Good morning, good afternoon, good evening. I'm David Schwimmer, CEO of LSEG, and I'm delighted to welcome you to this Investor Education Event. Before we get into the detail for today, let me first outline what is coming up over the next few months. Today is the first of our planned Investor Education Events focused on our data and analytics division and three of the businesses within this division. Next month we will release our first half results. So we'll update you on our financial performance then, we'll also provide more insight then on operating costs, investment spend and synergies. In October, we will hold the second of our Investor Education Events focused on the two businesses within data and analytics that we won't cover today, wealth solutions and investment solutions, and also our FX trading business in capital markets. And shortly after that, we'll give a third quarter financial update.

David Schwimmer: So we have a lot of opportunities to keep you updated over the next few months. Let's look at the agenda for today. In just a moment, I will hand over to Andrea Stone to give you an overview of the data and analytics business. Andrea and I first met over two years ago before she joined Refinitiv and we had a real meeting of the minds about the opportunity in this business. So it's a pleasure for me to be able to introduce her to you today. Andrea officially became group head of data and analytics yesterday. So you get a chance to hear from her very early on in her new role. After Andrea, you'll hear from Stuart Brown, Dean Berry and Phil Cotter, the heads of enterprise solutions, trading and banking solutions and customer and third-party risk solutions. Andrea will introduce them properly and we'll leave plenty of time at the end for your questions.

David Schwimmer: It's been almost two years since we announced the Refinitiv transaction. As we said at the time, the combination with Refinitiv gives us three core advantages. A truly global footprint, multi-asset class capabilities and market-leading data and analytics at scale. These position us strongly as a leading financial markets infrastructure and data business. We operate across the capital markets value chain with leading, data analytics, workflow and services at each major point in capital formation, pre-trade decision-making, trade execution, and post-trade. Our open model is fundamental to the way we create product, distribute data and analytics and serve our customers. It remains a key point of differentiation and a competitive advantage relative to competitors who operate closed models. LSEG having acquired Refinitiv is a very powerful combination today and our ongoing integration will position LSEG to be the leading market infrastructure and data provider of the future.

David Schwimmer: In the five months since completing the acquisition, we've been making excellent progress on the integration and the synergies from the combination. The integration is on track as we execute across a number of work streams, and this is our key focus. As we disclosed with our first quarter results, we have made a great start to achieving the cost synergies with 40 million pounds of run rate saved so far. We're in a strong financial position having successfully sold Borsa Italiana, we have reduced our leverage by approximately 4 billion pounds and refinanced our bridge financing into longer-term debt at attractively low rates. And we remain confident in achieving the financial targets that we set out when we announced the transaction. The team will take you through more specifics on this shortly, but we are
already seeing the benefits we are creating with an ecosystem of connected businesses across the group. The natural linkages among our businesses drive opportunities and provide numerous ways to serve customers better.

David Schwimmer:
These linkages connect businesses, both ours and our customers with data flows that in turn generate more data and informed insights on the market. Just as liquidity begets liquidity in the markets, data begets more data, which is a natural point to lead into what you are about to hear from the data and analytics team. Andrea and the team will talk to the longterm structural trends that are driving revenue growth across the data markets in which we operate, which we estimate to be growing by 4-6% per annum over the next five years. We are well-placed to benefit from this market growth and from the strong market positions, that data and analytics has developed, providing a large opportunity set from the breadth and depth of proprietary and third-party data, global presence across the value chain with a virtuous circle of new and enhanced datasets and world-class analytics.

David Schwimmer:
We’re continuing an investment program started by Blackstone, particularly for the data platform and in workspace that is strengthening our data offerings. You will hear about our migration to the data platform in the cloud and how this is helping customers with their own migrations. We will cover costs and capex in more detail in our half year results next month. But to be clear, the investment you will hear about today is included in our current capex and synergy cost achievement guidance. The revenue synergies we are targeting together with the broader opportunities of the combination with LSED are a fundamental part of our execution plans. These opportunities and the benefits of the investment program will continue to build over time as we execute on our plans and will further drive high quality recurring revenue streams. The team will take you through how they are executing on the opportunities that we have and the delivery that is underway.

David Schwimmer:
Andrea, will lay out for you how we will accelerate our performance through a strong focus on execution. And this is about bringing rigor to how we run our business day in, day out, how we create content, strengthen our sales and distribution and serve our customers. Enhancing the customer experience, driving value from the investment in workspace and the data platform. Focusing on high impact priorities, synergy delivery, and the benefits of a larger group. As we execute on these plans, we have a high level of confidence that we will deliver revenue growth across data and analytics of 4-6% per annum over the medium term. And with that, let me hand you over to Andrea.

Andrea Redmyn Stone:
Thank you, David and thank you everyone for joining today. Building on David’s kind introduction, I will give you a flavor of my background, why I joined this business and my initial impressions and our progress so far. I started out in the industry more than 20 years ago in convertible bond sales at Lehman Brothers. Since then, I’ve driven transformations at McGraw-Hill, Standard & Poor’s, Bloomberg and Dealogic. So when it came along, the opportunity to join the Refinitiv team was highly attractive to me. I admired many of their products from afar and appreciated its data quality and strong relationships with customers. I had also seen the areas where I thought the business could improve. So now, as part of LSEG, the potential to serve the market from end-to-end by combining each company’s complimentary strengths is very apparent.
Andrea Redmyn Stone:

I've been with the company for 18 months and have been working on the integration from day one. After a lack of focused attention prior to Blackstone, the business is transforming both the customer experience and ways of working. We have a very large portfolio of products within a complex technology landscape built over many years of acquisition. Some business lines have prioritized their investments and shaped their portfolios for growth effectively, while others have work to do. Our goal today is to help you learn more about the data and analytics division, our businesses and the potential we see as part of LSEG. Let's start with an introduction to the businesses that make up DNA.

Andrea Redmyn Stone:

Our division is organized around five business lines, each providing solutions to customer communities. The idea of communities is really important to how we think and how we approach the opportunity. We organize our products and solutions around groups of market activities like trading or wealth management. This enables our customers, whether they are from the buy side, sell side, central banks, or a corporate, to achieve their objectives. I've assembled a leadership team who have deep industry and global experience and proven track records leading through change. Let me briefly introduce those who are presenting today and explain why we chose them to lead their respective businesses.

Andrea Redmyn Stone:

Stuart Brown leads enterprise data solution and brings over 25 years of history with the company. Having run our emerging and frontier markets from Singapore, he deeply understands customers and the breadth of our data products on a global basis. Stuart has the depth of expertise to help guide our customers through their digital transformations as most of them have our solutions deeply embedded through years of technology investments. Next, Dean Berry leads trading and banking. Dean has a long track record of successfully running trading businesses inside global banks and building electronic trading platforms for inter-dealer brokers.

Andrea Redmyn Stone:

He's worked in Japan, Singapore, and Frankfurt, and brings this global experience to revitalize the many high quality assets in the trading and banking portfolio. Growth in trading technology requires adoption by a community and Dean intimately understands the perspectives of all the players around the table. And Phil Cotter, the leader of our customer and third-party risk businesses. Phil also has over 25 years operating risk businesses on a global basis. He has successfully led a portfolio of early stage companies to become an integrated global business with consistent double digit growth. Phil knows how to run high growth businesses without slowing them down while taking advantage of being inside a large global organization. His concentration on our core strengths and thoughtful prioritization has delivered a business with strong performance and potential.

Andrea Redmyn Stone:

So turning to our business, we serve large and growing markets. On the left you can see we benefit from a market with multiple structural trends. Technology is changing at an ever increasing pace, advances in big data, scale computing and automation are all creating opportunities for greater efficiency in financial markets. Regulation has created new data requirements from customers as they conform to change. Next, let me explain what I mean by data innovation. As new technologies are applied to automate financial processes, new data sets are created, and our customers want to analyze this data in combination with other data to gain unique insight. Let me give you an example. Transcripts, a decade
ago, transcripts were relatively commoditized PDFs which were consumed by readers after an event. Today, with the advent of machine learning, AI and speech to text, machines can be deriving sentiment from the words I'm speaking right now to gain rapid insight into more potential market opportunities.

Andrea Redmyn Stone:
This is driving demand from our data. And lastly, broad societal change is stimulating growth in our industry. For investors, traders, and risk managers, sustainable finance has become a mandate, not an option and we are increasingly well positioned to support this. We benefit from all these trends, which you can see coming through on the right-hand side. We estimate our total addressable market to be 45 billion pounds within an industry growing mid single digits.

Andrea Redmyn Stone:
Our business is comprised of three key components, data, analytics and indices and distribution capabilities. We align around five key customer communities who serve a wide variety of institutions across financial services. And as you can see here on the right, we deliver data, analytics, and indices for everyone, which means we have a strong and diverse customer base. I love this slide, it really brings to life the breadth and scale of our businesses, and it demonstrates our market leadership position. Our revenues are diversified, both across our customer communities and the regions we serve. On that front, we expect to see growth in all of our regions, but believe there's a particular opportunity to grow in the Asia-Pacific region over the next few years. Our revenues are also high-quality. 93% of our revenues are recurring, giving us great visibility into future earnings.

Andrea Redmyn Stone:
On slide 17, you'll see that we operate a truly global business with 2,500 sales professionals serving customers around the world. We have over 6,000 customer operations and data professionals working 24/7 in locations, such as Beijing, Bangkok, Bangalore, Manila, and [inaudible] just to name a few and all supporting our scale platform. A key differentiator here is our local market presence and expertise. We have many cross-functional representations in our local offices. This includes business and technology executives, where our leaders have long standing relationships with local market stakeholders, customers, governments, and regulators. Our business operates with four types of commercial models. They align to customer needs which continue to evolve. Starting on the upper left, we provide the majority of our data products through subscriptions and moving to the right, enterprise agreements generate long-term recurring revenue. For example, our Refinitiv Access program offers unrestricted access to many of our data products over a multi-year subscription for a single predictable price.

Andrea Redmyn Stone:
These two models are measured in annual contract value, a core KPI that we use to assess the health of our business. On the bottom left, we earn transaction and servicing fees. A good portion of this becomes recurring revenue as our products and services become embedded within our customers' ongoing business. And last on the bottom right, we earned fee income linked to assets under management that are generated by our customers' investment products. The key takeaway here is that these commercial models give us flexibility to serve a wide range of customers from small businesses to large enterprises. And this provides a good foundation for growth while also providing good balance across transactional and long-term predictable recurring revenue. And the other benefit of these four commercial models is that they drive value for our customers and they drive value and retention benefits for us, as you can see on the slide.
Now let’s take a look at how we’re positioned in the market and our competitive advantage. We operate in a market where scale provides competitive advantage. Over the past 20 years, we have witnessed an accelerating consolidation of financial technology and data players as the large grow larger. Our customers want to work with fewer scale partners but need ever more data. And our industry recognizes the economies of scale that are possible in managing data. This chart shows how revenue in 2020 for us and our listed competitors as a proxy for the scale of our data. We have a unique position in this market as the only competitor that has a strong position and scale in both market infrastructure and data services. And now we have access to all the data generated within the value chain within LSEG. But scale alone isn’t enough, it’s the combination of the four attributes on this page that truly differentiate us.

