with the 2018 Code. This Corporate Governance Report and the Strategic Report set out how the Company has applied the Code principles and adhered to Code provisions throughout the year.

The Board believes that for the financial year ended 28 February 2022, the Company has complied with all applicable principles and provisions of the Code, save in respect of the following provisions:

- Provision 38 states that the pension contribution rates for Executive Directors should be aligned with those available for the workforce. In accordance with the Remuneration Policy approved by Shareholders at the 2020 Annual General Meeting, pension contributions in 2020/2021 were initially 15% of basic salary for Nigel Newton and Penny Scott-Bayfield. However, the Company and the Executive Directors noted that market practice in relation to retirement benefits continued to evolve. In order to reduce the gap between Executive pension benefits and all-employee pension benefits (currently up to 7% of salary), the Executive Directors voluntarily agreed to a reduction in their long-standing contractual pension entitlements. With effect from 1 September 2020, the Executive Directors pension contributions were reduced to 12% of salary. The retirement benefit was then further reduced to 9.5% of salary with effect from 1 March 2022 and it is intended that the rate be reduced further to 7% of salary from 1 March 2023 so that it is in line with the all-employee rate; and
- Provision 33 states that the Remuneration Committee should have delegated responsibility for setting remuneration for senior management. In 2019, the Committee considered its role in respect of determining the remuneration of senior management with reference to the Code. After due consideration and discussion at both the Committee and the Board level, it was decided that the Executive Directors would remain responsible for remuneration for senior management. The Committee believes that the Executive Directors are best placed to assess the appropriate level of remuneration of senior managers based on their performance and contribution to the Company's success and on the Executive Directors' knowledge of market rates of pay. The Committee will nonetheless monitor the remuneration of senior managers closely and will continue to be responsible for approving the granting and vesting of share incentives.

Sustainability

The Board sees sustainability as a vital part of Bloomsbury's overall strategy. Following the appointment of the Head of Sustainability in 2020, the Board has continued to have oversight of the implementation of sustainability initiatives. During the financial year, the Board approved Bloomsbury's commitment to setting science based targets and in September 2021, these targets were validated by the Science Based Target initiative. Furthermore, the Board supported the appointment of external partners to provide a steer for the Company in assessing our long-term transition plan to further align with net-zero. For the first time this year, Bloomsbury has made disclosures in line with the recommendations under the Taskforce on Climate-Related Financial Disclosures ("TCFD"). The full TCFD Report can be found on pages 82 to 92 of this Annual Report. This describes the Group's compliance with TCFD recommendations, and where the Group partially complies, our plans to improve our reporting towards full disclosure.

Stakeholder engagement

The Board believes that the manner in which it conducts its business is important and it is committed to maintaining the highest standards of corporate governance, which underpin Bloomsbury's ability to deliver long-term value and success for the benefit of all of its stakeholders. The Board is mindful of its duties to stakeholders under section 172 of the Companies Act 2006. More detail on how the Board has discharged its duties under section 172 to promote the success of the Company, having regard to the Company's key stakeholders as part of its decision-making, particularly in light of COVID-19, can be found on pages 51 to 59 of this Annual Report.

Purpose, values and culture

The Board is closely involved in setting the tone for Bloomsbury's culture and embedding it throughout the Group. Our values are a key aspect of Bloomsbury's ethos and guide the workforce as they pursue the delivery of Bloomsbury's strategy. The Board believes that an engaged and committed workforce is integral to the achievement of Bloomsbury's strategic objectives, and organisational culture is central to this. To this end, the Board is informed on key matters and actions arising out of Employee Voice Meetings, which are held regularly as part of the Company's employee engagement programme. More details on the output of employee engagement can be found on pages 66 and 67 of this Annual Report.

Diversity and inclusion

The Board recognises the benefits that diversity, equity and inclusion can bring to the effectiveness of Board decision-making where different skillsets and perspectives are present. The Nomination Committee supports the Board in overseeing the Company's diversity, equity and inclusion policy, and further information can be found on page 118 of this Annual Report.

Board evaluation

I led an internal process to evaluate the effectiveness of the Board, its Committees and each individual Director. The outcome of the evaluation confirmed that the Board and its Committees continue to operate effectively and that all of our Directors continue to demonstrate commitment to their role. Further information relating to the Board evaluation can be found on pages 115 to 116 of this Annual Report.

Board changes

Bloomsbury announced in March 2022 that Steven Hall, a Non-Executive Director since 2017, will be stepping down from the Board at the forthcoming Annual General Meeting in July 2022. We thank Steven for his contribution to Bloomsbury during his tenure. I am delighted to welcome John Bason to the Board, who was appointed as a Non-Executive Director on 1 April 2022. John's biographical details can be found on page 103.

Sir Richard Lambert
Chairman of the Board

Corporate Governance Framework

Board

The Board provides leadership and governance for the Company, while having regard to the interests of Shareholders as well as other stakeholders. It determines, and oversees the execution of, the Group's strategy, and is responsible for the overall management, control and performance of the Group's business. The Board is involved in determining the Company's purpose and values, and monitoring organisational culture. The Board establishes appropriate risk management and internal control procedures, and determines the risk appetite for the Company. Certain matters are reserved for the Board's approval, with others being delegated to Board Committees or to the Company's Executive Committee as appropriate. Full details are available on the Company's website (www.bloomsbury-ir.co.uk).

Audit Committee

- Monitors the integrity of financial statements and narrative reporting;
- Monitors and reviews the effectiveness of the internal audit function;
- Monitors internal financial and operational controls;
- Oversees risk management;
- Reviews the External Auditor's independence and leads the audit tender process; and
- Reviews the effectiveness of the external audit process.

Nomination Committee

- Reviews the structure, size and composition of the Board;
- Considers Board experience and diversity;
- Considers the appointment of new Directors and oversees succession planning;
- Oversees policy and strategy regarding workforce diversity and inclusion; and
- Oversees Director induction, monitoring conflicts, time commitments, training and evaluation of Board members.

Remuneration Committee

- Determines the remuneration and benefits of Executive Directors;
- Monitors the remuneration of senior managers;
- Oversees workforce pay practices and policies; and
- Approves the targets for performance-related remuneration schemes and share incentive plans.

Chief Executive

- Responsible for the day-to-day management of the Group; and
- Responsible for the execution of the approved Group strategy. Financial matters are managed by the Group Finance Director.

Executive Committee

- Led by the Chief Executive.
- Responsible for managing all operational aspects of the Group, the implementation of the Company's strategic initiatives in all areas and for identifying and managing Group risks.
- Membership comprises the Executive Directors, the Group General Counsel and Company Secretary, the heads of the Group's two operational Divisions and the heads of Group functions.

Board of Directors

Sir Richard Lambert
Non-Executive
Chairman

Appointed: 18 July 2017

N R

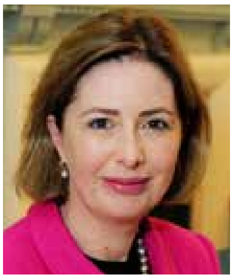
Sir Richard Lambert joined the Bloomsbury Board as an Independent Non-Executive Director in July 2017. He was appointed as Chairman of the Board, Chair of the Nomination Committee and a member of the Remuneration Committee on joining. Sir Richard is a member of the Board of the Institute for Government, the UKRI Infrastructure Advisory Committee and the Advisory Board of the Centre for European Reform. Sir Richard joined the Financial Times after reading History at Balliol College, Oxford. He was editor of the Lex column, became New York bureau chief, and thereafter deputy editor. He was editor of the Financial Times from 1991 to 2001. He served as a member of the Bank of England Monetary Policy Committee from 2003 to 2006, Director General of the CBI from 2006 to 2011, Chancellor of the University of Warwick from 2008 to 2016, as the senior independent member of the Foreign and Commonwealth Office's Supervisory Board from 2012 to 2017, and Trustee of the Kimmeridge Trust from 2014 to 2020. He recently retired as Chairman of the British Museum in 2021.

Nigel Newton CBE
Founder and
Chief Executive

Appointed: 11 May 1986

N

Nigel Newton is the founder of Bloomsbury Publishing. He was born and raised in San Francisco. He read English at Selwyn College, Cambridge and after working at Macmillan Publishers, he joined Sidgwick & Jackson. He left Sidgwick in 1986 to start Bloomsbury Publishing. Bloomsbury floated on the London Stock Exchange in 1994 and has grown organically and through acquisitions. Nigel Newton was appointed Commander of the Order of the British Empire (CBE) in the 2021 New Year Honours for services to the publishing industry. He was also appointed as the Vice President of the Publishers Association in April 2021 and became President in April 2022. He serves as a Member of the Advisory Committee of Cambridge University Library and President of Book Aid International. In 2020, he was awarded The LBF Lifetime Achievement Award 2020 and became an Honorary Fellow of Selwyn College, Cambridge. He has previously served as a member of the Booker Prize Advisory Committee, Chairman of the Charleston Trust, Chair of World Book Day, Board member of the US-UK Fulbright Commission, member of the Publishers Association Council, Trustee of the International Institute for Strategic Studies and Chairman of the British Library Trust.



Penny Scott-Bayfield
Group Finance
Director

Appointed: 16 July 2018

Penny Scott-Bayfield was appointed to the Bloomsbury Board in July 2018, when she joined Bloomsbury as Group Finance Director. Prior to this, she was Finance Director of Condé Nast Britain, and held senior finance roles at Sky Plc and lastminute.com plc. She started her career and qualified as a Chartered Accountant (FCA) with Deloitte. Penny has a first class degree in Maths from University College, Durham, and has been a judge on the "Women of the Future" programme since 2011.

Steven Hall
Independent
Non-Executive Director

Appointed: 1 March 2017

A N R

Steven Hall joined the Bloomsbury Board in March 2017. He has worked in academic publishing for more than 40 years, most recently in a full-time role as managing director of IOP Publishing, a leading publisher of scientific journals, books and magazines, from which he retired in March 2021. He has extensive experience of digital publishing and has led the development of pioneering online databases in the humanities and social sciences. He has served on a number of industry bodies, including the Academic Publishers Council of the UK Publishers Association and for six years on the Board of the International Association of STM Publishers, in his final year as Chair. In these roles, he has represented the publishing industry to governments and policymakers in the UK and overseas.

Leslie-Ann Reed
Senior Independent Director
Appointed: 17 July 2019

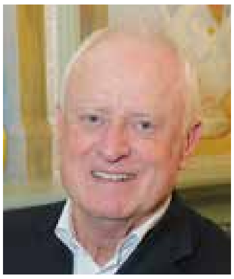
A N R

Leslie-Ann Reed joined the Bloomsbury Board in July 2019. She is a Chartered Accountant with a wealth of Non-Executive and Audit Committee Chair experience. She is currently an Independent Non-Executive Director and Chair of the Audit Committee of Learning Technologies Group plc, Induction Healthcare Group Limited and Centaur Media plc. She was formerly a Non-Executive Director and Chair of the Audit Committee of the London-listed publisher Quarto Group Inc and Vice Chair of the Supervisory Board and Chair of the Audit Committee of the German-listed company ZEAL Networks SE. She was Chief Financial Officer of the B2B media group Metal Bulletin plc and the online auctioneer Go Industry plc. She has also held senior finance roles in various media and professional services companies, namely Universal Pictures, Polygram Music, EMI Music and Warner Communications Inc.

Baroness Lola Young of Hornsey
Independent Non-Executive Director
Appointed: 1 January 2021

N

Baroness Lola Young of Hornsey is a former actor, professor of Cultural Studies, and Head of Culture at the Greater London Authority. She has written and broadcast extensively on a wide range of cultural issues, mainly on the subject of diversity and culture in the arts and creative industries sector. She has served on the Boards of several national cultural organisations, including the National Theatre and the Southbank Centre, as well as serving as a Commissioner for Historic England. Baroness Young has chaired the Caine Prize for African Writing, the Orange Prize for Women's Fiction, and the Man Booker Prize, and has recently been appointed Chair of the judging panel of the Ondaatje Prize for writing. Recognised for her work on equality and diversity in the heritage sector with the award of an OBE in 2001, Baroness Young was appointed an independent Crossbench member of the House of Lords in 2004. She is widely known for her contribution to creating legislation to eliminate modern slavery, and co-chairs All Party Parliamentary Groups on Ethics and Sustainability in Fashion, and Sport, Modern Slavery and Human Rights. Recently elected an Honorary Fellow of the Royal Society for Literature, Baroness Young is Co-Chair of the Foundation for Future London, Chancellor of the University of Nottingham and a Non-Executive Director for Futerra.



John Bason
Independent Non-Executive Director
Appointed: 1 April 2022

A N R

John Bason joined the Bloomsbury Board on 1 April 2022. He is a Chartered Accountant and brings a wealth of experience from his 40-year career in finance and international business. He is currently Finance Director at Associated British Foods plc and Chairman of FareShare. He has also been Non-Executive Director and Senior Independent Director at Compass Group plc and a former trustee of Voluntary Service Overseas. He was Chair of the Finance Committee, which raised the funds for the renovations of St Patrick's Church, Soho and the building of a centre for the homeless and vulnerable people of the area.

Committee member:

- A Audit Committee
- N Nomination Committee
- R Remuneration Committee
- Chair of Committee
- Executive Director
- Non-Executive Director

Maya Abu-Deeb
Group General Counsel and Company Secretary

Maya Abu-Deeb is a qualified solicitor and joined Bloomsbury in 2008 as General Counsel. Maya is responsible for all legal advice to the Company, and manages the legal and contracts teams at Bloomsbury. She is also Company Secretary and Group Data Protection Officer. Prior to joining Bloomsbury, Maya was in private practice for ten years, specialising in commercial, media and intellectual property law, and advising in respect of both contentious and non-contentious matters.

Maya read Oriental Studies at St John's College, Oxford, before completing the Common Professional Exam and Legal Practice Course at the College of Law in London.

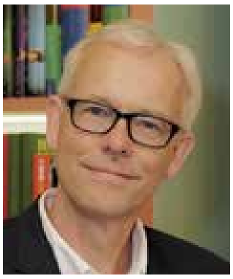
Executive Committee

Nigel Newton CBE
Founder and
Chief Executive

Nigel's biographical details are set out on page 102 of this Annual Report.

Penny Scott-Bayfield
Group Finance
Director

Penny's biographical details are set out on page 102 of this Annual Report.



Ian Hudson
Managing Director,
Consumer Division

Ian Hudson joined Bloomsbury in January 2021 as Managing Director of the Consumer Division and Executive Director, member of the Executive Committee. Ian is a hugely experienced publishing leader and he is focusing on developing and executing new strategies to profitably grow the Consumer Publishing Division.

Ian was a member of the Supervisory Board of global media group Bertelsmann for 12 years (until 2020), is a former President of the UK Publishers Association and has been a Non-Executive Director of Which? for six years.

Ian's Executive roles have included as follows: member of the Global Executive Committee of Penguin Random House, Global CEO of Dorling Kindersley Publishing, CEO of Penguin Random House International and Deputy CEO Penguin Random House UK. Ian was a member of the Bertelsmann team which negotiated the deal to merge Random House and Penguin and subsequently led the International integration of the two companies. Prior to the 2013 merger, Ian was a Global Board Member of Random House for 15 years and Deputy CEO of Random House UK.

Jenny Ridout
Managing Director,
Non-Consumer Division

Jenny Ridout is Managing Director of Bloomsbury Non-Consumer publishing, which includes Academic, Professional, Special Interest and Bloomsbury Digital Resources. Prior to this role Jenny had global responsibility as head of Bloomsbury's academic publishing where she oversaw the integration of several acquisitions. She has many years of experience in digital resource publishing, being responsible for the creation and rapid growth of Drama Online as Project Director, for which she won the Futurebook Digital Achiever industry award. Jenny was previously the Editorial Director for the Methuen Drama and Arden Shakespeare lists and started her career in publishing at Elsevier where she was the global Publishing Director for the specialist trade and professional media imprint, Focal Press. Jenny is a member of the Higher Education and Academic Councils of the Publishers Association and is on the Industry Advisory Board for the publishing course at Oxford Brookes University. She is also a Trustee of Yale University Press.

Kathleen Farrar
Managing Director,
Group Sales and Marketing

Kathleen Farrar is Managing Director of Group Sales and Marketing. Kathleen joined Bloomsbury in December 1998 as International Sales Manager. She began her publishing career working in the leading independent bookstores in Sydney, Australia before moving to Allen & Unwin as Sales & Promotions Manager. She has held a number of senior sales and marketing roles including Managing Director of Bloomsbury Australia based in Sydney. In January 2013, she returned to the UK to take up the position of Group Sales and Marketing Director, responsible for global sales and marketing for the four Bloomsbury divisions, across print and digital.

Louise Cameron
Group Production
Director

Louise Cameron is Group Production Director. Previously the Production Director at Continuum International Publishing, she has also been the Publishing Services Director at Kogan Page, Editorial Manager at Children's Encyclopaedia Britannica, Managing Editor at Cassell, and Publishing Manager at The Crowood Press where she began her career as a desk editor in 1988. Louise spent eight years (1990 to 1998) in the USA where she held a teaching post in the Department of English, Philosophy and Languages at Arkansas State University while serving as a freelance editor for various university presses including Chicago, New Mexico and Florida. She joined Bloomsbury in 2011 at the time of the Continuum acquisition.

Adrienne Vaughan
President,
Bloomsbury Publishing USA

Adrienne Vaughan is President of Bloomsbury Publishing USA. Adrienne's background spans both children's and academic publishing and includes large international companies as well as a start-up. She began her publishing career at Scholastic. After obtaining her MBA from NYU Stern School of Business in 2007, she joined Disney Publishing Worldwide and grew to lead their finance department. Adrienne went on to drive step-function growth at start-up Little Pim, followed by leading the US Finance department at Oxford University Press. In 2015, she was recruited back to Disney as Deputy Publisher, Disney Book Group, where she led the Disney Press and Marvel Press imprints and oversaw the profitability goals of the overall Group. Adrienne joins us from Trustbridge Global Media, where she served as Senior Vice President responsible for leading the design and integration of people, processes, and systems across a growing portfolio of publishers, including Holiday House, Peachtree Publishing, and Candlewick/Walker.

Maya Abu-Deeb
Group General Counsel and
Company Secretary

Maya's biographical details are set out on page 103 of this Annual Report.

Directors' Report

The Directors present their report and the audited financial statements for Bloomsbury Publishing Plc and its subsidiary companies (the "Group") for the year ended 28 February 2022.

Bloomsbury Publishing Plc is a company incorporated in England and Wales, company number 01984336, with its principal place of business and registered office at 50 Bedford Square, London WC1B 3DP. Bloomsbury Publishing Plc is a premium listed company on the Main Market of the London Stock Exchange subject to the Listing Rules ("LR") and Disclosure Guidance and Transparency Rules ("DTR") of the Financial Conduct Authority.

This Directors' Report forms part of the Company's Strategic Report, as required under the Companies Act 2006 (Strategic and Directors' Report) Regulations 2013. The Strategic Report also serves as the Management Report for the purposes of DTR 4.1.8R, and includes the reporting requirements of the EU Non-Financial Reporting Directive, as incorporated into the Companies Act (see pages 24 to 27 and 51 to 81 of this Annual Report).

Information that is relevant to this Report and information required under the Companies Act 2006 and LR 9.8.4R is incorporated by reference and can be found in the following sections:

Information	Section in the Annual Report	Page
Future developments of the Company	Strategic Report	17 to 18 and 23
Principal risks and risk management	Strategic Report	93 to 98
Use of financial instruments, financial risk management objectives and policies	Financial Statements	195 to 198
Environmental matters and TCFD reporting	Strategic Report	73 to 92
Greenhouse gas emissions	Strategic Report	78 to 81
Viability statement	Strategic Report	98
Governance arrangements	Corporate Governance Report	111 to 116
Directors	Corporate Governance Report	102 to 103
Employment policies and employee engagement	Strategic Report	66 to 69
Diversity, Equity and Inclusion	Strategic Report	70 to 72
Stakeholder engagement	Strategic Report	52 to 59
S172 statement	Corporate Governance Report	51

Overseas activities

The Group has overseas subsidiaries that are based and operate in North America, Australia and India, and a joint venture company that operates in China. These subsidiaries allow locally employed teams to deliver services locally to authors and customers. Employees from all Bloomsbury offices can be involved in business development and travel to various countries worldwide.

Overseas branches

The Company has no branches outside of the UK.

Results

Pages 45 to 50 of this Annual Report sets out the Group's profit before tax and highlighted items and revenue, along with other key performance indicators. Profit after tax for the Group's operations for the year was £16.9 million (2021: £13.7 million).

Material post-balance sheet events

There are no material post balance sheet events.

Dividend

The Directors recommend a final dividend of 9.40 pence per share. The dividend will be payable on 26 August 2022 to Shareholders on the register on the record date of 29 July 2022.

The dividends paid and proposed by the Company for the year ended 28 February 2022 and year ended 28 February 2021 are as follows:

Dividend	Dividend per share	Total dividend	Record date	Paid/payable date
2022 Final (proposed)	9.40p	£7.7m	29 Jul 2022	26 Aug 2022
2022 Interim	1.34p	£1.1m	5 Nov 2021	3 Dec 2021
Total	**10.74**	**£8.8m**		
2021 Special	9.78p	£8.0m	30 Jul 2021	27 Aug 2021
Total	**9.78p**	**£8.0m**		
2021 Final	7.58p	£6.2m	30 Jul 2021	27 Aug 2021
2021 Interim	1.28p	£1.0m	6 Nov 2020	4 Dec 2020
Total	**8.86p**	**£7.2m**		

Directors

The names of the Directors as at the date of this Report, together with biographical details are on pages 102 to 103 of this Annual Report. The Directors serving on the Board of the Company during the year were as follows:

	Date appointed in the year (if applicable)	Date resigned in the year (if applicable)
Non-Executive Chairman		
Sir Richard Lambert	–	–
Independent Non-Executive Directors		
John Warren	–	21 July 2021
Steven Hall	–	–
Leslie-Ann Reed	–	–
Baroness Lola Young of Hornsey	–	–
Executive Directors		
Nigel Newton	–	–
Penny Scott-Bayfield	–	–

Details of Directors' service contracts and Directors' interests in shares, awards and options are shown in the Directors' Remuneration Report. Other than as disclosed in that Report, none of the Directors held any interest, either during or at the end of the financial year in any material contract or arrangement with the Company or any subsidiary undertaking. The terms under which Directors' contracts may terminate are described in the Directors' Remuneration Report on pages 132 to 133. This includes details of any arrangement by which the Company would pay compensation to its Directors for loss of office, for loss of employment or would make payments in respect of a change of control of the Company.

Appointment and replacement of Directors

The Company is governed by its Articles of Association ("Articles"), the Companies Act 2006 and related legislation with regard to the appointment and replacement of Directors. Company policy is to appoint Directors to the Board on the recommendation of the Nomination Committee. This may be as part of the progressive refreshing of the Board, to reappoint a Director retiring by rotation, to fill a vacancy arising as a result of a retiring Director or as part of measures taken to enhance the skills, experience, capability and balance of the Board.

In 2016, the Board agreed that all Directors would stand for annual re-election and this is now required under the 2018 revision of the UK Corporate Governance Code. Accordingly, the Chairman, on behalf of the Board, confirms that each Director proposed for re-election at the 2022 Annual General Meeting ("AGM") continues to contribute effectively and demonstrate commitment to the role (including commitment of time for Board and Committee meetings and any other duties). In addition, the Board believes that each such Director is important to the long-term success of the Company. At the 2022 AGM, Steven Hall, a Non-Executive Director, will not stand for re-election. John Bason was appointed to the Board as a Non-Executive Director on 1 April 2022 and will stand for election at the 2022 AGM. John's biography is set out on page 103 of this Annual Report.

The Company may remove a Director from office by passing an ordinary resolution.

Powers of Directors

The powers of Directors are described in the Articles, the Companies Act 2006 and in the schedule of matters reserved for the Board, a copy of which is available on the Company's website at www.bloomsbury-ir.co.uk.

Directors' indemnities and insurance

In accordance with the Articles, the Company may indemnify the Directors to the extent permitted by law in respect of liabilities incurred as a result of their office. The Articles permit the Company to purchase insurance for its Directors and it has maintained insurance throughout the year for its Directors and Officer (the Company Secretary) against the consequences of any actions brought against them in relation to their duties.

Director conflicts of interest

Procedures are in place to ensure compliance with the Directors' conflict of interest duties set out in the Companies Act 2006. These procedures have been complied with during the year and the Board considers that these procedures operate effectively. Details of any new potential or actual conflicts must be submitted to the Board for consideration at the start of each meeting. These may be approved or the Director may be asked, where appropriate, to withdraw from any consideration of a matter where a potential or actual conflict exists. Authorised conflicts or potential conflict matters are reviewed by the Board on a regular basis.

Charitable and political donations

No political donations were made by the Group during the current or previous year. Information about charitable donations made by the Company during the year is set out on pages 62 to 63 of this Annual Report.

Articles of Association

The Company's Articles may only be amended by special resolution of the Shareholders. The Articles are available on the Company's website at www.bloomsbury-ir.co.uk.

Share capital and rights attaching to the Company's shares

The share capital of the Company comprises a single class of Ordinary 1.25 pence shares ("Ordinary shares"). During the year, the Company did not cancel any shares.

Details of the issued share capital can be found in Note 23.

Share movements during the year are therefore as follows:

	Fully paid Ordinary shares in issue
As at 1 March 2021	81,608,672
Movement during the year	–
As at 28 February 2022	**81,608,672**

No Ordinary shares carry special rights with regard to control of the Company. At a general meeting of the Company, every member has one vote on a show of hands and, on a poll, one vote for each share held. The Notice of General Meeting specifies deadlines for exercising voting rights either by proxy or by being present in person in relation to resolutions to be passed at a general meeting.

Under the Articles, any share in the Company may be issued with such rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination, as the Directors may determine).

No Shareholder is, unless the Board decides otherwise, entitled to attend or vote either personally or by proxy at a general meeting or to exercise any other rights conferred by being a Shareholder if they, or any person with an interest in shares, have been sent a notice under section 793 of the Companies Act 2006 (which confers upon public companies the power to require information with respect to interests in their voting shares) and they, or any interested person, failed to supply the Company with the information requested within 14 days after delivery of that notice. The Board may also decide to apply to the court for an order under section 794 of the Companies Act 2006 so that no dividend is payable in respect of those default shares and that no transfer of any default shares shall be registered. These restrictions end seven days after receipt by the Company of a notice of an approved transfer of the shares or all the information required by the relevant section 793 notice, whichever is earlier.

The Directors may refuse to register any transfer that is not a fully paid share, although such discretion may not be exercised in a way which the FCA regards as preventing dealing in the shares of that class from taking place on an open and proper basis. The Directors may likewise refuse any transfer of a share in favour of more than four persons jointly.

The Company is not aware of any other restrictions in the transfer of Ordinary shares in the Company other than certain restrictions that may, from time to time, be imposed by laws and regulations.

The Company is not aware of any agreements between Shareholders that may result in restrictions on the transfer of the securities or voting rights.

Share dilution

In respect of dilution limits, the Company adheres to the updated "Investment Association Principles of Remuneration" issued in November 2021. In particular:

- The rules of the Company's Long-Term Incentive Plan ("LTIP") scheme ensure that:
  - Commitments to issue new shares or reissue treasury shares under Executive (discretionary) schemes do not exceed 5% of the issued Ordinary share capital of the Company (adjusted for share issuance and cancellation) in any rolling ten-year period; and
  - Commitments to issue new shares or reissue treasury shares, when aggregated with awards under all of the Company's other schemes, do not exceed 10% of the issued Ordinary share capital (adjusted for share issuance and cancellation) in any rolling ten-year period.
- The Remuneration Committee ensures that appropriate policies regarding flow-rates exist in order to spread the potential issue of new shares over the life of relevant schemes so that the limit is not breached.

The Bloomsbury Employee Benefit Trust may purchase shares in the market to be used for satisfying vested LTIP awards and other employee share options. Further details are given below.

Authorities to purchase shares, to allot shares and pre-emption rights

The Notice of the 2022 Annual General Meeting and explanatory foreword set out:

- An ordinary resolution renewing the authority for the Directors to allot shares under section 551 of the Companies Act 2006;
- Special resolutions renewing the authority given to the Directors to disapply statutory pre-emption rights under section 571 of that Act to allow shares to be issued for cash or treasury shares to be sold for cash on a non-pre-emptive basis; and
- A special resolution renewing the authority given to the Directors to purchase the Company's own shares on the stock market.

Employee Benefit Trust

The Bloomsbury Employee Benefit Trust ("EBT") may purchase shares in the market to be used for satisfying LTIP awards and other employee share options that vest. During the year, the EBT held Ordinary shares of 1.25 pence in the Company as follows:

	Fully paid Ordinary shares held by EBT
As at 1 March 2021	57,480
Shares purchased	1,250,000
Shares released to satisfy share awards	(597,187)
As at 28 February 2022	**710,293**

Up to the signing of this Report, the EBT held 710,293 Ordinary shares of 1.25 pence in the Company, being 0.87% of the issued Ordinary share capital. The Trustee may vote on shares held by the EBT at its discretion, but waives its right to a dividend.

Share purchases of own shares

During the year, the Company made no purchases of its own shares and the authority granted by Shareholders at the 2021 AGM for the Company to purchase its own shares was, at the end of the reporting period, still valid. This authority allows the Company to make market purchases of up to 10% of the issued Ordinary share capital as at 2 June 2021 (excluding treasury shares).

Substantial shareholdings

As at 28 February 2022, the Company had been notified under DTR 5 of the following interests of 3% or more in the issued share capital of the Company.

	Ordinary shares number million	% issued shares[1]
Institution		
BlackRock Inc	8.96	10.97%
Canaccord Genuity Group Inc	10.63	13.02%
Premier Miton Group Plc	3.97	4.87%

1 Based on 81,608,672 issued shares.

All notifications made to the Company under DTR 5 are published on the Regulatory Information Service and on the Company's website (www.bloomsbury-ir.co.uk).

Between 28 February 2022 and 20 June 2022 (being the latest practicable date before the publication of this Report), the Company received further notifications under DTR 5, with the most recent position being as follows:

- BlackRock Inc disclosed a holding of 10.49%.

Change of control

The Group has established close relationships over a long period within the publishing markets in which it operates. It relies heavily on its goodwill and reputation and in particular on its reputation as an autonomous independent publisher with authors, customers and key employees that could be affected by a change of control.

There are no significant agreements to which the Company is a party that alter or terminate upon a change of control following a takeover bid except in respect of the Group's revolving credit facility described at Note 26c.

The Company's share incentive schemes (see Note 24 for further details of the share incentive schemes) contain provisions relating to a change of control of the Company following a takeover bid. Under these provisions, a change of control of the Company would normally be a vesting event, facilitating the exercise of awards, typically subject to the discretion of the Remuneration Committee.

Contracts and arrangements essential to the business

The Group has a diverse base of authors, customers and general suppliers so that its dependency on any one individual author, customer or supplier is reduced. Primarily for printed books, the Group develops longer-term relationships with a reduced number of business partners, printers and distributors to maximise process efficiencies and economies of scale. Failure of a main supplier could temporarily disrupt the supply of books to market or result in increased cost of working while alternative arrangements are made.

The Group depends on its reputation which strongly influences authors and customers in their selection of publisher.

Cautionary statement

The Directors' Report together with all sections incorporated into it by reference has been prepared only for the Shareholders of the Company. Its sole purpose and use is to assist Shareholders to exercise their governance rights. In particular, the Directors' Report has not been audited or otherwise independently verified. The Company, its Directors and employees are not responsible for any other purpose or use or to any other person in relation to the Directors' Report.

The Directors' Report contains indications of likely future developments and other forward-looking statements that are subject to risk factors associated with, among other things, the economic and business circumstances occurring from time to time in the sectors, countries and business divisions in which the Group operates.

These factors include, but are not limited to, those discussed in the Risk Factors and Risk Management section. These and other factors could adversely affect the Group's results, strategy and prospects. Forward-looking statements involve risks, uncertainties and assumptions. They relate to events and/or depend on circumstances in the future that could cause actual results and outcomes to differ materially from those currently anticipated. No obligation is assumed to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Auditor

a) Appointment of the Auditor

A resolution to appoint Crowe U.K. LLP as Auditor will be proposed at the forthcoming AGM.

b) Statement as to disclosure of information to the Auditor

The Directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the Auditor is unaware. The Directors have each confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the Auditor.

Directors' Report
continued

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under that law, they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the parent Company financial statements on the same basis.

Under Company Law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with Disclosure Guidance and Transparency Rule 4.1.14R, the financial statements will form part of the annual financial report prepared using the single electronic reporting format under the TD ESEF Regulation. The Auditor's report on these financial statements provides no assurance over the ESEF format.

Safe harbour

Under the Companies Act 2006, a safe harbour limits the liability of Directors in respect of statements in and omissions from the Strategic Report and the Directors' Report. Pages 1 to 218 of the Annual Report, and the front and back covers to the Annual Report, are included within the Directors' Report by reference and so are included within the safe harbour.

Responsibility statement of the Directors in respect of the Annual Financial Report

Each of the Directors, whose names and functions are set out on pages 102 and 103 of this Annual Report, confirms that to the best of their knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and

- the Strategic Report/Directors' Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Group's position and performance, business model and strategy.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Strategic Report and Directors' Report were approved by the Board on 14 June 2022.

By order of the Board

Nigel Newton
Chief Executive

Penny Scott Bayfield
Group Finance Director

Corporate Governance Report

The Board takes its responsibility to achieve sound governance of the Group seriously, and continuously maintains high standards of corporate governance that focus on serving the interests of Shareholders and other key stakeholders.

Governance structure and Board effectiveness

Role of the Board

The Board is responsible for the overall leadership of the Group. The Board determines, and oversees the execution of, the Group's strategy, and is responsible for the overall management, control and performance of the Group's business. The Board reviews and monitors internal controls, risk management, principal risks, governance and viability of the Company, and is closely involved in developing and monitoring the Group's values and culture. The Board is ultimately responsible to the Shareholders for the direction, management, performance and long-term sustainable success of the Company.

Board oversight of culture and values

The Company's core values, as set out on page 10 of this Annual Report, are central to its purpose: to inform, educate, entertain and inspire readers of all ages all over the world. These values fundamentally inform the strategy adopted by the Company in pursuing that purpose, and the behaviours and activities of the Company's workforce in achieving the Company's strategic objectives. The Board is closely involved in shaping the Company's values and monitors the culture of the Company with the assistance of its Committees.

The Board receives regular updates from the Company's Director of Human Resources on key themes and issues arising out of the Company's programme of Employee Voice Meetings and is provided with detailed minutes of each of these meetings. The Non-Executive Directors have a standing invitation to attend Employee Voice Meetings and in this way are able to assess organisational health through direct engagement with a wide range of employees during such meetings. Further information on the Company's Employee Voice Programme is set out on page 66 of this Annual Report.

The Board also receives updates from the Chair of the Company's Diversity, Equity and Inclusion Working Group on the Company's activities in this area, with a view to ensuring that the strategies in place are effective in promoting a culture that upholds the Company's principles of inclusion, diversity and equality. Other ways in which the Board monitors culture include reviewing the results of employee surveys, monitoring staff turnover levels and receiving regular whistleblowing reports.

The Board has not identified any significant issues pursuant to its monitoring activities which require corrective action.

The Board recognises the importance of these matters and we continue to focus on developing relevant policies.

Engagement with stakeholders

The Board recognises its duties towards the Company's stakeholders as set out in section 172 of the Companies Act 2006. Details of the Company's engagement with key stakeholders, including how their interests and the matters set out in section 172 have been considered in Board discussions and decision-making, are set out on pages 52 to 59 of this Annual Report. The Board allocates time at Board meetings to discuss the various stakeholder groups in depth. At times, members of senior management or key people within the business are invited to Board meetings to provide the Board with further insight into the interests of a stakeholder group, where required. In respect of engagement with the workforce, the Board considers the method of engagement through the forum of Employee Voice Meetings as described above to be effective, as it provides a means for the Board to hear directly from employees on matters of concern to them, and provides insight on how to enhance employee satisfaction and work effectiveness within the Company. The Board is actively involved in considering and developing the Company's response to matters raised during Employee Voice Meetings.

The Directors consider that they have acted in the way they consider, in good faith, would promote the success of the Company for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172 (1) (a–f) of the Companies Act 2006 in the decisions taken during the year ended 28 February 2022.

Corporate Governance Report

continued

Powers and responsibilities of the Board

The Company's Articles of Association set out the Board's powers. The Board has a formal schedule of matters specifically reserved for its own decision. A copy of this schedule can be found on the Company's website at www.bloomsbury-ir.co.uk. The schedule is reviewed annually and updated where appropriate to ensure that it complies with the Code and other legal and regulatory requirements, and reflects best corporate practice.

The key responsibilities of the Board include:

- Reviewing and setting long-term objectives and commercial strategy;
- Developing and monitoring the Company's values and culture;
- Considering stakeholder interests in decision-making;
- Reviewing and approving the annual operating and capital expenditure budget;
- Reviewing the Company's performance in light of the Group's strategy, objectives, business plans and budgets;
- Approving an extension of the Group's activities into new business or geographic areas;
- Approving any decision to cease to operate all or any material part of the Group's business;
- Approving major changes to the Group's corporate, senior management and control structure or share capital structure;
- Approving the Annual Report and Accounts, the half-year statements and associated announcements;
- Approving the dividend policy and declaration of dividends;
- Approving significant changes to accounting policies;
- Approving the treasury policy;
- Monitoring the Group's risk management policy and procedures, oversight of the internal risk control framework and carrying out an annual review of their effectiveness;
- Approving all material contracts, acquisition of titles, net advances and major investments above a specified level;
- Approving resolutions to be put to the AGM and circulars to Shareholders;
- Approving changes to the structure, size and composition of the Board, following recommendations of the Nomination Committee;
- Approving appointments to the Board, following recommendations of the Nomination Committee;
- Approving the Remuneration Policy upon recommendation of the Remuneration Committee;
- Approving the remuneration of Non-Executive Directors; and
- Approving various Company policies.

Board Committees

The Board has three Committees to assist in the discharge of its duties: the Audit Committee, Nomination Committee and Remuneration Committee. The Chairs and members of these Committees are appointed by the Board on the recommendation of the Nomination Committee in consultation with the respective Committee Chair. Each of the Committees have formally delegated duties and responsibilities under their written terms of reference, which are approved by the individual Committees and the Board and can be found on the Company's website, www.bloomsbury-ir.co.uk. Each Committee's terms of reference are reviewed annually to ensure that it complies with the Code and other legal and regulatory requirements, and reflects best corporate practice.

All main Board meetings provide standing items for each Committee Chair to update the Board after each Committee meeting. Committees also submit reports and recommendations to the Board on any matter which they consider significant to the Group.

The main roles and responsibilities of the Board Committees are summarised in the Corporate Governance Framework set out on page 101 of this Annual Report.

The Board may also appoint a subcommittee of the Board as and when required.

Further information on the activities of each Committee is detailed within the separate Committee reports.

Composition of the Board

As at the date of this report, the Board comprises the Non-Executive Chairman, two Executive Directors – the Chief Executive and the Group Finance Director – and four independent Non-Executive Directors, one of whom is appointed as the Senior Independent Director. The biographies of the current Directors appear on pages 102 to 103 of this Annual Report.

