Financial viability statement

In accordance with provision 31 of the Code, the Directors confirm that they have a reasonable expectation that the Group will continue to operate and meet its liabilities, as they fall due, for the next three years. A period of three years has been chosen for the purpose of this viability statement, in line with the Group's business plan.

Viability period

The Directors' assessment has been made with reference to the Group's current position and prospects, the Group's three-year business plan, the Group's risk appetite and the expected impact of severe but plausible downside scenarios.

Given the Group's acquisitive nature in recent years and future organic growth strategy, a three-year window is considered the most appropriate horizon for the Group's management to make its viability statement because it is the period over which it can forecast with reasonable clarity, the Group's financial performance, cash flows and strategic position. A 12-month period from the expected date of the signing of the financial statements is considered for the going concern assessment (see note 1.2 to the financial statements on page 176).

Business planning process

The business plan makes certain assumptions about the performance of the core revenue streams and segments, using existing product lines as well as assumptions on take-up of new product lines. It considers known inorganic activity, as well as assumptions on: the appropriate levels of investment to support expected performance; the ability to refinance debt as required; and expected returns to shareholders.

Assessment of viability

The principal risks and uncertainties facing the Group are set out on pages 79 to 88 of the Strategic report. In addition, the Financial Risk management note on page 223 of this report includes: the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; and its exposure to credit risk, liquidity risk and market risk.

The business plan is stress tested using severe but plausible downside scenarios as determined relevant by the Financial Risk Committee, over the full three-year plan period. These scenarios are then assessed against the Group's risk appetite parameters. Impacts on the performance of core revenue streams and segments are modelled through business inputs, with appropriate mitigating factors also considered.

The scenarios modelled are discussed in the table opposite.

The results show that a repeat of the Global Financial Crisis would have the largest impact on Group EBITDA. No scenario over the three-year period leads to a breach of the Group's risk appetite thresholds, or an inability to meet the Group's financial obligations through insufficient headroom. The likelihood of these scenarios materialising is viewed as remote.

Borrowing facilities

The Group's borrowing facilities and respective repayment dates, and the net debt position of the Group, are included in note 7 to the financial statements, on pages 245 to 246.

Conclusion

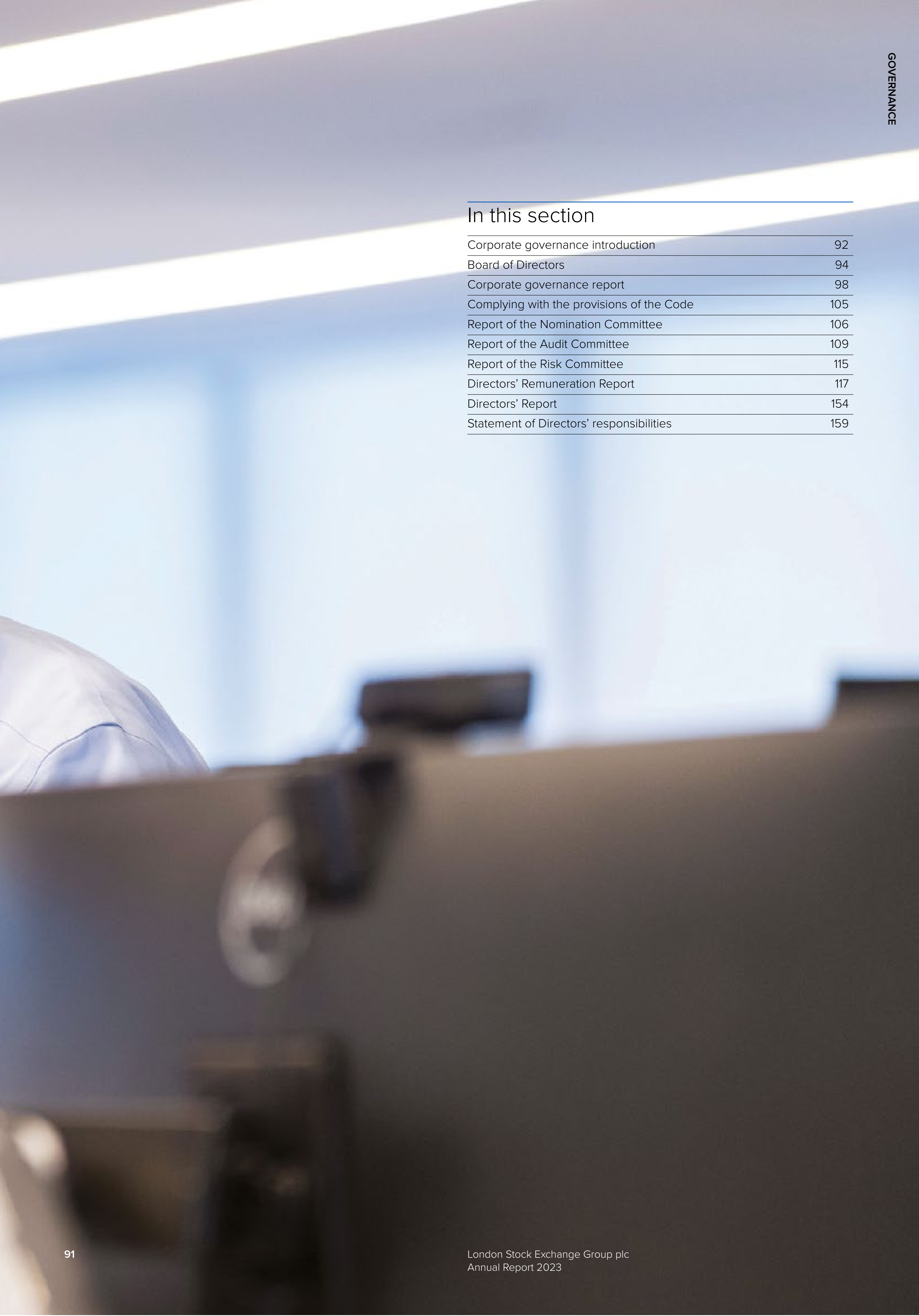
The Directors assessed the prospects and viability of the Group in accordance with provision 31 of the UK Corporate Governance Code taking into account the Group's three-year business plan, and the principal risks to the Group's future performance and liquidity. The Directors have a reasonable expectation that the Group has the ability to meet its obligations over the viability period.

Scenario	Assumption	Associated principal risk
Global Financial Crisis (with and without inflation)	A replay of the 2008 crisis, reassessed for purpose and fitness with current market conditions. The scenario considers the collapse of a major financial institution and a simultaneous default of one medium-sized (domestic rather than international) bank. Additionally, the scenario includes the consolidation of four globally systemic banks into two.	**Global economic and geopolitical. See page 81 for more information.**
Global Pandemic	The scenario considers the proliferation of Covid-19, or a similar pandemic, with significant impacts throughout the global value chain. There are severe, highly synchronised downturns associated with a persistent loss of output in developed and emerging economies. Governments worldwide implement restrictions on human interaction and travel to control virus contagion and interest rate changes.	**Global economic and geopolitical. See page 81 for more information.**
Cyber Security Threats	The scenario considers a cyber ransomware attack impacting the Group's ability to serve a large portion of its customers.	**Information and cyber security threats. See page 85 for more information.**
Supply Chain Disruption	This scenario assumes key supplier unavailability due to geopolitical or technological issues, which results in the delayed delivery of one of the Group's key strategic programmes.	**Transformation. See page 82 for more information.**
Technology Outage	This scenario assesses the impact of a service disruption to one of the Group's key databases which supports a number of Important Business Services.	**Technology. See page 84 for more information.**

Governance

This section of the Annual Report describes how LSEG is governed and the control structures we have in place.

Good corporate governance is key to promoting the long-term sustainable success of the Company, achieving the Group's objectives, generating value for shareholders and contributing to wider society.



In this section

Corporate governance introduction

> The Board is responsible for the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society.

Don Robert
Chair

Dear Shareholders,

I am very pleased to present the Corporate Governance Report for the year ended 31 December 2023. This report provides an overview of how LSEG is governed, the activities of the Board and the control structures we have in place. The Board is responsible for the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society. The Board does this by supporting and challenging executive management to ensure we operate to high governance standards. This report explains how we seek to achieve this. It also contains some highlights from my perspective as Chair.

Together with the reports of the Committees, we have set out how the UK Corporate Governance Code has been applied in the year. At the heart of the Code is a set of principles that emphasise the value of good corporate governance to long-term sustainable success.

Board composition and diversity
On 1 February 2023, Scott Guthrie joined the Board as a Non-Executive Director in connection with the strategic partnership with Microsoft. Scott has worked at Microsoft for over 25 years and currently holds position as Executive Vice President, Cloud and AI Group. Further information on the strategic partnership with Microsoft can be found on page 18 and 19.

In accordance with the terms of the Relationship Agreement, Erin Brown, representative of Thomson Reuters, stepped down from the Board on 17 March 2023, and Doug Steenland, representative of Blackstone, stepped down from the Board on 20 September 2023. On behalf of the Board, I would like to thank Erin and Doug for the significant contributions they made since the acquisition of Refinitiv in January 2021.

On 14 September 2023, William Vereker took over from Cressida Hogg as Chair of the Remuneration Committee. Cressida Hogg continues to serve as Senior Independent Director and a member of the Remuneration Committee. I would like to thank Cressida for her contribution as Chair of the Remuneration Committee.

On 20 November 2023, the Group announced that it had appointed Michel-Alain Proch as CFO and Executive Director from 1 March 2024. This followed the announcement in May 2023 that Anna Manz would step down from the Board as CFO and Executive Director. I would like to thank Anna for the key role she has played in the successful delivery of the Group's strategy over the last three years, and I am happy to welcome Michel-Alain to the Board.

The Board continues to seek opportunities to refresh the key skills and experience and to enhance the effectiveness of the Board, while having regard to board diversity. The Board believes that diversity of thought, experience and background makes us more dynamic, fosters innovation and boosts performance. The Board seeks to comply with Listing Rule 9.8.6(9) on gender and ethnic diversity. I am pleased to confirm that we meet the Parker Review recommendations, and that we meet all recommendations set out by the FTSE Women Leaders Review. Two of the four senior positions in the Company outlined in the Listing Rules are currently held by women and two of the Board's Directors are from a minority ethnic background. At the end of 2023, the Board was over 40% female, however, following Anna's departure and Michel-Alain's arrival, this will drop to below 40%. For more information on Board diversity and the process followed in relation to Board appointments, please see the Nomination Committee report on pages 106 to 108.

Remuneration Policy

Our proposed Directors' Remuneration Policy will be put to shareholders for approval at the 2024 AGM. The proposed changes are focused on updating our policy to ensure that it remains appropriate for our transformed business. Details of the proposed policy and the implementation of the current policy during the year, can be found in the Directors' Remuneration Report on pages 117 to 153.

Board effectiveness review

This year's effectiveness review was conducted by the Group Company Secretary using a detailed questionnaire provided with the aid of an external provider, Lintstock. Results and agreed areas of focus for the Board are described on page 102 and 103. The Board will ensure that these focus areas are acted upon to further improve Board performance. I can confirm that the actions from the 2022 effectiveness review have been completed.

Board site visits and workforce engagement

Opportunities to visit our operations globally, engage directly with the workforce and learn about the business continue to be very important and valuable for the Board. During the year, the Board visited the Paris office and met with colleagues to hear more about their areas of the business and provided a forum for colleagues to share their views with the Board. Further information on workforce engagement can be found on page 71.

The Board also engaged with the workforce virtually through a series of Board conversations in key regional locations. These meetings were designed to increase Board members' visibility with the workforce, gain real insights into the Group's culture and any concerns from colleagues at different levels of the business and have meaningful, two-way dialogue with the workforce. This was particularly important in 2023 as we continued with the integration of the Refinitiv business, progressed the partnership with Microsoft and embedded the Company's culture and new values across the Group. More information of the Company's culture and values can be found on page 60. The feedback that Board members received from this direct engagement was shared with the wider Board at the following meeting and the Board has encouraged management to respond to feedback and to take appropriate action. Further information can be found on pages 71 and 72.

Committee governance

The Chairs of the Audit Committee, Risk Committee, Nomination Committee and Remuneration Committee report on the activities of each of the Committees during the year. I would like to thank the Committee Chairs for the work they have done during the year, including attending the AGM to meet with shareholders.

Sustainability

As described in the Sustainability section of the Strategic Report (pages 58 to 68), LSEG has many initiatives in place to deliver our commitment to be a strategic enabler of sustainable economic growth. Given our central role in capital markets, our global footprint and presence throughout the trade lifecycle, LSEG is uniquely positioned to play a leading role in this respect.

LSEG's role in sustainability, and tackling climate change in particular, is very important to the Board, as well as the Group's shareholders, employees, customers and regulators. The Board is committed to meeting the expectations of our shareholders and stakeholders in this regard.

Compliance with the UK Corporate Governance Code 2018 (the "Code")

The Company has complied with the principles of the Code throughout the financial year ended 31 December 2023 and to the date of this report, and complied with all provisions of the Code, except for provision 32. Provision 32 of the Code states that the Chair of the Remuneration Committee should have served on a remuneration committee for at least 12 months before becoming chair. William Vereker was appointed as Chair of the Remuneration Committee having served for over 11 months on the Committee. The decision to appoint William as Committee Chair shortly before 12 months on the Committee was taken in order to allow William to lead on the proposed changes to the Remuneration Policy, including consultation with shareholders. Further information on compliance with the Code is detailed on page 105.

This report is intended to give shareholders a clear and comprehensive picture of the Group's governance arrangements and how they operated during the year. Pages 98 to 105 set out details of the areas of our focus during the year, followed by the Committee reports.

Conclusion

I hope you find this report helpful and informative in understanding governance at LSEG. I encourage all shareholders to vote their shares in favour of all resolutions to be considered at our AGM in April 2024, even if you are unable to attend in person. Details of the AGM will be included in the Notice of Meeting.

Don Robert
Chair
28 February 2024

Board of Directors

The Board's membership reflects a wide range of skills and business experience, drawn from a number of industries, which is critical for bringing both the expertise required and to enable different perspectives to be brought to Board discussions.

Don Robert
Chair of the Company and the Nomination Committee

Appointed to the Board in January 2019 and Chair of the Company in May 2019.

Skills, knowledge and contribution
- Strong track record in global financial services, international business and mergers and acquisitions
- Expert regulatory knowledge, accompanied with a deep understanding of technology and data and analytics
- Significant executive and non-executive listed board experience

Experience
Don spent 18 years at multinational information company Experian plc, where he most recently served as Chairman (2014-2019). Prior to that he was Group Chief Executive (2005-2014) and CEO of the North American business (2001-2005). Don has served in a variety of senior roles including Chair of the US Consumer Data Industry Association, Senior Independent Director of Compass Group plc and Non-Executive Director of the Court of Directors, Bank of England.

Other current appointments
Chair, Keywords Studios plc; Chair of Council, The London School of Hygiene & Tropical Medicine; Partner, Corten Capital; Chair, Ekco (a portfolio company of Corten Capital); Non-Executive Director, Validis Group Holdings Limited; Non-Executive Director, FlexCharge; Visiting Fellow, Oxford University; Honorary Group Captain, Royal Air Force.

Committee membership
Nomination (Chair)
Remuneration

David Schwimmer
Group Chief Executive Officer

Appointed to the Board in August 2018.

Skills, knowledge and contribution
- A wealth of knowledge surrounding market structure, investment banking and emerging markets
- Extensive experience in corporate finance, capital markets, and mergers and acquisitions
- Deep understanding of the business and the markets within which the Group operates

Experience
Prior to joining the Group in August 2018, David spent 20 years at Goldman Sachs, where he held a number of senior roles, most recently as Global Head of Market Structure and Global Head of Metals & Mining. During his tenure, he also served as Chief of Staff to Lloyd Blankfein, who was then President and COO of Goldman Sachs, and spent three years in Russia as Co-Head of Russia/CIS. Prior to joining Goldman Sachs, he practised law at Davis Polk & Wardwell.

Other current appointments
Non-Executive Director, Centre for New American Security (Not-for-Profit).

Director changes in 2023

Scott Guthrie
Joined the Board on 1 February 2023.

Erin Brown
Stepped down from the Board on 17 March 2023.

Doug Steenland
Stepped down from the Board on 20 September 2023.

*** Director changes since 31 December 2023**

Anna Manz
Anna will step down from the Board on 29 February 2024.

Michel-Alain Proch
Michel-Alain joins the Board as an Executive Director on 1 March 2024.

Anna Manz*
Group Chief Financial Officer

Appointed to the Board in November 2020.

Skills, knowledge and contribution

- Extensive expertise in accounting, corporate finance and mergers and acquisitions
- Significant financial and strategic leadership in areas such as risk, treasury management and accounting
- Expertise in business diversification and transformation

Experience
Anna is a qualified accountant. Prior to joining the Group in November 2020, Anna was Chief Financial Officer and Executive Director of Johnson Matthey plc (2016-2020), leading its Finance, Procurement, and IT functions. Prior to joining Johnson Matthey plc, Anna spent 17 years at Diageo plc in a number of senior finance roles, including most recently as Chief Strategy Officer and member of the Executive Committee. In addition, Anna served as Non-Executive Director of ITV plc (2016-2023).

Other current appointments
Non-Executive Director, AstraZeneca PLC

Dominic Blakemore
Independent Non-Executive Director and Chair of the Audit Committee

Appointed to the Board in January 2020.

Skills, knowledge and contribution

- Extensive experience in corporate finance, investor relations and capital markets
- Significant financial leadership experience from various international financial institutions
- Strong strategic planning and decision-making experience

Experience
Dominic is a chartered accountant and has been Group Chief Executive Officer of Compass Group plc since 2018. Previously, he served as Group Finance Director (2012-2015), Group Chief Operating Officer, Europe (2015-2017) and Deputy Chief Executive Officer in 2017. Dominic was formerly a Non-Executive Director and Chair of the Audit, Risk and Compliance Committee of Shire plc (2014-2018). He previously served as Chief Financial Officer of Iglo Foods Group Limited (2010-2011). Before joining Iglo, Dominic was European Finance & Strategy Director at Cadbury plc (2008-2010).

Other current appointments
Group Chief Executive Officer, Compass Group plc; Vice-Chair, University College London; Non-Executive Director, FareShare.

Committee membership
Audit (Chair)
Nomination
Risk

Martin Brand
Non-Executive Director

Appointed to the Board in January 2021.

Skills, knowledge and contribution

- Significant board and executive experience across listed companies
- Highly accomplished in corporate finance, with a focus on the financial technology sector
- Extensive experience in strategic planning, data and analytics, and mergers and acquisitions

Experience
Martin's work at Blackstone Inc. has seen him involved in several of their high-profile investments including; Sphera, Ellucian, Refinitiv, Bumble, IntraFi and Paysafe. He is a member of several of Blackstone's investment committees. He previously worked as a derivatives trader with Goldman Sachs in New York and Tokyo, and with McKinsey & Company in London. He was a Director of Refinitiv until 2021 and was Chair of Tradeweb Markets (a subsidiary of LSEG) until February 2022.

Other current appointments
Head of North America Private Equity, and Global Co-Head of Technology Investing, Blackstone Inc.; Director, UKG Software; Director, Liftoff Mobile; Director, First Eagle; Trustee, American Academy Berlin.

Committee membership
Nomination

Professor Kathleen DeRose
Independent Non-Executive Director and Chair of the Risk Committee

Appointed to the Board in December 2018.

Skills, knowledge and contribution

- Executive leadership experience in capital markets and asset and wealth management
- Significant non-executive listed board experience
- Expertise in the financial technology market, risk management, and data and analytics

Experience
Kathleen held a number of senior roles at Credit Suisse Group AG (2010-2015). Other positions Kathleen has undertaken have included Managing Partner, and Head of Portfolio Management and Research at Hagin Investment Management (2006-2010), and Managing Director, Head of Large Cap Equities at Bessemer Trust (2003-2006). Prior to 2003, Kathleen also held a number of roles at Deutsche Bank and JPMorgan Chase (formerly Chase Manhattan Bank). In addition to her senior executive positions, Kathleen served as a board member of EDGE (Economic Dividends for Gender Equality) (2014-2015), and she was founding Chair of Evolute Group AG (2016-2017).

Other current appointments
Non-Executive Director, Experian plc; Non-Executive Director, Voya Financial Inc.; Non-Executive Director, Enfusion Inc.; Clinical Associate Professor of Finance, New York University Leonard N. Stern School of Business; Director, Fubon Centre for Technology, Business, and Innovation.

Committee membership
Risk (Chair)
Audit
Nomination

Tsega Gebreyes
Independent Non-Executive Director

Appointed to the Board in June 2021.

Skills, knowledge and contribution
- Deep financial services and capital markets experience gained from various global senior executive and non-executive roles
- Significant expertise in international business and technology
- Strong background in strategy and business development

Experience
Tsega spent seven years at Celtel International, a leading mobile telecommunications provider in the Middle East and North Africa. During her tenure at Celtel, Tsega held a variety of senior roles including Senior Group Adviser, Zain Africa BV (2007-2016), Chief Strategy and Development Officer (2005-2007), Chief Business Development and Mergers & Acquisitions Officer (2003-2005) and Director, Mobile Commerce and New Product Development (2000-2003). In addition to her senior executive positions, Tsega has served as Vice Chair of SES SA, and Non-Executive Director of Hygeia Nigeria Limited (2009-2015), ISON Group (2013-2018) and Sonae SA (2015-2019).

Other current appointments
Founding Director, Satya Capital Limited; Non-Executive Director, Airtel Africa plc; Advisory Council Member, Mo Ibrahim Foundation; Non-Executive Director, Mastercard Foundation.

Committee membership
Audit
Nomination
Risk

Scott Guthrie
Non-Executive Director

Appointed to the Board in February 2023.

Skills, knowledge and contribution
- Market-leading experience in cloud infrastructure and data and analytics
- A deep and valuable understanding of the technology market
- Specialist in digital transformation

Experience
Scott has over 25 years of experience leading large technology teams at Microsoft, and has been Executive Vice President of Microsoft's Cloud and AI division since 2014. He is responsible for Microsoft's Cloud Platform, Data and AI solutions, Operating Systems, Business Applications, Development Tools, and Industry Solutions. The products and services his team delivers include Microsoft Azure, Dynamics 365, Power BI, SQL Server, Nuance, GitHub, Visual Studio and the core Windows operating system. Scott was previously Corporate Vice President of Microsoft Azure (2011-2014), Corporate Vice President of Microsoft's Developer Division (2008-2011), General Manager Microsoft Developer Division (2005-2008).

Other current appointments
Executive Vice President, Microsoft Cloud and AI Group.

Committee membership
Nomination

Cressida Hogg CBE
Senior Independent Director

Appointed to the Board in March 2019.

Skills, knowledge and contribution
- Significant board and executive level experience combined with a strong corporate background in infrastructure, private equity and capital markets
- Strong Chair experience and competency in embedding corporate governance values
- Specialist knowledge in mergers and acquisitions, financial services regulation and pensions

Experience
Cressida spent nearly 20 years with 3i Group plc and was one of the co-founders of 3i's infrastructure business in 2005, before becoming Managing Partner in 2009. During this time, Cressida advised on all of 3i's infrastructure transactions. She was also Global Head of Infrastructure at Canada Pension Plan Investment Board (2014-2018). In addition to her senior executive positions, Cressida served as a Non-Executive Director of Associated British Ports Holdings Limited and a Non-Executive Director of Anglian Water Group.

Other current appointments
Chair, BAE Systems plc; Non-Executive Director, Troy Asset Management Ltd.

Committee membership
Nomination
Remuneration

Dr Val Rahmani
Independent Non-Executive Director

Appointed to the Board in December 2017.

Skills, knowledge and contribution
- Significant expertise and knowledge of technology and technical risk management
- Deep understanding of digital transformation, innovation, sales and marketing
- Extensive listed director experience accompanied by expert corporate governance knowledge

Experience
Val worked for IBM for almost 30 years and was Chief Executive Officer of cyber security start-up, Damballa Inc., for four years. Her past career also included Non-Executive Director positions at Aberdeen Asset Management plc, Teradici Corporation and CTG, Inc. Val previously ran the Innovation Panel for Standard Life Aberdeen and holds a Doctorate of Philosophy in Chemistry from the University of Oxford.

Other current appointments
Non-Executive Director, RenaissanceRe Holdings Limited; Non-Executive Director, Entrust.

Committee membership
Nomination
Remuneration
Risk

Ashok Vaswani
Independent Non-Executive Director

Appointed to the Board in June 2021.