Some have strength in one or more areas, but nobody has all four that you can see here. We have a truly global footprint delivering solutions for customers in over 190 countries, multi-asset class capabilities and presence across the financial markets value chain and proprietary data and analytics, which have become must have industry standards. And right at the heart of it is our open model. For data and analytics that means building our data so that it’s interoperable with other data, building our distribution with open standards and connecting to market venues to provide our customers with the most comprehensive access to execution possible. It is a true value creator and key differentiator that is deeply embedded in how we operate, how we work with our customers and partners and how we’re investing to drive simplicity and speed. Everything we do is about meeting our customers where they need us to be and how they need us to work. I’m going to focus on the bottom two of these four themes over the next couple of pages to demonstrate the depth of our capabilities at scale. As David mentioned, LSEG serves the entire financial markets value chain. While our capital markets and post-trade divisions focus on providing solutions for trade execution and clearing, the data and analytics division focuses on creating data solutions that are used throughout and within the many steps of the value chain. DNA touches everyone because it touches the whole value chain. And we have many products that serves steps along that chain. We have the potential for our trading venues and clearing services to use the data and analytics platform to create differentiated analytics from data created by their services. Our breadth means that we have multiple growth opportunities and our diversification means that we are not constrained in any one market. And we have more choice, allowing us to prioritize our time and capital to maximize growth.

Let me start by giving you a sense of the scale of our business and the competitive advantage that it brings. Supporting facts and points in the version available for download is on our website. I’m going to take some time to go through this slide, because what I want to do is fully demonstrate how we’re differentiated. First, data. We process massive quantities of data from hundreds of thousands of sources every day at high volume and velocity with a quality that is difficult and expensive to match. The value of this capability was one of the key reasons for LSEG’s acquisition of Refinitiv. We create our own proprietary data by collecting it, calculating it, or deriving it from the vast data sets we’ve already gathered. And we also aggregate and organize the data from over 1200 partners seeking access to our global communities. A really important point here is that we’ve been doing this longer than anyone else.
We’ve retained all the source data while many of our competitors focused on specific use cases and left the historical data on the cutting room floor. The demand and the value of this history is increasing as our customers adopt more machine learning and big data technologies. Next, on the second row reading left to right, this vast store of data needs to be organized, cleansed, normalized, and linked to each other. We connect legal entities to their securities, to their officers, to their transactions. And these linkages must be of high quality and accurate as our customers rely on them to make sense decisions. Finally, we tag and link the data, making it relatable to other data sets that reside outside our platform and we apply identifiers to security data to help our customers move data around inside their organizations. These identifiers have become the language of market data and we’re managing them for over 90 million securities going back 70 years.

Andrea Redmyn Stone:
Our identifiers act like a [inaudible] making LSEG data interoperable with client generated data. This is unique and extremely valuable. Next, analytics and indices. We create world-class proprietary analytics and indices. We start by creating methodologies that reflect a view on market performance and power these analysis with our data. We further enrich that data to the highest quality possible so the customers can trust our analysis. Our analytics are provided in a variety of ways, pricing, scores, rankings, benchmarks, estimates, and indices, all of which objectively measure relative performance. And we derive our analytics through a range of methods from trade data, institutional quality research analysts, and from our predictive quantitative models. Powering our data and our analytics creates a virtuous circle. As customers use our analytics, they continuously give us feedback on how accurately we reflect the market. This in turn helps us improve the quality of our offering and as quality improves, [inaudible] adoption grows.

Andrea Redmyn Stone:
This leads to our analytics being accepted as must have industry standards. Then demand grows for both the analytic and the data which powers it as our customers want to compare themselves to the market as accurately as possible. We are seeing above market growth in the areas of our business which have these must have analytics, which Stuart, Dean and Phil will discuss later today. And lastly, the power of our multichannel open distribution. To realize the value of our data and analytics, we need to distribute it and meet our customers where they need us to be, at the right place, right time and right speed.

Andrea Redmyn Stone:
We deliver our products through many distribution channels to serve humans, machines, humans who know how to code machines, partners, and customers of our customers. We package our data and analytics in ways that are tailored to the needs, goals and objectives of our customer communities. We gain competitive advantage through the many channels of distribution we own and cover with the breadth of use cases we serve across the financial services ecosystem. Tying this all together, our competitive advantage is the scale achieved through the combination of these three core capabilities. Our competitors have some of these capabilities across data analytics and distribution, but none of them have all of these capabilities at the scale and breadth that we do, making it difficult to replicate our distribution capability.

Andrea Redmyn Stone:
The demand for insight into sustainable finance and investing is a great example of how we harness our scale and capabilities to serve many customer communities across the value chain to achieve growth.
Our ESG data is comprehensive representing 80% of global market cap and it measures how companies, countries, and funds perform against 10 themes and more than 450 different metrics. Some of our data sets are unique. And you can see on this page that we use them to drive league tables or new ESG indices just to name a couple of examples. We also embed the new ESG data and analytics into customer workflows. Examples here include, screeners in our portfolio analytics, scores in our wealth management reports and green crime filters for supplier onboarding. These tailored products are delivered to our customers via many distribution channels, and we have a long history of innovations in sustainable finance.

Andrea Redmyn Stone:
For example, we acquired ASSET4, one of the leading ESG databases 12 years ago, and introduced FTSE4Good Index Series 20 years ago. And we engage with our communities, recently by publishing our ESG scores for 10,000 companies on our public website. This generates feedback and in turn helps drive demand for the rich underlying data. Ultimately, ESG data and sustainable finance are part of everything we do as we continuously apply our expertise and credentials to meet growing customer demand. So stepping back, we are excited about the data and analytics division and its potential within LSEG. As you can see, we are well positioned to capitalize on longterm structural tailwinds and this is what gives me confidence for the future. One, we have core competencies across our business model and operate at scale. Two, we create a virtuous circle when our world-class analytics are powered by our data. And three, we have the ability to anticipate market needs, then assemble insightful products that meet that demand by combining partner data and our own proprietary data and analytics. So that's the context for our business. Now, how are we going to deliver growth?

Andrea Redmyn Stone:
As you'll see on slide 27, we've made considerable process. From the chart on the left, you can see year over year improvement and increasing momentum in our business. We've achieved this by focusing on doing the basics better. By engaging with our customers more effectively, we've increased satisfaction and improved our customer retention. By focusing on improving our agility, we started simplifying our product portfolio and launching products faster. And we listen to our customers. Some have 10 or even 20 or more products with us. We are simplifying their lives with our new enterprise commercial model, I explained earlier Refinitiv Access. In addition to delivering year over year revenue growth and stronger margins, these efforts give us the momentum to achieve growth of at least 4-6% in line with the growth of our total addressable market. To sustain and accelerate our momentum there are three things we focus on to deliver growth. First, continuing to improve execution. There's room to run by simply continuing to better market and sell our products more effectively within and across our businesses.

Andrea Redmyn Stone:
And refinement of our global go to market organization is already yielding benefits. The more we increase our capacity to create content, the better we can capture our customer's rising demand for data from fewer scale partners. Next, we’re focused on enhancing the customer experience. Our customer's needs are rapidly changing, and they all tell us that they are accelerating their pace of digital transformation. We are creating value by focusing this investment into our data platform. It's delivering a host of new capabilities for our customers while also improving our operational agility and resilience. And as part of that, we’re investing to deliver a next generation distribution channel that we call Workspace. It gives our customers the flexibility they need, particularly in our new world of hybrid and virtual work environments. I’ll take you through the platform and Workspace in just a minute.
Andrea Redmyn Stone:
And third, we are prioritizing synergies and growth in everything we do, focusing our efforts on the high impact opportunities within the data and analytics portfolio where we see significant long-term growth. Again, Stuart, Dean and Phil will each tell you

Andrea Redmyn Stone:
... how they are accelerating momentum and driving sustainable growth through these three focus areas. Let me set a minute to set the overall context.

Andrea Redmyn Stone:
Looking at the top half of this slide, we’ve made improvements to our sales execution by shifting to a product specialist sales model, by improving the alignment of our sales force to our businesses. We’ve established a new customer success organization, which is improving engagement with our customers well past the point of sale. By making our customers aware of new data sets and product features, we’re helping them use our products more and find more value, which is improving retention. And we’ve applied more rigor to how we sell, driving more consistency and transparency. Going forward, there's work to do on our sales coverage model, developing digital sales and evolving our commercial models.

Andrea Redmyn Stone:
On the bottom half of the slide, you can see how we’re focused on increasing our capacity for content creation by making our data operations teams more productive and efficient. We’ve optimized processes for creating data and used advanced data technologies to build tools that help our analysts build an analytic in hours instead of days, weeks, and months. We’re also training our teams in new data programming languages in data science, so they can be more productive and support our customers better. Many of whom are hiring hundreds of data scientists and entry-level employees who know how to code. So looking ahead, this will continue and expand to how we onboard more data, making it easier for more partners to reach our customers, communities.

Andrea Redmyn Stone:
I’m passionate about our second area of focus, our customer experience. I am determined that we will meet our customers where they need us to be. And increasingly, that’s in the cloud, as they seek to realize the benefits of its scale and resiliency. That's consistent with our strategy of enhancing the customer experience. Some of our products like realtime distribution reside in our customer's private cloud, some in ours and some in public clouds, but shifting to the cloud is not a silver bullet in itself. What’s important is that we realize the benefits from the cloud in a consistent, scalable manner that improves the overall customer experience. Today, our customers are interacting with our vast and varied product portfolio built up over many years of ever evolving technologies largely on-premise. This drives complexity for our customers and for us. It has also resulted in failures in our customer performance, as we’ve all seen very publicly recently. This is unacceptable for our customers and it's unacceptable for us. To address that, we are applying LSEG’s track record for delivering resiliency in market infrastructure to our ongoing investment into the delivery of the data platform. Now, with an open architecture approach, we can make our data more consistent in every product we have, put our data into the cloud and build a new suite of cloud native capabilities and help our customers get more value through a single consistent experience, making it easier for them to access, distribute, and develop with LSEG data and analytics.
Andrea Redmyn Stone:
On the right, you will see a high level conceptual diagram of the platform. Improving the customer experience starts with improving the data itself. We are streamlining and connecting many of our databases into a consistent framework. This drives a better experience for the machines and the humans who consume it. We’ve listened to our customers who said they want more transparency and control over the data they consume. They also want us to make it easier for them to find data and reduce their risk when they experiment with data. So the platform includes new cloud native capabilities that make it easier for our customers to do just that.

Andrea Redmyn Stone:
Below capabilities, you will see our streamlined distribution channels. Our customers are accelerating the pace of their digital transformations and they've asked us to simplify how we deliver our data. And again, we've listened, adopting open standards and modern programming languages that make it easier for our customers and our partners to build with our data. We’re doing all of this through an open approach. With our data platform, the all around experience is much improved with enhanced agility for our customers’ businesses. And most importantly, we are meeting our customers where they need us to be. The platform doesn't just benefit customers, it also benefits us. A simpler product portfolio allows us to sell, service, support, and maintain our customers in a much more efficient and reliable way. This helps us fulfill the potential our customers see in us, and it will underpin long-term growth.

Andrea Redmyn Stone:
Now, let me talk about the humans we serve. Workspace is our next generation human interface, which is powered by our data platform. The COVID crisis highlights just how much a one size fits all proprietary desktop tied to a physical location does not fit where our industry is headed, but Workspace absolutely is. It is lightweight, fast, and intuitive to use. It is cloud native, built on modern open architecture. It is multi-modal, which means you can work across devices. That's highly relevant for the hybrid work environment that’s here to stay. And it’s integrated into industry leading productivity tools like Excel and soon, industry leading messaging and collaboration platform.

Andrea Redmyn Stone:
Now, this is an important point. Workspace is not a closed box, one size fits all terminal. Workspace is designed for the flexibility our customers need for the future. In the words of our customers, “Humans shouldn’t be looking at terminals, they should be looking at the output of algorithms.”

