

BOARD OF DIRECTORS



Richard Eyre CBE

Chairman (age 63)

Appointment May 2011

Richard Eyre was appointed in May 2011 as non-executive Chairman of the Group, Chairman of the Nomination Committee and member of the Audit and Remuneration Committees. His appointment was instrumental in moving Next 15 further into the digital marketing arena. Richard is Chairman of the UK Internet Advertising Bureau and the Media Trust.

Richard has 41 years' experience across the media and marketing industries, including time as CEO of ITV Network LTD, Capital Radio plc and content and strategy director of RTL Group plc. He has served as chairman of RDF Media plc, GCap plc, mobile games publisher I Play, mobile tech company Rapid Mobile and The Eden Project. He was also a board member at the Guardian Media Group plc, Grant Thornton LLP and Results International LLP.

In 2013, he was awarded the prestigious Mackintosh Medal for outstanding personal and public service to advertising and in the 2014 New Year Honours list, Richard was awarded a CBE for services to advertising and the media.



Tim Dyson

Chief Executive Officer (age 57)

Appointment December 1991

Tim joined the Group in 1984 straight from Loughborough University and became its global CEO in 1992. As one of the early pioneers of tech PR, he has worked on major corporate and product campaigns with such companies as Cisco, Microsoft, IBM, Sun and Intel. Tim oversaw the flotation of the Company on the London Stock Exchange and has managed a string of successful acquisitions by the Group including The OutCast Agency, M Booth and The Blueshirt Group in the US as well as Morar, Elvis, Velocity and Publitek in the UK. Tim moved from London to set up the Group's first US business in 1995 in Seattle and is now based in Palo Alto.

Outside Next 15, Tim has served on advisory boards of a number of emerging technology companies. Tim has been named an Emerging Power Player by PR Week US. In 2013, Tim was recognised on the Holmes Report's In2's Innovator 25, which recognises individuals who have contributed ideas that set the bar for the industry. He was also recently named in PR Week's Power Book.



Peter Harris

Chief Financial Officer (age 56)

Appointment March 2014

Peter Harris joined Next 15 as its Chief Financial Officer in November 2013 and was appointed as executive Director in March 2014. He is also currently a non-executive director of Communis plc and chairman of its audit committee, following appointment in July 2013.

Peter's financial experience spans 30 years and he has extensive media experience, having spent the last 20 years in finance roles in the media sector. He was previously the interim finance director at Centaur Media plc, interim CFO of Bell Pottinger LLP, CFO of the Engine Group, and CFO of 19 Entertainment. Prior to that, he was group finance director of Capital Radio plc. Peter has considerable experience in UK and US listed companies, with international exposure.





Penny Ladkin-Brand

Non-executive Director (age 40)
Appointment July 2017

N A R

Penny joined Next 15 in July 2017 as non-executive Director. She chairs the Audit Committee and is a member of the Nomination and Remuneration Committees.

Penny is also Chief Financial Officer at Future plc and a chartered accountant with a background in digital media and expertise in digital monetisation models. Most recently, she was commercial director at Auto Trader Group and previously a senior executive at Fitness First.



Genevieve Shore

Senior Independent
 Non-executive Director (age 48)
Appointment February 2015

N A R

Genevieve Shore joined Next 15 in February 2015 as non-executive Director. She chairs the Remuneration Committee and is a member of the Nomination and Audit Committees.

Genevieve brings digital, technology and commercial expertise to Next 15 from a career in the media, education and technology sectors. Most recently, she was Chief Product and Marketing Officer of Pearson plc and previously Chief Information Officer and Director of Digital Strategy.

Genevieve is also a non-executive director at Santander UK and Moneysupermarket.com Group PLC. She is also a non-executive director at the Rugby Football Union and the independently-owned Arup Ltd. Until early 2018 she was an advisory board member for Lego Education. She also invests in a number of education technology start-ups and works with female executives as a coach and mentor.



Nick Lee Morrison

General Counsel and
 Company Secretary (age 36)
Appointment January 2016

Nick qualified as a solicitor at Ashurst in 2008 where he stayed as an associate in the corporate department before moving to Clifford Chance in 2011 to focus on corporate and M&A work for a range of TMT sector clients.

In 2013 Nick joined the Financial Times Limited as in-house legal counsel and in 2016 he joined Next 15 as General Counsel and Company Secretary.

- Chair of Committee
- N Nomination Committee
- A Audit Committee
- R Remuneration Committee



Chairman's introduction

The Board is committed to maintaining appropriate standards of Corporate Governance to support Next 15's strategy, and to managing the Company and its subsidiaries (together, 'the Group') in a flexible and effective

manner for the benefit of its shareholders, while fostering a corporate culture that encourages growth. The Board monitors the Company's policies to ensure that they are appropriate for the nature, size and circumstances of the business.

This Corporate Governance Report sets out our approach to Governance, provides further information on the operation of the Board and its Committees, and explains how the Group seeks to comply with the Quoted Companies Alliance Code for Small and Mid-sized Quoted Companies 2013 (the 'QCA Code'). As an AIM-listed company, the Company is not required to comply with the UK Corporate Governance Code (the 'UK Code'); however, the Board supports the UK Code and seeks to apply this when appropriate given the Group's size and complexity.

We acknowledge that shareholders look to us to promote the long-term success of the Company and, as Chairman, I recognise that it is my role to provide the leadership to enable it to do so effectively.

I look forward to meeting you at our Annual General Meeting ('AGM') on Friday 22 June 2018.

A handwritten signature in black ink, appearing to read 'Richard Eyre', written in a cursive style.

Richard Eyre CBE
Chairman
12 April 2018

The Board of Directors

The Board of Directors is responsible for the strategic direction, investment decisions and effective control of the Group. As at 12 April 2018 the Board comprised two executive Directors, a non-executive Chairman and two non-executive Directors.

Next 15 is delighted to welcome Penny Ladkin-Brand to the Board. Penny joined on 24 July 2017 and brings with her extensive digital media experience, and will be a valuable addition to the Next 15 Board. Penny chairs the Audit Committee and serves on the Nomination and Remuneration Committees of the Board. In July 2015 she was appointed as Chief Financial Officer of Future plc, prior to which she was Commercial Director at Auto Trader Group plc.