Aligning to the 2018 UK Corporate Governance Code

The following pages within this Annual Report set out how the Company has applied the five principles of the Code during the year:

Principle of the Code	Page
Board leadership and Company purpose	10, 111 to 114
Division of responsibilities	111 to 113
Composition, succession and evaluation	115 to 119
Audit, risk and internal control	93 to 98, 120 to 123
Remuneration	124 to 144

Division of responsibilities

Chairman	• Ensuring the effective operation of the Board and its Committees in conformity with the highest standards of governance; • Leading, chairing and managing the Board; • Promoting a culture of openness and debate at Board level and ensuring constructive relations between Non-Executive and Executive Directors; • Setting the Board agenda and ensuring adequate time is available for discussion on all agenda items; • Ensuring the Board receives accurate, clear and timely information; • Leading the performance evaluation of the Board and Committees; • Ensuring that there is effective communication with Shareholders and other stakeholders; • Considering the composition and succession planning of the Board and its Committees; • Ensuring the Board's Committees are properly structured with appropriate terms of reference; and • Ensuring that Directors receive a tailored induction programme when joining the Board.
Chief Executive	• Managing the Group's business and implementing Board decisions, policies and strategies; • Developing the Group's corporate strategy and objectives for recommendation to the Board; • Providing leadership as Chair of the Executive Committee to achieve strategic objectives; • Promoting the Company's culture to the workforce and ensuring that operational policies and practices drive appropriate behaviours; • Leading effective engagement with Shareholders and other stakeholders; and • Monitoring, reviewing and managing the risk framework and strategies with the Board.
Group Finance Director	• Providing day-to-day management of the Group's financial affairs; • Managing the Group's financial planning, reporting and analysis; • Supporting the Chief Executive in developing and implementing strategy; and • Leading other functional areas such as tax, treasury, internal controls and risk management, and corporate finance.
Senior Independent Director	• Acting as a sounding board for the Chairman; • Serving as an intermediary for the other Directors and Shareholders as necessary; • Meeting with Shareholders on matters where usual channels are deemed inappropriate; and • Leading the annual evaluation of the Chairman of the Board.
Non-Executive Directors	• Scrutinising and holding to account the performance of management and individual Executive Directors against agreed performance objectives; • Providing constructive challenge to the Executive Directors; • Contributing to the development of proposals on strategy and proposed corporate initiatives; and • Monitoring the integrity of financial information, financial and non-financial controls and systems of risk management.
Company Secretary	• Advising the Board, through the Chairman, on all governance-related matters and best practice; • Providing advice and services to the Directors and Board Committees where requested; and • Ensuring clear and timely information flow to the Board and its Committees.

There is a clear separation of the roles of the Chairman and Chief Executive to prevent any individual from having unfettered powers of decision. A formal statement describing the division of responsibilities between the Chief Executive and the Chairman, together with details of the roles and responsibilities for each of the Chairman, Chief Executive and Senior Independent Director, can be found at www.bloomsbury-ir.co.uk.

Activities of the Board during the year

The following key matters are standing agenda items at every Board meeting:

- Updates from the Audit, Nomination and Remuneration Committee Chairs;
- Report from the Chief Executive;
- Report from the Director of Human Resources on HR initiatives and outcomes of Employee Voice Meetings;
- Report from the Group Finance Director;
- ESG update;
- Consideration of how stakeholder interests and section 172 considerations have been taken into account in Board discussions and decision-making at that meeting; and
- Corporate Governance update.

Corporate Governance Report

continued

During the year, among other matters, the Board considered the following matters:

- Discussion of strategy and review of progress against agreed financial and strategic objectives and internal and external forecasts;
- Review of the management accounts, short and long-term forecasts, key performance indicators and full year forecasts;
- Review and approval of the annual budget;
- Continuing impact of COVID-19 on strategy, performance and staff;
- Review of plans to return to work in light of coronavirus;
- Review of Health and Safety and general staff well-being;
- Review and consideration of the Company's principal risks;
- Review and approval of the Annual Report and Accounts, the half-year statements, trading updates and associated announcements;
- Review and approval of the Notice of AGM and resolutions contained therein;
- Investor feedback from Executive Director meetings with Shareholders;
- Approval of the interim dividend, final dividend and special dividend;
- Reports by Executive Directors on strategic and operational matters;
- Approval of the appointment of the Senior Independent Director;
- Approval of the acquisition of Head of Zeus Limited;
- Approval of the acquisition of ABC-CLIO LLC;
- Approval of the acquisition of Red Globe Press;
- Review and approval of the 2021 Sharesave grant;
- Review of the Group Treasury policy;
- Review of the Group's tax strategy;
- Review of the Gender Pay Gap Report;
- Review and approval of changes to the Share Dealing Code;
- Review and approval of terms of reference for all the Committees;
- Review and approval of the schedule of matters reserved for the Board;
- Review of conflicts of interest;
- Review and approval of the fees of the Non-Executive Directors;
- Monitoring and understanding of organisational culture and values;
- Consideration of the Board's responsibility in respect to diversity, equity and inclusion;
- Consideration of the Company's key stakeholders and their interests, review of stakeholder engagement and in-depth focus on key stakeholder groups;
- Review of other routine corporate governance matters;
- Review of the Group's whistleblowing procedures; and
- Evaluation of the Board's own effectiveness.

In addition to its regular meetings throughout the year, the Board convenes annually with members of the Company's Executive Committee and other key operational employees of the Company for the Board Strategy Day, during which the Board undertakes an in-depth review of key areas of the Company's business, sets the strategic direction of the Company and reviews performance against previously agreed strategic objectives. During 2021/2022, the Board Strategy Day was split into two virtual meetings.

Whistleblowing

Under the Code, the Board is responsible for approving and overseeing the Group's whistleblowing policy and ensuring that adequate procedures are in place for staff to raise concerns in confidence. The Company has an approved whistleblowing policy which can be viewed at www.bloomsbury-ir.co.uk. The Board is provided with an update of all significant matters that are reported under the policy. None have been reported during the year.

Conflicts of interest procedures

The Board has reviewed the interests of the Directors and the Company maintains a register of areas of potential conflict of interest for Directors. Additionally, Directors are required to declare any new interests at the start of all Board and Committee meetings. In accordance with the Board's formal policy, should a matter arise where there is a risk of a conflict in the Board discussing matters or making decisions, the Director affected by the conflict will absent themselves from the meeting while the matter is considered. During the year, there were no actual or potential conflicts of interest arising that required a Director to take this step. Directors may also notify the Company, via the Company Secretary, at any time, of any potential or future direct or indirect conflicts that may arise, or that may possibly conflict with the interests of the Company. Any such notifications are required to be considered and, if thought appropriate, authorised by the Board.

Director independence

The Board has reviewed the independence of each Non-Executive Director and considers all the Non-Executive Directors who served during the year to be independent in character and judgement, and does not consider that there are any relationships or circumstances which affect, or could appear to affect, their independent judgement. The Board meets the requirement under the Code that at least half the Board (excluding the Chairman) should be independent Non-Executive Directors.

Time commitments

The time commitments of Directors are considered on appointment and annually. The Board is satisfied that there are no Directors whose time commitments are considered to be a matter of concern and that each of the Directors have sufficient time to meet their Board responsibilities. None of the Executive Directors have taken up more than one Non-Executive Director role at a FTSE 100 company or any other significant appointment. Additional appointments are not to be undertaken without prior approval of the Board. The interested Director is not permitted to vote, or be counted in the quorum, for any decision relating to their commitment.

Board information and support

All Directors have access to the advice of the Company Secretary where required. Directors also have access to independent professional advice, if required, at the Company's expense.

Attendance at Board and Committee meetings

The table below shows the attendance of Directors at Board and Committee meetings during the year ended 28 February 2022. During the year, there were eight scheduled Board meetings which, due to the COVID-19 pandemic, were conducted virtually except one meeting which took place as a hybrid meeting. The Board Strategy Day was split into two separate meetings. Executive Directors may also have been present at Committee meetings, either in full or part, to update members. Nigel Newton attends the Nomination Committee as a full member.

	Committee appointments	Board	Remuneration	Audit	Nomination
Chairman					
Sir Richard Lambert	N R	8/8	5/5	–	4/4
Executive Directors					
Nigel Newton	N	8/8	–	–	4/4
Penny Scott-Bayfield		8/8	–	–	–
Non-Executive Directors					
John Warren[1]	A N R	3/3	3/3	2/2	2/2
Steven Hall[2]	A N R	8/8	5/5	3/3	4/4
Leslie-Ann Reed[3]	A N R	8/8	5/5	3/3	3/4
Baroness Lola Young of Hornsey	N	8/8	–	–	4/4

1 John Warren stepped down from the Board at the conclusion of the 2021 AGM on 21 July 2021 and was succeeded by Leslie-Ann Reed as Senior Independent Director and Chair of the Audit Committee.

2 Steven Hall will step down from the Board at the conclusion of the 2022 AGM on 20 July 2022, and will be succeeded by John Bason as Chair of the Remuneration Committee. John Bason was appointed as a Non-Executive Director after the financial year end on 1 April 2022. A formal resolution in relation to his appointment will be put to Shareholders for approval at the 2022 AGM.

3 Leslie-Ann Reed was unable to attend one meeting of the Nomination Committee. This meeting was called at short notice and in addition to the scheduled Committee meetings and at a time when she was abroad and unable to connect virtually.

Committee member:

A Audit Committee

N Nomination Committee

R Remuneration Committee

Board and Committee evaluation for 2021/2022

The Board

The Board conducts an annual formal evaluation of its performance. For 2021/2022, the annual evaluation was conducted internally.

The evaluation took place towards the end of the financial year. It was led by the Chairman, supported by the Company Secretary, who used questionnaires completed by all the Directors to appraise the performance of the Board and to discuss any improvements needed to the Board processes. The Chairman also had one-to-one discussions with each of the Directors. He then reported his findings to the Board.

Overall, the results of the evaluation were positive. Key findings were as follows:

- The Board continued to work well together and with the senior management team, with strong commitment from the Executive and Non-Executive Directors.
- The performance of the Board, its Committees, the Chairman and each of the Directors continued to be effective.
- The composition and size of the Board was considered to be appropriate, with an appropriate balance of experience, skills and capabilities. All Directors demonstrated commitment to their roles and contributed effectively. Board dynamics and behaviours were also very positive.

The main areas identified by the external evaluation for continued focus were as follows:

- The Board believes it has made good progress on ESG issues but intends to get further ahead of the curve;
- The Board wishes to place more focus on the technological capacity of the Company; and
- After a long period of working remotely, the Directors are keen to engage in person with each other and with colleagues across the business.

Progress against the 2020/2021 evaluation

A summary of the Board's progress against the actions arising from the 2020/2021 external evaluation are set out below:

Action	Progress
The need for continued exposure to key members of senior management	Presentations have been delivered by members of senior management at Board meetings during the course of the year, including from the managing directors of the Consumer and Non-Consumer Divisions. A Board retreat is held annually, bringing together senior management and the Board.
The repurposing of the agendas for each Board meeting to facilitate prioritising of business issues and value creation	Board and Committee agendas have been reordered, with matters of importance considered at the start of meetings and lower priority matters or more routine items further down the agendas.
The provision of additional training to Directors on key topics such as ESG and cyber security	The Board was provided with additional training throughout the year, details of which are set out below under the heading "Induction, Training and Development".

Board Committees

Board Committees are evaluated annually against their terms of reference and against adherence to relevant requirements of the Code and applicable regulations, as well as how they operate as an effective committee. For 2021/2022, following the evaluation, each Committee Chair and the Chairman has confirmed that the Committees continue to operate effectively.

The Chairman

The present Chairman, Sir Richard Lambert, joined the Board in July 2017 and was considered independent upon his appointment. For 2021/2022, the Senior Independent Director led the evaluation of his performance through the completion of a questionnaire followed by one-to-one discussions with the other Directors. The outcome was reported to the Board and it was unanimously agreed by the Directors that the Chairman continues to lead the Board in an effective and positive manner, fully discharges his duties and demonstrates full commitment to the role.

Directors

As part of the evaluation, the Chairman reviewed the performance of each Director. Following these reviews, the Board considers that each of the Directors proposed for re-election at the 2022 AGM continues to contribute effectively, and to demonstrate commitment, to their roles.

Induction, training and development

Upon appointment to the Board, all Directors undertake a comprehensive induction process, which includes dedicated time with the Executive team and senior management. Directors are also provided with induction materials, which comprise an overview of the Group and its organisational structure, the responsibilities of being a Director of a UK-listed Company, Board policies and procedures, Company policies, minutes of previous Board and Committee meetings and details of the Board's external advisors, amongst other information.

The Board and Committees receive regular updates on key legal, governance and compliance issues during meetings. During the year, the External Auditor KPMG provided updates on developments in corporate governance, and reforms around auditing and financial reporting standards, and a briefing on Cyber Security at an Audit Committee meeting at which all Board members were present. External remuneration consultants Deloitte LLP provided an update on remuneration market trends. External legal counsel provided a briefing to the Board on the Market Abuse Regulation. Shortly after the financial year end, the Board attended an update session on developments in climate policy and debate, and on TCFD reporting. Key members of senior management attended Board meetings and delivered presentations about the Company's operations and strategy.

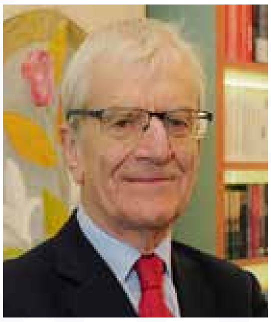
Relations with Shareholders

The Board, led by the Chairman, is responsible for ensuring an open dialogue with Shareholders based on the mutual understanding of objectives. The Chief Executive and Group Finance Director have day-to-day responsibility for all investor relations matters and for contact with Shareholders, as well as with City analysts. The Annual Report, interim reports, AGM, market updates and post-results announcement presentations are the principal means through which the Company communicates its strategy and performance to Shareholders.

The Company maintains an active dialogue with its institutional Shareholders and City analysts through a planned programme of investor relations. Twice a year, there are formal presentations of results, followed by a series of post-results meetings with Shareholders. The presentations are made available at www.bloomsbury-ir.co.uk. The outcome of these meetings is reported to the Board. This includes feedback from individual Directors and from discussions by the Company's corporate broker or public relations representative with Shareholders and City analysts. This is used to help review and develop Bloomsbury's procedures. In addition, the Chairman invites significant Shareholders to meet with him to discuss any matter of interest or concern. The Senior Independent Director is also available to Shareholders as required. During the year, in light of the COVID-19 pandemic, all meetings with institutional Shareholders and City analysts were held virtually.

AGM

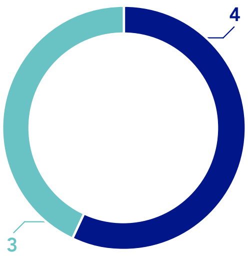
All Shareholders are welcome at the AGM, which includes presentations on the business and an opportunity to ask questions. The Chairs of the Audit, Remuneration and Nomination Committees attend and are available to answer questions.



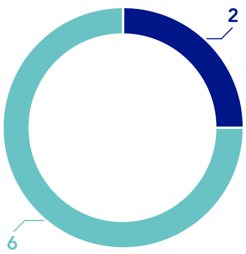
Nomination Committee Report

Board diversity

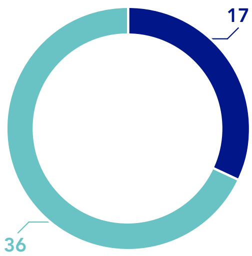
Gender



Composition of the Executive Committee

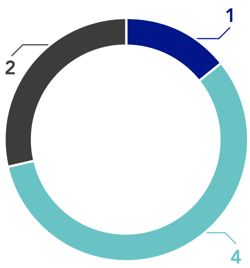


Executive Committee direct reports



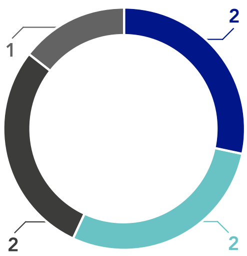
■ Male ■ Female

Balance of the Board



■ Chairman
■ Non-Executive
■ Executive

Tenure



■ 0–2 years
■ 2–4 years
■ 4–6 years
■ 6+ years

Dear Shareholder,

I am pleased to present my report to you as Chair of the Nomination Committee which describes how the Committee has carried out its responsibilities during the year.

Composition of the Committee

The Committee is comprised of myself as Chairman of the Board and Chair of the Committee, four Independent Non-Executive Directors and the Chief Executive. I was considered independent on appointment. The members of the Committee during the year were as follows:

Director	Appointed in the year (if applicable)	Resigned in the year (if applicable)
Sir Richard Lambert (Chair of the Committee)	–	–
Nigel Newton	–	–
John Warren	–	21 July 2021
Steven Hall	–	–
Leslie-Ann Reed	–	–
Baroness Young	–	–

The Committee met four times during 2021/2022. The Committee members' attendance can be seen on page 115 of this Annual Report.

Role of the Committee

The terms of reference of the Committee set out its role and authority. These are reviewed annually and can be found on the Company's website, www.bloomsbury-ir.co.uk. In summary, the Committee's responsibilities include:

- Reviewing the size, structure and composition of the Board and making recommendations for changes to the Board where necessary;
- Regularly monitoring and assessing the skills, knowledge, experience and diversity of the Board and senior management;
- Reviewing the results of the Board performance evaluation process to include reviewing the composition and diversity of the Board and its Committees (taking into consideration the balance of skills, experience and knowledge required), succession planning, and how effectively Board members work together to achieve objectives;
- Reviewing annually the time required from Non-Executive Directors and the number of external appointments held and, in respect of any additional external appointments notified to the Board, considering the type of role, the expected time commitment and any impact which this might have on the Director's duties to the Company;
- Ensuring plans are in place for the orderly succession to Board and senior management positions, and overseeing the development of a diverse pipeline for succession, taking into account the leadership requirements of the Company in the context of the challenges and opportunities facing the Company;
- Leading the process for new appointments to the Board;
- Identifying and making recommendations to the Board on potential candidates for appointment to the Board and senior management positions;
- Overseeing the induction of new Directors and monitoring ongoing conflicts, time commitments, training and evaluation of the Board; and
- Overseeing the Company's diversity objectives and strategies, and monitoring the impact of diversity initiatives.

Nomination Committee Report

continued

Activities of the Committee during the year

Shortly after the financial year end, the Nomination Committee completed the process of recruiting a Non-Executive Director to replace Steven Hall, who will not be standing for re-election at the 2022 AGM. Dick Hawkes Consulting was appointed to handle the search for his replacement following an evaluation of the Board's needs and the particular skills required. The selection process outlined above was followed. In March 2022, the Nomination Committee recommended, and the Board approved, the appointment of John Bason to the Board. A resolution for his election will be formally put to Shareholders at the 2022 AGM.

Matters considered by the Committee during the year included:

- Appointment of the Senior Independent Director;
- The gender balance for direct reports to senior management;
- Succession planning for the Board and senior management;
- Conflicts of interest, time commitments, independence of Directors, training and evaluation of the Board;
- Updates on diversity, equity and inclusion in general, including progress against the Company's Diversity, Equity & Inclusion action plan and the linkage of diversity, equity and inclusion to the Company's strategy;
- The skills, experience and knowledge of Board members;
- The format of the Board evaluation and, once completed, the consideration of the results and feedback;
- The extension of tenure for Sir Richard Lambert; and
- Review of revised terms of reference for the Committee.

Oversight of the Company's diversity and inclusion policy and practices

Central to the Company's mission and purpose is the promotion and dissemination of a multiplicity of voices on a vast range of topics from an international author base. Diversity, equity and inclusion therefore inform the strategy which the Company adopts to realise its purpose. The Board considers that diversity within the Company's workforce and at senior levels of management may further serve this purpose and supports the delivery of Bloomsbury's strategic objectives. Beyond this, the Board recognises the importance of the Company's workforce and publishing being reflective of the society in which the Company operates.

The Committee supports the Board in overseeing the Company's diversity, equity and inclusion policy and related HR strategies for the purposes of developing a strong and diverse talent pipeline. The Committee receives updates from Jenny Ridout, MD of the Non-Consumer Division and the Chair of the Diversity, Equity and Inclusion Steering Group on the implementation of diversity, equity and inclusion measures across the Group at each Committee meeting. From time to time, updates are also provided by the Director of Human Resources and the Diversity and Inclusion Manager.

Further information on diversity, equity and inclusion at Bloomsbury can be found on pages 70 to 72 of this Annual Report. The Committee has approved the Company's Diversity, Equity and Inclusion Policy.

Board diversity

The Board recognises the benefits of greater diversity on the Board and in senior management positions throughout the Group. Although the Company is not a member of the FTSE 350, the Board aims for at least one-third, or the nearest number to a third, of Directors on the Board to be women in line with the Hampton-Alexander Review targets in respect of gender diversity. The Board is pleased to confirm continued adherence to these recommendations and at present, it has three women among its seven Directors (42.9%). When Steven Hall steps down from the Board in July 2022, one-half of the Directors will be women, which will exceed these recommendations. The Board is also delighted to confirm adherence to the Parker Review's recommendation which recommends that each Board should at least have one Director from an ethnic minority background.

New appointments to the Board are usually selected by the Nomination Committee using independent search consultants based on merit as the best candidate for the role, unless there are exceptional circumstances where a suitable candidate has been found outside of this process. The Board appreciates how diversity can enhance the Board's effectiveness in decision-making where different skillsets and perspectives are present in the boardroom and will continue to consider different aspects of diversity such as ethnicity, education and social background in connection with new appointments. The Board considers there to be a diverse pipeline of senior management with respect to gender balance. A majority of the Executive Committee and their direct reports are women, details of which can be found on page 117. Further information on the gender balance at different levels of the Company can be found in the Company's Gender Pay Gap Report on its website (www.bloomsbury-ir.co.uk).

Board balance by experience and skills

Bloomsbury Board members bring a wide range of experience and skills which support the Company's strategy. The Board believes it has an appropriate balance of skills, experience and knowledge, but the composition of the Board is kept under review to ensure any skills gaps are taken into consideration as part of ongoing succession planning. Details of the Board's skills are set out at the bottom of page 119.

Succession planning

The Committee considers succession planning at each meeting. Ensuring that suitable plans are in place for orderly succession to both the Board and senior management positions is essential to ensure business continuity.

The Committee focuses on succession planning at Board level in particular. The size, structure and composition of the Board together with the knowledge, skills and experience of Directors is kept under review as part of assessing the overall effectiveness of the Board. On the whole, the Board is satisfied that plans are in place for orderly succession to the Board.

The Board is committed to recognising and nurturing a talent pipeline within the various management levels across the Group to ensure that opportunities are created to develop key individuals within the business. The Company runs a Management Development Programme targeted at line managers across all departments within the business to support personal development and career progression. The purpose of the programme is to enable individuals to develop the critical knowledge, skills, and behaviours needed in senior business positions.

Re-election of Directors

In 2016, the Board decided to follow best practice by requiring all Directors to retire at each AGM and stand for re-election. Annual re-election is now a requirement under the Code for a FTSE SmallCap company such as Bloomsbury Publishing Plc. The Articles of the Company would otherwise require all Directors to be subject to reappointment by the Shareholders at the first Annual General Meeting after their appointment and thereafter at intervals of no more than three years.

Recent Non-Executive Director appointments by the Board have been for periods of up to four years. In 2016, the Board concluded that it would be best served by a policy of progressive refreshing of the Non-Executive Directors, anticipating annual appointments of new Non-Executive Directors and an average duration of such appointments of four years. During 2019, the Board reviewed this policy and decided it remained appropriate given that it retained flexibility to extend an appointment beyond four years where the circumstances made it appropriate to do so.

The notice periods by the Company of the Directors are set out on pages 132 and 133 of this Annual Report.

Sir Richard Lambert
Chair of the Nomination Committee

15 June 2022

Board appointment process

The Board appointment process is as follows:

- The annual evaluation of Board effectiveness enables the Committee to identify any gaps in the skills, knowledge and experience needed or forecast in anticipation of Director resignations;
- The Committee then carries out a more detailed consideration of the Board's structure, balance, diversity and succession planning needs;
- An independent external recruitment consultant is appointed who performs a search to identify candidates meeting criteria agreed with the Nomination Committee. The external consultant carries out initial interviews with candidates and carries out background research on them to formulate a shortlist. In exceptional circumstances, the appointment of an external consultant may not be considered necessary, if a suitable candidate has been otherwise identified;
- One or more Directors interview each candidate and feed back to the external consultant on the interview evaluation of the candidate;
- References are taken and other background checks are made on candidates;
- The Nomination Committee, sitting together, selects the final candidate and makes a recommendation to the Board; and
- The Board has the final decision on appointing a candidate.

Board experience and skills

Audit Committee Report

Dear Shareholder,

I am pleased to present my first report to you as Chair of the Audit Committee which describes the Committee's operations during the financial year ended 28 February 2022. I would like to take this opportunity to thank my predecessor, John Warren, for his commitment and contribution during his time as Chair of the Audit Committee.

Composition of the Committee

The Committee is comprised of three Independent Non-Executive Directors. I am the Chair of the Committee. The Board is satisfied that my experience and qualifications are sufficient for me to meet the experience and qualification requirements for at least one member of the Audit Committee to hold recent and relevant financial experience as required by the Code and Listing Rules. In addition, another Committee member, Steven Hall, is experienced in the field of publishing, enabling the Committee to have competence relevant to the sector in which the Company operates. John Bason, who was appointed to the Board shortly after the financial year end, is also a member of the Committee and has extensive financial experience. The members of the Committee during the year were as follows:

Director	Appointed in the year (if applicable)	Resigned in the year (if applicable)
John Warren (former Chair of the Committee)	–	21 July 2021
Steven Hall	–	–
Leslie-Ann Reed (Chair of the Committee)	–	–

Full biographical details of each Committee member are set out on pages 102 and 103.

The Committee met three times during 2021/2022. The Committee members' attendance can be seen on page 115 of this Annual Report. In addition to Committee members, the External Auditor, the Head of Internal Audit, the Chairman of the Board, the Group Finance Director and the Chief Executive regularly attend Committee meetings at the invitation of the Chair of the Committee. Other attendees include members of the Finance team and other Directors. There is a standing item on the agenda for the External Auditor and Internal Auditor to meet the Committee alone without management present, enabling Committee members or Auditors to share any concerns that they may have.

Role of the Committee

The terms of reference of the Committee set out its role and authority. These are reviewed annually and can be found on the Company's website, www.bloomsbury-ir.co.uk. In summary, the Committee's responsibilities include:

- Monitoring the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance; reviewing significant financial reporting issues and judgements contained therein;
- Reviewing the Annual Report and Accounts and advising the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the necessary information for Shareholders to assess the Company's performance, business model and strategy;
- Reviewing and advising the Board on the going concern assessment and viability statement;
- Reviewing the Company's internal controls (including financial controls and controls relating to legal and regulatory compliance) and risk management systems;
- Reviewing and approving the statements made in the Annual Report and Accounts in respect of the Company's internal control policies and risk management procedures;
- Monitoring and assessing the role and effectiveness and independence of the Company's internal audit function;
- Making recommendations to the Board, for it to put to the Shareholders for their approval in a general meeting, in relation to the appointment, reappointment and removal of the External Auditor and to approve the remuneration and terms of engagement of the External Auditor;
- Reviewing and monitoring the External Auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements;
- Developing and implementing policy on the engagement of the External Auditor to supply non-audit services, taking into account relevant guidance regarding the provision of non-audit services by the external audit firm;
- Reporting to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken; and
- Reporting to the Board on how it has discharged its responsibilities.

Activities of the Committee during the year

During the year, amongst other matters, the Committee considered:

- The annual and interim results and associated announcements, recommending them to the Board for approval;
- The Annual Report and Accounts, recommending them to the Board for approval;
- The analysis supporting the viability statement and the going concern assessment;
- Key accounting estimates and judgements;
- The independence, reappointment and remuneration of the External Auditor;
- The External Auditor's audit strategy for the year, agreeing the risks identified therein;
- The Internal Audit Plan and review of the Internal Audit projects;
- The effectiveness of the Internal Audit functions;
- Ongoing monitoring of the measures taken by the Company to mitigate against Cyber Security risk;
- At each meeting, the Group's internal controls policies and associated risk management framework to assess the scope and effectiveness of these matters. The approach to these matters is further elaborated on below while the principal risks facing the Company are described in the Principal Risks and Risk Management section on pages 93 to 98, which also explains how each risk is managed and mitigated; and
- Review of the terms of reference for the Committee.

Significant financial reporting matters

In respect of the Annual Report and Accounts, the Committee considered:

- The adequacy of provisions made in relation to key balance sheet estimates, specifically including the sales return provision, inventory provision and provision against unearned author advances. Having reviewed the assumptions made by the Executive team and their consistency year-on-year with the exception of the author advance provision post-publication period change as disclosed in Note 2w(ii), the Committee was satisfied as to the adequacy of the provisions;
- The adequacy of sensitivity disclosures in relation to Academic & Professional and Special Interest goodwill (Note 12). Academic & Professional goodwill is the largest balance within goodwill and the most sensitive to the level of profit generated. After careful consideration, the Committee was satisfied that the assumptions used in the evaluation were appropriate and that no impairment of the goodwill had occurred;
- The assessment of the Group's viability and the appropriateness of the going concern assumption. The Executive team had prepared a detailed forecast of future cash flows which had been flexed to reflect the possible future impact of key risks to the business. The Committee reviewed carefully these assumptions and was pleased to note that substantial going concern headroom was retained in all likely scenarios. The Committee was therefore able to recommend these assessments to the Board for adoption in the accounts; and
- The adequacy of the accounting and disclosures for the ABC-CLIO, LLC and Head of Zeus Limited acquisitions in the year (Note 10). Having reviewed the accounting and disclosures for the two acquisitions in the year, the Committee determined that the acquisition accounting and disclosure had been undertaken appropriately but notes that for ABC-CLIO, LLC that it remains provisional as at 28 February 2022.

These matters are discussed in more detail in the Independent Auditor's Report on pages 146 to 156.

In addition, the Committee assessed that the Group's annual and interim financial statements, after review and taken as a whole, are fair, balanced and understandable, and provide the necessary information to assess the Group's position and performance, business model and strategy. It also considered that they met the necessary legal and regulatory requirements.

External Auditor

The Audit Committee has primary responsibility for making a recommendation on the appointment, reappointment and removal of the External Auditor and approving their remuneration and terms of engagement.

The role of External Auditor was tendered following the 2013 AGM and the Board appointed KPMG LLP ("KPMG") as External Auditor for the Group and for the Company for audits for the year ended 28 February 2014 and onwards. The detailed tender process followed is set out in the Annual Report for that year.

Anna Barrell has been KPMG's audit partner for the Company since the 2020/2021 audit and attended all meetings of the Committee.

During the year, the Committee assessed the effectiveness of the external audit process and was satisfied with the scope, direction and outcome of work. In forming its view, the Committee considered:

- The quality of audit work undertaken and resulting findings;
- The scope of the External Auditor's work and whether the External Auditor deployed sufficient resources to complete their agreed programme; and
- The independence and objectivity of the External Auditor, confirmed in a letter addressed to the Committee.

Details of the amounts paid to KPMG are provided in Note 4.

External Audit tender

KPMG has been the Group's External Auditor since July 2013. Mindful of the requirements of the UK Corporate Governance Code that the audit be put out to tender every ten years, the Company notified KPMG of its intention to put the audit out to tender during 2022, with a view to a new firm being appointed to audit the financial statements for the year ending 28 February 2023.

Audit Committee Report

continued

The tender process involved an audit tender team lead by Leslie-Ann Reed, and comprising Nigel Newton, Penny Scott-Bayfield, Richard Lambert, John Bason and Steven Hall, as well as support from senior representatives of the Finance team. Following careful review, the team reached a recommendation to appoint Crowe U.K. LLP ("Crowe") as External Auditor following an assessment of the quality of service provided, the expertise and resources made available to the Group and the effectiveness of the audit process.

Following the conclusion of the tender process in June 2022, the Committee recommended and the Board is recommending the appointment of Crowe for the year ending 28 February 2023. Crowe will therefore be recommended for election as the Company's auditors at the AGM in July 2022.

External Auditor non-audit services

The Committee has approved a formal policy on the provision of non-audit services to safeguard the independence and objectivity of the External Auditor and reviews the level of non-audit fees relative to audit fees. The full policy can be found on the website www.bloomsbury-ir.co.uk. A list has been approved by the Committee of services that the External Auditor is prohibited from undertaking. Other than the half-year review, during 2020/2021, KPMG did not supply any non-audit services to the Group.

Internal controls and risk management

The Code requires the Directors to assess at least annually the effectiveness of the Group's systems of internal control, which include financial, operational and compliance controls, and the system of risk management.

The Board has put in place an ongoing process for identifying, evaluating and managing the significant risks faced by the Group. This procedure has been in place for the year under review and up to the date of approval of this Annual Report. The procedures will regularly be reviewed by the Board and the Audit Committee to ensure that the procedures implemented continue to be effective and that, where appropriate, recommendations are made to management to improve the procedures.

The Audit Committee reviews the internal control and risk management systems and internal financial controls, while the Board considers the principal risks to the business, the countermeasures in place and the Group's appetite for risk. The Board retains overall responsibility for the Group's internal controls and for reviewing their effectiveness, and for approving all related policy. These internal controls are designed to manage rather than eliminate risk, and can only provide reasonable, and not absolute, assurance against material loss.

The Group takes a risk-based approach to internal controls to ensure that internal controls policies and procedures directly and adequately address the specific risk factors relevant to the Company. Further explanation is provided under the heading Internal Audit. Internal controls are reviewed regularly throughout the year with relevant business areas and consideration is given to identifying any actions required to improve the effectiveness of the key controls. The Audit Committee receives reports on the internal controls and progress in respect of any actions identified as necessary to improve the system of controls three times a year.

The Company's system of internal financial control aims to safeguard the Group's assets, ensures that proper accounting records are maintained, that the financial information used within the business and for publication is reliable, that business risks are identified and managed and that compliance with appropriate legislation and regulation is maintained.

Internal audit

The internal audit function is responsible for providing independent assurance to management and the Audit Committee on the design and effectiveness of internal controls to mitigate strategic, financial, operational, and compliance risks.

In 2019/2020, the Committee determined that it would be appropriate to co-source the function using both internal and external resources, while retaining its oversight, and the Committee approved the engagement of Grant Thornton for this purpose. Martin Gardner, partner at Grant Thornton, was appointed as the Head of Internal Audit, reporting to the Chair of the Audit Committee. Grant Thornton attended all Audit Committee meetings that took place in 2021/2022.

During the year, key controls covering the Group's risk areas were reviewed in consultation with the heads of relevant business areas and with Grant Thornton. These are reviewed and reported to the Audit Committee three times a year.

The internal audit mandate and plan for the relevant year is approved by the Committee, and is aligned to the Company's greatest areas of risk. The focus for internal audit in the year was on information governance. Grant Thornton conducted internal audits on this area and the findings of the audit was reported to the Committee. The Committee considered the issues and risk arising from the audit, with the agreed actions and timetable for implementation.

The Committee assessed the effectiveness of the internal audit function for the financial year and concluded the quality, experience and expertise of the function was appropriate for the Company and the function had been effective in discharging its duties.

Overall, the Board confirms it has monitored the Group's risk management and internal control systems and carried out a review of their effectiveness covering all material controls, including financial, operational and compliance controls.

Internal control and risk management framework

The preparation of the consolidated financial statements of the Company is the responsibility of the Group Finance Director and is overseen by the Audit Committee with overall responsibility resting with the Board. This includes responsibility for ensuring appropriate internal controls are in place over financial reporting processes and related IT systems. The Audit Committee monitors the risks and associated controls over financial reporting processes, including the consolidation process.

The Principal Risks and Risk Management section on pages 93 to 98 sets out how the Board has taken account of the Group's current position and principal risks and how it has assessed the prospects of the Group over a period of three years. The Board has a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the assessment period.

Relevant features of the Company's system of internal controls and risk management in relation to the financial reporting process and preparation of the Group financial statements include:

- **Organisational culture:** The Company has a highly skilled, professional and committed workforce. The Board is committed to developing a culture of openness, integrity, competence and responsibility. The Company has in place a Group Whistleblower Policy and an Anti-Bribery and Corruption Policy.
- **Organisational structure:** The One Global Bloomsbury structure comprises the worldwide publishing divisions supported by Group functions (finance, IT, production, sales and marketing) which provide an internal control service to the business as internal control pillars within the Group's internal control framework.
- **Risk and control review:** The framework for oversight of the Group's internal controls and risk management process by the Board and the Audit Committee is described on page 122. In addition, the Executive Committee (which comprises the Divisional and Group function heads and Executive Directors) are asked to review the Group risk register and accompanying controls and actions for each risk. This ensures that risks and control issues from around the Group worldwide are reported openly to the senior management team and addressed. The Board regularly reviews the significant Group risks to ensure appropriate action is taken to address the risks. The Audit Committee reviews the risks, in particular the financial risks and issues that could impact on reporting, when considering the financial statements.
- **Financial internal control and risk review:** The Group Finance Director formally reviews the internal financial controls, taking account of the risks within the financial information systems, and reports the findings of this review to the Audit Committee. Analytical review of operating results and reviews of key risks and controls for each division supplement management's knowledge of the business for the evaluation of the risks and assessment of the internal financial controls. The Audit Committee also receives reports on the internal controls and risks provided by the Internal Auditor. The Audit Committee receives other reports from management relevant to the internal financial controls, such as reports on the progress of key projects.
- **Authority levels:** The Board maintains a detailed register of delegated authorities and sets the level of authority required, before Board approval is needed, to commit the Company or to undertake transactions. It also approves budgets and other performance targets. The publishing divisions and Group functions operate within these authority levels and budgets. The Executive Directors determine the authority to be delegated to individual managers.
- **Financial management reporting:** The Board approves the annual Group budget. Sales are reported daily, weekly and monthly. Financial results of the business operations are reported monthly and compared to budget and forecasts. Detailed forecasts for the Company are updated regularly and reviewed by the Board.
- **Book title acquisition procedures:** Established procedures, such as the review and approval by an Executive Director of acquisition proposals of rights to new books, and approval by the Chief Executive of acquisitions over a specific threshold, are operated within set authority limits and used for transactions in the ordinary course of business. Acquisitions exceeding delegated authority limits require approval by the Board. Significant acquisitions of companies and businesses are approved by the Board. The Board has set authorised limits for the total author advances held on the Statement of Financial Position as a percentage of net assets and for the total value of committed but unpaid advances..
- **Accountability:** The Company has clearly defined lines of responsibility headed by the Chief Executive and Executive Committee to control the publishing divisions and business functions. Detailed operational and financial performance data are monitored by supervisory management to ensure the performance of operations is in line with targets. The reasons for variances and underperformance are established by supervisory line management and followed up with managers and staff.
- **Overseas offices:** Each overseas office has a local President or Managing Director who is responsible for operational effectiveness and local internal controls. Accounting for the Group is centralised and overseas subsidiaries hold limited cash balances. Subject to the travel restrictions imposed by COVID-19 in 2020, 2021 and 2022, senior managers and Executive Directors regularly visit the overseas offices, and the finance function conducts operational review visits to review the procedures.
- **Internal audit:** For 2021/2022, a risk-based audit approach was used to identify and assess the key internal controls across the Group worldwide. The Audit Committee considers reports from External and Internal Audit to ensure that adequate measures are being taken by management to address risk and control issues.

Significant failings or weaknesses in the internal controls

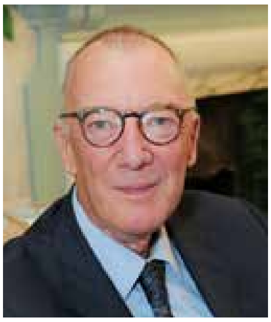
Following its review, the Committee concluded that the systems of risk management and internal controls are adequate for Bloomsbury, including all the Group companies. There were no significant internal control weaknesses identified that challenged the Group in achieving its objectives.

Committee effectiveness

The Committee's annual evaluation review, which was conducted as part of the 2021/2022 Board evaluation, confirmed that the Committee was continuing to function effectively.

Leslie-Ann Reed
Chair of the Audit Committee

15 June 2022



Directors' Remuneration Report

Dear Shareholder,

I am pleased to present the Directors' Remuneration Report (the "Report") for the year ended 28 February 2022.

The Report has been prepared on behalf of the Bloomsbury Board by the Remuneration Committee and has been approved by the Board.

Performance and reward for 2021/2022

As outlined in the Chairman's Statement and the Chief Executive's Review, the Group delivered an excellent set of results for the year to 28 February 2022, reflecting the strength and resilience of our business and the successful execution of our core publishing priorities as well as our digital and acquisition strategy. Alongside this strong performance, we successfully mitigated macroeconomic challenges including the impact of print supply chain challenges, and the business remains confident in the long-term strategy.

Group profits before taxation and highlighted items grew by 40% to £26.7 million. Adjusted diluted earnings per share grew by 39% to 25.94 pence. A reconciliation between GAAP profit and Non-GAAP profit measures can be found in the Financial Review section on pages 47 to 50.

