



## **2019 Annual General Meeting Results**

### **Update Statement**

In accordance with Provision 4 of the revised 2018 UK Corporate Governance Code, which applied to STV Group plc ("the Company") from 1 January 2019, the Company is providing this update following the votes received against Resolution 2, the Director's Remuneration Report, at the 2019 Annual General Meeting held on 23 April. While shareholders approved the Directors' Remuneration Report by a clear majority, with 70.46% of votes cast in favour, the Company recognises that 29.54%, including three substantial shareholders, opposed the resolution.

Following the vote, the Company has sought to engage with these three shareholders in order to understand their concerns. The Chair of the Remuneration Committee, Anne Marie Cannon, has met with two of these shareholders, and one common theme which emerged was concern around the level of disclosure for the personal element of the annual bonus. Despite ongoing and pro-active efforts to engage, one of the major shareholders who voted against the Report has provided no response or feedback. The Company will continue with our attempts to engage with this shareholder.

The Company also notes that one of the primary proxy advisory bodies (ISS) recommended a vote against the Directors' Remuneration Report. The main issues that ISS identified were the perceived stretch of the bonus targets in comparison to the previous year, and that the level of disclosure in respect of the personal element of the bonus was not appropriate.

The Board fully respects the views of its shareholders and very much welcomes the engagement and feedback it has received. As a result, we will improve disclosure of the personal element of the annual bonus in the Directors' Remuneration Report for the current financial year.

Regarding the stretch of the 2018 bonus targets, the Remuneration Committee remains unanimous in its opinion that bonus targets were appropriately stretching. 2018 was a unique year of significant and transformative change across the business, initiated by the appointment of a new CEO, and the targets were set in this context.

The Company remains dedicated to ongoing engagement with shareholders on the issue of executive remuneration. We look forward to consulting with major shareholders and investor bodies as part of our next Remuneration Policy review, which we expect to undertake ahead of seeking binding shareholder approval at the Company's 2021 Annual General Meeting.

Jane E A Tames

Company Secretary

22 October 2019