Alicja Lesniak stepped down from the Board in her position as non-executive Director on 30 June 2017 and the Board thanks Alicja for her tremendous contribution as a non-executive Director. Next 15 has benefited greatly from her experience and knowledge and we wish Alicja every success in the future. Alicja retired as a Director after two three-year terms, having served on the Next 15 Board and as Senior Independent Director and Chair of the Audit Committee since 2011.

Subsequently Genevieve Shore took up the role of Senior Independent non-executive Director on 1 July 2017.

Biographies of each of the Board Directors, including the Committees on which they serve and chair, are shown on page 22 to 23.

The Board is satisfied that, between the Directors, it has an effective and appropriate balance of skills and knowledge, including a range of financial, commercial and entrepreneurial experience. The Board is also satisfied that it has a suitable balance between independence (of character and judgement) and knowledge of the Company to enable it to discharge its duties and responsibilities effectively. No single Director is dominant in the decision-making process.

The Board aims to convene once a month, with additional meetings being held as required. As Tim Dyson is located in San Francisco, some of the Board meetings are held by telephone conference. The Board meets face to face whenever possible and aims to do so at least quarterly. Details of Board and Committee meetings held during the reporting period and the attendance records of individual Directors can be found on page 26.

The Board's responsibilities and processes

The principal matters considered by the Board during the period included:

- the Group's strategy, budget and financial resources;
- the Group's performance and outlook;
- opportunities for the Group to expand by acquisition;
- the Group's financial results for the interim and year end;
- review of the Group's risk management and internal controls;
- major capital projects and material contracts; and
- Corporate Governance matters.

There is a schedule of matters specifically reserved for decision by the Board which is regularly reviewed and is displayed on the Group's website at www.next15.com.

At each Board meeting there is a financial and business review and Board members receive monthly trading results, together with detailed commentary. Each Board member receives a Board pack in advance of each meeting which includes a formal agenda together with supporting papers for items to be discussed at the meeting.

All Directors have access to the advice and services of the General Counsel and Company Secretary, who is responsible for ensuring that Board procedures are followed and that the Company complies with all applicable rules, regulations and obligations. Directors may take independent professional advice at the Company's expense, as and when necessary to support the performance of their duties as Directors of the Company. Appropriate induction and training for new and existing Directors is provided where required.

Appointment, election and re-election of Directors

Appointments to the Board are the responsibility of the Board as a whole, upon the recommendation of the Nomination Committee.

The Directors' service agreements, the terms and conditions of appointment of non-executive Directors and Directors' deeds of indemnity are available for inspection at the Company's registered office during normal business hours.

The Company's Articles of Association provide that a Director appointed by the Board shall retire and offer themselves for re-election at the first AGM following their appointment and that, at each AGM of the Company, one-third of the Directors, in addition to any new appointment during the year, must retire by rotation. At the forthcoming AGM, Penny Ladkin-Brand, having been appointed since the last AGM, will stand for election, and Tim Dyson along with Genevieve Shore, will offer themselves for re-election by the shareholders.

With regard to the Directors who are offering themselves for re-election at the next AGM, the Board was delighted to welcome Penny Ladkin-Brand to Next 15 during the year, who brings with her extensive digital media experience which compliment the existing skills and expertise of the Board. The Board is further satisfied that the contributions of both Tim Dyson and Genevieve Shore continue to be effective and demonstrate sufficient time commitment to their respective roles. The Board also believes that each Director standing for re-election is independent in character and judgement. The Board therefore recommends that the Company and its shareholders support the election and re-election of each of the Directors listed above.

Biographical details of each Director standing for election and re-election, can be found on pages 22 and 23 of this report.

The roles of the Chairman and Chief Executive

The Chairman of the Board, Richard Eyre CBE, leads the Board in the determination of its strategy and in achieving its objectives. The Chairman is responsible for organising the business of the Board, ensuring its effectiveness and setting its agenda, and is also responsible for effective communication with the Group's shareholders. At the time of his appointment as Chairman, Richard Eyre CBE was considered independent in accordance with the provisions of the UK Code.

The Chief Executive Officer, Tim Dyson, oversees the Group on a day-to-day basis and is accountable to the Board for the financial and operational performance of the Group. The Chief Executive Officer has responsibility for implementing the agreed strategy and policies of the Board.

Senior Independent non-executive Director

Genevieve Shore holds the position of Senior Independent non-executive Director of the Company. Any shareholder concerns not resolved through the usual mechanisms for investor communication can be conveyed to the Senior Independent non-executive Director. Genevieve is considered to be independent as defined by the UK Code.

Board performance evaluation, succession planning and diversity

The performance of the Board is key to the Company's success. The performance of the Board and its Committees is evaluated regularly, and the evaluations are conducted with the aim of improving their effectiveness. The last Board evaluation was facilitated internally during the year to 31 January 2018 and involved a questionnaire to each Board Director. The review produced a number of key actions which will be progressed during 2018/19.

The Board has agreed that its succession planning framework should ensure that Board appointments provide an appropriate mix of skills and experience and a level of independence which will support the Group's objectives for business growth and its key strategic goals.

The Board believes in the importance of diverse Board membership. Women currently comprise 40%

of the Next 15 Board, meeting the recommendation set out by Lord Davies on diversity for a minimum of 33% female representation (applicable to FTSE 350 boards) by 2020. The importance of Diversity is also referenced in the Chairman's Statement.

Directors' conflicts of interest

Directors have a statutory duty to avoid conflicts of interest with the Company. The Company's Articles of Association allow the Directors to authorise conflicts of interest and the Board has adopted a policy for managing and, where appropriate, approving potential conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported by the Directors. A review of Directors' conflicts of interest is conducted annually.

Committees of the Board

The Board is supported by the Audit, Nomination and Remuneration Committees. The reports of these Committees can be found on pages 28 to 38.

Each Committee has access to such external advice as it may consider appropriate. The General Counsel and Company Secretary or his nominee acts as secretary to the Committees. The terms of reference of each Committee are reviewed regularly, updated as necessary to ensure ongoing compliance with best practice guidelines and referred to the Board for approval. Copies of the Committees' terms of reference are available from the Group's website at www.next15.com.