The Company intends to declare a final dividend for the year of 9.40 pence per share, subject to approval by Shareholders. This would result in a total dividend for the year of 10.74 pence per share.

Annual bonus

Annual bonus payments to the Executive Directors are based on a combination of financial and strategic measures. The majority (70%) of the bonus is based on the achievement of a profit target, the remainder (30%) is based on the achievement of strategic objectives. Having adjusted the structure of the bonus in operation for 2020/2021 in light of the COVID-19 impact, the Committee reinstated the strategic element of the bonus for 2021/2022. Consistent with the prior year, a key feature of this plan is the extension of participation across the Group to ensure alignment of reward across our colleagues.

At the start of the year, the Committee set a stretching target for profit before tax, highlighted items and acquired tangible amortisation ("Adjusted profit") of £19.4 million after assessing various factors, including both internal and external forecasts. As set out in the Strategic Report, Bloomsbury delivered excellent performance for 2021/2022 achieving an Adjusted profit of £26.7 million and the bonus pool was funded in full. Therefore, this element of the bonus paid out in full.

The Committee originally agreed a strategic objective on inventory reduction. Significant supply chain challenges emerged during the course of the year to which the Company responded by being agile with its printers, printing earlier and working with its customers to deliver earlier. These tactics ensured books were available in the peak periods at the start of the academic year in the Autumn and in the run-up to Christmas, contributing to the Company's very strong sales. In this context, the original reduction objective was no longer appropriate. In light of these challenges and their mitigation by the Company, the Committee exercised its discretion to disapply the inventory objective (weighted at 3% of the overall bonus) and to reallocate it to the Consumer and Non-Consumer targets. Very strong achievement against each of the remaining strategic objectives enabled full payment of this element of the bonus.

The Group has delivered outstanding financial performance, made substantial progress on strategic initiatives and created significant value for our Shareholders via dividends and share price progression. In this context, the Committee considers the outcomes under the all-employee and Executive bonus plans to be a fair reflection of performance during the year. The outcome of the 2021/2022 bonus is also shown in Part B of the Remuneration Report on page 135.

Long-Term Incentive Plan ("LTIP") vesting

The LTIP awards granted on 21 August 2019 ("2019 PSP Award") are due to vest in August 2022 and were subject to equally weighted EPS and ROCE performance conditions.

Bloomsbury delivered annual EPS growth of 18.6% in excess of RPI over the three-year performance period, and ROCE of 20.4%, exceeding the stretch hurdles originally set. Accordingly, the 2019 PSP Award will vest on 21 August 2022 at 100% of maximum. The Committee considers that this result appropriately reflects the progress Bloomsbury has made over the last three years, the underlying financial performance and the experience of our Shareholders. All vested shares for Executive Directors will be subject to an additional two-year holding period, which will ensure that awards to Executive Directors will remain aligned with our Shareholders for an extended period. The outcome of the 2019 PSP Award is also shown in tabular form in Part B of the Remuneration Report on page 137.

Review of the Remuneration Policy and remuneration arrangements for 2022/2023

The Remuneration Policy received very strong approval (95.5%) from Shareholders at the 2020 AGM. Notwithstanding this support, the Committee and Executive Directors were mindful of the rapid changes in market practice during the 2020 AGM season relating to Executive pension benefits. Although the Shareholder-approved Remuneration Policy enabled a maximum pension of up to 15% of salary, in 2020/2021, the Executive Directors voluntarily agreed to reduce their long-standing contractual pension benefits to 12% of salary, with effect from 1 September 2020. From 1 March 2022, the rate was reduced to 9.5% of salary and it is intended that the rate be reduced further to 7% from 1 March 2023, so that it is in line with the all-employee rate. Under the Remuneration Policy, any new Executive Directors will have pension benefits aligned with the rate applicable to the wider workforce (currently up to 7% of salary).

For the year ending 28 February 2023, no major changes are proposed and the Committee has decided to implement the Remuneration Policy as follows:

- In recent years, the Committee has sought to align the approach to annual salary increases for Executive Directors and senior management with that adopted for the wider workforce. Salary increases for Executive Directors will be at the rate offered to the wider workforce (5% of salary).
- The structure of the annual bonus for 2022/2023 will broadly replicate that of 2021/2022. As in previous years, 70% of the maximum bonus will be based on profit before taxation and highlighted items and 30% on strategic objectives. As sustainability forms a key part of the Company's overall strategy, the strategic targets will include targets linked to our goal in reducing Scope 1 and Scope 2 emissions by 2030. The maximum bonus potential will remain unchanged at 100% of salary. The Committee will have the discretion to reduce any payment under the bonus if it feels payment is not merited based on the overall performance of the Group or if the bonus is not considered affordable by the Board.
- The performance measures attached to the 2020 and 2021 PSP Awards will be replicated for the 2022 PSP Award, based on EPS (60%), Non-Consumer operating profit (15%), Consumer operating profit (15%) and BDR revenue (10%). The Committee is keen to ensure that performance measures for PSP Awards are simple, reward the successful execution of the Company's strategy, support long-term sustainable performance and align with the Shareholders' interests. For the 2022 PSP Awards, the Committee has approved a significant increase in the stretch of the targets compared to last year, reflecting the scale and ambition within the Group's plans. Further detail on the targets is set out on page 139.

Under the normal three-year renewal cycle, the Remuneration Policy will need to be presented to Shareholders for approval at the 2023 AGM. Over the coming months, the Remuneration Committee intends to undertake a review of current arrangements to ensure that they remain aligned with the long-term strategic priorities of the Group and our Shareholders as well as evolving market and best practice. The Committee would seek to suitably engage with major investors regarding any material changes in our approach to pay.

Director changes

As announced in the Trading Update after the 2021/2022 year end, John Bason joined the Board as a Non-Executive Director on 1 April 2022. John is currently the Finance Director of Associated British Foods Plc, having been appointed in May 1999. He is also Chairman of the charity FareShare. John has also become a member of the Remuneration, Audit and Nomination Committees.

I will be stepping down from the Board at the conclusion of Bloomsbury's 2022 AGM. It is intended that I will be succeeded by John Bason as Chair of the Remuneration Committee. I would like to take the opportunity to thank my fellow Committee members for their support during my tenure, and our Shareholders for their strong support of our approach to pay.

We hope that you will find this 2021/2022 Remuneration Report clear and helpful, and of course we welcome Shareholder feedback.

Steven Hall
Chair of the Remuneration Committee

15 June 2022

Directors' Remuneration Report

continued

Part A – Remuneration Policy Report

Introduction

The Directors' Remuneration Policy is set out in this section. In determining the Remuneration Policy, the Committee applied the key principles that remuneration should:

- Attract and retain suitably high-calibre Executive Directors and ensure that they are motivated to achieve the highest levels of performance, including delivering strategic initiatives and objectives and driving sustainable long-term value for Shareholders;
- Align the interests of the Executive Directors with those of the Shareholders and wider stakeholders; and
- Not pay more than is necessary.

This Policy was approved by Shareholders at the Annual General Meeting on 21 July 2020, with strong support from 95.52% of Shareholders, and came into effect from this date.

To aid interpretation, updates to the text have been made to reflect the implementation of the Remuneration Policy. The full Policy approved by Shareholders is set out in the 2020 Annual Report and Accounts on pages 90 to 96.

The 2018 UK Corporate Governance Code (the "Code") sets out principles against which the Committee should determine the Policy for Executive Directors. A summary of these principles and how the current Policy reflects these is set out below:

Principle	How the Committee has addressed these
Clarity – remuneration arrangements should be transparent and promote effective engagement with Shareholders and the workforce.	The Committee is satisfied that the remuneration arrangements in the Policy comprising simple incentive structures are transparent, and the rationale behind decisions relating in particular to targets, metrics and outcomes is discussed in detail in this Remuneration Report. Furthermore, performance is aligned with the Company's strategy and the interests of all stakeholders.
Simplicity – remuneration structures should avoid complexity and their rationale and operation should be easy to understand.	The Company's remuneration arrangements are commonplace in the market. A priority in revising the Policy in 2019/2020 was ensuring share incentive and bonus schemes were designed with simplicity and that the metrics and targets were understood by the Executive Directors and senior management.
Risk – remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated.	The Committee may adjust the formulaic outcome where it believes the outcome does not reflect the Committee's assessment of the underlying financial or non-financial performance of the Company/individual or is not appropriate in the context of circumstances that were unexpected or unforeseen at the start of the bonus year. Furthermore, all variable pay awards are subject to malus and clawback provisions.
Predictability – the range of possible values of rewards to individual Directors and any other limits or discretions should be identified and explained at the time of approving the policy.	There are defined threshold and maximum pay scenarios for fixed elements of remuneration (base salary, pension and benefits) and performance-based variable elements (cash bonus and LTIP) pertaining to each Executive Director. These reward scenarios are set out on page 131.
Proportionality – the link between individual awards, the delivery of strategy and the long-term performance of the Company should be clear. Outcomes should not reward poor performance.	There is a clear and direct link between Group performance and individual rewards under the annual bonus and LTIP. Targets will be appropriately stretching and no variable remuneration would be payable if the performance thresholds are not achieved. We believe total remuneration should fairly reflect performance of the Executive Directors and the Group as a whole, taking into account underlying performance and Shareholder experience.
Alignment to culture – incentive schemes should drive behaviours consistent with Company purpose, values and strategy.	The Committee formulated a Policy that aligned with the Company's purpose, values and strategy. The annual bonus is made up of a combination of financial and strategic objectives, thereby incentivising the annual delivery of financial and strategic goals. The LTIP metrics are aligned to the main strategic objectives of delivering sustainable profit growth and Shareholder return.

Consideration of Shareholder views

As part of the Policy review, the Remuneration Committee engaged directly with major Shareholders and their representative bodies. All feedback received during this process was carefully considered by the Committee and resulted in changes to our proposals prior to the finalisation of the new Policy. In general, the Committee considers any Shareholder feedback received in relation to the remuneration resolutions tabled at the AGM each year. This feedback, plus any additional feedback received during any Shareholder meetings from time to time, is considered as part of the Group's annual review of the Remuneration Policy and its implementation. In addition, the Remuneration Committee will seek to engage directly with major Shareholders and their representative bodies should any material changes be proposed to the Remuneration Policy at any time. During the year, the Committee has amended pension arrangements as discussed on page 135 in light of market developments.

Remuneration Policy for Executive Directors – Policy Table

The following table summarises each element of the Remuneration Policy for the Executive Directors, explaining how each element operates and links to the corporate strategy.

Element	Purpose and link to strategy	Operation	Maximum opportunity	Performance targets
Salary	• Reflects the value of the individual and their role • Reflects skills and experience over time • Provides an appropriate level of basic fixed income avoiding excessive risk-taking arising from over-reliance on variable income	• Normally reviewed annually and effective 1 March, although salaries may be reviewed more frequently or at different times of the year if the Committee determines that this is appropriate • Takes into account the role, personal experience and performance, business performance, wider workforce policies, and comparisons against companies with similar characteristics and sector comparators	• No maximum base salary or maximum salary increase operated • Annual increases are typically linked to those of the wider workforce, but with scope for higher increases in circumstances including (but not limited to): – Change in role – Where salaries are below market levels – Enhanced performance and experience of the individual	• N/A
Pension	• Provides role-appropriate retirement benefits • Opportunity for Executive Directors to contribute to their own retirement plan	• Defined contribution/ salary supplement or cash payment in lieu of pension contribution	• For new Executive Directors, the maximum contribution rate will be in line with the employer contribution rate available to the majority of the workforce • For incumbent Directors, up to 15% of salary. Following the 2020 AGM, the Executive Directors voluntarily agreed to a gradual reduction in benefit levels, so that they align with the wider workforce rates with effect from 1 March 2023.	• N/A

Directors' Remuneration Report

continued

Element	Purpose and link to strategy	Operation	Maximum opportunity	Performance targets
Other benefits	• To aid retention and recruitment	• Benefits include but are not limited to: company car or car allowance, and the provision of private medical/permanent health insurance and life assurance	• There is no maximum but benefits will be appropriate in the context of the role	• N/A
Annual bonus	• Incentivises annual delivery of financial and strategic goals • Maximum bonus only payable for achieving demanding targets	• Normally paid in cash, but may be delivered in shares at the discretion of the Committee • Not pensionable • Performance assessed over a one-year period • Measures and targets are set each year, normally based on the Group's business plan as at the start of the financial year • Annual bonus outcomes are typically determined by the Committee following the year end based on performance against pre-determined objectives • Where awards are deferred into shares, dividends (or equivalents) may be payable on any shares that vest	• 100% of salary	• Group financial objectives (majority) • Strategic objectives, including personal objectives (minority) • Performance measures may be varied year-on-year based on the Company's strategic priorities • The level of payout for threshold performance will vary depending on the nature of the measure and the stretch of the targets. For performance between threshold and maximum hurdles, award levels are appropriately scaled • The Committee may adjust the formulaic outcome where it believes the outcome does not reflect the Committee's assessment of the underlying financial or non-financial performance of the Company/individual or is not appropriate in the context of circumstances that were unexpected or unforeseen at the start of the bonus year • Malus and clawback provisions apply. Further details are set out below

Element	Purpose and link to strategy	Operation	Maximum opportunity	Performance targets
Long-term incentives: Performance Share Plan (PSP)	• Aligned to main strategic objectives of delivering sustainable profit growth and Shareholder return	• Annual grant of nil cost options or conditional awards (or economic equivalent) which normally vest subject to continued service and performance targets assessed over three years • Any vested shares must normally be held by the Executive for a further two years • Dividend (or equivalents) may be payable to the extent that shares under award vest	• Normal grant policy is 100% of basic salary in respect of any financial year • Under the Shareholder-approved plan rules, enhanced award levels may be granted up to 150% of salary (e.g. upon an Executive Director's appointment)	• Vesting of PSP Awards will be based on performance against relevant financial and strategic non-financial metrics as determined by the Committee • Up to 25% of awards will vest at threshold performance, increasing to full vesting at maximum performance levels • For awards granted in 2022, vesting will be based on EPS (60%), Non-Consumer operating profit (15%), Consumer operating profit (15%) and BDR revenue (10%) • The Committee may adjust the formulaic outcome where it believes the outcome does not reflect the Committee's assessment of the underlying financial or non-financial performance of the Company/individual or is not appropriate in the context of circumstances that were unexpected or unforeseen at the time of grant • Malus and clawback provisions apply. Further details set out below

Directors' Remuneration Report

continued

Element	Purpose and link to strategy	Operation	Maximum opportunity	Performance targets
All-employee share plans	• To encourage share ownership by employees and therefore alignment with Shareholders	• Eligible to participate in any HMRC-approved all-employee plan on the same basis as other employees • The Company currently operates an HMRC tax-advantaged savings plan to fund the exercise of share options over three or five-year savings arrangements (Sharesave) • The exercise price may be discounted by up to 20% • Provides tax advantages to UK employees	• Prevailing HMRC limits apply	• N/A

Notes to the Policy Table:

1 A description of how the Company intends to implement this Policy in 2022/2023 is set out in the Annual Report on Remuneration.

2 The choice of the performance metrics applicable to the annual bonus or long-term incentive scheme will reflect the Company strategy at the time of grant. Targets are set by the Committee taking into account internal and external reference points, including the Company's business plan, to ensure that they are appropriately stretching.

Annual bonus – The annual bonus metrics are designed to provide an appropriate balance between incentivising Executive Directors to meet financial targets for the year and to deliver on specific strategic objectives to ensure the business is well-positioned to deliver sustainable financial growth and Shareholder value in the future. The annual bonus performance targets are therefore based on a combination of financial, operational and strategic objectives, which provide clear alignment to the Company's KPIs and strategic priorities.

PSP – The Committee continues to consider EPS an appropriate measure that encourages management to grow earnings for Shareholders over the longer term. Consumer and Non-Consumer profit targets as well as BDR revenue targets are proposed to be included for the 2022 PSP Award to align with the Company's strategy of growing our product portfolio and our digital presence in a sustainable and balanced way. The Committee will keep the measures and weightings under review to ensure that they support the long-term success of the Company.

Malus and clawback provisions

The annual bonus and PSP incorporate malus and clawback provisions. These enable the Company to reduce the size of unvested awards and to claw back awards for up to three years following the date when the performance outcome is determined, and in respect of the PSP, three years from the date of vesting. The circumstances under which malus and clawback may be applied include:

- Material misstatement in the Company's financial results;
- Assessment of performance conditions based on an error, or on inaccurate or misleading information;
- Serious misconduct on the part of the participant;
- Serious reputational damage; or
- Material corporate failure.

The above circumstances apply for all annual bonus and PSP Awards made from 2020 onwards. Previous incentive awards are subject to malus and clawback provisions in the first three circumstances only. The Committee is satisfied that the above provisions provide robust safeguards against inappropriate payment of incentive awards.

Further details

The Committee reserves the right to make remuneration payments and payments for loss of office (which includes exercising related discretions) that are not in line with this Policy if the terms of the payment were agreed:

1. Before the Policy came into effect, if the payment is made in line with the policy in force at the time or is otherwise approved by Shareholders;
2. At a time when the recipient was not subject to the Policy, provided the Committee does not consider the payment to have been made in consideration of the recipient becoming subject to the Policy.

For these purposes, "payment" means any payment that would otherwise be subject to the Policy and, in relation to a share award, will not be considered to have been "agreed" any later than the date of grant.

The Committee may make minor amendments to the Policy (e.g. for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation) without obtaining Shareholder approval for that amendment.

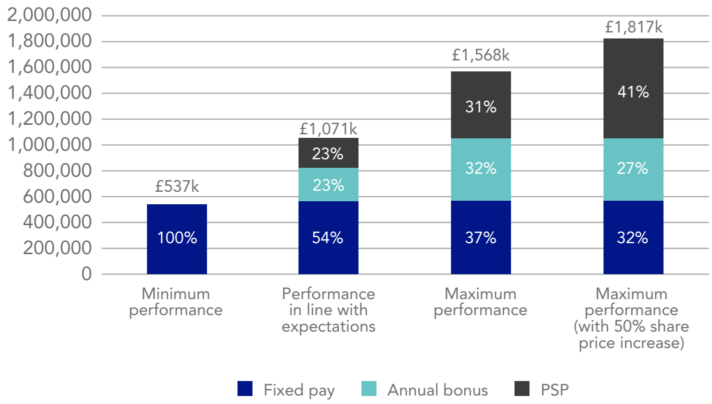
Awards granted under the Company's share plans will be operated in accordance with the relevant plan rules and applicable regulations. Under the plan rules, the Committee retains a number of discretions concerning the operation of the Company's share plans. This includes:

- Determining the participants (including for Executive Directors and below the Board), timing of grants, size of awards and performance conditions;
- Determining the vesting of awards, including both the timing and level of vesting;
- Where possible under the plan rules, determining that awards may be settled in cash rather than shares, where the Committee considers this appropriate (e.g. due to local securities law); and
- Making adjustments in accordance with the relevant provisions of the relevant plan rules, including adjustments to awards to reflect one-off corporate events, such as a change in the Group's capital structure.

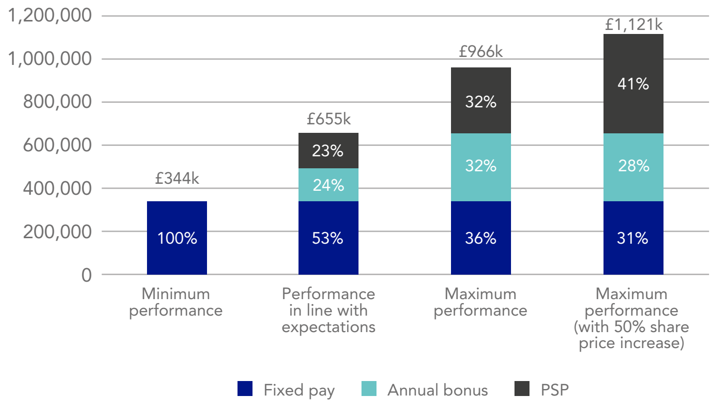
Reward scenarios

The remuneration package comprises both fixed elements (base salary, pension and benefits) and performance-based variable elements (cash bonus and PSP). The structure of the remuneration packages for on-target and stretch performance for each of the Executive Directors for 2022/2023, in line with the Remuneration Policy, is illustrated in the bar charts below.

Nigel Newton



Penny Scott-Bayfield



Notes:

1 The minimum performance scenario comprises the fixed elements of remuneration only, based on salary, pension and car allowance as per policy for 2022/2023.

2 The target level of bonus is assumed to be 50% of the maximum bonus opportunity (50% of salary), and the target level of PSP vesting is assumed to be 50% of the face value, assuming a normal grant level (50% of salary). These values are included in addition to the components/values of minimum remuneration.

3 Maximum assumes full bonus payout (100% of salary) and the full face value of the PSP (100% of salary), in addition to fixed components of remuneration.

4 In addition, a further performance scenario, comprising fixed pay and the maximum value of incentive arrangements with 50% share price growth applied to the PSP, has been included.

5 Basic salaries and pension used are effective as at 1 March 2022. Benefits used is as disclosed in the single figure table on page 134 for the year ending 28 February 2022.

6 For simplicity, no share price growth (other than in the scenario stated above) has been factored into the calculations. The value of any Sharesave awards and notional dividends accruing on vested PSP shares has been excluded.

Directors’ Remuneration Report

continued

Executive Director share ownership guidelines

Under the guidelines, the Executive Directors are expected to build and maintain a shareholding equivalent to 200% of basic salary (increased from 100% of salary) with no upper limit on the number of shares they may hold. Executive Directors are expected to retain all shares arising from vested PSP Awards (net of tax) or purchase shares until the Shareholding Guideline is met.

Executive Directors will be subject to a post-employment Shareholding Guideline. Further details on the operation of Shareholding Guidelines are set out in the Annual Remuneration Report.

Approach to recruitment and promotions

The remuneration package for any new Executive Director would be set in accordance with the terms of the Company’s approved Remuneration Policy at the time of appointment and take into account the skills and experience of the individual, the market rate for a candidate of that experience and the importance of securing the relevant individual.

All remuneration components, as set out in the Policy Table above, would typically apply to a new Executive Director appointment. Salary would be provided at such a level as required to attract the most appropriate candidate and may be set initially at a below market level on the basis that it may progress once expertise and performance has been proven and sustained. Pensions and related benefits would normally be set in line with the wider workforce. New appointments would be eligible to participate in the incentive plans up to the maximum limits set out in the Policy Table. In addition, the Committee may offer additional cash and/or share-based elements to replace remuneration forfeited on joining the Company. It would seek to ensure, where possible, that these awards would be consistent with awards forfeited in terms of vesting periods, expected value and performance conditions.

For an internal Executive Director appointment, any variable pay element awarded in respect of the prior role may be allowed to pay out according to its terms. In addition, any other ongoing remuneration obligations existing prior to appointment may continue.

For external and internal appointments, the Committee may agree that the Company will meet certain relocation and/or incidental expenses as appropriate.

If appropriate, the Committee may agree, on the recruitment of a new Executive Director, a notice period in excess of 12 months but to reduce this to 12 months over a specified period.

The remuneration package for a newly appointed independent Non-Executive Director would be set in accordance with the approved Remuneration Policy in force at that time. Newly appointed independent Non-Executive Directors would not receive pension benefits or variable remuneration.

Service contracts for Executive Directors and payments for loss of office

Service contracts of the Executive Directors are not of a fixed term and are terminable by either the Company or the Director under a notice period of up to 12 months by either party.

At the Board’s discretion, early termination of an Executive Director’s service contract may be undertaken by way of payment of salary and benefits in lieu of the required notice period (or shorter period where permitted by the contract of service or where agreed with the Executive Director) and the Committee would take such steps as necessary to mitigate the loss to the Company and to ensure that the Executive Director observed their duty to mitigate loss.

Annual bonus may be payable, at the discretion of the Committee, with respect to the period of the financial year served, although it will normally be pro-rated for time and paid at the normal payout date. Any share-based entitlements granted to an Executive Director under the Company’s share plans will be determined based on the relevant plan rules. However, in certain prescribed circumstances, such as death, ill health, injury, disability, redundancy, retirement, sale of employing business or other circumstances at the discretion of the Committee, "good leaver" status may be applied. For good leavers, awards will normally vest at the normal vesting date, subject to the satisfaction of the relevant performance conditions at that time and reduced pro rata to reflect the proportion of the performance period actually served. However, the Committee has the discretion to determine that awards vest at cessation of employment and/or not to prorate awards.

The service contracts for Executive Directors are available for inspection at the Company’s registered office.

Remuneration Policy for Non-Executive Directors

The Policy on Non-Executive Director fees is set out below.

Element	Purpose and link to strategy	Operation	Maximum opportunity	Performance targets
Non-Executive Director fees	• Reflects responsibilities and time commitments of each role • Reflects fees paid by similarly sized companies	• The Chairman and Non-Executive Directors receive an annual fee for carrying out their duties • Additional fees may be payable for chairing Board Committees and/or to reflect additional time commitments and responsibilities, if appropriate • Fees are normally paid monthly in cash • Where appropriate, certain benefits (including travel, expenses and associated taxes) may be provided • Fee levels are reviewed on a periodic basis, with reference to the time commitment and responsibilities of the role and market levels in companies of comparable size and complexity	• No maximum fee or maximum fee increase operated • Annual increases are typically linked to those of the wider workforce, time commitment and responsibility levels • Details of current fee levels are set out in the Annual Report on Remuneration	• N/A

The annual fees of Non-Executive Directors, excluding the Chairman, are determined by the Chairman and the Executive Directors. The annual fee of the Chairman is determined by the Committee (excluding the Chairman) and the Executive Directors.

The Non-Executive Directors and Chairman do not participate in the Company's incentive schemes.

Each of the Non-Executive Directors has similar general terms for their agreement, which can be found on Bloomsbury's website at www.bloomsbury-ir.co.uk. The agreements provide for three months' notice by the Director or by the Company with the option for the Company to terminate an appointment at any time on payment of three months' fees in lieu of notice. All Directors' appointments are subject to annual reappointment at each AGM. Termination of the agreements is without compensation.

Consideration of employment conditions elsewhere in the Group

The Committee is updated during the year on workforce remuneration policies, including variable pay schemes and benefits for employees across the Company as a whole, and takes these into account when setting the Policy for Executive Directors.

Remuneration arrangements below Board tend to be skewed more towards fixed pay with less of a focus on share-based long-term incentive pay. These differences have arisen from the development of remuneration arrangements that are market competitive for the various categories of individuals. For example, participation in the PSP is limited to our most senior employees.

Under its terms of reference, the Committee is responsible for annual approval of the Group bonus pool as well as the level of bonus outturns for all those who participate in the Group bonus scheme, including Executive Directors and managers below Board. The Committee also considers the general basic salary increase for the broader employee population when determining the annual salary increases for the Executive Directors. The Company's CEO pay ratio as well as the relative increase in the Chief Executive's pay for the year under review as compared with that of the general workforce is set out in the Annual Report on Remuneration. The Committee also considers environmental, social and governance issues and risk when reviewing Executive pay quantum and structure.

Directors' Remuneration Report

continued

Part B

1 (AUDITED INFORMATION) Single total figure table of remuneration for 2021/2022

Directors' remuneration for 2021/2022

Details of the remuneration of each of the Directors are as follows:

	Year ended 28 February	Basic salary or fees £'000	Benefits £'000	Annual bonus[3] £'000	Long-term incentives[4, 5] £'000	Pension benefits £'000	Total £'000	Total fixed remuneration £'000	Total variable remuneration £'000
Executive Directors									
Nigel Newton	**2022**	**474**	**28**	**474**	**791**	**57**	**1,824**	**559**	**1,265**
	2021	464	27	139	799	63	1,492	554	938
Penny Scott-Bayfield	**2022**	**296**	**4**	**296**	**410**	**33**	**1,039**	**333**	**706**
	2021	269	3	81	255	36	644	308	336
Non-Executive Directors									
Sir Richard Lambert	**2022**	**115**	**–**	**–**	**–**	**–**	**115**	**115**	**–**
	2021	113	–	–	–	–	113	113	–
John Warren[1]	**2022**	**17**	**–**	**–**	**–**	**–**	**17**	**17**	**–**
	2021	43	–	–	–	–	43	43	–
Steven Hall	**2022**	**44**	**–**	**–**	**–**	**–**	**44**	**44**	**–**
	2021	43	–	–	–	–	43	43	–
Leslie-Ann Reed	**2022**	**43**	**–**	**–**	**–**	**–**	**43**	**43**	**–**
	2021	40	–	–	–	–	40	40	–
Baroness Lola Young of Hornsey[2]	**2022**	**41**	**–**	**–**	**–**	**–**	**41**	**41**	**–**
	2021	7	–	–	–	–	7	7	–
Total	**2022**	**1,030**	**32**	**770**	**1,201**	**90**	**3,123**	**1,152**	**1,971**
	2021	979	30	220	1,054	99	2,382	1,108	1,274

1 John Warren resigned as a Non-Executive Director and Senior Independent Director of the Company on 21 July 2021. His 2022 fees are up until the date of his resignation.

2 Baroness Young was appointed as a Non-Executive Director of the Company on 1 January 2021. Her 2021 fees are from the date of her appointment.

3 Figures shown for bonus payments relate to performance during the relevant financial year.

4 Figures shown for 2022 relate to PSP Awards granted in 2019 (at a share price of £2.30), which will vest following completion of the three-year performance on 21 August 2022. Vested shares will be subject to an additional two-year holding period. These awards have been valued using a three-month average share price to 28 February 2022 of £3.6226 and are inclusive of dividend equivalents. Of these values, £261,748 and £135,569 relate to share price growth over the performance period for Nigel Newton and Penny Scott-Bayfield, respectively.

5 Figures shown for 2021 relate to the PSP Awards granted in 2018 (at a share price of £2.20), inclusive of dividend equivalents, which vested following completion of the three-year performance on 30 July 2021. The value of the award has been restated to reflect the share price on the date of vesting of £3.61. Of these values, £284,610 and £90,846 relate to share price growth over the performance period for Nigel Newton and Penny Scott-Bayfield respectively.

Further details on each element of remuneration is set out under the relevant heading below.

Basic salary

The Executive Directors all received an increase in basic salary of 2% with effect from 1 March 2021, which was in line with the average salary increases for all employees across the Group.

The basic salaries from 1 March 2021 were £474,000 and £296,000 for Nigel Newton and Penny Scott-Bayfield respectively.

Other benefits

Benefits comprised a car or car allowance (excluding Penny Scott-Bayfield), medical cover, permanent health cover, life assurance, the value of options held in the Sharesave scheme (except for Nigel Newton as he does not hold any such options), home working allowance, and Company schemes offered to staff generally, such as buying books for private use at the staff discount rate.

Pensions

In accordance with the Remuneration Policy approved by Shareholders at the 2020 Annual General Meeting, pension contributions in 2020/2021 were initially 15% of basic salary for Nigel Newton and Penny Scott-Bayfield. However, the Company and the Executive Directors noted that market practice in relation to retirement benefits continued to evolve. In order to reduce the gap between Executive pension benefits and all-employee pension benefits (currently up to 7% of salary), the Executive Directors voluntarily agreed to a reduction in their long-standing contractual pension entitlements. With effect from 1 September 2020, the Executive Directors pension contributions were reduced to 12% of salary. The retirement benefit was then further reduced to 9.5% of salary with effect from 1 March 2022 and it is intended that the rate be reduced further to 7% of salary from 1 March 2023 so that it is in line with the all-employee rate.

Directors may elect to receive a cash alternative in lieu of payments by the Company into their private pension arrangements.

Bonus for 2021/2022

The maximum bonus potential for 2021/2022 for Executive Directors was 100% of salary. As detailed in last year's Directors' Remuneration Report, the bonus is structured so that 25% is awarded upon achievement of the Adjusted profit target. Any outperformance of this target will be used to fund the remaining 75% of the bonus pool. Where the full bonus pool is not funded, bonuses would be pro-rated accordingly. For the Executive Directors, 70% of the bonus relates to the profit element, and 30% relates to other strategic objectives.

Profit element

At the start of the year, the Committee set a stretching target for Adjusted profit of £19.4 million after assessing various factors including the Group's budget and external analyst consensus forecasts. Bonus awards of 25% of maximum begin to accrue at this level of profit until 60% of the bonus pool is self-funded. Outcomes of 75% of maximum required adjusted profit of £20.1 million, with the maximum award payable for profit of £21.3 million.

As set out in the Chairman's Statement and the Chief Executive's Review, Bloomsbury delivered an excellent set of results for the year ended 28 February 2022, achieving profit before taxation and highlighted items ("Adjusted Profit") of £26.7 million. Therefore, this element of the bonus paid out in full.

Strategic element

At the start of the year, the Committee reinstated the strategic element of the bonus scheme for the Executive Directors. The Committee initially approved five strategic objectives, relating to earlier profit realisation, Non-Consumer profitability, Consumer profitability, BDR revenue growth and inventory reduction.

During the year, the Committee noted that the inventory reduction target that was initially set (originally weighted at 3% of the maximum bonus) was no longer appropriate given the changes in operational priorities. Specifically, the Company took steps to improve the resilience of the supply chain to mitigate the supply chain challenges created by external factors. This included earlier printing well in advance of the Company's usual peaks in the run-up to Christmas and the beginning of the academic year in the Autumn. The Company's strategy of printing earlier, working with customers to deliver earlier and being agile about where the Company printed continued to be essential in ensuring supply. In this context, the Committee concluded that the original objective was no longer appropriate.

In light of this, the Committee exercised its discretion to disapply the inventory target and reallocate this weighting to the elements linked to Consumer and Non-Consumer targets, increasing both of these from 5% to 6.5% respectively.

Strategic objective	Weightings	Metric	Medium target (pays 50%)	High target (pays 100%)	Actual	Achieved
Earlier profit realisation	7%	Adjusted profit	£17.3m	£19.0m	£22.8m	7%
Non-Consumer Division Performance	6.5%	Adjusted profit	£5.5m	£5.8m	£9.1m	6.5%
Consumer Division Performance	6.5%	Adjusted profit	£13.9m	£14.6m	£17.8m	6.5%
BDR Growth	10%	BDR revenue	£14.9m	£16.4m	£18.6m	10%
Total	30%					30%

By reference to the achievement of each Executive Director against the profit element and strategic element detailed in the table above, the bonus paid out at 100% of maximum (i.e. 100% of salary). The Committee considers the level of payout is reflective of the outstanding overall performance of the Group as well as the experience of our Shareholders and employees.

Directors' Remuneration Report

continued

Vesting of PSP Awards

The PSP Awards granted on 21 August 2019 ("2019 PSP Award") are set to vest on 21 August 2022 based on performance over a three-year period ending 28 February 2022. The performance conditions for this award are as disclosed in previous Annual Reports. The level of vesting for the 2019 PSP Awards is as follows and the Committee considers that this result appropriately reflects the progress Bloomsbury has made over the last three years:

Metric	Performance condition	Threshold target[2]	Stretch target[2]	Actual	% Vesting
Relative EPS growth (50% of awards)	Compound annual growth in normalised EPS over the performance period in excess of annualised RPI ("Relative EPS growth")	3%	8%	18.6%	50% (out of a maximum of 50%)
ROCE[1] (50% of awards)	ROCE measured in the last financial year of the three-year performance period	12.2%	15.3%	20.4%	50% (out of a maximum of 50%)
Total estimated vesting of 2019 PSP Awards					100%

1 Vesting is subject to an underpin whereby the Committee will consider the underlying performance of the business and may apply discretion should it conclude it is appropriate to do so. On review, the Committee was satisfied that the outcome was consistent with Company performance over the last three years.

2 The level of vesting for achievement between threshold and stretch targets is calculated on a straight-line basis from 25% at threshold to 100% at stretch. There is no vesting for achievement below threshold, and 100% vesting for achievement above the stretch target.

Based on the above, values for the 2019 PSP Awards are as follows:

Executive	Type of award	Number of shares at grant	Number of shares to lapse	Number of shares to vest	Number of Dividend Shares[1]	Total	Estimated value £'000[2]
Nigel Newton	Conditional award with EPS and ROCE performance conditions	197,901	0	197,901	20,513	218,414	791
Penny Scott-Bayfield		102,500	0	102,500	10,624	113,124	410

1 Dividend Shares are in lieu of dividends that would have accrued on the "Number of shares to vest" if held by the participants from the date of grant up to the date of vesting of awards.

2 Estimated value is calculated using a three-month average share price to 28 February 2022 of £3.6226. The actual value of shares received will vary depending on the share price at the end of the holding period.

Vested shares will be subject to a two-year holding period to ensure the Executive Directors remain aligned with our Shareholders.

PSP Awards granted during 2021/2022

Details of PSP Awards granted in 2021/2022 ("2021 PSP Award") are as follows:

Executive	Scheme	Date of grant	Date of vest	Basis of award (% of base salary)	Face value[1] £'000	Vesting at threshold	Vesting at maximum	Performance period
Nigel Newton	PSP (Conditional awards)	24 Aug 2021	24 Aug 2024	100%	474	25%	100%	3 years to 28 February 2024
Penny Scott-Bayfield		24 Aug 2021	24 Aug 2024	100%	296	25%	100%	

1 Face value was determined using a share price of 351p (closing mid-market price of a share on the dealing day before the grant was made).

Performance conditions in respect of the 2021 PSP Award:

Metric	Weighting	0% vesting	25% vesting	100% vesting
EPS (before highlighted items)	60%	17.9p	19.8p	25.2p
Non-Consumer Operating Profit	15%	£7.8 million	£9.2 million	£13.6 million
Consumer Operating Profit	15%	£10.9 million	£11.9 million	£14.9 million
Bloomsbury Digital Resources (BDR) Revenue	10%	£15.0 million	£16.0 million	£19.0 million

The awards for Executive Directors are subject to malus and clawback provisions and to a two-year post-vesting holding period. During the holding period, an Executive Director may not sell their vested shares, which will remain subject to a clawback provision. The Committee has discretion to adjust formulaic outcomes where it believes the outcome does not reflect the Committee's assessment of the underlying performance of the Company/individual.

Payments to past Directors

There were no payments to past Directors during the year.

Payments for loss of office

There were no payments for loss of office during the year.

Outstanding share awards

PSP Awards

PSP conditional share awards have been granted for nil consideration over Ordinary shares of 1.25 pence in the Company under the Bloomsbury 2014 Performance Share Plan ("2014 PSP"). The number of PSP conditional shares awarded is normally calculated based on the closing mid-market share price prevailing on the day before the date of grant. The following PSP conditional shares awarded to the Executive Directors were outstanding during the year:

	Date of PSP award	Due date of exercise/ expiry	Price at grant date (pence)	At 1 March 2021	Awarded during the year	Exercised during the year	Lapsed during the year	Share price on date of exercise (pence)	**At 28 February 2022**
Nigel Newton	30 July 2018	30 July 2021	220.00p	201,851	–	201,851	–	361	**–**
	21 August 2019	21 August 2022	230.00p	197,901	–	–	–	–	**197,901**
	28 August 2020	28 August 2023	209.00p	222,142	–	–	–	–	**222,142**
	24 August 2021	24 August 2024	351.00p	–	134,918	–	–	–	**134,918**
Penny Scott-Bayfield	30 July 2018	30 July 2021	220.00p	64,430	–	64,430	–	361	**–**
	21 August 2019	21 August 2022	230.00p	102,500	–	–	–	–	**102,500**
	28 August 2020	28 August 2023	209.00p	138,755	–	–	–	–	**138,755**
	24 August 2021	24 August 2024	351.00p	–	84,273	–	–	–	**84,273**

PSP Awards performance targets

Performance measures and targets for the 2019 PSP Award are detailed on page 136.

Performance measures and targets for the 2020 PSP Award are set out below:

Metric	Weighting	0% vesting	25% vesting	100% vesting
EPS (before highlighted items)	60%	17.8p	19.5p	24.6p
Non-Consumer Operating Profit	15%	£7.5 million	£8.8 million	£12.8 million
Consumer Operating Profit	15%	£10.4 million	£10.7 million	£11.6 million
Bloomsbury Digital Resources (BDR) Revenue	10%	£14.9 million	£15.5 million	£17.3 million

Performance measures and targets for the 2021 PSP Award are detailed on page 136.