Skills, knowledge and contribution
- Extensive experience in, and understanding of, banking and the financial services industry
- Deep knowledge and comprehension of technology, risk management, and wealth management
- Expertise in data and analytics and capital markets

Experience
Ashok held a number of senior roles within Barclays Group, including: Chief Digital Strategy Officer at Barclays plc (2021-2022); CEO, Global Consumer Banking & Payments (2019-2021); CEO, Barclays UK (2016-2019); CEO, Personal and Corporate Banking (2014-2016); CEO, Retail and Business Banking (2012-2014); CEO, UK Retail and Business Banking (2011-2012); CEO, Africa (2010-2011); and CEO of Barclaycard Europe (2010). Prior to joining Barclays, Ashok was a Partner at Brysam Global Partners LLC (2007-2009), a private equity firm specialising in consumer financial services in emerging markets. From 1987 to 2007, Ashok held a number of senior roles within Citigroup Inc. Ashok also served as President and Adviser at Pagaya, a FinTech based in New York (2022-2023).

Other current appointments
Managing Director and Chief Executive of Kotak Mahindra Bank.

Committee membership
Audit
Nomination
Risk

William Vereker
Independent Non-Executive Director and Chair of the Remuneration Committee

Appointed to the Board in October 2022.

Skills, knowledge and contribution
- Highly experienced banker, including experience in executive roles
- Significant knowledge and experience of capital markets, post trade and investment banking
- Deep knowledge of financial services and regulatory and government relations

Experience
William began his career at Morgan Stanley and held a variety of investment banking roles with a focus on the energy and utility sectors, which culminated with him being MD & Head of European Utilities (2001-2005). He also held a number of senior executive roles in the investment banking sector with Lehman Brothers (2005-2008), Nomura (2009-2013) and UBS (2013-2018). William's time at UBS saw him serve as Global Head of Investment Banking from 2016 to 2018. William served as the Prime Minister's Business Envoy (2018- 2020), before becoming Vice Chair of the EMEA Investment Bank at JP Morgan.

Other current appointments
Chair, Santander UK; Member, UK Investment Council; Member, Advisory Board, Celonis GmbH; Chair, Advisory Board of Gonville and Caius College, Cambridge.

Committee membership
Remuneration (Chair)
Nomination
Risk

Michel-Alain Proch*
Group Chief Financial Officer-designate

Appointed to the Board with effect from 1 March 2024.

Skills, knowledge and contribution
- Significant financial leadership experience in global listed companies
- Deep experience across global, financial infrastructure and IT data solutions firms
- Extensive experience of mergers and acquisitions and delivering strategic growth

Experience
Prior to joining the Group on 26 February 2024, Michel-Alain was Group Chief Financial Officer of Publicis Groupe SA (2021-2024) where he led the global finance team across 100 countries. Prior to joining Publicis Groupe, Michel-Alain was CFO of Ingenico until its acquisition by Worldline (2019-2020), and then served as adviser to the CEO in the integration of the two companies. He previously spent almost 13 years at Atos in a number of senior roles, including Group Chief Financial Officer, CEO, North America and Group Chief Digital Officer, completing and integrating several strategic acquisitions.

Other current appointments
Vice Chairman, Maisons du Monde; Non-Executive Director, Pluxee N.V.

Corporate governance report

Board responsibilities

The LSEG Board is collectively responsible for the long-term, sustainable success of the Company, the delivery of sustainable value to its shareholders and contributing to wider society.

The Board:
— provides leadership of the Company and is responsible for setting the strategy and maintaining high standards of governance;
— leads the development of the Group's culture, values and behaviours;
— oversees the execution of the Group's strategy and holds executive management to account for its delivery;
— ensures necessary resources are in place for the Group to be able to meet its objectives and measures performance against these. This includes the establishment of a framework of prudent and effective controls, which enable risk to be assessed and managed;
— reviews and holds management to account for financial and business performance; and
— ensures that its responsibilities to shareholders and stakeholders are met, including through effective engagement. This includes having workforce policies and practices that are consistent with the Company's values and support the Company's long-term sustainable success.

In carrying out their duties, the Directors act in accordance with all relevant and applicable legislative and regulatory rules. In particular, they take into account Directors' duties contained in the Companies Act 2006 (the "Act") and will consider the factors listed in Section 172 of the Act and any other relevant factors.

LSEG's Section 172(1) statement for the year ended 31 December 2023, including details of certain Board decisions taken during the year, can be found on pages 75 to 78 of the Strategic Report.

The Directors have full access to the advice and services of the Group Company Secretary, who is responsible for advising on corporate governance matters.

Board Committees

The Board has delegated certain responsibilities to four Board Committees: the Audit, Nomination, Remuneration and Risk Committees. Full details of the Committees' responsibilities are set out in individual terms of reference which are available on the corporate website. The work undertaken by each Committee during the financial year is detailed within the respective Committee reports on pages 106 to 123.

Board composition

As at the date of this report, the Board is composed of 12 members: the Chairman, seven independent Non-Executive Directors, two Non-Executive Directors (the Shareholder-appointed Director[1] and the Director appointed in connection with the strategic partnership with Microsoft[2]), and two Executive Directors. Five of the Directors are women; two of the Directors are from a minority ethnic background; and two senior positions are held by female Directors (Senior Independent Director and Chief Financial Officer). The Board Diversity Policy, which is reviewed annually, is available on the corporate website: https://www.lseg.com/en/about-us/corporate-governance. The Board's statement of division of responsibilities can also be found on this web page.

Board and Committee meetings

The table shows the number of scheduled and ad-hoc meetings attended against the number of meetings each Director was eligible to attend.

Director	Board	Audit	Risk	Nomination	Remuneration
Don Robert	6/6			4/4	6/6
David Schwimmer	6/6				
Anna Manz	6/6				
Dominic Blakemore	6/6	5/5	4/4	4/4	
Martin Brand	6/6			4/4	
Kathleen DeRose	6/6	5/5	4/4	4/4	
Tsega Gebreyes	6/6	5/5	4/4	4/4	
Scott Guthrie	6/6			4/4	
Cressida Hogg	6/6			4/4	6/6
Valerie Rahmani	6/6		4/4	4/4	6/6
Ashok Vaswani	6/6	5/5	4/4	4/4	
William Vereker	6/6		4/4	4/4	6/6
Directors who left during the year					
Erin Brown	1/1				
Doug Steenland	4/4			2/2	

The Non-Executive Directors meet privately without the Executive Directors being present after every Board meeting. Comprehensive Board and Committee papers, comprising an agenda and formal reports and briefing papers are sent to Directors in advance of each meeting. Directors are also updated with written and verbal reports, from senior executives and external advisers during the meeting.

1 Director appointed under the Relationship Agreement by York Parent Limited (which is owned by Thomson Reuters Corporation and a consortium of certain investment funds managed by Blackstone Group Inc.), York Holdings II Limited, York Holdings III Limited (each of which are wholly-owned subsidiaries of York Parent Limited) and BCP York Holdings (Delaware) L.P.
2 Appointed under the lock-up agreement with Microsoft Corporation.

Stakeholder engagement

The Board seeks to understand the interests, needs and concerns of shareholders and other key stakeholders (including customers, the workforce and regulators) to enable the Company to pursue long-term sustainable success. For more information on how we engage with our stakeholders as well as how the Board has discharged its duties under Section 172 of the Companies Act, please see pages 69 to 78 of the Strategic Report.

Relations with shareholders

We believe that regular and ongoing engagement with our key stakeholders and, in particular, our shareholders is central to good corporate governance. The Group's Investor Relations (IR) function, reporting to the Chief Financial Officer, manages a shareholder engagement programme throughout the year.

The Chair, Senior Independent Director and Chairs of each Board Committee are available to engage with major investors, typically to discuss corporate governance matters. In 2023, the Chair engaged with shareholders on matters including sustainability, remuneration and Board composition, as well as performance against the Company's strategy. The Chair of the Remuneration Committee consulted with major shareholders and proxy voting agencies to understand their views on the proposed approach for our Remuneration Policy and key executive remuneration decisions. Further details and the outcome of this engagement are included within the Directors' Remuneration Report from page 117.

Senior management and the Investor Relations (IR) team engage with investors to discuss strategy, performance, sustainability and other matters. We continued to ramp-up investor engagement in 2023 and demand for the stock proved to be strong, with the Blackstone consortium executing three successful share placings during the course of the year, each of which was significantly oversubscribed. In total, the former Refinitiv owners successfully placed over £6 billion worth of LSEG stock in 2023. Across the year, we held over 470 engagements with institutional equity and debt investors (significantly higher than the FTSE 100 average), with interest primarily from the UK and USA but with increasing interest from countries such as Canada and Australia as we look to broaden our outreach more globally. Senior executive management and the IR team took part in 9 conferences this year, across the US, Canada, the UK and Continental Europe, hosted by banks or industry organisations.

As well as expanding our conference schedule, we also ran a number of roadshows with executive management both internationally and in the UK as we continued to step up our efforts to explain our investment case and strategy to a wider range of prospective global investors. We achieved broad coverage of our existing register, meeting with over 85% of our active shareholder base.

In 2022, we ran a comprehensive investor perception study through our external advisers, Makinson Cowell. One of the key pieces of feedback from that study was that investors expressed a desire for more deep dives into the various businesses that make up the Group and to hear more often from divisional management. In 2023, we held a landmark two-day Capital Markets Event, at which we welcomed more than 90 institutional investors and sell-side analysts to our London headquarters. Hundreds more watched the plenary presentations via a live webcast. The guests were invited to hear presentations from our CEO, CFO, Head of Data & Analytics and Head of Sales & Account Management, as well as to take part in Q&A sessions with management teams from across our business in break-out sessions. Feedback on the event was very positive. From those who provided feedback scores, 92% of attendees said they found the event useful. In addition, 90% of attendees said they now think of LSEG more as an information services company than an exchange, representing the shift in LSEG's market perception since the acquisition of Refinitiv.

The Board receives a report on IR matters at each of its scheduled meetings, including feedback from investors, market expectations of financial performance and updates on share register composition. Sell-side analyst research notes on LSEG are regularly circulated through the business, including to the Board and senior executives. The Group's corporate brokers also provide the Board with advice on market sentiment, input on market communications and share register analysis.

In addition to information on financial and operational performance, the Group engages with shareholders and relevant shareholder advisory agencies on environmental, social and governance (ESG) matters. The Group produces an annual Sustainability Report that details its approach to ESG matters: www.lseg.com/investor-relations/sustainability.

Our AGM provides the opportunity for all shareholders to meet and to put questions to the Board of Directors. Our 2023 AGM was held on 27 April 2023 at Butchers' Hall in London and provided the opportunity for all shareholders to meet and put questions to the Board of Directors.

The IR section of the Group's website (www.lseg.com/investor-relations) is a primary source of regularly updated information about the Group. All financial reports and statements, regulatory news service announcements and disclosures, presentations and other relevant documents are available on the website, together with a list of analysts producing research on the Company and a summary of analysts' forecasts of performance. Recognising that joining our preliminary and interim results conference calls is not always possible, recordings of these calls are accessible to all shareholders via the Group website.

Workforce engagement

The Board believes that having a diverse workforce makes us more dynamic, fosters innovation and boosts performance. The Board continues to support the goals for senior leadership set by management which include goals for ethnic diversity and gender diversity. The Board regularly tracks progress against these through Equity, Diversity & Inclusion. Further information on Equity, Diversity & Inclusion can be found in our Sustainability section on page 61.

Information on workforce engagement can be found in the Stakeholder Engagement section on pages 71 and 72. The Board believes that the direct and indirect engagement it undertakes with the workforce, as well as the range of engagement activities that it has undertaken during the year, as described in the stakeholder engagement section, are effective and have facilitated meaningful, two-way dialogue between the Board and employees. The forms of engagement undertaken during the year have enabled the Board to hear from a broad range of our workforce across our regions and at different levels of seniority and role type, given the size and global footprint of the Group.

Board independence

The Board has evaluated the independence of all the Non-Executive Directors. In assessing each Director, the Board considers whether there are relationships or circumstances which are likely to affect or could appear to affect a Director's judgement.

Martin Brand was appointed to the Board as a Non-Executive Director in 2021. Martin represents Blackstone in accordance with the terms of the Relationship Agreement, which is considered to be a significant shareholder of LSEG.

Scott Guthrie was appointed to the Board as a Non-Executive Director with effect from 1 February 2023. Scott represents Microsoft Corporation and was appointed in connection with the strategic partnership (for further information please see pages 18 and 19).

The Board agreed that Martin and Scott would not be considered independent under the Code given their relationships with Blackstone and Microsoft respectively. They are not members of the Audit, Remuneration or Risk Committees.

The Board has evaluated the independence of the other Non-Executive Directors and concluded that each are independent in character and judgement. The Chair was independent on appointment.

In line with the Code, at least half the Board, excluding the Chair, are independent Non-Executive Directors. All Directors are subject to annual re-election at the Company's AGM.

Matters considered by the Board

Each of the regular meetings includes a wide-ranging report from the Chief Executive Officer, together with reports from the Chief Financial Officer on the Group's financial performance and the Chief Operating Officer on the continued progress of the Refinitiv integration programme, the Group's transformation programme and Group operations. Reports from the Committee Chairs and updates on major projects were also provided at each Board meeting.

During the year, the key matters considered by the Board included the following:

Customers

— Customer matters, including meetings with customers and key account executives during the Board visit to Paris. This included deep dives on key customer relationships; FX strategy; and the development of product solutions to meet customer needs.
— Updates on customer metrics and key customer initiatives.
— Reviews of new products and services, including the non-deliverable forward product, the Group's first global FX trading venue launched in Singapore in November 2023.
— Deep dive focusing on the relationship with banks as customers and suppliers of finance to the Group.
— Review of brand transformation programme.

Strategy, execution and integration

— Regular updates on progress against the strategic objectives, capital expenditure and investment projects and key projects and programmes.
— Regular updates on the strategic partnership with Microsoft for next-generation data and analytics and cloud infrastructure.
— Regular updates on the Refinitiv integration, including in relation to achieving the stated targets and synergies, customer matters, people and culture, transformation and technology.
— Approval of M&A transactions, including the acquisition of Euronext's 11.1% stake in LCH SA.
— Annual Board strategy day at which the Group's strategy was considered and approved.

Sustainability

— Review and approval of the sustainability strategy.
— Considered and challenged updates on sustainability matters and the Group's position on sustainability as well as progress achieved against strategy.
— Agreed the key areas of focus for the sustainability programme in 2024.
— Review and approval of the annual Sustainability Report, Climate Report (including TCFD Report) and the Modern Slavery and Human Trafficking Statement.
— The Audit Committee held a training session on climate reporting which all Board members were invited to attend.

People and culture
- — Review of the updated People strategy, culture at LSEG and deep dives on talent and capabilities.
- — Received updates on employee welfare, including benefits and wellbeing offerings, compensation reviews targeting cost of living challenges; and enhancements to the global diversity, equity and inclusion strategy.
- — Updates on employee wellbeing as a result of the geopolitical events that took place in the year, including the ongoing conflicts in Ukraine and Israel.
- — Reports from Directors on their engagement with colleagues across the Group. The Board reiterated that management should take appropriate action in response to the feedback from colleagues. Further information can be found in the stakeholder engagement section on pages 71 and 72.
- — Discussion of the results of the annual LSEG Engage survey. The Board endorsed the actions proposed by management in response to the feedback from the workforce.
- — Challenged management on the new values and received updates on the launch and reception of these. Further information can be found on page 60.

Finance, investor relations and capital
- — Review and detailed examination of the Group's financial performance.
- — Approval of the annual budget and three-year strategic plan, with particular focus on capital allocation and investment in technology as well as other strategic priorities.
- — Updates from the Investor Relations team on views from shareholders on a broad range of issues pertinent to the Group's business.
- — Proposal of the 2022 final dividend of 75.3 pence per share, which was subsequently approved by shareholders on 27 April 2023. The Board also approved the 2023 interim dividend of 35.7 pence per share which was paid to shareholders on 20 September 2023.
- — Approval and completion of a directed share buyback programme to purchase £750 million of limited-voting ordinary shares from the Blackstone-Thomson Reuters consortium.
- — Approval of the new medium-term guidance, announced in November 2023, which included mid to high single-digit organic revenue growth annually. The Board also approved a simplified dividend policy.
- — Approval of the return of £1 billion to shareholders via share buybacks in 2024.

Risk management and internal controls
- — Regular updates from the Chief Risk Officer on key risk management and internal control matters, and discussion of key risks and, where applicable, risk reduction activities.
- — Review and approval of the Group's Risk Appetite Statements and the Policy Governance Framework, which sets the requirements for all policies within the Group.
- — Updates on technology and operational resilience, including cyber security.
- — Updates at each Board meeting from the Chairs of the Risk and Audit Committees on matters considered by these Committees. All Board members have access to the materials provided to these Committees.

Board training and deep dives
The Board continued its practice of holding deep dives on key topics. In 2023, it participated in a number of sessions relating to the strategic partnership with Microsoft, a number of the Group's businesses and key strategy-related briefings during the Board visit to Paris. This included focused sessions on trading and banking in EMEA, Capital Markets in Europe and technology operations in Europe. It also held training sessions on UK Market Abuse Regulations and the Listing Rules.

Chairs' Forum
The Chairs' Forum is composed of the Chairs of the Group's principal regulated subsidiaries and the Group Chair, with the Group CEO being invited to meetings on a regular basis. The Forum provides opportunities for relevant subsidiary Chairs from across the Group to engage on common themes and topics of interest. During the year, this included: strategic matters, regulatory matters, succession planning, customers, technology and migration to the cloud and capital allocation.

Board effectiveness and leadership

A Board effectiveness review is carried out annually in line with the UK Corporate Governance Code (the "Code"), with a review being externally facilitated every three years.

2022 Effectiveness Review

The 2022 Effectiveness Review was facilitated externally and identified areas where the Board considered further focus would be needed during 2023. These are summarised below, together with the resulting actions taken in 2023.

Area	Description	Summary of actions taken
Board knowledge	Gain further understanding of certain areas, including teach-ins on each Division of the Group, moving to the cloud and acquisitions	The Board participated in a number of deep dive sessions which were focused on enhancing their understanding in the key areas flagged in the previous review.
Board, executives, and deeper relationships	Deepen the Board relationship with the Executive Committee	The Board continued efforts to deepen its relationship with the Executive Committee throughout the year both on a group and individual basis. This included attendance by an Executive Committee member at each Board meeting and inviting members of the Executive Committee to join the Board's visit to the Paris office. The Board also met with Erica Bourne, Satvinder Singh and Ron Lefferts following their appointments to the Executive Committee, and notably, all presented at Board meetings during 2023 and at the Board strategy day.
Board composition and succession planning	Board to consider the priorities for future composition	As reported in its Report on pages 106 to 107, the Nomination Committee continued to monitor succession planning to ensure an appropriate schedule is in place to effectively manage future Board composition. During the year, the Committee recommended, and the Board approved, the appointment of Michel-Alain Proch as Group CFO and Executive Director. Michel-Alain joined LSEG on 26 February 2024 and becomes CFO and Executive Director on 1 March 2024. For more information, please see the Nomination Committee report on pages 106 to 108.
Stakeholders	Board to identify further opportunities to engage with shareholders, including their views on LSEG and growth; and customers, including a deeper understanding of customer needs and the data that is most valuable to them	The Board engaged with various stakeholders during 2023, including customers, employees and regulators. Further information on this can be found in the Board engagement with stakeholders section on pages 69 to 74.

2023 Effectiveness Review

In 2023, the Board undertook an internal evaluation of the performance of the Board, its Committees, the Chair and the individual Directors. The evaluation process was conducted by the Group Company Secretary using a detailed questionnaire provided by an external provider, Lintstock.

The 2023 effectiveness review sought the views of Directors on the effectiveness of the organisation and dynamics of the Board and its Committees, the papers and topics covered at the Board and Committee meetings, the purpose and culture of the business, stakeholder engagement, the relationship between the Non-Executive Directors and management, the current and future composition of the Board, the oversight of risk management and internal controls, and the leadership of the Board.

The outputs of the evaluation were reported to, and considered by, the Board and actions and focus areas for the Board and its Committees to undertake in 2024 were agreed.

As part of the 2023 effectiveness review, the Senior Independent Director led a review of the performance of the Chair, using a similar form of questionnaire provided by Lintstock. The Chair meets with Directors individually to discuss their performance.

The results of the effectiveness review will also be used to assist in the future development of the Board, its Committees and its individual Directors.

Results

The 2023 effectiveness review identified a number of positive attributes including:

— **Board composition and dynamics** – current Board composition and the relationships between the Non-Executive Directors and the Executive Directors.
— **Stakeholder oversight** – the Board noted a significant improvement in shareholder and investor oversight.
— **Employee sentiment/culture** – Board employee engagement sessions were well received.
— **Board support** – quality of Board governance and Board support was highly rated.
— **Strategic and operational oversight** – the Board noted the improved oversight in these areas.
— **Risk management and internal control** – rated positively overall, however future areas of focus were identified (see next steps for further information).

Overall, the review found that the Board and its Committees are performing well and are effective. The results indicated that the Board considers that it has the appropriate balance of skills, experience, independence and knowledge to enable it and its Committees to discharge their duties and responsibilities effectively.

Next steps
The Board agreed that areas of focus for 2024 should be:
- **Board Composition and Dynamics** – to build on relationships between the Non-Executive Directors and the wider executive team particularly in the light of changes to the executive team.
- **Stakeholder Oversight** – having benefited from the time spent during the year focusing on customers, the Board will seek to further increase this in 2024.
- **Strategic Oversight** – the Board identified the following areas in which focused time should be spent on furthering its understanding and oversight capability:
  - Technology, particularly technological change and the D&A strategy;
  - Delivery of the Microsoft Partnership and product development;
  - External insights, particularly competitive dynamics; and
  - Organisational capacity to deliver the strategy and continued focus on the development of internal talent and pool of future succession candidates.
- **Risk Management and Operational Resilience** – Oversight of operational resilience will remain a key priority for the Board in 2024 which is seen as important for delivery of the Group's ambitions and for our customers.

The results of the effectiveness reviews of the Committees were positive about the management and composition of the Committees as well as the quality of the information received.

Committee 2024 areas of focus

Audit Committee
- Additional support and education in relation to sustainability and in the business areas and associated risks.
- Ensuring a smooth transition of the external auditor from EY to Deloitte.

Nomination Committee
- Continued focus on Board and Executive Committee succession.
- Performance and development of the Executive Committee.
- Broader focus on talent management across the Group.

Remuneration Committee
- Effectively delivering the new remuneration policy.

Risk Committee
- Provide further support and education around technology matters.
- Continued focus on operational risk management and further improving resiliency.

Conflicts of interest
The Company's Articles of Association allow the Board to authorise conflicts of interest that may arise and to impose such limits or conditions as it thinks fit. The Group has established procedures whereby actual and potential conflicts of interest are regularly reviewed, appropriate authorisation is sought prior to the appointment of any new Director, and new conflicts are addressed appropriately.

The decision to authorise a conflict of interest can only be made by non-conflicted Directors and, in making such decisions, the Directors must act in a way they consider, in good faith, would be most likely to promote the Company's success.

Indemnities
Directors have the benefit of indemnity arrangements from the Company in respect of liabilities incurred as a result of their office and execution of their powers, duties and responsibilities. The Company maintained a Directors' and Officers' liability insurance policy throughout the year. This policy covers the Directors for any such liabilities in respect of which they are not indemnified by the Company and, to the extent to which it has indemnified the Directors, also covers the Company. Neither the Company's indemnity nor insurance provides cover for a Director in the event that the Director is proved to have acted fraudulently or dishonestly.

Risk management and internal control

The Board is responsible for ensuring the Group's risk management framework and internal control system is maintained and remains effective. This covers all material controls, including financial, operational and compliance controls. The Risk Management Framework prescribes the extent of the principal risks the Group is willing to take to achieve its long-term strategy. The internal control system safeguards the quality and integrity of internal and external financial reporting as well as operational, legal and regulatory compliance.

The system of internal controls is designed to facilitate the management of the Group's activities within the Board's risk appetite. Rather than eliminate the risk of failure to achieve the Group's objectives, the system of internal controls can only provide reasonable, but not absolute, assurance against material control failures. The Board is committed to maintaining a robust internal control system, with a view to continuously maturing, embedding and optimising enhanced risk management practices throughout the Group.

The Board delegates some of its responsibilities to the Audit Committee and Risk Committee.

The Audit Committee regularly works alongside the Risk Committee to monitor the adequacy and effectiveness of the Company's internal control systems and risk management systems. The Audit Committee also monitors the effectiveness and objectivity of internal and external auditors. The Audit Committee reports regularly to the Board on its activities. In 2023, the Audit Committee reviewed the Group's continued work to further enhance and mature the internal controls environment, despite the withdrawal of some proposals under the Government's planned Audit and Corporate Governance reforms. Further details on the activities of the Audit Committee can be found on pages 109 to 114.

