EUROMONEY INSTITUTIONAL INVESTOR PLC
ANNUAL REPORT AND ACCOUNTS 2017 AND
NOTICE OF 2018 ANNUAL GENERAL MEETING

Euromoney Institutional Investor PLC has today published the following documents on its website www.euromoneyplc.com:

Document	**Location**
Annual Report and Accounts 2017	www.euromoneyplc.com/investor-relations/reports-and-presentations
Notice of Annual General Meeting 2018	www.euromoneyplc.com/investor-relations/shareholder-services/agm-information

The printed Annual Report and Accounts were posted to those shareholders who have requested them on Thursday 21 December 2017, together with the circular incorporating the Notice of Annual General Meeting and Form of Proxy. These documents and web default letter (for those shareholders opting for electronic communications) have been uploaded to the UK Listing Authority's National Storage Mechanism and will be available in two business days.

The information below is provided solely for the purpose of complying with DTR 6.3.5 and is not a substitute for reading the full Annual Report and Accounts.

As required by DTR 6.3.5 (1), we set out below the Directors' responsibilities statement contained within the Annual Report as follows:

Directors' Responsibility Statement
"Each of the Directors confirm that to the best of their knowledge:

- the Group financial statements, which have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the Group; and
- the Strategic Report and the Directors' Report include a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces."

Principal risks and uncertainties
The principal risks and uncertainties the Group faces vary across its different businesses and are identified in the risk register. Management of significant risk is the responsibility of the Board and is overseen by the Risk Committee. The Risk Committee changed its terms of reference during the year both to reflect market practice and to introduce an express requirement for the Committee to focus on the management of risk, as well as the identification and reporting of risk. The membership of the Committee changed during the year with the General Counsel & Company Secretary and Chief Information Officer joining the Committee.

The Group's principal risks and uncertainties are summarised below. The arrows indicate the change in level of perceived risk compared to last year.

Downturn in key geographic region or market sector (cyclical downturn)

Key factors

- Concentration of customers in financial services sector makes this exposure acute
- Economic or geopolitical uncertainty increases this risk
- The asset management sector faces significant structural headwinds such as the shift from active to passive portfolio management, new technologies and the uncertain impact of new regulation (MiFID II)
- Brexit continues to create uncertainty for the UK and European markets

Mitigation

- The Group actively manages cyclical risk through its strategic framework
- A comprehensive risk review by the Group of its asset management businesses resulting in output including detailed mitigation plans for each business and continuous tracking of effective risk management
- The Group operates in many geographical markets
- Some diversification in sector mix
- Ability to cut some costs temporarily and quickly
- Events can be switched to better performing regions

Risk appetite

Risk tolerant

Prior years (relative position)
2016: Risk tolerant
2015: Risk tolerant
2014: Risk tolerant

Post-mitigation risk trend

This risk is increasing

Description of risk change

Global economic and geopolitical uncertainty is increasing following the US election, limited progress of Brexit negotiations and disruption in a sector with concentrated Group revenues

Board's view
The Board wishes to continue to serve the asset management segment because it considers it to be attractive over the medium term. There are limited options to mitigate impact in the short and medium term from a significant cyclical downturn. The residual risk will remain high.

Product and market transformation/disruption (structural change)

Key factors

- Competition from existing competitors, new disruptive players and new entrants
- New technologies change how customers access and use our products
- Changing demographics can affect customer needs and opportunities
- Structural pressure on customer business models will affect demand for the Group's products and services particularly in financial services
- New regulations such as MiFID II creating both challenges and opportunities in asset management sector
- Free content available via the Internet increases the threat to paid subscription model
- Lower barriers to entry for new entrants
- Inability to acquire the types of assets that the Group's strategy requires

Mitigation

- Strategy designed to appraise and evaluate structural risks and respond to them, taking advantage of opportunities where identified
- Regular CEO-led reviews across all divisions
- Entrepreneurial approach
- Effective management reporting with regular budget reviews
- Portfolio spreads risk to some degree
- Third of Group's profits remain event-based
- Portfolio management allows the Group to sell structurally challenged businesses and to buy structurally strong ones
- Introduction of a cyclical review of divisional activities by the Risk Committee

Risk appetite

Risk tolerant

Prior years (relative position)
2016: Risk tolerant
2015: Risk tolerant
2014: Risk tolerant

Post- mitigation risk trend

This risk is unchanged

Description of risk change

As an entrepreneurial business, the Group is experienced at managing this risk.