The Board appoints the Committee members. The Audit Committee comprises three non-executive Directors: Penny Ladkin-Brand (Chair), Richard Eyre and Genevieve Shore. Peter Harris also attends most meetings at the invitation of the Chairman. The Remuneration Committee comprises three non-executive Directors: Genevieve Shore (Chair), Penny Ladkin-Brand and Richard Eyre. The executive Directors also attend these Committee meetings at the invitation of the Chairman, except when discussing matters of their own remuneration. The Nomination Committee comprises Richard Eyre (Chair), Penny Ladkin-Brand, Genevieve Shore and Tim Dyson. Attendance records of Committee meetings are shown below:

Board and Committee attendance for the year ended 31 January 2018

	Board	Audit	Remuneration	Nomination
Richard Eyre	11 of 11	3 of 3	8 of 8	1 of 1
Tim Dyson	11 of 11	–	–	1 of 1
Peter Harris	11 of 11	–	–	–
Penny Ladkin-Brand	6 of 6	2 of 2	5 of 5	–
Genevieve Shore	10 of 11	3 of 3	8 of 8	1 of 1
Alicja Lesniak	4 of 4	1 of 1	3 of 3	1 of 1

Relations with shareholders

The Board recognises the importance of effective communication with its shareholders, to ensure that its strategy and performance are clearly understood. The Company communicates with shareholders through the Annual Report and Accounts, full-year and half-year results announcements, trading updates, the AGM and face-to-face meetings. A range of corporate information (including copies of presentations and announcements) is available on the Company's website at www.next15.com.

The Chief Executive, the Chief Financial Officer and the Chairmen of the Board and each of its Committees will be available at the AGM to answer shareholders' questions. Proxy votes are disclosed following a show of hands on each shareholder resolution. After the AGM, shareholders can meet informally with the Directors. Shareholders are encouraged to submit questions to the Board throughout the year.

The Board is happy to enter into dialogue with institutional shareholders based on a mutual understanding of objectives, subject to its duties regarding equal treatment of shareholders and the dissemination of inside information. The Chief Executive Officer and the Chief Financial Officer meet institutional shareholders on a regular basis.

The Board as a whole is kept informed of the views and concerns of the major shareholders. When requested to do so, the non-executive Directors will attend meetings with major shareholders and are prepared to contact individual shareholders should any specific area of concern or enquiry be raised.

Financial reporting and going concern statement

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The Directors have made this assessment in light of reviewing the Group's budget and cash requirements for a period in excess of one year from the date of signing of the annual report and considered outline plans for the Group thereafter.

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 1 to 21. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the Financial Review on pages 12 to 16.

In addition, note 19 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 hedging activities; and its exposures to credit risk and liquidity risk.

The Directors' Responsibilities Statement in respect of the financial statements is set out on page 42.

Whistle-blowing and Bribery Act 2010

The Company has established arrangements by which individuals may, in confidence, raise concerns about possible improprieties in matters of financial reporting and other matters. The Group has an anti-bribery code of conduct which is intended to extend to all the Group's business dealings and transactions in all countries in which it or its subsidiaries and associates operate.

Environment

Due to the nature of its businesses, the Board considers that its direct or indirect impact on the environment is minimal and of low risk. However, the Company still seeks to minimise the environmental impact of its activities and its business practices support environmental good practice, such as reducing paper wastage through reuse, recycling, use of electronic communications and reducing business travel by replacing face-to-face meetings with conference calls where practical.

NOMINATION COMMITTEE REPORT



The Nomination Committee (the 'Committee') members are Richard Eyre (who also chairs the Committee), Penny Ladkin-Brand, Genevieve Shore and Tim Dyson. Other Directors and management may be invited to

attend meetings of the Committee as appropriate.

The Committee's duties include:

- reviewing the structure, size and composition (including the skills, knowledge, experience, independence and diversity) of the Board and making recommendations with regard to any changes;
- considering succession planning for Directors and other senior executives, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future;
- identifying and nominating candidates to fill Board vacancies as they arise; and
- keeping under review the leadership needs of the organisation, to ensure the Company's ability to compete effectively in the marketplace.

The Committee's full terms of reference are available on the Company's website at www.next15.com.

The Committee seeks to ensure that appointments are made on merit, with due consideration of the benefits of diversity. The Directors are pleased to continue to report that 40% of our Board is composed of women, a higher percentage than the 33% target set by the Lord Davies review for FTSE 350 companies by 2020, despite being an AIM listed company.

The Nomination Committee meets when necessary and met once during the year to 31 January 2018 in order to approve the appointment of Penny Ladkin-Brand to the Board, Alicja Lesniak having stepped down from her role as non-executive Director on 30 June 2017. The Committee also appointed Genevieve Shore as Senior Independent non-executive Director, replacing Alicja Lesniak.

The Committee engages external search consultants to assist in the specification of Board positions and the selection of prospective candidates to ensure that there is a robust, measurable and orderly process. The Committee believes that this process has led to the recruitment of talented individuals, significantly enhancing the composition of the Board.

A handwritten signature in black ink, appearing to read 'Richard Eyre', written in a cursive style.

Richard Eyre CBE
Nomination Committee Chair
12 April 2018



I am pleased to present the report of the Audit Committee ('Committee') for the year to 31 January 2018. This report details the Committee's roles, responsibilities and key activities during the period. The principal aims of the Committee

are to review and report to the Board on the Group's financial reporting, to ensure the integrity of the financial information provided to our shareholders, and to support the development and maintenance of the Group's risk management and internal control environment.

I look forward to meeting our shareholders at the AGM and will be happy to answer any questions you may have.

A handwritten signature in blue ink, appearing to read 'Penny Ladkin-Brand', with a long horizontal flourish extending to the right.

Penny Ladkin-Brand
Audit Committee Chair
12 April 2018

Composition of the Audit Committee

The Committee is composed entirely of non-executive Directors who between them possess a range of commercial and financial experience as detailed on page 23. The current members of the Committee are Penny Ladkin-Brand (Chair), Richard Eyre and Genevieve Shore. The Board is satisfied that the Committee members are sufficiently competent in financial matters and that the Chair has recent and relevant financial experience.