The Risk Committee assists the Board in fulfilling its responsibilities by advising on risk strategy and overseeing the development, implementation and maintenance of the Group's Enterprise Risk Management Framework (ERMF) and the Group Risk Appetite statement. The Risk Committee reports regularly to the Board on its activities. Further details on the activities of the Risk Committee can be found on pages 115 and 116.

A summary of some of the Group's Risk Management Frameworks and internal controls are listed below:

Enterprise Risk Management Framework
The Board annually approves the Group's ERMF. The ERMF sets out a standard approach for managing risk across the Group. It ensures that all risks are adequately understood and managed within risk appetite across all levels of the Group. During 2023, the Risk Committee reviewed the ERMF to identify areas of optimisation to further enhance the maturity of the Group's enterprise risk management. Further details on the ERMF can be found in the principal risks and uncertainties section from page 79.

Risk Appetite Statement
The Board approves the Group Risk Appetite Statement which outlines the key concepts of risk appetite and risk tolerance that the Group will accept in pursuit of its strategic objectives. It is determined in line with the Group's strategy. The Group Risk Appetite Statement allows management to understand the potential risks associated with strategic and operational decisions; assess whether the risk return on capital is acceptable; and put in place mitigating actions to reduce risk exposure to acceptable levels. It maintains the correct balance between risks and rewards, thus ensuring the Group remains more resilient by taking better informed decisions.

Financial Control Framework
LSEG has established a Financial Control Framework (FCF) that sets out to develop and maintain a robust financial control environment, that mitigates the risk of material financial misstatement, and helps protect the Group against financial fraud. The FCF aims to ensure clear links between the Group's financial reporting risks and the associated processes and control environment, making sure these are tested and appropriately documented. The FCF is also focused on ensuring the right culture and training is in place to support a risk-first mindset. The Audit Committee receives regular updates on the progress being made to enhance the FCF.

Financial reporting controls
Ahead of each reporting period end, the Group's financial reporting process is facilitated using accounting policies and reporting formats and is supported by guidance issued to all reporting entities within the Group. Management is responsible for maintaining the control environment for financial reporting and ensuring policies and procedures exist around the maintenance of records. The submission of financial reports from each reporting entity is subject to a rigorous review. Management must provide assurance regarding the reliability and accuracy of the Group's financial reports. The Audit Committee reviews the application of the Group's accounting policies as well as significant accounting judgements and estimates. It also reviews the externally reported interim and full-year results and satisfies itself that these are fair, balanced and understandable.

Internal Audit
The Board, together with the Audit Committee, is responsible for ensuring the independence and effectiveness of the Internal Audit function. Internal Audit's primary function is to provide independent and objective assurance to the: Board; Audit Committee; and executive management on the adequacy and effectiveness of the Group's system of internal controls. The Internal Audit function provides opinion and challenge on the control environment and provides assurance on the Group's ERMF. Internal Audit provides an opinion on the adequacy and effectiveness of the Group's framework of governance, risk management and controls on an annual basis. This is achieved through a programme of assurance over key risks applicable to the Group and audits required by regulation. To ensure independence, the Internal Audit function sits within the third line of defence in the Group's risk control structure and has no operational responsibilities for the legal entities or processes which it reviews.

The independence of the Internal Audit function from executive management is protected by the following measures:
— The Chief Internal Auditor reports directly to the Chair of the Audit Committee and has direct access to the Chair of the Board. For administrative matters she has a secondary reporting line to the Chief Executive Officer (CEO).
— The Chair of the Audit Committee and CEO jointly assess the performance of the Chief Internal Auditor.
— The Audit Committee approves the Internal Audit Charter and annual budget.

Further details on the Internal Audit function can be found in the internal audit charter which is available on the Group's website at https://www.lseg.com/en/about-us/corporate-governance

Policy Governance Framework
The Group is committed to operating within a robust control environment. LSEG has a Policy Governance Framework (PGF) which details the internal governance for all Group policies. The PGF outlines the development, maintenance, implementation and compliance of all Group policies. It details how various risks within Group policies are addressed and ensures all Group policies comply with the PGF.

Management Structure/Delegation of Authority
The Group operates a matrix structure designed to optimise resource allocation and organisational capacity. Subject to the Schedule of Matters Reserved for the Board, the Board has delegated the day-to-day running of the Group to the CEO. The CEO is supported by the Group Executive Committee (ExCo), which is designed to ensure open challenge and support effective decision-making. Each ExCo member is accountable for a key operating division, business area or function.

The ExCo meets regularly to assist the CEO in exercising his authority over material matters that have strategic, cross-business area or Group-wide implications. Delegation from the Board requires ExCo members to maintain responsibility and sustain a control environment that is appropriate to their division, business area or function.

The ExCo has established subcommittees: the Financial, Investment & Capital Committee (FICC); and the Executive Risk Committee (ERC). The remit of the FICC is wide ranging and includes: reviewing the financial and legal implications of Group contracts; approving changes to the Group's corporate structure; an annual review of the Group's overall tax governance policy; and monitoring of the Group's intragroup lending arrangements. The ERC oversees matters such as risk culture, risk profile oversight, risk policy oversight, risk appetite and risk disclosures and reporting.

The Board is satisfied that the operation and effectiveness of the Group's system of internal controls throughout 2023 and until the date of approval of the Annual Report, are sufficiently robust. A thorough assessment of the principal risks facing the Group, including those that would threaten its business model, future performance and liquidity, have been carried out during the year. Necessary actions have been or are being taken to remedy any control issues identified during these reviews. The Board concluded that the Group's risk management systems are sufficient given the Group's risk profile, risk appetite and long-term strategic objectives. The Board will continue to consider further enhancements to its risk management and internal control system, to ensure it complies with regulatory and legal developments and changes to the external environment.

Further information
Further detail on the Group's risk management and an overview of the principal risks and uncertainties (including a summary of emerging risks) of the Group is provided on pages 79 to 88.

Complying with the provisions of the Code

Throughout the financial year ended 31 December 2023 and to the date of this report, London Stock Exchange Group plc has complied with all principles of the Code, and complied with all provisions of the Code, except for provision 32. Provision 32 of the Code states that the Chair of the Remuneration Committee should have served on a remuneration committee for at least 12 months before becoming chair. William Vereker was appointed as Chair of the Remuneration Committee on 14 September 2023, having served on the Committee since 3 October 2022. William Vereker is an experienced Board member with significant knowledge of financial services, regulatory matters and corporate governance. The Board agreed that William was suitably qualified to take on the role of Remuneration Committee Chair and to oversee the review of the Remuneration Policy. The decision to appoint William as Committee Chair shortly before 12 months of experience on a remuneration committee was taken to allow William to lead the Committee on the proposed changes to the Remuneration Policy, including consultation with shareholders. He is supported in his role by the other Committee members, including Cressida Hogg, the previous Chair of the Remuneration Committee.

The Code is publicly available at the website of the UK Financial Reporting Council at www.frc.org.uk. Details of how the principles of the Code have been applied can be found throughout this Corporate Governance Report, the Strategic Report, and the Committee reports. The following table outlines where narrative on the principles is positioned throughout the Annual Report:

	Section Heading	Page Number
1. Board leadership and Company purpose		
A. Leadership, long-term sustainable success, generating value for shareholders and contributing to wider society	Corporate governance report	98
B. Company purpose, values and strategy	Our purpose and strategy	26-27, 60
C. Resources and prudent and effective controls	Corporate governance report	98, 103
D. Effective engagement with stakeholders	Board engagement with stakeholders	69-74, 99
E. Workforce policies and practices	Sustainability	60-62
2. Division of responsibilities		
F. Leadership of the Board	Corporate governance report	98
G. Board composition and clear division of responsibilities	Corporate governance report	94-98, 100
H. Role and time commitment of Non-Executive Directors	Report of the Nomination Committee	107
I. Policies, processes, information, time and resources, and support of the Company Secretary	Corporate governance report	98, 102-103
3. Composition, succession and evaluation		
J. Board appointment process and effective succession planning	Report of the Nomination Committee	106-108
K. Board and committee skills, experience and knowledge	Board of Directors	94-97, 106-108
L. Annual board and individual director evaluation	Corporate governance report	102-103
4. Audit, risk and internal control		
M. Independence and effectiveness of internal and external audit function	Report of the Audit Committee	112
N. Fair, balanced and understandable assessment of Company's position and prospects	Report of the Audit Committee	114
O. Procedures to manage risk, oversee internal control framework and determine nature and extent of principal risks	Principal risks and uncertainties, Corporate governance report	79-88, 103, 104
5. Remuneration		
P. Remuneration policies and practices	Report of the Remuneration Committee	126, 128
Q. Procedure for developing policy on executive, Director and senior management remuneration	Report of the Remuneration Committee	127-128
R. Independent judgement and discretion in remuneration outcomes	Report of the Remuneration Committee	121-122

Report of the Nomination Committee

Key areas of focus for the Committee in the year were Board composition, succession planning and the appointment of Michel-Alain Proch as Chief Financial Officer and Executive Director. This report describes the work of the Committee.

Don Robert
Chair of the Nomination Committee

Achievements for 2023

The priorities set by the Committee at the start of the year were:

1. Continue to ensure a diverse talent pipeline.
2. Review succession plans for Non-Executive Directors to ensure that future changes are appropriately managed to avoid a significant number of changes in quick succession.
3. Continue to keep Executive Committee succession planning under review.

Composition and meetings

The Committee's membership is composed of all the Non-Executive Directors. Structuring the membership in this way enables Non-Executive Directors to participate in all discussions relating to Board composition and succession planning, reflecting the importance placed by both LSEG and the Code on these areas. The names and biographies of the Non-Executive Directors who sit on this Committee can be found on pages 94 to 97 of this report.

The Group Company Secretary is the Secretary to the Committee and attends all meetings. The Group Chief Executive Officer (CEO), Chief People Officer and external advisers attend where requested by the Committee.

Committee purpose and responsibilities

The Nomination Committee is responsible for monitoring the balance of skills, knowledge and experience as well as the diversity of the Board. It is also responsible for making recommendations of new appointments to the Board and overseeing Board and senior management succession planning. Further details on the responsibilities of the Nomination Committee can be found in the Committee's terms of reference which are reviewed annually and available on the Group's website at: https://www.lseg.com/en/about-us/corporate-governance.

The Committee met four times during the year and, in addition, Committee members also met with Director and senior management candidates. I am pleased to confirm that the Committee's priorities have been met, as described in this report.

Key activities in the year

Board succession planning and Board appointments

The Board recognises the need to regularly refresh the balance of skills, tenure and diversity on the Board. During the year, the Committee reviewed the structure, size and composition of the Board and its Committees, to ensure critical skills and experience were refreshed. In carrying out its review, the Committee took account of recent and likely future Board changes, Board expertise, diversity and tenure. This review helped the Committee to identify Board succession requirements. Appointments to the Board are subject to a formal, rigorous and transparent procedure.

Following the announcement on 25 May 2023 that Anna Manz would step down from the Board as CFO and Executive Director, the Nomination Committee approved the appointment of Russell Reynolds, an external search consultancy which is a signatory to the Enhanced Voluntary Code of Conduct for executive search firms, to assist in the search for a new CFO and Executive Director. The Committee approved an outline brief and role specification and Russell Reynolds was instructed to produce a diverse list of candidates for consideration.

David Schwimmer provided regular updates to the Board and the Committee on the progress of the search. Shortlisted candidates were interviewed by the CEO, the Chair and members of the Executive Committee. The final two preferred candidates met with Cressida Hogg, Dominic Blakemore and William Vereker, the Senior Independent Director, Chair of Audit Committee and Chair of Remuneration Committee, respectively. Other members of the Nomination Committee were also then invited to meet with the preferred candidate. Following this interview process, the Nomination Committee recommended, and the Board approved, the appointment of Michel-Alain Proch as CFO and Executive Director. Michel-Alain joined the Group on 26 February 2024 and will become CFO and Executive Director with effect from 1 March 2024. Michel-Alain brings deep experience across global, financial infrastructure and IT data solutions firms. He was previously CFO for Publicis Groupe SA where he led the global finance team across 100 countries. Prior to this, he held several listed company CFO positions, including at Ingenico and Atos, where he was also CEO, North America and Group Chief Digital Officer. Michael-Alain serves as Vice-Chairman of the Board, Maisons du Monde and Non-Executive Director of Pluxee.

As disclosed in last year's Nomination Committee report, the Company announced a 10-year strategic partnership with Microsoft and that as part of the partnership Scott Guthrie, Microsoft's Executive Vice President, Cloud and AI Group, joined the Board on 1 February 2023. Scott's appointment was approved by shareholders at the AGM in April 2023. In accordance with the terms of the Relationship Agreement, Erin Brown, representative of Thomson Reuters, stepped down from the Board on 17 March 2023, and Doug Steenland, representative of Blackstone, stepped down from the Board on 20 September 2023. The Board thanks Erin and Doug for their contribution to the Board since the acquisition of Refinitiv in 2021.

Senior management appointments

During the year, the Committee met with the CEO and Chief People Officer to review succession plans and the pipeline for successions for executive management including consideration of diversity. As described on page 14 there were a number of changes to the Executive Committee during the year and the Board Chair, Don Robert, participated in the interview and selection process as well as other Committee members as appropriate. The Committee continues to support the CEO in executive succession planning, for emergency cover and longer-term appointments and the Committee regularly challenges the CEO on diversity and inclusion in regard to senior management succession planning.

The Group Executive Committee is formed of individuals from a diverse range of backgrounds. As at 31 December 2023, 38% of the Executive Committee members were female and 15% were from an ethnic minority background. The names and biographies for the Group Executive Committee can be found on page 15 of this report.

The Group is committed to seeking broader diversity in our leadership with the aim of having more representation from different ethnic and other backgrounds at Executive and Group Leader level. With respect to under-represented ethnic and racial groups, we did not achieve our goal to reach 20% within the leadership community by the end of 2023, closing the year at 14%. We remain focused on making progress through leadership development programmes for underrepresented talent. For more information on the actions we are taking, refer to page 26 of our 2023 Sustainability Report.

Time commitment

The Committee reviews the time commitments of the Directors and approves any significant external appointments being undertaken by the Directors. During the year, the Committee reviewed the additional external appointments of Anna Manz and Ashok Vaswani. The Committee and/or the Board agreed that the proposed appointments at AstraZeneca PLC and Kotak Mahindra Bank, respectively, would not create any material conflict of interest. Both Directors were simultaneously giving up an existing Board position so their overall number of directorships would remain the same. They were therefore able to confirm that they would have sufficient time to undertake these new roles in addition to existing commitments.

Board effectiveness

The results of the 2023 Board effectiveness review are described on pages 102 and 103. Ensuring the skills and experience on the Board were of the appropriate mix was a key area of focus for 2023, and this is reflected in the work of the Nomination Committee. This year's results and agreed areas of focus for the Board are described on pages 102 and 103. The Board will ensure that these focus areas are acted on to further improve Board performance.

Diversity & Inclusion

The Board's membership reflects a wide range of skills and business experience, drawn from a number of industries, which is critical for bringing the expertise required and for enabling different perspectives to be brought to Board discussions. The combination of these factors means that the Board benefits from a diverse range of competencies, perspectives and thoughts, providing an ability to challenge on strategic issues and a dynamic environment for decision-making.

The Board reviewed and approved its Board Diversity Policy which outlines the importance of diversity of gender, social and ethnic backgrounds, and of cognitive and personal strengths to the Board. The Policy is available on the Group website at https:// www.lseg.com/en/about-us/corporate-governance.

As at 31 December 2023, the Board met all of the targets set out in the Financial Conduct Authority's Listing Rule 9.8.6R(9)(a). The table overleaf sets out the diversity data of the Board and executive management as at 31 December 2023.

Reporting table on sex/gender representation as at 31 December 2023

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management[1]	Percentage of executive management[1]
Men	7	58	2	8	62
Women	5	42	2	5	38
Not specified/prefer not to say	0	0	0	0	0

Reporting table on ethnicity representation as at 31 December 2023

	Number of Board members	Percentage of the Board[2]	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management[1]	Percentage of executive management[1]
White British or other White (including minority white groups)	10	83	4	10	77
Mixed/Multiple Ethnic Groups	0	0	0	0	0
Asian/Asian British	1	8	0	2	15
Black/African/Caribbean/Black British	1	8	0	0	0
Other ethnic group including Arab	0	0	0	0	0
Not specified/prefer not to say	0	0	0	1	8

Ethnicity data reflects countries where LSEG collects this information.
1 Defined as the Executive Committee and the Company Secretary in accordance with Listing Rule 9.8.6R(10).
2 Rounded percentages sum to 99%. To 1 decimal place, percentages would be 83.3%, 8.3% and 8.3%.

Board diversity data is collected directly from each Director using a questionnaire and was provided on a self-identifying basis.

At the end of 2023, female representation on the Board was 42%. The Board is also pleased to confirm that it has met the Parker Review recommendations and included two Directors from minority ethnic backgrounds. Throughout 2023, two of the four senior positions on the Board were held by women. Following the resignation of Anna Manz and the appointment of Michel-Alain Proch, female representation will be below 40%. The Board will continue to seek to ensure that these goals are met in the longer term.

Appointments and succession plans are based on merit and objective criteria. Other than appointments covered under the Relationship Agreement and the partnership with Microsoft, the Company uses external search consultancies when making appointments to key positions. These firms are required to provide a diverse list of candidates for senior roles. In particular, the Board's succession and appointment approach aims to secure balanced and diverse shortlists for new appointments.

The Group was an early signatory of HM Treasury's Women in Finance Charter in the UK and met the stretch goal of reaching 40% female representation in our senior leadership population by the end of 2022. We have also made progress during the year on improving gender diversity within the subsidiary companies of the Group, which has increased to 32% (2022: 25%).

In 2023 we developed an enhanced methodology to help us review our equity, diversity and inclusion goals to ensure they remain relevant and appropriate, and have used this to set new goals for 2024 and beyond:
— Gender: maintain at least 40% of women in senior leadership (ExCo and Group Leaders) going forward
— Ethnicity: 25% underrepresented ethnic groups in senior leadership roles (ExCo and Group Leaders) by 2027.

LSEG is a member of the Valuable 500, a collective of 500 CEOs and their companies, innovating together for disability inclusion. For further information on senior leadership gender and ethnicity representation please see our Sustainability section on page 61.

Priorities for 2024

The priorities set by the Committee for 2024 are:
1. Continue to ensure a diverse talent pipeline.
2. Review succession plans for Non-Executive Directors to ensure that future changes are appropriately managed to avoid several Directors stepping down in quick succession.
3. Continue to keep Executive Committee succession planning under review.

Committee effectiveness

The Committee's effectiveness was assessed as part of the 2023 Board and Committee effectiveness review, facilitated internally via a questionnaire provided by Lintstock. Further details can be found in the Governance section of this report on page 102. The result of the review was that the Committee is performing well and operating effectively.

Don Robert
Chair
28 February 2024

Goal achieved for women in senior leadership roles 2023

40%

Report of the Audit Committee

A key focus for the Audit Committee this year was the changing regulatory and corporate governance landscape. The enhancements to the Group's financial control framework, and the plans around sustainability assurance, were therefore important topics during the year.

Dominic Blakemore
Chair of the Audit Committee

Achievements for 2023

The main achievements of the Audit Committee in 2023 were:

— reviewing and recommending to the Board the full-year and half-year 2023 results and approving the associated key accounting judgements and estimates;
— reviewing and approving our Annual Report and Accounts;
— oversight of the 2023 external audit;
— monitoring and reviewing several financial matters including acquisitions and the progress of specific uncertain tax provisions;
— reviewing the progress against the plan to create a leading financial control framework;
— reviewing the broader landscape for sustainability and climate risk reporting as well as Audit and Corporate Governance Reform and the Group's plans for ensuring it remains compliant with future changes to the reporting requirements;
— the completion of the audit tender process and decision to appoint Deloitte LLP as the Group's new external auditor; and
— oversight of the progress of the transition to the new external auditor.

Committee role and responsibilities

The Audit Committee assists the Board in overseeing and monitoring financial reporting (including climate-related financial disclosures), internal controls systems and risk management systems.

The key responsibilities of the Committee are:

— monitoring the integrity of the financial statements;
— reviewing significant financial reporting matters and accounting policies;
— assessing the effectiveness of the Group's internal control and risk management systems (along with the Risk Committee);
— monitoring and reviewing the effectiveness of the Group's Internal Audit function, including its scope of work and findings, and ensuring that it has adequate resources and appropriate access to information to perform its duties effectively and independently from executive management;
— overseeing the relationship with the external auditor, including monitoring their objectivity and independence, approving the annual audit plan and reviewing external audit findings; and
— approving the external audit fees, monitoring non-audit fees paid to the external auditor and ensuring that the external audit is put out to tender on a periodic basis.

Further details on the functions and responsibilities of the Committee can be found in the Committee's Terms of Reference which are reviewed annually and are available from the Group Company Secretary or in the corporate governance section of the Group's website at: https://www.lseg.com/en/about-us/corporate-governance.

The Audit Committee Terms of Reference were updated and approved by the Board during the year to align with the Financial Reporting Council's (FRC) new Audit Committee Minimum Standard and to include responsibility over certain non-financial reporting requirements including sustainability disclosure.

This report considers how the Committee has fulfilled its responsibilities during the year.

Committee membership and attendance
The Committee comprises four (2022: four) Independent Non-Executive Directors. All Committee members have been in place for the full year.

The skills and experience of each Committee member are provided in the Board of Directors section on pages 94 to 97. The UK Corporate Governance Code (the "Code") requires that at least one member of the Committee should have recent and relevant financial experience and that members shall have competence relevant to the sector in which the Company operates. The Committee members have a wide range of experience. The Chair of the Committee, Dominic Blakemore, is a qualified chartered accountant with a career in a variety of senior finance roles. The Chairs of the Audit and Risk Committees each sit on both committees, which makes sure that issues relevant to both committees are identified and managed.

The Committee's effectiveness was assessed as part of the 2023 Board effectiveness review. More details on the Committee's effectiveness can be found in the Governance section of this report on pages 102 to 103.

The Group Chair, Group Chief Executive Officer, Group Chief Financial Officer, Group Financial Controller, Group Chief Risk Officer, Group Chief Internal Auditor, and representatives of the external auditor, EY LLP (EY), are all regular attendees at Committee meetings. Representatives of Deloitte LLP (Deloitte) also started to attend Audit Committee meetings ahead of their formal appointment as auditors to the Group in 2024.

Other members of management may also be invited to present specific matters. The Group Company Secretary is the Secretary to the Committee.

In addition to formal meetings, the Chair of the Committee and some Committee members met with senior management during the year. The Chair of the Committee also meets separately with the external auditor, as required, ahead of each meeting.

Activities during the year
Below we set out the main work undertaken by the Audit Committee covering:
1. Financial reporting;
2. Internal controls, internal audit and risk management;
3. Oversight of the external auditor; and
4. Other activities in the year.

1. Financial reporting
Significant accounting judgements, estimates and assumptions and matters related to the financial statements
The Committee reviewed, discussed and approved the half-year and full-year financial results, significant accounting judgements and estimates and the adequacy of disclosures. The main topics considered are set out below, the first four of which are also identified as key audit matters by the external auditor.

Matter considered	How the Committee addressed the matter
Acquisitions of Acadia and Yieldbroker During 2023, the Group completed two significant acquisitions. This required the valuation of acquired tangible and intangible assets, including customer relationships, technology and goodwill. The fair value of acquired intangible assets and resulting goodwill recognised on acquisition are subject to significant estimates. These include the future performance of the acquired business and the rate of return required to determine an appropriate discount rate (in order to calculate the net present value of the assets acquired).	The Committee reviewed the acquisition accounting for each significant acquisition, including: — determination of the consideration paid; — assessment of arrangements for any contingent payments; — identification and valuation of acquired net assets with a particular focus on intangible assets; — resulting goodwill; and — alignment with LSEG accounting policies. The Committee satisfied itself that goodwill and purchased intangibles had been recognised appropriately. See note 9 to the financial statements on pages 195 to 199.
Measurement of acquired intangible assets, including goodwill The Group carries significant amounts of goodwill and acquired intangible assets on its balance sheet. In line with IAS 36 Impairment of Assets, goodwill allocated to the Group's cash-generating units is assessed for impairment. An assessment of the useful life and amortisation method was performed for certain acquired intangibles, for which there were indicators that a change in amortisation method or amortisation period may be required. Impairment tests for the Group's CGUs are based on value-in-use calculations which require significant estimates over: — future performance; — growth rates; and — discount rates.	The Committee considered the approach and methodology to performing the detailed annual CGU impairment assessment. This included reviewing key assumptions: — cash flow expectations; — short- and long-term growth rates; and — discount rates used for the CGU's cost of capital. Given the significant changes in inflation and interest rates during the year, the Committee was particularly focused on the growth rate assumptions and the discount rates used. The Committee considered and approved the change in amortisation method of particular purchased software intangible assets as well as changes in useful life for certain assets. See note 9 to the financial statements on pages 195 to 199 for details of the impairment review.
Capitalisation and subsequent impairment of internally developed software The Group continues to develop and capitalise significant levels of software. The capitalisation of software development costs involves management judgement against criteria set in IAS 38 Intangible Assets.	The Committee reviewed the methodology used to capitalise software development costs and satisfied itself that it was adequate and in conformity with IFRS. The Committee also considered possible indicators of impairment for significant internally developed software. The Committee approved the recognition of £10 million of internally developed software asset impairment in the year.

