



**LSEG**

# Enabling Sustainable Growth



# Contents

## Introduction

- 2 Our Group
- 3 CEO welcome
- 5 Our sustainability approach
- 6 Sustainability strategy at a glance
- 7 External ratings
- 8 Materiality assessment
- 9 UN Sustainable Development goals

## 11 Accelerate the just transition to net zero

- 13 Transition capital
- 15 Data and disclosure
- 16 LSEG net zero
- 19 Climate Transition Plan
- 20 Task Force on Climate-related Financial  
Disclosures (TCFD)

## 23 Enabling the growth of the green economy

- 25 Green finance
- 27 Research
- 28 Engagement

## 29 Creating inclusive economic opportunity

- 31 Inclusive culture at LSEG
- 36 Inclusive markets
- 37 Economic empowerment

## 39 Sustainability governance

- 40 Sustainability governance
- 41 Engagement with stakeholders
- 42 Operating responsibly

## 44 Additional disclosures

- 45 Social
- 46 Environment
- 49 UN SSE: communication to stakeholders
- 53 UN Global Compact: the Ten Principles
- 54 World Economic Forum Stakeholder  
Capitalism Metrics
- 57 World Federation of Exchanges  
(WFE) principles
- 58 Sustainability Accounting Standards  
Board (SASB)
- 60 Greenhouse gas emissions reduction  
targets disclosure
- 61 GRI Index

## About this report

### 1. Scope and time frame

This report covers 100% of the businesses over which LSEG had operational control in 2021 (all legal entities in which LSEG had a 51% stake or higher), employing the same principles as for financial data. For a list of all the subsidiaries consolidated and covered in this report, please see our Annual Report, pages 193–205. When a different boundary applies to ESG data, we provide explanations in the relevant section. The time frame matches the time period for the Annual Report.

### 2. Verification and approval

All data included in this report has been submitted to an internal verification process. Environmental, diversity and cash donation data has also been externally verified. The external verification statement for the environmental data is published on [www.lseg.com/investor-relations/sustainability](http://www.lseg.com/investor-relations/sustainability). This report was approved by the LSEG Board in March 2022.

### 3. Data provision

We provide both raw and normalised data where relevant (see Environmental data section), and wherever possible we provide three-year time series of comparable data.

#### Refinitiv acquisition

This report describes the sustainability performance and activities of LSEG as a single entity, since the acquisition of Refinitiv in January 2021.



For further information,  
visit: [www.lseg.com](http://www.lseg.com)



For a glossary of terms,  
visit: [www.lseg.com/glossary](http://www.lseg.com/glossary)



Email:  
[ir@lseg.com](mailto:ir@lseg.com)

Investor Relations  
London Stock Exchange Group plc  
10 Paternoster Square  
London EC4M 7LS



# Our Group

LSEG is a leading global financial markets infrastructure and data provider. We play a vital social and economic role in the world's financial system. With our trusted expertise and global scale, we enable the sustainable growth and stability of our customers and their communities.

We are leaders in data and analytics, capital formation and trade execution, and clearing and risk management.

## OUR PURPOSE

Driving financial stability, empowering economies and enabling customers to create sustainable growth.

## OUR VISION

We are a leading global financial markets infrastructure and data provider. We want to shape the future of our industry to serve our customers and markets better.

## WHERE WE OPERATE

LSEG is headquartered in the United Kingdom, with operations in 70 countries across EMEA, North America, Latin America and Asia Pacific. We employ 23,000 people globally, more than half of whom are located in Asia Pacific.

# Welcome to our 2021 Group Sustainability Report



**David Schwimmer**

CEO, London Stock Exchange Group

“

Now, more than ever, it is clear that we need transformation in world economies to ensure that economic progress is effectively balanced with environmental protection and social inclusion. Positioned at the centre of global financial markets, LSEG is committed to being a strategic enabler of sustainable growth.”

2021 was a landmark year when governments, finance and industry came together in Glasgow with a collective commitment to stop the worst consequences of climate change. The challenge was made all the more real as the global pandemic continued to reveal the fragility of our natural, human and economic ecosystems.

Now, more than ever, it is clear that we need transformation in world economies to ensure that economic progress is effectively balanced with environmental protection and social inclusion. Positioned at the centre of global financial markets, LSEG is committed to being a strategic enabler of sustainable growth.

We are building from considerable experience, dating back 20 years when the FTSE4Good index series was launched in 2001. Back then, the index was arguably ahead of its time, but two decades later sustainable investing is truly a central tenet of financial markets.

In practice, our commitment to enabling sustainable growth means embedding sustainability into everything we do as a business; providing customers with sustainable finance and investment data, analytical tools, and market infrastructure; managing the environmental and social impact of our operations and supply chain; and working collaboratively with policymakers and other market participants to effect change.

There is a critical need for better data and analytics to help companies and investors navigate the transition to a low-carbon inclusive economy. LSEG supplies the data and analysis underpinning sustainable investments, helping customers to identify opportunities using data sets, going back over 20 years, across more than 500 metrics for more than 10,000 companies. A vital but missing element are global disclosure standards. Therefore we welcomed the announcement at COP26 by the IFRS Foundation regarding the launch of the International Sustainability Standards Board which will be developing global baseline sustainability reporting standards, building on other disclosure standards such as TCFD.

As a global exchange we are supporting the growth of the green economy, enabling issuers to raise equity and fixed income securities that are aligned with the transition to net zero and green revenues. During 2021, our Sustainable Bond Market (SBM) supported more than 100 debt issuers globally to raise over £50 billion in sustainable finance, bringing the total to 349 active bonds on SBM and £107.4 billion in total debt capital raised. To support the green transition further, London Stock Exchange also announced plans to develop a new market solution for the voluntary carbon markets to enhance investment in carbon mitigation projects worldwide.

In February 2021, LSEG became the first global exchange group to join the United Nations Climate Change 'Race to Zero'. We have set ambitious, science-based targets to cut our emissions by 50% by 2030 and reach net zero by 2040. Later in the year, we announced our commitment to expand our successful partnership with the Transition Pathway Initiative (TPI) to establish the Global Climate Transition Centre at the London School of Economics. This is an important development which will dramatically scale much-needed open access research into the climate transition pathways of 10,000 businesses, covering global equity markets, fixed income and private markets.

Following the acquisition of Refinitiv, we brought together the respective sustainability commitments of both organisations and set out a more ambitious commitment to sustainable growth which we have made a key strategic priority for the Group. We reset our sustainability ambition and strategy to help us take a leading role and focus on the areas where we can have the greatest impact. We will be deepening our approach over the coming year, further embedding sustainability into our business globally, and we look forward to sharing updates on our progress in the future.

**David Schwimmer**

**CEO, London Stock Exchange Group**





# Our sustainability approach

The purpose of London Stock Exchange Group (LSEG) is driving financial stability, empowering economies and enabling customers to create sustainable growth.

We deliver on our purpose through the products and services we provide and also through our wider role in financial markets and society. We have a key role in enabling sustainable economic development, which demands a balance of economic progress, social inclusion and environmental protection.

Given LSEG's central position within financial markets, its global presence and role throughout the trade lifecycle, we have a critical role in re-engineering the financial ecosystem, contributing to the global imperative to decarbonise, innovate and grow the green economy, while ensuring that everyone has the opportunity to share in the benefits of sustainable economic growth.

## OUR STRATEGY

Following the acquisition of Refinitiv in early 2021, we aligned and integrated the sustainability approaches of both organisations.

This work involved reviewing the sustainable finance products and services of the heritage organisations, particularly within the Data and Analytics division; reorganising and building out our people, capabilities and resources; reviewing and aligning sustainability-related policies, standards and practices; and combining relevant data sets to create a unified baseline from which to move forward.

We reset and enhanced our sustainability ambition and strategy. Our aim is to be a strategic enabler of sustainable growth by focusing on those issues where we can have the greatest impact. Our refreshed sustainability strategy has three strategic priorities underpinned by a series of objectives. We organise our disclosure and reporting around these core strategic priorities and report on the actions we are taking to progress against our objectives.

# Sustainability strategy at a glance

## OUR STRATEGIC PRIORITIES

### Accelerate the just transition to net zero

[See page 11](#)

Decarbonising the whole global economy is critical to minimise the worst consequences of climate change. We are leveraging LSEG's unique market position, capabilities, products and services to support a global reallocation of capital which shares the costs and benefits of reaching net zero fairly between, and within, countries.

#### Objectives

##### Transition capital

Enable more companies and issuers to access the capital needed to finance the transition to a low-carbon economy and enable investors to build transition-aligned portfolios.

##### Data and disclosure

Improve transparency and understanding of environmental, social and financial risks associated with the transition by promoting clear, comparable and comprehensive data, analytical tools and research to inform investment decision-making, deeper engagement between companies and investors, and market-wide collaboration.

##### LSEG net zero

Fulfil our commitment to the UN Race to Zero to reduce LSEG's carbon emissions by 50% by 2030 and reach net zero by 2040.

### Enable the growth of the green economy

[See page 23](#)

To deliver sustainable economic growth, more economic activity must focus on creating, scaling, and delivering solutions to the world's environmental and social challenges. LSEG has a pivotal role in helping those solutions to thrive by enabling more capital to flow towards sustainable economic activity.

#### Objectives

##### Green finance

Provide the market infrastructure needed to grow green finance directed towards sustainability challenges, clean growth and sustainable economic activity.

##### Research

Leverage our research capabilities to support the growth of the green economy.

##### Engagement

Promote and support market collaboration, innovation and public policy to scale green economic growth globally.

### Create inclusive economic opportunity

[See page 29](#)

Inclusive economies enable more people to participate in, and benefit from, economic growth, regardless of their gender, ethnicity, social background, political or religious beliefs. We aim to empower economies, communities and individuals by championing inclusion and access to economic opportunity.

#### Objectives

##### Inclusive culture

Embed an inclusive culture at LSEG that values diverse perspectives and embraces diversity of every kind.

##### Inclusive markets





Use our central position within global capital markets to promote inclusion within companies, industry and society more widely through market collaboration, research and greater disclosure.





##### Economic empowerment

Support economic empowerment through access to education, employment and enterprise opportunities to build a secure future.

# External ratings

Our sustainability practices are assessed by a variety of third- party rating agencies. These assessments help investors to understand our sustainability risks and performance. They also help us to enhance and continually improve our approach.

	Overall score	A-	2020: A- 2019: A- Scale: A to D-
	Overall score	AA	2020: AA 2019: AA Scale: AAA to CCC
	Ranking	16.4	2020: 16.9 2019: 18.2 Scale: 0-100, with 0 being the best
	Risk rating	Low Risk	2020: Low Risk 2019: Low Risk Ranking: against Diversified Financials
	Overall score	4.6/5	2020: 4.6/5 2019: 4.5/5 Scale: 0-5, with 5 being the best possible score

	Total sustainability company score	59 (92 <sup>nd</sup> percentile)	2020: 61 (89th percentile) 2019: 61 (86th percentile) Scale: 0-100, with 100 being best
	Overall score	C	2020: C 2019: C Scale: A+ to D-
	Overall score	47	2020: 47 2019: 47 Rating: 0-100 where 100 is best
	Overall score	A-	2020: A- 2019: B+



# Materiality assessment

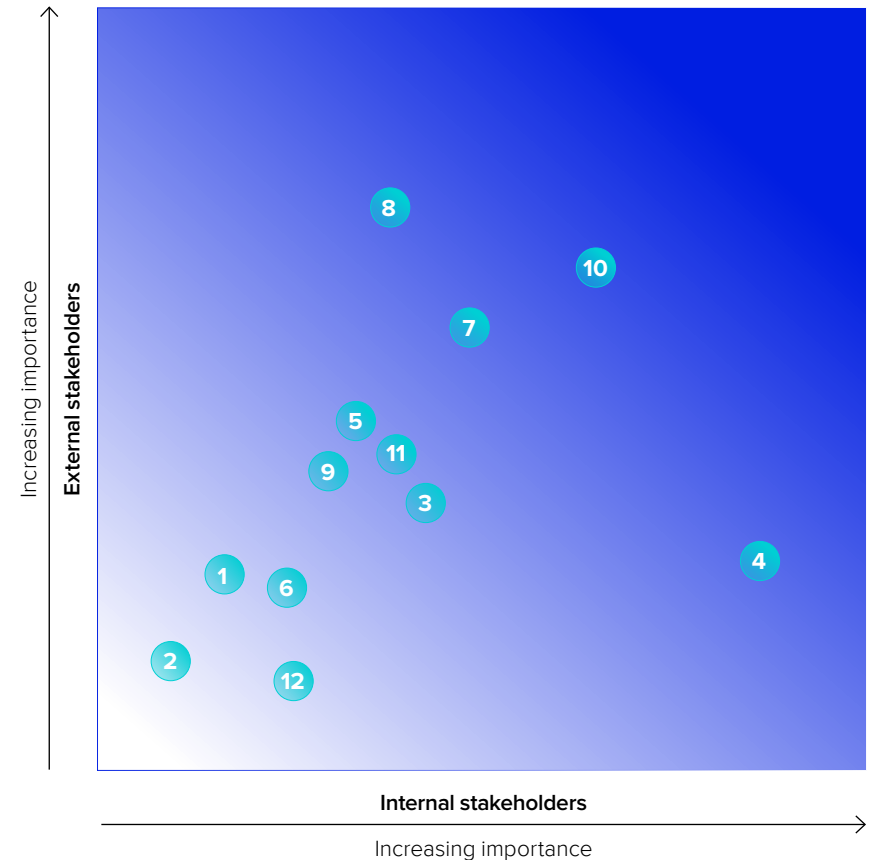
To ensure we focus on the sustainability issues that matter most to our business and our stakeholders, we conducted a materiality assessment in 2021.

We commissioned an independent consultancy to undertake the assessment, which involved a landscape review of relevant regulation, disclosure frameworks, ESG ratings and market activity. The consultants also conducted a series of in-depth stakeholder interviews to gather the perspectives of customers, shareholders, suppliers and employees.

The materiality assessment identified the sustainability-related issues shown here which are perceived to be of greatest relevance to LSEG. We plan to refresh and enhance our materiality process in future years.

## Key to sustainability-related issues

- 1 Business ethics
- 2 Community engagement
- 3 Corporate governance
- 4 Diversity and inclusion
- 5 Greenhouse gas emissions
- 6 Human rights
- 7 Information security and data privacy
- 8 Climate risk management
- 9 Environmental impact management
- 10 Sustainable finance products/services
- 11 Talent attraction, engagement and retention
- 12 Workplace health, safety and wellbeing



# UN Sustainable Development Goals

The 2030 Agenda for Sustainable Development was adopted by all United Nations Member States in 2015. This comprises 17 Sustainable Development Goals (SDGs) which form a universal call to action for sustainable economic, social and environmental development by 2030.

As we developed our sustainability strategy, we took into account the SDGs. We considered where we make a direct or indirect contribution, the findings from our materiality assessment and the extent to which we're already actively contributing positively to a SDG.

Our sustainability approach contributes to many of the goals. The most relevant goals aligned with our strategy are shown here.

## SUSTAINABLE DEVELOPMENT GOALS



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Achieve gender equality and empower all women and girls



Ensure access to affordable, reliable, sustainable and modern energy for all



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Reduce inequality within and among countries



Ensure sustainable consumption and production patterns



Take urgent action to combat climate change and its impacts



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels



Strengthen the means of implementation and revitalise the global partnership for sustainable development

## Pensioenfond Detailhandel – pension fund for the Dutch retail industry

With more than 32,000 employers, over 1.3 million participants and assets under management (AUM) of €37 billion, Pensioenfond Detailhandel (Detailhandel) is one of the largest pension funds in the Netherlands. The pension fund was established in 1972 and is a member of the Dutch Pension Federation and a signatory of the Principles for Responsible Investment (PRI). Detailhandel is committed to being a responsible investor.



Our investments and investment policies should align with the norms and values of our beneficiaries, as well as reflecting their preferences. It should also reflect our role as an asset owner and a good steward of assets. The other main driver is our belief that responsible investment contributes to long-term value creation. We believe by taking ESG factors into account, we can contribute to better investment results.”