The Committee meets periodically and at least three times a year, with the external auditor, other Directors, the Head of Internal Audit and other management attending by invitation. Attendance records of meetings held during the year can be found on page 26. The Committee Chair is in frequent contact with the Chief Financial Officer, the Head of Internal Audit and the external auditor and preparatory meetings are held ahead of some Committee meetings to identify and discuss key areas for consideration by the Committee.

Provision is made for the external auditors and Head of Internal Audit to discuss any concerns they may have with the Committee in the absence of management.

Roles, responsibilities and activities during the reporting period

The Committee works to a programme of activities aligned to key events in the financial reporting cycle, standing items which occur regularly as required by the Committee's terms of reference and other agenda items that the Committee identifies.

The main roles and responsibilities of the Committee include:

- monitoring the integrity of the Group's financial statements and other announcements relating to its financial performance;
- considering the Group's accounting policies and practices, application of accounting standards and significant judgements;
- overseeing the relationship with the Group's external auditor, including consideration of the objectivity and effectiveness of the external audit process and making recommendations to the Board in relation to the external auditor's appointment and fees;
- keeping under review the effectiveness of the Group's internal control and risk management systems; and
- monitoring the remit and effectiveness of the Group's Internal Audit function.

The Committee's full terms of reference are available on the Company's website at www.next15.com.

During the period the Committee's activities included:

- considering significant financial reporting issues and judgements around adjusting items, tax matters, goodwill impairment, earn-out liabilities, and acquisition accounting;
- assisting the Board in its assessment of the Group's risk environment, internal controls and risk management processes;
- reviewing reports on the work of the Internal Audit function;
- discussing the impact of upcoming changes to accounting standards and legal, tax and regulatory requirements;
- overseeing the relationship with the external auditor, including the assessment of their independence; and
- reviewing the Committee's terms of reference.

Auditor independence, objectivity and fees

The external auditor, Deloitte LLP, was first appointed in 2014, for the financial year ended 31 January 2015. The Board is satisfied that the Company has adequate policies and safeguards in place to ensure that Deloitte maintain their objectivity and independence. The external auditor reports annually on its independence from the Company. The Group has a formal policy on the engagement of the external auditor for non-audit services. The objective of the policy is to ensure that the provision of non-audit services by the external auditor does not impair, or is not perceived to impair, the external auditor's independence or objectivity. The policy sets out monetary limits and imposes guidance on the areas of work that the external auditor may be asked to undertake and those assignments where the external auditor should not be involved. The policy is reviewed regularly and its application is monitored by the Committee. The fees paid to Deloitte in respect of non-audit services are shown in note 4 to the financial statements. This work is not considered to affect the independence or objectivity of the auditor.



On behalf of the Board, I am pleased to present the Directors' Remuneration Report for the year ended 31 January 2018. The report sets out the work of the Remuneration Committee (the 'Committee') in the previous period and our strategic approach to pay, benefits and incentives. We also report in detail upon the amounts earned by the Directors during the year and how these awards support our pay for performance strategy and align with the short and long term goals for the company and our shareholders. Details of these awards can be found on pages 32 to 38

As reported last year, FY17 saw a wide-ranging review of our remuneration policies and structures resulting in significant changes to our Long-Term Incentive Plan. These changes, have now been implemented in full and consequently in FY18 the Committee has been able to focus on the Group's wider strategic approach to remuneration without making further structural changes.

As in previous years we continue to develop our equity-based schemes as a key mechanic to attract and retain our key talent and entrepreneurs. We continue to share more detail of these schemes on page 37.

The Committee has also spent time this year reviewing our approach to gender pay. Although the Company is not required to report under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017), due to its size and structure, the review has instead prompted a wider review of our diversity & inclusion strategy. The Group's CEO is leading a review of our brands' approach to diversity and inclusion to identify and measure relevant data and enable best practice to be shared across the Group.

As the Company is AIM listed, the Directors are not required to prepare a remuneration report for each financial year under section 420(1) of the Companies Act 2006. However, this report does take into account the QCA Code and will, as in previous years, be subject to an advisory vote at the AGM. We thank our investors for their continued support, guidance and input and look forward to our ongoing dialogue.

A handwritten signature in black ink, appearing to read 'Genevieve Shore'.

Genevieve Shore
Remuneration Committee Chair
12 April 2018

Key activities of the Committee

The principal matters considered by the Committee during the year included:

- reviewing the ongoing appropriateness and relevance of the remuneration framework as they align to Group strategy and our pay for performance goals;
- undertaking the annual review of remuneration for both executive Directors;
- setting both financial and non-financial targets for the annual bonus plan FY18;
- reviewing and setting appropriate stretching performance targets for LTIP awards FY18;
- reviewing the extent to which performance conditions have been met for both the annual and long-term incentive plans, and agreeing the cash and equity payments arising including the processes and communication to executive Directors and senior executives;
- reviewing the design, policies and targets of the Group's equity incentive plans including their impact on dilution and headroom;
- performing an evaluation of the Committee's effectiveness;
- closely reviewing changes to laws, regulations and guidelines or recommendations regarding remuneration, including in relation to tax and also the UK Government consultation in 2016/17; and
- reviewing the Group's approach to gender pay, diversity and inclusion policies.

Remuneration strategy

To ensure that the Group continues to grow, organically and inorganically, we must have the right selection of incentives and remuneration packages in place for our senior management team and to attract and retain key talent throughout the Company.

We are committed to creating strong alignment and an ongoing dialogue with our shareholders and we will continue to work hard to ensure that we are mindful of changing regulatory guidance and best practice.

Long-term incentive plan

Historic awards vesting during FY18

Performance share awards of 125,000 and 150,000 Ordinary Shares granted to Tim Dyson and Peter Harris respectively vested in full during FY18.

These awards were made under the previous Next Fifteen Long Term Incentive Plan 2005 ('2005 LTIP') and were the last outstanding awards to the executive Directors under the 2005 LTIP.