Matter considered	How the Committee addressed the matter
Revenue recognition The Group generates revenue from a variety of sources that are material in size and volume. Judgements are applied to the timing of revenue recognition and year-end revenue accruals, particularly across subscription revenues, primary markets admission fees, deferred listings revenue and FTSE Russell revenue accruals.	The Committee was satisfied that sufficient analysis had been performed in this area to conclude that revenue has been recognised appropriately and that there is no evidence that any manipulation of revenues has taken place. The Committee also reviewed the significance of judgements applied and discussed any necessary disclosure requirements. It was concluded that no judgement on revenue recognition required individual disclosure in the Annual Report.
Uncertain tax positions The Group is subject to taxation in the many countries in which it operates. There are five main ongoing tax assessments for which the Group has used guidance under IFRIC 23 Uncertainty over Income Tax Treatments to determine the possible outcomes, and any related obligations, and to assign a probability to each of those outcomes: — EU State Aid — US Internal Revenue Service (IRS) Audit — Russian tax audit — Valuation of certain Refinitiv intellectual property — Diverted Profits Tax to Thomson Reuters	The Committee reviewed the main items at each Committee meeting with a particular focus on the in-year developments below: — **IRS Audit:** The Committee has assessed the financial reporting implications of the Group's ongoing discussions with the IRS in relation to the funding structure within its US subsidiaries following partial settlement agreed in the year. — **Russian tax audit** The Committee discussed the audit by the Russian Tax Authorities for the period 2018-2020, which the Group expects to be settled locally on a similar basis to the settlement for the audit of the period 2021-2022. — **Diverted Profits Tax:** The Committee noted that HMRC's review of two of the three years had been completed, allowing for a reduction in the associated provision. The Audit Committee determined that the provisions and disclosure for these matters are appropriate. See note 6.3 to the financial statements on page 193 for details of the uncertain tax positions.
Non-underlying items/alternative performance measures The Group separately identifies results before non-underlying items (these are referred to as "adjusted"). The Group uses its judgement to classify items as non-underlying (see note 2.3 to the financial statements on page 181).	The Committee discussed and agreed on the classification of non-underlying items in the financial statements for the year. In particular, the Committee discussed the nature and amounts of: — transaction costs; — integration and separation costs; — restructuring costs; — remeasurement gains; and — amortisation of purchased intangibles, mainly linked to the acquisition of Refinitiv in 2021. The Committee increased the financial threshold for items to be considered as non-underlying, to ensure that only significant items, and those not in the ordinary course of business, are treated as non-underlying. The Committee discussed the quality of earnings in relation to the Group's adjusted operating profit. See note 2.3 to the financial statements on page 181.
Pensions The Group operates four defined benefit pension schemes and recognises a net surplus in relation to these schemes on the Group balance sheet. For the Group's defined benefit schemes, judgement is applied to the amount of the retirement benefit assets recognised on the balance sheet. The defined benefit pension liabilities recognised are determined based on the present value of future benefit obligations using assumptions determined by the Group with advice from an independent qualified actuary.	The Committee considered the approach for the value of the retirement benefit assets and the assumptions applied in the calculation of the retirement benefit obligations. The Committee assessed the full buy-in policy for the LSEG Pension scheme and the impact on the retirement benefit surplus. The Committee was satisfied with the approach and assumptions applied by management and that a defined benefit surplus can be recognised. See note 12 to the financial statements on pages 203 to 207.

2. Internal controls, internal audit and risk management

The Committee continued to exercise disciplined oversight of the effectiveness of the Group's internal controls and Internal Audit function, in line with principles of the Code. It fulfilled its responsibilities by reviewing and discussing regular reports from management, the external auditor and the Internal Audit function including:

— reports on compliance with the Code – internal controls (including whistleblowing);
— a report on the Group's plan to comply with the UK Government's Audit and Corporate Governance reform;
— three progress updates on the programme to create a single and leading financial control framework;
— quarterly updates on internal audit delivery;
— regular updates on improvements to the Internal Audit function;
— an annual report on the effectiveness of the Internal Audit function at the first Committee meeting of the year; and
— the external audit management letter from EY. The letter highlighted areas for improvement which were noted by the Committee for follow-up.

During the year, the Committee received an update on the Internal Audit function, which included:

— the development of a refreshed target operating model to reflect the enlarged business and global footprint. The Committee endorsed the approach for building out the global audit function;

— a review of Internal Audit's balanced scorecard; and
— the Results of Quality Assurance activities undertaken during the year.

Impact of acquisitions and disposals on the risk landscape
As a result of the acquisitions throughout the year, the internal audit universe was updated to reflect the changed organisation. As part of annual planning, an inherent risk assessment was undertaken which, alongside regulatory requirement for internal audit work, guided the audit plan for 2023 and, similarly, the plan for 2024.

Management is undertaking significant work to ensure that the risk landscape is fully understood and that appropriate controls are in place to mitigate risk to within the firm's stated risk appetite over time. This work will be supported by the Risk function and by Internal Audit, both of whom are building out resources to support the necessary oversight and assurance.

Internal Audit provides independent assurance on the design and effectiveness of controls that support first line business activities as well as the Group's risk management and governance frameworks. Internal Audit adopts a risk-based audit approach that prioritises providing assurance over the management of key risks that may impact the Group.

As regards the work of Internal Audit, the Committee:
— monitored Internal Audit's progress against the 2023 Audit Plan, including reviewing and approving any changes to the plan during the course of the year;
— in December 2023, considered and approved the 2024 Internal Audit plan and budget and is satisfied that the plan is appropriate;
— received the annual Internal Audit Opinion which sets out the function's view on the effectiveness of the Group's control environment and risk culture as well as themes and root cause analysis arising from audit work performed;
— received updates on emerging audit issues and themes during the course of the year;
— tracked management's progress to address actions within reasonable timeframes;
— approved the Internal Audit Charter which remained consistent with the prior year;
— tracked the implementation of functional improvement actions which followed from the 2022 External Quality Assurance review, which confirmed that Internal Audit generally conforms with applicable Internal Auditing standards; and
— received a report from the Head of Audit Practices and Operations on the results of the function's Quality Assurance activities.

The Committee obtained additional comfort by meeting with the Group Chief Internal Auditor at each Committee meeting without executive management present. In addition, the Group Chief Internal Auditor meets regularly with the Chair of the Audit Committee. The Group Chief Internal Auditor continues to report to the Audit Committee Chair with a secondary reporting line to the Group Chief Executive Officer. This is consistent with industry guidance.

The activities of the Committee relating to internal controls enabled it to satisfy itself that the Internal Audit function is independent, objective and adequately staffed to perform its duties. In addition, the Committee assessed the effectiveness of the Internal Audit function throughout the year using qualitative and quantitative indicators including:
— the Internal Audit balanced scorecard which is presented at each Committee meeting and reflects key performance indicators relating to internal audit plan delivery, quality assurance results, staff engagement and resourcing, as well as the financial management of the function;
— completeness of the audit plan against the agreed coverage model;
— quality of the audit reports and the issues raised;
— root cause insights on the issues raised and feedback from executive management on specific audits; and
— other performance indicators such as the distribution of audit ratings, percentage of past due actions and percentage of self-identified issues.

The Committee concluded that the Internal Audit function is both independent and effective, in line with principle M of the Code. In addition, the Committee (in conjunction with the Risk Committee) relied on this assurance process throughout the year to recommend to the full Board that it could report to shareholders on the effectiveness of the Group's internal control and risk management systems. This assurance satisfies principle O of the Code. The Board statement can be found on page 104.

3. Oversight of the external auditor
The Committee has primary responsibility for overseeing the relationship with the external auditor. This includes recommending the auditor's appointment at the AGM, continuous assessment of the auditor's independence, the effectiveness and quality of the audit, approving the statutory audit fee and non-audit services, reviewing and approving the annual audit plan and meeting with the external auditor to review any issues and the findings of the audit.

The Committee reviewed and approved the 2023 audit plan presented by EY. This included the scope of the audit, the assessment of the key audit risks and areas of focus as well as the materiality threshold for the Group and the threshold for reporting unadjusted differences. Reports from EY on the status of their 2023 plan and the results of their work, as well as EY's own assessment of their independence, were received throughout the year. The external auditor's reports were discussed at each Committee meeting and their views and opinions used to challenge decisions by the Group.

The Committee assessed the effectiveness of the external audit throughout the year in accordance with principle M of the Code. The Committee relied on its own judgement supported by the following evidence:
— a report from management on their own evaluation of the effectiveness of the external auditor based on a questionnaire prepared in accordance with the Financial Reporting Council's (FRC's) guidance and completed by key stakeholders;
— a review of the FRC's 2022/2023 Audit Quality Inspection and Supervision Report, specifically the report related to EY. The Audit Committee also reviewed the results of the FRC's inspection of the LSEG 2021 year end audit which highlighted limited improvements required; and
— the separate meetings held with EY at each Committee meeting without management being present.

Based on all evidence presented, the Committee satisfied itself that the external audit has been conducted effectively, with appropriate rigour and challenge, and that EY had applied appropriate professional scepticism throughout the audit.

EY were appointed as the Group's external auditor in 2014. The lead audit partner and other key partners identified are required to rotate every five years. Other partners are required to rotate every seven years. Simon Michaelson was reappointed as lead audit partner during the year and is in his second year.

The Committee is responsible for conducting the process to select the external auditor and recommends their appointment, reappointment and removal to the Board for approval by the Group's shareholders at each AGM.

Getting ready for a change in auditor
As disclosed in last year's report, following an audit tender process in 2022, the Audit Committee recommended to the Board that Deloitte be appointed as the Group's external auditor for the financial year ended 31 December 2024, subject to shareholder approval at our AGM.

In early 2023, the Committee was made aware of non-audit tax advisory services which were provided to certain entities within the Group by Deloitte, which audited one of the Group's subsidiaries. It was concluded that these services were prohibited under the FRC's Ethical Standard. EY placed reliance on the work performed by this component audit firm. As a result, a special Audit Committee meeting was held to review the independence of our external auditors and the services being provided and relied upon. The decision to change auditor to Deloitte was upheld but additional reviews of independence as a part of the onboarding process were undertaken throughout the year.

As a part of the onboarding process, the Group have undertaken the following:
— Worked with Deloitte to make sure that they are fully independent ahead of 1 January 2024.
— The Group updated its policy for "Services supplied by Audit firms", which clarifies key deliverables and responsibilities of audit firms as well as adding further internal controls to monitor services provided by audit firms.
— Testing of Deloitte's tools and technology to ensure they meet the Group's information security requirements.

Deloitte have started preliminary work to gain an understanding of the Group and have shadowed EY during their audit of the Group's 2023 Annual Report and Accounts, including attending some meetings alongside EY.

The Committee satisfied itself that the procedures of Deloitte in their capacity as auditor of Tradeweb have been conducted independently and have not impeded the effectiveness of the existing external auditor.

Report on external auditor's fees and safeguards on non-audit services
The Committee has a policy governing the engagement of the external auditor to provide non-audit services, which is reviewed on an annual basis. This policy was updated during the year to reflect Deloitte's role as incoming auditor, and the policy has been applied to both EY and Deloitte during the year.

The policy prohibits certain activities from being undertaken by the external auditor such as: accounting/bookkeeping services; internal auditing; certain tax and payroll services; executive recruitment; remuneration services; and more generally any work which could compromise their independence. The policy also places restrictions on the employment of former employees of the external auditor.

Recognising that the external auditor may be best placed to undertake certain work, the policy permits the provision of certain audit-related and non-audit services. The policy allows approval for any audit and non-audit services below £100k to be delegated to the Group Chief Financial Officer. Any such approvals are then reported to the Audit Committee at the next meeting.

The Committee fully complied with the policy in the year. It reviewed each of the appointments on their merits and considered management's assessment of:
— the threats to independence and objectivity resulting from the provision of such services;
— whether there were any conflicts of interest; and
— the quantum of non-audit fees in the context of the overall audit fee.

A breakdown of audit and non-audit service fees paid and payable to the external auditor for the year ended 31 December 2023 is provided below and in Note 4.2 to the financial statements on page 188.

Year ended 31 December	**2023 £m**	2022 £m
Services		
Audit of parent and consolidated financial statements	**7**	6
Audit of subsidiary companies	**7**	7
Non-audit services	**1**	1
Total	**15**	14

EY provided non-audit services of £0.7 million; 5% of total fees (2022: £0.6 million; 4% of total fees). This comprised of audit related assurance services of £0.4 million (2022: £0.4 million) and other non-audit services £0.3 million (2022: £0.2 million).

In each case, the Committee concluded that the appointment of EY to perform certain non-audit services would not impair their independence and represented the most effective, secure and efficient way of obtaining the necessary advice and services. The Committee was satisfied that the Group and EY have been compliant with IESBA and FRC auditor independence rules.

The Committee has complied with the relevant parts of the Competition and Markets Authority Final Order on the statutory audit market for the year ended 31 December 2023.

4. Other matters
Going concern and long-term financial viability statement
The Directors are required to assess whether it is appropriate to prepare the financial statements on a going concern basis and, in accordance with the Code, provide a statement on the Group's viability. At its meeting in February 2024, the Committee reviewed the Group's forecasts and projections, taking into account reasonably possible changes in trading performance. It confirmed that the going concern basis in preparing the financial statements continues to be appropriate. See page 159 of the Statement of Directors' responsibilities for the going concern statement. At the same meeting, the Committee also considered the Group's long-term viability with reference to the Group's current position and prospects, three-year business plan, risk appetite and the expected impact of severe but plausible downside scenarios on the business. See page 89 of the Strategic Report for the financial viability statement.

FRC Corporate Reporting Review
As part of the FRC's Corporate Reporting Review, the FRC conducted a review of the Group's 2022 Annual Report. The review was conducted independently and the scope of the review was based on and limited to the information provided in the 2022 Annual Report[1]. The Group received correspondence from the FRC in October 2023 requesting further information in relation to the alternative performance measures included in the Group's financial reporting and on climate-related financial disclosures.

1 The FRC review provides no assurance that the LSEG Annual Report 2022 was correct in all material respects. The FRC's role was not to verify the information provided, but to consider compliance with reporting requirements. Its letters are written on the basis that the FRC (which includes the FRC's officers, employees and agents) accepts no liability for reliance on them by LSEG or any third party, including but not limited to investors and shareholders.

The Group provided a response to the FRC in November 2023, responding to the questions raised and how they have been addressed in this Annual Report. The Audit Committee was informed on the response submitted to the FRC. The FRC responded in December 2023, confirming that their enquiries are now closed.

Fair, balanced and understandable (FBU) reporting

In line with principle N of the Code, the Committee satisfied itself that the Annual Report is fair, balanced and understandable and has presented its conclusions to the Board. The Committee reviewed drafts of the Annual Report and Accounts and considered the following:

- that statutory measures have been given equal prominence to the alternative performance measures used;
- that information contained in the Strategic Report represents a fair reflection of performance during the year;
- information within the Strategic Report and narrative reporting across the Annual Report is consistent with that reported in the financial statements; and
- key areas of estimate and judgement are consistently applied.

The Committee discussed with management the process undertaken to ensure that the relevant requirements of FBU reporting were met. This process included:

- independent reviews of the entire report by people not directly involved in preparing the report;
- extensive review and verification processes by the appropriate departments and senior managers to ensure the accuracy of the content; and
- consideration of the balance of disclosure between positive and negative points on the Group's performance in the year.

See page 159 of the Statement of Directors' responsibilities for the FBU statement.

Audit and Corporate Governance Reform

The Committee received a number of updates on how the Group is preparing for the UK Government's Audit and Corporate Governance Reform. While the UK Government has now withdrawn and delayed some of the proposals, the Group remains committed to enhancing its internal control environment and has continued to implement its main programmes. The Committee monitored and assessed the progress of:

- the refresh of the Financial Control Framework;
- the Group's Enterprise Risk Management Framework and Operational Resilience programmes;
- the fraud risk assessment performed in the year; and
- steps being taken to improve control training and risk-awareness.

The Committee noted that the revised UK Corporate Governance Code was issued in January 2024, effective from 2025, and that the ongoing programmes around internal controls put the Group in a good position to meet the requirements of the new Code.

Audit Committees and the External Audit: Minimum Standard

During the year, the FRC announced its Audit Committees and the External Audit: Minimum Standard. The Committee discussed and reviewed the Audit Committee responsibilities and the minimum requirements set out for an Audit Committee to perform. The Committee noted and were comfortable with the requirements set out and updated its own Terms of Reference to align with the Standard.

Sustainability and climate risk reporting

The Committee reviewed the broader landscape for sustainability and climate risk reporting and the Group's plans for ensuring it remains compliant with future changes to the reporting requirements.

During the year, the ISSB issued IFRS S1 and IFRS S2 (the "Standards") to improve disclosures about sustainability of a company. The Committee noted the implications of the new Standards, that once endorsed by the UK Endorsement Board LSEG is subject to the mandatory sustainability reporting requirements to be reported on for the first time for the financial year ended 31 December 2024, and the procedures being undertaken in advance of the reporting requirement coming into force.

Incoming regulation, notably the EU Corporate Sustainability Reporting Directive (CSRD), will introduce mandatory assurance of reported sustainability data. The Committee discussed CSRD and the findings of an independent pre-assurance readiness report commissioned by the Group covering LSEG's current processes, systems and controls over the calculation and disclosure of greenhouse gas emissions, which was used as a case study. The Committee also noted the Group's plan to address the findings of the report as a part of the broader sustainability reporting agenda.

Whistleblowing investigations

The Group's whistleblowing policy provides a method of addressing concerns while at the same time offering whistleblowers protection from victimisation, harassment or disciplinary proceedings. During the year, the Committee continued to closely monitor the effectiveness and independence of the Speak-Up and whistleblowing arrangements of the Group.

Areas of focus in 2024

- Assessing the Group's readiness to comply with climate-related disclosure requirements, including the CSRD.
- Monitoring the progress of the Financial Control Framework.
- Receiving early and continuous understanding of the impact of the Group's acquisitions and disposals on financial and tax accounting, and ensuring that the transactions are accurately represented in the Group's Annual Reports and Accounts.
- Monitoring the Group's uncertain tax positions.
- Continuing to assess the impact of developments in accounting standards.
- Monitoring the progress of the external audit transition from EY to Deloitte and ensuring Deloitte's readiness for the 2024 year-end audit.
- Receiving assurance that the internal control and risk management environment remains robust.
- Monitoring the enhanced use of data in Internal Audit work to provide broader insights and analysis.
- Monitoring the development and embedding of audit programmes of work related to specialisms such as sustainability and behavioural risks across the Internal Audit function.
- Supporting the build-out of the Internal Audit capabilities in the areas of transformation and change assurance.

Dominic Blakemore
Chair of the Audit Committee
28 February 2024

Report of the Risk Committee

The Group continues to support its key markets and deliver stable and resilient services that meet our clients' needs. The Group's risk culture, objectives, appetite, governance and operations are well established, underpinning the whole organisation.

Kathleen DeRose
Chair of the Risk Committee

For a full list of the principal risks and uncertainties facing LSEG and the steps we are taking to mitigate these – refer to pages 79 to 88.

Achievements for 2023

During the year, the Risk Committee prioritised programmes and activities identified at the end of the previous financial year with the aim of enabling the safe growth of the Group by continuing to improve the Group's risk culture and ensuring that risks stayed within the set appetite. These activities included:
- continued embedding of the Group's operational resilience programme;
- continued review and monitoring of potential impacts from macroeconomic and geopolitical events on the Group's strategy and business model;
- enhancing further the approach to sustainability-related risks and associated risk processes;
- continued focus on technology remediation and enhancement of the cyber security framework; and
- continued monitoring of the Group's risk profile, against risk appetite, across both financial and non-financial risks.

Composition and meetings

The Committee comprises five independent Non-Executive Directors. The skills and experience of each Committee member are provided in the Board of Directors section on pages 94 to 97. All Committee members have been in place for more than a year.

The Group Chair, Group Chief Executive, Group Chief Financial Officer, Group Chief Risk Officer (CRO) and Group Chief Internal Auditor, are all standing attendees at Committee meetings. A member of the Company Secretariat is the Secretary to the Committee. In addition to the standing attendees, various other members of management are invited to present specific matters relevant to the Committee's remit.

The Board is satisfied that each member of the Committee has the skills and experience necessary for the Committee to effectively discharge its responsibilities. The Chairs of the Audit and Risk Committees each sit on both committees, which ensures appropriate identification and management of issues relevant to both committees.

During 2023, the Risk Committee held four regular meetings. In the ordinary course of business, the Committee regularly reviews the Group's risk profile, risk appetite and emerging risks. The CRO also provides regular updates to the Chair throughout the year.

Purpose, responsibility and terms of reference

The Committee has non-executive responsibility for high-level risk related matters and for risk governance. The Committee reviews the risk profile of the Group, and its divisions, on a regular basis and comments on the adequacy of the processes in place to identify, manage, mitigate and report on key risks. It advises the Board on the Company's overall risk appetite, tolerance and strategy, and reviews the adequacy of the Enterprise Risk Management Framework and its application to decision-making.

The Committee sets the criteria for the accurate and timely reporting of material risks including regular reports on compliance for each regulated entity. As part of this mandate, the Committee also regularly reviews best practices for enterprise risk management.

Further details on the functions and responsibilities of the Risk Committee can be found in the Committee's terms of reference which are reviewed annually and available from the Group Company Secretary, or in the corporate governance section of the Group's website at: www.lseg.com/en/about-us/corporate-governance.

Summary of the key areas of focus

During the year, the Risk Committee focused efforts on programmes to further embed the Group Enterprise Risk Management Framework (ERMF) and further strengthen risk culture across the organisation. The Committee prioritised key activities which supported the vision of the Group Risk function, enabling the achievement of the 2023 Group strategic objectives. These included:

- enhancing the approach to sustainability-related risks and associated risk processes. The Committee also approved the Group sustainability risk framework;
- embedding the operational resilience framework; and
- creating a stronger risk culture through Group-wide risk awareness events and training sessions e.g., 2023 Risk Culture Week at the start of the year to raise risk awareness.

Activities of the Committee

The Committee established formal agendas covering all responsibilities delineated in the Committee's terms of reference. During the year, the Committee discharged these responsibilities with the following activities:

- Provided robust reviews of principal risks and of emerging risks with a focus on:
  - reviewing and recommending to the Board the Group risk appetite, including stress tests and challenging the scenario results;
  - monitoring the Group's risk profile against risk appetite as well as progress of remediation activities over the past 12 months, and monitored financial resources;
  - challenging management's assessment of the Group's risk profile, across both financial and non-financial risk, as well as management's mitigating actions;
  - reviewing and challenging scenario analyses, identification, management and mitigation of risks across the Group;
  - reviewing plans to enhance cyber security and operational resilience, and reviewing high level focus topics e.g., cyber security, cloud risk, greenwashing, US debt ceiling; and
  - reviewing risk events and emerging risk topics throughout the year; assessing the potential impacts of the ongoing global geopolitical tensions and the evolving financial landscape on the Group's strategy and business model, including:
    - Russia/Ukraine, China/Taiwan, Middle East, Sri-Lanka;
    - the banking crises – Credit Suisse, Silicon Valley Bank, US debt ceiling
- Monitoring compliance in line with the Group risk management procedures as described in the section on internal controls on page 104 which included:
  - reviewing regulatory compliance reports and the actions in place to ensure ongoing compliance;
  - reviewing the adequacy of the Group's business continuity management plans; and
  - reviewing and recommending to the Board the Group risk appetite, including stress tests and challenging the scenario results.