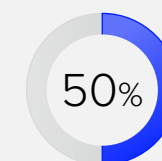
### Pensioenfond Detailhandel

#### Responsible Investment Policy Statement, 2021

In 2015 the UN General Assembly set 17 global goals. Detailhandel identified the following four SDGs as particularly relevant to its responsible investment policy:



Together with their asset manager BlackRock and FTSE Russell, as its benchmark provider, Detailhandel has developed three innovative sustainable benchmarks for its passive investments. The emphasis of these indexes is on improving alignment with the SDGs.



With the three index launches, Detailhandel has now aligned almost 50% of its €37 billion investment portfolio to the three SDG funds tracking FTSE Russell indexes (as at Dec 2021).



## OUR STRATEGIC PRIORITIES

---

# Accelerate the just transition to net zero

Decarbonising the whole global economy is critical to minimise the worst consequences of climate change. We are leveraging LSEG's unique market position, capabilities, products and services to support a global reallocation of capital which shares the costs and benefits of reaching net zero fairly between, and within, countries.







Our first priority is to accelerate the just transition to net zero and we are focused on the following three objectives to make this happen:

## OBJECTIVES

### Transition capital

Enable more companies and issuers to access the capital needed to finance the transition to a low-carbon economy and enable investors to build transition-aligned portfolios.

[See page 13](#)

### Data and disclosure

Improve transparency and understanding of environmental, social and financial risks associated with the transition by promoting clear, comparable and comprehensive data, analytical tools and research to inform investment decision-making, deeper engagement between companies and investors, and market-wide collaboration.

[See page 15](#)

### LSEG net zero

Fulfil our commitment to the UN Race to Zero to reduce LSEG's carbon emissions by 50% by 2030 and reach net zero by 2040.

[See page 16](#)

- We have published our first Climate Transition Plan

[Link to the report](#)

- LSEG's Task Force on Climate-related Financial Disclosures (TCFD) Report

[Link to the report](#)

# Transition capital

We are committed to enabling more companies and issuers to access the capital required to fund the transition to a low-carbon economy and enable investors to build transition-aligned portfolios.

## Glasgow Financial Alliance for Net Zero (GFANZ)

LSEG was a founding member of GFANZ which was launched in April 2021, led by Mark Carney, UN Special Envoy on Climate Action and Finance. GFANZ is a global coalition of leading financial institutions committed to accelerating the decarbonisation of the global economy. Collectively, members commit to achieving the objective of the Paris Agreement to limit global temperature increases to 1.5°C. LSEG CEO David Schwimmer is a member of the GFANZ CEO Principals Group and we are actively involved in the GFANZ workstreams.

## Net Zero Financial Service Providers Alliance

Under the GFANZ umbrella, the Net Zero Financial Service Providers Alliance (NZFSPA) is a global group of service providers committed to supporting the goal of global net zero greenhouse gas emissions by 2050 or sooner, in line with the ambition to limit the global temperature increase to 1.5°C above pre-industrial levels. LSEG was a founding member of the Alliance which, in 2022, will set targets and metrics to drive the commitment.

## Transition Bond Segment

In February 2021, London Stock Exchange (LSE) launched the transition bond segment (SBM) within its sustainable bond market, supporting issuers that have robust and credible transition strategies to raise capital for transition-related activity. The transition segment joins the green, social, sustainability and sustainability-linked segments which make up the LSE's SBM.

## FTSE EU Climate Benchmarks Index Series

To help investors reallocate capital in line with the transition to a low-carbon economy, FTSE Russell launched the FTSE EU Climate Benchmarks Index Series in July 2021. FTSE Russell consulted Brunel Pension Partnership in the design of the indices which include a range of climate-themed equity indexes aligned to the Paris Agreement. The index series covers a broad range of developed and emerging equity markets including FTSE All-World, FTSE Developed, FTSE Emerging, Russell 1000, FTSE All-Share and FTSE Australia 200. The index series apply the FTSE Target Exposure Framework which includes a transparent tilt exposure towards and away from index constituents according to several exposure objectives, such as fossil fuel reserves, carbon reserves and green revenues, to achieve Paris alignment.



## COP26

LSEG actively participated in COP26 hosted in Glasgow in November 2021. We were a strategic sponsor of the Green Horizon Summit, which focused on the role of finance in the transition to net zero and was co-hosted by the City of London and the Green Finance Institute.

In the run up to COP26 we ran a series of climate action webinars in partnership with the Principles for Responsible Investment which attracted over 12,000 viewers. Amongst some of the high-profile speakers were John Kerry, US Special Envoy on Climate; Mark Carney, UN Special Envoy on Climate Action and Finance; Masataka Miyazono, President of Japan's Government Pension Investment Fund; and Ravi Menon, Head of the Monetary Authority of Singapore.

## Transition capital continued

### Japan climate index

LSEG and the Japan Exchange Group (JPX) announced new net zero climate indices in November covering Japan's equity market. This is designed to enable investors to reallocate capital based on the climate credentials and carbon performance of the constituent companies in the index.

### Voluntary carbon markets

In November, the London Stock Exchange announced its intention to develop a new market solution for voluntary carbon markets to accelerate the availability of financing for projects to support a just transition to a low-carbon economy. The solution aims to address two major challenges inherent in the scaling up of the voluntary carbon markets: access to capital at scale for the development of new climate projects worldwide; and primary market access to a long-term supply of high-quality carbon credits for corporates and investors. When launched, this will enable companies and investors to augment credible net zero transition strategies by financing additional projects to offset unavoidable carbon emissions during their path to net zero.

### Brunel Pension Partnership

In November, Brunel Pension Partnership (Brunel) announced it would move over £3 billion of its passive global equity allocation to follow the FTSE Russell Paris-aligned benchmark series.

The assets are managed by Legal & General Investment Management (LGIM) and the Brunel transition is one of the largest passive fund launches (by AUM) in LGIM's history.

FTSE Russell's Paris-aligned benchmark series not only meets the minimum requirements of the EU's Paris-aligned benchmark criteria by achieving a 50% reduction in carbon emissions over a ten-year period but they go a step further by integrating forward-looking metrics and governance measures from the Transition Pathway Initiative (TPI). TPI provides assessments of how the world's largest and most carbon-exposed companies are managing the climate transition.

Designing benchmarks that enable passive funds to target net zero has been one of the major challenges facing the financial sector. Brunel worked closely with FTSE Russell to support the launch of the Paris-aligned benchmark.

Brunel believes asset owners and asset managers need to act with added urgency to ensure finance can be part of the solution to climate change. A major element of the action needed is transitioning passive funds to Paris-aligned benchmarks as they account for a very large proportion of assets invested globally, reaching over \$15 trillion in 2020.



The transition of £3 billion to the new Paris-aligned benchmarks is an indication of how indices can be a major part of the solution to climate change. Crucially, these indices harness the data we already have, including forward-looking metrics, not least TPI metrics. But they are also flexible enough to change in the future, as the data continues to improve.”

#### Faith Ward

Chief Responsible Investment Officer,  
Brunel Pension Partnership



# Data and disclosure

We are committed to improving transparency and understanding of environmental, social and financial risks associated with the transition by promoting clear, comparable and comprehensive data, analytical tools and research to inform investment decision-making, deeper engagement between companies and investors and market-wide collaboration.

## ESG data

LSEG provides customers with a wide range of environmental, social and governance (ESG) data across different asset classes. This includes Refinitiv's transparent, granular ESG data and ratings on over 10,000 companies globally, drawing on over 450 metrics to drive advanced ESG analytics. This is alongside FTSE Russell's ESG research and ratings covering thousands more companies. With respect to debt markets, Beyond Ratings provides ESG-related data on thousands of corporate credit issuers and over 175 sovereign issuers.

## Model guidance for climate disclosure

LSEG is a member of the United Nations Sustainable Stock Exchange (UN SSE) initiative and in June 2021 contributed to the creation of its model reporting

guidance on the Task Force on Climate-related Financial Disclosures (TCFD). This provides a template for stock exchanges to guide issuers on TCFD implementation. In October the London Stock Exchange was the first exchange to issue its own guidance, based on the UN SSE's model tailored to the UK's regulatory and policy environment for public companies. The guidance helps companies listed in London to integrate climate risks and opportunities into operational decision-making and report performance.

## Climate governance scores

To strengthen its support for issuers looking to transition to low-carbon business models, the London Stock Exchange introduced climate governance scores for over 400 issuers in 2021. These provide a private educational resource to help issuers understand their current progress on climate reporting and transition planning, discover best practice and areas for improvement, and ultimately, mobilise credible transition plans. The score will drive improved disclosure on climate-related risks and opportunities on London's markets to help investors to more appropriately price carbon. FTSE Russell provides the data for the climate governance score which is based on the TPI's management quality score methodology. The assessments take into account a company's carbon management practices and incorporation of climate change considerations into their business strategy.



Read more about our model guidance for climate disclosure [here](#)



The TPI is a global, asset-owner-led initiative which assesses companies' preparedness for the transition to a low-carbon economy. TPI is supported globally by 120 investors with more than \$40 trillion combined AUM.

## Climate Transition Centre

In October 2021, LSEG committed to help fund the creation of the TPI Global Climate Transition Centre at the London School of Economics. It will dramatically scale publicly-available research on the climate transition pathways of 10,000 businesses, covering global equity markets, fixed income and private markets. This builds on our existing relationship as FTSE Russell is TPI's data partner.



# LSEG net zero

In January 2021, LSEG joined the United Nations Climate Change 'Race to Zero' becoming the first global exchange group to commit to net zero. We aim to halve our carbon emissions by 2030 and will work towards net zero by 2040.

We have set science-based targets aligned with the goals of the Paris Agreement to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C.

## Our targets

- **Carbon reduction target:** we commit to reducing our absolute Scope 1, Scope 2 and Scope 3 (Fuel and Energy Related Activities, Business Travel and Employee Commuting) greenhouse gas (GHG) emissions by 50% by 2030
- **Supplier engagement target:** we commit that 67% of our suppliers (by emissions) to set science-based targets to reduce their own emissions by 2026

## Focus areas

To achieve our near-term targets by 2030 and to identify our path to net zero we are focusing on the following priority areas:

### Climate risk

We will continue to understand, assess and manage the potential impacts of climate change on our **physical locations and business model**.

[Please click here to see LSEG's full TCFD report](#)

### Supply chain

We will work with all of our suppliers to integrate environmental considerations and commitments into their operations. This includes engaging **67%** of our suppliers (by emissions) to set science-based targets to reduce their own emissions by 2026.

### Property and data centres

We will **halve** the emissions from our offices and data centres by optimising our locations and driving efficient technology. For example, the implementation of a global tool to track, manage and measure internal data points across office locations and functions for real-time reporting.

### Renewable electricity

We will ensure **100%** of the electricity we consume is from renewable sources by increasing green tariffs across our portfolio, exploring on-site and off-site generation, and by purchasing energy attribute certificates (EACs) where the other options are not available.

### Travel

We will reduce our emissions from travel by **50%** by working with our colleagues and partners to change how, when and why we travel. We will improve cycle-to-work provision including cycle racks and shower facilities and switch to electric vehicles for shuttle bus services.

### Neutralisation and removals

LSEG has achieved CarbonNeutral® company certification, in accordance with The CarbonNeutral Protocol, the leading global framework for carbon neutrality. We will continue exploring options for removals to support us in our path to net zero.

## LSEG net zero continued

### Our emissions

We continued to reduce our total Group carbon footprint in 2021, down almost 13% from our 2019 baseline, and over 10% down from 2020. We saw reductions across Scopes 1, 2 and 3 with the greatest percentage reductions in Scope 2 market-based emissions, down 69% from the 2019 baseline; this is largely due to all electricity consumed in 2021 being sourced from either a green tariff or covered by an energy attribute certificate. Scope 1 emissions reduced by 54% from our 2019 baseline, largely due to a consolidation of our office footprint as well as reduced office use. Overall Scope 3 emissions reduced, due largely to lower levels of business travel due to the ongoing global pandemic; emissions from business travel in 2021 were down 93% from 2019, and 66% from 2020 levels. As travel restrictions begin to ease, we anticipate business travel, and associated emissions, to increase from the levels seen in 2021. As office occupancy levels remained low during 2021 we also saw reduced Scope 3 emissions from waste disposal; this is expected to increase as more employees return to the office. Our plans for 2022 aim to manage these expected increases in order to stay on track with our 2030 target commitment.

While we saw lower emissions from reduced business travel and office occupancy in 2021, we experienced a significant increase in emissions from homeworking

from 2019 levels. However, 2021 emissions for homeworking are lower than 2020 levels which is largely due to improvements in office attendance data which tracked actual daily attendance for each office. This enabled us to calculate more accurate emissions data for homeworking and commuting and reduced our reliance on estimated office occupancy figures. In previous years, a conservative estimate was made for both commuting and homeworking.

The vast majority (96%) of our emissions arise from Scope 3 purchased goods and services, which demonstrates how critical supplier engagement is to the overall reduction of our emissions. As a result, we have set a supplier engagement target which aims to ensure that suppliers responsible for 67% of our purchased goods and services emissions have set science-based targets by 2026. As part of our engagement with suppliers we will collect emissions data from our key suppliers to more accurately calculate our emissions associated with the goods and services we buy. This will allow us to set targets in the near future to reduce this portion of our emissions in alignment with our net zero commitment.

### Methodology and verification statement

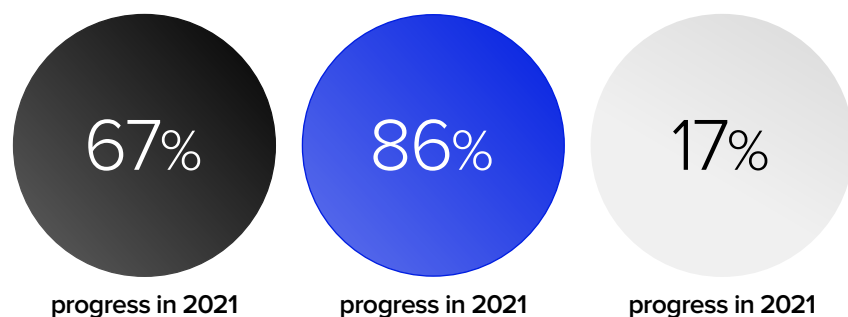
We report all of the emission sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. These sources fall within our consolidated statement. We do not have responsibility for any emission sources that are not included in our consolidated statement.

Our emissions are calculated according to an 'operational control' boundary using GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and UK Government Environmental Reporting Guidelines: including streamlined energy and carbon reporting guidance (March 2019).

LSEG's Scope 1, 2 and 3 emissions disclosed in this report have been externally verified by Cameron-Cole against the requirements of the WRI/WBCSD GHG Protocol, GHG Protocol Corporate Accounting and Reporting Standard (revised edition), GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard, and the GHG Protocol Corporate Value Chain (Scope 3) Standard. Conduct of the verification met the requirements of ISO 14064-3:2006(E).