These awards vested on a 'best three years out of four' basis, however as reported last year the 'bye-year' for determining vesting has now been removed from the Group's long-term incentive plan and no outstanding awards or future awards to the executive Directors will benefit from a 'bye-year'.

The historic awards to the executive Directors which vested during FY18 are summarised below:

Executive Director	Number of performance shares	Targets	Actual performance	Percentage of award vesting	Number of shares vested	Gain on vesting	
Tim Dyson	125,000	Average annual EPS growth in best three of four years target:	43% ¹	50%	125,000	£500,000	
		Proportion vesting:					
		Less than 3% above inflation					0%
		3% above inflation					10%
		Between 3% and 10% above inflation					10%-50% (straight-line basis)
		10% or more above inflation					50%
Average profit against budget in best three of four years target:	122% ²	50%					
Proportion vesting:							
90% or less for every 1% below budget	0%						
100% or more	50%						
Peter Harris	150,000	Average annual EPS growth target	As above	50%	150,000	£600,000	
		Average profit against budget target	As above	50%			

1 This has been calculated based on the growth in adjusted basic EPS less the growth in the consumer price index ("CPI") based on years to 31 July.

2 This has been calculated based on the budgeted profit before interest, amortisation, restructuring costs and share scheme charges at budgeted exchanged rates against actual profit before interest, amortisation, restructuring costs and share scheme charges at actual exchange rates based on years to 31 July.

Long-term incentive plan continued

New awards made during FY18

As we reported last year retrospective changes were made to the awards under the Next Fifteen Communications Group plc Long-Term Incentive Plan in FY17 in order to align with our strategic goals, shareholder interests and best practice.

In addition to the removal of the 'bye-year' the Rules of the 2015 LTIP were also amended (the 'Amended 2015 LTIP') in FY18 to facilitate the phased vesting of LTIP awards and the introduction of holding periods for vested awards.

The FY18 awards to executive Directors, including holding periods, are summarised below. We have shared more detail this year, including the EPS targets, which have been met in full, and the key areas of strategy to which a portion of these awards relate. Our progress in each of these long term strategic areas is covered in more detail throughout this annual report.

Executive Director	Tim Dyson	Peter Harris
<i>Number of performance shares</i>	162,597	75,367

Vesting criteria (for both executive Directors)

<i>Up to 70% of maximum award</i>	<i>Target</i>	<i>Proportion of tranche vesting for that year</i>
Annual rate of increase in earnings per share over relevant financial year	Less than 5%	0%
	5%	17.5%
	Between 5% and 15%	17.5% – 70% (straight-line basis)
	15% or more	70% Total Award
<i>Up to 30% of maximum award</i>		
Strategic KPIs	These include our long term strategic goals to support talent, data, financial and portfolio management.	0–30%

Vesting tranches (for both executive Directors)¹

<i>Financial year following which tranche vests</i>	<i>Maximum proportion of award available for vesting (subject to performance)</i>
FY18	0%
FY19	40%
FY20	40%
FY21	20%
FY22	0%

Holding periods (for both executive Directors)

<i>Financial year following which tranche vests</i>	<i>Released following</i>
FY18, FY19 & FY20	FY20
FY21, FY22	FY22

¹ The vesting schedule shown here for the first new award under the Amended 2015 LTIP represents an adjusted schedule in the interest of providing as consistent a vesting opportunity as possible to our executive Directors

Short-term incentives

The executive Directors' remuneration also includes an element of annual performance-related pay so that awards can be aligned to improvements in both short and long term shareholder value.

The targets are closely aligned to the Company's strategic aims and the interests of shareholders, being based on the performance of the Group against market expectations, the delivery of budget targets and the robust management of cash flow and financial KPIs. In addition to these financial targets, strategic goals were also set, aligned to the long term development of the Group's insight and data capabilities and the brands' strategy for developing and retaining talent.

During the year the Committee reviewed the executive Directors' annual bonus framework and agreed a continued annual maximum opportunity set at 60% of salary.

After a close review of the performance against targets, for the year ended 31 January 2018, an award of 33% of salary for each executive Director has been agreed by the Committee. These are summarised below.

Executive Director	Maximum bonus available for FY18	Targets (for both executive Directors)		Actual performance (for both Executive Directors)	Total bonus awarded
Tim Dyson	£413,739 (\$538,523)	Deliver budget targets, manage investor consensus and deliver to these expectations.	Up to 30%	20%	£227,556 (\$296,187)
		Ensure cash-flow and financial KPIs continue to be robust, actively managed and reported.	Up to 15%	10%	
Peter Harris	£184,500	Achieve identified strategic goals relating to data, talent and portfolio.	Up to 55%	25%	£101,475

Directors' interests in share plans for the year to 31 January 2018

As at 31 January 2018 the following Directors held performance share awards over Ordinary Shares of 2.5p each under the 2005 LTIP, 2015 LTIP and 2016 Share Award Agreements, as detailed below:

Executive Director	Number of Performance shares at 1 February 2017 (or date of appointment if later)	Shares lapsing during the period	Shares vesting during the period	Shares granted during the period	Number of Performance shares at 31 January 2018 (or date of resignation if earlier)	Grant date	End of performance period	Total gain on vesting £'000
Tim Dyson	125,000	–	125,000	–	–	21.01.2014	31.07.2017	500
	150,000	–	–	–	150,000	14.11.2014	31.01.2018	–
	225,000	–	–	–	225,000	17.10.2016	31.01.2019	–
	–	–	–	162,597	162,597	02.05.2017	31.01.2022	–
Peter Harris	150,000	–	150,000	–	–	16.04.2014	31.07.2017	600
	150,000	–	–	–	150,000	14.11.2014	31.01.2018	–
	225,000	–	–	–	225,000	17.10.2016	31.01.2019	–
	–	–	–	75,367	75,367	02.05.2017	31.01.2022	–

DIRECTORS' REMUNERATION REPORT CONTINUED

Directors' remuneration for the 12-month period to 31 January 2018

Tim Dyson's basic salary was increased by 2.5% to \$862,415 (£662,581) per annum effective 1 February 2017. Peter Harris' basic salary was increased by 2.5% to £307,500 per annum effective 1 February 2017.