Risk management function

The CRO leads and oversees all aspects of risk management for the Group. He reports to the Chief Executive Officer, and also, to ensure independence, to the Chair of the Risk Committee. The Committee approves the CRO's remit and ensures that the CRO has the independence and resources necessary to perform their duty. Group management consults with the Committee on the appointment and dismissal of the CRO.

The Committee meets with the CRO without the presence of executive management at each Committee meeting.

2024 priorities

In 2024, the Committee's priorities include:

- continued monitoring of the Group's risk profile against risk appetite and oversight of risk mitigation and control enhancement activities;
- continued monitoring of potential impacts from macroeconomic and geopolitical events; and
- continued oversight of the Group's risk culture and embedding of the Enterprise Risk Management Framework.

Committee effectiveness

The Committee's effectiveness was assessed as part of the 2023 Board and Committee effectiveness review. Further details can be found in the Governance section of this report on pages 102 to 103. The result of the review was that the Committee is performing well and operating effectively.

Kathleen DeRose
Chair of the Risk Committee
28 February 2024

Directors' Remuneration Report

LSEG has transformed into a highly successful, complex, global organisation since our Remuneration Policy was last materially reviewed. In formulating our revised Policy, we have consulted with nearly 100 shareholders and are grateful for the valuable input provided.

The proposed changes will enable LSEG to secure the calibre of talent and new skill sets required for LSEG's continued transformation in a highly competitive global market and reinforce the strong performance and significant shareholder value we are delivering.

William Vereker
Chair of the Remuneration Committee

Contents

Remuneration Committee members (as at 31 December 2023)

	Meeting attendance
William Vereker[1]	6/6
Cressida Hogg	6/6
Dr. Val Rahmani	6/6
Don Robert	6/6

1 Appointed as Chair of the Remuneration Committee on 14 September 2023, taking over from Cressida Hogg.

Purpose, responsibility and terms of reference

The Remuneration Committee is appointed by the Board and comprises the Remuneration Committee Chair and three independent Non-Executive Directors. The Committee's remit includes the remuneration of the Chair of the Group, Executive Directors and senior management, as well as overseeing remuneration arrangements for all of our people.

Details of the Committee's remit and activities are set out in this Report. The Committee has written terms of reference which are available from the Group Company Secretary or the corporate governance section of our website at https://www.lseg.com/en/about-us/corporate-governance.

Areas of focus for FY2023/24

- 2023 remuneration outcomes and awards, including 2023 bonus, vesting of 2021 LTIP awards and granting of 2023 LTIP awards
- 2024 Remuneration Policy review including shareholder consultation
- Remuneration approach for 2024, including the design of 2024 bonus and 2024 long-term incentive awards
- Terms relating to Executive Committee changes, including a new CFO and other new hires, appointments, role expansions and exits
- Review of 2024 Reward Framework for wider workforce

Details of agenda items discussed at each Committee meeting are set out on page 153

Statement by the Chair of the Remuneration Committee

I am pleased to present the Directors' Remuneration Report for the year ended 31 December 2023. This is my first report since assuming the role of Chair of the Remuneration Committee in September last year and I would like to thank my predecessor, Cressida Hogg, for her leadership of the Committee.

This year we will be asking shareholders to vote on three remuneration resolutions at our 2024 AGM:
— our Remuneration Policy (the "Policy"), which outlines the remuneration framework that will apply to our Executive Directors, Non-Executive Directors and the Group Chair should it be approved by shareholders (set out on pages 127 to 136);
— our Annual Report on Remuneration, which sets out remuneration outcomes for 2023 and explains how we intend to apply the Policy in 2024 (set out on pages 137 to 153); and
— our new long-term incentive plan rules (the Equity Incentive Plan or EIP), which will replace the existing Long Term Incentive Plan 2014 which expires this year (further information is provided in the Notice of AGM).

This statement on pages 118 to 123 provides context for the decisions made by the Committee in the year, summarising in particular the proposed changes to our Remuneration Policy and the background and rationale for the adjustments. A "Remuneration at a glance" section is included after this statement on pages 124 to 126 which summarises broader employee reward at LSEG, 2023 remuneration outcomes for Executive Directors, and the proposed operation of incentive plans in 2024.

2024 Remuneration Policy review

As we signalled in our Directors' Remuneration Report last year, the Committee has conducted a comprehensive review of the existing Policy to ensure that it remains fit for purpose so we retain and attract the global talent that has delivered the business transformation and shareholder value creation to date and who will continue to capture significant opportunities in the future.

We are proposing to update the Policy for Executive Directors to reflect that:
— LSEG has transformed and is now a leading global financial markets infrastructure and data provider, which is larger, more diversified and more complex than at the time of the last material Policy review;
— the market for our senior leadership team is now a set of global companies in similar geographic and business segments as LSEG, where pay levels are often significantly higher (further information on our global sector peers and the selection approach is set out on pages 118 to 119);
— significant pay compression is now observed within LSEG as a result of our need to compete for talent with the largest global players in the financial markets infrastructure and data provision sector; and
— we need to ensure that the LSEG pay structures, measures and targets reinforce continuation of the strong performance delivered by our exceptional management team in recent years.

As part of the review we consulted extensively with nearly 100 shareholders, representing approximately 80% of LSEG's voting rights, and proxy agencies. I would like to thank everyone we engaged with for their valuable input during this process, which has informed the detail of our revised Policy. Overall, the majority of shareholders were supportive of our proposals and recognised the rationale of our thinking in light of the transformation and high performance of the business, both in absolute and relative terms, under our CEO's leadership, and the need for LSEG to compete in a global talent market.

A summary of the context against which the Committee has reviewed the Policy, our rationale for adjusting it and detail of the proposed changes is set out below.

Business transformation

Over the last five years, LSEG has transformed in terms of global breadth, scope, scale and performance. The business has grown from a European regional exchange group into a diversified, global provider of financial markets infrastructure and data services. LSEG is systemically important in the major geographies of the world, with a trusted reputation and strong culture and is making significant strategic moves which have most notably included the acquisition of Refinitiv and our partnership with Microsoft.

At the heart of LSEG's transformation has been our executive team, led by our CEO, David Schwimmer. The ambitious strategy developed and executed by our executive team has changed and strengthened the Group, positioning it to grow and succeed, while creating significant sustainable long-term shareholder value. Over the course of this transformation and David's tenure (since 1 August 2018), we have:
— generated total shareholder return of 124% and created £19 billion in shareholder value (31 July 2018 – 31 December 2023);
— increased Adjusted EPS by 118% from 148.7 pence to 323.9 pence (31 December 2017 – 31 December 2023);
— increased our Dividend Per Share 123% from 52 pence to 115 pence (31 December 2017 – 31 December 2023);
— de-levered our Refinitiv acquisition debt; and
— more than doubled our share price from £43.57 to £92.74 (1 August 2018 – 31 December 2023).

LSEG is now a heavily tech-oriented organisation with over 25,000 employees operating across over 60 countries, competing for senior leadership talent at a global level. We are also experiencing frequent approaches for our talent from global companies, particularly from technology and financial services organisations, where pay levels are materially higher. This is evident even for our functional leadership roles with the departure of our highly regarded CFO, Anna Manz, to join a global Swiss-based company and COO, David Shalders, who will join a private equity backed financial services company at the end of this year.

Our global sector peers

With LSEG's continued transformation, there is a significant step-change in our talent requirements and a need to increase the focus on how LSEG's business performance and remuneration compares to appropriate sector peers. The Committee therefore undertook a comprehensive selection process to identify those companies who represent the most appropriate peer group for LSEG. Whilst LSEG's complex end-to-end trade lifecycle offering does not have an exact comparator in the market, this selected peer set (shown in the chart on page 119) reflects LSEG's diverse operations, complexity, size and global footprint. They represent a comparable group of companies against whom we both measure our performance (and which will comprise a TSR benchmark for long-term incentive awards going forward) and compete for senior level talent and expertise.

LSEG's global sector peer group (summarised in the table on page 119) consists of organisations of comparable scale and complexity from sectors in which LSEG operates, and includes:
— Financial Markets Infrastructure companies with whom we compete and, together with LSEG, constitute the global regulated markets that facilitate capital raising, trading and clearing/settlement across a range of asset classes; plus
— global competitors in the provision of data and analytics solutions across financial asset classes that support decision-making across trading, compliance and risk management in financial markets; plus
— leading multinational B2B providers of comparable scale to LSEG, that provide data and analytics solutions that identify opportunities and manage the risks of doing business.

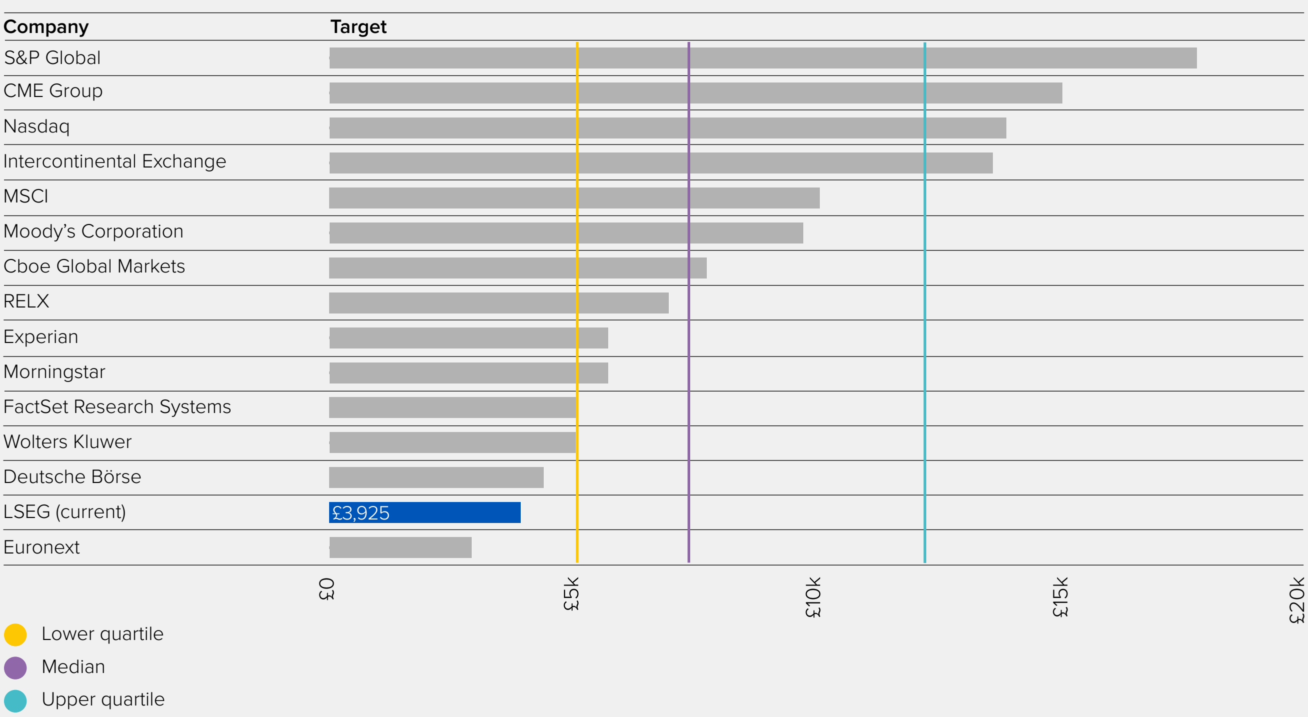
Following extensive analysis, an exclusive group of relevant peers was selected from a longer list of firms initially considered.

Global sector peers

Company	Size and complexity				Primary sector	
	No. countries (major operations)	Market Cap £bn	Revenue £bn	Employees	Financial markets infrastructure	Data and analytics
S&P Global						●
RELX						●
LSEG	>60	50.2[1]	7.7	25,000	●	●
Intercontinental Exchange					●	
Experian						●
Nasdaq					●	
Wolters Kluwer						●
Deutsche Börse					●	
Moody's Corporation						●
CME Group					●	
Cboe Global Markets					●	
MSCI						●
FactSet Research Systems						●
Morningstar						●
Euronext					●	

Note: based on latest reported year. Bar length is relative to the largest value in each category.
1 As of 31 Dec 2023.

CEO target total remuneration £'000



Source: WTW

Other companies that were initially considered but not ultimately selected due to a sector and/or scale mismatch include Coinbase, Equifax, Fidelity National Information Services, IG Group, MarketAxess, State Street, Thomson Reuters, TMX Group, TP ICAP and Verisk.

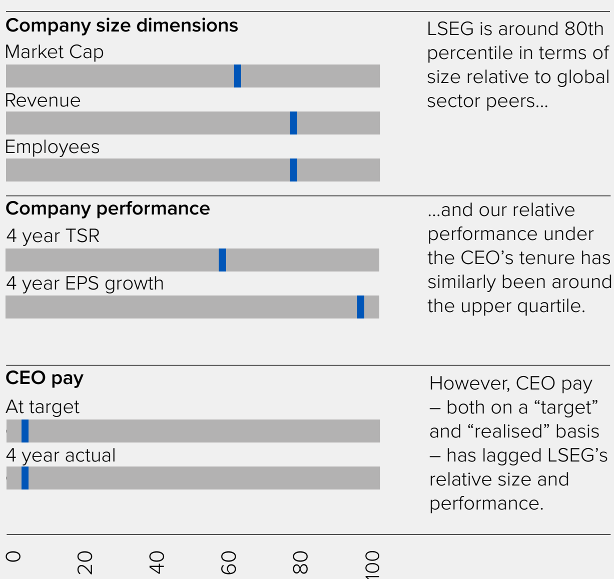
Statement by the Chair of the Remuneration Committee continued

Remuneration and performance context

Market pay and performance benchmarking demonstrates that our CEO's pay is significantly below the lower quartile of our sector peers (shown above) despite LSEG achieving median to upper quartile TSR and EPS performance. This pay-and-performance mismatch has persisted over time: over the past four years, David's cumulative pay ranked at the 7th percentile of sector peers, against an EPS performance in the 93rd percentile when compared with the same peer set (see chart below).

Further, David was the architect of the transformational Refinitiv deal, driving the acquisition and successful integration. In addition to the strategic benefits with the increased and successful focus on data and analytics, the management team has out-delivered on synergies. The Group has also continued to grow both organically and through several other acquisitions, as well as the strategic partnership with Microsoft, which greatly accelerates our growth and transformation plans.

LSEG percentile rank vs global sector peers



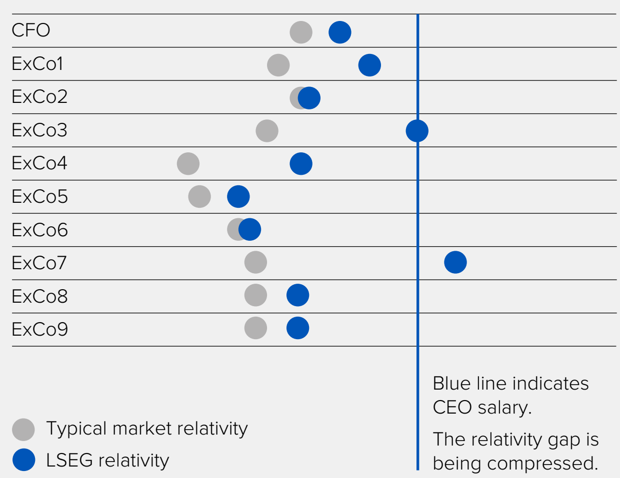
Notes
Company size dimensions: market cap based on spot values for all companies on 31 December 2023; revenue and employees based on FY22 figures to allow a like-for-like comparison.
Company performance: 4-year TSR and EPS performance cover the period ending FY2022, aligning with David Schwimmer's appointment as CEO on 1 August 2018.
CEO pay: 4-year actual pay based on FY2019-FY2022 data as disclosed in the summary compensation table (for US peers) and single figure table (or equivalent, for UK/European peers).

The disconnects between (a) our pay and performance, (b) our pay and market position, and (c) our pay and calibre of talent, create a substantial risk around talent attraction and retention at LSEG.

With David now entering his sixth year as CEO, the Committee believes it is important to retain David who will continue to play a critical role in leading LSEG through the next phase of transformational growth.

The increasingly competitive global landscape for senior leadership talent, particularly those individuals with technology and data backgrounds, has resulted in upwards pressure on pay. We are experiencing pay compression between our CEO and other recent senior hires over the last 12 months, both in absolute terms and compared to typical market relativities, as shown below. In order to attract the capabilities needed in new senior talent from leading global companies, we have had to offer enhanced pay arrangements with a significant uplift in quantum when compared to previous pay practices and FTSE benchmarks. We have also observed pay disparities when recruiting US-based talent with many candidates having existing pay levels that are higher than our CEO's. A particular example of our pay disparities with market is that our CEO is paid less than the CEO of our US subsidiary, Tradeweb, which has approximately one-third of the market capitalisation of LSEG.

ExCo fixed pay relative to CEO



With respect to meeting their shared obligations for succession planning, the Board and the Committee believe that any credible CEO candidate in the future would have to be sourced from the global talent market, where the current Policy would be unable to compete in terms of expected remuneration packages.

Remuneration Policy proposals

Against this backdrop, the Committee is proposing to update the Policy to align it with our transformed business and address our talent attraction and retention risks. We believe the Policy must be revised to be globally competitive to attract and retain the calibre of talent required to continue LSEG's transformation and deliver our strategic ambition. For that reason, the proposed Policy resets Executive Director remuneration to align more closely with the median of our global sector peer pay (but based on consideration of the remuneration components of salary, annual bonus and long-term incentives, in line with the practice of UK listed companies). The proposed changes to the Policy and its implementation for Executive Directors for 2024 are presented in the table opposite:

Policy element	Proposal
Salary	— Increase CEO salary from £1m to £1.375m as part of aligning overall pay more closely with the global sector peer median, while adhering to UK governance norms around bonus deferral and maximum long-term incentive opportunities. — New CFO salary set at £850k to enable recruitment of top calibre talent.
Annual bonus	— Increase maximum opportunity from 225% to 300% of salary for the CEO. CFO opportunity to remain unchanged at 200% of salary. — Reduce deferral from 50% to 40% to align with recent change applicable below Board level and to align total target in-year cash to circa the median of global sector peers, who do not typically operate bonus deferral. — Re-weight Executive Director bonuses to comprise i) 75% financials (currently 60%) inclusive of the introduction of an additional measure "Future Growth" (weighted 15%) focussing on achievement of future revenue targets ii) 15% Group Strategic Objectives (GSOs), and iii) 10% personal objectives.
Long-term incentives	— Increase long-term incentive opportunity from 300% to 550% of salary for CEO, and to 400% of salary for CFO. — Retain EPS and Relative TSR as vesting measures, weighted 60% and 40% respectively (as per current). — TSR metric to be split 50/50 on performance vs FTSE100 (as current) and vs global sector peers (a new, second benchmark, based on the companies shown on page 119). — Introduce payment of dividend equivalents on future share awards, aligning to market norms. — Update "leaver" provisions: ensure sufficient discretion for RemCo to apply "good leaver" status in the event of retirement from professional career or to work in a governmental capacity or for a non-profit organisation, and with agreement from the Company/Remuneration Committee.
Minimum shareholding requirements	— Increase minimum shareholding requirement from 400% to 600% of salary for CEO, and from 300% to 400% of salary for CFO, i.e. to be at least equal to the annual long-term incentive opportunity.

The revised Policy will strengthen the link between pay, performance and value creation for shareholders through the material increases to long-term performance-based pay, combined with an increase to the minimum shareholding requirements. It is important to highlight that the full impacts of the Policy proposals will not be realised until 2029 when the 2024 long-term incentive award is released from the post-vesting holding period. Reflecting shareholder feedback received, we have made the performance targets for incentive awards even more stretching.

The Committee is considering the CEO remuneration package in the very specific circumstances of David Schwimmer, taking into account his outstanding past performance and strategic direction.

We believe the proposals are necessary to ensure the remuneration of David and the incoming CFO are strongly aligned with the delivery of LSEG's ambitious medium to long-term strategy, as well as giving the Committee the ability to recruit the calibre of talent required to continue LSEG's transformation as needed.

Performance in the year

In 2023, LSEG delivered another year of strong financial performance, with continued revenue growth across our business divisions despite an uncertain macroeconomic environment. We continue to transform our business and deliver on our strategy to be the leading global financial markets infrastructure and data provider.

Highlights:

— Delivered 8.3% income growth on a constant currency basis. Growth was 7.7% excluding the Acadia acquisition, towards the upper end of the 6%-8% guidance range.
— Adjusted EBITDA grew 8.6%, slightly ahead of the growth in total income. Excluding FX-related balance sheet items, EBITDA margin of 47.7%.
— Exceeded our £400 million runrate cost synergy target 2 years ahead of schedule and continued to deliver strongly on our revenue synergy programme with £158m runrate synergies delivered to date.
— Delivered the successful integration and acceleration of Refinitiv: 2021-2023 total income (excl. recoveries) CAGR of 6.5% is at the upper end of acquisition targets.
— Our medium-term guidance further raises growth aspirations: targeting mid-to-high single digit medium term organic growth, accelerating after 2024.
— Making targeted acquisitions: Acadia reinforces our leading position in Post Trade Solutions; acquired full control of LCH SA; increased ownership of LCH Group.
— Good progress on Microsoft partnership: first products expected in H1 2024, many embedding AI technologies and revolutionising industry workflows.
— Significant shareholder returns: final dividend of 79.3 pence, taking full year payout to 115 pence; £1.2 billion returned via buybacks in 2023.

2023 bonus outcomes for Executive Directors

Executive Directors were eligible to receive an annual bonus based on meeting or exceeding bonus targets that were set at the beginning of the year, looking at the Group's financial performance, strategic objectives and their personal contribution.

The Committee received input from the Risk Committee with regard to performance related to risk culture (awareness, transparency and accountability) when assessing remuneration decisions.

For FY2023, we exceeded our Group adjusted operating profit (AOP) financial target and have outperformed against our strategic objectives. In determining the overall outcome of the strategic objectives for the FY2023 Group bonus pool, the Committee took into account certain factors relating to risk, including compliance risk and resilience, which meant that despite the otherwise strong strategic performance achieved against the objectives, the Committee determined that, on balance, the overall outcome of this component should be 28%. This outturn is lower than the previous year's outturn of 31%.

As a result of the Group's strong performance and the personal contribution of the Executive Directors, the Committee determined that the CEO will be awarded a bonus of 70% of his maximum opportunity. Anna Manz resigned as CFO on 25 May 2023 and is therefore not eligible to receive a bonus for the 2023 performance year.

Further details on FY2023 performance can be found in the Financial Review on pages 44 to 57.

Share plan rules and approvals

The LSEG Long Term Incentive Plan 2014 (or LTIP) approved by shareholders in 2014 will expire this year. As a result, we will be seeking shareholder approval for a new long-term incentive plan, the Equity Incentive Plan (or EIP), at our forthcoming AGM. Further information is provided in the Notice of AGM.

Statement by the Chair of the Remuneration Committee continued

2021 LTIP award outcomes

The AEPS element of the LTIP awards made in 2021 will vest at 100% and the Relative TSR element will vest at 0%. These vesting outcomes reflect the delivery of AEPS growth of 18.3% CAGR and 8.1% TSR performance over the three-year performance period, the latter representing 43rd percentile performance relative to the FTSE 100 peer group. The TSR position partly reflects the significant growth in the share price in the years leading up to the start of the 2021 LTIP performance period during which LSEG was consistently upper quartile.

Discretion in relation to incentive outcomes

The incentive outcomes above are reflective of overall Group financial and strategic performance, and the Committee determined that no discretion should be exercised to adjust the formulaic outcomes.

The Committee reviewed LSEG's share price performance in determining the extent to which the 2021 LTIP award should vest and concluded that no windfall gains had occurred.

Operation of 2024 bonus

The FY2024 Group bonus pool will be determined based on Group performance measures weighted 75% on financial measures (60% AOP, 15% Future Growth) and 25% on strategic objectives.

The Executive Directors' awards are funded from the Group bonus pool. Bonus awards for the Executive Directors will be determined in accordance with performance measures weighted: 60% against Group AOP; 15% against Future Growth; 15% against Group Strategic Objectives; and 10% against personal objectives.

Annual bonuses for FY2024 will be awarded in line with our revised Policy, subject to shareholder approval. Under the revised Policy, 60% of any FY2024 bonus payment for Executive Directors would be paid in March 2025. The remaining 40% would be deferred into shares for a period of three years.

Long-term incentive awards to be made in 2024

Long-term incentive awards will be granted in 2024 in line with our revised Policy and under the Equity Incentive Plan, in each case subject to shareholder approval.