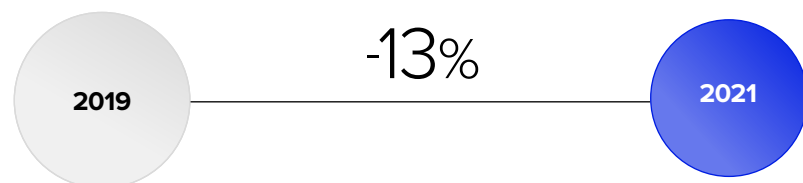
## LSEG net zero continued

### Progress against science-based targets (SBTs)



- Absolute Scope 1 and 2
- Absolute Scope 3  
(FERA, Business Travel,  
Commuting)
- Total % of emissions from  
suppliers with an SBT

### Total group carbon footprint (tCO<sub>2</sub>e)



Overall performance	2021	2020 <sup>8</sup>	2019 <sup>8</sup>	% Change <sup>9</sup>
Total group carbon footprint (tCO <sub>2</sub> e) <sup>1, 5</sup>	571,885	640,693	657,008	-13%
per m <sup>2</sup>	1.35	1.50	1.54	-12%
per FTE	24	27	27	-10%
per £m revenue <sup>11</sup>	80	90	96	-17%
Scope 1 <sup>2</sup>	1,000	1,960	2,163	-54%
Scope 2 market based <sup>3</sup>	3,138	6,492	10,189	-69%
Scope 2 location based	106,566	111,644	143,206	-26%
Renewable electricity (%) <sup>7</sup>	100%	98%	96%	4%
Scope 3 <sup>4, 5, 6</sup>	567,747	634,175	646,569	-12%
1. Purchased goods and services	550,861	603,613	564,107	-2%
3. Fuel- and energy-related activities (FERA)	5,659	6,371	9,082	-38%
5. Waste	185	369	1,879	-90%
5. Water	80	1,166	1,282	-94%
6. Business travel	3,169	9,593	42,662	-93%
7. Employee commuting	1,907	4,745	27,422	-93%
7. Home working	5,805	8,236	55	10,455%
8. Upstream leased assets	81	81	80	1%
Exclusions (market-based) <sup>10</sup>	767	1,933	1,914	-17%
Exclusions (location-based) <sup>10</sup>	1,886	4,264	4,829	-60%

1. All Group totals and electricity breakdowns use market-based Scope 2 emission factors. Group carbon footprint includes tenant consumption, excludes client-based workers.
2. Scope 1 Emissions combustion of fuel and operation of facilities – includes natural gas, diesel, LPG, fugitive emissions and fleet vehicles.
3. Scope 2 Emissions purchase of electricity and heat by the Group for its own use. Market-based emissions use supplier-based emission factors, and energy attribute certificates for where 100% renewable supplier tariffs are not in place.
4. Scope 3 includes emissions from purchased goods and services, fuel-and-energy related emissions, air travel, rail travel, taxis, hotels and ground transfers, waste, water, employee commuting (including home working) and upstream leased assets.
5. DEFRA UK Government GHG Conversion Factors are used for our UK sites, and all business travel, water, waste, upstream leased assets and extrapolated data. US EPA factors are used for United States electricity and employee commute factors. IEA and GHG Protocol emissions factors are used to calculate Scope 1, 2 and Scope 3 fuel-and-energy-related emissions for international sites where available. Defra IO factors have been adjusted to reflect reporting year consumer index pricing to estimate emissions related to purchased goods and services. US and UK National Travel Surveys have been used to inform our estimations for employee commuting. Emissions related to working from home have been based on EcoAct's 'Homeworking emissions whitepaper' (2020).
6. Scope 3 emissions are not separately reported by UK and Rest of Group, due to the collection of travel, purchased goods and services and other data at the Group level.
7. Energy attribute certificates have been purchased to claim renewable electricity consumption for all sites where 100% renewable supplier tariffs are not in place. These certificates have been sourced from an internationally recognised trader who is an IETA member and gold partner of CDP.
8. 2019 and 2020 total carbon emissions have been restated to reflect the acquisition of Refinitiv.
9. % Change is calculated between 2021 and 2019, the Group's target baseline year.
10. Emissions from sites not included within the reporting boundary relate to the divestment of Borsa Italiana and have been published for transparency.
11. The revenue figures for 2019, 2020 and 2021 are based on a 'pro-forma' approach to align with our global GHG inventory.

# Climate Transition Plan

We are pleased to publish our first Climate Transition Plan in a separate report. This sets out how we are reducing our emissions in line with our science-based targets and how we are enabling a market-wide transition to a low-carbon economy.

As more businesses set out their commitments to reduce and remove their emissions across their value chain, we believe that the publication of climate transition plans will play an increasingly important role. Climate transition plans explain how commitments translate into action, enabling more informed investment decision-making, deeper engagement between companies and investors and market-wide collaboration.

At present there is limited consensus around what constitutes best practice with respect to preparing a climate transition plan. This is LSEG's first plan where we explain our commitments and approach, covering both our near-term targets and how we will identify actions required beyond 2030.

We support the evolution and adoption of best practice guidance for climate transition plans and will review and refine our own Climate Transition Plan over time.

[Please click here for further information on our Climate Transition Plan](#)





# Task Force on Climate-related Financial Disclosures (TCFD)

LSEG has been a signatory and supporter of TCFD since its launch in 2017 and has disclosed climate change as an emerging risk in both our annual and sustainability reports since 2019. Each year, we disclose information on how we expect climate change, and the associated transition to a low-carbon economy, to impact our business in the near to long term. We are committed to enhancing our disclosure in line with TCFD's recommendations and embedding this across our business.

## 2021 approach and evolution of TCFD

Since the disclosure in our 2020 annual report, and following the acquisition of Refinitiv in January 2021, we have enhanced our models for both physical and transition risks to reflect the newly combined organisation. In line with the increased disclosure requirements for corporations and financial markets participants, we continue taking proactive steps to develop our methodology to define and model how climate change impacts our operations and business.

For 2021, we have published a stand alone TCFD report and include a summary from that report in this section.

[🔗 Please click here to see LSEG's full TCFD report](#)

Our TCFD report details our approach, the identified risks, opportunities and areas of focus in 2022. We have worked with internal stakeholders and sought external expertise to improve our understanding of the financial implications of climate-related risks and opportunities to our business, and will continue to iterate and improve the scenarios used to assess our physical risk to operations and the opportunities and risks associated with market shifts in the transition to a low-carbon economy.

It is our intention to reinforce the Group's resilience to climate-related physical risks; to address transition risks and opportunities; to meet existing future reporting requirements and to protect the Group's reputation.

## UK Climate Financial Risk Forum

LSEG is a member of the Climate Financial Risk Forum (CFRF), an industry forum jointly convened by the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) to build capacity and share best practice. Since its inception in March 2019, the CFRF has published a report with industry best practice on disclosure, scenario analysis, risk management and innovation.

## Task Force on Climate-related Financial Disclosures (TCFD) continued



A summary of our approach and activities aligned with the TCFD recommendations is included below, more detail can be found in our TCFD report [www.lseg.com/investor-relations/sustainability](http://www.lseg.com/investor-relations/sustainability)

### Summary of the TCFD recommendations

Section	TCFD recommendation	LSEG approach	2021 Enhancements	Reference
Governance	The board's oversight of climate-related risks and opportunities	<ul style="list-style-type: none"> <li>LSEG Board has ultimate oversight of the sustainability agenda and strategy</li> <li>Updated at least bi-annually on sustainability-related issues including climate risks and opportunities</li> <li>The LSEG Board has oversight of the Group Sustainability Policy</li> <li>Board Risk Committee has oversight of the Group's Risk Framework including sustainability risks</li> </ul>	<ul style="list-style-type: none"> <li>Following the acquisition of Refinitiv, the LSEG Board approved the updated Sustainability Policy and received briefings on LSEG's sustainability approach</li> </ul>	<a href="#">Sustainability Policy</a> <a href="#">LSEG 2021 Sustainability Report</a> LSEG 2021 Annual Report and Accounts (page 20) <a href="#">LSEG 2021 TCFD Report</a>
	Management's role in assessing and managing climate-related risks and opportunities	<ul style="list-style-type: none"> <li>Sustainability Committee is chaired by Chief Corporate Affairs &amp; Marketing Officer. The Chief Risk Officer and Chief Operating Officer are also members of the Sustainability Committee</li> <li>The Environmental Management Group (EMG) reports into the Sustainability Committee. The EMG meets quarterly, sets the environmental ambition for LSEG, chaired by Chief Operating Officer</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability Committee membership refreshed to reflect new leadership and ownership</li> <li>EMG membership refreshed to reflect new leadership and enhanced accountability</li> </ul>	
Strategy	Identification of climate-related risks and opportunities	<ul style="list-style-type: none"> <li>Led by Group Risk, sample models have been developed with input and validation of some of the underlying assumptions by the business, to identify and manage future risks and opportunities that have a material impact on physical locations and our business model</li> </ul>	<ul style="list-style-type: none"> <li>Physical Climate Risk Model has been expanded to incorporate Refinitiv's locations</li> <li>Continued socialisation with business partners to incorporate Refinitiv's business into LSEG's Transition Risk models</li> </ul>	<a href="#">Sustainability Policy</a> <a href="#">LSEG 2021 Sustainability Report</a> LSEG 2021 Annual Report and Accounts (page 20)
	Impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	<ul style="list-style-type: none"> <li>LSEG's business purpose and commitment to sustainable growth reflects our approach and consideration of climate-related risks and opportunities in our products and services and business operations</li> <li>The EMG works across the business to activate our environmental ambition and ensure adequate future planning</li> </ul>	<ul style="list-style-type: none"> <li>New business purpose gives a strategic anchor to sustainability which is integrated across objectives at all divisions and functions of LSEG</li> </ul>	<a href="#">LSEG 2021 TCFD Report</a>
	Resilience of strategy under varying climate-related scenarios	<ul style="list-style-type: none"> <li>Group Risk devised impact pathways to show operations and business exposure amid external changes in climate and weather patterns and subsequent impacts on the business in terms of costs and revenue</li> <li>Initial modelling shows that temperature rises and weather events would present both risks and opportunities to LSEG's business operations as well as business model</li> </ul>	<ul style="list-style-type: none"> <li>LSEG's preliminary transition risk model was replicated to a second business unit. Additional work is underway to include Refinitiv's exposure into the model</li> </ul>	

## Task Force on Climate-related Financial Disclosures (TCFD) continued

### Summary of the TCFD recommendations (continued)

Section	TCFD recommendation	LSEG approach	2021 Enhancements	Reference
Risk management	Processes for identifying and assessing climate-related risks	<ul style="list-style-type: none"> <li>Our Enterprise Risk Management Framework includes and embeds sustainability risks which are raised and owned by the business</li> </ul>	<ul style="list-style-type: none"> <li>LSEG's Risk Taxonomy was updated</li> </ul>	<a href="#">Sustainability Policy</a> <a href="#">LSEG 2021 Sustainability Report</a>
	Processes for managing climate-related risks	<ul style="list-style-type: none"> <li>Risks are managed day-to-day by business owners with support from Group Risk as second line of defence</li> <li>Executive Committee and Sustainability Committee have oversight and management of sustainability-related risks and opportunities</li> </ul>	<ul style="list-style-type: none"> <li>New risks identified by business</li> </ul>	LSEG 2021 Annual Report and Accounts (page 20) <a href="#">LSEG 2021 TCFD Report</a>
	Integration of climate-related risks into overall risk management	<ul style="list-style-type: none"> <li>Climate-related risks are embedded within the Enterprise Risk Management Framework</li> </ul>	<ul style="list-style-type: none"> <li>Group Risk are represented at every part of our governance structure</li> </ul>	
Metrics and targets	Metrics to assess climate-related risks and opportunities	<ul style="list-style-type: none"> <li>Accurate data collection in place to support interim targets and facilitate the accurate and timely gathering of data</li> <li>Strategic external partnerships to drive accountable net zero metrics for the industry</li> </ul>	<ul style="list-style-type: none"> <li>Data collection tool enhanced to cover new business footprint and ambition</li> <li>Members of GFANZ and NZSPA with executive representation</li> </ul>	<a href="#">Sustainability Policy</a> <a href="#">LSEG 2021 Sustainability Report</a>
	Disclosure of scope 1, scope 2, and scope 3 greenhouse gas (GHG) emissions and the related risks	<ul style="list-style-type: none"> <li>Combined data inventory reflecting legacy business emissions for 2019, 2020 and 2021 has been verified and published</li> </ul>	<ul style="list-style-type: none"> <li>Data inventory reflects combined business operations and considers reductions/increases impacted by Covid</li> </ul>	LSEG 2021 Annual Report and Accounts (page 20) <a href="#">LSEG 2021 TCFD Report</a>
	Targets used to manage climate-related risks and opportunities and performance against targets	<ul style="list-style-type: none"> <li>New near-term science-based targets approved with 2026 and 2030 target dates. We have also set a long-term target to achieve net zero by 2040</li> </ul>	<ul style="list-style-type: none"> <li>SBTi approved target following re-baselining of data</li> <li>Internal working groups established to act on emissions reductions</li> <li>New net zero target approved, and work is underway to map relevant reduction pathways</li> </ul>	

**OUR STRATEGIC PRIORITIES**


---

# Enabling the growth of the green economy

To deliver sustainable economic growth, we need to increase the proportion of economic activity focused on creating, scaling and delivering solutions to the world's environmental and social challenges. At the centre of capital markets, LSEG has a pivotal role in helping capital to flow towards sustainable economic activity.







Our second strategic priority is to enable the growth of the green economy and we are focused on the following three objectives to make this happen:

## OBJECTIVES

### Green finance

Provide market infrastructure needed to grow green finance directed towards key sustainability challenges, clean growth and sustainable economic activity.

[See page 25](#)

### Research

Leverage our research capabilities to support the growth of the green economy.

[See page 27](#)

### Engagement

Promote and support market collaboration, innovation and public policy to scale green economic growth globally.

[See page 28](#)

# Green finance

We provide market infrastructure needed to grow green finance directed towards key sustainability challenges, clean growth and sustainable economic activity.



## New Green Economy Mark issuers in 2021

In July 2021 we launched the third annual cohort of Green Economy Mark companies. There are now 115 companies with the Green Economy Mark, which recognises firms with over 50% of their revenues coming from products and services that contribute to the global green economy. Together, they have a market capitalisation of over £165 billion, approximately 3% of the total market capitalisation of the London Stock Exchange and an increase of 30% from the Green Economy Mark cohort in 2020.

Throughout 2021 we saw a number of key deals by sustainable businesses, with eight initial public offerings (IPOs) from green companies and funds. VH Global Sustainable Energy Opportunities raised over £242 million at its IPO in February 2021, whilst Hydrogen One became the first hydrogen fund to list in London.

Energy storage and clean fuel company, ITM Power raised £250 million on the London Stock Exchange to help build a new factory to make electrolyzers, which are key to energy transition.



## Sustainable Bond Market

The London Stock Exchange's dedicated Sustainable Bond Market (SBM) champions innovative issuers in sustainable finance, and improves access, flexibility and transparency for investors. As demand from investors and companies to manage climate risks and create impact becomes ever more important, our expanded SBM offers a wide range of opportunities for green, sustainable and social bonds, in addition to bonds from green economy issuers and, most recently, sustainability-linked bonds.

## UK Green gilt

In September 2021 the UK Government issued its first Green gilt on the London Stock Exchange's Sustainable Bond Market. The £10 billion Gilt was the largest inaugural green issuance by any sovereign, which will fund green government projects like zero-emissions buses, offshore wind and schemes to decarbonise homes and buildings.

## Green Economy Mark company: musicMagpie

Since it was founded in 2007, musicMagpie has grown into a leader in 're-commerce', providing UK and US consumers with a smart, sustainable and trusted way to buy, rent and sell refurbished consumer technology, disc media and books.

When selling to musicMagpie, customers are offered a fixed valuation via its website or App, provided with free logistics to ship the products and receive payment for their product on the day of arrival at the warehouse. After the products have been refurbished, all consumer technology items are sold on with a free 12-month warranty.

According to the company's CEO, only 1% of the world's smartphones are recycled and in 2019, the world generated 53.6 metric tonnes of e-waste. The trend towards buying 'pre-owned' consumer technology products is accelerating, driven in part by growing consumer acceptance of the circular economy and by the rising prices of new, high-specification products.

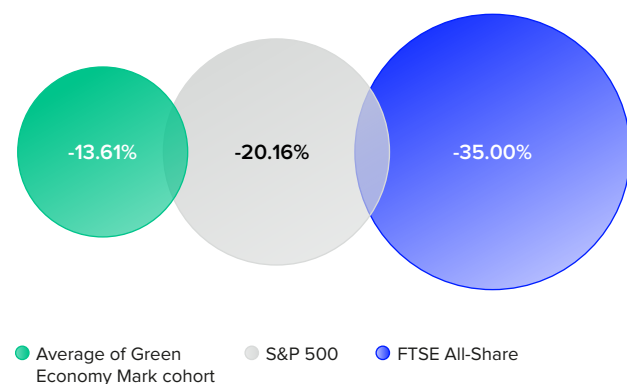
With almost all its revenues qualifying as green revenues, musicMagpie received the Green Economy Mark at IPO in 2021. Its £95 million offer was over-subscribed, and the company's market valuation exceeded £200 million.