	Salary and fees 2018 £'000	Performance-related bonus 2018 £'000	Pension contributions 2018 £'000	Other benefit 2018 £'000	Total 2018 £'000	Total 2017 £'000
Executive Directors						
Tim Dyson	663	228	75	97	1,063	1,072
Peter Harris	308	101	31	4	444	480
Non-executive Directors						
Richard Eyre	150	–	–	–	150	120
Penny Ladkin-Brand ¹	24	–	–	–	24	
Genevieve Shore	49	–	–	–	49	45
Alicja Lesniak ²	23	–	–	–	23	56

1 Penny Ladkin-Brand joined the Board on 24 July 2017.

2 Alicja Lesniak stepped down from the Board on 30 June 2017.

Directors' interests in the shares of Next Fifteen Communications Group plc

The interests of the Directors in the share capital of the Company at 31 January 2017 and 31 January 2018 are as follows:

	Ordinary Shares		LTIP performance shares	
	31 January 2017 (or date of appointment if later)	31 January 2018 (or date of resignation if earlier)	1 February 2017 (or date of appointment if later)	31 January 2018 (or date of resignation if earlier)
Executive Directors				
Tim Dyson	5,077,997	5,077,997	500,000	537,597
Peter Harris	42,372	142,372	525,000	450,367
Non-executive Directors				
Richard Eyre	197,993	150,000	–	–
Penny Ladkin-Brand ¹	–	–	–	–
Genevieve Shore	–	–	–	–
Alicja Lesniak ²	–	–	–	–

1 Penny Ladkin-Brand joined the Board on 24 July 2017.

2 Alicja Lesniak stepped down from the Board on 30 June 2017.

Directors' service contracts

All executive Directors have rolling contracts that are terminable on six months' notice. There are no contractual entitlements to compensation on termination of the employment of any of the Directors other than payment in lieu of notice at the discretion of the Company and a payment for compliance with post-termination restrictions. The executive Directors are allowed to accept appointments and retain payments from sources outside the Group, provided such appointments are approved by the Board. The dates of the executive Directors' current service contracts and notice periods are set out in the table below.

Non-executive Directors

The remuneration for each of the non-executive Directors is payable solely in cash fees and is not performance related. Fees are determined by the executive Directors, reflecting the time commitment required, the responsibility of each role and the level of fees paid in other comparable companies. All non-executive Directors are engaged under letters of appointment terminable on three months' notice at any time. Non-executive Directors are not entitled to any pension benefit or any payment in compensation for early termination of their appointment. The dates of the current letters of appointment and notice periods for non-executive Directors are set out in the table below.

	Date of current letter of contract	Notice period
Executive Directors		
Tim Dyson	1 June 1997	6 months
Peter Harris	25 March 2014	6 months
Non-executive Directors		
Richard Eyre	8 May 2014	3 months
Penny Ladkin-Brand ¹	24 July 2017	3 months
Genevieve Shore	23 January 2015	3 months

1 Alicja Lesniak stepped down as non-executive Director on 30 June 2017 and Penny Ladkin-Brand was appointed on 24 July 2017.

Management Equity incentive schemes

In order to drive revenue growth and improved margins, the Group has established equity incentive schemes for the senior management teams at a number of its brands. It is a key strategy for the Group that providing senior management with a direct stake in their brand will foster an entrepreneurial spirit, focus on fostering profitable growth in the business and will also assist with the long-term retention of key individuals and team members.

Under the schemes, new units in the relevant brand subsidiary entity are issued to senior management, granting rights to a percentage of future equity appreciation for the participant's brand and thereby creating a partnership between the Group and the individual executives. Additionally, the units in certain plans hold value based on access to non-cumulative and restricted profit distributions on the business's operating earnings. Equity appreciation is measured based on a multiple of the brand's operating earnings achieved in subsequent years over base line value determined at the date of grant.

At the end of the minimum holding period following an award of equity, the holders of the non-controlling interest have the option to sell a percentage of their brand equity back to Next 15, while the remaining percentage can be sold in subsequent years or held indefinitely (subject in some cases to a call option on the part of Next 15). Value is realised on any subsequent sale of the brand equity units to the Group, restricted by defined terms around the timing and pricing formula. The purchase of the brand equity units will be settled in Next 15 shares, for which there is in some cases no minimum holding period. Under certain plans, if the unit holder leaves the business before the end of the minimum holding period, the Group retains the right to repurchase the shares under a consistent pricing formula, or require the participant to wait until the minimum holding period has elapsed.

Further details of the Group's equity incentive schemes are shown in note 21 to the financial statements.

The nature of the equity incentive schemes means that the forecast of the number of shares to be issued contains significant judgements, including forecasting the underlying performance of the business, movement in the Group's share price and foreign currency fluctuations. In the event that the Company is required to issue shares to participants in excess of the authority given by shareholders, the Company's employee trust will purchase shares in the market. In order to ensure that sufficient shares are available, the Company regularly reviews its headroom and has agreed to create a buy-back policy whereby the employee trust will purchase shares as and when required. As at 31 January 2018 no shares had been purchased to settle future vestings of the equity incentive schemes.

The Company's headroom continues to improve and as 31 January 2018 was in the low double-digits.

Composition of the Remuneration Committee

The Committee comprises three non-executive Directors: Genevieve Shore (Committee Chair), Richard Eyre and Penny Ladkin-Brand. The Company's Chief Executive Officer and Chief Financial Officer attend the Committee meetings by invitation and assist the Committee in its deliberations, except when issues relating to their own remuneration are discussed. No Director is involved in deciding his or her own remuneration. The Company Secretary or his nominee acts as secretary to the Committee. The Committee is authorised, where it judges it necessary to discharge its responsibilities, to obtain independent professional advice at the Company's expense and we have sought advice from Pearl Meyer during the period. Details of the cost can be found below.

Terms of reference and activities in the year

The activities of the Committee are governed by its terms of reference, which were reviewed during the period and can be found in the Corporate Governance section of the Company's website. The Committee met eight times during the year and details of attendance can be found in the Corporate Governance Report on page 26.