Sharesave options

Bloomsbury operates an HMRC-approved Sharesave scheme in respect of which all UK employees are eligible to participate.

The following Sharesave options granted to the Executive Directors were outstanding at the year end:

	At 1 March 2021	Granted during the year	Exercised during the year	Lapsed during the year	**At 28 February 2022**	Exercise price (pence)	Date of grant	Date from which exercisable	Expiry date
Penny Scott-Bayfield	9,740	–	–	–	**9,740**	184.8p	12 July 2019	Sept 2022	Mar 2023

Directors' Remuneration Report

continued

Directors' interests in shares

Under the current Remuneration Policy, Executive Directors are required to build up a shareholding in the Company equal to 200% of their salary ("Shareholding Guideline") to align their interests with that of Shareholders. Executive Directors are expected to retain any vested shares (net of tax) until the Shareholding Guideline has been achieved.

Executive Directors are also subject to a post-employment Shareholding Guideline. After ceasing to be an Executive Director, individuals will be expected to maintain a shareholding equivalent to 200% of salary (or actual shareholding if lower), tapering down to nil over two years. This guideline applies to shares vesting after the 2020 AGM and may be disapplied in certain cases (e.g. due to compassionate circumstances).

Shareholding Guidelines do not apply to the Chairman or Non-Executive Directors.

The interests of the Directors who served on the Board during the year are set out in the table below. There have been no changes to those interests between 28 February 2022 and the date of this report.

	Owned[2]		PSP Awards		Sharesave options unvested	**Total 28 February 2022**	Shareholding Guideline achieved[1] %
	28 February 2022[6]	28 February 2021	Unvested	Vested			
Nigel Newton[3]	1,306,694	1,190,405	554,961	–	–	**1,861,655**	200%
Penny Scott-Bayfield[4]	37,117	–	325,528	–	9,740	**372,385**	48%
Sir Richard Lambert	10,317	10,317	–	–	–	**10,317**	N/A
John Warren[5]	–	10,317	–	–	–	**–**	N/A
Steven Hall	3,271	3,271	–	–	–	**3,271**	N/A
Leslie-Ann Reed	–	–	–	–	–	**–**	N/A
Baroness Young	–	–	–	–	–	**–**	N/A
Total	1,357,399	1,214,310	880,489	–	9,740	**2,247,628**	

1 The Guideline requires that the Executive Director must retain shares vesting from the PSP Awards net of tax until the Shareholding Guideline has been met. The number of shares needed to satisfy a shareholding is normally recalculated at the close of the next business day following the announcement of the full year results (the "Review Date"). The share price used above is 379 pence (determined by the closing price of shares the day after annual results are announced).

2 Owned includes shares held directly by the Director and indirectly by a nominee on behalf of the Director where the Director has the beneficial interest. It includes the shares of the Director and of connected persons.

3 In respect of the vesting of the 2018 PSP Award, Nigel Newton acquired 221,292 shares (comprising 201,851 vested PSP shares and 19,441 dividend equivalent shares), out of which 105,003 shares were sold to fund the tax liability, National Insurance liability and administrative fees arising on vesting. He retained the balance of 116,289 shares.

4 In respect of the vesting of the 2018 PSP Award, Penny Scott-Bayfield acquired 70,635 shares (comprising 64,430 vested PSP shares and 6,205 dividend equivalent shares) out of which 33,518 shares were sold to fund the tax liability, National Insurance liability and administrative fees arising on vesting. She retained a balance of 37,117 shares.

5 John Warren resigned as a Non-Executive Director and Senior Independent Director of the Company on 21 July 2021. The table above is reflective of his interests in shares on the date he stepped down from the Board.

No Director has or has had any interest, direct or indirect, in any transaction, contract or arrangement (excluding service agreements) which is or was unusual in its nature or conditions or significant to the business of the Group during the current or immediately preceding financial year.

Overall, the Committee considers that the Remuneration Policy has operated as it intended during 2021/2022 and that the pay outcomes are aligned with the experience of Shareholders and other stakeholders over the relevant performance period.

Implementation of Remuneration Policy in 2022/2023

Annual salary increases for the Executive Directors and senior management are normally aligned with the approach adopted for the wider workforce, other than in specific circumstances (e.g. adjustments to reflect change in role). The Committee is of the view that this continues to be a good discipline as it increases consistency in the approach to pay across the workforce.

From 1 March 2022, the Executive Directors received a pay increase of 5% in line with the increase for the general workforce.

Basic salaries for the Executive Directors are as follows:

Executive Director	**From 1 March 2022 £'000**
Nigel Newton	**497**
Penny Scott-Bayfield	**311**

Pension and benefits

In 2022/2023, pension contributions (as a percentage of base salary) for Executive Directors will be at 9.5%. Pension contributions for any new Executive Director appointments will be set in line with the applicable wider workforce rate. As disclosed on page 135, it is intended that the rate be reduced further from 1 March 2023 to 7% so that it is in line with the all-employee rate.

There will be no changes to other benefits.

Annual bonus

Annual bonuses for 2022/2023 will be consistent with the Remuneration Policy. The maximum bonus potential will continue to be set at 100% of salary. The structure of the bonus scheme will be the same as for 2021/2022 in that bonuses will be awarded at 25% upon achievement of the Adjusted profit target. Any outperformance of this target will be used to fund the remaining 75% of the bonus pool.

Where the full bonus pool is not funded, bonuses would be pro-rated accordingly. The maximum bonus will be measured against a Group profit target (70%) and strategic objectives (30%). As sustainability forms key part of the Company's overall strategy, the strategic element includes targets relating to our goal to reduce Scope 1 and Scope 2 emissions by 2030. When determining annual bonuses, the Committee will consider both financial and strategic performance of the Group over the year, taking into account overall affordability. Specific measures and targets will be disclosed retrospectively in the Annual Report on Remuneration.

To the extent any annual bonus is payable to the Executive Directors, the Committee will be mindful of the experience of all our stakeholder groups over the year, in particular the wider employee population.

Any bonus payable will be subject to malus and clawback provisions.

Long-term incentives

Annual PSP Awards will be granted to Executive Directors in 2022/2023 ("2022 PSP Award") at 100% of salary in line with awards in prior years. When granting awards, the Committee will consider the share price on the grant date as well as the average price used to grant awards over multiple years.

The performance targets for the 2022 PSP Award have been significantly increased from prior awards, reflecting the scale and ambition of the Group plans.

The 2022 PSP Award will be subject to the following performance measures:

Metric	Weighting	0% vesting	25% vesting	100% vesting
EPS (before highlighted items)	60%	28.7p	30.2p	35.4p
Non-Consumer Operating Profit	15%	£9.8 million	£10.9 million	£14.3 million
Consumer Operating Profit	15%	£18.1 million	£20.0 million	£25.8 million
Bloomsbury Digital Resources (BDR) Revenue	10%	£22.3 million	£24.3 million	£30.3 million

The awards for Executive Directors will be subject to malus and clawback provisions and to a two-year post-vesting holding period. During the holding period, an Executive Director may not sell their vested shares, which will remain subject to a clawback provision.

The Remuneration Committee has approved that the Executive Directors may participate in the Company's Sharesave scheme if operated. The Committee has discretion to adjust formulaic outcomes where it believes the outcome does not reflect the Committee's assessment of the underlying performance of the Company/individual.

Non-Executive Directors

From 1 March 2022, the Non-Executive Directors received an increase to their fees of 5% in line with the increase for the general workforce.

Current annualised fees are as follows:

Non-Executive Director	Position	From 1 March 2022 £'000
Sir Richard Lambert	Chairman of the Board, Chair of the Nomination Committee	**121**
Steven Hall	Chair of the Remuneration Committee and Independent Non-Executive Director	**46**
Leslie-Ann Reed	Chair of the Audit Committee and Senior Independent Director	**46**
Baroness Young	Independent Non-Executive Director	**43**
John Bason[1]	Independent Non-Executive Director	**43**

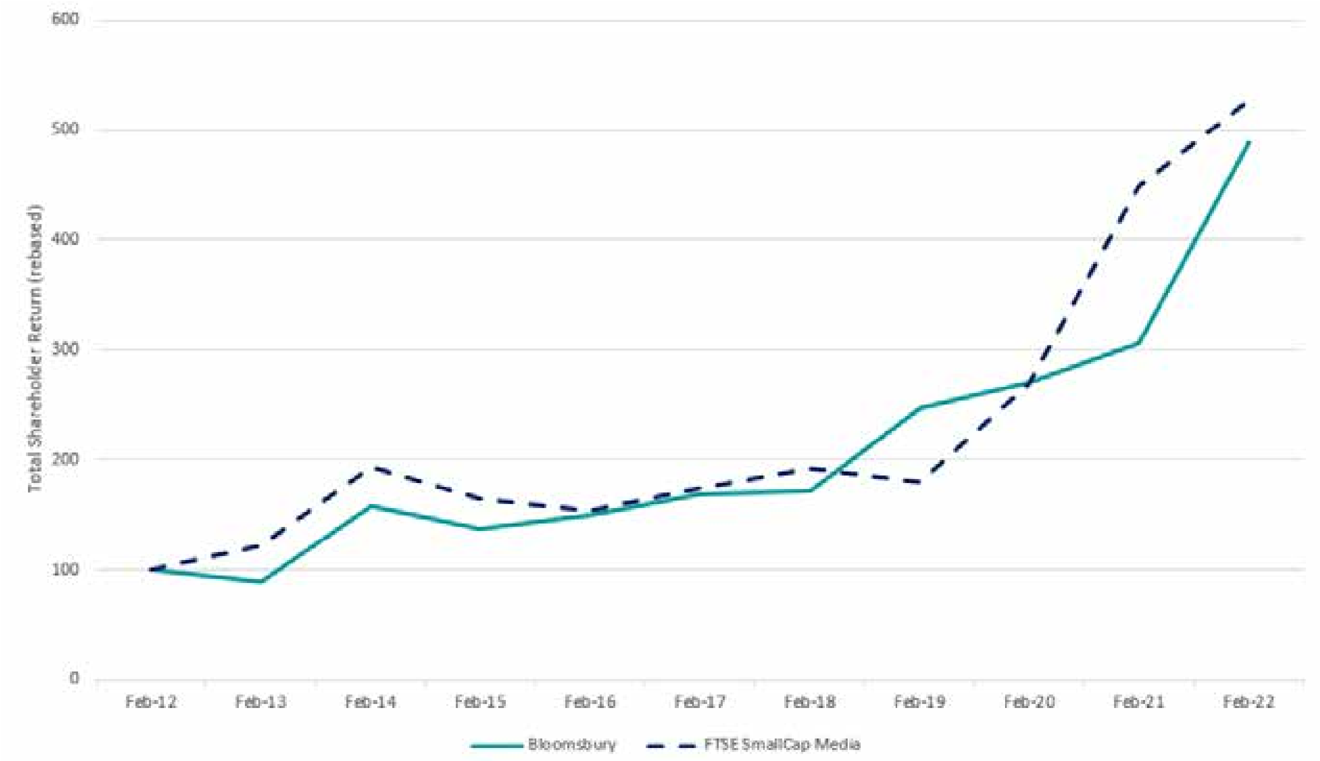
1 John Bason was appointed to the Board as a Non-Executive Director of the Company from 1 April 2022 at an annual fee of £43,000.

PART B

2 (UNAUDITED INFORMATION)

Performance graph and table

The chart below shows the Company's Total Shareholder Return for the period from 28 February 2012 to 28 February 2022 compared to that of the FTSE SmallCap Media sector index over the same period. The index has been selected as it represents a broad equity market index, of which the Company is a constituent member.



The total remuneration figures for the Chief Executive during each of the financial years of the relevant period are shown in the table below. The annual bonus payout and PSP vesting level as a percentage of the maximum opportunity are also shown for each of these years.

Year ending:	28 Feb 2013	28 Feb 2014	28 Feb 2015	29 Feb 2016	28 Feb 2017	28 Feb 2018	28 Feb 2019	29 Feb 2020	28 Feb 2021	**28 Feb 2022**
Total remuneration (£'000)	617	749	799	547	689	909	951	1,102	1,492	**1,824**
Annual bonus (%)	0%	17%	16%	0%	42%	88%	92.5%	0%	30%	**100%**
PSP vesting (%)	50%	50%	56%	17%	0%	0%	0%	96%	100%	**100%**

Percentage change in remuneration of Directors and employees

The table below shows the percentage change in the base salary/fees, benefits and annual bonus between the financial years ended 29 February 2020 and 28 February 2021, and 28 February 2021 and 28 February 2022 in respect of all Directors of the Company compared to that of the average percentage change for all employees of the Company for each of these elements of pay. The average employee change has been calculated by reference to the mean of employee pay on a full-time equivalent basis. This table will be built up over time to display a five-year history:

	Average change between 2021 and 2022			Average change between 2020 and 2021		
	Salary/Fees	Benefits[6]	Bonus[7]	Salary/Fees	Benefits	Bonus
Average employee[1]	2%	(5%)	67%	(2%)	(3%)	1,009%
Executive Directors						
Nigel Newton	2%	7%	240%	2%	8%	–
Penny Scott-Bayfield[2]	10%	21%	266%	14%	36%	–
Non-Executive Directors						
Sir Richard Lambert	2%	n/a	n/a	2%	n/a	n/a
John Warren[3]	n/a	n/a	n/a	2%	n/a	n/a
Steven Hall	2%	n/a	n/a	4%	n/a	n/a
Leslie-Ann Reed[4]	6%	n/a	n/a	0%	n/a	n/a
Baroness Young[5]	(1)%	n/a	n/a	n/a	n/a	n/a

1 The average employee salary and benefits figures have reduced due to the salary mix impact of leavers and joiners during the financial year. In practice, salaries were generally increased by 2% across the business in the year, with benefits arrangements remaining largely unchanged. The data for average employees for 2021 has been restated to provide disclosure on a consistent basis to 2022.

2 Details in regard to Penny Scott-Bayfield's salary increase is detailed in the Chair's Annual Statement on page 109 of the 2021 Annual Report and Accounts. As noted last year, Penny was initially appointed at a salary below that of her predecessor, and the salary levels was subsequently adjusted in August 2020 to reflect her progress and performance in the role. This adjustment impacted the increase reported for 2021 and 2022. In future years, increases are expected to be aligned with the wider workforce.

3 John Warren resigned as a Non-Executive Director and Senior Independent Director of the Company on 21 July 2021 and therefore percentage change in remuneration for 2021 to 2022 is not applicable.

4 Leslie-Ann Reed was appointed to the Board on 17 July 2019. In order to provide a meaningful comparison with remuneration for 2020/2021, Leslie-Ann Reed's salary for 2019/2020 has been annualised. On 21 July 2021, Leslie-Ann became Chair of the Audit Committee and Senior Independent Director.

5 Baroness Young was appointed to the Board on 1 January 2021. In order to provide a meaningful comparison with remuneration for 2021/2022, Baroness Young's salary for 2020/2021 has been annualised.

6 The benefits for the Executive Directors remained broadly unchanged and the fluctuations reported primarily relate to changes in premiums.

7 In 2019/2020, there was a nil payout of bonuses to Executive Directors. In 2020/2021, the Company introduced a Group-wide bonus scheme.

Chief Executive's pay ratio

The table below discloses the ratio of the Chief Executive's pay, using the single total figure remuneration as disclosed on page 134 to the comparable, full-time equivalent total remuneration of all UK employees whose pay is ranked at the 25th percentile, median and 75th percentile.

Year	Method[1]	25th percentile pay ratio[2]	Median pay ratio[3]	75th percentile pay ratio[4]
2020	A	39.5 : 1	30.8 : 1	21.6 : 1
2021[5]	A	51.1 : 1	40.5 : 1	28.8 : 1
2022	A	59.8 : 1	47.5 : 1	33.5 : 1

1 Method A, as set out in the Companies (Miscellaneous Reporting) Regulations 2018, was selected as this is considered the most statistically accurate and robust methodology. The 25th percentile, median and 75th percentile UK employees were determined based on total remuneration for the year ended 28 February 2022 using the single total figure valuation methodology. The elements used to calculate total remuneration comprised salary, pensions, bonus and benefits. The value of Sharesave options granted in the year have been excluded when calculating total remuneration for UK employees.

2 The relevant 25th percentile values are £25,500 salary and £30,485 total pay and benefits.

3 The relevant median values are £33,293 salary and £38,402 total pay and benefits.

4 The relevant 75th percentile values are £47,165 salary and £54,403 total pay and benefits.

5 The 2021 ratios have been restated to reflect the adjusted single total figure remuneration valuation for Nigel Newton, taking into account the updated valuation for his 2018 PSP Award. The ratios previously disclosed in the 2021 Directors' Remuneration Report were 45.8:1 (25th percentile), 36.3:1 (median) and 25.8:1 (75th percentile).

Directors' Remuneration Report

continued

The Company believes the median pay ratio for the year ended 28 February 2022 is consistent with the pay, reward and progression policies for the Company's UK employees taken as a whole.

The Committee noted that although the pay ratios had increased in 2021/2022 as compared to prior years, this reflects the strong performance in the relevant period. The Chief Executive's pay for 2021/2022 included a bonus of 100% of salary and the 2019 PSP Award which vested at maximum, reflecting the very significant outperformance in the year. In addition, the value of the Chief Executive's single figure was further enhanced by the material increase in the share price over the last three years. Share price growth represented around one-third of the value reported in respect of the PSP.

A greater proportion of the Chief Executive's and senior management's overall remuneration is linked to performance (via the annual bonus and PSP Awards) when compared to the wider workforce due to the nature of their roles. This means that there is greater variability in pay at this level. The Committee therefore noted that pay ratios will continue to fluctuate in future years depending on the performance of the business and associated outcomes of incentive plans in each year.

Consideration of wider workforce

During the year, the Committee was updated on workforce remuneration policies, including variable pay schemes and benefits for employees across the Company as a whole, and took these into account when determining remuneration arrangements for Executive Directors. The Committee continues to develop and evolve its approach to engagement with the workforce on Executive pay. Currently, information on the Executive Remuneration Policy is provided on the Company's intranet, which is accessible by all employees. Employees are also able to direct questions or comments to the Committee on the approach to pay via a designated email address. This provides a means of initiating a two-way dialogue where necessary. The communication is further supported by an expanded set of FAQs which addresses many of the common queries raised by employees that are not expressly addressed in the formal Remuneration Policy.

Relative importance of spend on pay

The following table shows the Company's actual spend on pay (for all employees) relative to dividends.

	Year ended 28 February 2022	Year ended 28 February 2021
Staff costs (£m)	**47.8**	39.9
Dividends declared (£m)	**8.8**	15.2
Retained profits (£m)	**0.1**	11.6

Voting at the Annual General Meeting

At the Annual General Meeting of 21 July 2021, the Annual Statement by the Chair of the Remuneration Committee and the Annual Report on Directors' Remuneration for the financial year ended 28 February 2021 was put to an advisory vote. The voting outcomes were as follows:

	Number of shares	Percentage of the vote
Votes cast in favour	52,831,777	98.96%
Votes cast against	556,752	1.04%
Total votes cast	53,388,529	100%
Abstentions on voting cards	602,674	

The Remuneration Policy was last put to Shareholders at the Annual General Meeting held on 21 July 2020 as an ordinary resolution. The voting outcomes were as follows:

	Number of shares	Percentage of the vote
Votes cast in favour	47,009,932	95.52%
Votes cast against	2,204,768	4.48%
Total votes cast	49,214,700	100%
Abstentions on voting cards	25,340	

Remuneration Committee

Composition of the Committee

The Committee is comprised of three Independent Non-Executive Directors and the Chairman of the Board. The members of the Committee during the year were:

Director	Appointed in the year (if applicable)	Resigned in the year (if applicable)
Steven Hall (Chair of the Committee)	–	–
Sir Richard Lambert	–	–
John Warren	–	21 July 2021
Leslie-Ann Reed	–	–

The Committee met five times during 2021/2022. The Committee members' attendance can be seen on page 115 of this Annual Report. Only members of the Remuneration Committee have the right to attend Committee meetings; however, the Chief Executive and Group Finance Director may attend Committee meetings at the request of the Chair of the Committee for specific items on the agenda. The remuneration consultants may attend where needed to provide technical support.

Role of the Committee

The terms of reference of the Committee set out its role and authority. These are reviewed annually and can be found on the Company's website, www.bloomsbury-ir.co.uk. In summary, the Committee's responsibilities include:

- Determining the Remuneration Policy for the Chairman and Executive Directors;
- Determining the remuneration packages for the Executive Directors and Chairman within the terms of the policy;
- Monitoring the level and structure of remuneration for other members of senior management;
- Approving the design of, and determining targets for, the performance-related pay schemes operated by the Company;
- Reviewing the design of all share incentive plans for Board approval. For any such plans, the Committee shall determine whether the awards will be made, and, if so, approve the overall amount of such awards, the individual awards to Executive Directors, Company Secretary and designated senior managers and the performance targets to be used; and
- Developing a formal policy for shareholding guidelines in employment and post-employment shareholding requirements.

Activities of the Committee during the year

During the year, amongst other matters, the Committee considered the following:

- Review and recommendation for approval of the Directors' Remuneration Report for the Annual Report and Accounts for the financial year ended 28 February 2021;
- The approval of increases to the Executive Directors' salaries and the Chairman of the Board's fee;
- Review and approval of the Executive Directors' remuneration packages;
- Review of the bonus plan achievement for 2020/2021;
- Review and approval of the bonus plan proposal and objectives for 2021/2022;
- Review and approval of the structure of a Group-wide bonus scheme;
- Review and approval of performance targets for the 2021 PSP Award;
- Review of the performance outcome of the 2018 PSP Award vest and payouts to the Executive Directors;
- Review of workforce engagement around Executive remuneration policies;
- Review of workforce remuneration policies;
- Review of alignment of Executive Directors' pensions with the workforce;
- Review of the Committee evaluation; and
- Review and approval of the Committee's terms of reference.

The Committee Chair has a standing item on the agenda at each main Board meeting, enabling remuneration matters to be raised for discussion by the Board if required.

In 2019, the Committee considered its role in respect of determining the remuneration of senior management with reference to the 2018 Code. After due consideration and discussion at both the Committee and the Board level it was decided that the Executive Directors would remain responsible for remuneration for senior management. The Committee believes that the Executive Directors are best placed to assess the appropriate level of remuneration of senior managers based on their performance and contribution to the Company's success and on the Executive Directors' knowledge of market rates of pay. The Committee will nonetheless monitor the remuneration of senior managers closely and will continue to be responsible for approving the granting and vesting of share incentives.

Directors' Remuneration Report

continued

Advisors to the Committee

In carrying out its responsibilities, the Committee was independently advised by external advisors. In 2019, Deloitte LLP was appointed as the Committee's external remuneration consultants through a competitive tender process, which took place in September 2019. Deloitte LLP is a founding member of the Remuneration Consultants' Group and adheres to its Code of Conduct. In respect of their services to the Committee, fees charged by Deloitte LLP amounted to £31,250 (excluding VAT).

During the year, Deloitte also provided broader HR consulting services, valuations for share-based payments and corporate tax advisory services. The Committee is satisfied that the advice provided by Deloitte LLP was objective and independent, that the provision of other services in no way compromised their independence and that there was no potential conflict of interest. The individual consultants who work with the Committee do not provide advice to the Executive Directors or act on their behalf.

The Committee received assistance from the Company Secretary and, where specifically requested by the Committee, the Chief Executive and Group Finance Director.

The Committee has considered any feedback received from the major Shareholders during the year as part of Bloomsbury's ongoing investor relations programme and considers the reports and recommendations of Shareholder representative bodies and corporate governance analysts.

Approved by the Board of Directors and signed on its behalf.

Steven Hall
Chair of the Remuneration Committee

15 June 2022

Financial Statements

Independent Auditor's Report

to the members of Bloomsbury Publishing Plc

1 Our opinion is unmodified

We have audited the financial statements of Bloomsbury Publishing plc ("the Company") for the year ended 28 February 2022 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, Consolidated and Company Statement of Changes in Equity, Consolidated and Company Statement of Cash Flows and the related notes, including the accounting policies in note 2 and note 32.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 28 February 2022 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were first appointed as auditor by the directors on 4 September 2013. The period of total uninterrupted engagement is for the nine financial years ended 28 February 2022. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

2 Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

Revenue returns provision – Group £15.3m (2021: £12.3m), Parent Company £5.2m (2021: £3.9m).

Refer to page 121 (Audit Committee Report), notes 2 and 32 on pages 162 and 205 (accounting policy) and note 20 and 41 on pages 188 and 210 (financial disclosures) **Risk vs 2021.** There has been no change in the risk level from prior year.

Subjective estimate

The Group typically sells its books on a sale or return basis and presents revenue net of estimated returns in the financial statements.

The Group provides for returns based on 12 months of historical data, with further adjustments made if deemed necessary. Estimating the level of returns from customers is subjective in nature due to the inherent uncertainty involved in forecasting returns particularly due to the longer period of returns allowed in the industry. The degree of uncertainty has increased in the last two years due to the impacts of COVID-19 and ongoing supply chain disruption.

The effect of these matters is that, as part of our risk assessment, we determined that the provision for returns has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The financial statements (notes 20 and 41) disclose the sensitivity estimated for the Group and parent Company financial statements.

Our procedures included:

- **Evaluating application:** We evaluated whether the Group's sales returns policy was consistently applied and remained appropriate, reflecting the underlying trends in the data and with regard to relevant accounting standards. We critically assessed whether necessary further amendments have been made in response to the ongoing uncertain market conditions and performed sensitivity analysis to assess the impact of these amendments. Where specific amendments were made to reflect sales and returns patterns, we challenged these amendments by considering alternative inputs.
- **Historical comparisons:** We compared actual returns to the provision in prior year to assess the historical accuracy of the provision.
- **Test of detail:** We tested the inputs used in the returns provision calculations at 28 February 2022 by agreeing inputs such as historical sales and returns experienced to the underlying records of the Group.

We performed the detailed tests above rather than seeking to rely on any of the Group's controls because our knowledge of the design of these controls indicated that we would not be able to obtain the required evidence to support reliance on controls.

Our results

We found the level of the sales returns provision to be acceptable (2021: acceptable).

Recoverability of advances – Group £28.7m (2021: £24.8m), Parent Company £13.9m (2021: £13.2m).

Refer to page 121 (Audit Committee Report), notes 2 and 32 on pages 162 and 205 (accounting policy) and note 19 and 40 on pages 187 and 209 (financial disclosures) **Risk vs 2021** ◀▶There has been no change in the risk level from prior year.

Significant judgement

The Group pays royalty advances to its authors prior to the delivery of a manuscript. The Group recovers these advances from future sales by deductions of royalties due to the author under the terms of the relevant royalty agreements.

All royalty advances are assessed for indicators of impairment each year in line with the requirements of IAS 36. Until a title is 12 months post publication in the UK and 6 months post publication in the US, sales performance of the title is not considered to be a reliable indicator of the long-term recoverability of advances and therefore an impairment review would only be performed if there were specific indicators of impairment, such as the cancellation of a title. As described in the accounting policy for Author Advances on page 169 in the financial statements, this period for US advances was changed from 12 months to 6 months during the year ended 28 February 2022. This represents a significant judgement as using a different period post publication could result in a materially different provision.

For titles that are 12 months post publication in the UK and 6 months post publication in the US, the Group forecasts future sales to assess recoverability of advances. Where insufficient sales are forecast by the Group for the advance to be recovered in full, a provision is recorded against that advance. There is inherent uncertainty regarding the estimation of future sales of individual titles arising from the changes in the economic environment and the popularity of titles and therefore as part of our risk assessment we identified estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. In conducting our final audit work, we reassessed the degree of estimation uncertainty relating to future sales forecasts to be less than materiality.

Our procedures included:

- **Impairment of advances:** We assessed author advances for indicators of impairment under IAS 36.
- **Sector experience:** We used our sector experience and available data to critically assess the appropriateness of management's judgement that until a title is 12 months post publication in the UK and 6 months post publication in the US, sales performance of the title is not considered to be a reliable indicator of the long-term recoverability of advances.
- **Evaluating application:** We evaluated whether the change in estimate relating to the Group's royalty advance provisioning for US titles was appropriate. For the UK, we assessed whether the approach was consistently applied and remained appropriate, reflecting the underlying trends in the data and with regard to relevant accounting standards.
- **Sector experience:** We assessed the estimate of revenues used in calculating the provision for unearned advances for titles published more than one year ago (UK) / published more than 6 months ago (US).
- **Assessing transparency:** We assessed the adequacy of the Group's disclosures concerning the degree of estimation involved in arriving at the final unearned advance position.
- **Historical comparisons:** We challenged the Group's forecasts for future royalty payments, which offset against the unearned advance, by assessing historical accuracy of future sales forecasts across a sample of unearned advance balances.

We performed the detailed tests above rather than seeking to rely on any of the Group's controls because our knowledge of the design of these controls indicated that we would not be able to obtain the required evidence to support reliance on controls.

Our results

We found the resulting estimate of the carrying value of advances to be acceptable (2021: acceptable)

Valuation of intangible assets in relation the acquisition of ABC-CLIO, LLC ("ABC-CLIO") and Head of Zeus Limited ("HoZ") – £19.5m.

Refer to page 121 (Audit Committee Report), note 2 on page 162 (accounting policy) and note 10 on pages 180 to 181 (financial disclosures) **Risk vs 2021** This is a new risk added in the current year as a result of the material business acquisitions during the year.

Subjective valuation

The Group completed two material acquisitions in the year as follows:

Bloomsbury completed the acquisition of HoZ on 2 June 2021 for a total consideration, net of pre-existing third-party loans, of £7 million and the acquisition of ABC-CLIO on 15 December 2021 for £16.6 million.

In accounting for these acquisitions, the Group needs to ensure all separately identifiable assets are recognised at their acquisition-date fair values. The valuation of intangible assets requires a significant degree of judgement with estimates including the trading performance of the acquired entities, the timing of future cashflows and the discount rate applied.

The effect of these matters is that, as part of our risk assessment, we determined that valuation of intangible assets identified in relation to the acquisition of both entities has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. In conducting our final audit work, we reassessed the degree of estimation uncertainty to be less than materiality.

Our procedures included:

- **Our sector experience:** We engaged our valuations specialists to evaluate key assumptions including such as the long-term growth rate, tax amortisation benefits ("TAB"), discount rates and useful economic lives ("UEL").
- **Methodology choice:** We engaged our valuation specialists to assess the methodology used in respect of intangible assets recognised and to assess the completeness of the separately identifiable intangible assets recognised.
- **Tests of detail:** We corroborated the Group's calculations to supporting documentation such as the Sale Purchase Agreement, and supporting documentation relating to the balance sheet on the date of acquisition;
- **Sensitivity analysis:** We considered sensitivity analysis performed by management, as well as performing our own analysis where appropriate, to assess the sensitivity of the valuation of intangible assets to changes in the key assumptions, noted above.
- **Historical comparisons**: We evaluated how the Group's assumptions relating to future performance at the acquisition date compared to actual performance, both prior to acquisition and up to the balance sheet date; and
- **Assessing transparency**: We assessed the adequacy of the Group's disclosures in respect of the identification and valuation of the business acquisition and the related intangible assets.

We performed the detailed tests above rather than seeking to rely on any of the Group's controls because our knowledge of the design of these controls indicated that we would not be able to obtain the required evidence to support reliance on controls.

Our results

We found the Group's assessment of the valuation of the intangible assets acquired as part of the business combination to be acceptable (2021: acceptable).

Independent Auditor's Report

to the members of Bloomsbury Publishing Plc continued

Carrying value of Goodwill (Academic & Professional) – £38.4m (2021: £35.9m) (Special Interest) – £5.0m (2020: £5.0m).

Refer to page 121 (Audit Committee Report), note 2 on page 162 (accounting policy) and note 12 on page 182 (financial disclosures)

Risk vs 2021 There has been no change in the risk level from prior year.

Forecast based valuation

The Group has historically acquired a number of businesses which have been integrated into the Group's four cash generating units (CGUs). The majority of businesses have been integrated into the Academic & Professional CGU.

The estimated recoverable amount is subjective due to the inherent uncertainty involved in forecasting future cash flows and the selection of an appropriate discount rate, which are the basis of the assessment of recoverability. The value of goodwill in the Academic & Professional of £38.4m represents 80% of the Group's goodwill. For the Special Interest CGU the future cashflows used in estimating the recoverable amount are in excess of the historical results for the CGU.

The effect of these matters is that, as part of our risk assessment, we determined that the value in use of the Academic & Professional and Special Interest CGUs have a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount.

Our procedures included:

- **Our sector experience:** We evaluated the assumptions used, in particular those relating to forecast revenue growth and profit margins for each CGU using our industry knowledge;
- **Benchmarking assumptions:** We compared the Group's assumptions to externally derived data in relation to key inputs such as projected economic growth, cost inflation and discount rates;
- **Sensitivity analysis:** We performed breakeven analysis on the assumptions noted above;
- **Comparing valuations:** We compared the sum of the discounted cash flows to the Group's market capitalisation to assess the reasonableness of those cashflows; and
- **Assessing transparency:** We assessed whether the Group's disclosures about the sensitivity of the outcome of the impairment assessment to changes in key assumptions reflected the risks inherent in the recoverable amount of goodwill.

We performed the detailed tests above rather than seeking to rely on any of the Group's controls because our knowledge of the design of these controls indicated that we would not be able to obtain the required evidence to support reliance on controls.

Our results

We found the Group's conclusion that there is no impairment of goodwill to be recognised in the Academic & Professional and Special Interest CGUs to be acceptable. (2021 result: acceptable).

Parent: Recoverability of Parent Company's investment in subsidiaries - £105.4m (2021: £81.2m)

Refer to page 121 (Audit Committee Report), note 32 on page 205 (accounting policy) and note 36 on page 208 (financial disclosures)
Risk vs 2021 ▼The risk rating for this key audit matter has decreased compared to prior year due as the strong performance the last two years has increased the level of headroom.

Lower risk, higher value

The carrying amount of the parent Company's investments in subsidiaries represents 46% (2021: 38%) of the parent Company's total assets. Their recoverability is not at high risk of significant misstatement or subject to significant judgement.

However, due to their materiality in the context of the parent Company financial statements, this is considered to be the area that had the greatest effect on our overall parent Company audit.

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Our procedures included:

Tests of detail: We compared the carrying amount of 100% of the investment balance with the relevant subsidiaries' value in use and considered if the value in use was in excess of their carrying amount. We also assessed whether those subsidiaries have historically been profit-making.

Benchmarking assumptions: We challenged the Group's assumptions by comparing to externally derived data in relation to key inputs such as projected economic growth.

Sector experience: We used our sector experience to assess the appropriateness of the discount rate for each cash generating unit, with reference to external sources of data. We challenge the judgements and assumptions used by the Group in their calculation based on our knowledge of the business.

We performed the detailed tests above rather than seeking to rely on any of the Company's controls because our knowledge of the design of these controls indicated that we would not be able to obtain the required evidence to support reliance on controls.

Our results

We found the Group's assessment of the recoverability of the parent Company's investment in subsidiaries to be acceptable (2021: acceptable).

We continue to perform procedures over the going concern basis of preparation. However, following cash generated from operating activities of £47.7m resulting in cash and cash equivalents of £41.2m (2021: £54.5m) at the year-end after cash outflow for purchase of business of £22.9m and dividends paid of £15.2m, we have not assessed this as one of the most significant risks in our current year audit and, therefore, it is not separately identified in our report this year.

3 Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at £1,100,000 (2021: £667,000), determined with reference to a benchmark of group profit before tax, of which it represents 4.7% (2021: 4.7% of group profit before tax, normalised by averaging over the last three years). In the prior year, we reflected the uncertainty relating to the impact of COVID-19 on the results of the Group by using the average of three years' PBT to calculate materiality. During the year we changed the benchmark used from an average over three years PBT to calculating materiality using the group profit before tax.

Materiality for the parent company financial statements as a whole was set at £929,000 (2021: £566,000), determined with reference to a benchmark of Company total revenue, of which it represents 1% (2021: 0.86% of revenue, normalised by averaging over the last three years).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 75% (2021: 75%) of materiality for the financial statements as a whole, which equates to £825,000 (2021: £500,000) for the group and £700,000 (2021: £425,000) for the parent company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £55,000 (2021: £33,350), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Independent Auditor's Report

to the members of Bloomsbury Publishing Plc continued

Scope

Of the group's 4 (2021: 4) reporting components, we subjected 2 (2021: 2) to full scope audits for group purposes. The components within the scope of our work accounted for the following percentages of the group's results:

Audits for group reporting purposes	Group revenue	Group profit before tax	Group total assets
	92% (2021:92%)	95% (2021:87%)	95% (2021: 94%)

The remaining 8% (2021: 8%) of total group revenue, 5% (2021: 13%) of group profit before tax and 5% (2020: 6%) of total group assets is represented by 2 (2021: 2) reporting components, none of which individually represented more than 8% (2021: 7%) of any of total group revenue, group profit before tax or total group assets.

For the residual 2 components, we performed analysis at an aggregated group level to re-examine our assessment that there were no significant risks of material misstatement within these.

The Group team set the following component materiality, having regard to the mix of size and risk profile of the Group across the components:

UK £929,000 (2021: £566,000)

USA £715,000 (2021: £433,000)

The work on both components and the parent Company was performed by the Group team.

The scope of the audit work performed was predominately substantive as we placed limited reliance upon the Group's internal control over financial reporting.

4 The impact of climate change on our audit

We considered the impacts of climate change on the financial statements as part of our planning of the Group audit, including enquiries of management to understand the extent of the potential impact of climate change risk on the Group's financial statements. The key areas of our consideration included the Group's stated targets to reduce emissions, including the goal to be a net zero business no later than 2050, and its goal to reduce the environment impact of materials used in its products. We have reviewed the Group's commitments and the assumptions and financial analysis to support these commitments made in relation to climate change and agree with the conclusion that in relation to scope 1 and 2 emissions, there is no material financial impact on the financial statements. The Group plans to prepare a detailed analysis for scope 3 emissions in future and has disclosed this appropriately in the annual report. We also read the disclosure of climate related information in the front half of the annual report and considered its consistency with the financial statements and our audit knowledge. We have not been engaged to provide assurance over the accuracy of these disclosures

5 Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group's and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and Company's available financial resources over this period were:

- lower than expected post-acquisition performance / trading volumes from businesses acquired during the year;
- current increased performance over the last two years may be short-term and trading volumes may return to pre-COVID-19 levels;
- increased costs as a result of rising inflation and talent management and retention;
- failure of key counterparties in the supply chain including key distributors

We considered whether these risks could plausibly affect the liquidity in the going concern period by comparing severe, but plausible downside scenarios that could arise from these risks individually and collectively against the level of available financial resources indicated by the Group's financial forecasts.

We considered whether the going concern disclosure in note 2 to the financial statements gives a full and accurate description of the directors' assessment of going concern, including the identified risks, dependencies and related sensitivities.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the directors' statement in Note 2 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and Company's use of that basis for the going concern period, and we found the going concern disclosure in note 2 to be acceptable; and
- the related statement under the Listing Rules set out on page 110 is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

6 Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee, and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board, audit committee and remuneration committee minutes.
- Considering remuneration incentive schemes and performance targets for management and directors, including the EPS target for management remuneration.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets in the current or subsequent financial year we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular

- the risk that Print revenue is over or under stated due to inaccurate forecasts of sales returns,
- the risk that Group management may be in a position to make inappropriate accounting entries,
- and the risk of bias in accounting estimates.

We did not identify any additional fraud risks.

Further detail in respect of the revenue return provision is set out in the key audit matter disclosures in section 2 of this report.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included testing any unexpected journal entries posted to revenue and cash.
- Assessing whether the judgements made in making significant accounting estimates are indicative of a potential bias.
- Performing substantive testing over adjustments made to the revenue returns provision to critically assess that these adjustments were appropriate.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Independent Auditor's Report

to the members of Bloomsbury Publishing Plc continued

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those of which are most likely to have such an effect: data protection laws, anti-bribery, employment law, and certain aspects of company legislation, recognizing the nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

7 We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the viability statement on page 98 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the Principal Risks disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and
- the directors' explanation in the viability statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the viability statement, set out on page 98 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and Company's longer-term viability.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the annual report describing the work of the Audit Committee, including the significant issues that the audit committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of the Corporate Governance Framework relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review. We have nothing to report in this respect.