The IPO has enabled musicMagpie to finance two major initiatives: a smartphone monthly subscription/rental service; and the roll-out of SMARTdrop kiosks in ASDA supermarkets, via which shoppers can get cash for their old phone in as little as four minutes. In addition, the company plans to start offering brands 'Magpie Circular', a technology recycling service for businesses.

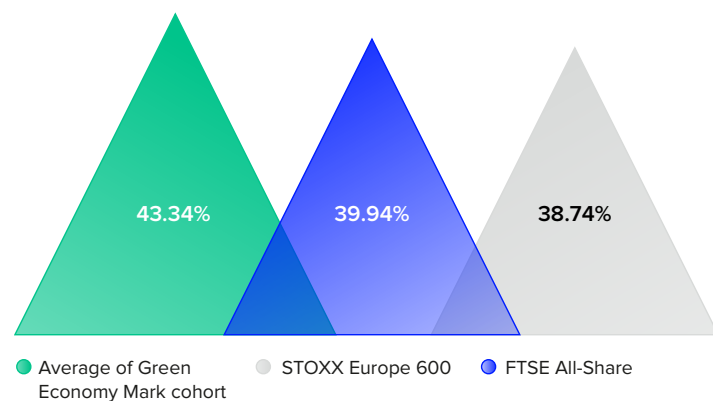
## Green finance continued

### GREEN COMPANIES DEMONSTRATED RESILIENCY DURING THE COVID-19 PANDEMIC

#### COVID-19 Volatility Period (Jan 20 – March 20)



#### COVID-19 Bounce Back (March 20 – March 21)

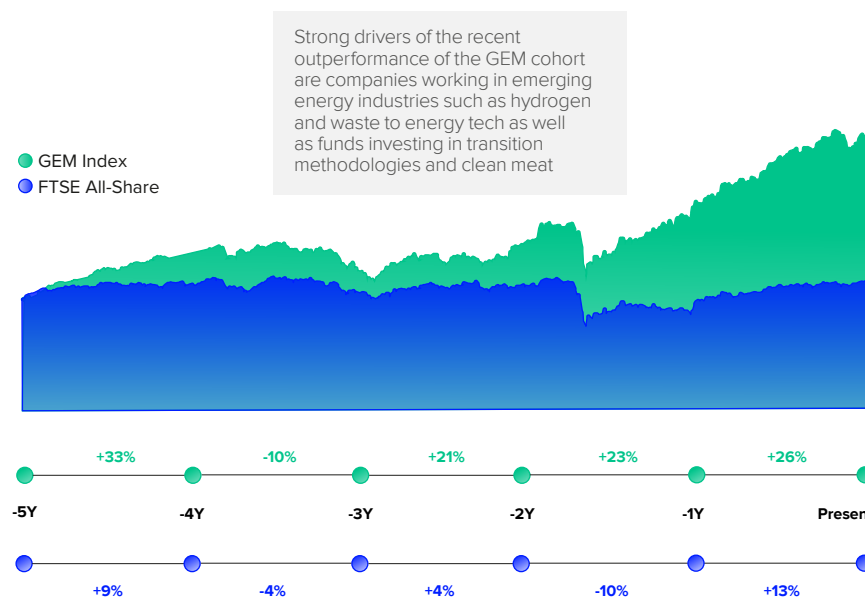


Sources: LSEG, July 2021  
\*Price performance is as of 25 June 2021

#### GEM companies outperform

GEM companies outperform the FTSE All Share by 115% over last five years.

Although the Green Economy Mark was launched in 2019, this GEM index covers the price performance of the current GEM cohort of companies for the last five years.



Sources: LSE, Refinitiv, December 2021  
Price performance is rebased as at 1/12/2016



# Leveraging our research capabilities

We leverage our research capabilities to support the growth of the green economy.

## FTSE Russell Green Revenues data

FTSE Russell has been researching and developing green industry taxonomies for more than a decade. Our Green Revenues 2.0 data model enables a better understanding of the green economy, defining what it is and determining the companies and activities that comprise it. The data set is designed to ensure broad global coverage, comprehensive classification of green activities and granular data. The Green Revenues data model is applied to nearly 99% of total global market capitalisation, capturing over 16,000 public companies across 48 developed and emerging markets from micro-cap to mega-cap. This ensures coverage of FTSE Russell's broadest equity indexes, including the full range of indices in the FTSE Global Equity Index Series and the Russell US Indexes.

The EU Taxonomy and FTSE Russell's Green Revenues Classification System are highly aligned on core activities to give investors an effective tool with which to identify companies involved in the green economy and quantify the share of their revenues that is likely to qualify under the EU Taxonomy.

## Sustainable investment research publications

This area of the market is evolving quickly and research is helpful in understanding the new trends and insights. Examples of some of our research reports produced in 2021 are:

- 📄 **Anticipating climate change risks on sovereign bonds**
- 📄 **Achieving scale in active ownership and engagement through index investing**
- 📄 **COP26: Bridging the gap of climate ambition**
- 📄 **Benchmarking the Green Bond market**
- 📄 **Sustainability in the UK**
- 📄 **Cross border carbon and potential carbon border taxes**
- 📄 **Towards investor-orientated carbon targets data**
- 📄 **COP26 Net Zero Atlas**
- 📄 **Navigating the EU Taxonomy Regulation**
- 📄 **FTSE4Good 20th anniversary special report**
- 📄 **How to build a climate-adjusted government bond index**





# Engagement

We promote and support market collaboration, innovation and public policy to scale green economic growth globally.

## UN Sustainable Stock Exchanges initiative

LSEG has been a member of the UN Sustainable Stock Exchanges (SSE) initiative since 2014. The SSE initiative is a UN Partnership Programme organised by UNCTAD, the UN Global Compact, UNEP FI and the Principles for Responsible Investment. The SSE's mission is to provide a global platform for exploring how exchanges, in collaboration with investors, companies (issuers), regulators, policymakers and relevant international organisations, can enhance performance on ESG issues and encourage sustainable investment, including the financing of the UN Sustainable Development Goals. The SSE seeks to achieve this mission through an integrated programme of conducting evidence-based policy analysis, facilitating a network and forum for multi-stakeholder consensus-building, and providing technical assistance and advisory services.

## Green Technical Advisory Group

LSEG is a member of Green Technical Advisory Group (GTAG) which is the technical expert group advising the UK Government on the development of its green taxonomy. It advises on market, regulatory and scientific considerations for developing and implementing a UK taxonomy which facilitates more informed investment decisions. The taxonomy will be a common framework defining what investments can be classed as environmentally sustainable. This will help tackle potential greenwashing, improve understanding of environmental impact help companies and investors make informed choices, support investment in sustainable projects and boost efforts to tackle climate change.

## Green Sukuk Taskforce and high-level working group

LSEG is a member of the Green Sukuk working group, which includes the United Nations, and governments from the Middle East and UK, to coordinate international efforts to develop and promote green and sustainable sukuk as a viable financial instrument that can attract capital at scale for green projects that support the achievement of Nationally Determined Contributions and the broader Sustainable Development Goals. The work aims to increase alignment of the Islamic finance industry with the global green and sustainable finance movement.

## LSEG labs sustainable finance innovation unit

In September 2021, LSEG launched a dedicated sustainable finance innovation unit in Singapore, focused on creating sustainable finance capabilities to accelerate innovation and advanced technology across the country's fintech ecosystem, supported by the Monetary Authority of Singapore. The unit provides a strong combination of data science, data engineering and ESG expertise which is focused on topics such as accelerating investment into green infrastructure projects, measuring climate risks and enhancing ESG disclosure.

## UK Green Finance Institute

LSEG is an active member of the Green Finance Institute. The purpose of the Institute is to bring together the UK's existing capabilities, create new business opportunities and communicate to the wider market what London's offer is in green finance and insurance.

**OUR STRATEGIC PRIORITIES**

---

# Creating inclusive economic opportunity

Inclusive economies enable more people to participate in, and benefit from, economic growth, regardless of their gender, ethnicity, social background, political or religious beliefs. We aim to empower economies, communities and individuals by championing inclusion and access to economic opportunity.





Our third strategic priority is to create inclusive economic opportunity and we are focused on the following three objectives to make this happen:

#### OBJECTIVES

##### **Inclusive culture at LSEG**

Embed an inclusive culture at LSEG that values diverse perspectives and embraces diversity of every kind.

[See page 31](#)

##### **Inclusive markets**

Use our central position within global capital markets to promote inclusion within companies, industry and society more widely through market collaboration, research and greater disclosure.

[See page 36](#)

##### **Economic empowerment**

Support economic empowerment through access to education, employment and enterprise opportunities to build a secure future. A key way we do this is through our activity in the community via the LSEG Foundation.

[See page 37](#)



operating in  
70 countries



in over  
190 countries

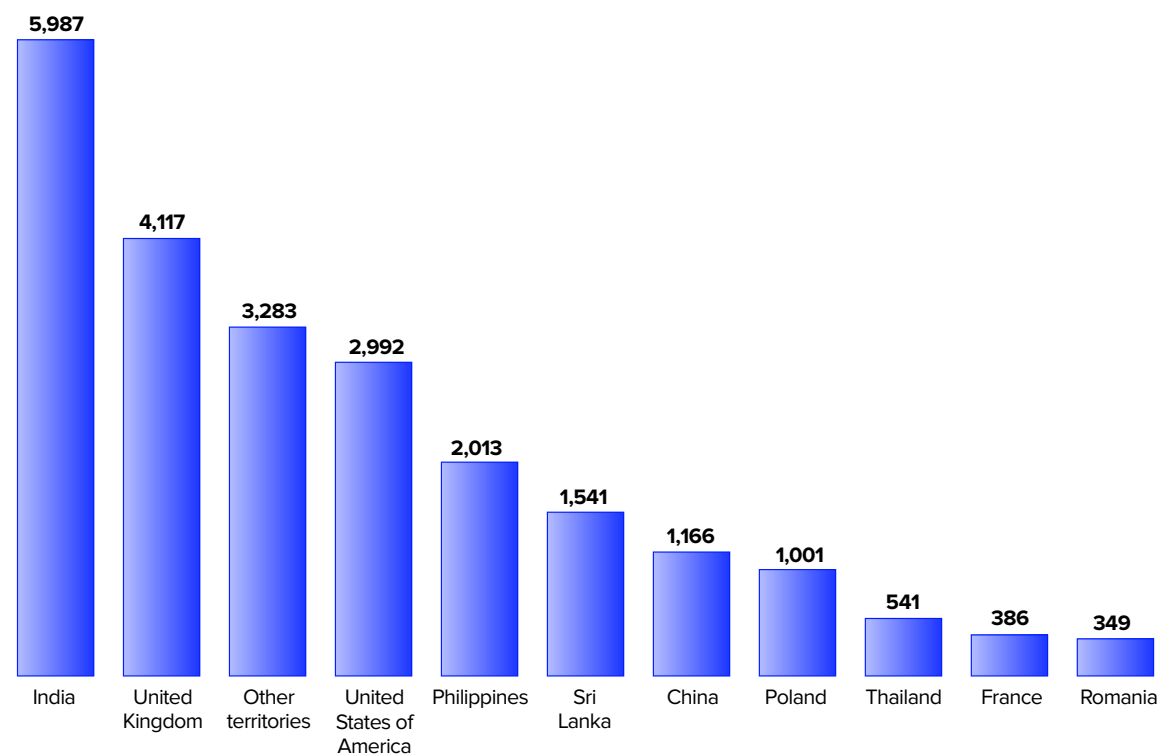
# Inclusive culture at LSEG

## Our culture

We are committed to embedding an inclusive culture at LSEG that values diverse perspectives and embraces diversity of every kind. The culture we are seeking to build is built on three key pillars:

- **Connect:** we work as one company to serve our customers. We unify to get the best from our people and to deliver the greatest value for our customers. We break down silos, bringing together data, products, people and partners globally in new and better ways. We behave as a truly global organisation, creating inclusive teams who work in partnership with our customers and stakeholders
- **Create opportunity:** we have the courage to think differently. We are proud of our heritage, yet not constrained by it. We're curious and willing to disrupt ourselves. We expand our horizons and recognise that brilliant ideas and perspectives can come from anywhere. We shape markets in ways that create sustainable value for society and create an impact we're proud of
- **Deliver excellence:** we execute to the highest standards. We deliver on our commitments and take ownership of every aspect of our work. We know that financial communities depend on the integrity of our infrastructure and data, and never compromise on stability and resilience

## Headcount by country – where we operate





## Inclusive culture at LSEG continued

### Inclusive leadership

We expect leaders to build strong, engaged and inclusive teams. We have defined five behaviours that create clear expectations of leaders:

- **Attract and develop:** leaders who go out of their way to engage talented and inclusive professionals, who aren't afraid of hiring people better than themselves and championing their development
- **Connect to achieve:** leaders who reach across the organisation to bring together the right people, help others and influence with skill and insight
- **Deliver outstanding execution:** leaders who hold themselves and others to the highest standards, take ownership of outcomes and constantly seek ways to improve
- **Bring thought leadership:** leaders who are curious and stretch their own thinking through external connections, and who show courage and credibility
- **Think strategically to create lasting opportunities:** leaders who are long-sighted and can prioritise with sound judgement and clear direction to deliver sustainable value

### Performance enablement

In 2021, we launched a number of initiatives focused on culture, leadership, learning, development and performance. We launched a new strategy for performance enablement, driving a high-performance culture with clear alignment to reward and our purpose.

We implemented initial phases of our Total Reward and Career Frameworks, giving our people further consistency and transparency on how to grow and progress their careers. In support of our continuous learning culture, we launched a new global platform to act as a focal point for all employee learning. All employees can register their interests, and browse recommended courses, as well as ensure their regulatory training is up to date.

### Wellbeing

Our goal is to create a healthy and resilient organisation, where people can perform at their best and are motivated to contribute to organisational success, with an enhanced sense of their own wellbeing, particularly in light of the ongoing pandemic. In 2021, we introduced a single, confidential and anonymous Employee Assistance Programme (EAP) with 24/7 dedicated counselling, practical information, live and digital content to support wellbeing. The EAP is available to employees, contractors and members of their household.

We also relaunched our global Mental Health Awareness Champions to help us improve mental health literacy and build confidence to support healthy behaviours in the workplace. We now have 170 Champions across the Group.

### Employee engagement

We continue to build a strong foundation for listening across the business, using both qualitative and quantitative research to understand colleague sentiment at different stages of the employee experience. LSEG Engage, a new Group-wide engagement survey, was launched in 2021 to help us understand what's working well and what we can do better. The results are used by people leaders to support team conversations and drive action across the Group.

In 2021, 81% of the organisation participated in the first LSEG Engage (this is up 7% compared with the employee survey conducted in May 2021). Overall engagement remained stable throughout the year, reflecting our strong commitment to listening and creating an environment in which diverse perspectives are valued and where people feel they can share their views.

In 2021, we launched LSEG Onboarding and LSEG Leavers surveys to gather important feedback from new joiners and leavers about their experiences at LSEG.

## Inclusive culture at LSEG continued

LSEG Onboarding is sent to new colleagues, 30 days after their start date and is designed to understand the reasons they joined LSEG and to gather initial feedback on their early experiences. In 2021, 62% of new joiners (c.2,000 people) shared their views.

LSEG Leavers is sent to colleagues leaving LSEG 60 days prior to their leave date and is designed to better understand their experience and reasons for leaving. In 2021, 56% of leavers (c.1,100 people) shared their views.

### Diversity and inclusion strategy

We are committed to creating a culture of openness and inclusion, and to building a workplace that embraces diversity of every kind.