Board's view

High-quality controls are in place but exposure to this risk cannot be entirely mitigated.

Exposure to US dollar exchange rate

Key factors

- Approximately three-quarters of revenues and profits are generated in US dollars, including approximately 30% of the revenues in its UK-based businesses. This gives significant exposure to movements in the US dollar for both UK revenues and the translation of results of foreign subsidiaries
- A significant strengthening of sterling against the US dollar could reduce profits and dividends
- The Group also undertakes transactions in many other currencies, although none currently provides a significant risk to the results

Mitigation

- US dollar forward contracts are used to hedge 80% of UK based US dollar revenues for the coming 12 months and 50% of these revenues for a further six months
- Exposure from the translation of US dollar-denominated earnings is not directly hedged but is partially offset by US dollar costs and the use of US dollar-denominated debt
- Sensitivity analysis is performed regularly to assess the impact of currency risk, and is reviewed by the Tax & Treasury Committee

Risk appetite

Risk tolerant

Prior years (relative position)
2016: Risk tolerant
2015: Risk tolerant
2014: Risk tolerant

Post-mitigation risk trend

This risk is unchanged

Description of risk change

The Group is experienced at managing risks related to its exposure to the US dollar and this risk remains unchanged

Board's view

The risk to revenue and profit resulting from a depreciation of the US dollar against sterling has previously been reported within risks from treasury operations. Although the Group considers this risk unchanged, the increased volatility and uncertainty of sterling after Brexit, as well as the US dollar following the US election, is expected to continue for some time.

Information security breach resulting in challenge to data integrity

Key factors

- Integrity of data products is fundamental to the success of the business
- The Group relies on large quantities of data including customer, employee and commercial data
- Increasing number of cyber-attacks affecting organisations globally
- The Group has many websites and is reliant on distributed technology, increasing exposure to threats
- A successful cyber-attack could cause considerable disruption to business operations, lost revenue, regulatory fines and reputational damage
- The new EU General Data Protection Regulation will increase regulatory scrutiny and penalties
- Technological innovations in mobile working, cloud-based technologies and social media introduce new information security risks

Mitigation

- Governance provided by Risk Committee and Information Security Steering Group
- New information security standards and policies which are reviewed on a regular basis
- Active information security programme (including access management and cyber-resilience planning) to align all parts of the Group with its information security standards
- Crisis management and business continuity framework covers all businesses including disaster recovery planning for IT systems
- IT controls including firewalls and intrusion detection software
- Access to key systems and data is restricted, monitored and logged with auditable data trails in place
- Comprehensive backups for IT infrastructure, systems and business data
- Creation of Group Chief Information Officer role and appointment of expert individual into role with responsibility for and oversight of both central and divisional technology functions
- Professional indemnity insurance provides cover for cyber risks including cyber-attack and data breach incidents
- Information security is reviewed as part of our internal audit process
- Annual information security training for employees and freelancers

Risk appetite

Risk averse

Prior years (relative position)
2016: Risk averse
2015: Risk averse
2014: Risk neutral

Post-mitigation risk trend

This risk is increasing

Description of risk change

Most industry information security analysts report that this risk is increasing and warn that companies will continue to face more regular and sophisticated cyber-attacks.

Board's view

Controls to prevent an information security breach or cyber-attack are regularly enhanced. However, the rising number of cyber-attacks affecting organisations globally, the Group's greater dependency on technology and the growing threat from cyber-crime are increasing this risk.

Reputational damage from a legal, regulatory or behavioural issue arising from operational activities

Key factors

- The Group operates in many jurisdictions and must be compliant with all applicable laws and regulations
- The Group's businesses publish, market and license increasingly complex content and data which in some cases is data on which its customers may choose to rely when executing transactions
- Claimants can forum shop when determining where to litigate or threaten legal proceedings
- Success of the Group is dependent on client confidence in integrity of products and brands
- Compliance risk increasing for information providers as price, benchmark and index reporting activities are coming into scope of new regulations being introduced as a result of the financial crisis of 2008 and LIBOR scandal
- Risk or reputational damage can arise from errors in underlying data or content, failures of data integrity, failure to educate customers on appropriate usage of data, inappropriate reliance on third party data or content to create proprietary content or errors in content creation or a failure to comply with applicable law or regulation