Andrea Redmyn Stone:
Workspace serves the next generation of users who are fluent in the language of data, who work in new programming languages like Python and R to build their own models, applications, and analytics. Analysts entering trading floors and investment banks today know how to code, and our customers want to capitalize on this. Workspace is designed for organizations who want to optimize their screen real estate and build and integrate their own and partner applications. Customers now have choices. The data and the analytics they need, access across any device, as a desktop, as an integrated component, or as data itself.

Andrea Redmyn Stone:
Now, here we are sharing a clear roadmap to deliver an enhanced customer experience. This is a multi-year program which requires making our content available, building new capabilities in the cloud and
delivering new distribution products and workspace to our customer base. I'm not going to go through all the detail on this slide, but it's important to call out two trends.

Andrea Redmyn Stone:
The first is continuing to build out our capabilities and content onto the platform over the next few years. The second is to deliver Workspace for different customer communities. And as you can see from the slide, we're still in early days of our customer migrations, and we will be rolling out these new solutions progressively over the next year years. It's important to note, we can only migrate at the pace our customers are comfortable with. We're about a third of the way through our multi-year investment program to deliver our platform in Workspace and we're making steady progress.

Andrea Redmyn Stone:
And finally, the third area of focus in our growth plan, investing for growth and delivering our revenue synergies. Our use of capital is focused and deployed in our highest revenue concentration, revenue growth, businesses. A shift in mentality. Breadth and depth of data and analytics is our core competency. We will always continue to create unique proprietary data and analytics, which will drive our growth. As David said, “Data begets data.” And we're doing so in an open way, building communities and partnerships with our customers and across the LSEG value chain.

Andrea Redmyn Stone:
D&A is already benefiting from being part of LSEG. You can see all the ways we are engaging across the business to create value. We had nine months to plan our integration and we're already making considerable progress. For example, we launched 15 new index products and 11 new fixed income analytics capabilities, all to drive revenue synergies in our first five months, and there's more to come. The highly complimentary nature of the transaction means that LSEG has filled many of Refinitiv's gaps along the value chain and introduce products that stimulate demand when used together. Fixed income is a great example.

Andrea Redmyn Stone:
Historically, Refinitiv's strengths have been centered in its FX and commodities franchise, leaving some gaps. But now, we have the opportunity to provide our customers a high-quality, multi-asset class alternative by connecting fixed income products and improving our overall offering across the value chain. For example, we’re linking our evaluated pricing and our enterprise business to Yield Book, our fixed income analytics in our investment solutions business to the municipal dealers community in our trading and banking business, and ultimately to Tradeweb. This is a really powerful example of how the simple connections we can make now together. And here's the phasing and timing of our execution plan. We will continue to see the benefits of better execution over the next 12 to 24 months. The benefits of our investment into an enhanced customer experience will start to come through in 2022 and accelerate thereafter. And our focus on delivering the revenue synergies and high-growth areas will sustain us throughout both the near-term and long-term.

Andrea Redmyn Stone:
So in conclusion, this business has momentum. We are confident we will achieve at least mid single digit growth in line with the market. This is a strong portfolio, underpinned by clear growth drivers, benefiting from targeted investment and a laser focus on execution. We have demonstrated our ability to deliver transformation at scale and at pace, deploying our capital where it matters. Stuart, Dean, and
Phil will take you through how we're doing this in their businesses and how we will deliver these growth expectations. I look forward to your questions later in our session. So now after a brief video, I'd like to hand it over to Stuart. Thank you.

Stuart Brown:

Good afternoon. I'm Stuart Brown and I've been leading the enterprise data solutions business since last November. I've been working in the trading and financial data industry for 25 years, having joined Reuters in 1996. I'm extremely excited about the opportunities we see for future growth within this business. Today, I will cover the areas where we are already executing and our growth plans, which will see us take advantage of our leading position and the market secular trends, which are driving the demand for data.

Stuart Brown:

Firstly, let me give you a high-level view of what we do starting on slide 40. We aggregate and distribute market data derived from thousands of sources globally, such as data from exchanges. We provide pricing and reference data. For example, for equities and fixed income instruments that is critical for financial market activities. Our data is used in a wide range of key activities across the front middle and back office. We offer choice on the speed of delivery, from real time to end of day. And we offer technology that helps customers manage and distribute that data.

Stuart Brown:

Our customers are the most senior market data and technology leaders at the largest banks and asset managers, through to the smallest corporates and emerging fintechs. Commercially, we generate revenue from license fees for the data we supply and the technology we provide for customers to distribute it. We also generate significant scale in our commercial model. The same data is packaged up for different types of customers and different activities.

Stuart Brown:

Turning to slide 41. As you can see, we have delivered mid single digit revenue growth over the past three years. Competitive pricing pressure in real time slowed our growth last year and more recently, but improvements we have made to our sales approach. And to real time, service are already beginning to deliver positive results. Importantly, we have seen customers beginning to return to us as they realize quality and breadth of data is ultimately more important than price. We’re not yet growing real time in line with the market, but we’re on the right path. Meanwhile, the introduction of new and broader data sets and products are improving customer confidence. This allows us to accelerate our execution plans as we benefit from market tailwinds and as customers further integrate our data and products. Combined, these elements underpin the growth opportunity we see in the market. And as a result, I’m confident we can now get back to mid single digit revenue growth over the medium term.

Stuart Brown:

Let's now cover the markets we serve and the underlying growth drivers. Turning to slide 42. As you can see on the left-hand side of the slide, there are a number of structural tailwinds driving the demand for data. Regulation, increasing automation, advancing technologies, such as cloud and artificial intelligence. And lastly, the demand for performance. In other words, customers wanting to be able to do more with the data they receive. But of these four, regulation is the most important. Since the financial crisis, there's been a constant stream of new regulation, focused on areas such as capital
adequacy, valuation, stress testing, liquidity risk management, and sustainable finance. You can imagine the burden regulations such as Basel III, Solvency II, MiFID II, FRTB, and increasingly in Sustainable Finance Disclosure have placed on clients. We are able to benefit from this trend because many of the data sets we provide are critical inputs for regulatory compliance. In many cases, we have launched specific data sets to help customers meet specific regulations, such as for FRTB and MiFID II. And this approach has been a key source of our recent revenue growth. Combining these trends, we see a huge opportunity. Already a leading provider with our data and technology, we are well positioned to grow share in this expanding market. Turning to slide 43. As I said, we engage and serve the most senior executives in financial markets, such as chief technology officers, chief data officers, and global heads of market data. We also serve the technology and development and data teams, including the fast-growing network of data scientists. Combined, the data and technology we supply helps power the financial markets and enables many core activities from trading to valuation to regulatory reporting.

Stuart Brown:
As you can see on slide 44, the combined revenue for enterprise data solutions is 98% recurring and subscription-based. The revenue is also very much global in nature. Let's now look at this business in more detail, turning to slide 45.

Stuart Brown:
Our market-leading business is organized into three areas: real-time data, distribution technology, and pricing and reference services. Combined, real-time data and distribution represents 66% of our revenues. In real-time data, we are the number one provider, supplying real-time and historical data from over 1,000 exchange over-the-counter venues and partners. London Stock Exchange's real-time data business is now included in the segment.

Stuart Brown:
We offer the broadest and deepest data sets of any vendor covering the financial markets globally. The data we supply is mission critical for trading, hedging, analytics, portfolio management, and many other core financial market activities. We have the longest history of market data available, going back 25 years. Data which is key for trading and risk management activities. We also supply unique and exclusive data from venues such as Tradeweb. We continue to enhance our real-time data products, adding new venues and data sets, including ESG as well as new delivery methods to maintain our number one position.

Stuart Brown:
Our data distribution business supplies technologies and tools built on our open data standards. That allows customers to consume, integrate, manage, and distribute across their entire organization. We are the number one provider and have been for over 30 years. I will provide an example later of how a large bank deploys and uses our distribution technology combined with our data. We offer this as a deployed service with hardware and software installed on customer sites, as well as offering as a managed service.

Stuart Brown:
Lastly, turning to our pricing and reference services business. As you can see on the right-hand side of this slide, this currently accounts for 34% of our revenues. We provide pricing and reference data for multi-asset securities, shareholder disclosures, corporate actions, as well as daily evaluated pricing for
over 2.6 million fixed income instruments. For ease, I'll reference the pricing and reference services business as PRS for the remainder of this presentation.

Stuart Brown:
As with our real-time data, these pricing and reference data sets are critical for multiple customer activities, such as settlement, risk management, valuations, and regulatory reporting. Over the past few years, we've invested in improving both the quality and completeness of the data sets that we offer. This has seen us take share from competitors and become a top three player globally. I will provide more detail on our execution plans for PRS and the confidence we have in them later in the presentation.

Stuart Brown:
Let me now highlight our strong competitive advantages, which makes the ability to replicate the breadth, depth, and history of data and the range of delivery methods from low latency to end of day, complex and expensive. Turning to slide 47 and starting with covering how deeply we are connected with customers. Let me take a few moments to put into context how our data and products power the global financial markets. The top 30 largest global banks all use our real-time distribution technology to power their enterprise as do the top 10 largest asset managers. In fact, we have over 1,000 customers globally who rely on our distribution technology. In addition, we have over 1,200 real-time data customers and 3,000 PRS customers. And we are targeting the addition of a further 1,000 new PRS customers over the next five years. We will cover our plans to achieve this shortly.

Stuart Brown:
In addition to helping customers, we partner extensively to power many well-known market leading third-party applications using the front, middle, and back office. In fact, over 1,200 approved partners have built their products to work with our data and to consume or redistribute the data we supply. In many cases, these are exclusive partnerships. BlackRock's Aladdin is a great example of where we are the preferred pricing and reference data partner for their market leading portfolio management solution. As BlackRock sells more instances of Aladdin, we sell more reference data. This partnership and many others continue to be a significant source of new sales and revenue for us. Turning to slide 48, an explanation of how we are hardwired into our customers' enterprise.

Stuart Brown:
So, how does this all come together in the eyes of our customers? A typical large bank, such as HSBC, JP Morgan or ICPC will use our distribution technology and the real-time and pricing reference data we supply to power our products such as Workspace, as well as their own in-house developed products their are models in Excel, as well as applications using modern programming languages, such as Python. Our customers use our distribution technology and data for the solutions they build for their own customers, such as their retail portals or the online wealth digital solutions. To reinforce how integrated we are, on average, a customer will have between 3 to 500 different applications across their business connected to our data feeds and are fully dependent on our data to operate. This typical setup is replicated globally across all financial centers, where banks operate a live trading environment. As a result, our technology, real-time, and pricing and reference data is hardwired into our customer’s enterprise and their infrastructure.

Stuart Brown:
Additionally, our open data model and standards make it easy for both customers and partners to work with us and to build this network of connected applications, giving us another key competitive advantage. Let's look in more detail on how we are growing in the PRS market. Turning to slide 49.

Stuart Brown:
As with real-time, the pricing and reference data we supply is broad and becoming even more comprehensive. Over the last two years, we forecast the PRS market grew at 4%, primarily due to regulation. Over the same period, we grew at 7% as our investment in filling data gaps, launching new data sets aligned to regulation and compliance and better sales execution has seen us becoming more deeply integrated with customers, especially asset owners, asset managers, and banks. This progress has seen us move from a number six player to a top three player. As our offering improves, it makes it more compelling for existing and new customers to select us as a key reference data provider. We're also reducing customers operational risk as a single feed of reference data from us can now serve multiple activities. This helps to lower the cost of integrating new data sets required to comply with new regulations.