While we have made good progress in some areas, we recognise that there is more work to be done. In 2021, we designed and implemented a new global diversity and inclusion (D&I) framework, with four key priorities:

1. Create a culture that fosters belonging
2. Build a diverse leadership team
3. Accelerate progression of underrepresented talent
4. Shape inclusion in our industry and develop specific, measurable action plans for each priority

### Employee networks

We have a number of active employee networks which support our diversity and inclusion agenda:

- Accessibility network
- Asian affinity network
- Black employee inspired network
- Latinos for empowerment, advancement and development
- Multi-cultural network
- Multi-faith network
- Pride network
- Veterans support network
- Women inspired network

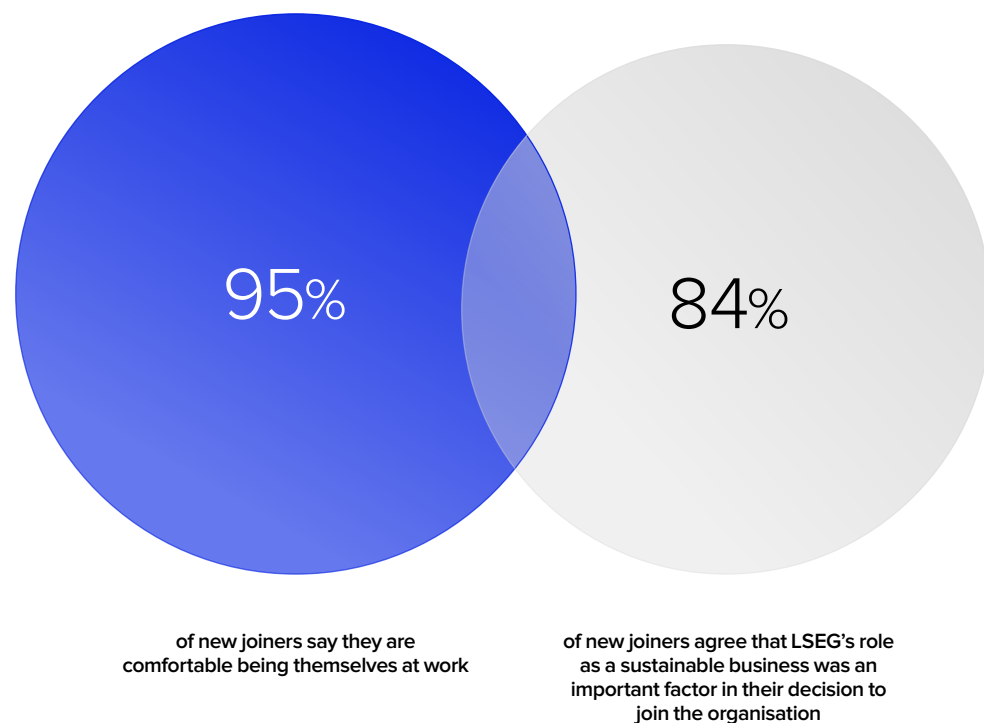
### 2021 Highlights

- We formalised leader accountability for D&I by setting a Group Strategic Objective (GSO) that holds the Executive Committee and Group Leaders accountable for progress on D&I
- We introduced new targets, applicable to the whole Group: for gender diversity – 40% women in senior leadership roles by end of 2022; and for racial and ethnic diversity – 25% underrepresented groups in senior leadership roles by end of 2025
- We enhanced our talent development processes and provided training for people leaders to help them recognise and manage potential biases in performance enablement activity
- We have made public commitments on race and disability equality through the Race at Work Charter and the Valuable 500 and grown our Inclusion Networks

## Inclusive culture at LSEG continued

### 2021 PERFORMANCE METRICS

#### Recruitment and onboarding

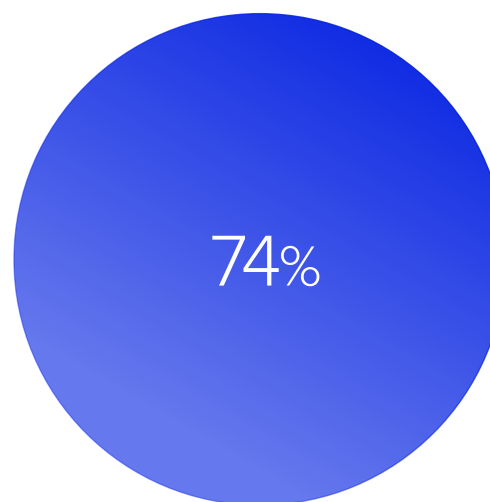


#### Talent and mobility % of roles filled internally



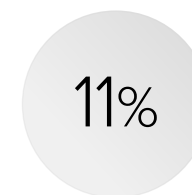
a total of 8,427 hires in 2021; 3,803 positions were filled internally

#### Diversity and inclusion



of respondents to LSEG Engage agreed that LSEG has a climate in which diverse perspectives are valued

#### % of leavers that cited work-life balance as primary reason for leaving



of leavers cited work-life balance as one of the main reasons for leaving

## Inclusive culture at LSEG continued

### Gender pay gap report

We conduct equal pay analysis as part of our annual pay review process and are confident that we do not differentiate pay between men and women who perform equivalent roles. We have a Group-wide reward framework, which establishes the compensation structure, elements, and leverage for each stage in our career framework. This is used to review any potential gender bias as part of our annual pay review process.

[Further detail can be found in our Gender pay gap report.](#)

### Gender

33% women in Senior Leadership<sup>1</sup> as at 31 December 2021, with a target of 40% by end of 2022.

Gender	2021 (Combined company)				2020 (H LSEG)			
	Female	%	Male	%	Female	%	Male	%
LSEG plc Board	6	46%	7	54%	4	44%	5	56%
LSEG Subsidiary Boards <sup>1</sup>	90	28%	234	72%	28	20%	110	80%
Senior Leadership (Exco and Group Leaders) <sup>2</sup>	34	33%	69	67%	172	37%	298	63%
People Leaders (Line Managers)	1,024	33%	2,046	67%	420	30%	1,001	70%
All employees	9,920	43%	13,341	57%	1,934	35%	3,652	65%

<sup>1</sup> This covers the combination of all LSEG subsidiaries boards

<sup>2</sup> In 2021, Senior Leaders refers to ExCo and Group Leaders. In 2020, this referred to ExCo and their leadership teams.  
Data as of 31 December 2021.

### Race and ethnicity

We have made it possible for employees to disclose their ethnicity using government/census categories that are locally and culturally relevant, where it is appropriate for us to collect this information.

16% racial and ethnic minorities in senior leadership as at 31 December 2021, with a target of 20% by end of 2023 and 25% by end of 2025.

Race and ethnicity	2021				
	White	%	Racial and ethnic minorities	%	Disclosure rate
Senior Leadership (ExCo and Group Leaders) (Global) <sup>3,4</sup>	76	84%	14	16%	90%
People Leaders (Line Managers) (US and UK only) <sup>5</sup>	952	78%	273	22%	86%
All employees (US and UK only) <sup>5</sup>	4,197	69%	1,859	31%	84%

<sup>3</sup> Global representation.

<sup>4</sup> Senior leadership refers to ExCo and Group Leaders; only includes Senior Leaders based in countries where we collect race/ethnicity information.

<sup>5</sup> Representation in the UK and US, where we have high levels of self-disclosure.



# Inclusive markets

We aim to use our central position within global capital markets to promote inclusion within companies, industry and society more widely through market collaboration, research and greater disclosure.

- During 2021 we published 'Accelerating Black Inclusion' in partnership with New Financial
- We partnered with London School of Economics to publish 'Good Finance', a research report on the experiences of women in financial services
- We continued our membership of the Valuable 500 and LSEG became one of the group's 13 'Iconic Leaders' that will co-fund, co-build and co-test rapid solutions which deliver meaningful progress on disability inclusion
- We provide D&I data through Eikon and via Refinitiv Knowledge Direct feed. The diversity and inclusion ranking compares over 11,000 companies globally and identifies the top 100 publicly traded companies with the most diverse and inclusive workplaces, as measured by 24 separate metrics across four key pillars
- We participated as an Advisory Board member on the City of London Taskforce on Socio-Economic Diversity. It aims to boost the socio-economic diversity at senior levels in UK financial and professional services



# Economic empowerment

We support economic empowerment through access to education, employment and enterprise opportunities to build a secure future. A key way we do this is through our activity in the community via the LSEG Foundation.

In 2021 we integrated the heritage LSEG and Refinitiv charitable entities and approaches into one combined LSEG Foundation, aligning its mission with LSEG's purpose and making it the unified focal point for our global work in the community.

The LSEG Foundation delivers its mission by focusing on three key strands of activity:

- **Fund:** engaging a small portfolio of organisations, selected to deliver economic empowerment programmes across the world, through multi-year strategic partnerships
- **Engage:** providing grants to a range of regional and locally selected charities, tackling the issues that matter most in the communities where we operate. We encourage LSEG's employees to support the LSEG Foundation's work through matched fundraising and by using their two volunteer days to give their time and skills to our charity partners or other causes that matter most to them
- **Convene:** funding a select number of non-commercial initiatives which unlock the power of finance to drive positive sustainability outcomes. This could include, for example, funding leading academic analysis to accelerate sustainable finance or developing global sustainability standards and infrastructure

As an independent charitable entity, the LSEG Foundation is governed by a dedicated trustee board and management team, leveraging LSEG's expertise, reach, resources and partnerships in financial markets to address critical challenges facing society.

To drive employee engagement across LSEG, we have established local Community Action Teams and Regional Charity Committees to ensure all areas of the business are involved, reflected and supported in our global approach.

The LSEG Foundation receives its funds through LSEG plc donations, corporate and employee fundraising and London Stock Exchange fines.



## Economic empowerment continued

### 2021 Highlights

- LSEG donated over £2 million to the LSEG Foundation
- Over 875 employees were engaged in the global community investment programme
- More than 400 charities were positively impacted through the LSEG Foundation, employee matched fundraising and volunteering initiatives
- LSEG is a founding supporter of UNICEF UK's VaccinAid campaign, providing equitable access to Covid-19 vaccines for all participating countries, regardless of their ability to pay. We also helped to provide additional medical support in India and Sri Lanka via our partnership with UNICEF, increasing access to life-saving oxygen and testing
- We provided funding and CEO secondee role to enhance the operations and delivery of Urban Synergy, a youth empowerment charity with a mission to inspire, guide and ignite the ambitions of young people
- We also continued support for long-standing partnerships such as:
  - **School Home Support (SHS):** focusing on disadvantaged children and families, providing access to the education and life skills young people need so that they can go on to lead secure adult lives
  - **City Harvest:** New York City's largest food rescue organisation, helping to feed more than 1.5 million New Yorkers and building a path to a food-secure future in the city

### Community contributions

	2021 £'000	2020 £'000	2019 £'000
<b>LSEG community investment</b>			
Donations to LSEG Foundation	1,930	1,764	1,616
Donations to other charities	242	3,173	130
Management costs*	16	158	131
<b>Total</b>	<b>2,188</b>	<b>5,095</b>	<b>1,877</b>

\* Management costs calculated differently in 2021 compared to previous years, given the sale of Borsa Italiana and subsequent reconfiguration of the team associated with the operational governance and processes involved with the LSEG Foundation.

- **Crée Ton Avenir France:** increasing this charity's reach by providing funds and volunteering for programmes helping young students from disadvantaged backgrounds reach their full potential and identify future career paths
- **Leonard Cheshire:** funding initiatives that help support, upskill and provide meaningful employment to disabled women in Northern Sri Lanka

# Sustainability governance





# Sustainability governance

## LSEG Board

The Board has ultimate oversight of the sustainability agenda and strategy, ensuring long-term success of the company and that stakeholder expectations are met through our commitments and approach.

## Executive Committee

The Group CEO has ultimate accountability for LSEG's sustainability approach. The Executive Committee collectively set the strategic ambition for the Group on sustainability and progress towards this is embedded in the executive remuneration for all Executive Committee members. The Chief Corporate Affairs & Marketing Officer is the Executive Committee sponsor for sustainability.

## Sustainability Committee

This is a senior-level committee, chaired by the Chief Corporate Affairs & Marketing Officer, that provides strategic direction on the Group's sustainability strategy and approves programmes of work. It comprises seven members of the Executive Committee as well as several other senior executives. The Sustainability Committee monitors progress and performance and reports to the Executive Committee.

## Environmental Management Group

This group is responsible for LSEG's net zero commitments and delivery plans. It is chaired by the Group Chief Operating Officer and reports to the Sustainability Committee on progress.

## Sustainability Working Group

This group is responsible for shaping and delivering the sustainability strategy. The group comprises sustainability subject matter experts from across the business divisions and functions. It is chaired by the Group Head of Sustainability who also sits on the Group Sustainability Committee.

## LSEG Foundation Trustee Board

This Board oversees the work of the LSEG Foundation, which is a charitable incorporated organisation (CIO) registered and regulated by the Charities Commission for England and Wales. It is chaired by LSEG's Chief Corporate Affairs & Marketing Officer and comprises independent trustees and trustees who are LSEG employees.

## Executive remuneration

The link between sustainability performance and executive pay is an important issue for shareholders. We reward high performance that leads to business sustainability, as well as linking incentives for executive directors to sustainability performance.

Executive Committee compensation is linked to the delivery of our Group strategic objectives, one of which commits LSEG to being a strategic enabler of sustainable growth.

# Engagement with stakeholders

As a global financial markets infrastructure and data business, LSEG works across the marketplace with investors, issuer companies, policy makers, regulators, academics and other stakeholders to support global financial stability and sustainable economic growth.

Stakeholder engagement and collaboration is crucial in how we conduct our business, and we recognise that stakeholder concerns can only be truly addressed through effective stakeholder engagement.

The Board views customers, regulators and employees as key stakeholders. Here we provide a brief commentary on our engagement with our stakeholders in 2021. More information on our stakeholder engagement can be found in the Annual Report on page 61.

## Our customers

We engage with our customers across our business in a number of different ways. During 2021, the Group CEO engaged with customers in ways including:

- An extensive outreach programme to key customers at and following deal close
- Individual meetings in person and in virtual formats with particular emphasis on setting out the expanded LSEG proposition across the capital markets value chain and to hear from customers directly
- Attendance at the FTSE Russell World Investment Forum in California to meet asset owners and asset managers in person

We also engage regularly with our customers in meetings, at roundtable events, market openings, market close sessions and conferences. In 2021, much of this engagement continued to take place virtually due to the Covid-19 pandemic; however, when safe to do so, we welcomed a number of customers to the office in Paternoster Square for market open and market close sessions, which were well attended.

## Workforce

Employee engagement continues to be of paramount importance to the Group. Details of how we have engaged with our people in the year can be found on [page 32](#).

## Shareholders

The Company maintains an active shareholder engagement programme, managed through the Group's Investor Relations (IR) function. The IR programme provides regular opportunity for the Board to have contact with existing and potential shareholders. In 2021, IR held meetings with over 700 investors.

## Suppliers

Our suppliers are also important stakeholders of the Group. LSEG completes a risk assessment on all new suppliers prior to onboarding, as required by LSEG's Group Procurement Policy. Suppliers are segmented as low, medium or high risk based on range of risk factors. Further details can be found in our [Modern Slavery Statement](#).

## Regulators and policy makers

LSEG is committed to using its position at the heart of financial markets to contribute to the development of effective and proportionate sustainable finance policy.

LSEG regularly engages with policy makers and regulators in key jurisdictions, including HM Treasury, Financial Conduct Authority, Bank of England, European Commission, Council of the EU and European Parliament, US Commodity Futures Trading Commission, China Securities Regulatory Commission, People's Bank of China, Japan Financial Services Agency and other authorities and international organisations such as IOSCO to discuss legislative proposals and contribute to the development of sustainable finance policy.

# Operating responsibly

Our sustainability approach is underpinned by a series of policies and standards which apply to LSEG's global operations. The policies ensure we effectively manage relevant environmental, social and governance issues.

## Business ethics

We are committed to the highest standards of integrity. The standards and behaviours expected of all LSEG employees, regardless of geography or discipline, are set out in the LSEG Code of Conduct. The Code reflects the way employees work, collaborate and engage with colleagues, customers and other stakeholders.

Employees are required to conduct mandatory training annually on the Code. In 2021, 85% employees completed the training (the remainder represents employees on long-term leave).

## Financial crime, bribery and corruption

LSEG is committed to supporting government, law enforcement and international bodies to combat the use of the financial services sector to facilitate financial crime. LSEG has a zero-tolerance approach to financial crime as it undermines the rule of law, democratic processes, the wellbeing and human rights of citizens, and distorts free trade and competition. Our Financial Crime policy sets out requirements to minimise financial crime, which encompasses, but may not be limited to, money laundering, terrorist financing, breach of international trade sanctions, bribery and corruption, fraud and false accounting, insider trading, market abuse, theft or misuse of confidential information or other malpractice. LSEG also has a dedicated policy on anti-bribery and corruption which applies globally and is aligned with the UK Bribery Act and the US Foreign Corrupt Practices Act.