The Directors consider that a comparison of the Company's total shareholder return to that of similar businesses on the Main Market is more relevant than a comparison with the FTSE AIM All-Share Index.

Payments for loss of office

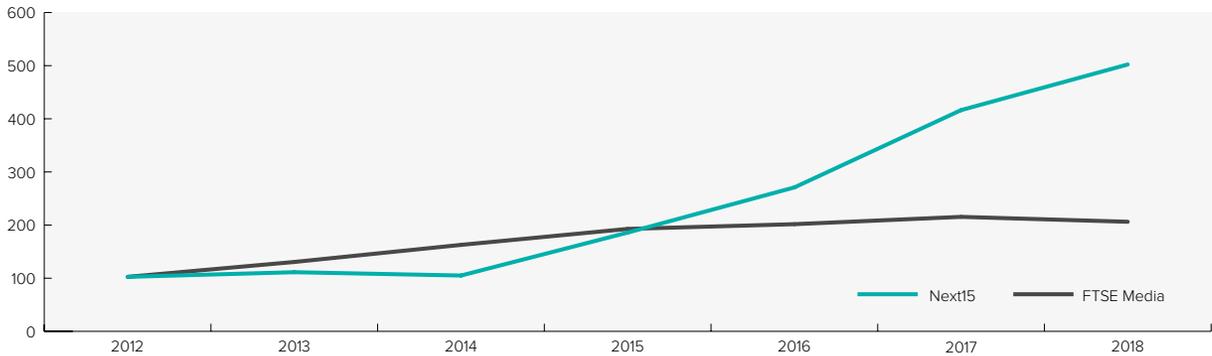
There were no payments for loss of office during the period.

Payments made to remuneration advisers

During the period the Committee was assisted in meeting its responsibilities by Pearl Meyer & Partners UK LLP, who provided advice relating to remuneration, for which they received fees of £54,524. The Committee is satisfied that the advice it receives is objective and independent.

Total shareholder return

The Company's total shareholder return performance for the six financial years to 31 January 2018 is shown on the graph below compared with the FTSE Media Index.



This graph shows the value on 31 January 2018 of £100 invested in the Company on 31 January 2012 with £100 invested in the FTSE Media Index.

The Directors present their annual report together with the audited financial statements of Next Fifteen Communications Group plc (the 'Company') and its subsidiaries (the 'Group') for the year ended 31 January 2018.

The Group has chosen, in accordance with section 414C(11) of the Companies Act 2006, to include such matters of strategic importance to the Group in the Strategic Report which otherwise would be required to be disclosed in the Directors' Report.

Group results and dividends

The Group's results for the period are set out in the Consolidated Statement of Comprehensive Income on page 50. The Directors recommend a final dividend of 4.5p per Ordinary Share (2017: 3.75p) to be paid on 3 August 2018 for the year ended 31 January 2018 which, when added to the interim dividend of 1.8p (2017: 1.5p) paid on 24 November 2017, gives a total dividend for the period of 6.3p per share (2017: 5.25p).

Directors

Details of Directors who served during the year and biographies for Directors currently in office can be found on pages 22 and 23.

Details of the Directors' remuneration, share options, service agreements and interests in the Company's shares are provided in the Directors' Remuneration Report on pages 31 to 38.

Except for Directors' service contracts, no Director has a material interest in any contract to which the Company or any of its subsidiaries is a party.

Directors' indemnity

In accordance with its Articles of Association the Company has entered into contractual indemnities with each of the Directors in respect of its liabilities incurred as a result of their office. In respect of those liabilities for which Directors may not be indemnified, the Company maintained a Directors' and officers' liability insurance policy throughout the period. Although the Directors' defence costs may be met, neither the Company's indemnity nor the insurance policy provides cover in the event that the Director is proved to have acted dishonestly or fraudulently. No claims have been made against this policy or under the indemnity.

Acquisitions

The following is a summary of Group acquisitions made in the year to 31 January 2018, more detailed disclosure of which can be found in note 26 to the financial statements.

In July we acquired the entire issued share capital of Velocity Partners Limited, a B2B digital agency with a focus on technology clients, for initial consideration of £5.9m. £4.9m was satisfied in cash with the balance satisfied by the issue to the vendors of 251,966 new Ordinary Shares in Next 15. Further consideration may become payable based on the average profits of Velocity for the years ending 31 April 2018, 31 January 2019, 31 January 2020, 31 January 2021 and 31 January 2022. Any deferred consideration that becomes payable may be satisfied by cash or up to 25% in new Ordinary Shares, at the option of Next 15.

We also acquired the entire issued share capital of Circle Research Limited on 11 July 2017, a B2B market research consultancy, through the Group's data and insights subsidiary, MIG. Their clients include Vodafone, Google, Mastercard, BSI, SITA, Maersk and Facebook. Initial consideration of £5.21m was comprised of £3.01m as an up-front payment for the business and £2.20m for the net assets acquired. Of the total initial consideration, £4.94m was satisfied in cash with the balance satisfied by the issue to the vendors of 67,360 new Ordinary Shares in Next 15. Further consideration may become payable based on the average profits of Circle for the years ending 31 January 2019 and 31 January 2020. Any deferred consideration that becomes payable may be satisfied by cash or up to 25% in new Ordinary Shares, at the option of Next 15.

On 15 September 2017 we acquired Elvis Communications Limited, a UK based integrated digital agency with a focus on consumer brands. Clients include global brands such as, Cadbury, Honda, Stella Artois, Budweiser, Corona and Kenco. Consideration for the acquisition was £5.5m in cash, representing a 5.5 multiple of 2017 forecast adjusted EBITDA. The consideration comprised a £5m up-front payment for the business followed by a deferred payment of up to £0.5m (subject to adjustments).

On 26 September 2017 we acquired the entire issued share capital of Charterhouse Research Limited, through the Group's data insights subsidiary, MIG. Charterhouse is a leading specialist financial market research consultancy and was purchased for initial consideration of £2.75m. This was comprised of an up-front payment of £1.74m and £1.01m for net assets acquired. Of total consideration, £2.58m in cash with the balance in cash with the balance satisfied by the issue to the vendors of 41,598 new Ordinary Shares in Next 15. Further consideration may become payable based on the average profits of Charterhouse for the years ending 31 January 2019 and 31 January 2020. Any deferred consideration that becomes payable will be fully satisfied by cash.

