

FUTURE

Channel 4 is built on strong foundations. Since we were created in 1982, we have been at the centre of national conversations and have been instrumental in creating a truly world-beating production sector.

Our unique model of being publicly owned but commercially funded means that we're able to offer distinctive content in the interests of communities across the UK – and to do so with independence at our heart. Our remit also differentiates us with a bold, purpose-led brand. We're a trusted voice and we have a clear track record of digital innovation.

These key assets enable Channel 4 to adapt and respond quickly to how our environment is changing. But we also need to meet the market challenges head on to ensure Channel 4 remains a destination for the next generation.

Our Future4 strategy builds upon our strong track record of digital innovation and will accelerate Channel 4's pivot to digital by driving both online viewing and new revenues. It's an ambitious and comprehensive plan to transform Channel 4 into a digital PSB that retains its distinctive brand and public service impact.

By giving us a strong bias towards digital growth, Future4 will ensure that Channel 4 thrives in the digital age and continues to deliver for the creative industries, the economy and the wider public – as well as for our own business.

Alex Mahon
Chief Executive, Channel 4

Purpose

Channel 4's purpose is to create change through entertainment

This means creating change in the wider world through all of our activities: from TV, to streaming, social media and film – and as an organisation. It's the positive impact that Channel 4 has on society, on viewers, on British culture, on the creative industries and on the wider economy. It's why Channel 4 is – and will continue to be – different.

Vision

Our vision embodies how Channel 4 creates change for the good of the British public. It's what Channel 4 is striving to achieve on screen and off screen; across the UK.

Represent unheard voices
This is Channel 4's firm commitment to representing the whole of the UK. It means using our strong brand and wide reach to elevate unheard voices – from diverse communities, emerging writers and producers, to those who have different points of view or experiences.

Challenge with purpose
This means challenging 'groupthink' and prejudice – and holding power to account in a duly impartial and balanced way, whether it's international governments or big business. It's about testing conventional thinking and preconceptions and inspiring critical thought.

Reinvent entertainment
This captures Channel 4's long-established role as an innovator in the creative industries, across all of our activities. We're using 'entertainment' in its broadest sense: we challenge ourselves to continuously refresh what we do creatively; to develop new and emerging talent; to find new ways of reaching audiences; and new ways of working internally and with our partners. This is at the heart of what we do, to the benefit of our viewers and to the UK's reputation as a leading innovator and cultural force on the global stage.

PURPOSE

Why we're all here

Create change through entertainment

VISION

What we do every day

Represent unheard voices

Challenge with purpose

Reinvent entertainment

TARGETS

What we will achieve

Double All 4 viewing by 2025

Digital advertising to be at least 30% of total revenue by 2025

Non-advertising to be at least 10% of total revenue by 2025

STRATEGIC PILLARS

What we must focus on

1. Prioritise **digital growth** over linear ratings
2. Put **viewers at the heart** of our decision-making
3. Diversify **new revenue** streams to underpin our sustainability
4. Focus on **strategic partnerships** to compete more effectively

Alex Mahon
Chief Executive



The Future4 strategy sets clear targets for the next five years:

- Double All 4 viewing by 2025
- Digital advertising to be at least 30% of total revenue by 2025
- Non-advertising to be at least 10% of total revenue by 2025



STRATEGIC PILLARS

To achieve these targets and meet the challenges we face, Future4 has four key strategic pillars:

1

Content Prioritise digital growth over linear ratings

A central goal of the Future4 strategy is to double All 4 viewing by 2025. To achieve this, we are dialling up our ambitions for All 4 and doubling down on the types of programmes that we know people love to binge on demand.

- Investing more in highly distinctive, young skewing formats, which are the engines of All 4's success
- Using deeper audience insights to find shows that drive streaming
- Maximising use of our Leeds-based digital content hub, 4Studio, to produce more original shorts and grow branded digital entertainment
- Continuing to be as noisy and unruly as ever and finding new inventive and entertaining ways of engaging people with the most important issues
- Launching a £30 million Global Format Fund to invest in new British-created and produced content formats that have global potential

2

Viewers Put viewers at the heart of our decision-making

Viewers' expectations are changing in a digital world. They expect Channel 4 to know how they watch, where they watch and why they watch. They expect more content, communications and experiences based on their motivations – not just their demographics.

- Using a more viewer-centric approach to inform activity and decisions across Channel 4
- Rolling out personalisation features on All 4, including smarter recommendations
- Evolving how we commission, schedule, plan and develop products, sell and market to put viewers at the heart
- Giving our channels a better connection between their editorial position and their brand

3

Commercial Diversify new revenue streams to underpin our sustainability

We have clear commercial targets as part of the Future4 strategy: digital advertising to be at least 30% of total revenue and non-advertising to be at least 10% of total revenue by 2025.

- Innovating our core advertising proposition for a digital world through data driven targeting, including allowing clients to 'bring their own data' to target All 4 viewers via our BrandMatch offer
- Diversifying our revenue streams by making the most of our ad-free All 4+ proposition and scaling the Indie growth Fund and Channel 4 Ventures further, as well as launching new Global Format Fund
- Provide innovative creative opportunities for clients including ad break takeovers and branded social content

4

Partnerships Focus on strategic partnerships to compete more effectively

Channel 4 has partnership in its DNA and our success is built upon working with other organisations, and this will become even more important in the future.

- Building upon our network and forging new arrangements to get our content in front of the right audiences, more of the time
- Further developing mutually beneficial collaboration in production, advertising, distribution and technology