

September 2024

## **A letter from the Scott Trust chair**

Dear colleagues,

My responsibility, as chair of the Scott Trust, is to advance the financial health and editorial independence of the Guardian in perpetuity. That means that we must constantly find ways to adapt to a changing media landscape.

The Scott Trust is the sole shareholder and owner of Guardian News & Media, a world-class media organisation. This ownership structure is unique and ensures that all surplus financial returns are reinvested in our endeavours to produce high quality journalism reaching a global audience rather than benefiting a proprietor or shareholders.

When our unique ownership structure was first envisaged – one hundred years ago – the mass media, and its impact on voting behaviours, consumerism and audiences, was in its infancy. In 1921, the original version of television, called the image dissector, was first conceived by a teenage boy. Now, in 2024, we debate the demise of that same technology as viewers, especially the young, fall away in favour of other forms of media consumption. Change in over a century is inevitable but progress is not linear – the Scott Trust must continue to renew and reinvent based on its responsibilities.

Renewal is a core theme in this year's [financial statements](#). While advertising revenues were affected by global headwinds, we continued to pursue a strategy of diversifying revenue streams and promoting internationally-focused, quality journalism around the globe. We made a series of planned investments to broaden the reach and scope of Guardian journalism in the US and Europe, which has led to an expected deficit. The strength of our ownership model means we had the confidence and the financial security to pursue this more ambitious strategy at a time when others were hunkered down.

### **A focus on the reader**

How we run and pay for the Guardian differs from almost every other global news business. Our openness means we now have well over a million readers who fund our journalism. These people allow the Guardian to be independent of any outside influence – financial, political or commercial. Everything – from investment to the journalism we commission – starts with our readers. In editor-in-chief Katharine Viner's words: "It's an incredibly inspiring thing that the readers have shown us the way."

For our readers to trust us to provide the quality journalism they expect, we need to know more about our audience. Over the last year we have significantly increased the number of readers in our contactable base and have expanded the reach of our engaged supporters. This has enhanced our ability to ask readers to fund our journalism directly, which has supported growth in this key area of our future revenue model.

Our other income streams, such as print reader revenue, have held up in a challenging climate, while advertising decline is slowing. Our considered approach to licensing has

created opportunities to see our journalism travel further, as does our philanthropic funding. These results show a clear strategy behind our investments - a Guardian that is more digital, more reader-funded and more international than ever.

### **A global vision**

In 1959, the Guardian announced it was dropping 'Manchester' from its masthead, writing that nearly two-thirds of its total circulation was now outside of the city. It declared: "The immediate point... is that the Guardian now is national in the distribution of its sales as it has long been in its influence." What started as a regional audience became a national audience.

Today the Guardian's audience is increasingly global - and so our outlook has expanded too. In a year when more than half the world's population goes to the polls in democratic elections, our ability to hold power to account has widened and deepened. This year, we have supported [new reporter roles](#) in the Caribbean, South America, Africa and the UK to increase coverage of underrepresented communities. These appointments were part of a decade-long restorative justice programme funded by the Scott Trust, following publication of [research](#) into any links between the Guardian's founders and transatlantic slavery. We continued to make progress on those commitments, setting up an advisory panel to support and inform work and a programme team to coordinate the restorative justice initiative.

The Scott Trust was also pleased to double the size of The [Scott Trust Bursary](#) scheme, managed by the Guardian Foundation. Guardian Australia launched a scheme offering two editorial cadetships and this will soon be extended to the Guardian US.

In addition, the Trust is the principal funder of the Guardian Foundation, which promotes freedom in the press and liberal journalism around the world. In the last twelve months, the Foundation has run a vital programme of media literacy workshops in the UK and capacity building in parts of the world where press freedom rights are under threat. Its annual report can be read [here](#).

### **Editorial freedom**

Protecting freedom of the press is a vital part of the Scott Trust's responsibilities. Governance of national newspapers in the UK is in the spotlight at the moment. Our model is a powerful and liberating force for journalism. It ensures that editorial decisions - what we say and how we say it - are decisions for the editor-in-chief.

Separately, the wider independence of our brand is being challenged by changes in technology. With the GMG board and the Guardian's executive team, we are conscious that maintaining independence in a world that is increasingly mediated by technology gateways is a difficult task. The Scott Trust has a role in navigating the impact of generative AI technologies on journalism. We stand against a world where people do not have access to original journalism or news websites because their interface with news is through AI-produced summaries. We are entering a new phase in platform dominance and the potential implications for the news industry could be profound.

The Scott Trust applies rigorous self-regulation through [the Guardian's independent global readers' editor](#). It is a commitment to addressing reader comments about our journalism in an independent and timely manner. That role will only become more important as it

becomes harder for the public to trust what they read, hear and watch. This year alone, readers engaged on almost 21,000 occasions, exchanging feedback on complaints, corrections and compliments. The Trust's investment in the readers' editor serves to increase transparency and ultimately trust in our journalism.

The Guardian is responsible for some of the most impactful journalism anywhere in the world. It is able to achieve this, not just because of readers' support, but also because we have journalists unafraid to challenge the status quo. Their work is amplified by talented commercial colleagues who drive innovation. As the media environment evolves, so will the organisation - we already see it with reader behaviour, advances in technology and our strategy to be more global. An internal culture of embracing change will allow us to seize opportunities quickly and help us grow faster. The Scott Trust recognises how talented staff are central to this mission and is grateful for their ongoing support.

### **Financial independence**

The pace of technological change requires us to adapt and evolve now to position the Guardian for continued independence in the future. And it requires investment in the present day. This year we launched Feast, a cooking and recipe app that allows users to search, save and personalise thousands of Guardian recipes. The Scott Trust means the Guardian can nurture these new endeavours. We are profit-seeking, but with purpose - to see the Guardian flourish in perpetuity.

The Scott Trust has provided a bridge through challenging economic periods. But it is not there to fill gaps in annual operating budgets. We still require the Guardian to be a sustainable business on its own terms – and we must be honest about areas of the business that are not part of our future growth and adapt. This means we can concentrate on global expansion, on increasing our investigations teams in the US, on leading reporting on the climate emergency, on developing partnerships like the recently announced deal with Sony pictures and on shining a light on under-reported issues.

We are on a road to something that is bigger than where we came from. The Guardian is a reliable, active and energetic force in our shifting media landscape.

Ole Jacob Sunde  
**Chair of The Scott Trust**