8 We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Independent Auditor's Report

to the members of Bloomsbury Publishing Plc continued

9 Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 110, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company'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 they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The Company is required to include these financial statements in an annual financial report prepared using the single electronic reporting format specified in the TD ESEF Regulation. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with that format.

10 The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Anna Barrell (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

15 June 2022

Consolidated Income Statement

For the year ended 28 February 2022

	Notes	**Year ended 28 February 2022 £'000**	Year ended 28 February 2021 £'000
Revenue	3	**230,110**	185,136
Cost of sales		**(107,948)**	(85,533)
Gross profit		**122,162**	99,603
Marketing and distribution costs		**(29,808)**	(23,393)
Administrative expenses		**(69,675)**	(58,267)
Share of result of joint venture		**(117)**	(110)
Operating profit before highlighted items		**27,112**	19,637
Highlighted items	4	**(4,550)**	(1,804)
Operating profit	4	**22,562**	17,833
Finance income	6	**105**	120
Finance costs	6	**(486)**	(604)
Profit before taxation and highlighted items		**26,731**	19,153
Highlighted items	4	**(4,550)**	(1,804)
Profit before taxation		**22,181**	17,349
Taxation	7	**(5,291)**	(3,652)
Profit for the year attributable to owners of the Company		**16,890**	13,697
Earnings per share attributable to owners of the Company			
Basic earnings per share	9	**20.72p**	16.94p
Diluted earnings per share	9	**20.33p**	16.71p

The notes on pages 162 to 201 form part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 28 February 2022

	Year ended 28 February 2022 £'000	Year ended 28 February 2021 £'000
Profit for the year	**16,890**	13,697
Other comprehensive income		
Items that may be reclassified to the income statement:		
Exchange differences on translating foreign operations	**1,497**	(2,877)
Items that may not be reclassified to the income statement:		
Remeasurements on the defined benefit pension scheme	**(10)**	89
Other comprehensive income for the year net of tax	**1,487**	(2,788)
Total comprehensive income for the year attributable to the owners of the Company	**18,377**	10,909

Items in the statement above are disclosed net of tax. The income tax relating to each component of other comprehensive income is disclosed in note 7.

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 28 February 2022

	Notes	28 February 2022 £'000	28 February 2021 £'000
Assets			
Goodwill	12	**47,910**	44,688
Other intangible assets	13	**40,323**	21,337
Investments	14	**45**	162
Property, plant and equipment	15	**2,319**	1,846
Right-of-use assets	16	**10,628**	11,433
Deferred tax assets	17	**7,168**	3,904
Trade and other receivables	19	**923**	1,005
Total non-current assets		**109,316**	84,375
Inventories	18	**33,816**	26,774
Trade and other receivables	19	**104,879**	93,542
Cash and cash equivalents		**41,226**	54,466
Total current assets		**179,921**	174,782
Total assets		**289,237**	259,157
Liabilities			
Retirement benefit obligations	25	**–**	14
Deferred tax liabilities	17	**3,696**	2,386
Lease liabilities	27	**9,961**	11,135
Provisions	22	**297**	232
Total non-current liabilities		**13,954**	13,767
Trade and other liabilities	20	**103,028**	74,341
Lease liabilities	27	**2,265**	1,808
Current tax liabilities		**433**	456
Provisions	22	**588**	536
Total current liabilities		**106,314**	77,141
Total liabilities		**120,268**	90,908
Net assets		**168,969**	168,249
Equity			
Share capital	23	**1,020**	1,020
Share premium	23	**47,319**	47,319
Translation reserve	23	**8,127**	6,630
Other reserves	23	**8,765**	9,623
Retained earnings	23	**103,738**	103,657
Total equity attributable to owners of the Company		**168,969**	168,249

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 15 June 2022.

J N Newton
Director

P Scott-Bayfield
Director

Consolidated Statement of Changes in Equity

For the year ended 28 February 2022

	Share capital £'000	Share premium £'000	Translation reserve £'000	Merger reserve £'000	Capital redemption reserve £'000	Share-based payment reserve £'000	Own shares held by EBT £'000	Retained earnings £'000	Total equity £'000
At 29 February 2020	942	39,388	9,507	1,803	22	6,724	(771)	92,058	149,673
Profit for the year	–	–	–	–	–	–	–	13,697	13,697
Other comprehensive income									
Exchange differences on translating foreign operations	–	–	(2,877)	–	–	–	–	–	(2,877)
Remeasurements on the defined benefit pension scheme	–	–	–	–	–	–	–	89	89
Total comprehensive income for the year	**–**	**–**	**(2,877)**	**–**	**–**	**–**	**–**	**13,786**	**10,909**
Transactions with owners									
Issue of share capital	47	7,931	–	–	–	–	–	–	7,978
Bonus issue of share capital	31	–	–	–	–	–	–	(31)	–
Dividends to equity holders of the Company	–	–	–	–	–	–	–	(1,045)	(1,045)
Purchase of shares by the Employee Benefit Trust	–	–	–	–	–	–	(674)	–	(674)
Share options exercised	–	–	–	–	–	–	1,298	(1,114)	184
Deferred tax on share-based payment transactions	–	–	–	–	–	–	–	3	3
Share-based payment transactions	–	–	–	–	–	1,221	–	–	1,221
Total transactions with owners of the Company	**78**	**7,931**	**–**	**–**	**–**	**1,221**	**624**	**(2,187)**	**7,667**
At 28 February 2021	**1,020**	**47,319**	**6,630**	**1,803**	**22**	**7,945**	**(147)**	**103,657**	**168,249**
Profit for the year	–	–	–	–	–	–	–	16,890	16,890
Other comprehensive income									
Exchange differences on translating foreign operations	–	–	1,497	–	–	–	–	–	1,497
Remeasurements on the defined benefit pension scheme	–	–	–	–	–	–	–	(10)	(10)
Total comprehensive income for the year	–	–	1,497	–	–	–	–	16,880	18,377
Transactions with owners									
Dividends to equity holders of the Company	–	–	–	–	–	–	–	(15,157)	(15,157)
Purchase of shares by the Employee Benefit Trust	–	–	–	–	–	–	(4,489)	–	(4,489)
Share options exercised	–	–	–	–	–	–	2,084	(2,050)	34
Deferred tax on share-based payment transactions	–	–	–	–	–	–	–	408	408
Share-based payment transactions	–	–	–	–	–	1,547	–	–	1,547
Total transactions with owners of the Company	**–**	**–**	**–**	**–**	**–**	**1,547**	**(2,405)**	**(16,799)**	**(17,657)**
At 28 February 2022	**1,020**	**47,319**	**8,127**	**1,803**	**22**	**9,492**	**(2,552)**	**103,738**	**168,969**

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 28 February 2022

	Notes	**Year ended 28 February 2022 £'000**	Year ended 28 February 2021 £'000
Cash flows from operating activities			
Profit for the year		**16,890**	13,697
Adjustments for:			
Depreciation of property, plant and equipment	15	**512**	473
Depreciation of right-of-use assets	16	**1,889**	1,806
Amortisation of intangible assets	13	**7,505**	5,485
Impairment of investments	14	**–**	300
Loss on disposal on intangible assets		**65**	–
Finance income	6	**(105)**	(120)
Finance costs	6	**486**	604
Share of loss of joint venture	14	**117**	110
Share-based payment charges	24	**2,054**	1,416
Tax expense	7	**5,291**	3,652
		34,704	27,423
Increase in inventories		**(2,745)**	(357)
Decrease/(increase) in trade and other receivables		**1,205**	(11,281)
Increase in trade and other liabilities		**14,572**	13,789
Cash generated from operating activities		**47,736**	29,574
Income taxes paid		**(7,927)**	(4,406)
Net cash generated from operating activities		**39,809**	25,168
Cash flows from investing activities			
Purchase of property, plant and equipment		**(644)**	(422)
Purchase of intangible assets		**(3,693)**	(3,804)
Purchase of business, net of cash acquired		**(22,913)**	–
Purchase of rights to assets		**(3,650)**	(1,547)
Purchase of share in a joint venture		**–**	(56)
Interest received		**92**	110
Net cash used in investing activities		**(30,808)**	(5,719)
Cash flows from financing activities			
Equity dividends paid	21	**(15,157)**	(1,045)
Purchase of shares by the Employee Benefit Trust	21	**(4,489)**	(674)
Proceeds from exercise of share options	21	**34**	184
Proceeds from share issue	21	**–**	7,978
Repayment of borrowing	21	**(1,097)**	–
Repayment of lease liabilities	21	**(1,862)**	(1,451)
Lease liabilities interest paid	21	**(419)**	(442)
Other interest paid	21	**(55)**	(149)
Net cash (used in) /generated from financing activities	21	**(23,045)**	4,401
Net (decrease)/increase in cash and cash equivalents		**(14,044)**	23,850
Cash and cash equivalents at beginning of year		**54,466**	31,345
Exchange gain/(loss) on cash and cash equivalents		**804**	(729)
Cash and cash equivalents at end of year		**41,226**	54,466

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

Accounting Policies

1. Reporting entity

Bloomsbury Publishing Plc (the "Company") is a company domiciled in the United Kingdom. The address of the Company's registered office can be found on page 217. The consolidated financial statements of the Company as at and for the year ended 28 February 2022 comprise the Company and its subsidiaries (together referred to as the "Group"). The Group is primarily involved in the publication of books and other related services.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented unless otherwise stated.

a) Statement of compliance

The Group financial statements have been prepared and approved by the directors in accordance with UK-adopted international accounting standards ("UK-adopted IFRS") and the requirements of the Companies Act 2006.

b) Basis of preparation

The consolidated financial statements have been prepared on a going concern basis and under the historical cost convention as modified by the revaluation of financial assets and liabilities at fair value.

c) Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 13 to 98. The financial position of the Group, its cash flows and liquidity position are described in the Financial Review on pages 45 to 50. In addition, note 26 to the financial statements includes the Group's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments, and its exposures to credit risk and liquidity risk.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence at least 12 months from the date of approval of the financial statements, being the period of the detailed going concern assessment reviewed by the Board, and therefore continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

The Board has modelled a severe but plausible downside scenario. This assumes:

- Print revenues are reduced by 20% during 2022/2023, with recovery during 2023/2024;
- Digital revenues are reduced by 20% during 2022/2023, with recovery during 2023/2024;
- Print costs are increased by 15% from 2022/2023 and staff costs are increased by 5% from 2023/2024;
- Downside assumptions about extended debtor days during 2022/2023, with recovery during 2023/2024;
- Cash preservation measures implemented and variable costs reduced.

At 28 February 2022, the Group had available liquidity of £51.2m, comprising central cash balances and its undrawn £10.0m Revolving Credit Facility ("RCF"). The RCF agreement is to October 2024. Under the severe but plausible downside scenario, the Group would maintain sufficient liquidity headroom even before modelling the mitigating effect of actions that management would take in the event that these downside risks were to crystallise. Details of the bank facility and its covenants are shown in note 26c.

d) Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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 and in any future periods affected. Critical judgements and areas where the use of estimates is significant are disclosed in note 2w.

e) Application of new and amended standards and interpretations

The following amendments and interpretations were introduced to accounting standards relevant to the Group during the year ended 28 February 2022. The table below summarises the impact of these changes to the Group:

Accounting standard	Description of change	Impact on financial statements
Other standards	A number of other new standard and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2021	The standards and amendments have not had a material impact on the Group. Additional disclosure has been provided where relevant.

The Group has not early adopted the following new and revised accounting standards, interpretations or amendments issued by the International Accounting Standards Board that are currently endorsed but not yet effective:

Accounting standard	Description of change	Impact on financial statements
Other standards	A number of other new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2022 and have not been applied in preparing these financial statements.	The Directors do not anticipate the application of these standards and amendments will have a material impact on the Group's consolidated financial statements.

f) Basis of consolidation

i. Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The Group measures goodwill at the acquisition date as:

- The fair value of consideration transferred; plus
- The recognised amount of any non-controlling interest in the acquiree; less
- The net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Where the excess is negative, a bargain purchase gain is recognised immediately in the income statement.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the income statement.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with the business combination are expensed as incurred.

Any contingent consideration payable is measured and recognised at fair value at the acquisition date. Subsequent changes to the fair value of contingent consideration are recognised in the income statement.

ii. Subsidiaries

The consolidated financial statements comprise the financial information of the Company and its subsidiaries.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Accounting policies of subsidiaries are aligned with accounting policies adopted by the Group to ensure consistency.

All subsidiaries except Bloomsbury Publishing India Private Limited, Head of Zeus Limited and ABC - CLIO, LLC have a reporting period end of 28 February. Bloomsbury Publishing India Private Limited has a reporting period end of 31 March, which aligns with the Indian Government's financial year. The recently acquired Head of Zeus Limited and ABC - CLIO, LLC have a reporting period end of 31 December. The Group financial statements includes the results for these subsidiaries for the period to 28 February.

iii. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any non-controlling interests and the other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

iv. Transactions eliminated on consolidation

Intra-Group balances and transactions, and any unrealised income and expenses arising from intra-Group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

v. Joint ventures

Joint ventures are entities in which the Group holds an interest on a long-term basis and has rights to the net assets through contractually agreed sharing of control. Investments in joint ventures are accounted for by the equity method and are initially recognised at the fair value of consideration transferred.

The Group's share of its joint venture's post acquisition profit or losses is recognised in the income statement.

The Group's share of its joint venture's results is recognised as a component of operating profit as these operations form part of the core publishing business of the Group and are an integral part of the existing wholly-owned business. The cumulative post-acquisition profit or loss is adjusted against the carrying amount of the investment. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, the Group does not recognise further losses unless the Group has incurred obligations or made payments on behalf of the joint venture.

Notes to the Financial Statements

g) Revenue
Revenue represents the fair value of consideration received from the provision of goods, services and rights falling within the Group's ordinary activities, after deduction of trade discounts, value added tax and anticipated returns.

Where the goods or services promised within a contract are distinct, they are identified as separate performance obligations and are accounted for separately. Where contractual arrangements consist of two or more performance obligations, such as access to multiple titles, the transaction price is allocated between the distinct performance obligations on the basis of their relative stand-alone selling prices.

i. Print:
- Print sales: Revenue from the sale of printed books is recognised at the point in time when control passes. This is generally at the point of shipment when title passes to the customer, when the Group has a present right to payment and has satisfied the relevant performance obligations under the contract.

A provision for anticipated returns is made based primarily on historical return rates in each territory. If these do not reflect actual returns in future periods, then revenues could be understated or overstated for a particular period. The provision for anticipated future sales returns is recognised in trade and other liabilities in the statement of financial position.

ii. Digital:
- Ebook sales: Revenue from ebook sales is recognised when content is delivered i.e. access has been given to the customer.
- Subscription income: Revenue is generated from customers through the sale of digital materials to educational establishments, libraries and professionals. Revenue for digital subscriptions is derived from the periodic subscription or update of the product. Revenue is recognised on a straight-line basis over the period of subscription or if less the expected useful economic life of the product, unless the product is downloadable or the goods or services are not delivered in a consistent manner over time, in which case revenue is recognised based on the value received by the customer.

iii. Rights and services
- Revenue from the licence of publishing and distribution rights, including film, paperback, electronic, overseas publishing rights, and sponsorship, is recognised when the Group has provided the associated material and collectability is probable.
- Management services contracts: Revenue is primarily generated from multi-year contractual arrangements related to the delivery of online platform build, editorial and management services. Revenue is recognised over time based on contractual milestones as the customer gains benefit from the assets created or services provided.

h) Government grants
Government grants that are receivable as compensation for expenses or losses already incurred are not recognised in profit or loss until there is assurance that the Group will comply with the conditions attached to them and that the grants will be received.

i) Foreign currencies
i. Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). These consolidated financial statements are presented in sterling as this is the most representative currency of the Group's operations. All financial information presented in sterling has been rounded to the nearest thousand except where otherwise stated.

ii. Transactions and balances
Transactions in currencies other than the functional currency are recorded in the functional currency at the rates of exchange prevailing on the dates of the transactions. Assets and liabilities in foreign currencies are translated into sterling at closing rates of exchange at the date of the statement of financial position.

Exchange differences are charged or credited to the income statement within administrative expenses.

iii. Group companies
The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at the average exchange rates over the period; and
- All resulting exchange differences are recognised in other comprehensive income and presented in the translation reserve in equity. On disposal of a foreign entity these exchange differences are recycled to the income statement.

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 closing rate. Exchange differences arising are recognised in equity.

j) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

i. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods 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 at the reporting date.

The Group recognises liabilities for anticipated tax issues based on estimates of the additional taxes that are likely to become due, which require judgement. Amounts are accrued based on the Director's interpretation of specific tax law in the relevant country and the likelihood of settlement. The Directors use in-house tax experts, professional firms and previous experience when assessing tax risks. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions in the period in which such determination is made.

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be generated to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the end of the reporting period.

iii. Current and deferred tax for the year

Current and deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to other comprehensive income or equity, in which case the deferred tax is also recognised in other comprehensive income or equity respectively.

k) Goodwill and other intangible assets

i. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see note 2f)i) less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently where there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, 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 based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated income statement. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Notes to the Financial Statements

Accounting Policies *continued*

ii. Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Except for goodwill and assets under construction, intangible assets are amortised on a straight-line basis in the income statement over their expected useful lives by equal annual instalments at the following rates:

Publishing relationships	– 5% to 21% per annum
Imprints	– 3% to 14% per annum
Subscriber and customer relationships	– 7% to 9% per annum
Trademarks	– over the life of the trademark
Product and systems development	– 10% to 50% per annum

Assets under construction relate to the costs of developing a product, typically an online platform, which is yet to go live.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively if appropriate.

iii. Product and systems development

Costs that are directly associated with the purchase and implementation of systems, such as software products, are recognised as intangible assets. Likewise, costs incurred in developing a product, typically an online platform, are recognised as intangible assets.

Expenditure is only capitalised if costs can be measured reliably, the product is technically and commercially feasible, future economic benefits are probable and the Group has sufficient resources to complete development and use the asset.

l) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment loss.

Property, plant and equipment are depreciated in order to write down their cost less residual value using the straight-line method over their expected useful lives at the following rates:

Short leasehold improvements	– over the remaining life of the lease
Furniture and fittings	– 10% per annum
Computers and other office equipment	– 20% per annum
Motor vehicles	– 25% per annum

Depreciation is prorated in the years of acquisition and disposal of an asset. The estimated useful lives, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

m) Leases

The Group assessed whether a contract contains a lease at the inception of the contract. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group recognises a right-of-use asset and a lease liability at the lease commencement date with respect to all lease arrangements except for short-term leases (leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the lease payments are recognised as an operating expense on a straight-line basis over the term of the lease.

The right-of-use asset is initially measured at cost, comprising the initial amount of the lease liability plus any initial direct costs incurred and an estimate of costs to restore the underlying asset, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term. The Group applies IAS 36 to determine whether a right-of-use asset is impaired. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate or a change in the Group's assessment of whether it will exercise an extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the right-of-use asset.

Management uses judgement to determine the lease term where extension and termination options are available within the lease.

n) Impairment of tangible and intangible assets excluding goodwill
At the end of each reporting period the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement.

o) Inventories
The cost of work in progress and finished goods represents the amounts invoiced to the Group for origination, paper, printing and binding. Inventories are valued at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Provisions are made for slow-moving and obsolete stock.

p) Royalty advances to authors
Advances of royalties to authors are included within current receivables when the advance is paid less any provision required to adjust the advance to its net realisable value. The royalty advance is expensed at the contracted royalty rate as the related revenues are earned.

q) Provisions
A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

r) Financial instruments
Financial assets and financial liabilities are recognised when the Group has become a party to the contractual provisions of the instrument. The Group's financial assets and liabilities are as below:

Trade receivables
Trade receivables and other receivables are measured on initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method, less any impairment. Following the adoption of IFRS 9, provisions for bad and doubtful debts are based on the expected credit loss model. The "simplified approach" is used with the expected loss allowance measured at an amount equal to the lifetime expected credit losses.

Cash and cash equivalents
Cash and cash equivalents in the statement of cash flows comprise cash in hand and at bank, other short-term deposits held by the Group and overdrafts. Bank overdrafts are included in current liabilities in the statement of financial position.

Financial liabilities and equity
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Trade payables
Trade payables are not interest bearing and are initially recognised at fair value and subsequently at amortised cost using the effective interest method.

Notes to the Financial Statements

s) Employee benefits

i. Defined contribution plans

Pension costs relating to defined contribution pension schemes are recognised in the income statement in the period for which related services are rendered by the employee.

ii. Defined benefit plans

Until 1997, a subsidiary company operated a defined benefit pension scheme. The retirement obligation recognised in the statement of financial position represents the net of the present value of the defined benefit obligation and the fair value of plan assets at the statement of financial position date. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Net interest is calculated by applying the discount rate to the net defined benefit obligation and is presented as finance costs or finance income.

iii. Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan either to terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

iv. Share-based payment transactions

The Group issues equity-settled share-based payment instruments to certain employees. Equity-settled share-based payment transactions are measured at fair value at the date of grant. The fair value determined at the grant date of equity-settled share-based payments is charged to the income statement on a straight-line basis over the vesting period, based on the Group's estimate of the shares that will eventually vest.

Options granted under the Sharesave Plan are equity-settled. The fair values of such options have been calculated using the Black-Scholes model based on publicly available market data.

Awards granted under the Group's Performance Share Plan are equity-settled. For awards granted in 2018 and 2019, 50% of any award under the Plan is subject to a Return on Capital Employed performance condition and 50% Earnings Per Share. Awards granted in 2020 and 2021 are subject to the following performance conditions; Earnings Per Share (60%), Non-Consumer operating profit (15%), Consumer operating profit (15%) and BDR revenue (10%). The fair value of this element of the awards is calculated using the Black-Scholes model. Where the awards are subject to a holding period, we have used the Chaffe or Ghaidarov model to determine a discount for lack of marketability.

t) Employee benefit trust

The Company operates an employee benefit trust and has de facto control of shares held by the trust and bears their benefits and risks. The Group considers the trust to be substantially under its control and so consolidates the financial information of the trust as stated in note 2f. The Group records the assets and liabilities of the trust as its own and shares held by the trust are recorded at cost as a deduction from Shareholders' equity. Finance costs and administrative expenses are charged as they accrue.

u) Segmental reporting

Operating segments, which have not been aggregated, are reported in a manner that is consistent with the internal reporting provided to the Chief Executive Officer ("CEO"), regarded as the Chief Operating Decision Maker.

The CEO views the Group primarily from a nature of business basis, reflecting the divisional performance of Consumer, made up of Children's Trade and Adult Trade, and Non-Consumer, made up of Academic & Professional and Special Interest. Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Performance is evaluated based on operating profit contributions using the same accounting policies as adopted for the Group's financial statements.

v) Dividends

Final dividends are recognised as liabilities once they are appropriately authorised by the Company's shareholders. Interim dividends are recorded when paid.

w) Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. The resultant estimates will, by definition, not necessarily equal the related actual results and may require adjustment in subsequent accounting periods. Revenue recognition has been removed as a critical accounting estimate and judgement as the value and volume of transactions that requires judgement has reduced.

The estimates and assumptions that may cause a material adjustment to the carrying amount of assets and liabilities in the next financial year are:

i. Book returns

The level of sales returns liability is set out in note 20.

Printed books are normally sold on a sale-or-return basis. The timing of returns of unsold books is uncertain. A provision is made against sales for the expected future returns of books that have not occurred by the end of an accounting period. The sales returns liability represents 8.5% of annual gross title sales (2021: 8.1%).

This is an estimate as it requires management to estimate the level of expected future returns. As books are returnable by customers, the Group makes a provision against books sold in the accounting period which is then carried forward in anticipation of book returns received subsequent to the period end. The provision is recorded by sub-division, and is based on the estimated time lag following a sale before a return is made, based on the historic returns data. The provision is calculated by reference to historical returns rates and expected future returns.

If these estimates do not reflect actual returns in future periods then revenues could be understated or overstated for a particular period. In note 20 we have disclosed the impact on revenue of a 10% increase or decrease in actual returns in the year.

ii. Author advances

Trade and other receivables in the Group Statement of Financial Position, in note 19, include royalty advances (i.e. net unearned advances to authors). A provision is made against gross advances (paid and payable) to the extent that they are not expected to be fully earned from anticipated future sales of a title and subsidiary rights receivable.

This is an estimate as it requires management to estimate the future sales of a title. The Directors review all royalty advances for triggers indicating that a provision may be required and additionally at the end of each financial year a review is carried out on advances for all published titles where the initial publication date is 12 months or earlier from the reporting period end date to assess if a provision is required.

During the year ended 28 February 2022, the period post publication for US titles was changed from 12 months to 6 months. For US titles, a period of 6 months after the initial publication date is sufficient in the Directors' judgement to estimate the future sales of a title. This assessment followed a review of sales history, including weighting of initial publication hardback sales, in the US market compared to other markets. The impact of the change in estimate was a £1.3 million charge to the Income Statement.

If it is unlikely that royalties from future title sales and subsidiary rights will fully earn down the advance, a provision is made in the income statement on a title-by-title basis, with regard to historical net sales, expected future net sales and taking account of the lifecycle of a book, for the difference between the carrying value and the anticipated recoverable amount from future earnings.

In note 4, we have disclosed the provision made against advances in the year.

iii. Impairment reviews

The carrying value of goodwill arising on the acquisition of companies (or groups of companies) by the Group is set out in note 12. The carrying value of the Company's Investment in subsidiary companies is set out in note 36.

This is an estimate as it requires an estimation of future cash flows relating to each CGU or investment. IFRS require management to undertake an annual test for impairment of indefinite life assets and, for finite life assets, to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Group currently undertakes an annual impairment test covering goodwill and other indefinite life assets and also reviews finite life assets to consider whether a full impairment review is required. The Company tests the recoverability of investments annually.

Intangible assets and investment recoverability is an area involving management judgement, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made. Note 12 details the assumptions used and sensitivities analysis performed on the value in use calculations for goodwill. The key assumptions used in the cash flow projections for Investments are discount rates, long term growth rates, revenue growth rates and forecast operating profits.

Notes to the Financial Statements

continued

3. Revenue and segmental analysis

The Group is comprised of two worldwide publishing divisions: Consumer and Non-Consumer, reflecting the core customers for our different operations. The Consumer Division is further split out into two operating segments: Children's Trade and Adult Trade. Non-Consumer is split between two operating segments: Academic & Professional, and Special Interest.

Each reportable segment represents a cash-generating unit for the purpose of impairment testing. We have allocated goodwill between reportable segments. These divisions are the basis on which the Group primarily reports its segment information. Segments derive their revenue from book publishing, sale of publishing and distribution rights, management and other publishing services.

The analysis by segment is shown below:

Year ended 28 February 2022	Children's Trade £'000	Adult Trade £'000	Consumer £'000	Academic & Professional £'000	Special Interest £'000	Non-Consumer £'000	Unallocated £'000	Total £'000
External revenue	**93,039**	**55,157**	**148,196**	**59,328**	**22,586**	**81,914**	**–**	**230,110**
Cost of sales	(46,759)	(29,106)	(75,865)	(20,945)	(11,138)	(32,083)	–	(107,948)
Gross profit	**46,280**	**26,051**	**72,331**	**38,383**	**11,448**	**49,831**	**–**	**122,162**
Marketing and distribution costs	(12,812)	(8,271)	(21,083)	(5,335)	(3,390)	(8,725)	–	(29,808)
Contribution before administrative expenses	**33,468**	**17,780**	**51,248**	**33,048**	**8,058**	**41,106**	**–**	**92,354**
Administrative expenses excluding highlighted items	(17,506)	(15,732)	(33,238)	(23,907)	(7,980)	(31,887)	–	(65,125)
Share of result of joint venture	–	–	–	–	–	–	(117)	(117)
Operating profit/(loss) before highlighted items/segment results	**15,962**	**2,048**	**18,010**	**9,141**	**78**	**9,219**	**(117)**	**27,112**
Amortisation of acquired intangible assets	–	(272)	(272)	(2,349)	(214)	(2,563)	–	(2,835)
Other highlighted items	–	–	–	–	–	–	(1,715)	(1,715)
Operating profit/(loss)	**15,962**	**1,776**	**17,738**	**6,792**	**(136)**	**6,656**	**(1,832)**	**22,562**
Finance income	–	–	–	62	–	62	43	105
Finance costs	(162)	(94)	(256)	(115)	(48)	(163)	(67)	(486)
Profit/(loss) before taxation and highlighted items	**15,800**	**1,954**	**17,754**	**9,088**	**30**	**9,118**	**(141)**	**26,731**
Amortisation of acquired intangible assets	–	(272)	(272)	(2,349)	(214)	(2,563)	–	(2,835)
Other highlighted items	–	–	–	–	–	–	(1,715)	(1,715)
Profit/(loss) before taxation	**15,800**	**1,682**	**17,482**	**6,739**	**(184)**	**6,555**	**(1,856)**	**22,181**
Taxation	–	–	–	–	–	–	(5,291)	(5,291)
Profit/(loss) for the year	**15,800**	**1,682**	**17,482**	**6,739**	**(184)**	**6,555**	**(7,147)**	**16,890**
Operating profit/(loss) before highlighted items/segment results	**15,962**	**2,048**	**18,010**	**9,141**	**78**	**9,219**	**(117)**	**27,112**
Depreciation	914	632	1,546	604	251	855	–	2,401
Amortisation of internally generated intangibles	455	508	963	3,405	302	3,707	–	4,670
EBITDA before highlighted items	**17,331**	**3,188**	**20,519**	**13,150**	**631**	**13,781**	**(117)**	**34,183**

3. Revenue and segmental analysis continued

Year ended 28 February 2021	Children's Trade £'000	Adult Trade £'000	Consumer £'000	Academic & Professional £'000	Special Interest £'000	Non-Consumer £'000	Unallocated £'000	Total £'000
External revenue	**74,599**	**43,761**	**118,360**	**44,307**	**22,469**	**66,776**	**–**	**185,136**
Cost of sales	(37,128)	(20,812)	(57,940)	(16,767)	(10,826)	(27,593)	–	(85,533)
Gross profit	**37,471**	**22,949**	**60,420**	**27,540**	**11,643**	**39,183**	**–**	**99,603**
Marketing and distribution costs	(9,386)	(6,278)	(15,664)	(4,678)	(3,051)	(7,729)	–	(23,393)
Contribution before administrative expenses	**28,085**	**16,671**	**44,756**	**22,862**	**8,592**	**31,454**	**–**	**76,210**
Administrative expenses excluding highlighted items	(17,543)	(12,706)	(30,249)	(18,494)	(7,420)	(25,914)	(300)	(56,463)
Share of result of joint venture	–	–	–	–	–	–	(110)	(110)
Operating profit/(loss) before highlighted items/segment results	**10,542**	**3,965**	**14,507**	**4,368**	**1,172**	**5,540**	**(410)**	**19,637**
Amortisation of acquired intangible assets	–	(17)	(17)	(1,578)	(214)	(1,792)	–	(1,809)
Other highlighted items	–	–	–	–	–	–	5	5
Operating profit/(loss)	**10,542**	**3,948**	**14,490**	**2,790**	**958**	**3,748**	**(405)**	**17,833**
Finance income	–	–	–	51	–	51	69	120
Finance costs	(161)	(105)	(266)	(117)	(59)	(176)	(162)	(604)
Profit/(loss) before taxation and highlighted items	**10,381**	**3,860**	**14,241**	**4,302**	**1,113**	**5,415**	**(503)**	**19,153**
Amortisation of acquired intangible assets	–	(17)	(17)	(1,578)	(214)	(1,792)	–	(1,809)
Other highlighted items	–	–	–	–	–	–	5	5
Profit/(loss) before taxation	**10,381**	**3,843**	**14,224**	**2,724**	**899**	**3,623**	**(498)**	**17,349**
Taxation	–	–	–	–	–	–	(3,652)	(3,652)
Profit/(loss) for the year	**10,381**	**3,843**	**14,224**	**2,724**	**899**	**3,623**	**(4,150)**	**13,697**
Operating profit/(loss) before highlighted items/segment results	**10,542**	**3,965**	**14,507**	**4,368**	**1,172**	**5,540**	**(410)**	**19,637**
Depreciation	912	528	1,440	556	283	839	–	2,279
Amortisation of internally generated intangibles	446	383	829	2,586	261	2,847	–	3,676
EBITDA before highlighted items	**11,900**	**4,876**	**16,776**	**7,510**	**1,716**	**9,226**	**(410)**	**25,592**

Notes to the Financial Statements
continued

3. Revenue and segmental analysis continued

Total assets

	28 February 2022 £'000	28 February 2021 £'000
Children's Trade	**13,633**	10,361
Adult Trade	**13,513**	7,495
Academic & Professional	**78,096**	58,527
Special Interest	**13,170**	12,773
Unallo1cated	**170,825**	170,001
Total assets	**289,237**	259,157

Unallocated primarily represents centrally held assets including system development; property, plant and equipment; right-of-use assets; receivables; and cash.

External revenue by source

	United Kingdom £'000	North America £'000	Australia £'000	India £'000	Total £'000
Year ended 28 February 2022	**143,192**	**69,651**	**13,133**	**4,134**	**230,110**
Year ended 28 February 2021	117,429	53,872	11,084	2,751	185,136

During the year, sales to one customer exceeded 10% of Group revenue (2021: one customer). The value of these sales was £67,811,000 (2021: £68,597,000). This customer purchases from all operating segments and represents 10% (2021: 13%) of gross trade receivables.

Analysis of non-current assets (excluding deferred tax assets) by geographic location

	Year ended 28 February 2022 £'000	Year ended 28 February 2021 £'000
United Kingdom (country of domicile)	**79,708**	73,711
North America	**22,196**	6,633
Other	**244**	127
Total	**102,148**	80,471

Group revenues by product type

Year ended 28 February 2022	**Children's Trade £'000**	**Adult Trade £'000**	**Consumer £'000**	**Academic & Professional £'000**	**Special Interest £'000**	**Non-Consumer £'000**	**Total £'000**
Print	**79,053**	**42,702**	**121,755**	**29,996**	**18,632**	**48,628**	**170,383**
Digital	**10,511**	**10,511**	**21,022**	**27,150**	**2,354**	**29,504**	**50,526**
Rights and services[1]	**3,475**	**1,944**	**5,419**	**2,182**	**1,600**	**3,782**	**9,201**
Total	**93,039**	**55,157**	**148,196**	**59,328**	**22,586**	**81,914**	**230,110**

Year ended 28 February 2021	Children's Trade £'000	Adult Trade £'000	Consumer £'000	Academic & Professional £'000	Special Interest £'000	Non-Consumer £'000	Total £'000
Print	63,708	34,644	98,352	23,267	18,200	41,467	139,819
Digital	7,636	8,298	15,934	19,015	2,730	21,745	37,679
Rights and services[1]	3,255	819	4,074	2,025	1,539	3,564	7,638
Total	**74,599**	**43,761**	**118,360**	**44,307**	**22,469**	**66,776**	**185,136**

1 Rights and services revenue includes revenue from copyright and trademark licences, management contracts, advertising and publishing services.

3. Revenue and segmental analysis continued

Contract Balances

Online digital platforms sales within the Digital revenue stream generally entail customer billings at or near the contract's inception and accordingly Digital deferred income balances are primarily related to subscription performance obligations to be delivered over time.

Ebook sales within the Digital revenue stream generally derived from ebook aggregators who provide periodic sales reports over time. The extent of accrued income is related to the timing of receiving these reports.

Within the Rights and Services revenue stream are licenses for multiple-titles at a fixed price. As the performance obligations within these arrangements are generally when the customer is granted access, the extent of accrued income will ultimately depend upon the difference between revenue recognised and billings to date.

Refer to note 19 for opening and closing balances of accrued income. Refer to note 20 for opening and closing balances of deferred income. Revenue recognised during the period from changes in deferred income was driven primarily by the release of revenue over time from digital subscriptions and delivery of print books invoiced but not delivered in the previous financial year.

The below table depicts the remaining transaction price on unsatisfied or partially unsatisfied performance obligations from contracts with customers as follows:

Year ended 28 February 2022	**Sales £'000**	**Deferred income £'000**	**Committed sales £'000**	**Total remaining transaction price £'000**	**2023 £'000**	**2024 £'000**	**2025 and later £'000**
Print	**170,383**	**445**	**8,204**	**8,649**	**8,645**	**4**	**–**
Digital	**50,526**	**8,627**	**976**	**9,603**	**7,959**	**864**	**780**
Rights and services	**9,201**	**4**	**981**	**985**	**682**	**211**	**92**
Total	**230,110**	**9,076**	**10,161**	**19,237**	**17,286**	**1,079**	**872**

Year ended 28 February 2021	Sales £'000	Deferred income £'000	Committed sales £'000	Total remaining transaction price £'000	2022 £'000	2023 £'000	2024 and later £'000
Print	139,819	526	4,601	5,127	5,127	–	–
Digital	37,679	4,197	1,484	5,681	4,409	654	618
Rights and services	7,638	5	1,447	1,452	683	532	237
Total	**185,136**	**4,728**	**7,532**	**12,260**	**10,219**	**1,186**	**855**

Notes to the Financial Statements

continued

4. Operating profit

Operating profit is stated after charging the following amounts:

	Notes	**Year ended 28 February 2022 £'000**	Year ended 28 February 2021 £'000
Purchase of goods and changes in inventories	18	**59,209**	47,802
Auditor's remuneration (see below)		**484**	360
Depreciation of property, plant and equipment	15	**512**	473
Depreciation of right-of-use assets	16	**1,889**	1,806
Highlighted items (see below)		**4,550**	1,804
Provision made against advances		**6,115**	3,656
Loss on disposal of intangibles assets		**65**	–
Exchange loss		**245**	924
Loss allowance for financial assets		**646**	1,934
Staff costs (excluding termination benefits)	5	**47,806**	39,940

Highlighted items

	Notes	**Year ended 28 February 2022 £'000**	Year ended 28 February 2021 £'000
Legal and other professional fees on acquisitions		**1,317**	203
Integration and restructuring costs		**398**	1,076
Paycheck Protection Program grant		**–**	(1,284)
Other highlighted items		**1,715**	(5)
Amortisation of acquired intangible assets	13	**2,835**	1,809
Total highlighted items		**4,550**	1,804

Highlighted items charged to operating profit comprise significant non-cash charges and major one-off initiatives, which are highlighted in the income statement because, in the opinion of the Directors, separate disclosure is helpful in understanding the underlying performance and future profitability of the business.

All highlighted items are included in administrative expenses in the income statement.

For the year ended 28 February 2022, legal and other professional fees of £1,317,000 were incurred as a result of the Group's acquisitions, including ABC-CLIO, LLC, Head of Zeus Limited and certain assets of Red Globe Press. Integration and restructuring costs primarily relate to the integration of the above acquisitions including restructuring and other restructuring in both divisions.

For the year ended 28 February 2021, legal and other professional fees of £203,000 were incurred as a result of the Group's ongoing and completed acquisitions, including certain assets of Red Globe Press and Zed Books Limited. Integration and restructuring costs primarily relate to restructuring in both divisions. The Paycheck Protection Program grant was received from the US Government's Small Business Administration.

Auditor's remuneration

Amounts payable to KPMG LLP and its associates in respect of both audit and non-audit services are as follows:

	Year ended 28 February 2022			Year ended 28 February 2021		
	UK £'000	**Overseas £'000**	**Total £'000**	UK £'000	Overseas £'000	Total £'000
Fees payable to the Company's Auditor for the audit of the parent Company and consolidated financial statements	**322**	**153**	**475**	200	100	300
Fees payable to the Company's Auditor and its associates for other services:						
Audit of the Company's subsidiaries pursuant to legislation	**–**	**9**	**9**	5	10	15
Other services pursuant to legislation:						
Interim review	**–**	**–**	**–**	45	–	45
Total	**322**	**162**	**484**	250	110	360

5. Staff costs

Staff costs, including Directors, during the year were:

	Notes	**Year ended 28 February 2022 £'000**	Year ended 28 February 2021 £'000
Salaries (including bonuses)		**40,296**	33,515
Social security costs		**3,697**	3,339
Pension costs	25	**1,759**	1,670
Share-based payment charge	24	**2,054**	1,416
Staff costs (excluding termination benefits)		**47,806**	39,940
Termination benefits		**658**	1,004
Total		**48,464**	40,944

For the year ended 28 February 2022 £247,000 (year ended 28 February 2021: £918,000) of termination benefits are included in restructuring within highlighted items.