Stuart Brown:
Finally, our teams work in partnership with customers as they purchase new data to ensure it becomes deeply integrated across their company. We have leaned from our experiences in real-time data, the easier we make our pricing and reference data to work with for customers and partners, the more they will buy from us. Building on the PRS growth story, let's look the many commercial benefits of combining FTSE Russell indices and PRS. Turning to slide 50.

Stuart Brown:
Since the transaction closed, we have been able to execute on a specific revenue synergy that I'd like to explain in more detail, as it demonstrates major benefits of the deal. It involves the combination of our PRS data with our FTSE Russell indices, and we have made excellent initial progress. We're now able to use our pricing and reference data in the construction of FTSE Russell's fixed income indices, and we're able to sell both the index and the corresponding reference data. An approach adopted by other providers and one customers' prefer. We will apply the same approach to our ESG indices. We've been encouraged with progressing closed with a number of key customer wins already secured. This gives me confidence that our synergy plan is solid and that it will deliver the growth we are forecasting from these activities. Turning to slide 52.

Stuart Brown:
Over the few slides, I'll provide more detail on the steps to deliver mid single digit revenue growth over the medium term. Namely, I'll focus on execution, enhancing the customer experience, and prioritizing synergies and further growth. Let me start with a focus on execution on slide 53.

Stuart Brown:
The investments we have made over the past 18 months are making our business better and have contributed to the improved momentum in enterprise data solutions. In both real-time and distribution and PRS, we've seen a steady delivery of content and product releases. This has been aligned to specific regulations, an increasing focus on sustainable finance, demand for emerging market content, and launching new products for new customer segments. We've also made changes to how we sell our pricing reference services, moving from a generalist model to a dedicated sales specialist model. This
has worked and we’ve added more dedicated sales specialists in more countries around the world. Again, aligning them to local

Stuart Brown:

Bull market and regulatory opportunities. We’re also laser focused on customer renewals with greater sales specialism. These changes have been key drivers of increased sales and pipeline growth, which all flows through to revenue and our overall performance. And lastly we’re going to prioritize some key partners who we feel have the greatest potential for driving new sales of both real time and reference data, replicating the BlackRock Aladdin example, I mentioned previously. Turning to slide 54. We know that to deliver even more growth in PRS there are certain data sets that we need to build out. Once we do that, then we will be in an even better position to grow market share and add value for customers. An example, we have already funded the delivery of enhanced datasets for corporate actions, US municipal bonds, and automating our evaluated pricing services. Plugging these gaps strengthens our offering. I will help us continue to move up the reference data provider table.

Stuart Brown:

We're also adding exclusive and market-leading fixed income data from Tradeweb, a stream of new venue data from exchanges and expanding our machine readable news feeds, including unique Reuters news that our customers want to consume and process via machines to generate signal and sentiment. And lastly we're working at pace to execute on a range of clarity related initiatives ahead of our competitors. Most built on the data we already have on the data platform. Our third era focus is to prioritize synergies and feature growth. As you can see on slide 55, we are focused on retaining customers and growing revenues with dedicated teams, engaging customers. So they are fully aware of all our new data and solutions. We're ready.

Stuart Brown:

Were also helping them navigate their journey to the cloud. The FTSE Russell PRS revenue synergy that I covered earlier is our top synergy priority, but there are several other benefits of us coming together as LSEG, such as using the yield book, fixed income analytics to improve our FRTB regulatory solution. Additionally, our LSE data and CDL teams are also now able to tap into a much larger global account management network, especially in Asia and emerging markets, which is opening up new sales opportunities.

Stuart Brown:

And lastly, we’re investing in providing more data delivery options in an expanding market. For example, by putting some of our real time data in the cloud, we've been able to sign up 50 new clients in 2021, creating new revenue streams from new types of customers, including FinTech’s, data scientists and smaller corporates. The timeline to achieve on our growth plans is outlined on slide 56. You will see that we have market opportunities today as a result of the investments already made and into the longer term as we build on this and execute against our growth strategy in summary on slide 57, I'm extremely confident in our ability to deliver mid, single digit growth over the medium term. Let me summarize how the combination of four key areas differentiates us from our competitors. Firstly, our data powers the global financial markets across the front middle and back office.

Stuart Brown:
And we have leading positions in real time and distribution. Secondly, we have a strong competitive position and are firmly connected with our customers, this deep level of integration combined with the breadth, depth and quality of real time and pricing and reference data is very time-consuming and very expensive for others to replicate. Thirdly, industry trends, especially regulation are driving an increasing demand for data. We are delivering new enhanced data sets and services as well as addressing new customer segments, a new distribution channels. Finally, we have a proven track record of execution. We are already seeing the commercial benefits and impact of our previous investments, we are well positioned to capitalize on the revenue generating synergies FTSE Russell and PRS being the most impactful. I’m excited by the competitive advantages that we have and the opportunities ahead of us.

Thank you. And I will now hand over to Dean Berry.

Dean Berry:

Thank you, Stuart. And thanks everyone for joining today. I'm Dean Berry and I joined ALSAC last November as group head of the trading and banking solutions business. Over my 25 years in trading, I've been both a customer and the partner of the business that I now run. I've seen the breadth of our data capabilities and the robustness of our trading solutions. I've also seen our vast distribution reach, critically I've also gained a similar perspective on our key competitors. I know where we have an edge and I know where we have work to do in the past eight months. I've now seen the business from the inside and I'm excited by what I've found. I'm even more convinced that this is a strong business full of potential, but let me be clear. This business has had a growth challenge. Revenues have declined in recent years and parts of our offering haven't kept pace with top competitors. However, I'm really confident the team and I know what's needed to turn this business around with the right execution and targeted investment, we will fulfill our potential as the market leading solutions provider for trading and banking customers and we will return this business to growth.

Dean Berry:

Let me start by giving you an overview of our business. Starting on slide 60, our business provides data and content analytics and workflow solutions to a range of customers across the trading and banking communities. We deliver our solutions through human channels, optimize for human use. On the trading side, our customers include Southside banks and brokers, asset managers, and hedge funds, corporate treasuries, and central banks. Our banking customers include investment banks, private equity and consulting firms, corporates, government institutions, and academia. Our customers pay a recurring monthly fee to access our solutions via the desktop. We also generate revenues from trading workflow solutions as well as market insight and content delivered through non desktop channels. A key element of our strategy is to reduce reliance on the traditional desktop product. As we accelerate growth in other areas, as you can see on slide 61, our business competes in what we estimate to be a 12 to 15 billion pound market, our 2020 revenues of 1.6 billion pounds means we command an 11 to 13% share of this segment.

Dean Berry:

Overall, the segment is growing in the low single digits. The key headwind in the desktop space is the desktop space where automation has reduced trade ahead count in recent years. However, that same automation trend also creates tailwinds. As new demand is created for more agile data and analytics tools to support today's data hungry, quantitative trader. As electronic trading continues to expand across asset classes. The demand for multi-asset class trading workflow solutions grows with it. As you can see from the final bullet point, the banking side of our business sees continued growth. For example, the recent explosion in deal activity means banks are hiring more people and these hired need more
data content and analytics solutions. As a result, the positive growth drivers outweigh the trading headcount drag, turning now to slide 62 on the right hand side, you'll see we serve over 30,000 customers and 250,000 users across 190 countries. A key strength is our ability to win with specific communities, such as central banks, corporate treasuries, and academia. We built sticky solutions to serve the needs of those customers. For example, we now execute over $200 billion of volume per month in primary market auctions on the back of our strong central bank offering. Turning to slide 63, okay. Our trading portfolio makes up 80% of our revenues. Banking represents the other 20%. Both businesses are geographically diverse. In trading we have a strong presence in the EMEA and APAC region. However we have work to do in the Americas. And we will look to drive growth there as we build our core capabilities across fixed income and equities products, the bank inside chose a different regional mix, more aligned with global investment banking fee pools and their US based central gravity. Given this mix, APAC represents an important future growth opportunity.

Dean Berry:

Finally, both businesses generate a high-quality revenue stream with 98% of our revenues coming from monthly recurring fees. While most of our fees are generated at the user level, we’re working with customers to explore more flexible commercial models. A great example of this is our aftermarket research offering, where our banking customers access sell side research by paying for a fixed block of users, which they can then allocate without additional administration moving on to slide 64, looking at our performance over the last three years, we can see an overall decline in revenue of roughly 2% per year. While the majority of our business has been growing, the decline is entirely driven by our icon premium revenue stream, which has fallen roughly 6% per annum over the period. Eikon premium is our one size fits all desktop offering a model that we and our key competitors have pursued.

Dean Berry:

This has been particularly challenged by increases in automation and reduction in trader head count. However, we’re already addressing this issue in two key ways. Firstly, working with our customers to substitute Eikon premium with more focused solutions, for example, our Eikon fixed income or commodities variants. Secondly, investing in workspace will allow us to engage beyond the desktop in a more flexible multi-channel model. Meanwhile, we’ve seen growing demand for our banking solutions, even before the rollout of workspace. We’ve seen stable growth from our leading FX and commodities franchises and emerging growth from our fixed income and equities and execution management businesses. Given our initiatives to address the Eikon premium decline and the growth we already see in other parts of our business, we are confident that we will return the trajectory of our business to low single digit growth going forward. Turning now to slide 65, trading and banking is a portfolio of businesses.

Dean Berry:

Let's look first at our trading portfolio. FX is our most evolved asset class. We're a market leader with our FX trading desktop, including the FX dealing community and its linkages through the refinitive matching and FX all venue capabilities. As FX continues to electronify across products, we will modernize our offering, including our market leading electronic trading, FX dealing and post-trade products. Our fixed income business provides a growth opportunity. We already have some key strengths in fixed income, for example, an extensive range of differentiated data and content in our mortgage analytics platform and our comprehensive pre-trade and content solution for the municipal bond market. We also have exclusive data distribution rights for Tradeweb, market access and TPI cap data. Finally, we have an impressive footprint in emerging markets centered around our request for quote correlates and our
primary market auction tools. We’re now focused on filling the gaps in the core rates and credit products to unlock the full potential of this business.

Dean Berry:
Our commodities business also occupies a top tier market position. We pride ourselves on our high quality content for pre-trade decision support, including pricing news and fundamentals, as well as our strong presence on trading floors. We’ll continue to invest in the breadth of our content as demand accelerates for transition and sustainable finance. We also have an opportunity to leverage our pre-trade strength to expand into predictive trade analytics and execution. Finally, our equities and order and execution management business is one of our key areas of expansion. We already have a number of assets in this space and an award-winning distribution network that brings together some 850 buy-side clients and 600 banks and brokers as clients increasingly demand end to end workflows. We’ll look for ways to optimize these assets by working with partners to fill gaps and pursue opportunities.

Dean Berry:
As you can see on slide 66 banking is also a portfolio of distinct businesses. Corporate business intelligence is about providing data and analysis to corporate strategy, development and M and A groups. The need for corporates to proactively manage data and risk is ideally suited to our content and workflow tools. Our advisory business services, our core sell side investment banking, customers, private equity and consulting firms. A rich content allows these customers to manage a high volume of deal flow while driving productivity and efficiency. Our capital markets business is focused on debt and equity capital raising our differentiated content capabilities like our loan pricing tool, our international financing review publication and our deals database provide must have market intelligence and analysis. And finally, our academia business is where we capture the next generation of our customers with a data offering for students and the university community. The combination of definitive academia with LSEG’s merchant business forms a market leading presence.