## Health and safety

The Group focused its health and safety strategy on both the management of Group activities around Covid-19 and the integration following the acquisition of Refinitiv. We built on the work in 2020 to ensure robust processes focusing on the safety of our colleagues within our sites in addition to supporting those continuing to work from home. We ensured that our sites have appropriate risk assessments and that adequate controls are in place to support the return to offices across the Group and applied stringent measures to ensure the safety of all those visiting our locations. We have aligned our processes and ensured we are following best practice guidance. As a part of this, we reviewed and launched our new Health, Safety and Environment policy. In addition, we have started to align our IT health and safety systems to provide consistency across the business, which includes systems for workstation assessment, incident reporting, environmental data collection and auditing.

In 2021 there were eight reported health and safety incidents, none of which resulted in a fatality. No enforcement action was brought as a result of the reported health and safety incidents.

## Operating responsibly continued

### Human rights

We recognise our duty to respect human rights within our workforce, supply chain and by reducing financial crime, bribery and corruption. We have a number of policies which directly or indirectly seek to respect human rights and are aligned with international human rights standards and principles. These include our Employee Code of Conduct, Supplier Code of Conduct, and our financial crime policies. We monitor all current and emerging human rights-related regulation and as a UK-headquartered business are committed to adhere to the UK Modern Slavery Act 2015.



Our Modern Slavery Act statement is available on [www.lseg.com/investor-relations/sustainability](http://www.lseg.com/investor-relations/sustainability)

### Information security

Information security is a significant risk to LSEG, its customers and business partners. Our Information Security Policy sets out the responsibilities of employees and the expectations for maintaining the security of customers and business information, as well as adhering to legal and regulatory requirements in the regions in which we operate. The policy seeks to manage risks to information assets from unauthorised access or modification, malicious or accidental disclosure and/or destruction, and to maintain their confidentiality, integrity and availability.

### Sustainability Policy

Our Sustainability Policy sets out the requirements for LSEG to ensure it identifies, manages and improves its sustainability performance. The policy is supported by several standards including community investment, human rights, environmental management, and diversity and inclusion.

### Tax strategy

LSEG recognises that payment of tax is an important contribution to well-functioning economies and societies. We believe in the obligation to pay our fair share of tax due in any country at the right time. We comply with all relevant laws and regulations related to the payment of tax and maintain appropriate systems, processes and controls to enable us to fulfil our tax obligations. The Group's underlying effective tax rate for the period in respect of continuing underlying operations and excluding the effect of prior year adjustments was 20.7% (2020: 24.4%).



LSEG's global tax strategy is available on [www.lseg.com/about-lseg](http://www.lseg.com/about-lseg)

### Whistleblowing

We are committed to providing an open environment where our colleagues, contractors and other third parties feel comfortable raising concerns about adherence to our Code of Conduct, relevant laws and regulations or if they consider something unethical or potentially harmful. Colleagues can raise concerns independently through LSEG's Speak Up confidential 24-hour hotline or online to [lseg.ethicspoint.com](mailto:lseg.ethicspoint.com). All concerns are treated in confidence and are fully investigated and, where appropriate, actions will be taken to address any concerns raised and to improve the environment in which we work.

The Group's whistleblowing policy provides a method of addressing concerns while at the same time offering whistleblowers statutory protection from demotion or the withholding of promotion, reduction of wages, discrimination, victimisation, harassment or unjustifiable disciplinary proceedings.



# Additional disclosures



# Social

Employment by region	Country	Headcount	%
	India	5,987	25.61%
	United Kingdom	4,117	17.61%
	United States of America	2,992	12.80%
	Philippines	2,013	8.61%
	Sri Lanka	1,541	6.59%
	China	1,166	4.99%
	Poland	1,001	4.28%
	Thailand	541	2.31%
	France	386	1.65%
	Romania	349	1.49%
	Singapore	311	1.33%
	Japan	288	1.23%
	South Africa	285	1.22%
	Malaysia	261	1.12%
	Hong Kong	219	0.94%
	Russian Federation	147	0.63%
	United Arab Emirates	145	0.62%
	Costa Rica	133	0.57%
	Australia	132	0.56%
	Taiwan	131	0.56%
	Germany	119	0.51%
	Canada	113	0.48%
	Other	999	4.27%
	Total	23,376	100.00%

By contract type	Time type	Headcount	%
	Full Time	23,040	98.56%
	Part Time	92	0.39%
	Fixed Term	244	1.04%

## Health and safety

	Number of health and safety incidents	8 <sup>1</sup>
	Employees covered by collective bargaining agreements	4.7 <sup>2</sup>
	Employees voluntary turnover	13.60%

<sup>1</sup> No fatal incidents occurred at LSEG in 2021. No enforcement action was brought forward as a result of any incidents.

<sup>2</sup> The figure reflects the position following the acquisition of Refinitiv and we will enhance our data disclosure in future reports.

Gender diversity by country	Country	Female %	Male %
	India	40.84%	59.16%
	United Kingdom	33.81%	65.70%
	United States of America	36.60%	63.27%
	Philippines	54.69%	44.86%
	Sri Lanka	33.61%	66.39%
	China	66.04%	33.79%
	Poland	57.64%	42.36%
	Thailand	38.26%	61.74%
	France	32.38%	65.28%
	Romania	32.09%	67.34%
	Singapore	47.91%	52.09%
	Japan	50.69%	49.31%
	South Africa	70.88%	28.42%
	Malaysia	64.37%	35.63%
	Hong Kong	52.97%	47.03%
	Russian Federation	62.59%	37.41%
	United Arab Emirates	31.72%	68.28%
	Costa Rica	42.11%	57.89%
	Australia	36.36%	63.64%
	Taiwan	56.49%	42.75%
	Germany	31.09%	68.91%
	Canada	23.89%	73.45%
	Other	42.12%	57.41%

2021				
Gender diversity by organisational level	Female	%	Male	%
LSEG plc Board	6	46%	7	54%
LSEG Subsidiary Board	90	28%	234	72%
ExCo and Leadership Teams*	34	33%	69	67%
All colleagues	9,920	43%	13,341	57%
Employees by age group	Age group	Headcount	%	
	Under 30	6,961	29.78%	
	30–50	13,855	59.27%	
	Over 50	2,548	10.90%	
	Total	23,376	100.00%	

\* Figures as of year end 31 December 2021. Due to rounding, some totals may not correspond with the sum of separate figures.

# Environmental

Overall performance	2021	2020 <sup>8</sup>	2019 <sup>8</sup>	% Change <sup>9</sup>
Total group carbon footprint (tCO <sub>2</sub> e) <sup>1,5</sup>	571,885	640,693	657,008	-13%
per m <sup>2</sup>	1.35	1.50	1.54	-12%
per FTE	24	27	27	-10%
per £m revenue <sup>11</sup>	80	90	96	-17%
Scope 1 <sup>2</sup>	1,000	1,960	2,163	-54%
Scope 2 market based <sup>3</sup>	3,138	6,492	10,189	-69%
Scope 2 location based	106,566	111,644	143,206	-25%
Renewable electricity (%) <sup>7</sup>	100%	98%	96%	4%
Scope 3 <sup>4,5,6</sup>	567,747	634,175	646,569	-12%
1. Purchased goods and services	550,861	603,613	564,107	-2%
3. Fuel-and energy-related activities (FERA)	5,659	6,371	9,082	-37%
5. Waste	185	369	1,879	-90%
5. Water	80	1,166	1,282	-94%
6. Business travel	3,169	9,593	42,662	-93%
7. Employee commuting	1,907	4,745	27,422	-93%
7. Home working	5,805	8,236	55	10455%
8. Upstream leased assets	81	81	80	1%
Exclusions (market-based) <sup>10</sup>	767	1,933	1,914	-15%
Exclusions (location-based) <sup>10</sup>	1,886	4,264	4,829	-60%

1. All Group totals and electricity breakdowns use market-based Scope 2 emission factors. Group carbon footprint includes tenant consumption, excludes client-based workers.

2. Scope 1 Emissions combustion of fuel and operation of facilities – includes natural gas, diesel, LPG, fugitive emissions and fleet vehicles

3. Scope 2 Emissions purchase of electricity and heat by the Group for its own use. Market-based emissions use supplier-based emission factors, and energy attribute certificates for where 100% renewable supplier tariffs are not in place.

4. Scope 3 includes emissions from Purchased goods and services, fuel-and-energy related emissions, air travel, rail travel, taxis, hotels and ground transfers, waste, water, employee commuting (including home working) and upstream leased assets.

5. DEFRA UK Government GHG Conversion Factors are used for our UK sites, and all business travel, water, waste, upstream leased assets and extrapolated data. US EPA factors are used for United States electricity and employee commute factors. IEA and GHG Protocol emissions factors are used to calculate Scope 1, 2 and Scope 3 fuel-and-energy-related emissions for international sites where available. Defra IO factors have been adjusted to reflect reporting year consumer index pricing to estimate emissions related to purchased goods and services. US and UK National Travel Surveys have been used to inform our estimations for employee commuting. Emissions related to working from home have been based on EcoAct's 'Homeworking emissions whitepaper' (2020)

6. Scope 3 emissions are not separately reported by UK and Rest of Group, due to the collection of travel, purchased goods and services and other data at the group level.

7. Energy attribute certificates have been purchased to claim renewable electricity consumption for all sites where 100% renewable supplier tariffs are not in place. These certificates have been sourced from an internationally recognised trader who is an IETA member and gold partner of CDP.

8. 2019 and 2020 total carbon emissions have been restated to reflect the acquisition of Refinitiv.

9. % Change is calculated between 2021 and 2019, the Group's target baseline year.

10. Emissions from sites not included within the reporting boundary relate to the divestment of Borsa Italiana and have been published for transparency.

11. The revenue figures for 2019, 2020 and 2021 are based on a 'pro-forma' approach to align with our global GHG inventory.

## Environmental continued

### Business travel

Overall performance	2021	2020 <sup>2</sup>	2019 <sup>2</sup>	% Change <sup>3</sup>
Total group carbon footprint (tCO <sub>2</sub> e) <sup>1</sup>	3,169	9,593	42,662	-93%
per FTE	0.14	0.40	1.76	-92%
per £m revenue	0.47	1.35	6.26	-93%
Total air travel (tCO <sub>2</sub> e)	2,531	7,745	40,845	-94%
Total air travel (km)	7,216,507	26,427,554	133,187,417	-95%
Total rail travel (tCO <sub>2</sub> e)	4	12	42	-90%
Total rail travel (passenger/km)	136,706	571,238	1,848,286	-93%
Taxis, ground transfers & hotels (tCO <sub>2</sub> e)	634	1,836	1,775	-64%

1 Total Scope 3 business travel emissions from air travel, rail travel, taxis, hotels and ground transfers.

2 2019 and 2020 total carbon emissions have been restated to reflect the acquisition of Refinitiv.

3 % Change is calculated between 2021 and 2019, the Group's target baseline year.



# Environmental continued

## Regional

Overall performance		2021	2020 <sup>4</sup>	2019 <sup>4</sup>	% Change <sup>5</sup>
Total group carbon footprint (tCO <sub>2</sub> e) <sup>1, 2</sup>		571,885	640,693	657,008	-13%
per FTE		24	27	27	-10%
per £m revenue		80	90	96	-17%
Scope 3 other <sup>3</sup>		561,057	622,402	630,500	-11%
UK	Total (tCO <sub>2</sub> e) <sup>3</sup>	1,869	3,108	4,404	-58%
	per FTE	0.41			
	Electricity (kWh)	50,510,465	75,754,157	112,039,072	-55%
	Natural Gas (kWh)	3,712,339	4,402,757	6,440,175	-42%
	LPG (tonnes)	0	0	0	–
	Diesel (litres)	16,824	37,294	44,950	-63%
	Fugitives (kg)	155	191	87	78%
	Waste (tonnes)	212	283	1,792	-88%
	Water (m <sup>3</sup> )	52,931	379,615	408,594	-87%
	Total (tCO <sub>2</sub> e) <sup>3</sup>	860	1,184	1,911	-55%
EMEA	per FTE	0.27	0.31	0.48	-45%
	Electricity (kWh)	9,131,424	10,710,047	38,541,457	-76%
	Natural Gas (kWh)	3,221,374	3,366,544	4,340,881	-26%
	LPG (tonnes)	0	0	0	–
	Diesel (litres)	100	100	0	–
	Fugitives (kg)	0	0	0	–
	Waste (tonnes)	273	215	1,232	-78%
	Water (m <sup>3</sup> )	18,133	82,687	95,051	-81%
	Total (tCO <sub>2</sub> e) <sup>3</sup>	5,240	5,820	12,292	-57%
	per FTE	1.48	1.47	2.83	-48%
Americas	Electricity (kWh)	722,566	837,144	149,735,972	-100%
	Natural Gas (kWh)	10,246,078	9,000,819	8,234,858	24%
	LPG (tonnes)	0	0	0	–
	Diesel (litres)	38,275	116,235	52,717	-27%
	Fugitives (kg)	0	0	0	–
	Waste (tonnes)	369	272	1,828	-80%
	Water (m <sup>3</sup> )	62,971	256,422	280,583	-78%
	Total (tCO <sub>2</sub> e) <sup>3</sup>	2,092	6,246	5,989	-65%
	per FTE	0.16	0.54	0.51	-68%
	Electricity (kWh)	36,246,691	43,484,215	44,056,250	-18%
APAC	Natural Gas (kWh)	1,875,264	3,143,550	3,020,116	-38%
	LPG (tonnes)	0	2	10	-100%
	Diesel (litres)	100,618	270,367	89,737	12%
	Fugitives (kg)	0	0	0	–
	Waste (tonnes)	224	784	3,595	-94%
	Water (m <sup>3</sup> )	54,184	385,753	426,506	-87%
	Total (tCO <sub>2</sub> e) <sup>3</sup>	2,092	6,246	5,989	-65%
	per FTE	0.16	0.54	0.51	-68%
	Electricity (kWh)	36,246,691	43,484,215	44,056,250	-18%
	Natural Gas (kWh)	1,875,264	3,143,550	3,020,116	-38%
Exclusions tCO <sub>2</sub> e		767	1,933	1,914	

1. All Group totals and electricity breakdowns use market-based Scope 2 emission factors. Group carbon footprint includes tenant consumption, excludes client-based workers.
2. DEFRA UK Government GHG Conversion Factors are used for our UK sites, and all business travel, water, waste, upstream leased assets and extrapolated data. US EPA factors are used for United States electricity and employee commute factors. IEA and GHG Protocol emissions factors are used to calculate Scope 1, 2 and Scope 3 fuel-and-energy-related emissions for international sites where available. Defra IO factors have been adjusted to reflect reporting year consumer index pricing to estimate emissions related to purchased goods and services. US and UK National Travel Surveys have been used to inform our estimations for employee commuting. Emissions related to working from home have been based on EcoAct's 'Homeworking emissions whitepaper' (2020).
3. Total tCO<sub>2</sub>e by region includes Scope 1, Scope 2 and Scope 3 water, waste and fuel-and-energy-related activities emissions. The remaining emissions are summarised by 'Scope 3 Other' which includes Scope 3 emissions from Purchased Goods & Services, Business Travel, Employee Commuting, Home Working and Upstream Leased Assets. Excluded emissions have been included for transparency.
4. 2019 and 2020 total carbon emissions have been restated to reflect the acquisition of Refinitiv.
5. % Change is calculated between 2021 and 2019, the Group's target baseline year.

## Methodology and verification

We report all of the emission sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. These sources fall within our consolidated statement. We do not have responsibility for any emission sources that are not included in our consolidated statement.

Our emissions are calculated according to an 'operational control' boundary using GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and UK Government Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance (March 2019).

London Stock Exchange Group's Scope 1, 2 and 3 emissions disclosed here and in our Annual Report have been externally verified by Cameron-Cole against the requirements of the WRI/WBCSD GHG Protocol, GHG Protocol Corporate Accounting and Reporting Standard (revised edition), GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard, The GHG Protocol Corporate Value Chain (Scope 3) Standard. Conduct of the verification met the requirements of ISO 14064-3:2006(E).