Acquisitions continued

On 27 September 2017, Next 15 acquired the remaining 25% of Encore Digital Media Limited. Under the amended terms of the acquisition, certain payments in respect of deferred consideration payable in Next 15 shares were brought forward, including a portion of the 'top-up payment' which has now been paid on completion of the acquisition. Accordingly 85,353 new Ordinary Shares of 2.5p each in the Company were issued in respect of this payment. The acquisition of the remaining 25% was brought forward in order to further simplify the Next 15 Group's corporate structure and to enable a long-term incentive plan for Encore management and staff to be implemented.

Under the terms of the original acquisition on 9 April 2013, the remaining part of the deferred consideration for Connections Media LLC in the US was settled in the year. Accordingly 55,017 new Ordinary Shares were issued on 30 October 2017 in respect of this payment, and cash of \$0.9m.

Significant post-balance sheet events

Subsequent to the year end on 6 February 2018, Next 15 acquired the Brandwidth Group Limited, a UK based digital innovation agency. The initial consideration for the acquisition is £6.2m, which will be settled with £4.9m of cash and the issue of 292,235 new Ordinary Shares in Next 15. Further deferred consideration may be payable in September 2018 of up to £3.3m and April 2020 of up to £0.8m based on the EBIT performance of Brandwidth in the year ending 30 June 2018.

Likely future developments in the business of the Company

The Group's priorities for 2018/19 are disclosed in the Strategic Report on pages 1 to 21.

Employee involvement

Employees are key to the Group's success and we rely on a committed workforce to help us to achieve our business objectives. The Group's employee equity incentive schemes, long-term incentive plans and bonus schemes seek to encourage employees at all levels to contribute to the achievement of the Group's short-term and long-term goals. In addition, the Group operates a policy of regularly informing employees of the Group's financial performance, through a combination of meetings and electronic communications.

Equal opportunities

The Group seeks to recruit, develop and employ throughout the organisation suitably qualified, capable and experienced people, irrespective of sex, age, race, disability, religion or belief, marital or civil partnership status or sexual orientation. The Group gives full and fair consideration to all applications for employment made by people with disabilities, having regard to their particular aptitudes and abilities.

Any candidate with a disability will not be excluded unless it is clear that the candidate is unable to perform a duty that is intrinsic to the role, having taken into account reasonable adjustments. Reasonable adjustments to the recruitment process will be made to ensure that no applicant is disadvantaged because of his or her disability. The Group's policies for training, career development and promotion do not disadvantage people with disabilities.

Health and safety

The Group recognises and accepts its responsibilities for health, safety and the environment. The Group is committed to maintaining a safe and healthy working environment in accordance with applicable requirements at all locations in the UK and overseas. The Chief Financial Officer is responsible for the implementation of the Group policy on health and safety.

Cyber security

In response to the growing global threat of third party attempts to exploit weaknesses in IT security systems, the issue of Cyber Security is now a standing item on the Board's agenda. During the year our IT team conducted further training across the Group, enhancing the Group's ability to effectively respond to an attack, created an enhanced Cyber Security Escalation Plan, detailing the internal procedures to be undertaken in response to potential threats, including the creation of a CIRT team, consisting of nominated individuals responsible for incident reporting, that have received specific training.

Political donations

It is the Group's policy not to make donations for political purposes and, accordingly, there were no payments to political organisations during the year (2017: £Nil).

Charitable donations

During the year ended 31 January 2018, the Group donated £75,774 to various charities.

Acquisition of shares

Acquisitions of shares by the Next Fifteen Employee Trust purchased during the period are as described in note 23 to the financial statements.

Financial instruments

Information on the Group's financial risk management objectives, policies and activities and on the Group's exposure to relevant risks in respect of financial instruments is set out in note 19 and in the Strategic Report.

Auditor

The Board appointed Deloitte LLP to act as auditor for the year ended 31 January 2018. A resolution to reappoint Deloitte LLP as auditor of the Company and to authorise the Board to fix their remuneration will be proposed at the forthcoming AGM.

Disclosure of information to the auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

1. so far as the Director is aware, there is no relevant audit information of which the Company's auditor are unaware; and
2. the Director has taken all steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to ensure that the Company's auditor are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Annual General Meeting

The notice convening the Company's 2018 AGM at the Company's offices at 75 Bermondsey Street, London SE1 3XF, on Friday 22 June 2018 at 3.30 p.m. is set out in a separate document and will be mailed to shareholders who requested a paper copy. The notice of AGM will also be made available on the Company's website at www.next15.com.

Significant shareholdings

As at 27 March 2018 the Company had received the notifications below of the following significant beneficial holdings in the issued Ordinary Share capital carrying rights to vote in all circumstances of the Company. The percentage holding is based on the Company's issued share capital at the date of the notification.

	27 March 2018	
	Total	%
Octopus Asset Mgt Clients	9,160,156	12.05
Liontrust Special Situations Fund	5,302,568	6.98
Mr Tim Dyson	5,077,997	6.68
Aviva Life and Pensions UK	4,810,542	6.33
Herald Investment Trust	3,933,386	5.18
Liontrust UK Smaller Companies Fund	2,975,375	3.92
Marlborough UK Minor Cap Growth Fund	2,853,000	3.75
MFM Slater Growth Fund	2,350,000	3.09

Approved by the Board on 12 April 2018 and signed on its behalf by:



Nick Lee Morrison

General Counsel and Company Secretary
12 April 2018

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union and Article 4 of the IAS Regulation and have elected to prepare the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including *Financial Reporting Standard 101 'Reduced Disclosure Framework'*. Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether *Financial Reporting Standard 101 'Reduced Disclosure Framework'* has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing the Group financial statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the relevant financial reporting framework, 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;
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

This responsibility statement was approved by the Board of Directors on 12 April 2018 and is signed on its behalf by:



Peter Harris
Chief Financial Officer