Dean Berry:
We’re focused on evolving our delivery to service today’s hybrid learning environment, shifting from shared library resource to individual user access, a business is supported by strong drivers of competitive advantage. Let me touch on a few of these on the next slide 68, starting from the top, our global footprint and distribution capability delivered with a strong community focus. Our footprint is truly market-leading across countries, customers, and users. We focus our offering around customer communities. For example, in FX, we have over 14,000 FX trading users and generating over 2 million messages monthly on our definitive dealing network. Second, the quality of our data analytics and workflows, we have an unparalleled breadth of high quality data and content, including exclusive distribution of Reuters news supplemented by over 10,000 additional new sources and over 300 banks using our FX electronic trading workflow solution, third our open and flexible approach.

Dean Berry:
Our business benefits from a scalable open data platform, providing interoperable solutions for customers and partners. We received some 22 million unique data API requests from desktop users every month. And in the first quarter of this year, we had 93,000 individuals interacting with our developer portal and finally moving to the bottom of the slide, the broader LSEG capabilities, being part of LSEG makes us relevant across the value chain from pre-trade through to execution. And then on the post-trade, two examples where we’ve already begun to take advantage of this are the integration of
LSEG merchant business with our academia offering and the addition of the FTSE Russell yearbook offering for fixed income analytics, giving us a large customer footprint and leading tools to engage in the fixed income space. Competitors may rival us in some of these areas, but none can match us across all of them.

Dean Berry:
As we see on slide 69, one of our key competitive advantages is being part of the broader DNA platform. This plays out in three ways. First the development of workspace by addressing usability issues and optimizing screen real estate workspace makes our users more efficient. It is built with open HTML, five standards, allowing us to offer flexible titles, to give users the building blocks, to create their own desktop interface. As an example, our vessel tracking app allows commodities traders to track vessel movements, calculate distance, and visualize and analyze commodity flows all within a single interactive interface that they define. Second, our solutions reside on a resilient, but flexible data platform, providing data discoverability and consistency and giving users the ability to extract relevant insights when they want them. This is particularly attractive to the growing population of fin coders who represent a large proportion of the hires onto today's trading floors.

Dean Berry:
Codebook, our cloud hosted development environment for Python scripting allows today's fin coders to build their own analytics applications by accessing the data platform directly via our APIs. Finally, we don't have to reinvent the wheel to create new solutions. We can simply assemble existing products and content to create valuable new offerings aligned with customer needs and the evolving market trends. For example, last January, we assembled our COVID 19 app over a single weekend to track infection rates. In March, as COVID became recognized as a global pandemic, we launched our COVID-19 macros vital lab, linking economic, supply chain and market data directly with the COVID data. Our ability to move quickly allowed us to launch this capability two weeks earlier than the competition. Now let's look at how we will drive growth in the coming years. Turn into slide 71. Okay.

Dean Berry:
We're driving initiatives across the same three leavers, Andrea mentioned earlier. First improving execution. This starts with increased customer engagement and optimizing our current offering to better align with their needs. I'll illustrate this further on the next slide. We're also upgrading our talent. I've upgraded my own leadership team with several new hires, all of whom who have proven track records at leading banks and brokers, and most importantly have real markets DNA. Second to enhance the customer experience, we will deliver workspace our next generation delivery solution. I'll also discuss this in more detail in a moment, we're very focused on our trading collaboration tools, building on the strength of our FX and fixed income communities together with potential partnerships with leading messaging platforms we will also integrate our assets to provide end to end workflow solutions for customers, leveraging our market leading connectivity network, too allow buy-side and sell-side customers to interact more actively. And finally, we focused on areas that will drive synergies and growth in the long-term.

Dean Berry:
Let's look at a few concrete examples of our initiative in action turning to slide 72. We know the one size fits all desktop model doesn't work for everyone. So rather than just wait for workspace, we're listening to our customers and better connecting our existing products to offer more tailored solutions. I really
like this slide as it shows several recent examples of how we're doing this. Let's look at two of them starting at the top of the slide, the corporate treasury department of a major US medical device firm approached us looking to expand their team's access to data and analytics tools. They also needed to support the newly implemented hybrid working model. We offered them a trial about Eikon for corporate treasury product, which quickly demonstrated that their teams could operate in a hybrid manner, much more effectively using our product. And then moving to the bottom of the slide.

Dean Berry:

Another recent example came from a major Latin American bank, which needed a solution to enhance its FX trade surveillance function. Our compliance archive tool was able to accommodate archiving from a multitude of sources, including one of our major competitors. This allowed us to quickly displace this competitor with our solution. Moving to slide 73, let's look at how we're enhancing the customer experience through our new workspace offering. In banking, we launched in mid 2020, we continue to migrate existing and bring on new customers. We are particularly focused on our enhanced productivity tools and new content in high demand areas, such as private company data and ESG, in the trading business. The rollout will begin with a Peter program in FX at the tail end of this year, we plant the launch by community. We'll also be improving our content, including evaluated pricing and digital assets.

Dean Berry:

And we'll continue to build out analytics in an API first manner. Moving on to slide 74, rolling out workspace in our banking business has given us a lot of confidence. What's important to take away from this slide is that we're successfully executing a major migration while receiving positive customer feedback on the product. We've combined a myriad of existing desktop products into a single best-in-class solution. We've used design partnerships to truly capture customer requirements and agile delivery to validate our assumptions. The rollout is progressing well. For example, we've already secured 97% of revenues from our existing Thompson One banking user base. A significant proportion of our users are already migrated the workspace. The rest are soon to follow. On slide 75, I'll now give you a bit more color on our top priorities to deliver growth. First we've focused on expanding our capabilities in order and execution management.

Dean Berry:

We already have a number of assets in this space, but we need to fill important workflow gaps to further monetize this business. Second we're building out our analytics suite. Our key differentiator will be the openness of our platform and thus the ability for users to develop their own analytical tools within our environment, and finally taking advantage of opportunities within ALSAC. We're already working on new ways to create value for customers by connecting across the value chain. For example, imagine data from our post-trade division, pairing optimization tools to help traders identify more capital efficient trading opportunities. This type of solution wouldn't have been possible previously, but with LSEG's end to end capabilities, it becomes very achievable turning now to slide 76, you can see that our execution plan will have a phased delivery to reiterate. We're already well in the way in improving execution with initiatives to drive customer engagement, optimize our offering, to meet customer needs and upgrade talent.

Dean Berry:
We'll continue to see the benefits of our investment in workspace into next year and beyond as we roll it out to additional communities, our investments in trading collaboration tools and other workflow solutions will be delivered over a similar timeframe. And finally, we're planning the longer term initiatives that will allow us to deliver to our growth potential in the coming years. In summary on slide 77, the key points that I'd like you to take away today are that within trading and banking solutions, we run a portfolio of businesses operating in a market with modest growth, but accelerating demand for data solutions, our business has not being growing in recent years. So I am laser focused on returning it to growth, to do this. There are some easier wins such as improving our talent and listening to our customers to better align our existing solutions with their needs.

Dean Berry:
Other initiatives will take time, including the rollout of workspace across our communities and the opportunities we have with ALSAC. We have key competitive advantages. Our differentiated data, a global footprint, our open and flexible approach and the power of the data and analytics platform delivered through workspace. We have a clear plan to run the business better, enhance the customer experience and execute on the key growth initiatives. I have full confidence that this will return our business to growth. Thank you. I'll now pass you over to Phil Cotter who will discuss our customer and third-party risk business.

Phil Cotter:
Thank you, Dean. And thank you all for your time today. I'm Phil Cotter global head of the customer and third party risk business at ALSAC. I've learned in my career that in this space, you must be able to deliver a high quality data and analytics on a global scale that clearly identifies where risk exists and that are deeply integrated into customer workflows, combined with a red lent list, focus on execution. This is a winning formula and it was the potential to deliver that winning formula, that excited me when I joined the business and why I remain excited about the future. Today, I'm going to focus on what we do for our customers, how we do it, the trends we see in the marketplace and why I believe we are well positioned for the future. So what do we do? Let's go to the next slide. We provide high quality financial crime related risk intelligence to ensure that customers meet their regulatory and compliance obligations in respect to money laundering, sanctions, and terrorist financing, for example. And our due diligence products provide a

Phil Cotter:
Broad range of insights into third-party risks, including reputational risks and ESG related risks. And we also provide data and analytics that helps manage the risk of identity theft and payment fraud through our digital identity and bank account verification products. And we provide our services to customers across a broad range of industry sectors, including banking, retail, technology, governments, and regulators. And we generate revenue through a mix of subscription, transaction and non-recurring commercial models. And we are crucial for our customers operations, as you can see on my next slide.

Phil Cotter:
Our services play an important role in helping our customers navigate the complex risk and regulatory landscape effectively and efficiently. The sheer scale of money laundering is enormous. It's estimated that $4 trillion is laundered every year through the global financial system. And we all know the consequences for companies failing to meet money laundering and bribery and corruption regulations,
can lead to significant fines and reputational damage. $10 billion in fines were issued for money laundering alone in 2020.

Phil Cotter:
And as you see on the next slide, we are operating in a fast growing market. The 8 to 10% annual growth we show on the right of this slide is being driven by a number of circular trends shown on the left, of which digitization of banking and payments and greater regulation are the most significant. In combination, these trends are driving demand for the high quality data and analytics we provide across a wide range of industries and customer workflows. I will explain later how a combination of World-Check, together with digital identity and due diligence solutions position us well. Let me turn to the next slide.

Phil Cotter:
We have more than 11,000 customers in 190 countries, an indication of our scale and global footprint. Delivering our services at scale enable us to monitor over 150 million entities daily through World-Check, verify 120 million transactions annually through GIACT, and produce over 40,000 due diligence reports every year. The expansion of financial crime regulation is creating exciting new opportunities in new customer segments, including crypto assets and digital payment service providers. Next slide, please.

Phil Cotter:
Our revenue model is more diverse in the overall DNA business, but it's still predominantly subscription-based recurring revenue. The transaction revenues are generated by GIACT. And the one-time revenue relates to due diligence. It is worth noting, however, that in due diligence, a significant amount of that revenue is repeating. And focused execution is driving growth in high growth segments outside of financial services. Now let me explain our three business lines on the next slide.

Phil Cotter:
World-Check is our flagship product, and the market's leading brand. It's even become a verb. People refer to world-checking even when they're not using it. And I will provide more detail on World-Check in a moment. Moving to GIACT, the digital identity and payment fraud prevention business that we bought last year. Well, why are we in this market? Because of an explosion in the growth of digital businesses, such as challenger banks, crypto exchanges, and payment services providers that are already by World-Check. GIACT's unique capability in aggregating data from partners, customers, and bank consortia, together with insights from over 1 billion processed transactions delivers best in class ID verification and payment fraud prevention solutions. Due diligence covers 25 risks related to third-party relationships, supporting processes such as Know Your Customer, source of wealth and supplier risk assessments. The recent acquisition of Red Flag, a competitor in the due diligence space, creates a scaled business that can take advantage of our global footprint that makes us a top three provider in this space. Now let me provide more detail on World-Check, which is core to our growth. Next slide, please.

Phil Cotter:
World-Check has over 10,000 customers, including the top 50 global banks. It is used by customers in our onboarding, payment and transaction screening, and continual risk monitoring processes. We aggregate and distribute data from reputable public domain sources. The database is built by 450 highly specialized researchers who cover 65 languages using proprietary research methodologies. And at the
heart of what we do, is take unstructured data from multiple sources and create risk insights and connections through our research process, and publish this as structured data that customers can consume seamlessly into their processes.