The average monthly number of employees during the year were:

	Year ended 28 February 2022 £'000	Year ended 28 February 2021 £'000
Editorial, production and selling	**680**	600
Finance and administration	**138**	119
Total	**818**	719

Staff costs are charged to administrative expenses.

Two (2021: three) Directors were accruing benefits during the year under defined contribution pension arrangements.

Total emoluments for Directors was:

	Year ended 28 February 2022 £'000	Year ended 28 February 2021 £'000
Short-term employee benefits	**1,831**	1,113
Post-employment benefits	**92**	114
Total	**1,923**	1,227

The Group considers key management personnel as defined under IAS 24 "Related Party Disclosures" to be the Directors of the Company, this includes Non-Executive Directors, and those Directors of the global divisions, major geographic regions and departments who are actively involved in strategic decision making.

Total emoluments for Executive Directors and other key management personnel were:

	Year ended 28 February 2022 £'000	Year ended 28 February 2021 £'000
Short-term employee benefits	**4,068**	2,486
Post-employment benefits	**173**	208
Share-based payment charge	**1,150**	1,083
Total	**5,391**	3,777

Notes to the Financial Statements

continued

6. Finance income and finance costs

	Notes	**Year ended 28 February 2022 £'000**	Year ended 28 February 2021 £'000
Finance income			
Interest on bank deposits		**30**	59
Other interest receivable		**62**	51
Interest income on pension plan assets	25	**13**	10
Total		**105**	120
Finance costs			
Interest on lease liabilities	27	**419**	442
Interest cost on pension obligations	25	**12**	13
Interest on bank overdraft and loans		**3**	–
Other interest payable		**52**	149
Total		**486**	604

7. Taxation

a) Tax charge for the year

	Notes	**Year ended 28 February 2022 £'000**	Year ended 28 February 2021 £'000
Current taxation			
UK corporation tax			
Current year		**3,243**	2,865
Adjustment in respect of prior years		**(89)**	(73)
Overseas taxation			
Current year		**3,310**	1,742
Adjustment in respect of prior years		**(84)**	362
		6,380	4,896
Deferred tax	17		
UK			
Origination and reversal of temporary differences		**(926)**	(683)
Adjustment in respect of prior years		**317**	–
Tax rate adjustment		**144**	132
Overseas			
Origination and reversal of temporary differences		**(819)**	(302)
Adjustment in respect of prior years		**195**	(391)
		(1,089)	(1,244)
Total taxation expense		**5,291**	3,652

7. Taxation continued

b) Factors affecting tax charge for the year

The tax on the Group's profit before tax differs from the standard rate of corporation tax in the United Kingdom of 19.00% (2021: 19.00%). The reasons for this are explained below:

	Year ended 28 February 2022 £'000	%	Year ended 28 February 2021 £'000	%
Profit before taxation	**22,181**	**100.0**	17,349	100.0
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	**4,214**	**19.0**	3,296	19.0
Effects of:				
Non-deductible revenue expenditure	**16**	**0.1**	80	0.5
Non-taxable income	**(383)**	**(1.7)**	(131)	(0.8)
Movement in unrecognised temporary differences	**–**	**–**	(52)	(0.3)
Different rates of tax in foreign jurisdictions	**946**	**4.3**	444	2.6
Tax losses	**(212)**	**(1.0)**	217	1.2
Movement in deferred tax rate	**144**	**0.7**	132	0.8
Adjustment to tax charge in respect of prior years				
Current tax	**(173)**	**(0.8)**	289	1.7
Deferred tax	**512**	**2.3**	(391)	(2.3)
Tax charge for the year before disallowable costs on highlighted items	**5,064**	**22.9**	3,884	22.4
Highlighted items				
Disallowable costs	**227**	**1.0**	38	0.2
Disallowable credits	**–**	**–**	(270)	(1.6)
Tax charge for the year	**5,291**	**23.9**	3,652	21.0

Different rates of tax in foreign jurisdictions is where we are paying tax at higher rates in the US and Australia as well as paying state taxes in the US.

Tax losses relate to the recognition of previously unrecognised tax losses or losses in the year that have not been recognised as deferred tax assets.

Adjustments to prior periods primarily arise where an outcome is obtained on certain tax matters which differs from expectations held when the related provision was made. Where the outcome is more favourable than the provision made, the difference is released, lowering the current year tax charge. Where the outcome is less favourable than our provision, an additional charge to current year tax will occur.

For the year ended 28 February 2021 the disallowable credits relate to the US Government Paycheck Protection Program grant.

We are not aware of any significant unprovided exposures that are considered likely to materialise.

c) Factors affecting tax charge for future years

Factors which may affect the future tax charges includes changes in tax legislation, transfer pricing regulations and the level and mix of profitability in different countries.

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This increased the Group's current tax charge and decreased the net deferred tax asset by £144,000.

d) Tax effects of components of other comprehensive income

	Before tax 2022 £'000	Tax charge 2022 £'000	After tax 2022 £'000	Before tax 2021 £'000	Tax charge 2021 £'000	After tax 2021 £'000
Exchange difference on translating foreign operations	**1,497**	**–**	**1,497**	(2,877)	–	(2,877)
Remeasurements on the defined benefit pension scheme	**(12)**	**2**	**(10)**	110	(21)	89
Other comprehensive income	**1,485**	**2**	**1,487**	(2,767)	(21)	(2,788)

8. Dividends

	Year ended 28 February 2022 £'000	Year ended 28 February 2021 £'000
Amounts paid in the year		
Prior period 7.58p final dividend per share (2021: –p)	**6,141**	–
Prior period 9.78p special dividend per share for the year (2021: –p)	**7,923**	–
Interim 1.34p dividend per share (2021: 1.28p)	**1,093**	1,045
Total dividend payments in the year	**15,157**	1,045
Amounts arising in respect of the year		
Interim 1.34p dividend per share for the year (2021: 1.28p)	**1,093**	1,045
Proposed 9.40p final dividend per share for the year (2021: 7.58p)	**7,671**	6,182
Proposed –p special dividend per share for the year (2021: 9.78p)	**–**	7,976
Total dividend 10.74p per share for the year (2021: 18.64p)	**8,764**	15,203

The Directors are recommending a final dividend of 9.40 pence per share, which, subject to Shareholder approval at the Annual General Meeting, will be paid on 26 August 2022 to Shareholders on the register at close of business on 29 July 2022.

For the year ended 29 February 2020, Bloomsbury made a bonus issue to Shareholders in lieu of, and with a value equivalent to, it's proposed final cash dividend of 6.89 pence per ordinary share.

9. Earnings per share

The basic earnings per share for the year ended 28 February 2022 is calculated using a weighted average number of Ordinary shares in issue of 81,532,620 (2021: 80,867,938) after deducting shares held by the Employee Benefit Trust.

The diluted earnings per share is calculated by adjusting the weighted average number of Ordinary shares to take account of all dilutive potential Ordinary shares, which are in respect of unexercised share options and the Performance Share Plan.

	Year ended 28 February 2022 Number	Year ended 28 February 2021 Number
Weighted average shares in issue	**81,532,620**	80,867,938
Dilution	**1,530,573**	1,082,577
Diluted weighted average shares in issue	**83,063,193**	81,950,515
	£'000	£'000
Profit after tax attributable to owners of the Company	**16,890**	13,697
Basic earnings per share	**20.72p**	16.94p
Diluted earnings per share	**20.33p**	16.71p
	£'000	£'000
Adjusted profit attributable to owners of the Company	**21,548**	15,310
Adjusted basic earnings per share	**26.43p**	18.93p
Adjusted diluted earnings per share	**25.94p**	18.68p

Adjusted profit is derived as follows:

	Year ended 28 February 2022 £'000	Year ended 28 February 2021 £'000
Profit before taxation	**22,181**	17,349
Amortisation of acquired intangible assets	**2,835**	1,809
Other highlighted items	**1,715**	(5)
Adjusted profit before tax	**26,731**	19,153
Tax expense	**5,291**	3,652
Deferred tax movements on goodwill and acquired intangible assets	**(207)**	(41)
Tax expense on other highlighted items	**99**	232
Adjusted tax	**5,183**	3,843
Adjusted earnings	**21,548**	15,310

The Group includes the benefit of tax amortisation of intangible assets within adjusted tax as this benefit more accurately aligns the adjusted tax charge with the expected cash tax payments.

10. Business combinations

Head of Zeus Limited

On 2 June 2021 the Group acquired the issued share capital of Head of Zeus Limited ("HoZ"). The consideration, net of pre-existing third party loans is £7.0 million, of which £5.5 million was satisfied in cash at completion, with £1.1 million paid in cash post completion, and £0.4 million of deferred consideration payable in cash subject to achievement of Netflix release targets. The latter element is discounted.

HoZ is an independent publisher of genre fiction and narrative non-fiction and children's books, based in London. It has published many bestsellers, won literary prizes and industry awards. The business will operate within Bloomsbury's Consumer division.

The table below summarises the fair values to the Group included in the consolidated financial statements of the major categories of assets and liabilities of HoZ at the date of acquisition.

Net assets acquired	Fair value to the Group £'000
Assets	
Other intangible assets	2,800
Property, plant and equipment	52
Right-of-use assets	275
Deferred tax assets	130
Total non-current assets	3,257
Inventories	2,202
Trade and other receivables	6,654
Cash and cash equivalents	37
Total current assets	8,893
Total assets	12,150
Liabilities	
Deferred tax liabilities	700
Lease liabilities	137
Total non-current liabilities	837
Trade and other liabilities	3,578
Borrowings	1,097
Lease liabilities	165
Current tax liabilities	51
Total current liabilities	4,891
Total liabilities	5,728
Identifiable net assets	6,422
Goodwill	579
Total	7,001

Identifiable intangible assets of £2,800,000 consist of publishing rights and imprints. The publishing rights have a useful life of 8 years and imprints have a useful life of 8 years. The goodwill arising of £579,000 is attributable to the expected profitability of the acquired business and the synergies expected to arise after the acquisition.

The gross contractual trade and other receivables at acquisition is £6,691,000 of which, as at the acquisition date, £37,000 is the best estimate of the contractual cash flows that are not expected to be collected.

Transaction costs of £242,000 have been expensed in the year within administrative expenses.

From 2 June 2021, revenue of £9.0 million and profit attributable to owners of the Company of £0.1 million have been included in the consolidated income statement for the period ended 28 February 2022 in relation to HoZ.

If the acquisition had occurred on 1 March 2021 the revenue and profit attributable to shareholders of the combined entity for the current period would have been £11.5 million and £0.2 million respectively. These pro forma amounts do not include any possible synergies from the acquisition. The pro forma information is provided for comparative purposes only and does not necessarily reflect the actual results that would have occurred, nor is it necessarily indicative of future results of operations of the combined companies.

10. Business combinations continued

ABC - CLIO, LLC

On 15 December 2021 the Group acquired the members' interest of ABC – CLIO, LLC ("ABC-CLIO"). The consideration, is £16.7 million, of which £16.6 million was satisfied in cash at completion, with £0.1 million payable in cash post completion, subject to working capital and other considerations.

ABC-CLIO is an established academic publisher of reference, nonfiction, online curriculum and professional development materials in both print and digital formats for schools, academic libraries and public libraries, primarily in the USA. This acquisition further strengthens Bloomsbury Digital Resources and significantly accelerates Bloomsbury's academic publishing in North America, growing international revenues. ABC-CLIO will operate within Bloomsbury's Academic & Professional division.

The table below summarises the provisional fair values to the Group included in the consolidated financial statements of the major categories of assets and liabilities of ABC-CLIO at the date of acquisition.

Net assets acquired	Provisional fair value to the Group £'000
Assets	
Other intangible assets	16,572
Property, plant and equipment	284
Right-of-use assets	357
Deferred tax assets	962
Total non-current assets	18,175
Inventories	552
Trade and other receivables	3,354
Cash and cash equivalents	342
Total current assets	4,248
Total assets	22,423
Liabilities	
Lease liabilities	184
Total non-current liabilities	184
Trade and other liabilities	7,564
Lease liabilities	173
Current tax liabilities	254
Total current liabilities	7,991
Total liabilities	8.175
Identifiable net assets	14,248
Goodwill	2,497
Total	16,745

Identifiable intangible assets of £16,572,000 consist of publishing rights, imprints and product development. The publishing rights have a useful life of 6-7 years, imprints have a useful life of 7 years and product development have a useful life of 10 years. The goodwill arising of £2,497,000 is attributable to the expected profitability of the acquired business and the synergies expected to arise after the acquisition.

The gross contractual trade and other receivables at acquisition is £3,445,000 of which, as at the acquisition date, £91,000 is the best estimate of the contractual cash flows that are not expected to be collected.

Transaction costs of £630,000 have been expensed in the year within administrative expenses.

From 16 December 2021, revenue of £2.2 million and profit attributable to owners of the Company of £0.4 million have been included in the consolidated income statement for the period ended 28 February 2022 in relation to ABC-CLIO.

If the acquisition had occurred on 1 March 2021 the revenue and profit attributable to shareholders of the combined entity for the current period would have been £10.9 million and £1.3 million respectively. These pro forma amounts do not include any possible synergies from the acquisition. The pro forma information is provided for comparative purposes only and does not necessarily reflect the actual results that would have occurred, nor is it necessarily indicative of future results of operations of the combined companies.

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11. Rights to Assets

Red Globe Press

On 23 April 2021, the Group announced the acquisition of certain assets of Red Globe Press ("RGP"), the academic imprint, from Macmillan Education Limited, a part of Springer Nature Group. The transaction completed on 1 June 2021. The consideration was £3.2 million, of which £1.8 million was satisfied in cash at completion and £1.3 million was satisfied in cash post completion during the year, with an expected further £0.1 million to be satisfied post-year end subject to assignment of certain contracts.

RGP specialises in high-quality publishing for Higher Education students globally in Humanities and Social Sciences, Business and Management, and Study Skills. RGP has a backlist of more than 7,000 titles and publishes more than 100 new titles per year, with content including digital platforms, textbooks, research-driven materials and general academic publishing. The acquired RGP titles are a good strategic fit, strengthen Bloomsbury's existing academic publishing, and establish new areas of academic publishing in Business and Management, Study Skills and Psychology. RGP's three digital products will be migrated to Bloomsbury Digital Resources' own platform and its content added to Bloomsbury Collections. The assets will operate within Bloomsbury's Academic & Professional division. There are opportunities for profit enhancements following the integration of the assets into Bloomsbury.

The Group has taken on Inventories, Advances and intangible assets associated with taking on the titles and digital products. No cash or trade receivables transferred as part of the acquisition.

12. Goodwill

	28 February 2022 £'000	28 February 2021 £'000
Cost		
At start of year	**48,947**	49,293
Acquisitions	**3,076**	–
Exchange differences	**149**	(346)
At end of year	**52,172**	48,947
Impairment		
At start of year	**4,259**	4,263
Exchange differences	**3**	(4)
At end of year	**4,262**	4,259
Net book value		
At end of year	**47,910**	44,688
At start of year	**44,688**	45,030

Goodwill is not amortised, but instead is subject to annual impairment reviews. Any impairment losses are recognised immediately in the income statement.

Management has aligned the monitoring of goodwill to how it reviews the performance of the business. Goodwill is monitored by management at the publishing division level. The following is a summary of goodwill allocation for each publishing division:

	28 February 2022 £'000	28 February 2021 £'000
Children's Trade	**1,767**	1,695
Adult Trade	**2,819**	2,151
Academic & Professional	**38,371**	35,889
Special Interest	**4,953**	4,953
Total	**47,910**	44,688

12. Goodwill continued

Impairment testing

The recoverable amount of the Group's goodwill has been considered with regard to value-in-use calculations. These calculations use the pre-tax future cash flow projections of each cash-generating unit ("CGU") based on the Board's approved budgets for the year ended 28 February 2023 and the Board-approved five-year plan. The calculations include a terminal value based on the projections for the final year of the five-year plan with a long-term growth rate assumption applied.

The key assumptions for calculating value in use are:

	Discount rates		CAGR – Revenue		Long-term growth	
	2022	2021	**2022**	2021	**2022**	2021
	%	%	**%**	%	**%**	%
Children's Trade	**11.6**	10.6	**2.2**	0.3	**2.0**	1.8
Adult Trade	**11.7**	10.6	**9.9**	10.8	**2.0**	1.8
Academic & Professional	**11.2**	10.2	**9.9**	3.9	**2.0**	1.8
Special Interest	**12.5**	11.4	**6.2**	2.7	**2.0**	1.8

Discount rates

The discount rates applied to the cash flows are calculated using a pre-tax rate based on the weighted average cost of capital for the Group. This is adjusted for risks specific to the market in which the CGU operates.

Revenue growth rates

Growth rates have been calculated based on those applied to the Board-approved budget for the year ended 28 February 2023 and five-year plan. They incorporate future expectations of growth in backlist revenues and strategic plan for each publishing division.

The five-year forecasts are extrapolated to perpetuity on the basis that the relevant CGUs are long-established business units. The long-term growth rates are blended rates formed from the territory-specific long-term growth rates.

Gross margins

Gross margins have been based on historic performance and expected changes to the sales mix in future periods.

Sensitivity

The Group has not identified any reasonably possible changes to key assumptions that would cause the carrying value of goodwill of the Children's Trade and Adult Trade CGUs to exceed its recoverable amount.

Academic & Professional has by far the largest goodwill and non-current assets. This division is progressing with its Bloomsbury Digital Resources strategy to leverage our academic and professional IP assets into the academic library market, growing more high-quality digital subscription income. This strategy includes successfully integrating recent acquisitions. There is therefore a risk in the medium term if this strategy does not succeed. However, current progress on this strategy is very good. A 2.5% increase in the discount rate would not give rise to an impairment (2021: 2.5% increase, no impairment). A 2.5% absolute reduction in the Compound annual growth rate for revenue ("CAGR") to 7.4% would give rise to a £5.2 million impairment (2021: a 2.5% absolute reduction in the CAGR gives an impairment of £13.3 million). Reducing the long-term growth rate to 0% would not give rise to an impairment (2021: 0%, no impairment).

Special Interest has the second largest goodwill and non-current assets as a proportion of revenue. This division is progressing with the implementation of a new, more targeted publishing strategy and developing direct relationships with key subject communities. There is therefore a risk in the medium term if this strategy does not succeed. A 2.5% increase in the discount rate would not give rise to an impairment (2021: 2.5% increase, no impairment). A 2.5% absolute reduction in the CAGR to 3.7% would give rise to a £2.0 million impairment (2021: a 2.5% absolute reduction in the CAGR gives an impairment of £2.0 million). Reducing the long-term growth rate to 0% would not give rise to an impairment (2021: 0%, no impairment).

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13. Other intangible assets

	Publishing rights £'000	Imprints £'000	Subscriber and customer relationships £'000	Trademarks £'000	Systems development £'000	Product development £'000	Assets under construction £'000	Total £'000
Cost								
At 29 February 2020	17,892	8,090	4,417	262	8,813	13,528	672	53,674
Additions	1,474	–	–	18	891	2,503	392	5,278
Transfers	–	–	–	–	–	745	(745)	–
Disposals	–	–	–	–	(5)	–	–	(5)
Exchange differences	(142)	–	(26)	(11)	(26)	(56)	–	(261)
At 28 February 2021	19,224	8,090	4,391	269	9,673	16,720	319	58,686
Acquisitions[1]	12,373	5,499	–	–	–	1,668	–	19,540
Additions[2]	3,418	–	–	28	717	2,472	442	7,077
Transfers	–	–	–	–	–	371	(371)	–
Disposals	–	–	–	–	–	(3,009)	–	(3,009)
Exchange differences	2	(23)	12	6	12	28	–	37
At 28 February 2022	**35,017**	**13,566**	**4,403**	**303**	**10,402**	**18,250**	**390**	**82,331**
Amortisation								
At 29 February 2020	11,178	2,320	3,375	19	5,931	9,221	–	32,044
Disposals	–	–	–	–	(3)	–	–	(3)
Charge for the year	1,120	377	312	34	1,101	2,541	–	5,485
Exchange differences	(103)	–	(15)	–	(25)	(34)	–	(177)
At 28 February 2021	12,195	2,697	3,672	53	7,004	11,728	–	37,349
Disposals	–	–	–	–	–	(2,944)	–	(2,944)
Charge for the year	1,907	635	293	18	1,025	3,627	–	7,505
Exchange differences	52	–	7	1	12	26	–	98
At 28 February 2022	**14,154**	**3,332**	**3,972**	**72**	**8,041**	**12,437**	**–**	**42,008**
Net book value								
At 28 February 2022	**20,863**	**10,234**	**431**	**231**	**2,361**	**5,813**	**390**	**40,323**
At 28 February 2021	7,029	5,393	719	216	2,669	4,992	319	21,337

1 The acquisitions relate to the Head of Zeus Limited and ABC-CLIO, LLC business combinations, see note 10.

2 The addition of £2,846,000 Publishing Rights relates to the acquisition of assets of Red Globe Press on 1 June 2021. The addition of £572,000 Publishing Rights relates to the acquisition of assets of Contemporary Arts Media Pty. Ltd on 23 September 2021.

14. Investments

	28 February 2022 £'000	28 February 2021 £'000
Joint venture	**45**	162
Total	**45**	162

The amounts recognised in the Income Statement are as follows:

	28 February 2022 £'000	28 February 2021 £'000
Equity securities impairment	**–**	(300)
Joint venture	**(117)**	(110)
Total	**(117)**	(410)

The FVOCI equity investment in Cricket Properties was impaired in the prior year.

15. Property, plant and equipment

	Short leasehold improvements £'000	Furniture and fittings £'000	Computers and other office equipment £'000	Motor vehicles £'000	Total £'000
At 29 February 2020	2,929	996	2,834	35	6,794
Additions	4	37	381	–	422
Disposals	–	–	(3)	–	(3)
Exchange differences	(11)	(35)	(59)	(4)	(109)
At 28 February 2021	2,922	998	3,153	31	7,104
Acquisitions	44	105	187	–	336
Additions	19	197	428	–	644
Disposals	–	–	–	–	–
Exchange differences	5	15	25	1	46
At 28 February 2022	**2,990**	**1,315**	**3,793**	**32**	**8,130**
Depreciation					
At 29 February 2020	1,812	874	2,175	19	4,880
Charge for the year	125	59	289	–	473
Disposals	–	–	(1)	–	(1)
Exchange differences	(8)	(35)	(49)	(2)	(94)
At 28 February 2021	1,929	898	2,414	17	5,258
Charge for the year	129	54	329	–	512
Disposals	–	–	–	–	–
Exchange differences	4	16	21	–	41
At 28 February 2022	**2,062**	**968**	**2,764**	**17**	**5,811**
Net book value					
At 28 February 2022	**928**	**347**	**1,029**	**15**	**2,319**
At 28 February 2021	993	100	739	14	1,846

The depreciation charge is included in administrative expenses.

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16. Right-of-use assets

	Property £'000	Cars £'000	Equipment £'000	Total £'000
At 29 February 2020	14,973	90	51	15,114
Additions	–	67	44	111
Disposals	(170)	(5)	(42)	(217)
Exchange differences	(310)	–	–	(310)
At 28 February 2021	14,493	152	53	14,698
Acquisitions	580	–	52	632
Additions	216	33	116	365
Exchange differences	144	–	3	147
At 28 February 2022	**15,433**	**185**	**224**	**15,842**
Depreciation				
At 29 February 2020	1,687	45	39	1,771
Charge for the year	1,735	59	12	1,806
Disposals	(170)	(5)	(42)	(217)
Exchange differences	(95)	–	–	(95)
At 28 February 2021	3,157	99	9	3,265
Charge for the year	1,741	54	94	1,889
Exchange differences	59	–	1	60
At 28 February 2022	**4,957**	**153**	**104**	**5,214**
Net book value				
At 28 February 2022	**10,476**	**32**	**120**	**10,628**
At 28 February 2021	11,336	53	44	11,433

The depreciation charge is included in administrative expenses.

17. Deferred tax assets and liabilities

a) Recognised deferred tax assets and liabilities

Deferred tax is calculated in full on temporary differences using the tax rate appropriate to the jurisdiction in which the asset or liability arises and the tax rates that are expected to apply in the periods in which the asset or liability is settled.

Movement in temporary differences during the year:

	Tax losses £'000	Property, plant and equipment £'000	Retirement benefit obligation £'000	Share-based payments £'000	Intangible assets £'000	Other £'000	Total £'000
At 29 February 2020	274	218	65	282	(2,283)	1,853	409
Credit/(charge) to the income statement	65	191	(5)	67	(40)	966	1,244
Charge to other comprehensive income	–	–	(21)	–	–	–	(21)
Credit to equity	–	–	–	3	–	–	3
Exchange differences	(10)	–	–	–	–	(107)	(117)
At 28 February 2021	329	409	39	352	(2,323)	2,712	1,518
Recognised on acquisition	137	(7)	–	–	(700)	962	392
Credit/(charge) to the income statement	820	(283)	6	194	(257)	609	1,089
Credit to other comprehensive income	–	–	2	–	–	–	2
Credit to equity	–	–	–	408	–	–	408
Exchange differences	1	–	–	–	(18)	80	63
At 28 February 2022	**1,287**	**119**	**47**	**954**	**(3,298)**	**4,363**	**3,472**

17. Deferred tax assets and liabilities continued

Deferred tax assets in respect of losses are only recognised to the extent that it is anticipated they will be utilised in the foreseeable future.

The Other deferred tax asset predominantly relates to temporary differences i.e. valuation adjustments and return and inventory provisions held on the balance sheet recognised in the current tax calculation and tax return only when utilised. This predominantly relates to the US and UK.

b) The analysis for financial reporting purposes is as follows:

	28 February 2022 £'000	28 February 2021 £'000
Deferred tax assets	7,168	3,904
Deferred tax liabilities	(3,696)	(2,386)
Total	3,472	1,518

c) Unrecognised deferred tax assets

The Group had deferred tax assets not recognised in the financial statements as follows:

	28 February 2022 £'000	28 February 2021 £'000
Trading losses	1,679	1,751
Non-trading losses	–	–

At 28 February 2022, the Group had unrecognised trading losses of £6.7 million (2021: £8.9 million) and non-trading losses of approximately £nil (2021: £nil). A deferred tax asset has not been recognised in respect of these taxable losses carried forward. Due to the nature of these losses they cannot be offset against future Group profits.

Deferred tax is not provided on unremitted earnings of subsidiaries where the Group controls the timing of remittance and it is probable that the temporary difference will not reverse in the foreseeable future.

18. Inventories

	28 February 2022 £'000	28 February 2021 £'000
Work in progress	5,604	4,946
Finished goods for resale	28,212	21,828
Total	33,816	26,774

The cost of inventories recognised as cost of sales amounted to £49,017,000 (2021: £39,187,000). In addition to this, the provision and write-down of inventories to net realisable value recognised in cost of sales amounted to £10,192,000 (2021: £8,615,000).

19. Trade and other receivables

	28 February 2022 £'000	28 February 2021 £'000
Non-current		
Accrued income	923	1,005
Current		
Gross trade receivables	68,764	61,897
Less: loss allowance	(3,551)	(3,230)
Net trade receivables	65,213	58,667
Income tax recoverable	1,392	171
Other receivables	2,431	3,623
Prepayments	2,672	1,072
Accrued income	4,494	5,219
Royalty advances	28,677	24,790
Total current trade and other receivables	104,879	93,542
Total trade and other receivables	105,802	94,547

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19. Trade and other receivables continued

Non-current receivables relate to accrued income on long-term rights deals.

A provision is held against gross advances payable in respect of published title advances which may not be fully earned down by anticipated future sales. As at 28 February 2022, £7,145,000 (2021: £7,260,000) of royalty advances relate to titles expected to be published in more than 12 months' time. If anticipated future sales were 10% higher or lower, the provision would have been £0.2 million lower or higher.

Other receivables principally comprises VAT recoverable.

Trade receivables principally comprise amounts receivable from the sale of books due from distributors. The majority of trade debtors are secured by credit insurance and in certain territories by third-party distributors.

The Directors consider that the carrying amount of trade and other receivables approximates to their fair values. The Group's exposure to credit and currency risks is disclosed in note 26. The average number of days' credit taken for sales of books by the Group was 103 days (2021: 116 days).

A loss allowance is made with reference to specific debts, past default experience, trading history and the current economic environment. Movements on the Group loss allowance for trade receivables are as follows:

	28 February 2022 £'000	28 February 2021 £'000
At start of year	**3,230**	1,832
Acquired	**128**	–
Amounts created	**1,134**	2,117
Amounts utilised	**(459)**	(515)
Amounts released	**(488)**	(183)
Exchange differences	**6**	(21)
At end of year	**3,551**	3,230

20. Trade and other liabilities

	28 February 2022 £'000	28 February 2021 £'000
Current		
Trade payables	**30,245**	23,680
Sales returns liability	**15,292**	12,345
Taxation and social security	**2,018**	967
Other payables	**4,901**	3,615
Accruals	**41,496**	29,006
Deferred income	**9,076**	4,728
Total current trade and other liabilities	**103,028**	74,341
Total trade and other liabilities	**103,028**	74,341

Trade payables are non-interest bearing and are normally settled on terms of between 30 and 90 days.

If actual returns were 10% higher or lower in the year revenue would have been £1.5 million lower/higher (2021: £1.5 million lower/higher).

Other payables principally comprises sub rights payable to authors. Accruals are higher than last year due to the higher royalty accrual, up £4.8 million, and the £5.3 million employee bonus payable for the year (2021: £2.6 million).

21. Loans and borrowings

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Liability		Equity			
	Lease liability £'000	Bank overdrafts used for cash management purposes £'000	Share capital/ share premium £'000	Other reserves £'000	Retained earnings £'000	Total £'000
Balance at 28 February 2021	12,943	–	48,339	16,253	103,657	181,192
Changes from financing cash flows						
Dividend paid	–	–	–	–	(15,157)	(15,157)
Purchase of shares by the Employee Benefit Trust	–	–	–	(4,489)	–	(4,489)
Proceeds from exercise of share options	–	–	–	2,084	(2,050)	34
Repayment of borrowings	–	(1,097)	–	–	–	(1,097)
Repayment of lease liabilities	(1,862)	–	–	–	–	(1,862)
Interest paid	(419)	(55)	–	–	–	(474)
Total changes from financing cash flows	(2,281)	(1,152)	–	(2,405)	(17,207)	(23,045)
Other changes						
Liability-related						
Borrowings recognised on acquisition	–	1,097	–	–	–	1,097
Right-of-use asset additions	1,024	–	–	–	–	1,024
Foreign exchange movements	121	–	–	–	–	121
Interest expense	419	55	–	–	–	474
Total liability-related other changes	1,564	1,152	–	–	–	2,716
Total equity-related other changes	–	–	–	3,044	17,288	20,332
Balance at 28 February 2022	**12,226**	**–**	**48,339**	**16,892**	**103,738**	**181,195**

	Liability		Equity			
	Lease liability £'000	Bank overdrafts used for cash management purposes £'000	Share capital/ share premium £'000	Other reserves £'000	Retained earnings £'000	Total £'000
Balance at 1 March 2020	14,530	–	40,330	17,285	92,058	164,203
Changes from financing cash flows						
Dividend paid	–	–	–	–	(1,045)	(1,045)
Proceeds from share issue	–	–	7,978	–	–	7,978
Proceeds from exercise of share options	–	–	–	1,298	(1,114)	184
Purchase of shares by the Employee Benefit Trust	–	–	–	(674)	–	(674)
Repayment of lease liabilities	(1,451)	–	–	–	–	(1,451)
Interest paid	(442)	(149)	–	–	–	(591)
Total changes from financing cash flows	(1,893)	(149)	7,978	624	(2,159)	4,401
Other changes						
Liability-related						
Right-of-use asset additions	111	–	–	–	–	111
Foreign exchange movements	(247)	–	–	–	–	(247)
Interest expense	442	149	–	–	–	591
Total liability-related other changes	306	149	–	–	–	455
Total equity-related other changes	–	–	31	(1,656)	13,758	12,133
Balance at 28 February 2021	**12,943**	**–**	**48,339**	**16,253**	**103,657**	**181,192**

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22. Provisions

	Author advances £'000	Property £'000	Total £'000
At 28 February 2021	513	255	768
Created in the year	225	65	290
Released in the year	(5)	–	(5)
Utilised in the year	(186)	–	(186)
Exchange difference	18	–	18
28 February 2022	**565**	**320**	**885**
Non-current	–	297	297
Current	565	23	588

The property provision includes amounts provided for dilapidations. The author advance provision is a provision against future cash outflows on published titles where the Group does not expect to fully recover the advance. The timing of cash flows for onerous lease commitments is dependent on the terms of the leases.

23. Share capital and other reserves

Share capital

	28 February 2022 £'000	28 February 2021 £'000
Authorised:		
108,811,552 Ordinary shares of 1.25p each (2021: 105,459,997 Ordinary shares of 1.25p each)	**1,360**	1,318
Allotted, called up and fully paid:		
81,608,672 Ordinary shares of 1.25p each (2021: 81,608,672 Ordinary shares of 1.25p each)	**1,020**	1,020

The Company has one class of Ordinary share that carries equal voting rights and no contractual right to receive payment. No shares are held by the Company as Treasury shares. Directors and other employees of the Group have been granted options to purchase 2,162,194 (2021: 2,102,693) Ordinary shares with an aggregate nominal value of £27,027 (2021: £26,284) (see note 24).

Share premium

This reserve records the amount above nominal value received for shares sold less transaction costs.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial information of foreign operations.

Merger reserve

The merger reserve comprises the amount that would otherwise arise in share premium relating to specific share issue, wherein more than 90% of the shares in a subsidiary are acquired and the consideration includes the issue of new shares by the Company, thereby attracting merger relief under the Companies Act 2006.

Capital redemption reserve

The capital redemption reserve arose on the purchase by the Company of its own shares and comprises the amount by which the distributable profits were reduced on these transactions.

Share-based payment reserve

The share-based payment reserve comprises cumulative amounts charged in respect of employee share-based payment arrangements.

Own shares held by the Employee Benefit Trust

The Employee Benefit Trust ("EBT") is an independent discretionary trust established to acquire issued shares of the Company to satisfy any of the share-based incentive schemes (see note 24) and plans of the Company. All employees of the Group are potential beneficiaries of the EBT. The results and net assets of the EBT are included in the consolidated financial statements of the Group.

The market value of the 710,293 shares of the Company held at 28 February 2022 (2021: 57,480) in the EBT was £2,890,893 (2021: £154,046). While the trustee has power to subscribe for Ordinary shares and to acquire Ordinary shares in the market or from Treasury, it is not permitted to hold more than 5% of the issued share capital without prior approval of the Shareholders.

As at the date of signing this Annual Report, the Trust held 710,293 Ordinary shares of 1.25 pence being approximately 0.9% of the issued Ordinary share capital.

Retained earnings

The retained earnings reserve comprises profit for the year attributable to owners of the Company and other items recognised directly through equity as presented on the consolidated statement of changes in equity.

24. Share-based payments

Options over shares of the ultimate parent undertaking, Bloomsbury Publishing Plc, have been granted to employees of the Group under various schemes.

The total share-based payment charge to the income statement for the year was as follows:

	28 February 2022 £'000	28 February 2021 £'000
Equity-settled share-based transactions	1,547	1,221
Cash-settled share-based transactions	507	195
Total	**2,054**	1,416

National Insurance contributions are payable by the Company in respect of some of the share-based payment transactions. These contributions are payable on the date of exercise based on the intrinsic value of the share-based payments and are therefore treated as cash-settled awards. The Group had an accrual for National Insurance at 28 February 2022 of £483,000 (2021: £253,000), of which none related to vested options.

a) The Bloomsbury Performance Share Plan ("the PSP")

The Group operates the PSP for Directors and senior employees. Awards under the scheme are granted as conditional share awards. The number of Ordinary shares comprised in an award is calculated using a share value equal to the closing middle-market price on the dealing day before the award date.

The vesting period is three years and for awards granted during the year ended February 2019 and 2020, 50% of the level of vesting is subject to the achievement of Earnings Per Share ("EPS"). The other 50% is subject to a Return on Capital Employed ("ROCE") performance condition. For awards granted during the year ended February 2021 the award is subject to the following performance conditions; EPS (60%), Non-Consumer operating profit (15%), Consumer operating profit (15%) and BDR revenue (10%). For details of the performance conditions see the Directors' Remuneration Report on pages 124 to 144. Awards are not exercisable after the vesting date and awards that vest on the vesting date are automatically exercised. Except in certain circumstances awards lapse if the employee leaves the Group.

	Year ended 28 February 2022 Number	Year ended 28 February 2021 Number
Outstanding at start of year	1,572,390	1,769,210
Granted during the year	489,116	592,154
Exercised during the year	(525,412)	(530,624)
Lapsed during the year	–	(258,350)
Outstanding at end of year	**1,536,094**	1,572,390
Exercisable at end of year	**505,622**	525,412

	Year ended 28 February 2022	Year ended 28 February 2021
Range of exercise price of outstanding awards (pence)	–	–
Weighted average remaining contracted life (months)	17	18
Expense recognised for the year (£'000)	1,906	1,337

The share awards granted in the year to 28 February 2022 have been measured based on the share price at the date of grant as they are only subject to non-market conditions. The inputs were:

Performance condition	**All**
Share price	351 pence
Exercise price	–
Expected term	3 years
Expected volatility	42.95%
Risk-free interest rate	0.17%
Fair value charge per award	271 – 351 pence

This award is subject to the following performance conditions; EPS (60%), Non-Consumer operating profit (15%), Consumer operating profit (15%) and BDR revenue (10%).

The awards for Executive Directors only will be subject to clawback provisions and to a two-year post-vesting holding period.

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24. Share-based payments continued

b) The Bloomsbury Sharesave Plan 2014

The Group operates an HM Revenue and Customs approved savings-related share option scheme under which employees are granted options to purchase Ordinary shares in the Company in three years' time, dependent upon their entering into a contract to make monthly contributions to a savings account over the period of the savings term. The Sharesave Plan is open to all UK employees.

	Share options 2022 Number	**Weighted average exercise price 2022 Pence**	Share options 2021 Number	Weighted average exercise price 2021 Pence
Outstanding at start of year	**530,303**	**174**	359,050	164
Granted during the year	**170,772**	**280**	327,035	169
Exercised during the year	**(21,173)**	**161**	(133,299)	137
Lapsed during the year	**(53,802)**	**183**	(22,483)	143
Outstanding at end of year	**626,100**	**276**	530,303	174
Exercisable at end of year	**1,310**	**137**	9,432	137

	2022	2021
Range of exercise price of outstanding options (pence)	**137–280**	137–185
Weighted average remaining contracted life (months)	**18**	25
Expense recognised for the year (£'000)	**148**	79

25. Retirement benefit obligations

Pension costs

The pension costs charged to the income statement of £1,773,000 (2021: £1,688,000) relate to the Group's defined contribution and defined benefit pension arrangements.

Defined contribution plans

The Group operates defined contribution retirement benefit plans for all qualifying employees.

The total cost charged to the income statement of £1,759,000 (2021: £1,670,000) represents contributions payable to these schemes by the Group at rates specified in the rules of the schemes. At 28 February 2022, there were £nil prepaid contributions (28 February 2021: £nil). At 28 February 2022, there were £262,000 outstanding contributions (28 February 2021: £208,000).

Defined benefit plan

A subsidiary company operates a defined benefit scheme for some staff which is accounted for in accordance with IAS 19. Accrual of benefits ceased in 1997, with the scheme now operated as a closed fund. There is no obligation in respect of medical costs. The scheme is actuarially valued every three years. The last full actuarial valuation was carried out as at 28 February 2021 by a qualified independent actuary.