The Committee has given careful attention to the AEPS element of the 2024 grant (with a 60% weighting) and, considering internal and external forecasts, has set the AEPS targets at 7% to 12.5% CAGR. This means that both the threshold and maximum end of the ranges are higher than the targets set for the 2023 grant. To achieve maximum vesting, an incremental £1.1bn AOP would be required in 2026, equivalent to incremental income in the region of £2.05bn, relative to 2023. We expect that this AEPS range will be one of the highest, if not the highest, in the FTSE 30 and continues to demonstrate LSEG's commitment to setting class-leading, stretching targets. Furthermore, the higher AEPS baseline makes AEPS CAGR growth increasingly challenging to achieve for LSEG.

For the Relative TSR element (40% weighting), performance will be assessed against our global sector peer group (the same sector peers we used to benchmark remuneration) and the FTSE 100, each weighted 50:50. The performance range will be median to upper quartile for both peer groups.

The stretching nature of these performance targets set by the Committee is noted also in the context of historical grant outcomes; specifically the most recent 2020 and 2021 awards which have not vested at maximum despite the Group's strong performance in the period.

Actual award outcomes for CEO

Period ended	Annual bonus payout against maximum opportunity %	Long-term incentive vesting rates against maximum opportunity %
31 December 2023	70%	60%
31 December 2022	64%	82%
31 December 2021	72%	100%

The above chart sets out the actual bonus and LTIP outcomes of the CEO over the last three years. This signifies the stretching nature of the targets set during a period of exceptional growth for LSEG and significant returns to shareholders.

Executive Director changes

Departure terms for Anna Manz

Anna Manz resigned as CFO on 25 May 2023. Following publication of the Group's 2023 Full Year Annual Results on 29 February 2024, she will step down from the Board and leave the Group. Her unvested incentive awards will be treated in line with the Policy in effect at the time of her resignation. Following her resignation, she was not eligible to receive a bonus for 2023 or a long-term incentive award for 2024 and her outstanding LTIP awards lapsed. Anna continued to receive her contractual salary, pension allowance and benefits until her termination date. Full details are provided on page 146.

Appointment terms for Michel-Alain Proch

As announced on 20 November 2023, Michel-Alain Proch joined LSEG on 26 February 2024 and will be appointed to the Board as CFO on 1 March 2024. Prior to joining LSEG, Michel-Alain was the Group Chief Financial Officer for Publicis Groupe SA and a member of their Management Board.

Michel-Alain will receive a salary of £850,000 and a pension cash allowance of 10% of salary (aligned with the wider workforce), along with other benefits offered to the wider workforce in the UK. He will also be eligible to participate in the Annual Bonus and Equity Incentive Plan under the Policy in place for 2024 (subject to shareholder approval at the AGM). If the proposed Policy is approved, this includes an annual bonus opportunity with a maximum of 200% salary and a maximum long-term incentive grant of 400% of salary. Michel-Alain forfeited various incentive awards which were inflight at the time of his leaving Publicis Groupe SA; LSEG has agreed to compensate for the forfeited amounts partly through an enhancement to Michel-Alain's FY2024 bonus opportunity. The combined regular FY2024 bonus (based on a pro-rated opportunity for the time served over FY2024) plus the compensatory amount will mean that his overall maximum FY2024 bonus opportunity will be equal to 200% of his full-time salary. Michel-Alain will also be granted awards to compensate for other remuneration forfeited at Publicis Groupe SA. Full details are provided on pages 146.

Given Michel-Alain is relocating from Paris to London to take on the CFO role, LSEG will be providing immigration, relocation and tax/filing support in accordance with LSEG's usual practices and approved Policy.

Summary of key executive remuneration decisions for FY2023 and FY2024

Role		Chief Executive Officer	Chief Financial Officer (to 29 February 2024)[1]	Chief Financial Officer (from 1 March 2024)[2]
Name		David Schwimmer	Anna Manz	Michel-Alain Proch
FY2023				
Previous salary (with effect from 1 January 2023)		£1,000,000	£750,000	N/A
Bonus for financial year ending 31 December 2023	% of salary	158% of salary	0% of salary[3]	N/A
	% of maximum	70%	0%	N/A
	£ total amount	£1,581,975	£0	N/A
	Of which 50% is deferred[4]	£790,988	N/A	N/A
Max. annual bonus opportunity (% of salary) for financial year ending 31 December 2023		225%	200%	N/A
2021 LTIP award outcomes (% of maximum)		60%	N/A[5]	N/A
FY2024				
Annual salary (with effect from 1 January 2024)[2]		£1,375,000	£750,000	£850,000
Max. annual bonus opportunity (% of salary) for financial year ending 31 December 2024		300%	N/A	200%
2024 long-term incentive award grants (subject to performance)		550% of salary	0% of salary[3]	400% of salary

1 Anna Manz stepped down from the Board and left the Group on 29 February 2024.
2 Michel-Alain Proch joined LSEG on 26 February 2024 and was appointed to the Board as CFO on 1 March 2024. His annual salary was effective from his start date of 26 February 2024.
3 No FY2023 bonus or 2024 long-term incentive award will be awarded to Anna Manz, who has left the Group.
4 Executive Directors must compulsorily defer 50% of bonus into shares for a period of three years under the existing Policy.
5 Anna Manz's outstanding 2021, 2022 and 2023 LTIP awards lapsed following her resignation.

Committee effectiveness

The Committee's effectiveness was assessed as part of the 2023 Board and Committee effectiveness review. The result of the review was that the Committee is performing well and operating effectively. Further details can be found in the Governance section of this report on pages 102 to 103.

Concluding remarks

The intent of this statement and the wider Directors' Remuneration Report is to explain the Group's approach to remuneration, which takes into account best practice and market trends while continuing to support the commercial needs of the Group, the interests of shareholders and of all other stakeholders. The Committee continues to place great importance on ensuring that there is a clear link between pay and performance, including a focus on culture, adherence to the Group's risk framework, and that our remuneration outcomes are reflective of this wider context.

Finally, I would like to reiterate my thanks to Cressida Hogg for the significant contribution she has made during her tenure as Chair of the Remuneration Committee and for supporting me with the transition process. I would also like to thank my fellow Committee members and all internal and external stakeholders for their valuable input over the course of the year. We look forward to your support of our proposals at the forthcoming AGM.

William Vereker
Chair of the Remuneration Committee
28 February 2024

This report has been prepared in accordance with Schedule 8 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended), and the relevant sections of the Listing Rules.

Remuneration at a glance

Broader employee reward at LSEG

The Committee has responsibility for overseeing arrangements for all of our people and reviews broader workforce policies and practices in order to support decisions on executive pay. Our single aligned global reward framework was developed to create a transparent, performance-driven approach for our Group. This framework helps to unify and drive our organisation forward and is based on the following principles: (i) Performance-led; (ii) Competitive; (iii) Transparent and Equitable; and (iv) Inclusive and Consistent.

Salary

How we reward our colleagues

Salaries are normally reviewed annually by taking into account a range of factors and are reflective of individual roles, job-related knowledge, skills, commensurate experience, and the wider market.

In 2024, 91% of employees will receive a salary increase. As inflation and cost of living pressures remain high in some of LSEG's key locations, we continue with the principle of allocating proportionately more of our 2024 salary budget to those most impacted, specifically prioritising those in early career stages in the UK, US and countries with the highest inflation.

For senior career stages, the approach for our 2024 annual salary review is consistent with that taken in the 2023 review cycle. For the UK and US, increases are focused on those with expanded roles and those whose pay is low versus internal peers and/or the external market.

Executive Director alignment

The review of Executive Director salaries takes into account the same factors considered for the wider workforce.

Benefits

How we reward our colleagues

A market-aligned benefits plan is offered in each key country in which we operate. For the UK, a flexible benefits plan is offered, in which individuals have certain core benefits (such as private medical, life assurance and income protection) together with a cash allowance which can be spent on elective benefits (such as additional medical, life or dental cover).

Colleagues receive an annual pension allowance, invested in the Company's defined contribution plan or provided as a cash allowance.

Executive Director alignment

Executive Directors are eligible for a range of market-aligned benefits and receive a pension allowance in line with the wider workforce.

Bonus

How we reward our colleagues

80% of colleagues participate in LSEG's annual performance-related bonus based on Group, divisional (where applicable) and personal performance against goals. Remaining colleagues participate in other performance-based plans such as sales incentives.

Annual bonuses for Group leaders are subject to 40% deferral into shares, vesting in equal tranches over three years.

Executive Director alignment

The annual bonus plan for the broader employee population considers the same performance conditions as the Executive Directors' bonus plan and is linked to both Group performance and individual performance.

Annual bonuses for Executive Directors are subject to 40% deferral into shares for a period of three years.

Share incentive plans

How we reward our colleagues

Performance share awards (subject to stretching performance targets over three years) are granted to senior leaders who have the ability to significantly influence the long-term performance of the Group.

Group Directors are eligible for restricted share awards aligned with long-term Group performance and shareholder interests; vesting in equal tranches over three years.

Executive Director alignment

Executive Directors are eligible for long-term incentive awards (subject to stretching performance targets over three years). An additional two-year post-vesting holding period applies to Executive Directors.

LSEG employee share plans

How we reward our colleagues

Our all-employee share plans offer employees around the globe the opportunity to invest and share in the Group's future success. All permanent UK and Sri Lanka employees are eligible to participate in the Sharesave Plan (or, in the case of Sri Lankan employees, an equivalent international plan). There is also a SharePurchase Plan, which is designed to provide share options to people who are not based in the UK or Sri Lanka.

In 2023, we have reinforced the benefits of share ownership throughout the organisation by enhancing the value of our all-employee plans (doubling the SharePurchase benefit and increasing the contribution cap on the Sharesave plan), ensuring an opportunity increase for all.

Following rollout of the upgraded plans, participation has increased by 19.6% with over 7,600 employees across 31 countries enrolled in our all-employee plans. LSEG now has more employees participating in all-employee share plans than total employee numbers prior to the transaction with Refinitiv.

Executive Director alignment

Executive Directors are eligible to participate in LSEG's all-employee share plans on the same terms as all other eligible employees.

2023 remuneration outcomes

FY2023 Bonus Outcomes
David Schwimmer, Chief Executive Officer

Performance measure	Threshold	Target	Maximum	Weighting	Outcome achieved
Group AOP	£2,740m	£2,880m	£3,210m	60%	38%
		Actual: £2,934m[1]			
Strategic Objectives	5%	10%	20%	20%	14%
		Actual: 14%			
Personal Objectives				20%	18%
			Actual: 18%		
	Details of performance are set out on page 141.				
Total				100%	70%

1 AOP excludes amortisation of purchased intangibles and non-underlying items, and is measured using budget foreign exchange rates and is on a pro-forma basis.

Anna Manz resigned as CFO on 25 May 2023 and is therefore not eligible to receive a bonus for the 2023 performance year.

2021 LTIP Award Outcomes

Performance measure	Threshold	Maximum	Weighting	Outcome achieved
Average adjusted EPS growth	8%	18%	60%	60%
		Actual: 18.3%		
Relative TSR growth	Median ranking	Upper quartile ranking	40%	0%
	Actual: 43rd percentile			
Total			100%	60%

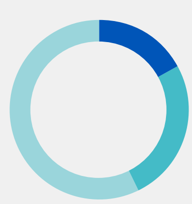
Anna Manz's outstanding 2021 LTIP award lapsed following her resignation.

Elements of remuneration

Fixed vs performance pay based under the 2024 Policy*

The proposed revisions to the Policy address our desire to reinforce a pay-for-performance philosophy as the majority of the quantum reset is performance-based. Variable pay will make up 83% of the overall pay mix for the CEO, and 77% for the CFO; and will be earned only for delivering against stretching targets.

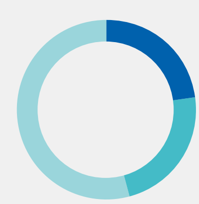
Chief Executive Officer



Fixed 17%
- Salary

Performance-based 83%
- Annual Bonus 26%
- LTIP 57%

Chief Financial Officer



Fixed 23%
- Salary

Performance-based 77%
- Annual Bonus 23%
- LTIP 54%

* Pay mix based on target bonus and Fair Market Value of maximum long-term incentive opportunity (60% of maximum).

Remuneration at a glance continued

Operation of 2024 incentive plans and alignment to strategy

The performance measures used in our incentives are directly aligned to the Group's KPIs and strategic priorities.

FY2024 Group Bonus Pool

Reflecting shareholder feedback received during the Policy review, the 2024 design includes increasing the weighting of financial measures within the bonus pool from 60% to 75%, incorporating both AOP and Future Growth measures. AOP is a key profitability measure for the Group and continues to be the main financial measure for annual bonus plan purposes. The additional measure "Future Growth" focuses on achievement of future revenue targets. The Group Strategic Objectives focus on the delivery of key strategic objectives, measured through achievement of stretching targets against externally reported KPIs.

Adjusted operating profit
60%

Future growth
15%

Group strategic objectives
25%

Financial
75%

KPIs – illustrative
- ASV Growth and Net Sales plus
- Board approved multi-year strategic business case delivery and contribution to future business growth

5 strategic categories:
- Resilience
- Culture
- Customer
- Efficiency
- Sustainability

The Committee to retain flexibility to determine weightings.

GSOs drive our multi-year growth and transformation journey to deliver on our ambitions and execute our strategy.

Executive Director individual bonus allocation

Executive Director bonuses will be funded from the above Group Bonus pool, assessed according to the following measures.

Financial
60% AOP performance

Financial
15% future growth

GSOs
15%

Personal
10%

2024 long-term incentive awards

The AEPS and TSR measures used for the long-term incentive awards are well aligned to our strategy of driving growth and delivering shareholder value over the longer term and ensure a balance of absolute and relative measures. We propose to incorporate a second relative TSR metric assessed against a global sector peer set (shown on page 119) that is directly relevant to LSEG's business.

Average adjusted EPS growth
60%

Relative TSR vs global sector peers
20%

Relative TSR vs FTSE 100
20%

Remuneration Policy Report

Our Remuneration Policy was last subject to a binding shareholder vote at the 2023 AGM and was passed with 97.5% support. This section sets out our revised Policy which will be subject to shareholder approval at the AGM in April 2024, and if approved, will apply for a period of up to three years.

Remuneration Policy table

The revised Policy is set out in the table on pages 129 to 131 and includes the following changes to our existing Policy. The rationale for the proposed changes is provided in the Statement by the Chair of the Remuneration Committee, set out on pages 118 to 123.

Policy element	Revision
Annual bonus	— Increase maximum opportunity from 225% to 300% of salary for the CEO. CFO opportunity to remain unchanged at 200% of salary. — Reduce deferral from 50% to 40% to align with recent change applicable below Board level and to align total target in-year cash to around the median of global sector peers, who do not typically operate bonus deferral. — Re-weight Executive Director bonuses to comprise at least 70% financials (currently at least 50% under existing Policy and 60% in practice for FY2023).
Long-term incentives	— Increase long-term incentive opportunity (granted under the EIP) from 300% to 550% of salary for CEO, and to 400% for CFO. — Leaver provisions updated to provide sufficient discretion for RemCo to apply 'good leaver' status in the event of retirement from professional career or to work in a governmental capacity or for a non-profit organisation, and with agreement from the Company/ Remuneration Committee.
Shareholding requirements	— Increase shareholding requirement from 400% to 600% of salary for CEO, and from 300% to 400% of salary for CFO, i.e. to be at least equal to the annual long-term incentive opportunity.

The Remuneration Policy is designed to support the long-term interests of the Group. The Group is committed to paying for performance, rewarding the senior management team only when performance against stretching targets is achieved. Each year the remuneration framework and the packages of the Executive Directors and members of the Executive Committee are reviewed by the Committee to ensure that they continue to achieve this objective.

The Committee takes into account multiple reference points when setting pay including our global sector peer set for Executive Directors and Executive Committee members where available; and with FTSE 30 practices guiding the structure of pay. When this data is not readily available, other reference points such as the FTSE 100 and the broader Financial Services/international exchange groups and financial markets infrastructure sectors are considered.

The Committee takes the following areas into account when reviewing the policy:
— a focus on shareholder value;
— the size, scope and complexity of the Group;
— the performance of the Group and market positioning against appropriate comparators, including sector peers and companies in the FTSE 30;
— the need to attract and retain senior management from the global market in which we compete for talent;
— corporate governance developments;
— remuneration arrangements for the wider workforce;
— the Group's intent to be mindful of best practice as expressed by institutional shareholders and their representative bodies; and
— the unique position of the Group at the centre of global financial markets.

Remuneration Policy Report continued

The principles prescribed by the UK Corporate Governance Code are taken into account by the Committee in determining the Remuneration Policy. Details of how these are addressed are provided below.

Principle	How the Committee has addressed the principles
Clarity	— The Committee is satisfied that the remuneration arrangements in the policy are transparent, comprising elements that are commonplace in the market and best practice remuneration provisions. — The Committee is committed to transparent and constructive engagement with all its stakeholders and consults with major shareholders and investor bodies to ensure the rationale for any significant changes proposed to the operation of the policy is fully understood and provide the opportunity for feedback to inform our decision-making process.
Simplicity	— The operation of the Annual Bonus and the design of plans like the EIP is well understood by stakeholders and aligned to Group strategy and the UK market best practice approach.
Risk	— The Committee is satisfied that the policy ensures that the risks from excessive rewards and target-based incentive plans are mitigated by: — Setting defined limits on the maximum awards which can be earned — Ensuring stretching yet achievable targets are set for incentive plans — Requiring the deferral of a substantial proportion of the incentives into shares for a material period of time — Aligning the performance conditions of incentives with the strategy and business model of the Group — Ensuring the Committee has overriding discretion to depart from formulaic outcomes and the ability to apply malus and clawback to incentives where appropriate — The Remuneration Committee also receives input from the Risk Committee with regard to performance related to risk culture (awareness, transparency and accountability) when assessing remuneration decisions.
Predictability	— Illustrations of the potential outcomes under the Policy are provided on page 136. Defined limits on the maximum awards which can be earned are also disclosed on pages 130 and 131. Vesting levels are driven by performance outcomes against stretching targets that are set for incentive plans.
Proportionality	— In line with our pay for performance model, the majority of Executive Director pay is performance-based. The performance metrics used in our incentive plans support the delivery of the Group's strategy, as well as short-term and long-term financial targets. — Relevant market peers are used to assess business performance and inform reward. — A robust target-setting process is carried out each year, taking into account internal and external forecasts and reference points, to ensure stretching yet achievable targets are set for incentive plans. — The Committee also has overriding discretion to adjust incentive outcomes based on a broad set of factors to ensure they fairly and accurately reflect the Group's performance over the relevant period and wider circumstances.
Alignment to culture	— The Group bonus pool assessment will continue to be based on the achievement of financial and strategic goals of the Group, including cultural and ESG objectives. — The Committee places great importance on ensuring our pay policies and incentives support the desired culture and behaviours of the Group. Personal performance is assessed against contribution to the strategic objectives, including cultural objectives, and against role-related goals and expected behaviours, taking into account both what has been achieved and how the individuals achieved their targets. — All awards are discretionary and contingent on the requisite standards of personal behaviours; poor behaviour/risk management could result in a zero payout.

The Committee recognises and manages any conflict of interest when receiving views from Executive Directors or senior management on executive remuneration and no individual is involved in deciding their own remuneration.

Policy table for Executive Directors

Salary	Benefits
Purpose and link to strategy Provides a core element of remuneration which reflects the responsibilities of the role. Enables the recruitment and retention of individuals of the calibre required to execute the Group's strategy.	**Purpose and link to strategy** Provides local market-competitive benefits and support the wellbeing of employees.
Operation Base salaries are normally reviewed annually by taking into account a range of factors, including: — size and scope of the role; — size, complexity and global breadth of the organisation; — skills and experience of the individual; — market competitiveness/relative positioning; — performance of the Group and of the individual; — wider market and economic conditions; and — level of increases being made across the Group.	**Operation** A market-aligned benefits plan is offered in each key country in which we operate. For the UK, a flexible benefits plan is offered, in which individuals have certain core benefits (such as private medical, life assurance and income protection) together with a taxable cash allowance which can be spent on elective benefits (such as additional medical, life or dental cover). Car transportation may also be provided for Executive Directors where appropriate. Due to the high profile of the Group, the Committee reserves the right to provide our executives with the appropriate level of security arrangements to allow them to perform their duties in the safest possible conditions. Benefits are reviewed periodically to ensure they remain affordable and competitive. The Committee retains the discretion to provide additional benefits as appropriate – for example, relocation and other allowances including expatriate assistance, housing and school fees for a finite period, tax preparation and filing assistance and return flights back to the home country for the executive and their family. Repatriation costs are met by the Company if employment is terminated by the Company, other than for just cause. Where necessary any benefits may be grossed up for taxes. Executives are eligible to participate in the Group's HMRC tax favoured Sharesave Plan (or international equivalent) on the same basis as other employees. Executive Directors are covered by the Directors' and Officers' insurance and indemnification.
Maximum Opportunity There is no defined maximum salary but the maximum salary for a given executive is set by the Committee. Increases are determined based on the factors described above.	**Maximum Opportunity** There is no defined maximum. Benefits plans are set at (what are in the Committee's opinion) reasonable levels in order to be market competitive for their local jurisdiction and are dependent on individual circumstances. Participation in the Save As You Earn Option Scheme (or international equivalent) is capped at the same level as all other participants, which is determined by the Company within the parameters of applicable legislation.
Performance Measures n/a	**Performance Measures** n/a

Remuneration Policy Report continued

Retirement Benefits	Annual Bonus
Purpose and link to strategy Provides executives with retirement benefits. Supports recruitment and retention of high-calibre people.	**Purpose and link to strategy** Rewards annual performance against challenging financial, strategic and individual targets linked to Group strategy. Deferral into shares reinforces retention and enhances alignment with shareholders by encouraging longer-term focus and sustainable performance.
Operation Provision of annual pension allowance, invested in the Company's defined contribution plan or taken or provided as a cash allowance. In certain jurisdictions, more bespoke pension arrangements may be provided. In such circumstances, the Committee will give appropriate consideration to local employment legislation, local market practices and the cost of the arrangement.	**Operation** The Group operates a Group-wide bonus pool which is funded based on the achievement of financial and strategic goals of the Group. Allocations to individual Executive Directors are made from this pool based on the Committee's assessment of their personal performance, taking into account the Group's financial and strategic performance and the achievement of any personal objectives related to their role. Performance targets are reviewed and set by the Committee at the beginning of each performance year. Awards are determined by the Committee after the year-end based upon the actual performance against these targets. The Committee applies judgement where necessary to ensure approved pay-out levels are reflective of actual, overall performance and has the ability to exercise discretion in adjusting the formulaic outcome of incentives to ensure the outcome is reflective of the performance of the Company and the individual over the period. — 40% of the annual bonus will be subject to mandatory deferral, normally for a period of three years. — Bonus deferral will be 100% into shares. — Dividends (or equivalents) may be paid in respect of deferred shares on vesting. — Unvested deferred awards are subject to malus provisions as described below. Paid bonuses and vested deferred awards are subject to clawback as described below.
Maximum Opportunity The maximum annual pension contribution/cash allowance for Executive Directors is 10% of salary (except where required by local market practice where levels could be set at a higher or lower amount). This is a rate aligned with the wider workforce in the UK.	**Maximum Opportunity** Maximum annual bonus opportunity of 300% of salary for CEO and 200% of salary for other Executive Directors.
Performance Measures n/a	**Performance Measures** Based on a combination of financial (e.g. adjusted operating profit and future growth), strategic and personal performance targets. Strategic objectives include key targets and areas of focus, which are set annually, and measured through achievement of stretching targets against externally reported KPIs. Whilst not an exclusive list, examples of strategic objectives can include culture, resilience, customer, efficiency, and sustainability. These strategic objectives also impact on financial results in the medium term. The Committee will set the detail and mix of performance measures, targets and weighting based on the strategic objectives at the start of each year. At least 70% of the annual bonus pool and Executive Directors' bonuses will be based on performance against financial measures. No bonuses are paid for below threshold performance. The Committee may award any amount between zero and 100% of the maximum opportunity.