Phil Cotter:
And to bring this to life, in June 2020, OFAC issued sanctions against Xinjiang Production and Construction Company for alleged human rights abuses. The order included all companies where XPCC held a majority stake, but it did not name them. Through our research, we have identified over 2000 companies related to XPCC that are also sanctioned. And without our research, our customers would never have been able to identify those companies. Ours is the largest database of its kind, with five million active records covering 245 countries, and provides access to records on politically exposed persons, sanctions and information related to crimes leading to money laundering.

Phil Cotter:
We have invested in World-Check to modernize the technology, expand the data coverage and enhance product functionality. We completed the migration of our 10,000 customers to the cloud last year, enabling us to take advantages of scale and flexibility that cloud provides. And key to our growth in World-Check has been the pursuit of our data led strategy. We were the first to launch an API four years ago. This allows us to integrate it to customers and partners solutions. So our data can flow wherever our customers need to use it. Next slide, please.

Phil Cotter:
Recent investments have enabled us to move from point products to being able to combine capabilities, to support our customers across the customer lifecycle. And here are some of the things we are doing. We're integrating World-Check into GIACT to enhance it screening capability. We're expanding GIACT's digital identity coverage to 35 additional countries by integrating our Qual-ID solution. And we're planning the integration of our digital identity capabilities into due diligence to streamline Know Your Customer checks. This creates opportunities for us to further expand in existing customers. And to illustrate this point further, let me share an example with you on the next slide.

Phil Cotter:
A leading cryptocurrency exchange as a user of both GIACT and World-Check, and its combined revenues make it one of our largest customers. Through the rapid growth that it has experienced over the last few years, GIACT and World-Check has enabled it to meet its regulatory obligations with respect to money laundering, and protect it against fraud.

Phil Cotter:
Now let me turn to our competitive advantages. Our ability to execute at scale, the strength of our brand, combined with a relentless focus on executing our strategy through our global teams and partners has driven our recent growth. And will continue to drive it in the future. And I'd like to provide a couple of examples to illustrate this. I mentioned we are significant beneficiaries of the data platform and let me bring that to life with a few examples. Artificial intelligence, originally developed for our news products, has been used to improve the customer experience in our media check and due diligence solutions. The migration of the World-Check to the cloud was only possible because of the cloud expertise we have in our data platform team. And we are also using data platform technology to improve the productivity of our researchers allowing them to focus on higher value tasks.
Phil Cotter:
Let me turn to partners on the next slide. We scale our distribution further through over 200 partners, integrating our data seamlessly into their solutions so that it’s easy to use. Partnerships also enable us to position our brand, and particularly World-Check, as a thought leader in the fight against financial crime.
As an example, we were a co-founder of the global coalition to fight financial crime, along with Europol and the World Economic Forum. It has now grown to 20 members, including Interpol and the Atlantic Council, advocating for a public-private partnership approach to tackling financial crime. And we recently partnered with The Century to provide World-Check to assist them in helping to prevent war criminals in Africa from abusing the international financial system. In return, The Century provide us with intelligence for potential inclusion in World-Check. These partnerships create further opportunities for us to enhance our brand and grow the business.

Phil Cotter:
I’ll now talk a bit about how we have been delivering on our plans and how we plan to deliver in the future. We have established a strong foundation for growth by being laser focused on the things that matter to our customers. We have invested in World-Check, enhancing product functionality and the depth, breadth, and quality of our data, driving growth ahead of the market. Our global sales and customer success teams are experts in financial crime, due diligence and fraud, with a strong focus on customer service and sales execution. Looking forward, we will continue to drive growth by continuing to focus on sales execution and expanding our partner network to grow sales and revenues, using our intelligent tagging capabilities to make the data in World-Check easier for our customers to slice and dice to meet their requirements for less data, but more insights. And we’ll improve the customer experience by using the data platform capabilities to improve resilience and scalability and to bring products to market quicker. And we also are focused on executing against our high growth priorities, accelerating growth through GIACT, focused execution in high growth segments, and transforming the due diligence business.

Phil Cotter:
So let me sum up why I believe we can continue to grow this business in the future. We have a clear number one position with a track record of delivering strong growth and outperforming in its market. And World-Check is a best in class product whose brand is synonymous with financial crime screening. The ability to integrate our capabilities across the life cycle will accelerate growth and extend our customer footprint. And executing a data led strategy supported by a strong focus on continual product and data and enhancements and sales execution has and will continue to support our growth in the future. This, together with the circular trends in the marketplace, position us for further strong growth in the future. And I am confident in our ability to deliver on our plans.

Paul Froud:
Thank you, Phil. That’s the end of the presentation part of the event, and we’re now going to go to Q&A. If you want to ask a question in person, then you’ll need to join by the phone line to do so. Alternatively, you can submit written questions through the facility on the webcast. We’re going to start with a few written questions that we’ve received already. And then we’ll go over to the phone lines, if we got people there. We’re going to aggregate some of the questions on a common theme, so we won’t read out everybody’s questions. But let’s start with the first one that we’ve now got in. And that is, the upcoming MiFID two review is expected to encourage the creation of, possibly, mandatory adoption of a
consolidated tape for equities in Europe. Can you give an indication of the likely revenue headwind that would arise from this?

David Schwimmer:

Thanks, Paul. I'll take that one. We're certainly aware of the conversations around a consolidated tape in the EU. We are staying close to those conversations. We've been involved in a number of discussions with the various stakeholders involved there. I would say, at this point, our assessment is that any enactment of consolidated tape is a ways off. That does not feel as if it is a near term event. Just while we're on the topic, it's worth highlighting that a consolidated tape would not be a replacement for exchange feeds. Different design, different use cases there. So if we were to get into a scenario where there is an enactment of a consolidated tape requirement, a consolidated tape does come into place, I'm confident that we would be able to offer attractive solutions to our customers.

Paul Froud:

Thank you. So, several questions have come in on the theme of ESG. So let me amalgamate those together. What products does the group have in the ESG space? And what competitive advantage does this give you with regard to ESG data analytics? And then finally, what proportion of the revenues in your business come from ESG products?

David Schwimmer:

So, our ESG business or ESG content is embedded throughout our business. And we're certainly seeing the growing demand, and benefiting from that growing demand for ESG content. You heard about it in today’s discussion. Andrea touched on it in her remarks. Phil just touched on it in the context of the risk business. And Stuart also touched on it in his presentation. So that's sort of a live example of how dispersed it is across our business. I should also mention that we have a core ESG content set, going back 17 plus years, across 10,000 companies, 450 metrics per company.

David Schwimmer:

And the dynamic that we're seeing in the industry right now, where our customers are becoming more sophisticated, more demanding about the ESG content that they are looking for. It means they are looking for the underlying content to the high level scores, the ESG scores, that some of the providers are putting out there. So that really plays to our strengths. Maybe the last point I'll just touch on in terms of really identifying ESG revenue, because of the embedded nature of ESG through a number of our products across the business and the fact that ESG content is packaged with non ESG content, it's very difficult for us to isolate what is ESG revenue and what is not ESG revenue. But we are certainly seeing the demand growth for ESG. And again, it's something that we are in a strong position to provide across our business.

Paul Froud:

Thank you, David. We've got a couple of questions on the growth targets that we've set. I guess we call them the growth ambitions. So first of all, on the 4 to 6% revenue growth, can you clarify whether this is a minimum target? And is there anything you can say about the phasing here, in terms of how quickly it will come through? And then the other question in relation to this is, you talk about 4 to 6% as being the ambition, but that's growing in line with the market. So how do we get this in context? Is this the best you can do, or is this the minimum you can do?
David Schwimmer:

Maybe I'll start on this and then I'll turn it over to Anna for some comments as well. A number of the businesses that we've been talking about in data and analytics have actually been growing below market. And we have laid out a clear plan today in terms of how we are going to focus on the execution, improve our customer experience, really invest in the growth opportunities and the synergies to bring the growth up to the market level, at that 4 to 6%. We are eager to get it there. And then we're eager to continue growing. But let me turn it over to Anna, if she has some additional thoughts.

Anna Manz:

So the amount that we shared today in the 4 to 6% is really context to provide color for you. It all underpins the delivery of our revenue guidance that we gave at acquisition, of 5 to 7%. And so you should expect to see sustained improvement as we go forward.

Paul Froud:

There's a couple of questions that have come through about technology and reliability and outages. So the question is, how have these impacted your group? What lessons have you learned? And what steps are you taking to address these?

David Schwimmer:

So with respect to the recent issue that we had, we've identified that issue related to a corrupted index in an authentication system. And to be clear, it had nothing to do with the underlying products. As we've identified the issue, we're addressing it. But to be clear, and Andrea touched on this as well, these kinds of issues or outages are absolutely unacceptable to our customers, unacceptable to us. We know how to address them. And we're very much doing that.

Paul Froud:

A couple of questions around the revenue model in terms of, can you give an indication of the customer revenue concentration that you've got? And then secondly, in terms of thinking about the phasing of your revenues, do you expect to see a step down as you make the transition to the new services, before you start to see some sustained growth? In other words, you're making a shift more from a per user, to a pay for what you use model. Can you give some context?

David Schwimmer:

So I'll turn this over to Andrea in a second. But I think it is worth highlighting the flexibility that we have in terms of commercial models. And Andrea touched on this in her remarks with the four different commercial models that we have across the business. And that gives us an enormous amount of flexibility and attractiveness for our customers in being able to navigate that. But Andrea, any further thoughts.

Andrea Redmyn Stone:

Sure. So in terms of the concentration of our revenues, the vast majority of our revenues are concentrated in the subscription business model and our enterprise agreements. We have a few areas in the portfolio where we have transaction-based volume. Some of that is in our customer and third-party risk business, as well as part of our wealth business. And some of that is where we have assets under management, which is in our index business. The next part of the question was around the phasing of
the revenues. We do not anticipate a decline in our revenues as we transition our customers to the data platform and to Workspace. It's important to remember that Workspace is actually a different product than our desktop products. As we've been building the platform, we've been very careful about making sure that we are commercializing our high growth opportunities first, thus, we've put our customer and third-party risk business, as well as our ESG data onto the platform first, while we simultaneously simplify, streamlining our databases and our data centers, all of which is in the roadmap in the presentation. So we don't anticipate a dip.

Andrea Redmyn Stone:
In terms of shifting to per user, the per user commercial model is becoming pretty anachronistic in this industry. Most of our customers are looking for more flexibility that aligns the value that the customer uses to that employee's contribution to the business. And we're very fortunate that we have the flexibility to continue to provide our customers a mix of different options. So, as we look at the overall trading book of business, we are looking at it that way and trying to turn that back to the growth trajectory that Dean talked about.

Paul Froud:
We've got a couple of questions on KPIs. So I'll bring those two together. So first of all, what KPIs should we focus on to judge the progress other than just the revenue growth metric? And perhaps linked to that is, during the presentation, you talked about 170 basis point improvement in the customer retention level since the creation of Refinitiv, can you tell us what the retention level is today?

David Schwimmer:
Thanks, Paul. I'll turn the question around KPIs over to Anna.

Anna Manz:
So we'll give you a more comprehensive update as to the KPIs we'll be using at the half year. But it will include some leading indicators like annual contract value. We'll also be updating you on our plans as we go forward, as Andrea and the team have laid out today, so that you get a sense of how we're progressing against them. In terms of the retention metric, it was on one of Andrea's slides. Our current retention level is 90.5%.