Contributions were paid by the employer at the rate of £6,800 per month up until April 2021, plus expenses as and when required. Contributions paid to the scheme during the year were £41,000 (2021: £79,000). As the scheme has an excess of assets compared to the scheme liabilities the Directors' best estimate of the contributions to be paid by the Group to the plan for the period commencing 1 March 2022 in respect of the deficit repair contributions is £nil. The Group will also pay contributions equal to the expense amount incurred over the period, which is estimated to be £13,000. In addition, PPF levies and other administration expenses are payable by the Group as and when due. At 28 February 2022, there were £nil prepaid or outstanding contributions (28 February 2021: £nil).

As the scheme has an excess of assets compared to scheme liabilities at the current year end, the Group has sought legal advice on the application of the asset ceiling and concluded that adjustments are required for this scheme. As a result, IFRRIC 14 applies and an asset ceiling adjustment has been recognised.

25. Retirement benefit obligations continued

The financial assumptions used by the actuary for the update were as follows:

	28 February 2022 £'000	28 February 2021 £'000	29 February 2020 £'000
Discount rate	**2.60%**	2.10%	1.70%
Inflation assumption	**2.80–3.70%**	2.30–3.20%	2.10–2.90%

The scheme is closed and there are no active paying members, therefore no increases in payments have been applied. The assumptions used are estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily occur in practice.

The mortality assumptions adopted at 28 February 2022 are 90% of the standard tables S2PxA, year of birth, no age rating for males and females, projected using CMI_2020 converging to 1.50% p.a. These imply the following life expectancies:

	28 February 2022 Years	28 February 2021 Years
Male retiring in 2041	**24.5**	24.5
Female retiring in 2041	**26.6**	26.6
Male retiring in 2021	**22.8**	22.8
Female retiring in 2021	**24.8**	24.8

The amounts recognised in the income statement in respect of the defined benefit scheme are as follows:

	Year ended 28 February 2022 £'000	Year ended 28 February 2021 £'000
Interest cost	**(12)**	(13)
Interest income	**13**	10
Expenses	**(15)**	(15)
Total	**(14)**	(18)

A charge of £12,000 (2021: £13,000) has been included in finance costs and a credit of £13,000 (2021: £10,000) has been included in finance income.

The amounts recognised in other comprehensive income in respect of the defined benefit scheme are as follows:

	Year ended 28 February 2022 £'000	Year ended 28 February 2021 £'000
Return on pension plan assets (excluding amounts included in interest income)	**(2)**	12
Experience gains and losses arising on the defined benefit obligation – (loss)/gain	**(12)**	98
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation – gain	**56**	49
Total actuarial gains and losses (before restrictions due to some of the surplus not being recognisable) – gain	**42**	159
Effect of asset ceiling (excluding amounts included in net interest cost) – loss	**(54)**	(49)
Total	**(12)**	110

25. Retirement benefit obligations continued

The amount included in the statement of financial position arising from the Group's obligation in respect of the defined benefit pension scheme is as follows:

	28 February 2022 £'000	28 February 2021 £'000
Fair value of assets (with profit policy)	**655**	619
Present value of defined benefit obligations	**(551)**	(584)
Surplus in scheme	**104**	35
Impact of asset ceiling	**(104)**	(49)
Liability to be recognised	**–**	(14)
Deferred tax assets	**–**	3
Net liability to be recognised	**–**	(11)
Analysis for reporting purposes:		
Non-current liabilities	**–**	(14)
Deferred tax assets	**–**	3

Reconciliation of the impact of the asset ceiling is as follows:

	Year ended 28 February 2022 £'000	Year ended 28 February 2021 £'000
Impact of asset ceiling at the start of the year	**49**	–
Interest income	**1**	–
Actuarial losses on asset ceiling	**54**	49
Impact of asset ceiling at the end of the year	**104**	49

Movements in the present value of defined benefit obligations in the year were as follows:

	Year ended 28 February 2022 £'000	Year ended 28 February 2021 £'000
At start of year	**(584)**	(818)
Expenses	**(15)**	(15)
Interest cost	**(12)**	(13)
Benefits paid and expenses	**16**	115
Remeasurement gains	**44**	147
At end of year	**(551)**	(584)

Movements in the fair value of scheme assets in the year were as follows:

	Year ended 28 February 2022 £'000	Year ended 28 February 2021 £'000
At start of year	**619**	633
Interest income	**13**	10
Return on plan assets (excluding amounts included in interest income)	**(2)**	12
Employer contributions	**41**	79
Benefits paid and expenses	**(16)**	(115)
At end of year	**655**	619

The actual return on scheme assets was £11,000 (2021: £22,000).

25. Retirement benefit obligations continued

Assets

	28 February 2022 £'000	28 February 2021 £'000	28 February 2020 £'000
With profits	**655**	619	633
Total assets	**655**	619	633

None of the fair values of the assets shown above include any direct investments in the Company's own financial instruments or any property occupied by, or other assets used by, the Company. The scheme assets are held in a With-Profits insurance policy.

26. Financial instruments and risk management

Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to Shareholders as well as sustaining the future development of the business. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to Shareholders and issue new shares. The Group's overall strategy remains unchanged from 2021.

The capital structure of the Group comprises equity attributable to owners of the Company, comprising issued capital, reserves and retained earnings as disclosed in the consolidated statement of changes in equity and note 23.

Categories of financial instruments

	Notes	28 February 2022 £'000	28 February 2021 £'000
Investments available for sale			
Joint venture	14	**45**	162
Total investments available for sale		**45**	162
Loans and receivables			
Cash and cash equivalents		**41,226**	54,466
Trade receivables	19	**65,213**	58,667
Accrued income	19	**5,417**	6,224
Total loans and receivables		**111,856**	119,357
Financial liabilities measured at amortised cost			
Trade payables	20	**30,245**	23,680
Other payables due in less than one year		**6,919**	4,582
Sales returns liability	20	**15,292**	12,345
Accruals	20	**41,496**	29,006
Lease liabilities	27	**12,226**	12,943
Total financial liabilities measured at amortised cost		**106,178**	82,556
Net financial instruments		**5,723**	36,963

There is no material difference between the fair value and book value of financial assets and liabilities.

Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance from the key risks of market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Board has approved the Group Treasury policies and procedures by which the Group Treasury function is to be managed. The Group Treasury function is headed by the Group Finance Director and is part of Bloomsbury's Finance Department. It operates under a delegated authority from the Board.

The Treasury management policies and procedures focus on the investment of surplus operating cash likely to be needed in order to support Bloomsbury's ongoing operations, foreign currency requirements and interest rate risk management. The Group does not use derivative contracts for speculative purposes. The policies are reviewed at least on an annual basis by the Group Finance Director and any amendments are approved by the Board. The Board is assisted in its oversight role by Internal Audit, which undertakes regular reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

26. Financial instruments and risk management continued

a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group's activities expose it mainly to the financial risks of changes in foreign currency exchange rates and changes in interest rates. The Group incurs costs in the same currencies as it earns revenue, creating some degree of natural hedging.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by Group Treasury under policies approved by the Board of Directors. Group Treasury monitors the distribution of its cash assets so as to control exposure to the relative performance of any particular territory, currency or institution.

The Board provides written principles for overall risk management, as well as policies covering specific areas, such as funding, foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

(i) Interest rate risk

The Group has significant interest-bearing assets in the form of cash and cash equivalents, and as such, cash flows are dependent on changes in market interest rates.

Interest rate profile of financial instruments

	28 February 2022 £'000	28 February 2021 £'000
Fixed rate instruments		
Financial assets	**1,706**	3,519
Financial liabilities	**–**	–
Total	**1,706**	3,519
Variable rate instruments		
Financial assets	**39,521**	50,947
Financial liabilities	**–**	–
Total	**39,521**	50,947

Fixed rate financial assets are short-term bank deposits with a maturity date range of one day to one month. Variable rate financial assets are cash at bank.

Fair value sensitivity analysis for fixed rate financial instruments

The Group does not account for any fixed rate financial assets at fair value through profit or loss. Therefore, a change in interest rates at 28 February 2022 would not affect the income statement.

Cash flow sensitivity analysis for variable rate financial instruments

The Group derived the following sensitivities to assess the impact of changes in interest rates, based on the effect of the market volatility in the current climate and the previous 12 months. The analysis assumes all other variables remain constant.

	28 February 2022		28 February 2021	
	Profit or loss £'000	**Equity £'000**	Profit or loss £'000	Equity £'000
Impact on profit or loss and equity				
1% increase in base rate of interest (2021: 1%)	**363**	**–**	322	–
0.5% decrease in base rate of interest (2021: 0.5%)	**(184)**	**–**	(166)	–

(ii) Currency risk

The Directors believe that in its current circumstances, the Group's risk from foreign currency exposure is limited and no active currency risk management by hedging is considered necessary, as a significant proportion of revenues is matched by expenditure in the same local currency, creating some degree of natural hedging.

26. Financial instruments and risk management continued

The Group's exposure to foreign currency risk was as follows based on notional amounts:

	Loans and receivables		Financial liabilities	
	28 February 2022 £'000	28 February 2021 £'000	**28 February 2022 £'000**	28 February 2021 £'000
GBP	**59,358**	75,747	**69,939**	56,739
USD	**44,646**	32,732	**27,881**	20,123
EURO	**1,217**	690	**675**	246
AUD	**4,212**	8,043	**6,058**	4,577
INR	**2,423**	2,145	**1,625**	871
Total	**111,856**	119,357	**106,178**	82,556

No significant amounts of loans and receivables or financial liabilities are denominated in currencies other than sterling, US dollars, euros, Australian dollars or Indian rupees.

Foreign currency sensitivity analysis

The Group derived the following sensitivities based on the outstanding foreign currency denominated financial assets and liabilities at the year end. The sensitivity analysis includes loans to foreign operations within the Group where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower.

The use of a 10% sensitivity rate has been determined based on the effect of the market volatility in exchange rates between the current and previous year end, and represents management's assessment of the reasonably possible change in foreign exchange rates. A positive number below indicates an increase in profit or equity.

	28 February 2022 £'000	28 February 2021 £'000
Impact on equity		
10% weakening in US dollar against pound sterling (2021: 10%)	**(1,309)**	(941)
10% strengthening in US dollar against pound sterling (2021: 10%)	**1,309**	1,150
10% weakening in euro against pound sterling (2021: 10%)	**–**	–
10% strengthening in euro against pound sterling (2021: 10%)	**–**	–
10% weakening in AUS dollar against pound sterling (2021: 10%)	**171**	(282)
10% strengthening in AUS dollar against pound sterling (2021: 10%)	**(171)**	344
10% weakening in INR against pound sterling (2021: 10%)	**(73)**	(116)
10% strengthening in INR against pound sterling (2021: 10%)	**73**	142
Impact on income statement		
10% weakening in US dollar against pound sterling (2021: 10%)	**(215)**	(206)
10% strengthening in US dollar against pound sterling (2021: 10%)	**215**	251
10% weakening in euro against pound sterling (2021: 10%)	**(49)**	(40)
10% strengthening in euro against pound sterling (2021: 10%)	**49**	49
10% weakening in AUS dollar against pound sterling (2021: 10%)	**(4)**	(33)
10% strengthening in AUS dollar against pound sterling (2021: 10%)	**4**	41
10% weakening in INR against pound sterling (2021: 10%)	**–**	–
10% strengthening in INR against pound sterling (2021: 10%)	**–**	–

b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's trade and other receivables (note 19) and cash and cash equivalents.

Cash and cash equivalents

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings as assigned by international credit-rating agencies.

26. Financial instruments and risk management continued

Trade receivables

The carrying amount of financial assets represents the maximum credit exposure. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Group's management based on trading experience and the current economic environment. An analysis of the relevant provisions is set out in note 19.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss ("ECL"). To measure ECLs trade receivables are split into groups with the same characteristics to calculate loss rates. Where possible we have calculated this probability based on historic loss experience using recent sales history, the timing of when the cash was received for the debt and the level of debt not collected for that population.

The Group determines its concentration of credit risk based on the individual characteristics of its customers and publicly available knowledge of specific circumstances affecting those customers. The Group defines counterparties as having similar characteristics if they are related entities.

At 28 February 2022, the exposure to credit risk for gross trade receivables by geographical region was as follows:

	28 February 2022 £'000	28 February 2021 £'000
United Kingdom	**44,023**	39,394
North America	**19,441**	17,901
Australia	**3,456**	3,039
India	**1,844**	1,563
Total	**68,764**	61,897

The Group has a significant concentration of credit risk due to its use of third-party distributors. Credit limits for the final customers are set by the distributors based on a combination of payment history and third-party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history. The distributors belong to established international groups whose business includes a number of publishing interests and clients. The Group's risk is limited as significant amounts outstanding through the UK distributors are secured by credit insurance, and in the US credit risk for significant amounts outstanding through distributors rests with the distributor. The balances with the US distributor make up 87% (2021: 92%) of the North America trade receivable balance. In the United Kingdom balances with the distributors make up 85% (2021: 87%) of the United Kingdom trade receivable balance.

c) Liquidity risk

Currently, the Group has limited borrowing and has sufficient cash deposits to meet its debts as they fall due. The Board has modelled a severe but plausible pessimistic downside scenario; see note 2c on going concern for further details. Under this scenario the Group is expected to have sufficient liquidity for at least 12 months from the date of approval of the financial statements.

Cash flow budgets and forecasts are prepared by the operating entities of the Group, aggregated for the Group and regularly reviewed by the Board, and the actual cash position of the Group and each entity is compared monthly against budget. This allows management to ensure that each operating entity and the Group have sufficient cash to meet operational needs. Surplus cash held by the operating entities over and above the balance required for working capital management is invested in interest-bearing accounts and money market deposits.

The Group has an unsecured revolving credit facility with Lloyds Bank Plc. At 28 February 2022, the Group had £nil draw down (2021: £nil) of this facility with £10.0 million of undrawn borrowing facilities (2021: £8.0 million) available.

The facility comprises a committed revolving credit facility of £10 million, and an uncommitted incremental term loan facility of up to £6 million. The facilities are subject to two covenants, being a maximum net debt to EBITDA ratio of 2.5x and a minimum interest cover covenant of 4x. The agreement is to October 2024.

The Group's financial liabilities are trade payables, accruals and other payables as shown above. All other financial liabilities are due within one year.

27. Leases

The Group's lease portfolio consists of office properties, vehicles and equipment. The Group has elected not to recognise right-of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight- line basis over the lease term.

The amounts recognised in the income statement are as follows:

	Notes	**28 February 2022 £'000**	28 February 2021 £'000
Interest on lease liabilities	6	**419**	442
Expenses relating to short-term leases		**4**	4
Expense relating to leases of low-value assets		**1**	1
Depreciation of right-of-use assets	16	**1,889**	1,806

The maturities of the Group's lease liabilities are as follows:

	28 February 2022 £'000	28 February 2021 £'000
Less than one year	**2,428**	1,943
One to five years	**6,961**	7,218
More than five years	**4,059**	5,288
Total undiscounted lease liabilities	**13,448**	14,449
Lease liabilities included in the Consolidated Statement of Financial Position	**12,226**	12,943
Current	**2,265**	1,808
Non-current	**9,961**	11,135

28. Commitments and contingent liabilities

a) Capital commitments

	28 February 2022 £'000	28 February 2021 £'000
Property, plant and equipment	**159**	–
Intangible assets	**129**	118
Total	**288**	118

b) Other commitments

The Group is committed to paying royalty advances to authors in subsequent financial years. At 28 February 2022, this commitment amounted to £28,100,000 (2021: £20,580,000).

c) Guarantees

The Company and certain of its subsidiaries have guarantees to Lloyds Bank Plc in place relating to the Group's borrowing facilities – see note 26c.

29. Related party transactions

The Group has no related party transactions other than key management remuneration as disclosed in note 5.

30. Investments in subsidiary companies

The Group's subsidiary companies at 28 February 2022 are:

	Country of incorporation	Proportion of equity capital held	Nature of business during the year	Registered office
Subsidiary undertakings held directly by Bloomsbury Publishing Plc:				
A & C Black Limited	England and Wales	100%	Intermediate holding company	1.
Bloomsbury India UK Limited	England and Wales	100%	Intermediate holding company	1.
Bloomsbury Publishing Inc.	USA	100%	Publishing	2.
Bloomsbury Information Limited	England and Wales	100%	Publishing	1.
Bloomsbury Professional Limited	England and Wales	100%	Publishing	1.
Bloomsbury Publishing PTY Limited	Australia	100%	Publishing	3.
The Continuum International Publishing Group Limited	England and Wales	100%	Publishing	1.
Hart Publishing Limited	England and Wales	100%	Publishing	1.
Head of Zeus Limited	England and Wales	100%	Publishing	7.
Bloomsbury Publishing Ireland Limited	Ireland	100%	Publishing	8.
Osprey Publishing Limited	England and Wales	100%	Publishing	1.
Bloomsbury Book Publishing Company Limited	England and Wales	100%	Publishing	1.
I.B. Tauris & Co. Limited	England and Wales	100%	Publishing	1.
Oberon Books Limited	England and Wales	100%	Publishing	1.
Bloomsbury Media Limited	England and Wales	100%	Dormant	1.
Subsidiary undertakings held through a subsidiary company:				
A & C Black Publishers Limited	England and Wales	100%	Publishing	1.
ABC - CLIO, LLC	USA	100%	Publishing	6.
Christopher Helm (Publishers) Limited	England and Wales	100%	Publishing	1.
Oxford International Publishers Limited t/a Berg Publishers	England and Wales	100%	Publishing	1.
John Wisden and Company Limited	England and Wales	100%	Publishing	1.
Shire Publications Limited	England and Wales	100%	Publishing	1.
British Wildlife Publishing Limited	England and Wales	100%	Publishing	1.
Bloomsbury Publishing India Private Limited	India	100%	Publishing	4.
Berg Fashion Library Limited	England and Wales	100%	Dormant	1.
A & C Black (Distribution) Limited	England and Wales	100%	Dormant	1.
A & C Black (Storage) Limited	England and Wales	100%	Dormant	1.
Adlard Coles Limited	England and Wales	100%	Dormant	1.
Alphabooks Limited	England and Wales	100%	Dormant	1.
F. Lewis (Publishers) Limited	England and Wales	100%	Dormant	1.
Featherstone Education Limited	England and Wales	100%	Dormant	1.
Hambledon and London Limited	England and Wales	100%	Dormant	1.
Herbert Press Limited	England and Wales	100%	Dormant	1.
John Wisden (Holdings) Limited	England and Wales	100%	Dormant	1.
Methuen Drama Limited	England and Wales	100%	Dormant	1.
Nautical Publishing Co Limited	England and Wales	100%	Dormant	1.
Philip Wilson Publishers Limited	England and Wales	100%	Dormant	1.
Reed's Almanac Limited	England and Wales	100%	Dormant	1.
Sheffield Academic Press Limited	England and Wales	100%	Dormant	1.
T & T Clark Limited	England and Wales	100%	Dormant	5.
The Athlone Press Limited	England and Wales	100%	Dormant	1.
Thoemmes Limited	England and Wales	100%	Dormant	1.

All subsidiary undertakings are included in the consolidation.

30. Investments in subsidiary companies continued

The following lists all Bloomsbury registered office addresses. Please see wholly owned subsidiary list over for relevant registered office code.

1. 50 Bedford Square, London, WC1B 3DP, United Kingdom.
2. 1385 Broadway, Fifth Floor, New York, NY 10018, USA.
3. Level 4, 387 George Street, Sydney, NSW 2000, Australia.
4. DDA Complex, LSC, Building No. 4, Second Floor, Pocket C-6&7, Vasant Kunj, New Delhi, 110070, India.
5. C/O RSM, First Floor, Quay 2, 139 Fountainbridge, Edinburgh, EH3 9QG, United Kingdom.
6. 147 Castilian Drive, Goleta, CA 93117, USA.
7. 6th Floor Charlotte Building, 17 Gresse Street, London, W1T 1QL, United Kingdom.
8. C/O Deloitte Ireland LLP, 29 Earlsfort Terrace, Dublin 2, D02 AY28, Ireland.

For the year ended 28 February 2022, the following subsidiary companies were entitled to exemption from audit under section 479A of the Companies Act 2006:

Subsidiary name	Company number
Bloomsbury Information Limited	06409758
Bloomsbury Professional Limited	05233465
The Continuum International Publishing Group Limited	03833148
A & C Black Publishers Limited	00189153
Christopher Helm (Publishers) Limited	01953639
Oxford International Publishers Limited t/a Berg Publishers	03143617
John Wisden and Company Limited	00135590
Hart Publishing Limited	03307205
Osprey Publishing Limited	03471853
Shire Publications Limited	00868867
British Wildlife Publishing Limited	06810049
Bloomsbury Book Publishing Company Limited	03830397
I.B. Tauris & Co. Limited	01761687
Oberon Books Limited	02082142

The Group's joint venture undertakings at 28 February 2022 are:

	Country of incorporation	Proportion of equity capital held	Nature of business during the year	Registered office
Joint venture undertakings held directly by Bloomsbury Publishing Plc:				
Beijing CYP & Gakken Education Development Co., Ltd	China	50%	Publishing	1.

1. Floor 5, B Block, No. 1132, HuihHe South Street, Banbidian Village, Gaobeidian Township, Chaoyang District, Beijing, PRC.

Company Statement of Financial Position

As at 28 February 2022
Company Number 1984336

	Notes	**28 February 2022 £'000**	28 February 2021 £'000
Assets			
Intangible assets	33	**7,468**	4,593
Property, plant and equipment	34	**1,837**	1,654
Right-of-use assets	35	**8,053**	9,033
Investments in subsidiary companies	36	**105,402**	81,159
Other investments	37	**45**	162
Deferred tax assets	38	**1,141**	774
Total non-current assets		**123,946**	97,375
Inventories	39	**10,433**	6,745
Trade and other receivables	40	**75,154**	71,250
Cash and cash equivalents		**17,114**	38,329
Total current assets		**102,701**	116,324
Total assets		**226,647**	213,699
Liabilities			
Provisions	43	**252**	216
Lease liabilities	47	**8,071**	9,025
Total non-current liabilities		**8,323**	9,241
Trade and other liabilities	41	**107,769**	87,469
Provisions	43	**55**	116
Lease liabilities	47	**1,207**	1,143
Current tax liabilities		**–**	159
Total current liabilities		**109,031**	88,887
Total liabilities		**117,354**	98,128
Net assets		**109,293**	115,571
Equity			
Share capital	44	**1,020**	1,020
Share premium	44	**47,319**	47,319
Other reserves	44	**11,317**	9,770
Retained earnings	44	**49,637**	57,462
Total equity attributable to owners of the Company		**109,293**	115,571

The accompanying notes form part of these financial statements.

The Company financial statements were approved by the Board of Directors and authorised for issue on 15 June 2022.

J N Newton
Director

P Scott-Bayfield
Director

Company Statement of Changes in Equity

For the year ended 28 February 2022

	Share capital £'000	Share premium £'000	Merger reserve £'000	Capital redemption reserve £'000	Share–based payment reserve £'000	Retained earnings £'000	Total £'000
At 29 February 2020	942	39,388	1,803	22	6,724	52,259	101,138
Profit for the year and total comprehensive income for the year	–	–	–	–	–	6,092	6,092
Transactions with owners							
Issue of share capital	47	7,931	–	–	–	–	7,978
Bonus issue of share capital	31	–	–	–	–	(31)	–
Dividends to equity holders of the Company	–	–	–	–	–	(1,045)	(1,045)
Share options exercised	–	–	–	–	–	184	184
Deferred tax on share-based payment transactions	–	–	–	–	–	3	3
Share-based payment transactions	–	–	–	–	1,221	–	1,221
Total transactions with owners of the Company	**78**	**7,931**	**–**	**–**	**1,221**	**(889)**	**8,341**
At 28 February 2021	**1,020**	**47,319**	**1,803**	**22**	**7,945**	**57,462**	**115,571**
Profit for the year and total comprehensive income for the year	–	–	–	–	–	6,890	6,890
Transactions with owners							
Dividends to equity holders of the Company	–	–	–	–	–	(15,157)	(15,157)
Share options exercised	–	–	–	–	–	34	34
Deferred tax on share-based payment transactions	–	–	–	–	–	408	408
Share-based payment transactions	–	–	–	–	1,547	–	1,547
Total transactions with owners of the Company	**–**	**–**	**–**	**–**	**1,547**	**(14,715)**	**(13,168)**
At 28 February 2022	**1,020**	**47,319**	**1,803**	**22**	**9,492**	**49,637**	**109,293**

The accompanying notes form part of these financial statements.

Company Statement of Cash Flows

For the year ended 28 February 2022

	Notes	**Year ended 28 February 2022 £'000**	Year ended 28 February 2021 £'000
Cash flows from operating activities			
Profit for the year		**6,890**	6,092
Adjustments for:			
Depreciation of property, plant and equipment	34	**372**	319
Depreciation of right-of-use assets	35	**1,012**	1,094
Amortisation of intangible assets	33	**1,792**	1,286
Impairment of investments	37	**–**	300
Finance income		**(86)**	(133)
Finance costs		**718**	595
Share of loss of joint venture	37	**117**	110
Share-based payment charges		**874**	621
Tax expense		**1,607**	1,323
		13,296	11,607
(Increase)/decrease in inventories		**(2,679)**	239
Increase in trade and other receivables		**(2,904)**	(8,534)
Increase in trade and other liabilities		**2,744**	15,011
Cash generated from operations		**10,457**	18,323
Income taxes paid		**(3,269)**	(2,792)
Net cash generated from operating activities		**7,188**	15,531
Cash flows from investing activities			
Purchase of property, plant and equipment		**(555)**	(361)
Purchase of business		**(6,619)**	–
Purchase of rights to assets		**(3,650)**	(1,547)
Purchase of share in a joint venture		**–**	(56)
Purchase of intangible assets		**(1,210)**	(1,298)
Interest received		**5**	37
Net cash used in investing activities		**(12,029)**	(3,225)
Cash flows from financing activities			
Equity dividends paid	42	**(15,157)**	(1,045)
Proceeds from exercise of share options	42	**34**	184
Proceeds from share issue	42	**–**	7,978
Repayment of lease liabilities	42	**(922)**	(781)
Lease liabilities interest paid	42	**(287)**	(308)
Other interest paid	42	**(42)**	–
Net cash (used in)/from financing activities	42	**(16,374)**	6,028
Net (decrease)/increase in cash and cash equivalents		**(21,215)**	18,334
Cash and cash equivalents at beginning of year		**38,329**	19,995
Cash and cash equivalents at end of year		**17,114**	38,329

The accompanying notes form part of these financial statements.

Notes to the Company Financial Statements

Accounting Policies

31. Reporting entity

Bloomsbury Publishing Plc (the "Company") is a company domiciled in the United Kingdom. The address of the Company's registered office can be found on page 217. The Company is primarily involved in the publication of books and other related services.

32. Significant accounting policies

a) Basis of preparation

The Company financial statements have been prepared and approved by the directors in accordance with UK-adopted international accounting standards ("UK-adopted IFRS") and the requirements of the Companies Act 2006. The financial statements have been prepared under the historical cost convention modified by the revaluation of financial assets and liabilities at fair value.

The financial statements have been prepared on the going concern basis as the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence at least until June 2023, being the period of the detailed going concern assessment reviewed by the Board.

The Company accounting policies are consistent with the Group policies set out in note 2 to the consolidated financial statements. Key additional policies are stated below.

b) Parent Company result

The Company has taken advantage of the exemption available under section 408 of the Companies Act 2006 not to present the Company income statement or statement of comprehensive income. The Company's profit for the year was £6,890,000 (2021: £6,092,000).

c) Use of estimates and judgements

The preparation of the Company financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected. Critical judgements and areas where the use of estimates is significant are disclosed in note 2w for the Group and are applicable to the Company.

d) Application of new and amended standards and interpretations

The following amendments and interpretations were introduced to accounting standards relevant to the Company during the year ended 28 February 2022. The table below summarises the impact of these changes to the Company:

Accounting standard	Description of change	Impact on financial statements
Other standards	A number of other new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2021.	The standards and amendments have not had a material impact on the Group. Additional disclosure has been provided where relevant.

The Company has not early adopted the following new and revised accounting standards, interpretations or amendments issued by the International Accounting Standards Board that are currently endorsed but not yet effective:

Accounting standard	Description of change	Impact on financial statements
Other standards	A number of other new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2022 and have not been applied in preparing these financial statements.	The Directors do not anticipate the application of these standards and amendments will have a material impact on the Company's consolidated financial statements.

e) Investment in subsidiaries

Investments in subsidiaries are recorded at cost less accumulated impairment in the statement of financial position. Investments are reviewed at each reporting date to assess whether there are any indicators of impairment. Any impairment losses are recognised in the income statement in the year they occur.

f) Employee benefit trust

The Company operates an employee benefit trust and has de facto control of shares held by the trust and bears their benefits and risks. The Company considers the trust to be substantially under its control and so aggregates the financial information of the trust into the Company's results. The Company records the assets and liabilities of the trust as its own. Finance costs and administrative expenses are charged as they accrue.

Notes to the Company Financial Statements

g) Share-based payments

The Company issues equity-settled share-based payment instruments to certain employees of the Group. Equity-settled share-based payment transactions are measured at fair value at the date of grant. The fair value determined at the grant date of equity-settled share-based payments is charged to the income statement on a straight-line basis over the vesting period, based on the Group's estimate of the shares that will eventually vest.

Options granted under the Sharesave Plan are equity-settled. The fair values of such options have been calculated using the Black-Scholes model based on publicly available market data.

Awards granted under the Group's Performance Share Plan are equity-settled. For awards granted in 2018 or 2019, 50% of any award under the Plan is subject to a Return on Capital Employed performance condition and 50% Earnings Per Share. Awards granted in 2020 or 2021 are subject to the following performance conditions; Earnings Per Share (60%), Non-Consumer operating profit (15%), Consumer operating profit (15%) and BDR revenue (10%). The fair value of this element of the awards is calculated using the Black-Scholes model. Where the awards are subject to a holding period, we have used the Chaffe model to determine a discount for lack of marketability.

The Company recharges a share of the share-based payment charge to subsidiaries. This recharge is made via intercompany transactions.

33. Intangible assets

	Publishing rights £'000	Trademarks £'000	Systems development £'000	Product development £'000	Assets under construction £'000	Total £'000
Cost						
At 29 February 2020	730	–	8,918	–	–	9,648
Additions[1]	1,474	–	1,298	–	–	2,772
At 28 February 2021	2,204	–	10,216	–	–	12,420
Transfers	–	115	(867)	763	(11)	–
Additions[2]	3,418	28	707	489	25	4,667
At 28 February 2022	**5,622**	**143**	**10,056**	**1,252**	**14**	**17,087**
Amortisation[3]						
At 29 February 2020	687	–	5,854	–	–	6,541
Charge for the year	85	–	1,201	–	–	1,286
At 28 February 2021	**772**	**–**	**7,055**	**–**	**–**	**7,827**
Transfers	–	31	(358)	327	–	–
Charge for the year	494	18	1,018	262	–	1,792
At 28 February 2022	**1,266**	**49**	**7,715**	**589**	**–**	**9,619**
Net book value						
At 28 February 2022	**4,356**	**94**	**2,341**	**663**	**14**	**7,468**
At 28 February 2021	1,432	–	3,161	–	–	4,593

1 The addition of £1,474,000 relates to the acquisition of assets of Zed Book's publishing rights on 20 March 2020.

2 The addition of £2,846,000 Publishing Rights and £39,000 Product Development relates to the acquisition of assets of Red Globe Press on 1 June 2021. The addition of £572,000 Publishing Rights relates to the acquisition of assets of Contemporary Arts Media Pty. Ltd on 23 September 2021.

3 The amortisation charge of £1,792,000 (2021: £1,286,000) was included in administrative expenses in the year.

34. Property, plant and equipment

	Short leasehold improvements £'000	Furniture and fittings £'000	Computers and other office equipment £'000	Total £'000
Cost				
At 29 February 2020	2,738	502	1,937	5,177
Additions	4	36	320	360
At 28 February 2021	2,742	538	2,257	5,537
Additions	16	197	342	555
At 28 February 2022	**2,758**	**735**	**2,599**	**6,092**
Depreciation				
At 29 February 2020	1,674	411	1,479	3,564
Charge for the year	108	43	168	319
At 28 February 2021	1,782	454	1,647	3,883
Charge for the year	108	44	220	372
At 28 February 2022	**1,890**	**498**	**1,867**	**4,255**
Net book value				
At 28 February 2022	**868**	**237**	**732**	**1,837**
At 28 February 2021	960	84	610	1,654

The depreciation charge of £372,000 (2021: £319,000) was included in administrative expenses.

35. Right-of-use assets

	Property £'000	Cars £'000	Equipment £'000	Total £'000
At 29 February 2020	10,935	90	42	11,067
Additions	–	67	44	111
Disposals	(170)	(5)	(42)	(217)
At 28 February 2021	10,765	152	44	10,961
Additions	–	32	–	32
At 28 February 2022	**10,765**	**184**	**44**	**10,993**
Depreciation				
At 29 February 2020	970	45	36	1,051
Charge for the year	1,027	59	8	1,094
Disposals	(170)	(5)	(42)	(217)
At 28 February 2021	1,827	99	2	1,928
Charge for the year	944	54	14	1,012
At 28 February 2022	**2,771**	**153**	**16**	**2,940**
Net book value				
At 28 February 2022	**7,994**	**31**	**28**	**8,053**
At 28 February 2021	8,938	53	42	9,033

Notes to the Company Financial Statements

continued

36. Investment in subsidiary companies

	£'000
Cost	
At 28 February 2021	93,905
Additions	24,243
At 28 February 2022	**118,148**
Impairment	
At 28 February 2021 and 28 February 2022	**12,746**
Net book value	
At 28 February 2022	**105,402**
At 28 February 2021	81,159

Information on subsidiary companies is disclosed in note 30. The additions in the year relate to the Head of Zeus Limited acquisition and further investment in Bloomsbury Book Publishing Limited.

37. Other investments

	28 February 2022 £'000	28 February 2021 £'000
Joint venture	**45**	162
Total	**45**	162

The amounts recognised in the Income Statement are as follows:

	Year ended 28 February 2022 £'000	Year ended 28 February 2021 £'000
Equity securities impairment	**–**	(300)
Joint venture loss	**(117)**	(110)
Total	**(117)**	(410)

The FVOCI equity investment in Cricket Properties Limited was impaired in the prior year.

38. Deferred tax assets and liabilities

Deferred tax is calculated in full on temporary differences using the tax rate appropriate to the jurisdiction in which the asset or liability arises and the tax rates that are expected to apply in the periods in which the asset or liability is settled.

Movement in temporary differences during the year:

	Property, plant and equipment £'000	Retirement benefit obligation £'000	Share–based payments £'000	Provisions £'000	Total £'000
At 29 February 2020	(31)	34	282	218	503
(Charge)/credit to the income statement	(3)	3	67	201	268
Credit to equity	–	–	3	–	3
At 28 February 2021	(34)	37	352	419	774
(Charge)/credit to the income statement	(210)	10	194	(35)	(41)
Credit to equity	–	–	408	–	408
At 28 February 2022	**(244)**	**47**	**954**	**384**	**1,141**

38. Deferred tax assets and liabilities continued

The analysis for financial reporting purposes is as follows:

	28 February 2022 £'000	28 February 2021 £'000
Deferred tax assets	**1,141**	774
Deferred tax liabilities	**–**	–
Total	**1,141**	774

Deferred tax is not provided on unremitted earnings of subsidiaries where the Company controls the timing of remittance and it is probable that the temporary difference will not reverse in the foreseeable future.

39. Inventories

	28 February 2022 £'000	28 February 2021 £'000
Work in progress	**1,667**	1,272
Finished goods for resale	**8,766**	5,473
Total	**10,433**	6,745

The cost of inventories recognised as cost of sales amounted to £25,781,000 (2021: £20,253,000).

The provision and write down of inventories to net realisable value recognised in cost of sales amounted to £3,827,000 (2021: £1,888,000).

40. Trade and other receivables

	28 February 2022 £'000	28 February 2021 £'000
Current		
Gross trade receivables	**41,180**	38,791
Less loss allowance	**(2,428)**	(2,664)
Net trade receivables	**38,752**	36,127
Amounts owed by Group undertakings	**13,217**	14,560
Income tax recoverable	**1,070**	–
Other receivables	**4,388**	3,730
Prepayments	**1,588**	673
Accrued income	**2,158**	2,926
Royalty advances	**13,981**	13,234
Total trade and other receivables	**75,154**	71,250

A provision is held against gross advances payable in respect of published title advances, which may not be fully earned down by anticipated future sales. As at 28 February 2022, £3,578,000 (2021: £4,859,000) of royalty advances relate to titles expected to be published in more than 12 months' time. If anticipated future sales were 10% higher or lower, the provision would have been £0.1 million lower or higher.

Other receivables principally comprises VAT recoverable.

The Directors consider that the carrying amount of trade and other receivables approximates to their fair values. The Company's exposure to credit and currency risks is disclosed in note 46. Trade receivables principally comprise amounts receivable from the sale of books due from distributors. The average number of days' credit taken for sales of books by the Company was 152 days (2021: 176 days).

40. Trade and other receivables continued

Movements on the Company's loss allowance for trade receivables are as follows:

	28 February 2022 £'000	28 February 2021 £'000
At start of year	**2,664**	1,575
Amounts created	**391**	1,704
Amounts released	**(223)**	(149)
Amounts utilised	**(404)**	(466)
At end of year	**2,428**	2,664

41. Trade and other liabilities

	28 February 2022 £'000	28 February 2021 £'000
Current		
Trade payables	**6,034**	4,979
Sales return liability	**5,189**	3,908
Amounts owed to Group undertakings	**70,073**	59,502
Taxation and social security	**1,715**	692
Other payables	**2,189**	2,221
Accruals and deferred income	**22,569**	16,167
Total current trade and other liabilities	**107,769**	87,469
Total trade and other payables liabilities	**107,769**	87,469

Trade payables principally comprise amounts outstanding for trade purchases and ongoing costs. Other payables principally comprises sub rights payable to authors.

If actual returns were 10% higher or lower in the year revenue would have been £0.4 million lower/higher (2021: £0.4 million). Accruals are higher than last year at due to a higher royalty accrual, up £0.9 million, and a £5.3 million employee bonus payable for the year (2021: £2.6 million).

42. Loans and borrowings

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Liability		Equity			
	Lease liability £'000	Bank overdrafts used for cash management purposes £'000	Share capital/share premium £'000	Other reserves £'000s	Retained earnings £'000	Total £'000
Balance at 28 February 2021	10,168	–	48,339	9,770	57,462	125,739
Changes from financing cash flows						
Dividend paid	–	–	–	–	(15,157)	(15,157)
Proceeds from exercise of share options	–	–	–	–	34	34
Repayment of lease liability	(922)	–	–	–	–	(922)
Interest paid	(287)	(42)	–	–	–	(329)
Total changes from financing cash flows	(1,209)	(42)	–	–	(15,123)	(16,374)
Other changes						
Liability-related						
Right-of-use asset additions	32	–	–	–	–	32
Interest expense	287	42	–	–	–	329
Total liability-related other changes	319	42	–	–	–	361
Total equity-related other changes	–	–	–	1,547	7,298	8,845
Balance at 28 February 2022	**9,278**	**–**	**48,339**	**11,317**	**49,637**	**118,571**

	Liability		Equity			
	Lease liability £'000	Bank overdrafts used for cash management purposes £'000	Share capital/share premium £'000	Other reserves £'000s	Retained earnings £'000	Total £'000
Balance at 28 February 2020	10,838	–	40,330	8,549	52,259	111,976
Changes from financing cash flows						
Dividend paid	–	–	–	–	(1,045)	(1,045)
Proceeds from share issue	–	–	7,978	–	–	7,978
Proceeds from exercise of share options	–	–	–	–	184	184
Repayment of lease liability	(781)	–	–	–	–	(781)
Interest paid	(308)	–	–	–	–	(308)
Total changes from financing cash flows	(1,089)	–	7,978	–	(861)	6,028
Other changes						
Liability-related						
Right-of-use asset additions	111	–	–	–	–	111
Interest expense	308	–	–	–	–	308
Total liability-related other changes	419	–	–	–	–	419
Total equity-related other changes	–	–	31	1,221	6,064	7,316
Balance at 28 February 2021	**10,168**	**–**	**48,339**	**9,770**	**57,462**	**125,739**

43. Provisions

	Author advance £'000	Property £'000	Total £'000
At 28 February 2021	116	216	332
Created in the year	55	36	91
Released in the year	(2)	–	(2)
Utilised in the year	(114)	–	(114)
At 28 February 2022	**55**	**252**	**307**
Non-current	–	252	252
Current	55	–	55

The property provision is in respect of dilapidations for the Bedford Square head office. The author advance provision is a provision against future cash outflows on published titles where the Group does not expect to fully recover the advance.