Long-term incentives (under Long Term Incentive Plan 2014 and Equity Incentive Plan)	Share ownership
Purpose and link to strategy Incentivises performance over the longer term through the award of performance-related shares. Aligns reward with long-term, sustainable Group performance and a focus on shareholder value.	**Purpose and link to strategy** Ensures alignment with shareholders' interests.
Operation — Awards of shares (or equivalent) are granted annually (to be granted under the EIP from 2024 onwards). — Awards vest subject to performance targets assessed over a performance period, normally of at least three financial years with an additional holding period of two years. The Committee has discretion to set different performance periods and holding periods if it considers them to be appropriate. — The Committee shall determine the extent to which the performance measures have been met. The Committee may make adjustments to performance targets if an event occurs which makes, at the Committee's determination, an adjustment appropriate. The performance targets will be at least as challenging as the ones originally set. — The Committee has the ability to exercise discretion in adjusting the formulaic outcome of incentives to ensure the outcome is reflective of the performance of the Company and the individual over the period. — Dividends (or equivalents) may be awarded on vesting. Unvested awards are subject to a malus provision and vested awards are subject to clawback, as described below.	**Operation** Executive Directors are expected to build up share ownership over a period of five years from appointment. The minimum shareholding requirement is 600 per cent of base salary for the CEO and 400 per cent of base salary for other Executive Directors. Executive Directors are expected to hold 100% of their minimum shareholding requirement for two years post-departure. In cases where the individual has not had sufficient time to build up share ownership to meet the minimum shareholding requirement, the post-employment shareholding requirement will be based on their actual level of shareholding on departure. The Committee has discretion to vary or waive part or all of the post-employment shareholding requirement in exceptional circumstances.
Maximum Opportunity Maximum awards of up to 550% of salary for the Chief Executive Officer and 400% of salary for other Executive Directors.	**Maximum Opportunity** N/a
Performance Measures The Committee determines performance targets each year to ensure that the targets are stretching and support value creation for shareholders while remaining motivational for management. Vesting of awards is subject to achievement of total shareholder return and other financial performance targets. Any one measure will not exceed two-thirds of the award. For each performance element, achievement of the threshold performance level will result in no more than 25 per cent of the maximum award paying out. For achievement of the maximum performance level, 100% of the maximum pays out. Normally, there is straight-line vesting between these points.	**Performance Measures** N/a

Notes to the Policy Table

Selection of performance measures

Performance targets are set by the Committee to be both stretching and achievable, taking into account the Group's strategic priorities and the economic landscape.

The performance measures that are used for our annual bonus and long-term incentive awards have been chosen to support the Group's strategy. For the annual bonus plan, the Committee continues to believe that it is appropriate to use a balance between financial targets, strategic objectives and personal performance objectives.

The Committee considers that the measures to be used for long-term incentive awards going forwards, i.e. relative TSR against sector peers and the FTSE 100 index, and adjusted EPS, are currently the most appropriate measures of long-term performance for the Group. The Committee reviews the measures, weightings and targets for long-term incentive awards on an annual basis, to ensure their continued suitability and to ensure they are sufficiently stretching for LSEG.

Remuneration Policy Report continued

Malus and clawback provisions
Malus and clawback provisions apply to all share incentive awards granted to Executive Directors. Clawback provisions apply to annual bonuses paid to Executive Directors.

In respect of future awards under the EIP, the malus provisions allow the Committee in its absolute discretion to determine, at any time prior to the payment or vesting of an award, to reduce, cancel or impose further conditions in certain circumstances, including;

(a) material misstatement or restatement in the Company's or any member of the Group's audited financial accounts (other than as a result of a change in accounting practice);

(b) the negligence, fraud or serious misconduct of an individual, or fraud or serious misconduct with the knowledge of a participant;

(c) conduct by an individual which results in, or is or was reasonably likely to result in (whether or not such result has transpired e.g., if undiscovered and/or if no mitigating steps had been taken):
- (i) significant reputational damage to the Company, any member of the Group or to a relevant business unit (as appropriate);
- (ii) a material adverse effect on the financial position of the Company, any member of the Group or to a relevant business unit (as appropriate);
- (iii) a material downturn in the financial performance of the Company, any member of the Group or to a relevant business unit (as appropriate);
- (iv) a material corporate failure of the Company, any member of the Group or to a relevant business unit (as appropriate);
- (v) a material adverse effect on the business opportunities and prospects for sustained performance or profitability of the Company, any member of the Group or relevant business unit (as appropriate); or
- (vi) a material failure of risk management in the Company, any member of the Group or to a relevant business unit (as appropriate),

or an individual being (or having been): a member of; an employee of; or responsible for, a business unit, the Company or a member of the Group that suffers (or may or could reasonably have suffered) any of the same;

(d) where the grant, vesting, exercise, payment or release of an award would not be sustainable according to the financial situation of the Group as a whole nor justified on the basis of the performance of the Group, the relevant business unit and the relevant individual;

(e) conduct or behaviour by an individual that, following an investigation, is reasonably considered by the Committee to constitute a breach of the Company's values and/or standards as stipulated by the Group's Code of Conduct or any of the Company's policies, procedures or any provision of any staff handbook in force from time to time;

(f) unreasonable failure by an individual to protect the interests of the Group's stakeholders;

(g) where a participant ceases to be an employee by reason of their retirement (as determined by the Committee) at any time prior to payment or vesting, but becomes employed in an executive role by any entity other than a role for which they receive no remuneration;

(h) an error in assessing any performance conditions applicable to an award or in the information or assumptions on which the award was granted, vests or is exercised, paid or released; or

(i) any other circumstances that the Committee, in exercising appropriate discretion and acting fairly and reasonably, considers to be similar in nature or effect to those above.

Clawback provisions allow the Committee in its absolute discretion to claw back from individuals some or all of the vested EIP awards or paid bonus in the same circumstances outlined for malus above.

Clawback will normally apply for a period of three years following vesting of share awards and/or payment of cash bonus unless the Committee determines otherwise.

Similar but not identical malus and/or clawback triggers apply to existing awards under other LSEG discretionary share incentive plans, and to annual bonuses.

Freezing provisions
Under the EIP, the Committee may also exercise its discretion to "freeze" an award (e.g. suspend grant, vesting, exercise or delivery of an award):

(a) where an individual is subject to any investigation, disciplinary process or disciplinary sanction;

(b) any circumstances in which the Committee may apply its discretion to apply malus/clawback (as explained above); or

(c) in any other circumstances that the Committee, in exercising its discretion and acting fairly and reasonably, considers appropriate.

Recruitment policy
When determining the remuneration package for a newly appointed Executive Director, the Committee would seek to apply the following principles:
- The package should be market competitive to facilitate the recruitment of individuals of sufficient calibre required by the Group. Consistent with the UK Corporate Governance Code, the Committee would intend to pay no more than it believes is necessary to secure the required talent.
- The ongoing remuneration package would normally include the key elements on the same terms as those set out in the policy table for Executive Directors.
- The maximum level of variable remuneration which may be awarded on recruitment (excluding any buy-outs referred to below) is 850% of salary. Incentive awards made in the first year of appointment may be subject to different performance measures and targets appropriate to the newly recruited Executive Director.
- Recognising that the Group competes for talent in the international financial services sector, on an exceptional basis, the Committee has the ability to include other elements of pay which it feels are appropriate taking into account the specific commercial circumstances (e.g., for an interim appointment). However, this would remain subject to the limit on variable remuneration set out above. The rationale for any such component would be appropriately disclosed.
- In addition, where an individual forfeits arrangements as a result of appointment, the Committee may offer a buy-out, in such form as the Committee considers appropriate taking into account all relevant factors which may include the vehicle, expected value and timing of forfeited opportunities. Any such buy-out will be limited to the commercial value of payments and awards forfeited by the individual.

- Where an Executive Director is required to relocate from their home location to take up their role, the Committee may provide reasonable relocation assistance and other allowances including expatriate assistance. Global relocation support (normally for up to five years) and any associated costs or benefits (including but not limited to housing, school fees, tax preparation and filing assistance and flights back to the home country) may also be provided if business needs require it. Should the executive's employment be terminated without cause by the Group, repatriation costs will be met by the Group.
- In the event that an internal candidate is promoted to the Board, legacy terms and conditions would normally be honoured, including pension entitlements and any outstanding incentive awards.
- The remuneration package for a newly appointed Non-Executive Director would normally be in line with the structure set out in the policy table for Non-Executive Directors (see page 135).

Service contracts and payments for departing Directors
The Group's current policy is that Executive Directors' service agreements should have notice periods that are no longer than 12 months. The Group may terminate an Executive Director's service agreement by making a payment in lieu of notice of a sum equal to salary, pension, flexible benefits allowance, and life and medical insurance (but excluding bonus and share incentives) in respect of any unexpired period of notice, plus any accrued unused holiday entitlement. Consideration will be given to appropriate mitigation terms (including payments in instalments) to reduce payments in lieu of notice made on termination in the event of the Executive Director commencing alternative employment, being appointed as a Non-Executive Director or providing services pursuant to a consultancy agreement in the period that would have been served as notice following the Executive Director's departure.

The Group may pay an Executive Director's reasonable legal fees for receiving advice in connection with their employment or its termination.

The lawful termination mechanisms described above are without prejudice to the Group's ability in appropriate circumstances to terminate in breach of the notice period referred to above, and thereby to be liable for damages to the Executive Director. Liquidated damages clauses are not used.

In the event of termination by the Group, an Executive Director may be paid an amount in respect of any statutory and/or contractual claims they may have in connection with their employment and/or its termination. Directors' and Officers' liability insurance and an indemnity to the fullest extent permitted by the law and the Group's Articles of Association are provided to the Executive Directors for the duration of their employment and for a minimum of seven years following termination.

The Committee considers that this is consistent with current best practice and this approach will generally be adopted for new appointments. Where appropriate and when recruiting non-UK based Directors, the Committee may agree different terms based on local legal requirements or market practice.

Treatment of variable incentives

Annual bonus
Individuals may be considered for an annual bonus in respect of the period prior to cessation. Any award would be at the discretion of the Committee, subject to the Executive Director's performance and period of employment and subject to performance targets in the usual way.

Deferred Bonus Plan
For good leavers, awards will usually vest at the normal vesting date, although the Committee may determine that awards vest on cessation of employment. Awards will normally vest in full for a good leaver, but the Committee has discretion to pro-rate the award if appropriate to do so. If the vesting of a good leaver's award(s) is required to be accelerated due to local law requirements (including tax law), the Committee would ordinarily impose a post-vesting holding period on the resulting net-of-tax shares for the balance of the original vesting period, during which the leaver would not be permitted to sell or transfer those shares. Good leavers are those who cease to be an employee of a member of the Group by reason of death, injury, disability, ill-health, redundancy, the sale of the individual's employing business or the transfer of the Company out of the Group, or any other reason which the Committee decides in its discretion (having regard to a range of relevant factors including the Executive Director's performance, length of service and circumstances of their departure), and retirement from a professional career or to work in a governmental capacity or for a non-profit organisation and with agreement from the Company/Committee will also be an express good leaver reason.

Where an individual is not considered to be a good leaver, unvested awards will lapse. Where an individual is summarily dismissed, all awards will lapse.

Deferred unvested awards are subject to malus and vested awards are subject to clawback.

Long Term Incentive Plan 2014/Equity Incentive Plan
For good leavers, awards will normally vest at the normal vesting date and following the end of the performance period, unless the Committee determines that awards should vest following cessation of employment. The two-year post-vesting holding period following the end of the performance period will normally continue to apply unless the Committee determines otherwise. If the vesting of a good leaver's award(s) is required to be accelerated due to local law requirements (including tax law), the Committee would ordinarily impose a post-vesting holding period on the resulting net-of-tax shares for the balance of the original vesting period, during which the leaver would not be permitted to sell or transfer those shares. Vesting will be subject to performance and unless the Committee determines otherwise (or that another basis of reduction is appropriate) pro-rated for time in employment. Good leavers are those who cease to be an employee of a member of the Group by reason of death, injury, disability, ill-health, redundancy, and the sale of the individual's employing business or transfer of the Company out of the Group, any other reason which the Committee decides in its discretion, having regard to a range of relevant factors including the Executive Director's performance, length of service and circumstances of their departure, and (in the case of the Equity Incentive Plan) retirement from professional career or to work in a governmental capacity or for a non-profit organisation and with agreement from the Company/Committee is also now included as an express good leaver reason.

Where an individual is not considered to be a good leaver, unvested awards will lapse.

Unvested awards are subject to malus and vested awards are subject to clawback as detailed above.

Remuneration Policy Report continued

Buy-out awards
If a departing Executive Director holds a buy-out award granted to them in connection with their appointment, that award will be treated in accordance with its terms.

Detailed share plan provisions
Share awards are subject to the terms of the relevant plan rules under which the award has been granted. The Committee may adjust or amend awards only in accordance with the provisions of the plan rules. This includes making adjustments to awards to reflect certain corporate events, including a variation in the Company's share capital, a demerger or a special dividend. In change of control circumstances, all LTIP and EIP awards will normally vest on an accelerated basis to the extent that the performance conditions are satisfied, and, unless the Committee determines otherwise, subject to time pro-rating. Deferred Bonus awards will normally vest in full. The Committee may also allow or require some or all of an award to be exchanged if not yet vested.

Individual terms
David Schwimmer entered into a service agreement with the Group on 12 April 2018 and was appointed with effect from 1 August 2018. David Schwimmer's service agreement may be terminated by either party giving at least 12 months' notice. Alternatively, the Group may terminate the contract by payment in lieu of notice of a sum equal to 12 months' salary, pension, flexible benefits allowance, and life and private medical insurance (but excluding bonus, share incentives and car transportation). Any payment in lieu of notice will be paid in equal monthly instalments from the date of termination of the employment. Should Mr Schwimmer commence alternative employment, be appointed as a Non-Executive Director or provide services pursuant to a consultancy agreement in the relevant period (of 12 months) following his departure from the Group, each remaining instalment will be reduced by one-twelfth of the annual remuneration earned from the alternative employment, directorship or consultancy arrangement. Payments of the instalments may be required to be deferred until six months after termination by US tax rules applying to Mr Schwimmer. To the extent that any payment or benefits payable to Mr Schwimmer under his service agreement or under any bonus or share incentive plan would be subject to US excise tax, the payments and benefits may be reduced if this would result in Mr Schwimmer receiving a greater after-tax amount than if the benefits were not reduced. On termination (other than by reason of summary dismissal) Mr Schwimmer will be eligible to receive a pro-rata bonus for the year in which his employment is terminated subject to Group and personal performance.

Michel-Alain Proch entered into a service agreement with the Group dated 1 November 2023 and was appointed with effect from 26 February 2024. Michel-Alain Proch's service agreement may be terminated by either party giving at least 12 months' notice. Alternatively, the Group may terminate the contract by payment in lieu of notice of a sum equal to 12 months' salary, pension, wellbeing and flexible benefits allowance, and life and private medical insurance (but excluding bonus and share incentives). Any payment in lieu of notice will be paid in equal monthly instalments from the date of termination of the employment. Should Mr Proch commence alternative employment, be appointed as a Non-Executive Director or provide services pursuant to a consultancy agreement in the relevant period (of 12 months) following his departure from the Group, each remaining instalment will be reduced by one-twelfth of the annual remuneration earned from the alternative employment, directorship or consultancy arrangement. On termination (other than by reason of summary dismissal) Mr Proch will be eligible to receive a pro-rata bonus for the year in which his employment is terminated subject to Group and personal performance.

Remuneration policy for other employees and consideration of wider employee remuneration
The Committee has responsibility for overseeing arrangements for all employees and reviews broader workforce policies and practices in order to support decisions on executive pay.

Paying our employees fairly relative to their role, skills, experience and performance is central to our approach to remuneration, and our reward framework and policies support us in doing this. Our Group-wide reward framework establishes a transparent and robust compensation structure, elements and leverage for each career stage in the organisation, providing the Committee with oversight of workforce remuneration.

The Committee places great importance on ensuring our pay policies and incentives support the desired culture and behaviours of the Group. As detailed in the "Annual bonus operation" section on page 143, bonus awards for our Group Executive team as well as our Executive Directors are determined in accordance with performance against Group financial performance, Group strategic objectives and personal objectives. This provides the Committee with greater structure in determining the bonus of senior management as well as allowing for a greater focus on culture and behaviours.

The Remuneration Policy for senior executives and other employees is determined based on similar principles to Executive Directors. For roles below the main Board, the exact structure and balance are tailored based on various factors including the scale, scope or responsibility of the role, development within a role and/or significant market movement. The Committee reviews and comments on the salary, bonus and long-term incentive awards of the senior executives immediately below Board level and approves the overall design and distribution of incentive awards available to all employees, including share-based plans.

The approach in respect of base salary and benefits is generally consistent across the organisation. Executive Directors' and other senior managers' remuneration includes a greater proportion of performance-related pay when compared to other employees. The Committee considers this is essential to differentiate levels of responsibility and align pay to sustainable long-term performance and shareholders' interests.

The majority of employees are eligible to participate in the annual bonus plan which is subject to similar metrics to those used for the Executive Directors. Opportunities vary by career stage. Employees not participating in the annual bonus typically participate in another incentive plan. For example, some sales employees participate in sales compensation plans rather than the annual bonus plan.

Deferral of a portion of the annual bonus is operated for our Executive Director, Group Executive and Group Leader populations. 40% of the annual bonus for our Executive Directors is deferred into shares for a period of three years. Below Board, our Group Executives and Group Leaders defer 40% of their annual bonus, normally vesting in equal tranches over three years; for participants in the Co-invest Plan, their deferred bonus vests after three years. Participants in the Co-invest Plan invest their deferred bonus into shares and receive a 2:1 company match; performance measures and vesting on the match mirror those of long-term incentive awards. The operation of bonus deferral reinforces the alignment of the pay of our senior employees with shareholder interests and the Group's long-term performance.

Malus and clawback provisions apply to all awards granted under discretionary share incentive plans.

In setting remuneration for Executive Directors, the Committee considers the overall approach to rewarding employees across the Group taking into account performance, the complexity, scale, scope or responsibility of the role, development within a role and/or significant market movement.

We have held briefings with People Leaders and Executive Committee members to explain changes to the Reward Framework and alignment with the Executive Director Remuneration Policy. While employees are not directly consulted on the development of the Remuneration Policy for Executive Directors, employee forums held in key regional locations give employees the opportunity to provide feedback and express their views on any topic including executive remuneration.

The Committee receives ongoing regulatory updates and information on external market practices from its independent external advisers who provide additional context for decisions.

Consideration of shareholders' views
The Committee is mindful of shareholder views when setting and evaluating ongoing remuneration principles and commits to consulting with shareholders prior to any significant changes to the Remuneration Policy.

In formulating the revised 2024 Policy, we consulted extensively with nearly 100 shareholders, representing approximately 80% of LSEG's voting rights, and proxy agencies. We are grateful for the valuable input provided by everyone we engaged with during this process, which informed the detail of our revised Policy. Overall, the majority of shareholders were supportive of our proposals and recognised the rationale of our thinking in light of the transformation and high performance of the business, both in absolute and relative terms, under our CEO's leadership, and the need for LSEG to compete in a global talent market.

Policy for Non-Executive Directors

Approach to setting fees	Basis of fees	Other items
The fees for Non-Executive Directors are set at a level which is considered appropriate to attract individuals with the necessary experience and ability to make an important contribution to the Group's affairs. The Chair's fee is determined by the Remuneration Committee, and the Board is responsible for determining all other Non-Executive Director fees. Fees are reviewed periodically to ensure they remain appropriate in the context of: the role scope; company size, complexity and global breadth; and wider market conditions. The Committee retains the flexibility to increase, adjust and make one-off payments to Non-Executive Directors based on their remit. Fees are set taking into account the level of responsibility of each Non-Executive Director and fees at other companies of a similar size and complexity. The aggregate basic fees payable to all Non-Executives combined (excluding fees as Chair and excluding fees paid for any appointments on subsidiary boards) are capped as set out in the Group's Articles of Association as they may be amended by a resolution of shareholders from time to time. The current limit on the aggregate basic fees that are payable is £1,500,000 per financial year.	Non-Executive Directors receive a basic annual fee with additional fees payable for services such as committee chairmanship. Non-Executive Directors are also entitled to receive fees from subsidiary companies if appointed to such boards. The Non-Executive Chair of the Group receives an all-inclusive fee for the role. Fees are neither performance-related nor pensionable. Non-Executive Directors are not eligible to participate in the annual bonus or long-term incentive plans and are not entitled to any payments on termination.	Non-Executive Directors receive an allowance for any Board meeting involving intercontinental travel. Travel and other appropriate expenses with associated taxes (including fees incurred in obtaining professional advice in the furtherance of their duties) incurred in the course of performing their duties are reimbursed to Non-Executive Directors. Non-Executive Directors are covered by the Directors' and Officers' insurance and indemnification. Non-Executive Directors are required to build up share ownership of at least 1x basic annual fees within three years of appointment.

Non-Executive Directors have letters of appointment with no notice period except for the Group Chair who has a notice period of six months unless he is not re-elected by shareholders in which case his appointment will terminate immediately. The Non-Executive Directors' appointments are for an initial period of three years from the date of appointment and are also subject to re-election by shareholders.

Amendments to the Remuneration Policy Report
The Committee remains mindful that regulation of companies in the financial services sector continues to evolve. The Committee recognises that remuneration arrangements may need to be amended in order to comply with any new regulations which become applicable to the Group. The Committee reserves the right to make changes to the Policy described above in order to comply with any such regulatory requirements which apply to the Group including any changes required under the UK Corporate Governance Code or for regulatory, exchange control, tax or administrative purposes, to take account of a change in legislation, or to make minor amendments without obtaining shareholder approval for that amendment. Where this results in a major structural change, the Committee would expect to present a revised policy to shareholders for approval at the following AGM.

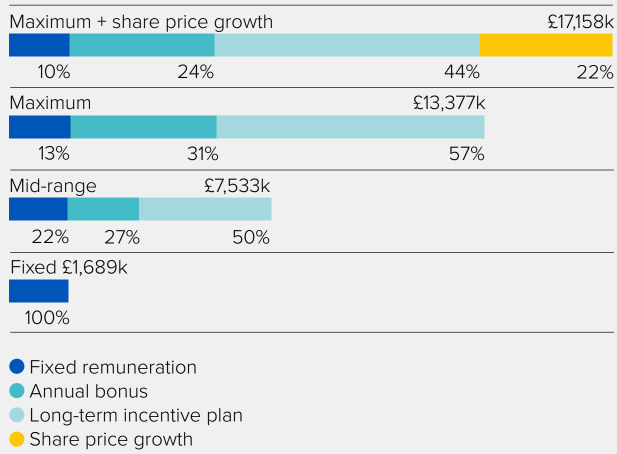
Remuneration Policy Report continued

Illustration of the application of the Remuneration Policy for Executive Directors

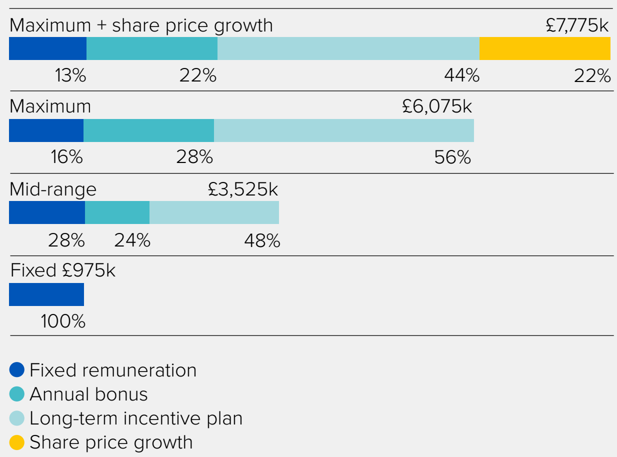
The chart on the right illustrates how much the current Executive Directors could receive under four different hypothetical performance scenarios for the first year of this policy taking effect i.e. 2024: minimum, mid-range, maximum and maximum assuming a 50% increase in share price for long-term incentive awards during the vesting period. It is important to highlight that the full impacts of the policy proposals will not be realised until 2029 when the 2024 long-term incentive award is released from the holding period, should stretching performance targets be met.

Element of remuneration	Detail of assumptions
Fixed remuneration	This comprises: — Base salary with effect from 1 January 2024 — For David Schwimmer, benefits as they applied on 31 December 2023 and set out in the single figure table in the Annual Remuneration Report but excluding the CEO's fixed-term flight allowance which ceased on 31 December 2023. Estimated value of benefits for Michel-Alain who joined as CFO on 1 March 2024[1] — Pension
Annual Bonus	Assumes maximum opportunity of 300% of salary for CEO and 200% of salary for the CFO For mid-range scenario: assumes payment of 50% of the maximum opportunity For maximum: assumes payment of 100% of the maximum opportunity
Long-term incentives	Assumes maximum opportunity of 550% of salary for the CEO and 400% of salary for the CFO in conditional shares For mid-range scenario: assumes 50% of the maximum opportunity For maximum: assumes vesting of 100% of the maximum opportunity plus a second scenario assuming a 50% increase in share price during the performance period

David Schwimmer
Chief Executive Officer



Michel-Alain Proch
Chief Financial Officer



Legacy arrangements

The Committee may make any remuneration payments and payments for loss of office (including exercising any discretions available to it in connection with such payments) where the terms of the payment were agreed/granted (i) before the policy came into effect or (ii) at a time when the relevant individual was not a Director of the Group and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Group.