Paul Froud:
Okay, I'm going to do one more question. We've got several more written submissions. I'm going to do one more question from here, and then I'm going to open up to the phone lines, because I know we've got at least one person waiting to put in a question. So before I do it, let me just give you the next question here, which is, Andrew suggested that there was an improvement in the investments that have been taking place since the spin-out. So can you illustrate what some of the positive changes there were, first of all, due to Blackstone, and then subsequently, due to the investment by London Stock Exchange Group?

David Schwimmer:
Sure. I'll turn it over to Andrea in a second. And then perhaps Anna might want to touch on investment as well. Although, as I mentioned upfront in my remarks, we're not getting into any of the forward-looking discussion around CapEx or investment spending. But Andrea, if you want to touch on the investment you saw under Blackstone.
Andrea Redmyn Stone:
Sure. Thanks, David. So the first area of investment was really a focusing of the capital onto the data platform and onto Workspace. And doing it in a different manner, using the open architecture approach, which I referenced earlier in our presentation. The company very much approached it with a best of breed mentality, and did a lot of work with customers to understand what are the components that we really need to change. The second thing I would say is we've really kind of doubled down and tried to move, and we're working on moving, as you can see in the roadmap, our highest value content sets onto the platform first. So as it stands right now, we have 70% of our real-time content on the platform, and 30% of our non real-time platform, and a very clear plan to get to 100% of that content in the next two years. So that has put us a bit ahead of our competition in terms of the breadth and depth that we have.

Andrea Redmyn Stone:
Since the LSEG transaction has closed, we've really been continuing the same plan. This plan was approved in October of 2020. It was then re-approved by the LSEG team. And what we've done with integration is we've been focusing on delivering our synergies, which, as Stewart mentioned, are really focused in the intersection between our FTSE Russell business and our evaluated pricing business. And there are many other opportunities that we're pursuing.

Paul Froud:
Okay, we're going to switch over now to the phone lines. And if I could ask the operator to open the line up, please.

Speaker 1:
Okay. The lines are open. If you wish to ask a question, please key, star and then one on your telephone. Okay. Our first question comes from Andrew Kuhn from Citi. Please go ahead, you're live in the call.

Andrew Kuhn:
Hi, good afternoon. And thank you for the presentation and [inaudible]. I have three questions. The first of which is around the addressable market business side. If I look at the peers that you poked on slide 20, and I look at Consensus forecasts, their respective visions or group numbers. Consensus seems to be about six to 7% growth going forward. And obviously, you've cited in the addressable market growth of 4 to 6%. So anything more you can give on color on how you've calculated the construct of the addressable market, which names are in now? Anything along those lines would be greatly appreciated. So that would be my first question.

Andrew Kuhn:
The second and third questions relate to trading and banking solutions. So the second question would be around your business mix. When you look at your trading side, which is obviously the majority of the revenues there. 66% [inaudible] side, and 49% are Europe. Which [inaudible] the two areas, which have seen the biggest head count reduction in recent years. Did you think you were at a fundamental disadvantage to your peers just based on your business mix?

Andrew Kuhn:
And then the third and final question, again, relating trading and banking solution would be, could you just provide a bit more color on how the pricing on Workspace, and how the subscription agreements
differ to the existing Icon agreement? You mentioned the Icon premium, an all you can eat model. You have a fixed price for that, an annual subscription fee. Whereas, I believe, Workspace is much more modular, it's much more content driven. Perhaps you could just elaborate then on the pricing differences between them. Thank you.

David Schwimmer:
Andrew, thanks for the questions. On the total addressable market, I don't think we're going to be getting into the names that were included in calculating that addressable market. But maybe we can follow up with you offline through the IR team. But Andrea, any further comments you would want to make on the addressable market and how we're thinking about that?

Andrea Redmyn Stone:
I think what's important to note is the breadth of our business when you look across some of the processing and servicing businesses, which have potentially a lower growth rate relative to index centric businesses, which have a higher growth rate, and data businesses, which are mixed depending on the data assets that you have. So I do think this is best for a follow-up. But we tried to a broad representation in achieving our total addressable market.

David Schwimmer:
And then I'll come back to Andrea in a moment on the pricing question around Workspace. But why don't we go to Dean for your question around the business mix in trading and banking.

Dean Berry:
Thanks, David. So as I said during the presentation, we are a portfolio of businesses. And I think that's a great thing. So we're not exposed to one particular area. Yes, there are headcount reductions. We openly spoke about those. But I would say that is not across the board. We see growth in our commodities head count. Likewise, banking has got significant headcount increase as well. Because we're not just one type of business, I think that we actually were able to ride that a lot better.

David Schwimmer:
And then over to Andrea for the third question around Workspace pricing.

Andrea Redmyn Stone:
Great. Thanks David. So Workspace pricing is definitely not a per seat pricing model, like we see in Icon. The opportunity with Workspace is that there are lots of ways to use Workspace. And we really partner with our customers to align how they're going to use work Workspace with the value of the solution that we're providing. In some cases, Workspace

Andrea Redmyn Stone:
Workspace is included in our enterprise agreements, such as Refinitiv access. Because it becomes a real tool that's used in many different ways. One thing that I think is very important around Workspace, which is our annual recurring revenue model. Is that we're very confident in the value that it's providing. Through the direct conversations we have with customers. As well as the research that we do with users of Icon and Workspace. We're getting constant feedback that there's considerably more value in the Workspace product. Which gives us strong confidence in its positioning as a premium product to the
market. So we're really confident with the set of features and capabilities that are in it. And where we've rolled it out, our customers are quite pleased.

Paul Froud:
Great!

Speaker 2:
Thank you.

Paul Froud:
Thank you, Andrea. If we can go to the next question on the phone line, please.

Speaker 3:
Our next question comes from the line of Arno [Deblac] from [Xn-DNCP]. Please go ahead, you're live in the call.

Arno Deblac:
Hi, good afternoon. Thanks for the presentation. I've got three questions, please. Firstly, on your organic growth targets. Can you confirm that these are indeed four to 6% totally organic growth targets, or is there for anything built in there for Bolt-ons? And whilst you're talking about Bolt-ons, are there any material opportunities there to help accelerate some of your growth throughout on acquisitions? And then finally, I don't know how you can break this down for me. But could you talk a bit about pricing within that four to 6% growth targets? I mean, you just mentioned that Workspace is perceived as higher value by our clients. Does that lead to pricing growth opportunity as part of the four to 6%? Thank you.

David Schwimmer:
Thanks Arno. So I'll take your second question, and then Anna will touch on your question around the growth targets. But you wouldn't expect us to comment on any particular targets that we might be thinking about, or whether there's anything out there that may add to our growth. But I will say that as we always have, we take a very thoughtful approach to M&A, to acquisitions. If it makes sense from a strategic perspective. If it makes sense from our disciplined return perspective. Then we would be in a position to consider it.

David Schwimmer:
But also I should mention that for now, we are continuing to focus on bringing down our leverage. Which we have done very successfully so far. So that's the usual framework in terms of how we think about M&A. If it were to be something very small in the bolt-on category, that's also something that we could do while we're continuing to bring down our leverage. But over to Anna, just to comment on the growth target question.

Anna:
Yeah. So the numbers we've given you are organic. And to give you a bit of context on your other question. We see growth coming from a number of places, including pricing. So pricing, market growth, new products, as well as new customers. And we actually have quite balanced growth in that respect.
Paul Froud:
Thank you Anna.

Arno Deblac:
Okay, thank you.

Paul Froud:
And if we could go to the phone lines again. I think we've got one more person at the moment, due to ask a question.

Speaker 3:
Okay. Our next question comes from Michael [Werno] from UBS. Please go a head, you're live in the call.

Michael Werno:
Thank you very much. And thank you for the lead presentation this afternoon. Just a couple of questions from my end. In particular, that this might be a bit focused on the details. But on page 27 of the slide deck, where you lay out the four to 6% revenue growth. And what we've seen over the past couple of years. You're including the recoveries revenues. Yeah, the four to 6%, is that excluding recoveries or is that including recoveries? Because I believe the five to seven for the group is including.

Michael Werno:
And then I guess, yeah, what would we see in terms of growth rates from 18 to 19, and the 19 to 20 on that slide, if we were to exclude the low margin recovery revenues? And then I guess a second question, in terms of the retention rates. Thank you for providing that for the data and analytics business. I suspect the retention rate probably varies quite substantially across the different segments. I was wondering in particular, if you had any data that you could provide for the trading and banking solutions segment? Thank you.

David Schwimmer:
Thank you, Michael. I will turn these questions over to Anna.

Anna:
Yeah. So the numbers on slide 27 include recoveries. But recoveries are a bit of a red herring in all of this. They don't really meaningfully move the needle. So I wouldn't over focus on them. And in terms of retention, because of the nature of the enterprise agreements we have in place. It makes more sense for us to quote retention for the division as a whole. Because those agreements obviously go across the various customer segments. So it's a more meaningful number.

Michael Werno:
Thank you.

Paul Froud:
Thanks, Mike. We're going to go back to take some more of the written submitted questions. So the first one of those is for around the Enterprise Data Solutions Business. And the question is, can you discuss
some pricing dynamics across the three areas of enterprise data? Where do you see deflation? Where are you seeing some benefits? Some pricing power? And how much more pricing do you think will contribute to the growth in enterprise data?

David Schwimmer:
Okay. I will turn that one over to Stuart, to touch on the pricing dynamics that he sees in enterprise data.

Stuart Brown:
So thanks, the question. So I think, as I mentioned on the presentation. There's been pricing pressure are in the real time business. No surprise given our leading position that competitors would use price to try and take share from us. But as I mentioned in the presentation, we've seen encouraging customers come back to us, as they realize that actually price is less of an issue. And actually quality, breadth of data is far more important. In the Pricing Reference Services business, the PRS business. Actually, prices again, less of the issue there. We actually see again, it's around quality, breadth, and depth. Being able to provide as much data as possible in a single data feed, is really what's working for us. And that's how it's driving the growth going forward.

Paul Froud:
Thank you, Stuart. We'll go to another question now. Which is actually putting the spotlight back on to the customer and third party risk business. Can you say something about the drivers of the growth in the overall market within risk? Is this going to come from new users, or additional spend from existing users? And if it is from new users, can you give an indication of where those are, that they're not currently using the products already?

David Schwimmer:
Okay. We will turn that question over to Phil.

Phil Cotter:
Thanks, David. So we're seeing growth both in existing users and opportunities for new users. I think in existing users, as I talked about our ability to integrate our capabilities across a broader range of the customer workflows and life cycle, is driving growth opportunities for us. And increasing regulation and requirements for instance, to understand ultimate beneficial owner, et cetera, is also creating opportunities for us. And I talked about high growth segments.

Phil Cotter:
The growth in Crypto assets, and digital banks, and payment service providers. Are also creating opportunities for us. And then, at a regional level if you look at countries in Asia, and in Middle East, and North Africa. As they become more mature economies, and connect to the global financial system. Then they need more mature anti-money laundering and risk solutions. So lots of opportunities in lots of different places for us. And we’re really focused on making sure we make the very best of those.

Paul Froud:
Thank you, Phil. Another question, which is on the addressable markets, but this one is a much more general one. And it is, given the very large addressable markets that you talk about overall. Do you anticipate there’s going to be more industry consolidation in the space?
David Schwimmer:
We've clearly seen a lot of industry consolidation in the past. And I would say when we talk about that, it's worth talking about it in the context of both the consolidation that you have seen on the market infrastructure side. And then the consolidation that you've also seen on the information services side or the data side. Of course, what we have done bridges that, and brings market infrastructure and information services together. We think that's a very attractive and powerful combination. And we look forward to continuing to execute on that.