44. Share capital and other reserves

For details of share capital, share premium, merger reserve, capital redemption reserve, share-based payment reserve and retained earnings see note 23 and the Company statement of changes in equity attributable to the owners of the Company. For details of the Company profit for the year see note 32b.

For details of dividends see note 8.

As at 28 February 2022, the Company had distributable reserves of £49.6 million. The total external dividends excluding the special dividend relating to the year ended 28 February 2022 amounted to £8.8 million. The Company distributable reserves support 5.6 times this annual dividend.

Notes to the Company Financial Statements
continued

45. Share-based payments

Options over shares of the Company have been granted to employees of the Company and Group under various schemes. The full share-based payment disclosures can be found in note 24.

The total share-based payment charge to the income statement for the year was:

	28 February 2022 £'000	28 February 2021 £'000
Equity-settled share-based transactions	**1,547**	1,221
Cash-settled share-based transactions	**507**	195
Total	**2,054**	1,416

£1,180,000 (2021: £795,000) of this amount was recharged to subsidiaries of the Company.

46. Financial instruments and risk management

Full disclosures relating to the Group's financial risk management strategies and other financial assets and liabilities are given in note 26 to the consolidated financial statements.

Categories of financial instruments

	Notes	**28 February 2022 £'000**	28 February 2021 £'000
Investments available for sale			
Joint venture		**45**	162
Total investments available for sale	37	**45**	162
Loans and receivables			
Cash and cash equivalents		**17,114**	38,329
Amounts owed by Group undertakings	40	**13,217**	14,560
Trade receivables	40	**38,752**	36,127
Accrued income	40	**2,158**	2,926
Total loans and receivables		**71,241**	91,942
Financial liabilities measured at amortised cost			
Trade payables	41	**6,034**	4,979
Sales return liability	41	**5,189**	3,908
Accruals		**21,908**	16,000
Other payables		**3,904**	2,913
Amounts owed to Group undertakings	41	**70,073**	59,502
Lease liabilities	47	**9,278**	10,168
Total financial liabilities measured at amortised cost		**116,386**	97,470
Net financial instruments		**(45,100)**	(5,366)

a) Market risk

i. Interest rate risk

Interest rate profile of financial assets:

	28 February 2022 £'000	28 February 2021 £'000
Variable rate financial assets	**17,114**	38,329

46. Financial instruments and risk management continued

Interest rate sensitivity analysis

The Company derived the following sensitivities to assess the impact of changes in interest rates, based on the effect of the market volatility in the current climate and the previous 12 months. The analysis assumes all other variables remain constant.

	28 February 2022 £'000	28 February 2021 £'000
Impact on profit and equity		
1% increase in base rate of interest (2021: 1%)	**225**	236
0.5% decrease in base rate of interest (2021: 0.5%)	**(112)**	(118)

ii. Currency risk

The Company's exposure to foreign currency risk was as follows based on notional amounts:

	Loan and receivables		Financial liabilities	
	28 February 2022 £'000	28 February 2021 £'000	28 February 2022 £'000	28 February 2021 £'000
GBP	**68,509**	89,595	**115,640**	96,817
USD	**1,476**	1,289	**71**	407
EURO	**1,217**	690	**675**	246
AUD	**39**	368	**–**	–
Total	**71,241**	91,942	**116,386**	97,470

Foreign currency sensitivity analysis

The Company derived the following sensitivities based on the outstanding foreign currency denominated financial assets and liabilities at the year end.

The use of a 10% sensitivity rate has been determined based on the effect of the market volatility in exchange rates between the current and previous year end, and represents management's assessment of the reasonably possible change in foreign exchange rates. A positive number below indicates an increase in profit or loss and equity.

	28 February 2022 £'000	28 February 2021 £'000
Impact on profit or loss		
10% weakening in US dollar against pound sterling (2021: 10%)	**(128)**	(80)
10% strengthening in US dollar against pound sterling (2021: 10%)	**128**	98
10% weakening in euro against pound sterling (2021: 10%)	**(50)**	(41)
10% strengthening in euro against pound sterling (2021: 10%)	**50**	50
10% weakening in AUS dollar against pound sterling (2021: 10%)	**(4)**	(33)
10% strengthening in AUS dollar against pound sterling (2021: 10%)	**4**	41

b) Credit risk

The Company has a significant concentration of credit risk due to its use of third-party distributors. Credit limits for the final customers are set by the distributors based on a combination of payment history and third-party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history. The distributors belong to established international groups whose business includes a number of publishing interests and clients. The Company's risk is limited as significant amounts outstanding through the UK distributors are secured by credit insurance. The balances with the distributors make up 85% (2021: 87%) of the gross trade receivable balance.

c) Liquidity risk

Currently, the Company has limited borrowing and has sufficient cash deposits to meet its debts as they fall due. However, the Company's exposure to liquidity risk continues to remain high given the macro economic climate with COVID-19. The Board has modelled a severe but plausible pessimistic downside scenario; see note 2c on going concern for further details. Under this scenario the Company is expected to have sufficient liquidity for at least 12 months from the date of approval of the financial statements.

The Company has an unsecured revolving credit facility with Lloyds Bank Plc. At 28 February 2022, the Group had £nil draw down (2021: £nil) of this facility with £10.0 million of undrawn borrowing facilities (2021: £8.0 million) available.

The facility comprises a committed revolving credit facility of £10 million, and an uncommitted incremental term loan facility of up to £6 million. The facilities are subject to two covenants, being a maximum net debt to EBITDA ratio of 2.5x and a minimum interest cover covenant of 4x. The agreement is to October 2024.

Notes to the Company Financial Statements

continued

47. Leases

The Company's lease portfolio consists of office properties, vehicles and equipment.

The maturities of the Group's lease liabilities are as follows:

	28 February 2022 £'000	28 February 2021 £'000
Less than one year	**1,262**	1,179
One to five years	**4,966**	4,967
More than five years	**4,054**	5,288
Total undiscounted lease liabilities	**10,282**	11,434
Lease liabilities included in the Company Statement of Financial Position	**9,278**	10,168
Current	**1,207**	1,143
Non-current	**8,071**	9,025

48. Commitments and contingent liabilities

a) Capital commitments

	28 February 2022 £'000	28 February 2021 £'000
Property, plant and equipment	**159**	–
Intangible assets	**129**	118
Total	**288**	118

b) Other commitments

The Company is committed to paying royalty advances in subsequent financial years. At 28 February 2022, this commitment amounted to £15,826,000 (2021: £14,331,000).

c) Guarantees

The Company and certain of its subsidiaries have guarantees to Lloyds Bank Plc in place relating to the Group's borrowing facilities; see note 46c.

The Company has guaranteed the liabilities of certain of its UK subsidiaries, being those listed in note 30, to enable them to take the audit exemption under section 479A of the Companies Act 2006.

49. Related parties

Trading transactions

During the year the Company entered into the following transactions and had the following balances with its subsidiaries:

	28 February 2022 £'000	28 February 2021 £'000
Sale of goods to subsidiaries	**15,050**	10,482
Management recharges	**10,564**	8,135
Commission payable to subsidiaries	**1**	2
Finance income from subsidiaries	**81**	96
Rights income from joint venture	**3**	15
Amounts owed by subsidiaries at year end	**13,217**	14,560
Amounts owed to subsidiaries at year end	**70,073**	59,502

All amounts outstanding are unsecured and will be settled in cash. £0.5 million provision has been made for doubtful debts in respect of the amounts owed by subsidiaries (2021: £0.5 million).

Key management remuneration is disclosed in note 5.

Additional Information

Five Year Financial Summary

	2018 £'000	2019 £'000	2020 £'000	2021 £'000	**2022** **£'000**
Revenue	161,510	162,679	162,772	185,136	**230,110**
Adjusted profit†	13,217	14,374	15,704	19,153	**26,731**
Adjusted diluted EPS‡	13.47p	14.48p	16.23p	18.68p	**25.94p**
Dividend per share^	7.51p	7.96p	1.28p	18.64p	**10.74p**
Return on Capital Employed	9.9%	11.0%	12.2%	15.4%	**20.4%**
Net assets	139,563	143,738	149,673	168,249	**168,969**
Net cash*	25,428	27,580	31,345	54,466	**41,226**

† Adjusted profit is profit before taxation, amortisation of acquired intangible assets and other highlighted items.

‡ Adjusted diluted EPS is calculated from adjusted profit with tax on adjusted profit deducted. For the year ended 28 February 2020 and before adjusted diluted EPS has been restated for the bonus issue of shares in 2021.

^ The dividend per share for the year ended 28 February 2021 includes a special dividend of 9.78 pence per share.

* Net cash is cash and cash equivalents net of the bank overdraft.

Company Information

Chairman	Sir Richard Lambert – Non-Executive Chairman
Executive Directors	Nigel Newton – Founder and Chief Executive Penny Scott-Bayfield – Group Finance Director
Independent Non-Executive Directors	Leslie-Ann Reed – Senior Independent Director Steven Hall Baroness Lola Young of Hornsey John Bason
Company Secretary	Maya Abu-Deeb
Registered Office	50 Bedford Square London WC1B 3DP +44 (0) 20 7631 5600
Registered number	01984336 (England and Wales)
Auditor	KPMG LLP 15 Canada Square London E14 5GL
Banker	Lloyds Bank 25 Gresham Street London EC2V 7HN
Stockbroker and Financial Adviser	Investec Investment Banking 30 Gresham Street London EC2V 7QP
Registrars	Link Group 10th Floor Central Square 29 Wellington Street Leeds LS1 4DL

Legal Notice

Certain information in this document has not been audited or otherwise independently verified and no representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. None of the Company or any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss whatsoever arising from any use of this document, or its contents, or otherwise arising in connection with this document.

This document does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase any shares in the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment or investment decisions relating thereto, nor does it constitute a recommendation regarding the shares of the Company.

Certain statements, statistics and projections in this document are or may be forward looking. By their nature, forward-looking statements involve a number of risks, uncertainties or assumptions that may or may not occur and actual results or events may differ materially from those expressed or implied by the forward-looking statements. Accordingly, no assurance can be given that any particular expectation will be met and reliance should not be placed on any forward-looking statement. Accordingly, forward-looking statements contained in this document regarding past trends or activities should not be taken as representation that such trends or activities will continue in the future. You should not place undue reliance on forward-looking statements, which are based on the knowledge and information available only at the date of this document's preparation. For a description of certain factors that may affect Bloomsbury's business, financial performance or results of operations, please refer to the principal risks included in this Annual Report and Accounts; see pages 93 to 98.

The Company does not undertake any obligation to update or keep current the information contained in this document, including any forward-looking statements, or to correct any inaccuracies, which may become apparent and any opinions expressed in it are subject to change without notice.

References in this report to other reports or materials, such as a website address, have been provided to direct the reader to other sources of Bloomsbury information which may be of interest. Neither the content of Bloomsbury's website nor any website accessible by hyperlinks from Bloomsbury's website nor any additional materials contained or accessible thereon, are incorporated in, or form part of, this report.

Notice of the Annual General Meeting

To be held at the offices of
Bloomsbury Publishing Plc
13 Bedford Square
London
WC1B 3RA
On Wednesday 20 July 2022 at 12.00 noon

To Bloomsbury Shareholders

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to any aspect of the contents of this document or what action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you sell or have sold or otherwise transferred all of your shares in Bloomsbury Publishing Plc, please send this document together with the accompanying documents as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or the transferee.

Letter to Shareholders

15 June 2022

Dear Shareholder

Bloomsbury Publishing Plc - Annual General Meeting

I am pleased to inform you that this year's Annual General Meeting ("AGM") of Bloomsbury Publishing Plc (the "Company") will be held at 13 Bedford Square, London WC1B 3RA on Wednesday 20 July 2022 at 12.00 noon.

Information regarding the AGM, including the information required by section 311A of the Companies Act 2006, is available from www.bloomsbury-ir.co.uk.

AGM Arrangements

We are looking forward to welcoming Shareholders in person to our 2022 AGM, particularly given the constraints we have faced over the last two years due to the COVID-19 pandemic. The Board continues to monitor the latest Government guidelines relating to COVID-19. At the time of writing this letter, it is anticipated that there will be no restrictions on social contact or the meeting format at the time of the AGM and therefore, Shareholders, proxies and corporate representatives will be able to attend and participate in the AGM. However, Shareholders are encouraged to carefully consider whether it is appropriate to attend the AGM in person. The Board wishes to safeguard the well-being of all the Company's Directors, employees, Shareholders and other attendees and to minimise any public health risks from public gatherings. Therefore, we request that any Shareholders who intend to attend the AGM take all necessary precautions to minimise the risk of transmission of COVID-19. In particular, Shareholders and other attendees should not attend the AGM in person if they have symptoms of, or have tested positive for, coronavirus. To this end, we encourage all prospective attendees to take a lateral flow test before attending the AGM.

Please note that all attendees will be required to adhere to the health and safety measures detailed below under the heading "Health and Safety".

The Government's measures to help contain the spread of COVID-19 are of course subject to change and it may be necessary to change the arrangements for the AGM at short notice should Government restrictions on public gatherings or other social distancing measures be reintroduced. Any changes to the AGM arrangements will be communicated as early as possible via the Regulatory News Service and its investor relations website (www.bloomsbury-ir.co.uk).

Attendance at the AGM

Shareholders intending to attend the AGM are asked to register their intention as soon as practicable by filling out a form which can be found at www.bloomsbury-ir.co.uk/governance/governance-agm.

Health and Safety

The health and safety of our employees and Shareholders is paramount to us. Please note therefore that strict health and safety measures will be enforced at the AGM. We ask that all prospective attendees:

- Take a lateral flow test 24 hours prior to the AGM and only attend if this is negative;
- Download the NHS Test & Trace app prior to arrival;
- Agree to have their temperature checked prior to admission to the meeting;
- Wear face coverings at all times during the meeting; and
- Practice social distancing at all times during the meeting.

Communication of changes

Should the situation change such that it may become necessary to change the arrangements for this year's AGM after the date of this letter, the Company will provide any appropriate updates via the Regulatory News Service and its investor relations website (www.bloomsbury-ir.co.uk).

Resolutions

This document provides details of the resolutions to be voted upon at the AGM and includes the formal notice convening the AGM. Notes will also be found in the section entitled "Explanatory Notes to the Resolutions" relating to the resolutions that Shareholders will be asked to consider and vote on at the AGM. Resolutions 1 to 12 will be proposed as ordinary resolutions and resolutions 13 to 15 will be proposed as special resolutions.

If Shareholders have elected to receive information from the Company in hard copy, they will have received the Annual Report and Accounts 2022 with this document. Shareholders who have not elected to receive hard-copy documents can view or download the Annual Report and Accounts 2022 and this Notice from our website at www.bloomsbury-ir.co.uk.

Voting by Proxy

All votes are important to us. Shareholders are strongly encouraged to participate by submitting a proxy vote in advance of the meeting and appointing the Chair of the Meeting if they are unable to attend the AGM in person. This will ensure that their vote will be counted if ultimately they (or any other proxy that otherwise might be appointed) are not able to attend the meeting in person. If a Shareholder appoints a person other than the Chair of the Meeting as their duly appointed proxy, it is important to bear in mind that if restrictions on public gatherings are reintroduced, their proxy may not be permitted to attend the AGM and therefore would not be able to vote their shares.

Instructions can be found in the section entitled "Explanatory Notes to the Notice" to enable Shareholders to vote electronically and how to register to do so. To register, Shareholders will need their Investor Code, which can be found on their share certificate. Shareholders may request a paper form of proxy from our Registrar, Link Group. Proxy votes should be submitted as early as possible and in any event by no later than 12.00 noon on Monday 18 July 2022 in order to count towards the vote. Submission of a proxy vote will not preclude a Shareholder from attending and voting at the AGM in person.

Recommendation

The Directors consider that all the resolutions that are to be considered at the AGM are in the best interests of the Company and its Shareholders as a whole and are most likely to promote the success of the Company for the benefit of Shareholders as a whole. The Directors unanimously recommend that Shareholders vote in favour of all the proposed resolutions as they intend to do so in respect of their own interests (both beneficial and non-beneficial).

Yours faithfully

Maya Abu-Deeb
General Counsel & Group Company Secretary

Bloomsbury Publishing Plc
15 June 2022

Notice of the Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Bloomsbury Publishing Plc (the "Company") will be held at 13 Bedford Square, London WC1B 3RA on Wednesday 20 July 2022 at 12.00 noon.

You will be asked to consider and vote on the resolutions below. Resolutions 1 to 12 will be proposed as ordinary resolutions and resolutions 13 to 15 will be proposed as special resolutions.

Ordinary Business

Shareholders are asked to consider and, if thought fit, to pass the following resolutions as ordinary resolutions:

1. To receive the audited accounts of the Company for the year ended 28 February 2022, together with the Report of the Directors and the report of the Auditor thereon.
2. To approve the Annual Statement by the Chair of the Remuneration Committee and the Annual Report on Directors' Remuneration for the year ended 28 February 2022, as set out on pages 124 to 125 and 134 to 144 respectively of the Company's Annual Report and Accounts for the year ended 28 February 2022.
3. To declare a final dividend for the year ended 28 February 2022 of 9.40 pence per Ordinary share.
4. To elect John Bason as a Director of the Company.
5. To re-elect Sir Richard Lambert as a Director of the Company.
6. To re-elect Nigel Newton as a Director of the Company.
7. To re-elect Leslie-Ann Reed as a Director of the Company.
8. To re-elect Penny Scott-Bayfield as a Director of the Company.
9. To re-elect Baroness Lola Young of Hornsey as a Director of the Company.
10. To appoint Crowe U.K. LLC as Auditor of the Company to hold office until the conclusion of the next Annual General Meeting at which financial statements for the Company are laid before the Company.
11. To authorise the Directors to determine the remuneration of the Auditor on behalf of the Company.

Special Business

Shareholders are asked to consider and, if thought fit, to pass the following resolutions of which Resolution 12 will be proposed as an ordinary resolution and resolutions 13, 14 and 15 will be proposed as special resolutions.

12. **THAT:**
    a. the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot any shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company to such persons and on such terms as they think proper up to a maximum aggregate nominal amount of £340,036 provided that:
        i. this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or, if earlier, 15 months from the date of passing of this resolution, unless previously varied, revoked or renewed by the Company in general meeting; and
        ii. the Company shall be entitled to make, before the expiry of such authority, any offer or agreement which would or might require shares to be allotted or rights to subscribe for or convert any security into shares in the Company to be granted after the expiry of such authority and the Directors may allot any shares pursuant to such offer or agreement as if such authority had not expired; and
        iii. the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and
    b. all prior authorities to allot any shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company given to the Directors by resolution of the Company be revoked but without prejudice to the allotment of any shares already made or agreed to be made pursuant to such authorities.
13. **THAT:** if Resolution 12 is passed, the Directors be authorised to allot equity securities (as defined in the Companies Act 2006 ("the Act")) for cash under the authority given by that resolution and/or to sell Ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be limited:
    a. to the allotment of equity securities in connection with a rights issue, open offer or other pre-emptive offer in favour of holders of Ordinary shares in the Company where the equity securities respectively attributable to the interests of all such holders of Ordinary shares are proportionate (as nearly as may be) to the respective numbers of and/or rights attaching to Ordinary shares held by them, subject to such exceptions, exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the requirements of any regulatory body or any stock exchange or otherwise in any territory;
    b. to the allotment of equity securities pursuant to the terms of the Company's existing employees' share or share option schemes or any other employees' share scheme approved by the Shareholders of the Company in general meeting; and

c. to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph a. and b. above) up to a nominal value not exceeding in aggregate £51,005;

and shall expire at the conclusion of the next Annual General Meeting of the Company after passing this resolution or, if earlier, 15 months from the date of passing of this resolution, unless previously varied, revoked or renewed by the Company in general meeting, and provided that the Company may, before such expiry, make any offer or agreement which would or might require equity securities to be allotted or Ordinary shares held by the Company as treasury shares to be sold after such expiry and the Directors may allot equity securities or sell treasury shares pursuant to any such offer or agreement as if the power hereby conferred had not expired; and all prior powers granted under section 571 of the Act revoked, provided that such revocation shall not have retrospective effect.

14. **THAT:** if Resolution 12 is passed, the Directors be authorised, in addition to any authority granted under Resolution 13, to allot equity securities (as defined in the Companies Act 2006 ("the Act") for cash under the authority given by Resolution 12 and/or to sell Ordinary shares held by the Company as treasury shares for cash, as if section 561 of the Act did not apply to any such allotment or sale, such further authority to be:

a. limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £51,005; and

b. used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of the notice of this resolution;

and shall expire at the conclusion of the next Annual General Meeting of the Company after passing this resolution or, if earlier, 15 months from the date of passing of this resolution, unless previously varied, revoked or renewed by the Company in general meeting, and provided that the Company may, before such expiry, make any offer or agreement which would or might require equity securities to be allotted or Ordinary shares held by the Company as treasury shares to be sold after such expiry and the Directors may allot equity securities or sell treasury shares pursuant to any such offer or agreement as if the power hereby conferred had not expired; and all prior powers granted under section 571 of the Act revoked, provided that such revocation shall not have retrospective effect.

15. **THAT:** the Company be authorised, pursuant to section 701 of the Companies Act 2006 ("the Act"), to make market purchases (as defined in section 693(4) of the Act) of any of its Ordinary shares of 1.25p each ("Ordinary shares") in such manner and on such terms as the Directors may from time to time determine provided that:

a. the maximum number of Ordinary shares authorised to be purchased is 8,160,867 Ordinary shares being 10% of the issued Ordinary shares of the Company at the date of the notice of this resolution;

b. the maximum price (exclusive of expenses) which may be paid for each Ordinary share is an amount equal to 105% of the average of the middle market quotations for an Ordinary share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which such share is contracted to be purchased and the minimum price (exclusive of expenses) which may be paid for each Ordinary share is 1.25 pence;

c. the authority hereby conferred shall, unless previously varied, revoked or renewed, expire at the conclusion of the next AGM of the Company to be held after passing this resolution or 15 months from the date of passing of this resolution, whichever shall be the earlier; and

d. the Company shall be entitled under such authority to make at any time before its expiry or termination any contract to purchase its own shares which will or might be concluded wholly or partly after the expiry or termination of such authority and may purchase its own shares pursuant to such contract.

By order of the Board

Maya Abu-Deeb
General Counsel & Group Company Secretary

Bloomsbury Publishing Plc
15 June 2022

Registered Office
50 Bedford Square
London
WC1B 3DP

Explanatory Notes to the Resolutions

Resolutions 1 to 12 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

Resolutions 13 to 15 are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 1 (ordinary resolution) – Report and Accounts

To receive the report of the Directors and the financial statements for the year ended 28 February 2022, together with the report of the Auditor.

Resolution 2 (ordinary resolution) – Approval of Annual Statement by the Chair of the Remuneration Committee and Annual Report on Directors' Remuneration

The Directors are required to prepare the Directors' Remuneration Report, comprising an annual report detailing the remuneration of the Directors and an annual statement by the Chair of the Remuneration Committee. These are set out on pages 124 to 125 and 134 to 144 of the Annual Report and Accounts. The Company is required to seek Shareholders' approval in respect of the contents of the Remuneration Report on an annual basis (excluding the part containing the Directors' Remuneration Policy) and of the annual statement. The vote for Resolution 2 is an advisory one.

Resolution 3 (ordinary resolution) – Final Dividend

The Board proposes a final dividend of 9.40 pence per share for the year ended 28 February 2022. If approved, the recommended final dividend will be paid on 26 August 2022 to all Shareholders on the register on the record date of 29 July 2022. Payments will be made by cheque or BACS (where there is an existing dividend mandate). The final dividend equates to an aggregate distribution to Shareholders of approximately £7.7 million, making approximately £8.8 million in aggregate for the interim and final dividend together for the year ended 28 February 2022.

Resolutions 4 to 9 (ordinary resolutions) – Reappointment of Directors

In accordance with Provision 18 of the UK Corporate Governance Code and the Articles, all the Directors are subject to annual re-election by Shareholders. The election or re-election of Directors, if approved, will take effect at the conclusion of the meeting.

John Bason joined the Board as a Non-Executive Director on 1 April 2022 and will be seeking election at the AGM. Steven Hall will resign as a Director of the Company and will therefore not be standing for re-election.

The Board has considered the appraisal of the performance of each Director offering themselves for re-election and has concluded that each of them makes positive and effective contributions to the meetings of the Board and the Committees on which they sit and that they demonstrate commitment to their roles.

The Board is satisfied that each Non-Executive Director offering themselves for election or re-election is independent in character and there are no relationships or circumstances likely to affect their character or judgement.

Biographical details for each of the Directors may be found on pages 102 to 103 of the Annual Report and Accounts.

The Board unanimously recommends the election or re-election of each of the Directors.

Resolution 10 (ordinary resolution) – Appointment of the Auditor

Following a tender process (details of which can be found on pages 121 to 122 of the Annual Report and Accounts), the Board, on the recommendation of the Audit Committee, recommends the appointment of Crowe U.K. LLC ("Crowe") as the new Auditor of the Company for the financial year ending 28 February 2023. KPMG LLP will cease to hold office as the Company's Auditor at the conclusion of the AGM and has provided a statement as required by section 519 of the Companies Act 2006, which is set out in Appendix 1. Resolution 10 proposes the appointment of Crowe as Auditor until the conclusion of the next Annual General Meeting.

Resolution 11 (ordinary resolution) – Remuneration of the Auditor

The Board proposes that it be authorised to determine the level of the Auditor's remuneration for the year ending 28 February 2023.

Resolution 12 (ordinary resolution) – Authority to allot Ordinary shares

This is an ordinary resolution to replace the general authority, last given at the 2021 AGM, for the Directors to be authorised to allot Ordinary shares pursuant to section 551 of the Act. This resolution, if passed, would give the Directors the authority to allot up to 27,202,891 Ordinary shares of 1.25 pence with a nominal value of £340,036, representing approximately 33.33% of the issued Ordinary share capital of the Company at the date of this Notice.

This authority, if granted, will expire on the earlier of the conclusion of the Company's next AGM and 15 months from the date of passing this resolution. The Board has no present intention of exercising the authority granted by this resolution save in the circumstances referred to below. The Board intends to seek its renewal at subsequent AGMs of the Company.

As at the date of signing the Directors' Remuneration Report for the 2022 Annual Report and Accounts, the Directors had beneficial holdings of Ordinary shares in the Company which, in aggregate, amounted to approximately 1.66% of the Ordinary shares in issue. The Directors have been granted awards under the Company's share award schemes that, if they were to fully vest, would entitle the Directors to further Ordinary shares which in aggregate would amount to approximately a further 1.09% of the Ordinary shares in issue.

Resolutions 13 and 14 (special resolutions) – Disapplication of statutory pre-emption provisions

If the Directors wish to allot new shares and other equity securities, or to sell treasury shares, for cash (other than in connection with an employee share scheme), Company Law requires that these shares are offered first to Shareholders in proportion to their existing shareholdings.

The Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash representing no more than 5% of the issued Ordinary share capital of the Company (exclusive of treasury shares), without restriction as to the use of proceeds of those allotments.

Accordingly, the purpose of Resolution 13 is to authorise the Directors to allot new Ordinary shares pursuant to the allotment authority given to them by Resolution 12, or to sell treasury shares, for cash (i) pursuant to the terms of the Company's employees' share schemes, (ii) in connection with a pre-emptive offer or rights issue to Shareholders, or (iii) otherwise up to a nominal value equivalent to 5% of the issued Ordinary share capital (exclusive of treasury shares) without the shares first being offered to existing Shareholders in proportion to their existing shareholdings.

The Board also intends to adhere to the provisions in the Pre-Emption Group's Statement of Principles and not to allot shares or other equity securities or to sell treasury shares for cash on a non pre-emptive basis pursuant to the authority in Resolution 13 in excess of an amount equal to 7.5% of the issued Ordinary share capital (excluding treasury shares), within a rolling three-year period, other than: with prior consultation with Shareholders; or in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment.

The Pre-Emption Group's Statement of Principles also supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash representing no more than an additional 5% of issued Ordinary share capital (exclusive of treasury shares), to be used only in connection with an acquisition or specified capital investment in respect of which sufficient information is made available to Shareholders to enable them to reach an assessment of the potential return.

Accordingly, and in line with the template resolutions published by the Pre-Emption Group, the purpose of Resolution 14 is to authorise the Directors to allot new shares and other equity securities pursuant to the allotment authority given by Resolution 12, or sell treasury shares, for cash up to a further nominal amount equivalent to 5% of the issued Ordinary share capital (exclusive of treasury shares) only in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue. If the authority given in Resolution 14 is used, the Company will publish details of the placing in its next annual report.

If Resolutions 13 and 14 are passed, the authority will expire on the earlier of the conclusion of the Company's next AGM and 15 months from the date of passing the resolutions.

The Board considers the authorities in Resolutions 13 and 14 to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer or rights issue without the need to comply with the strict requirements of the statutory pre-emption provisions. The Directors have no current intention to exercise the authorities granted by Resolutions 13 and 14. The Company has not allotted Ordinary shares or sold treasury shares for cash on a non-pre-emptive basis in the previous six years other than as follows: 869,054 shares allotted during December 2014 in connection with the acquisition of Osprey Publishing; 247,393 shares allotted during August 2016 in connection with the acquisition of Berg Fashion Library; shares allotted under employee share option schemes; the non-pre-emptive equity placing of 3,766,428 Ordinary shares in the capital of the Company in April 2020; and the issue of 2,513,674 Ordinary shares by way of a bonus issue in August 2020.

Resolution 15 (special resolution) – Authority for the Company to purchase Ordinary shares

This is a resolution to replace the general authority, last given at the 2020 AGM, for the Company to purchase its own Ordinary shares and either to cancel them or to hold them as treasury shares. The Company would be authorised to make market purchases of up to 8,160,887 Ordinary shares with a nominal value of £102,011, being equivalent to 10% of the issued Ordinary share capital (excluding treasury shares) at the date of this Notice.

Treasury shares are not taken into account in calculations of earnings per share and may only be transferred pursuant to an employee share scheme, cancelled or sold for cash. Shares would only be purchased if the Directors consider such purchases are in the best interests of Shareholders generally and can be expected to result in an increase in earnings per share. The authority will only be used after considering the prevailing market conditions, other investment opportunities, appropriate gearing levels and the overall financial position of the Company. Any purchases would be market purchases through the London Stock Exchange. The upper and lower limits on the price which may be paid for those shares are set out in the resolution itself.

This authority would, if granted, expire on the earlier of the conclusion of the Company's next AGM and 15 months from the date of passing this resolution.

The Directors believe it is prudent to seek this general authority to be able to act if circumstances arise in which they consider such purchases to be in the best interests of Shareholders generally. The Directors have no current intention to exercise the authority granted by this resolution. The Company has not purchased its own Ordinary shares in the previous five years and holds no shares in treasury as at the date of this Notice.

Explanatory Notes to the Notice

The following notes explain your general rights as a Shareholder and your right to attend and vote at the AGM or to appoint someone else to vote on your behalf.

As explained in the Letter to Shareholders on page 2, Shareholders wishing to attend the meeting are asked to register their attendance as soon as possible (please see Note 1 below). Shareholders are reminded that they may appoint the Chair of the Meeting to be their proxy at the AGM (see Note 2 below).

1. **Entitlement to attend and vote.** Shareholders included on the register of members (in relation to Ordinary shares held in CREST, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001) at close of business on Monday 18 July 2022 will be entitled to vote at the AGM in respect of the number of Ordinary shares registered in their name at that time. Changes to the register of members after that time will be disregarded in determining the rights of any person to attend or vote at the meeting. **Shareholders wishing to attend the meeting are asked to register their attendance as soon as possible by filling out a questionnaire which can be found at www.bloomsbury-ir.co.uk/governance/governance-agm. Government restrictions on public gatherings or other social distancing measures being reintroduced may mean Shareholders cannot ultimately attend the meeting.**
2. **Appointment of proxies**. If a Shareholder meets the criteria set out in Note 1 above, they are entitled to attend and vote or may appoint one or more proxies to attend, speak and vote on their behalf. **Given the uncertainty around whether Shareholders will be able to attend the AGM due to a change in the situation with the COVID-19 pandemic, we encourage all Shareholders appoint the Chair of the Meeting as their proxy. This will ensure that all Shareholder votes are counted even if attendance at the meeting is restricted or a Shareholder or any other proxy a Shareholder might appoint is unable to attend in person. The return of a completed proxy form will not prevent a Shareholder from attending the AGM and voting in person if the Shareholder wishes to do so, should this be permitted under any applicable COVID-19 restrictions.** In general however, a proxy need not be a Shareholder of the Company. A Shareholder can only appoint a proxy using the procedures set out in these notes. If a Shareholder wishes their proxy to speak on their behalf at the meeting, they will need to appoint their own choice of proxy (who is not the Chair) and give instructions directly to the proxy. A Shareholder may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A Shareholder may not appoint more than one proxy to exercise rights attached to any one share. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, the Shareholder's proxy will vote or abstain from voting at their discretion. The Shareholder's proxy will vote (or abstain from voting) as they think fit in relation to any other matter which is put before the AGM.

   Shareholders are recommended to vote their shares electronically at www.signalshares.com. On the home page, search "Bloomsbury Publishing Plc" and then register or log in, using your Investor Code. To vote at the AGM, click on the "Vote Online Now" button by not later than 12.00 noon on Monday 18 July 2022 (or 48 hours (excluding weekends and public holidays) before the time appointed for any adjournment of it). Electronic votes and proxy votes should be submitted as early as possible and, in any event, to be received by no later than 12.00 noon on Monday 18 July 2022. Any power of attorney or other authority under which the proxy is submitted must be sent to the Company's Registrar (Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL) so as to have been received by the Company's Registrars by not later than 12.00 noon on Monday 18 July 2022 (or 48 hours (excluding weekends and public holidays) before the time appointed for any adjournment of it).

   You are entitled to request a hard-copy form of proxy directly from the Registrar, Link Group, whose contact details can be found in Note 14. If a paper form of proxy is requested from the Company's Registrar, it must be completed and sent to the Company's Registrar (Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL) so as to have been received by the Company's Registrars by not later than 12.00 noon on Monday 18 July 2022 (or 48 hours (excluding weekends and public holidays) before the time appointed for any adjournment of it).
3. **Appointment of proxies through CREST**. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

   In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID - RA10) not later than 48 hours before the time appointed for holding the AGM. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. For further information on CREST procedures, limitations and systems timings, please refer to the CREST Manual. In all cases, for a proxy form to be valid, the CREST Voting Service information must be received by the Company's Registrar no later than 48 hours before the time appointed for the holding of the AGM.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

4. **Appointment of proxy by joint members.** In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
5. **Changing proxy instructions.** To change your proxy instructions simply submit a new proxy appointment using the methods set out in Note 2. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Link Group at PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
6. **Termination of proxy appointments.** In order to revoke a proxy instruction electronically, please follow the method set out in Note 2 and elect to withhold your vote on each resolution. To revoke a hard-copy proxy instruction, you will need to inform the Company by sending a signed hard-copy notice clearly stating your intention to revoke your proxy appointment to Link Group at PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. In the case of a Shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Link Group no later than 12.00 noon on Monday 18 July 2022. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the AGM and voting in person, **subject to any changes required to be made to the AGM arrangements referred to above**. If you have appointed a proxy and attend the AGM in person, your proxy appointment will automatically be terminated.
7. **Corporate representatives.** A corporation which is a Shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a Shareholder provided that no more than one corporate representative exercises powers over the same shares.
8. **Issued shares and total voting rights.** As at 14 June 2022 (being the last business day prior to the date of this Notice), the Company's issued share capital comprised 81,608,672 Ordinary shares of 1.25 pence each (subject to any changes that will be notified to you at the beginning of the AGM). Each Ordinary share carries the right to one vote at a General Meeting of the Company and, therefore, the total number of voting rights in the Company as at 14 June 2022 is 81,608,672.
9. **Questions at the AGM.** Any Shareholder attending the meeting has the right to ask questions. Under section 319A of the Companies Act 2006, the Company must answer any question relating to the business being dealt with at the meeting, except in certain circumstances, including (i) if to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (ii) the answer has already been given on a website in the form of an answer to a question, or (iii) if it is undesirable in the interest of the Company or the good order of the meeting that the question be answered.
10. **Website publication of audit concerns.** Under Section 527 of the Companies Act 2006, Shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the Auditor's Report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an Auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act. The Company may not require the Shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's Auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Act to publish on a website.

Explanatory Notes to the Notice

continued

11. **Nominated Persons.** Any person to whom this Notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a "Nominated Person") may, under an agreement between them and the Shareholder by whom they were nominated ("Relevant Member"), have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they, under any such agreement, may have a right to give instructions to the Relevant Member as to the exercise of voting rights. Your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you. The statement of the rights of Shareholders in relation to the appointment of proxies does not apply to Nominated Persons. The rights described in this regard can only be exercised by Shareholders of the Company.
12. **Members' Rights.** Under section 338 and section 338A of the Companies Act 2006, a member or members meeting the qualification criteria in those sections have the right to require the Company (i) to give to members of the Company entitled to receive notice of the AGM, notice of a resolution which may properly be moved and is intended to be moved at the AGM, and/or (ii) to include in the business to be dealt with at the AGM any matter (other than a proposed resolution) which may be properly included in the business. A resolution may properly be moved or a matter may properly be included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise); or (b) it is defamatory of any person; or (c) it is frivolous or vexatious. Such a request may be in hard-copy form or in electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, and must be authorised by the person or persons making it. The request must be received by the Company not later than the later of the dates falling six weeks before the AGM and the time of giving this Notice of AGM, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.
13. **Documents.** Copies of the following documents will be available for inspection at the place of the AGM for 15 minutes prior to and during the meeting:
    - copy of this Notice of AGM;
    - copies of the service agreements under which the Executive Directors of the Company are employed by the Company or its subsidiaries;
    - copies of letters of appointment of the Non-Executive Directors;
    - a copy of the 2022 Annual Report and Accounts; and
    - copies of the Company's 2014 Performance Share Plan and 2014 Sharesave Plan
14. **Communication.** Except as provided above, members who have general queries about the AGM should call the Company's Registrar Shareholder helpline on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9:00 am to 5:30 pm, Monday to Friday excluding weekends and public holidays in England and Wales. Calls may be recorded and monitored for security and training purposes; no other methods of communication will be accepted. You may not use any electronic address provided in this Notice of Meeting to communicate with the Company for any purposes other than those expressly stated.
15. **Website giving information regarding the AGM.** Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, is available from www.bloomsbury-ir.co.uk.

Appendix 1

KPMG LLP
Audit
15 Canada Square
London E14 5GL
United Kingdom

Tel +44 (0) 20 7311 1000
Fax +44 (0) 20 7311 3311

Private & confidential
Bloomsbury Publishing PLC
50 Bedford Square
LONDON
WC1B 3DP

Our ref AR-1007

Contact Anna Barrell
Anna.Barrell@KPMG.co.uk

15 June 2022

Dear Sir/Madam,

Statement to Bloomsbury Publishing PLC (no. 01984336) on ceasing to hold office as auditors pursuant to section 519 of the Companies Act 2006

The reason connected with our ceasing to hold office is the holding of a competitive tender for the audit, in which we were not invited to participate.

Yours faithfully,

KPMG LLP

KPMG LLP
Audit registration number: 9188307
Audit registration address:
15 Canada Square
Canary Wharf, London E14 5GL

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