1 Fixed remuneration for Michel-Alain Proch includes estimated value of benefits based on FY2023 expenses for prior CFO plus wellness allowance.

Annual Report on Remuneration

This section sets out how remuneration arrangements have operated during the past financial year (FY2023), and also provides details on how we intend to operate our Policy during the coming year (FY2024). This report will be put to an advisory vote at the 2024 AGM. The information from this page 137 to page 153 has been audited where required under the regulations and is indicated as audited where applicable.

Single total figure of remuneration for Executive Directors

	David Schwimmer				Anna Manz			
Single total figure of remuneration	**FY2023 £000**	**% of total**	FY2022 £000	% of total	**FY2023 £000**	**% of total**	FY2022 £000	% of total
Fixed remuneration								
Salary	**1,000**		1,000		**750**		650	
Flexible benefits allowance	**15**		15		**15**		15	
Benefits	**229[3]**		135		**40[4]**		39	
Pension	**100**		100		**75**		65	
Pay for performance								
Annual bonus	**1,582**		1,433		**–**		802	
Long term incentive – performance[1]	**1,800**		1,974		**–**		–	
Long term incentive – share price growth[1]	**401**		197[2]		**–**		–	
Total remuneration of which	**5,127**		4,854		**880**		1,571	
Fixed remuneration	**1,344**	**26%**	1,250	26%	**880**	**100%**	769	49%
Variable remuneration	**3,783**	**74%**	3,604	74%	**–**	**0%**	802	51%

Notes to the table:

1 The value delivered through performance is calculated as the number of shares forecast to vest in 2024 multiplied by the share price on the date of grant. The value delivered through share price growth is calculated as the same number of shares multiplied by the difference between the average share price in the last three months of the financial year, being £86.34, and the share price on the date of grant, being £70.62. The Committee does not intend to amend the outcome or make any adjustments in regard to share price growth over the period, on the basis that this reflects our view of the Group’s underlying performance and returns for shareholders over the performance period.

2 Performance shares vested at 82% on 22 April 2023 at £80.84 per share.

David Schwimmer

3 Benefits include the cash value of private medical, income protection and life assurance plus expatriate allowances (including flight allowance which ceased on 31 December 2023) and commuting expenses (including car transportation where appropriate) with associated taxes. David Schwimmer contributed £500 per month to the 2020 SAYE plan until it matured on 1 June 2023 and contributes £500 per month into the 2023 SAYE scheme which will mature in November 2026 with a six-month exercise window; these benefits have been valued based on the 20% discount to market value on the SAYE option exercise price.

Anna Manz

4 Benefits include the cash value of private medical, income protection and life assurance plus commuting expenses (including car transportation where appropriate) with associated taxes.

Further notes

There were no money or assets reported in any previous financial year that were subject to a recovery of sums paid or withholding during the year.

Payments for loss of office

No payments were made for loss of office during the year.

Payments to past Directors

No payments were made to past Directors during the year.

Additional notes to the Single total figure of remuneration

Fixed pay

Base salary

When reviewing Executive Director salaries, and in line with our Policy, the Committee considers multiple reference points including our sector peers and companies in the FTSE 30.

Benefits

A flexible benefits plan is offered, in which individuals have certain core benefits (such as private medical, life assurance and income protection) together with (in the UK) a taxable cash allowance which can be spent on elective benefits (such as additional medical, life or dental cover). Where received as a cash supplement, this allowance is not used to calculate bonus payments or pension contributions.

Benefits are reviewed periodically to ensure they remain affordable and competitive. Executives are eligible to participate in the Group's HMRC tax-favoured SAYE Scheme (or international equivalent). There has been no change to the provision of benefits and all arrangements below have previously been disclosed.

David Schwimmer and Anna Manz receive a flexible benefits allowance of £15,000 per annum, which is unchanged from last year. In addition, the Executive Directors receive benefits in kind which include private health care, permanent health insurance and life assurance arrangements. Car transportation is also provided where appropriate.

As an expatriate from the US to UK, David Schwimmer received/receives the following:

Expired:

— For the first five years of employment, an annual allowance of up to £50,000 to cover flights between London and the US for Mr Schwimmer and his family; this allowance ceased on 31 December 2023.

Current:

— Tax preparation and filing assistance in the US and the UK.
— The Group will meet the costs of repatriating Mr Schwimmer's effects back to the US if the Group terminates his employment other than in circumstances such as serious misconduct which would justify termination.

Save As You Earn (SAYE)

David Schwimmer contributed £500 per month into the 2020 SAYE scheme which matured in June 2023, and he exercised on 1 June 2023. David contributes £500 per month into the 2023 SAYE scheme which will mature in November 2026 with a six-month exercise window.

Anna Manz contributed £500 per month into the 2021 SAYE scheme. Anna's 2021 SAYE scheme lapsed upon her leaving date as per the plan rules.

Insurance and indemnification

Executive Directors are covered by the Directors' and Officers' insurance and indemnification.

Malus and clawback

There are no contractual malus or clawback provisions in place in relation to benefits.

Retirement benefits

In the UK, pension provision for our Executive Directors takes the form of a non-consolidated cash allowance; only base salary is used to calculate pension entitlement and no other pension supplements apply.

David Schwimmer and Anna Manz each received an allowance equivalent to 10% of base salary as a taxable cash supplement, which is in line with the wider workforce, ensuring we are compliant with the UK Corporate Governance Code.

Bonus awarded for FY2023

Executive Directors are eligible to receive an annual bonus based on meeting or exceeding bonus targets that are set at the beginning of the year, looking at the Group's financial performance and strategic objectives as well as personal performance.

The Remuneration Committee also receives input from the Risk Committee with regard to performance related to risk culture (awareness, transparency and accountability) when assessing remuneration decisions.

The operation of the FY2023 annual bonus is as per last year. The Group bonus pool was assessed 60% against financial performance and 40% against strategic objectives. The Committee considers AOP to be of particular significance for the Group and believes it should continue to be the main financial measure for annual bonus plan purposes. The maximum bonus opportunity for FY23 was 225% of salary for the CEO and 200% of salary for the CFO.

The Executive Directors' awards are funded from the Group bonus pool. For FY2023 bonus awards for the Executive Directors and Group Executive team continue to be determined in accordance with performance assessed: 60% against Group AOP; 20% against Group strategic objectives; and 20% against personal objectives (including divisional objectives where applicable).

Personal performance is assessed against contribution to the strategic objectives, including cultural objectives, and against role-related goals and expected behaviours, taking into account both what has been achieved and how the individuals achieved their targets.

Determination of bonus for FY2023

The Committee determined the overall Group bonus pool with reference to the 12-month performance period ending 31 December 2023. The performance measures and targets for the FY2023 Group bonus pool are set out below:

Performance measure	Threshold	Target	Maximum	Weighting	Outcome achieved
Group AOP	£2,740m	£2,880m Actual £2,934m[1]	£3,210m	60%	38%
Strategic Objectives	10% Details of performance are set out below	20% Actual: 28%	40%	40%	28%
Total				100%	66%

1 AOP excludes amortisation of purchased intangibles and non-underlying items, and is measured using budget foreign exchange rates and is on a pro-forma basis.

Summary assessment of strategic objectives

In determining the overall outcome of the strategic objectives for the FY2023 Group bonus pool, the Committee took into account certain factors relating to risk, including compliance risk and resilience, which meant that despite the otherwise strong strategic performance achieved against the objectives, the Committee determined that, on balance, the overall outcome of this component should be 28%. This outturn is lower than the previous year's outturn of 31%. Further details of performance against strategic objectives is set out below.

Measure	Objective	ESG alignment	KPIs	Performance against objectives	Outcome achieved
Growth	Accelerate growth within and across Divisions; realise transformational growth opportunities		Total income growth (excl. recoveries) Annualised Subscription Value Growth (Organic)	— Generated 8.3% income growth (excl. recoveries) from net sales, synergy, pricing, market share, retention; margin 47.7% (+7bps vs 2022). — Achieved +370bps acceleration in ASV growth since Refinitiv acquisition (vs 3.0% 1Q21), including strong yield from elevated D&A price increase.	Exceeded expectations
			Progress towards FY2024 Price yield	— Full year outcome outperformed plan; developed 2024 Pricing Strategy to outperform yield stretch target that has been successfully executed with customers.	
			Microsoft Partnership Delivery	— Delivery of commercial releases dependent on a series of complex development environment enhancements – on course to deliver product in H1 2024, ahead of schedule. — Established Operating Model including key hires and product roadmaps and engaging customers in design phase.	
			Run rate revenue synergies	— Delivered cumulative run-rate revenue synergies of £158m at year end.	
			Delivery of M&A business cases	— Executing Group M&A Strategy driving growth and efficiencies, 2023 activity included the Acadia acquisition, step-up in ownership for LCH SA, divestment of Nest and the integration of 2022 acquisitions.	
Culture	Foster diversity, inclusion and a sense of belonging; develop leadership capability to deliver our goals	S	Engagement score	— Ignited Group's purpose through launch of new global LSEG Values; Engagement Survey score 75%; flat vs. previous year at a time of lower engagement benchmarks externally.	Exceeded expectations
			Gender and Ethnic diversity in Leadership	— EDI strategy refreshed, updating training, policies & leaves focused on equity and inclusion. — 42% women in Senior Leadership as of 31 Dec 23. — 14% ethnic or racial minority at senior leadership as of 31 Dec 23.	

Annual Report on Remuneration continued

Summary assessment of strategic objectives continued

Measure	Objective	ESG alignment	KPIs	Performance against objectives	Outcome
Resilience	Drive risk awareness and management; improve infrastructure and delivery for long-term resilience, compliance, sustainable growth	G	Critical (P1) & significant (P2) risk events	— Enhanced and embedding Enterprise Risk Management Framework & Policy Governance Framework and reducing P1/P2 incidents.	Exceeded expectations
			Top Risk Remediation	— Delivering major tech infrastructural and application transformation and supporting volatility and linked demand surges; improved speed to market and cost transparency. — Investing to prepare for upcoming regulations (e.g. DORA, PS21/3) and standards (e.g. BoE TPRM); enhancing Operational Resilience and Business Continuity.	
			Business Risk Maturity Assessment	— Continuing to improve resilience and Increasing business risk maturity.	
			Compliance policy adherence on a timely basis	— Mandatory training and individual policy attestation completed per target.	
Customer	Deliver an exceptional customer and engagement through our commitment to an open approach, partnerships and transparent markets. Demonstrate thought leadership and innovation in our core customer and partner value propositions	S	Customer Experience (CX) Score	— Simplifying customer experience through migration, reduced data errors, reduced outages, quicker turnaround of Quote & Order requests; co-solutioning and innovating with customers for their needs. CX Score at year end above target.	Significantly exceeded expectations
			Brand awareness	— LSEG Brand campaign launched in 15 markets globally with all related metrics demonstrating uptick in customer engagement and sense of pride amongst employees. — Demonstrating thought leadership in ecosystem; focussed campaigns on priority advocacy topics; created partnership with Reuters Breakingviews on policy issues.	
Efficiency	Simplify our governance, technology, operations, processes and products to enable scalable growth	S,G	Run rate cost synergies	— Delivered cumulative cost synergies of £442m at year end.	Significantly exceeded expectations
			Delivery of Group Strategic Programmes	— Transforming Finance systems, processes, data, and insights to drive efficiencies, improve insights and drive commercial outcomes. — Reinvested capacity gained through process automation into 19 growth business cases, expanding coverage, depth, breadth of data.	
			Tech Portfolio outcomes	— 195/195 Business Outcomes delivered for Tech portfolio. — Driving productivity with upgraded Corporate systems (Intranet, Employee self-service, automation) and IT Simplification (Cloud, standard databases & OS).	

Summary assessment of strategic objectives continued

Measure	Objective	ESG alignment	KPIs	Performance against objectives	Outcome
Sustainability	Establish LSEG as strategic enabler and leader of sustainable economic growth in ecosystem	E,S,G	Sustainability Ranking across European Exchanges	— Ranked Top 1 or 2 in Sustainability Ranking across European Exchanges. Brand Monitor shows 66% of stakeholders (vs 60% in 2022) perceive LSEG as a leader in sustainable finance.	Significantly exceeded expectations
			Performance in 3rd party sustainability ratings	— Ratings maintained or improved vs 2022.	
			Sustainable Issuers	— Growing the proportion of total issuers with Voluntary Carbon Mark, Green Economy Mark, or on Sustainable Bond Market; 60% increase in ESG data usage.	
			Emissions	— Climate Transition programme on track with 2026 and 2030 targets.	

Assessment of personal performance

Executive Director	Commentary
David Schwimmer, Chief Executive Officer	— David Schwimmer has led the Group's strong performance in an uncertain macroeconomic environment and continues to transform our business and deliver on our strategy. He continues to grow the business at a faster rate than it had been, with growth for the full year towards the upper end of the +6-8% guidance range. We have established a consistent track-record of growth in our Data & Analytics business, with the ongoing improvements to our offering and strengthened customer relationships increasingly reflected in financial performance. — Under David's leadership, the company is in a strong position financially; adjusted operating profit was £2.9 billion, up 7.9% on a constant currency basis; LSEG remains highly cash-generative and we continue to actively manage our capital allocation. The overhang on LSEG shares which was a significant drag at the beginning of the year has been seamlessly reduced with the Blackstone Consortium placements during 2023 oversubscribed due to strong demand from investors. The Blackstone holding has reduced from over 34% to around 11% over the year. LSEG's share price closed 2023 at £92.74, +30% on the year, making it one of the best performing shares in its global sector peer group. — David continues to foster an inclusive culture, setting the tone from the top and introducing a new set of global values across the Group. The results of the employee engagement survey were strong at 75% (flat on 2022 and against a global benchmark of decline externally) and the participation rate of 88% was the highest it has ever been. — David has acted boldly to bring in high-calibre senior talent, making four new ExCo appointments (CIO, CPO, Group Head of D&A and Group Head of SAM), with three of these being external recruits. He has also secured a top calibre CFO and hired an Indices expert to run B&I. — David continues to drive the business forward. The reaction to LSEG's Capital Markets Day has been positive with clear communication of the company's medium and long-term strategy, including raising of growth-targets, acceleration of delivery of Microsoft products and announcement of further returns to shareholders. — David has demonstrated a strong track record with LSEG achieving EPS and TSR performance around the upper quartile relative to the company's global sector peer group under his tenure. The feedback received during the Remuneration Policy review from LSEG's top 40 shareholders consistently recognised the importance of his role and transformational leadership as a strength for LSEG.

Anna Manz's personal performance was not subject to assessment for the purposes of the 2023 bonus given her resignation and forfeiture of the award.

Annual Report on Remuneration continued

Based on the above context and an assessment of personal performance, the Remuneration Committee awarded bonuses to each of the Executive Directors as follows:

Role		Chief Executive Officer	Chief Financial Officer (to 29 February 2024)
Name		David Schwimmer	Anna Manz
Bonus for FY2023	% of salary	158% of salary	0% of salary[1]
	% of max	70%	0%
	£ total amount	£1,581,975	£0
	Of which 50% is deferred	£790,988	N/A
Bonus Component	Financial Performance (60%)	64% of maximum	N/A
	Group Strategic Objectives (20%)	70% of maximum	N/A
	Personal Objectives (20%)	90% of maximum	N/A

Compulsory deferral under existing Remuneration Policy
Executive Directors must compulsorily defer 50% of their bonus into shares for a period of three years under the existing Policy. Dividend equivalents will be paid in respect of deferred shares on vesting.

LTIP Awards granted in April 2020 (vesting in 2023)

The awards granted in 2020 were based on relative TSR performance versus the FTSE 100 Index peer group and adjusted EPS performance in the 36-month performance period to December 2022. The relative TSR element vested at 56% and the AEPS element vested at 100%. These vesting outcomes reflect the delivery of significant value and reflects AEPS growth of 11% year-on-year and 19% CAGR over the three-year performance period; and 13.4% TSR performance over the three-year period (4.3% annualised) representing 6th decile performance relative to the FTSE 100 peer group. The vesting price at 22 April 2023 was £80.84. These values are shown in the single figure table for the financial year ending December 2022.

LTIP Awards granted in March 2021 (to vest in 2024)

The AEPS element of the LTIP awards made in 2021 will vest at 100% and the Relative TSR element will vest at 0%. These vesting outcomes reflect the delivery of AEPS growth of 18.3% CAGR over the three-year performance period; and 8.1% TSR performance over the three-year performance period (2.6%% annualised), representing 43rd percentile performance relative to the FTSE 100 peer group. The TSR position partly reflects the significant growth in the share price in the years leading up to the start of the 2021 LTIP performance period during which LSEG was consistently upper quartile.

The value shown in the single figure table on page 137 for the financial year ending December 2023 represents the estimated value of the 2021 awards which will vest in March 2024. The estimated value (including the estimated value of the award that reflects share price growth) is based on the average share price in the final three months of the financial year (£86.34). The Committee does not intend to amend the outcome or make any adjustments in regard to share price growth over the period, on the basis that this vesting reflects our view of the Group's underlying performance and returns for shareholders over the performance period. The awards are subject to a two-year post-vesting holding period.

1 No FY2023 bonus will be awarded to Anna Manz, who resigned as CFO on 25 May 2023 and left the Group on 29 February 2024.

The final vesting outcome (including the actual share price at vesting) will be disclosed in the next Annual Report on Remuneration covering FY2024.

The performance conditions applying to awards granted in March 2021 were as follows:

EPS element (60%) – average adjusted EPS growth	**TSR element (40%) – relative TSR growth vs. UK FTSE 100 Index**	**Proportion of relevant element which vests**
Less than 8% p.a.	Less than median	0%
8% p.a.	Median ranking	25%
18% p.a. or more	Upper quartile ranking	100%
Straight-line pro-rating applies between these points		

LTIP Awards granted in FY2023

Awards during FY2023 were granted in March under the LTIP and were made with a value of 300% of salary for the Executive Directors.

		Chief Executive Officer	Chief Financial Officer (to 29 February 2024)
Name		David Schwimmer	Anna Manz[1]
LTIP (conditional award)	% of salary	300% of salary	300% of salary
	Face value	£3,000,000	£2,250,000
	Share price[2]	£73.26	£73.26
	Number of LTIP shares granted	40,950	30,712

1 Anna Manz resigned as CFO on 25 May 2023. Following her resignation, her 2023 LTIP award lapsed.
2 The share price of £73.26 was determined using the closing price (MMQ) on 16 March 2023 as approved by the Share Scheme Committee (a subcommittee of the Remuneration Committee).

The performance conditions applying to awards granted in March 2023 are as follows:

EPS element (60%) – average adjusted EPS growth	**TSR[3] element (40%) – relative TSR[3] growth vs. UK FTSE 100 Index**	**Proportion of relevant element which vests**
Less than 6% p.a.	Less than median	0%
6% p.a.	Median ranking	25%
11.5% p.a. or more	Upper quartile ranking	100%
Straight-line pro-rating applies between these points		

3 TSR is measured over a two-month trailing average at the start and end of the performance period and compared to the FTSE 100 Index peer group. EPS is measured over the same performance period, three financial years ending 31 December 2025, and compared to the FY2022 baseline.

Other share plans (SAYE, SharePurchase)

All permanent UK employees, including Executive Directors, are eligible to participate in the HM Revenue & Customs tax-favoured Save As You Earn Scheme (SAYE). Under the rules of the SAYE, participants can save up to £500 each month, for a period of three years. At the end of the saving period, savings may be used to acquire ordinary shares by exercising the related option. The options may be granted at an exercise price which represents a discount of up to 20% to market value at the date of invitation. No performance conditions are attached to SAYE options. Employees in Sri Lanka, including Executive Directors, are eligible to participate in an equivalent international SAYE plan.

There is also a SharePurchase Plan, which is designed to provide share incentives to all people in our Group, including Executive Directors, who are not based in the UK or Sri Lanka. SharePurchase allows eligible employees in 29 countries to purchase up to an equivalent of £500 of LSEG ordinary shares per month, who are then awarded additional shares which vest after the completion of a three-year plan cycle. No performance conditions are attached to the award. During 2023 we launched SharePurchase into nine new countries, meaning that this year more than 91% of our employees globally were offered the opportunity to benefit from our success and share in LSEG's future by participating in one of our employee share ownership plans.

In 2023, David Schwimmer commenced saving at the maximum of £500 per month under the SAYE, and was granted an option on exactly the same terms as all other eligible employees. David had previously saved into the 2020 SAYE plan at the maximum £500 per month and exercised his 2020 SAYE option when it matured in June 2023. Anna Manz's 2021 SAYE option lapsed on her leaving date as per the plan rules.

These all-employee share plans are a core component of our people proposition and benefits offering, acting as a modest retention tool with over 33% of eligible employees globally being enrolled in plans during 2023.

Implementation of the Remuneration Policy during 2024 (1 January 2024 to 31 December 2024) (subject to shareholder approval)

Base salary operation:

As part of the Policy review, the Committee also considered base salary levels for our Executive Directors, in the context of the overall Policy changes.

As discussed in the Statement by the Chair of the Remuneration Committee (set out on pages 118 to 123), we are proposing a total remuneration package which appropriately reflects the CEO's proven ability, exceptional performance and the true market for his role and talent, whilst remaining respectful of UK norms (both in terms of the balance of different elements of pay and the link to short and longer-term performance). The CEO's salary will be £1,375,000 in FY24, at the level required to achieve a competitive overall market positioning broadly in line with the median of sector peers, without the need to increase the other elements of pay to levels that would be inconsistent with UK practice.

No changes are proposed to the salary of the exiting CFO. A salary of £850,000 was agreed for the new CFO with a start date of 26 February 2024.

Pension operation:

The CEO and the CFO receive a pension contribution of 10% of salary which is in line with the wider workforce, ensuring compliance with the UK Corporate Governance Code.

Annual bonus operation:

- For FY2024 the weighting of financial measures within the bonus pool will be increased from 60% to 75%, incorporating both AOP and Future Growth measures. The Group bonus pool will be determined based on performance measures weighted 60% Group AOP, 15% Future Growth and 25% Group Strategic Objectives to be assessed over a 12-month performance period.
- For FY2024, we are maintaining our high level of focus on sustainability within the assessment of the strategic objectives element, reflecting our commitment to drive financial stability, empower economies and enable customers to create sustainable growth.
- The Executive Directors' awards are funded from the Group bonus pool. Bonus awards for the Executive Directors will be determined in accordance with performance assessed: 60% against Group AOP; 15% Future Growth, 15% against Group Strategic Objectives; and 10% against personal objectives (including divisional objectives where applicable).
- Personal performance is assessed against contribution to the strategic objectives, including cultural objectives, and against role-related goals and expected behaviours, taking into account both what has been achieved and how the individuals achieved their targets.
- The Remuneration Committee receives input from the Risk Committee with regard to performance related to risk culture (awareness, transparency and accountability) when assessing remuneration decisions.
- 60% of any bonus payment for Executive Directors will be paid in March 2025. Under our new Policy, the remaining 40% will be deferred into shares for a period of three years.
- Deferred awards are subject to malus and clawback provisions (e.g. in cases of material misstatement, gross misconduct, misbehaviour or material failure of risk management) with judgement applied by the Committee.
- For good leavers, deferred awards will usually vest at the normal vesting date and in full, unless the Committee determines to scale back the award based on any factors deemed relevant. Where an individual is not considered to be a good leaver, unvested awards will lapse.

Long-term incentives (granted under the Equity Incentive Plan):

Long-term incentive awards are intended to be granted under the new EIP in 2024 in line with our revised Policy and subject to shareholder approval. The 2024 long-term incentive awards will be subject to a two-year holding period in addition to the three-year vesting period, resulting in a total five-year period from the date of grant.

The Committee has given careful consideration to the target ranges applicable to the 2024 grant, in particular to ensure that AEPS growth targets are appropriately stretching taking into account both internal and external forecasts. For the AEPS element (60% weighting), the performance targets will range from 7% to 12.5% growth per annum. This means that both the threshold and maximum end of the ranges are higher than the targets set for the 2023 LTIP grant. To achieve maximum vesting, an incremental £1.1bn AOP would be required in 2026, equivalent to incremental income in the region of £2.05bn, relative to 2023. We expect that this AEPS range will be one of the highest, if not the highest, in the FTSE 30 and continues to demonstrate LSEG's commitment to setting class-leading, stretching targets. Furthermore, the higher AEPS baseline makes AEPS CAGR growth increasingly challenging to achieve for LSEG.