David Schwimmer:
Hard for us to speculate on what may take place going forward. But I think our model definitely shows the benefits of the breadth and depth that we can bring to the market. The benefits of the scale that we can bring to the market. The benefits of our capabilities across the trade life cycle and on a global basis. So we'll see what comes in the marketplace. And meanwhile, we are very excited about the model that we have. And we're very focused on executing on what we have committed to deliver.

Paul Froud:
Thank you, David. Next question is about the team that joined from Refinitiv. What have been the most significant, positive or negative surprises that you've come across? I should imagine more of the former. And also what do you think is most underappreciated by the market in terms of your business and the opportunities that you have?

David Schwimmer:
So I'll turn this question over to Andrea. And I'm very much looking forward to hearing the answer.

Andrea Redmyn Stone:
Thank you, David. So I have to say one of the things that has been most of a positive surprise for me and from the team. Has been really how complimentary the cultures are, between the heritage Refinitiv and LSEG Cultures. When I joined Refinitiv there was very much a feeling of liberation amongst the employees. Where so many were focused on doing things they'd always wanted to do. And when you couple that with the operational rigor and resilience that you see in LSEG, it's really a powerful combination.

Andrea Redmyn Stone:
So what that's created is a real disciplined approach to creativity, and building connections between our businesses. And I laugh when David and I first met, I said, "We're going to be integrating forever." And what's really happening is synthesis is becoming a core competency for us. Because when you serve this breadth of the value chain, people are really trying to make their customers feel more value and do things uniquely. And I think that aspect of the culture is going to set us up for success.

Paul Froud:
Okay. Next question is going back to the four to 6% growth target. Can you give some indication of where wealth is in that? I know it's not part of the scope today. But can you give some indication for that? Can you also talk about how the four to 6% relates to the overall five to 7% targets that you set for the group as a whole?
David Schwimmer:
Sure. I will turn that over to Anna in a second. But just to remind you all, wealth was not on the agenda today. But we look forward to giving you a similarly informative discussion around the wealth business, when we do our second Investor Education Event in October. But to the question over to Anna.

Anna:
So Andrea shared, as she went through her presentation. That we are looking at our wealth business, doing low to mid single digit growth. And that is slightly below the market level. And I'm sure that is where the question is coming. Our wealth business is a little bit different than our other customer segments. And that's because it has a much broader exposure to transaction driven business, as well as the subscription piece. And there really, the growth in that business is driven by market volatility and market movement.

Anna:
And that's why you see a range around the wealth business. We're very confident in delivering the overall four to 6% growth. And what we’ve tried to do is break that down for you today, across the various businesses and the clear strategy underneath it. How it ties to five to 7%. we've guided to five to 7%. That's a number that I'm absolutely confident we'll deliver over the three-year window. And so today has been around context, around the data and analytics business, to give you the color around that.

Paul Froud:
Thank you, Anna. Going back to ESG and the climate. And the question is, do you have, or do you think you’re going to have to acquire more assets to be competitive in the spaces? That's both ESG and in climate.

David Schwimmer:
I’ll turn this over to Andrea in a second. I would say it's a dynamic space. We have a very broad array of content in the space right now. But Andrea, over to you.

Andrea Redmyn Stone:
Sure. So as it relates to climate, we actually have some very unique datasets. Which we've been using to differentiate. We launched our World Government Bond Index for climate and also for transition, just very recently. Our strength in economic data, in commodity data, geospatial data, in particular, is quite strong. Couple that with our strategy has been around developing investment grade data. So what's unique about that, is we actually offer auditability down to the source data point. Which many other data providers don't do, they do estimates and they fill in the gaps.

Andrea Redmyn Stone:
The reason why we do that is it gives our customers real faith in the fidelity of our data. As they're seeking to unpack the scores, and use the actual data metrics themselves. To help make that investment call and decision. So I think, some of our strength that we have in climate, whether it's everything from weather commodities. And what we've had in asset for carbon credits, to the fact that we have this broad methodology within an investment grade methodology. I think that puts us in a very good
position. There will certainly always be other data sets that we consider, as we continue to make the methodology even better.

Paul Froud:
Thank you, Andrea. In terms of the trading and banking business and the targets laid out there. The question is, what signals or what signposts do we need to see, to be confident that the turnaround that you’ve talked about is on track? What are the key risks here? What I’m most worried about is equities seems to be a big segment of that, but it’s the most structurally challenged.

David Schwimmer:
Okay, we’ll turn that question over to Dean.

Dean Berry:
Thanks, David. So I think, some of the turnaround points that I would reference. We definitely focused on Icon Premium. We talked about that. We’re confident that we’ve stopped the decline there. But I also would reiterate what I said about the rest of our business is growing. So I think there are a number of points that we could focus on. But given the growth we have there, I think that’s where we should be looking.

Paul Froud:
Okay. I think this is probably on a similar theme, or certainly around Workspace and the rollout. Can we get any anecdotes or data points on client wins in the various communities? And what are the indicators we should look for? And then just as an addendum to that, we hear that there are some issues around some of the pilots. Can you say how confident you are about the fact that this is being rolled out smoothly?

David Schwimmer:
Sure. Okay. I will turn that over to Andrea.

Andrea Redmyn Stone:
Sure. Thank you. So a few anecdotes around client wins. We are currently serving one of the largest US wealth managers. Who has over 12,000 advisors. As well as one of the top four wealth managers in Asia. In banking, we're making significant progress with many advisory firms, as well as all the large consulting firms. So we're getting great progress with some very large customers, as well as very small customers. Because don't forget we continue to sell Workspace where we've launched to new customers, as well. Some of what you saw in the anecdotes in the video. So very good progress. We view many of these early customers as design partners and they are giving us great feedback, as we're continually enhancing these products.

Andrea Redmyn Stone:
The second question was really around issues with pilots. So there again, when you have design partners. We have to work together to make it effective. And the other thing we have to think about is, particularly in the wealth space. We have customers that are moving from a product that they've used for many years, to something that's inherently different. And in the case of one of our larger pilots, isn't necessarily delivered through Workspace, it's delivered through the client's application.
Andrea Redmyn Stone:
So the user's changing how they interact with data. And that takes some adjustment. So this is where we have a incredible professional services team, and training team. That goes and individually works with all of these advisors, to get them to a point of comfort in the migration. Because that's the most important thing. Whenever we do a migration to our newer solution, we want to make sure that that's happening with not only our client's IT organization. But also with the organization that's responsible for bringing all of their users along with them.

Paul Froud:
Thank you, Andrea. We've got two questions actually, on a very similar theme, it's around messaging. It says that during the presentation, you talked about your plan for integrating leading messaging and collaboration platforms into Workspace, as opposed to perhaps building our own messaging platform. Can you give us some idea about who you might be working with? And what the timing is for this? And what the likely impact could be particularly on pricing and on service?

David Schwimmer:
Okay. I will turn that question back over to Andrea.

Andrea Redmyn Stone:
Great! Well, I think we've all recognized in the past year that we've sampled many different new collaboration tools as we've all moved to the environment we're in today. And the amount of capital that are going into these platforms is really unprecedented. So when we look at the opportunity there, it's really a new way of interacting with data and content. So particularly in our banking product, we're doing some proofs of concepts, and pilots around the interaction of a senior investment banker and a junior investment banker, working through a Microsoft productivity suite. Which I'm sure many of you are using.

Andrea Redmyn Stone:
We're also having conversations with some of the technology providers that support collaboration, because it's now much more open architecture. We have a messenger system that supports over 110,000 users, particularly in emerging markets. So that is a product that we will continue to support. We can evolve our technology by working in an open architecture kind of way. I'm not going to get into details of who we're partnering with. But you can expect to see some progress in 2020 and 2021.

Paul Froud:
Thank you. The next question is about the Reuters News, and how important that is to Refinitiv's value proposition, and also to the growth that you expect to see? And in particular rating to some of the new stories. Can you talk about the implications of introduction of a paywall for that service?

Speaker 3:
Sure. So, we're not going to get into any specifics around the News discussion of a paywall. We have a good ongoing relationship, and good ongoing discussion with Reuters. I will turn it over to Andrea in a second, just to talk about the value of the News proposition to our customers, and how we integrate it into the broader business.
Andrea Redmyn Stone:
Great! Thank you, David. So without a doubt, News is incredibly essential to our value proposition, against every single business community that we serve. And our relationship with Reuters is truly a very unique one. Particularly in the global scope of its coverage. It's in every product we have. And not only that we are a great technology partner to Reuters. Where we've been, as Stuart mentioned in his presentation. Applying technology to sell the News data as a feed, augmented with sentiment analysis and intelligent tagging. And things that make News more than an investment decision tool. Where one can take action.

Andrea Redmyn Stone:
So we view it as core. We view the partnership is strong. And it's something that we know our customers want us to continue to innovate together with. In terms of the paywall. We're not going to comment specifically on the paywall. But let's just say that the financial community and the financial professionals within it. We serve a very broad range. And our discussions with Reuters are very productive. We have quarterly meetings, if not monthly meetings. Where we discuss coverage and opportunities for the professional services community.

Paul Froud:
Thank you, Andrea. We're going to go back. We've got probably a couple more minutes left of this session, to bring us up to the time where we originally allocated. So I've got probably time for about two more questions here. So first one of those is going back to the investment story. And the question here is, how much more cost inflation or investment do you think you're going to have to take, to enable you to grow in line with the market as you suggested?

Speaker 3:
So, as I mentioned upfront. We are not going to get into anything further on costs or capEx in this session. We look forward to updating you on that at the half year. But again, as I mentioned. All of the investment that we have talked about today, is included within the guidance that we have given already. And maybe I'll turn it to Anna for a second. If there's anything further that she would like to add.

Anna:
Yeah. So just to be specific, we gave guidance on revenue five to 7%, and we gave the 50% margin guidance around the medium term. Everything you've heard today is consistent with that. And the strategy the team have laid out today, and the investment is consistent with what we've said previously. That we'd be maintaining our ongoing underlying level of capEx run rate of 650 to 700 million. And all the investments we're making are to drive growth, and create a more scalable business.

Paul Froud:
Thank you, Anna. So I've been trying to aggregate the questions all on a common theme. And I think we'll make this the last question in coming through now. 2022 seems to be an inflection point for many of the product execution plans that you've talked about. Will that also be the inflection point for the growth? In other words, should we expect a four to 6% growth to be back-end, is starting perhaps maybe from the second half of 2022?

David Schwimmer:
So, I'll turn it over to Anna in a moment, to comment on how we're thinking about some of those aspects. But I would say broadly, this is a very steady story. This is a multi-year story. And we are investing in a number of different parts of the business, including the data platform, including Workspace. As you saw in the various presentations today, we are going through a number of migrations and roll outs that take a couple to a few years. So you should expect us to continue to build in the business, invest in the business. And focus on that rigorous execution, focus on improving our customer experience, focus on our synergies, and the targeted investment. With that, Anna any further thoughts?

Anna:
No. Just to say, all of that is already improving momentum in the business. And you see the evidence of that in the things that the team shared with you. And I would see consistent, steady improvement going forward, to David's point.

Paul Froud:
Thank you, Anna. So I think given where we are in the timing. Hopefully, I've tried to bring out the main theme of all the questions that we received. I hopefully, we've covered most of the questions that you want answered. But that brings us to the end of the Q&A session. So I'll just hand over to David before we close out the entire event.

Speaker 3:
Thank you, Paul. Thank you all for joining us this afternoon. We really appreciate your attention. We appreciate your questions and your curiosity. And we look forward to seeing you again, or having you join us again at the half year. And we also hope you will be able to join us again for our second investor education event in October. Thank you very much.