# UN SSE: communication to stakeholders

Having joined the UN Sustainable Stock Exchanges (SSE) initiative in 2014, LSEG has committed to report to SSE stakeholders on an annual basis. The report provided below is in line with the template and structure developed by the SSE. This is LSEG's seventh report on progress.

## Business strategy

1	How does your exchange define and view the rationale for corporate sustainability and the exchange's role in promoting it?	Our CEO's message, sustainability strategy and materiality review on <a href="#">pages 3, 6</a> and <a href="#">8</a> respectively, demonstrate our rationale for sustainability and our role in promoting it.
2	How does your exchange's senior leadership and organisational structure support the promotion of corporate sustainability in its market(s)?	Our sustainability strategy is developed and reviewed by our Executive Committee and Board, while our organisational structure is set out on <a href="#">page 2</a> . We support the promotion of sustainability across the financial markets and are committed to resourcing sustainability sufficiently. In the past year, LSEG has onboarded an experienced Group Head of Sustainability as well as creating three new roles in its Capital Markets division dedicated to sustainable finance innovation.
3	What goals/objectives does your exchange have in regards to advancing sustainability in your market?	Our work on sustainability comprises three main pillars that support the advancement of sustainability on our markets. 1) <b>Growing the green economy:</b> product innovations that support the growth of businesses that are directly contributing to the creation of a more sustainable economy as well as achieving positive environmental outcomes. 2) <b>Supporting the low-carbon transition:</b> helping businesses in more carbon-intensive industries transition to low-carbon business models through tools, education and access to capital. 3) <b>Data and disclosure:</b> quality ESG data and disclosure is the cornerstone of sustainable investing. We're supporting capital flows into sustainable companies by encouraging high-quality disclosure from London-listed businesses through tools, resources and education.

## Transparency and issuer reporting

4	Describe your exchange's approach to promoting sustainability disclosure by companies.	We encourage best practice disclosure on all elements of ESG including climate-related risks and opportunities and TCFD recommendations. Earlier this year we played a pivotal role as Co-Chair to the development of the UN SSE's Model Guidance on Climate-related Disclosures. We subsequently published our own version of the guidance which is specific to the UK regulatory landscape and designed to educate the market on what climate-related information is material to investors. In ESG reporting, we maintain an updated ESG reporting guide to help companies understand leading global frameworks, reporting formats and recommended disclosures per industry. Our online ESG disclosure tool allows companies to identify industry-specific disclosures that are considered best practice. Applying FTSE Russell data and the Transition Pathway Initiative's management quality methodology, we provide listed companies with an assessment of their carbon management practices to help identify areas for improvement in their climate disclosure and integration of climate risks and opportunities into business strategy. Our accompanying online tool enables issuers to receive personalised recommendations on how to improve their carbon management practices. To help issuers navigate the implementation of TCFD recommendations, we worked in partnership with the UN SSE to provide training videos on various aspects of climate reporting as well as organising two interactive online sessions.
5	What is your exchange's process for reviewing listing standards in general? Are there opportunities for stakeholders to comment during the process?	The UK's Financial Conduct Authority (FCA) is responsible for setting listing standards in the UK, not the London Stock Exchange. The London Stock Exchange is a stakeholder in the policies set by the FCA and therefore contributes during consultations on listing rules. London Stock Exchange is responsible for the Admission and Disclosure standards and where there are proposed changes we would consult with the market for comments. London Stock Exchange is responsible for the rules and regulation of AIM, our market for entrepreneurial growth.
6	How do you track sustainability reporting of your listed companies?	The London Stock Exchange harnesses the data that comprises its Climate Governance Score to assess how well companies on its markets are integrating climate change considerations into their business strategies. We will assess this on an annual basis to track how disclosure is improving market wide.

## UN SSE: communication to stakeholders continued

### Transparency and issuer reporting continued

7	What incentives (i.e. public recognition/ awards) and sanctions do you have in place to encourage disclosure and discourage non-compliance/lower levels of transparency?	<p>Issuers have access to Refinitiv's ESG data through the issuer services platform which comprises more than 400 metrics from 10,000 companies as well as ESG scores. Issuers are encouraged to use this feature to assess their performance against peers and identify areas for improvement.</p> <p>London Stock Exchange provides access to an online ESG disclosure tool which allows companies to identify industry-specific disclosures that are considered best practice. The online climate governance tool helps companies understand their climate disclosure and carbon management practices in relation to recognised industry standards such as TCFD and TPI.</p> <p>FTSE Russell assesses ESG and green revenues disclosure and performance of companies globally and provides this analysis to investors around the world. This data is also used to construct the FTSE ESG Index Series, which highlight companies that meet good practice standards, and the Environmental Markets and Green Revenues Index Series. Refinitiv also offers one of the most comprehensive ESG databases in the industry.</p>
8	What connections have you made between national sustainable development frameworks and goals, and your exchange's existing standard and norms?	<p>LSEG's ESG reporting guidance builds on national disclosure standards and norms across the UK.</p> <p>In 2021, the FCA mandated TCFD disclosures by some listed companies. London Stock Exchange's TCFD climate reporting guidance aids companies understanding of the disclosure requirements and regulatory landscape with the intention of improving disclosure standards on our markets.</p> <p>We have representatives that are members of both the Voluntary Carbon Markets Integrity Council and the UK Voluntary Carbon Markets Forum which are focused on scaling up the Voluntary Carbon Markets. We responded by announcing the intention to build a Voluntary Carbon Market designation on our markets designed to channel capital into new carbon projects worldwide.</p> <p>We also have representatives that are members of the Green Taxonomy Advisory Group (GTAG) which are contributing to the development of a UK green taxonomy, a common framework for sustainable investment.</p> <p>At COP26, the UK government announced that it expects large companies to publish credible transition plans. We are committed to providing access to finance when these transition plans require capital expenditure.</p> <p>Through our membership and engagement with GFANZ and the Net Zero Financial Service Providers Alliance we are contributing to this transformative step in embedding net zero across the whole financial system. We have committed to aligning all relevant services and products to net zero by 2050. Members will set science-based targets for their emissions including interim targets for 2030 and report on their progress against those targets annually, including disclosures using existing frameworks such as TCFD.</p>

### Issuer capacity building

9	If your exchange offers sustainability guidance for companies, please provide a description of the process for its creation.	<p>During the development phase for LSEG's climate reporting guidance, which was published in 2021, we consulted market participants who reviewed the document to ensure it met the needs of a broad range of issuers.</p> <p>As part of our Climate Transition Offering, we provide companies on our markets with a Climate Governance score based on data that is provided by FTSE Russell, which is aligned to methodology created by TPI. As we were developing this new data tool, we engaged with a number of issuers and our advisory groups around the construct and design of this initiative.</p> <p>The established Sustainable Bond Market Advisory Group participated in the development of the disclosure criteria for the Transition Bond Segment.</p>
10	Do you and/or your regulator provide guidance on externally assuring ESG disclosures? In your market, how common is external assurance of ESG disclosures?	<p>Assurance of ESG disclosure is mandated in the UK as part of the implementation of the EU Non-Financial Reporting directive. LSEG ESG guidance recommends enhancing the credibility of ESG information through internal and or external assurance (see '<a href="#">Investment Grade Data</a>' chapter of the guidance).</p>

## UN SSE: communication to stakeholders continued

### Collaboration and engagement

11	Who does your exchange view as its key stakeholders and how does it engage and collaborate (or plan to do so) with these and potentially other stakeholders?	<p>As a stock exchange which sits at the centre of financial markets, we have several stakeholders, and we believe it is important to communicate and collaborate with them. These include private companies, public companies (across asset classes), advisers, brokers, and investors, as well as regulators, policy makers, and national government organisations. We do this in a range of ways including:</p> <ul style="list-style-type: none"> <li>• We engage with other exchanges around the world through the UN SSE and World Federation of Exchanges to share best practice. Through this involvement, we co-chaired (alongside the Johannesburg Stock Exchange) the development of the UN SSE's Model Guidance on Climate Disclosure</li> <li>• We respond to regulator consultations and have responded positively to consultations regarding issuer non-financial disclosure in the past</li> <li>• We host events for listed companies and prospective issuers related to ESG considerations and disclosure</li> <li>• We provide Refinitiv's ESG data and scores to our issuers to enable them to assess their performance against peers and identify areas for improvement. They can also use this as an investor engagement tool to demonstrate their ESG credentials</li> <li>• Through FTSE Russell we are involved in a large number of investor ESG collaborative bodies and initiatives including the UN backed PRI, UK SIF, US SIF, Forum per la Finanza Sostenibile (ITA SIF), Euro SIF, Japan SIF, RIA Canada, RIAA and IIGCC</li> <li>• We are working in a range of ways to support the growth and development of sustainable finance: LSEG is a partner of the Climate Bonds Initiative and joined ICMA's Green Bond Principles and Social Bond Principles Advisory Council</li> </ul>
----	--	--

### Sustainable products

12	How has your exchange supported the development of financial products that address sustainability-related issues (e.g. ESG Indices, carbon markets, social/ environmental bonds, sustainable development funds, etc)?	<p>From the pioneers who are leading the green economy to the more carbon-intensive industry sectors making the transition to lower-carbon operating models, London Stock Exchange is committed to supporting issuers with access to sustainable finance products and services across a range of asset classes.</p> <p>In 2021, we announced the intention to create a Voluntary Carbon Market designation on our markets designed to channel capital into new projects worldwide. Using existing market infrastructure, supplemented by specific requirements relevant to carbon credit projects, we will enable funds to be listed that will undertake these projects. The work to build the market infrastructure is taking place in 2022 in collaboration with market participants.</p> <p>Our Green Economy Mark recognises London-listed companies and funds with 50% or more of their revenues derived from products and services that contribute to the global green economy. It helps to increase the visibility of issuers on London's markets that are contributing to achieving positive environmental objectives. More than 115 companies and funds with a combined market capitalisation of over £165 billion hold the Green Economy Mark.</p> <p>London Stock Exchange's Sustainable Bond Market allows issuers of qualifying sustainable debt finance instruments to display bonds on the platform, providing access to the largest, most sophisticated and long-term oriented investor base for sustainable debt finance.</p> <p>Through our Issuer Services platform, London-listed companies can access the ESG data and scores of Refinitiv, one of the industry's most comprehensive ESG databases covering 10,000 companies across 76 countries including more than 400 different ESG metrics.</p> <p>Our Climate Transition Offering helps companies to prepare for the transition to low-carbon through access to tools, resources and education. Our Climate Governance Score and Climate Governance Tool helps companies to assess their carbon management practices and incorporation of climate change considerations into business strategies. Our climate reporting guidance and complementary training videos help companies discover best practice climate reporting and TCFD implementation. Our Transition Bond Segment offers a solution for companies requiring access to capital to mobilise transition plans.</p> <p>FTSE Russell, an LSEG business, provides more than 180 ESG and sustainable indices, including its established FTSE4GOOD index series which measures the performance of companies demonstrating strong ESG credentials.</p> <p>There are more than 250 ESG ETF listings in London, following 90 new listings in 2021. Assets invested into London-listed ESG ETFs stand at more than \$227 billion.</p>
----	---	---



## UN SSE: communication to stakeholders continued

### Exchange needs

13	Are there any specific resources that you would like from the SSE or other relevant groups to help you in your sustainability work?	The agenda of the SSE has already moved beyond disclosure, also addressing sustainable finance, climate and the role of regulators. The next step should be focused on how we mobilise as a group of exchanges under the Net Zero Financial Services Providers Alliance.
14	Are there any specific requests you have of investors, issuers and regulators in terms of their role in advancing sustainability in the market?	LSEG looks forward to continuing to collaborate with investors, issuers, and regulators on the sustainable finance and investment agenda. It is key to the continued success of ESG disclosure that issuers understand how investors are shifting capital allocations in response to ESG considerations. Therefore, we'll keep placing emphasis on the importance of investor-issuer dialogue on ESG issues, as a complement to high-quality ESG data flows. We recognise the importance of data and disclosure in directing capital towards sustainable economic activity and welcome the establishment of the International Sustainability Standards Board (ISSB) which should deliver a comprehensive global baseline of sustainability-related disclosure.

# UN Global Compact: The Ten Principles

<b>Human rights</b>		<b>Page</b>
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	<a href="#">43</a>
Principle 2	Make sure that they are not complicit in human rights abuses.	<a href="#">43</a>
<b>Labour</b>		<b>Page</b>
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	<a href="#">62</a>
Principle 4	The elimination of all forms of forced and compulsory labour;	<a href="#">43</a>
Principle 5	The effective abolition of child labour; and	<a href="#">43</a>
Principle 6	The elimination of discrimination in respect of employment and occupation.	<a href="#">33</a>
<b>Environment</b>		<b>Page</b>
Principle 7	Businesses should support a precautionary approach to environmental challenges;	<a href="#">19</a>
Principle 8	Undertake initiatives to promote greater environmental responsibility; and	<a href="#">20</a>
Principle 9	Encourage the development and diffusion of environmentally friendly technologies.	<a href="#">24</a>
<b>Anti-corruption</b>		<b>Page</b>
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	<a href="#">42</a>

# World Economic Forum Stakeholder Capitalism Metrics

As an advocate for greater transparency, LSEG is committed to providing meaningful sustainability information to our stakeholders. We continue to enhance our sustainability reporting, beginning our first ever disclosure aligned to the World Economic Forum report: **Measuring Stakeholder Capitalism – Towards Common Metrics and Consistent Reporting of Sustainable Value Creation**.

The table below summarises LSEG's current 21 core metrics alignment.

Metric	Disclosure/Theme	Indicator	Response and Reference
Principles of Governance Metrics	Governing purpose	<b>Setting purpose</b> The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders	LSEG's purpose statement is available on our <a href="#">website</a> and in our <a href="#">Sustainability Report</a>
	Quality of governing body	<b>Governance body composition</b> Composition of the highest governance body and its committees by: competencies relating to economic, environmental and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of underrepresented social groups; stakeholder representation.	<a href="#">Sustainability Report 2021</a> : see Governance and management on <a href="#">Page 40</a>
	Stakeholder engagement	<b>Material issues impacting stakeholders</b> A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.	<a href="#">Sustainability Report 2021</a> : see Sustainability materiality on <a href="#">page 8</a>
	Ethical behaviour	<b>Anti-corruption</b> 1. Total percentage of governance body members, employees and business partners who have received training on the organisation's anti-corruption policies and procedures, broken down by region. a) Total number and nature of incidents of corruption confirmed during the current year, but related to previous years; and b) Total number and nature of incidents of corruption confirmed during the current year, related to this year. 2. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption.	We have in place an <a href="#">Anti-bribery and Corruption Policy</a> This is also covered in our Annual Report and Accounts 2021, page 26 Please also refer to UK Bribery Act   LSEG. We currently do not break down our performance data in the format required for this metric
	Ethical behaviour	<b>Protected ethics advice and reporting mechanisms</b> A description of internal and external mechanisms for: 1. Seeking advice about ethical and lawful behaviour and organisational integrity; and 2. Reporting concerns about unethical or unlawful behaviour and lack of organisational integrity.	Please see <a href="#">Whistleblowing Policy</a>
	Risk and opportunity oversight	<b>Integrating risk and opportunity into business process</b> Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental and social issues, including climate change and data stewardship.	<a href="#">LSEG Sustainability Report 2021</a> : see Risk management on <a href="#">page 20</a> and Assessing climate change risks and opportunities on <a href="#">page 21</a>