Mitigation

- Processes and methodologies for assessing commodity prices and calculating benchmarks and indices are clearly defined and documented
- Compliance staff appointed in key positions
- Compliance with International Organization of Securities Commissions (IOSCO) standards achieved for relevant pricing products
- Code of conduct and other key policies in place for price assessment, benchmark and index reporting activities
- Updated publishing law guide to be issued to editorial staff in 2018
- Refreshed anti-bribery and corruption training and awareness programme to be rolled out globally in 2018
- Review processes for operation of events and awards
- Specialist training provided to relevant staff
- New technology being introduced to provide enhanced monitoring and better exception reporting
- Company-wide speak up policy in place
- Comprehensive legal disclaimers in place
- Professional indemnity insurance
- Risk and compliance role recruited in Price Reporting and Events divisions

Risk appetite

Risk averse

Prior years (relative position)
2016: Risk averse
2015: Risk averse
2014: Risk averse

Post-mitigation risk trend

This risk is unchanged

Description of risk change

Information providers face increased compliance risks as a result of the complexity of data they publish which customers may rely on for certain business decisions

Board's view

The publication of data and content in digital businesses inevitably exposes the Group to global legal and regulatory risk. The manner in which we conduct our businesses can also result in risk if policies are not complied with. The business has invested in its central functions such as legal, risk and internal audit, which provide more specialist resource to raise awareness of, manage and mitigate risk. Legal and regulatory compliance risk for the Group is unchanged.

Disruption to business operations

Key factors

- Significant reliance on third-party technology hosting services
- Many products are dependent on specialist, technical and editorial expertise
- A significant incident affecting one or more of the Company's key offices (London, New York, Montreal, Hong Kong or Sofia) could lead to disruption to Group operations and reputational damage
- Divisional structure with 40+ international offices makes regular testing of plans across the Group challenging
- Global distribution of property and staff creates exposure in many geographical locations

Mitigation

- Crisis management and business continuity framework covers all businesses including disaster recovery planning for IT systems
- Group-wide ITDR testing conducted every six months
- Clear responsibilities for business continuity planning established across divisions
- Substantial central and business group investment in cloud based platforms and software
- Risk assessments for new suppliers and technologies consider operational and financial resilience

Risk appetite

Risk averse

Prior years (relative position)
2016: Risk averse
2015: Risk averse
2014: Risk averse

Post-mitigation risk trend

This risk is unchanged

Description of risk change

The Group recognises that business continuity events will arise from time to time and remains committed to active management of this risk

Board's view

Business disruption is an unavoidable risk but can be mitigated if business continuity plans are well developed and managed. In spite of extreme weather in Asia and the US, and a number of system failures, all businesses maintained operations successfully throughout, which demonstrated that effective controls are in place. However, more regular business continuity planning is required.

Catastrophic or high impact risk affecting key events or wider business

Key factors

- The Group has a number of large events which are exposed to one-off risks including natural hazards and security incidents
- Risk affects customers as well as staff and revenue
- Prolonged interruption to business travel will harm event revenues and disrupt management and sales operations
- Past incidents such as hurricanes, terrorist attacks, SARS, Ebola and Zika virus, and events such as the disruption to airline schedules from volcanic ash in Europe, have all had a negative impact on the Group's results, although none materially
- The Group operates in regions with higher risk of natural hazards

Mitigation

- Crisis management and business continuity framework requires all businesses to plan for high impact events
- Specialist security and medical assistance services engaged to support all staff working away from the office
- New event venue risk assessment process was introduced in 2017
- Mandatory security and risk management training programme for event staff and business travellers
- With sufficient notice, events can be moved to non-affected regions
- Cancellation insurance for the Group's largest events

Risk appetite

Risk averse

Prior years (relative position)
2016: Risk averse
2015: Risk averse
2014: Risk neutral

Post-mitigation risk trend

This risk is increasing

Description of risk change

The Group recognises that international events businesses are exposed to this risk

Board's view

The Group continues to invest in training and resources to keep staff safe when travelling and to improve event/conference resilience.

Acquisition or disposal fails to generate expected returns

Key factors

- Active portfolio management means the Group continues to make strategic acquisitions and disposals
- Significant growth has been M&A related, through both acquired profit and growth in acquired businesses
- Failure to integrate may mean an acquired business does not generate the expected returns
- Risk of impairment loss if an acquired business does not generate the expected returns
- Disposal risks arise from failing to identify the time at which businesses should be sold or failing to achieve optimal price
- Group strategy relies on successful recycling of capital and therefore M&A execution impacts core strategy

Mitigation

- Active portfolio management with a clear framework and operating in line with agreed strategy
- Development of key objective criteria against which acquisition or disposal decisions are tested
- Board and CEO focus on investment and divestment plans. Formal reviews and approvals in place
- Senior head of Corporate Development in place recently supplemented by additional industry hire with both subject matter and industry expertise
- Investment in external, independent commercial due diligence
- The Group has developed a rigorous framework to manage the integration, planning and ownership of new acquisitions

Risk appetite

Risk neutral: *becoming more tolerant*

Prior years (relative position)
2016: Risk neutral
2015: Risk neutral
2014: Risk neutral

Post-mitigation risk trend

This risk is increasing

Description of risk change

See Board's view.

Board's view

This risk will increase given the Group's strategy of increased M&A and portfolio management.

Unforeseen tax liabilities or losses from treasury operations

Key factors

- The Group operates within many increasingly complex tax jurisdictions
- Counterparty risk if a bank fails
- Cash and working capital requirements for multiple overseas locations mean some debt is always exposed to exchange rate movements

Mitigation

- Audit Committee and Tax & Treasury Committee oversight
- Tax and treasury advice provided by a mix of external tax experts and in-house specialists
- We have a policy to comply with tax laws in a responsible manner and have open and constructive relationships with tax authorities
- We take appropriate care to protect the Group's reputation and relationship with fiscal authorities
- We take regulatory and commercial constraints into account when taking steps to mitigate tax exposure
- Derivatives are used to hedge market risks including exchange rates and interest rates
- Appropriate policies define segregation of duties and strict authorisation limits
- Internal audit programme covers tax and treasury controls

Risk appetite

Risk averse

Prior years (relative position)
2016: Risk averse
2015: Risk averse
2014: Risk averse

Post-mitigation risk trend

This risk is unchanged

Description of risk change

The Group is experienced at managing tax and treasury risks arising from its international business portfolio and this risk remains unchanged

Board's view
Effective controls are in place but the group cannot eliminate this risk entirely due to the complexity of the group's structure and the number of jurisdictions in which it operates.

Failure to implement the strategy effectively due to a loss of key staff

Key factors

- In 2016 the Group announced a new strategy which has become embedded across the Group and is having a positive impact on financial performance
- Our segments and divisions have individual strategies
- Implementation of strategy is dependent on the performance of staff in critical roles
- An inability to recruit, retain and train for critical roles will adversely impact our ability to deliver the strategy successfully

Mitigation

- Ensuring compensation is competitive
- Ensuring compensation for critical staff includes a balance of short-term and long-term incentives
- Investment in training and developing our staff in critical roles will be a focus in 2018
- Maintaining the Group's reputation for enabling an entrepreneurial approach, making the Company an attractive place to work
- There are sufficient businesses within each segment and segments within the Group to mitigate the impact of 'business-as-usual' departures of critical staff
- Succession plans are being developed but this work needs to accelerate
- Contractual notice periods are designed to manage the risk of critical staff leaving on short notice

Risk appetite

This is a new risk

Post-mitigation risk trend

This risk is increasing

Description of risk change

N/A

Board's view
The Board recognises the importance of retaining critical staff to ensure effective delivery of Group, segmental and divisional strategies. A range of controls are used to manage this risk effectively, although succession planning needs to accelerate.

The other information required by DTR 6.3.5 (1) was contained within the unaudited preliminary announcement of Euromoney Institutional Investor PLC's results for the year ended 30 September 2017, released to the market in unedited full text on Wednesday 22 November 2017.

ENDS

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NOTE TO EDITORS

About Euromoney

Euromoney Institutional Investor PLC is listed on the London Stock Exchange and is a member of the FTSE 250 share index. It is an international business-information group covering asset management, price discovery, data & market intelligence, and banking & finance under brands including Euromoney, Institutional Investor, BCA Research, Ned Davis Research and Metal Bulletin. The group also runs an extensive portfolio of events for the telecoms, financial and commodities markets.

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