## World Economic Forum Stakeholder Capitalism Metrics continued

Metric	Disclosure/Theme	Indicator	Response and Reference
Planet Metrics	Climate change	<b>Greenhouse gas (GHG) emissions</b> For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO <sub>2</sub> e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.	<a href="#">LSEG Sustainability Report 2021: Page 18</a> <a href="#">LSEG 2021 submission to the CDP</a> , available here
	Climate change	<b>TCFD implementation</b> Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050.	<a href="#">LSEG Sustainability Report 2021: Page 21</a> <a href="#">LSEG 2021 TCFD Report</a>
	Nature loss	<b>Land use and ecological sensitivity</b> Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBA).	Not applicable We currently do not report on this indicator
	Freshwater availability	<b>Water consumption and withdrawal in water stressed areas</b> Report for operations where material: megalitres of water withdrawn, megalitres of water consumed and the percentage of each in regions with high or extremely high baseline water stress, according to WRI Aqueduct water risk atlas tool. Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.	Not Applicable We currently do not report on this indicator
People Metrics	Dignity and equality	<b>Risk for incidents of child, forced or compulsory labour</b> An explanation of the operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to: a) type of operation (such as manufacturing plant) and type of supplier; and b) countries or geographic areas with operations and suppliers considered at risk.	Please refer to: <a href="#">LSEG Sustainability Report, page 43</a> <a href="#">LSEG Modern Slavery Statement</a> <a href="#">LSEG Supplier Code of Conduct</a>
	Health and wellbeing	<b>Health and safety (%)</b> The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked. An explanation of how the organisation facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers.	<a href="#">LSEG Sustainability Report 2021: see on page 42</a> Health, safety, and wellbeing at work
	Dignity and equality	<b>Diversity and inclusion (%)</b> Percentage of employees per employee category, by age group, gender and other indicators of diversity (e.g. ethnicity).	<a href="#">LSEG Sustainability Report 2021: Page 62</a>
	Dignity and equality	<b>Pay equality (%)</b> Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas.	We currently do not break down our performance data in the format required for this metric Please refer to our <a href="#">Gender Pay Gap Report</a>



## World Economic Forum Stakeholder Capitalism Metrics continued

Metric	Disclosure/Theme	Indicator	Response and Reference
People Metrics continued	Dignity and equality	<b>Wage level (%)</b> Ratios of standard entry-level wage by gender compared to local minimum wage. Ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees, except the CEO.	Please refer to our <a href="#">Gender Pay Gap Report</a>
	Skills for the future	<b>Training provided (#, \$)</b> Average hours of training per person that the organisation's employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees). Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees).	We currently do not break down our performance data in the format required for this metric
Prosperity Metrics	Employment and wealth generation	<b>Absolute number and rate of employment</b> 1. Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region. 2. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region.	<a href="#">LSEG Sustainability Report 2021: see page 58</a> We currently do not break down our performance data in the format required for this metric
	Community and social vitality	<b>Total tax paid</b> The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.	LSEG Annual Report and Accounts see page 33
	Employment and wealth generation	<b>Economic contribution</b> 1. Direct economic value generated and distributed (EVG&D), on an accrual's basis, covering the basic components for the organisation's global operations, ideally split out by: – Revenues – Operating costs – Employee wages and benefits – Payments to providers of capital – Payments to government – Community investment. 2. Financial assistance received from the government: total monetary value of financial assistance received by the organisation from any government during the reporting period.	Not applicable We currently do not break down our performance data in the format required for this metric
	Innovation of better products and services	<b>Total R&amp;D expenses (\$)</b> Total costs related to research and development.	More information about LSEG's approach to research and development can be found in the LSEG Strategic Report: see page 111
	Employment and wealth generation	<b>Financial investment contribution</b> 1. Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company's investment strategy. 2. Share buybacks plus dividend payments, supported by narrative to describe the company's strategy for returns of capital to shareholders.	See Annual Report and Accounts, financial statement, page 31

# World Federation of Exchanges (WFE) principles

Having joined the World Federation of Exchanges (WFE) in 2018, LSEG has committed to take on a leadership role in promoting the sustainable finance agenda. Below we summarise our efforts to promote the principles progressively in accordance with our circumstances and priorities.

Principles	Principles in action
<b>Principle 1</b> Exchanges will work to educate participants in the exchange ecosystem about the importance of sustainability issues	<ul style="list-style-type: none"> <li>• We provide training for issuers on climate reporting through our issuer services platform</li> <li>• We have published climate reporting guidance to help issuers understand and implement TCFD recommendations</li> <li>• We provide two online tools for companies to get insights into best practice ESG disclosure and climate reporting, harnessing data from FTSE Russell and expanding the use of the Transition Pathway Initiative's Management Quality methodology to help companies measure their carbon management practices</li> <li>• In ESG reporting, we have produced guidance to help companies understand leading global frameworks, reporting formats, and recommended disclosures per industry. We regularly update this to reflect changes in standards and regulation</li> <li>• London Stock Exchange holds regular events and webinars and publishes content pieces related to educating the market on sustainability issues and sector themes</li> </ul>
<b>Principle 2</b> Exchanges will promote the enhanced availability of investor-relevant, decision-useful ESG information	<ul style="list-style-type: none"> <li>• We provide issuers with access to free ESG data through our issuer services platform covering more than 400 metrics so they can compare against their peers and discover best practice disclosure in their industry</li> <li>• Utilising FTSE Russell's green revenues data, we provide a way to identify green companies listed on our markets via our green economy accreditation (Green Economy Mark). This allows investors to identify an investible universe of green equities across a range of industries on AIM and the Main Market</li> <li>• Our reporting guidance helps issuers to produce investor-relevant, decision-useful ESG information</li> </ul>
<b>Principle 3</b> Exchanges will actively engage with stakeholders to advance the sustainable finance agenda	<ul style="list-style-type: none"> <li>• Our stakeholder engagement is outlined in this report on <a href="#">page 41</a></li> </ul>
<b>Principle 4</b> Exchanges will provide markets and products that support the scaling-up of sustainable finance and reorientation of financial flow	<ul style="list-style-type: none"> <li>• Our Sustainable Bond Market (SBM) provides a platform to list green, social, sustainability, and sustainability-linked bonds</li> <li>• In an expansion of the SBM, we established a Transition Bond Segment which helps more carbon-intensive companies raise finance to fund credible transition plans</li> <li>• In October, we launched our Climate Transition Offering which helps companies to prepare for the transition to low-carbon through access to tools, resources and education. Our Climate Governance Score and Climate Governance Tool helps companies to assess their carbon management practices and incorporation of climate change considerations into business strategies. Our climate reporting guidance and complementary training videos help companies discover best practice climate reporting and TCFD implementation</li> <li>• In November, we announced the development of a Voluntary Carbon Markets designation for listed funds. This will enable investors to invest into eligible carbon offsetting projects as well as offering a solution to scaling up the Voluntary Carbon Markets which are an important step in meeting our global net zero targets</li> <li>• Our Green Economy Mark accreditation helps investors identify an investible universe of green equities across a range of industries</li> </ul>
<b>Principle 5</b> Exchanges will establish effective internal governance and operational processes and policies to support their sustainability efforts	<ul style="list-style-type: none"> <li>• We continue to assess the materiality of ESG and related risks to LSEG and to increasingly integrate these considerations into our Enterprise-wide Risk Management framework</li> <li>• A description of our sustainability governance can be found in this report on <a href="#">page 40</a></li> </ul>

# Sustainability Accounting Standards Board (SASB)

Topic	Code	Indicator	Details
Promoting Transparent & Efficient Capital Markets	FN-EX-410a.1	(1) Number and (2) average duration of (a) halts related to public release of information and (b) pauses related to volatility	No volatility reported following release of information.
	FN-EX-410a.2	Percentage of trades generated from automated trading systems	As a provider of execution services and associated platform connectivity infrastructure, the entire process is considered electronic by definition, utilising various forms of automated strategies and processes. If we define this as the monthly averages by value traded by proprietary trading firms directly accessing the London Stock Exchange order book in their own capacity as member firms, then over the course of 2021 this varied between 29% and 32%.
	FN-EX-410a.3	Description of alert policy regarding timing and nature of public release of information	We do not provide any advice to our clients about the content or timing of their disclosures. All responsibility for content and timing rests with the client.
	FN-EX-410a.4	Description of policy to encourage or require listed companies to publicly disclose environmental, social, and governance (ESG) information	<ul style="list-style-type: none"> <li>• Publication of TCFD-aligned climate reporting guidance to educate the market and encourage best practice climate-related disclosure</li> <li>• Publication of ESG reporting guidance to educate the market and encourage best practice disclosure</li> <li>• Provision of an online ESG disclosure tool for companies to identify industry-specific disclosures that are material to investors</li> <li>• Application of FTSE Russell data and Transition Pathway Initiative methodology to provide listed companies with an assessment of their carbon management practices to help identify areas for improvement in their climate disclosure and integration of climate risks and opportunities into business strategy (Climate Governance Score)</li> <li>• Provision of an online tool for issuers to receive personalised recommendations on how to improve climate-related disclosure (Climate Governance Tool)</li> <li>• Partnership with the UN Sustainable Stock Exchanges initiative to provide training on climate disclosure and TCFD implementation to educate listed companies</li> <li>• Provision of one of the industry's most comprehensive ESG data feeds (Refinitiv ESG data) directly to London's issuers via the Issuer Services platform</li> <li>• Regular webinars from LSEG experts and industry specialists on the importance of ESG disclosure, covering regions and sectors</li> <li>• Established green economy equities classification (Green Economy Mark) to incentivise disclosure of revenues contributing to the growth of the green economy</li> <li>• Annual report on green revenues trends and performance</li> <li>• Direct engagement with issuers on market development and regulatory trends in ESG and climate disclosure</li> </ul>

## Sustainability Accounting Standards Board (SASB) continued

Topic	Code	Indicator	Details
Managing Conflicts of Interest	FN-EX-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	LSEG did not sustain any monetary losses in the reporting period as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other relevant financial industry laws or regulations related to fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, or malpractice.
	FN-EX-510a.2	Discussion of processes for identifying and assessing conflicts of interest	<p>LSEG plc maintains a Group Conflicts of Interest Policy ('the Policy') which is subject to annual review.</p> <p>The Policy:</p> <ul style="list-style-type: none"> <li>• provides guidance to assist in the identification of both personal and business conflicts;</li> <li>• sets out the requirement to clearly identify all conflicts and, if possible, take appropriate steps to avoid them;</li> <li>• where conflicts cannot be avoided, mandates that they be disclosed or recorded and effectively managed to mitigate any associated risk that a Group entity or employee might be, or perceived to be, unduly influenced as a result of their existence.</li> </ul> <p>Mandatory Conflicts training is provided to all employees annually to ensure the provisions set out in the Policy are communicated, reinforced and understood. To confirm their comprehension of the training, all employees must pass a test before being considered to have successfully completed the course. Any non-completion is subject to escalation to the Executive Committee.</p>
Managing Business Continuity & Technology Risks	FN-EX-550a.1	(1) Number of significant market disruptions and (2) duration of downtime	There was no downtime of the Trading platforms in 2021.
	FN-EX-550a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	In 2021, LSEG did not record any loss of PII or data where customers were directly impacted.
	FN-EX-550a.3	Description of efforts to prevent technology errors, security breaches, and market disruptions	LSEG aims to proactively detect and/or prevent technology errors and security breaches to minimise the risk of disruption to the business and safeguard data. LSEG has established layers of defences to mitigate against security breaches; ranging from protecting the externally facing perimeter to defending the internal network. Our Global Security Operations Centre monitors and rapidly responds to security alerts.
Average daily number of trades executed, by product or asset class	FN-EX-000.A	Average daily number of trades executed, by product or asset class	<p>Average daily number of trades executed:</p> <ul style="list-style-type: none"> <li>• UK order book: 922,239</li> <li>• CurveGlobal 35,675</li> <li>• Turquoise Integrated 581,751</li> <li>• Turquoise Plato™ 127,136</li> </ul>



# Greenhouse gas emissions reduction targets disclosure

In October 2021, FTSE Russell [published guidance](#) to support the consistent disclosure of climate targets. Its aim is to increase comprehensive and standardised disclosures to furnish investors with robust carbon targets data, which can provide a critical input into analytical tools and investment products helping investors address climate risk. Using this standardised template, LSEG has disclosed information on our emissions reduction targets, progress towards targets and our methodology.

## Target ID

Overall number of active GHG emissions targets:	1		
Target number:	1		
Target type:	Absolute (near-term) target		Near-term science-based target, approved by SBTi
Date the target was set:	09/12/2021	Date that the target was last revised:	09/12/2021

## Target Information

Scope(s) covered	Scope 1 & 2 (market-based) + 3 (fuel and energy-related activities, business travel, employee commuting)			
Percentage of in-scope emissions covered by the target:	100%			
Base year:	2019	Base year emissions:	91,518 tCO <sub>2</sub> e	
Target year:	2030	Target year projected emissions:	45,759 tCO <sub>2</sub> e	
Targeted reduction from base year (%)	50%			
Targeted reduction from current year (%)	10%	Current emissions:	14,946 tCO <sub>2</sub> e (2021)	Verified actual emissions for 2021 exceeds 10% reduction target

## Target Methodology

Verified by an independent third party.	Yes	Verified by SBTi
Source that describes how the percentage of in-scope emissions covered by the target has been calculated.	Sustainability Report 2021 (footnote 5)	
Source that describes transition plan outlining how this target will be met.	Climate Transition Plan	
For Scope 3 targets, source that describes the methodology used to calculate the Scope 3 emissions covered by the target.	Sustainability Report 2021 (footnote 5)	
Indicate the % of the target to be achieved through offsets and provide a source that specifies their type and the offset provider.	0%	In accordance with SBTi criteria
For intensity targets, source that describes the methodology used to calculate the carbon intensity.	n/a	

# GRI Index

The table below summarises our governance disclosures mapped to GRI Standards indicators:

Disclosure		Indicator	Profile	Reference
<b>General – Organisational Profile</b>	102–1	Name of the organisation	London Stock Exchange Group plc.	Annual Report 2021, page 1
	102–2	Activities, brands, products, and services	We describe our business model, the components of our Group and how they link together, and how we add value. We also show an overview by business for our services and their associated customers.	Annual Report 2021, pages 15–17
	102–3	Location of headquarters	10 Paternoster Square, London, EC4M 7LS.	Annual Report 2021, page 1
	102–4	Location of operations	LSEG is now truly global with a significant presence in North America, Europe, Asia and emerging markets, operating in 70 countries.	Annual Report 2021, page 2
	102–5	Ownership and legal form	LSEG is a public limited company registered in England and Wales (No. 5369106).	Annual Report 2021, page 1
	102–6	Markets served	The markets we serve, revenue distribution by business and geographic area, as well as customer profiles are included in our Annual Report.	Annual Report 2021, pages 15–18
	102–7	Scale of the organisation	Financial information (including revenues and assets and liabilities) is provided in the Annual Report. The number of employees is provided in the Sustainability Report.	Annual Report 2021, page 116 <a href="#">Sustainability Report 2021, page 31</a>
	102–8	Information on employees and other workers	We provide an overview of employee statistics in our Sustainability Report including breakdowns of information by region, contract type, gender, organisational level and age group.	<a href="#">Sustainability Report 2021, page 58</a>
	102–9	Supply chain	An overview of our supply chain and of the way in which we collaborate with our suppliers is contained in our 2021 Modern Slavery Act Statement. In addition, our Supplier Code of Conduct is published on our website.	<a href="#">2021 Modern Slavery Act Statement and Supplier Code of Conduct</a>
	102–10	Significant changes to the organisation and its supply chain	We provide a financial review and a list of substantial shareholders.	Annual Report 2021, pages 31–49 and 211
	102–11	Precautionary Principle or approach	Given the nature of our product portfolio, we deem this aspect not material.	
	102–12	External initiatives	We are signatories of the following initiatives: letter of support for the recommendation from the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD); Valuable 500 initiative, BITC race at work charter, WFE, GRI, UN SSE, WEF, UNGC and SASB. FTSE Russell partnered with the UN to provide data and analysis that enables the quality of ESG disclosure across exchanges and collaborates with the Transition Pathway Initiative (TPI). A number of other initiatives are listed in our Sustainability Report.	<a href="#">Sustainability Report 2021, pages 21–22, 33 and 45–46</a>
		Membership of associations	We are a member of: the Green Finance Task Force; the Green Finance Institute; the FC4S Network; a number of investor ESG collaborative bodies and initiatives including the UN backed PRI, UK SIF, US SIF, Euro SIF, ICGN, Japan SIF and RIAA.	<a href="#">Sustainability Report 2021, pages 13–14 and 47</a>

## GRI Index continued

Disclosure		Indicator	Profile	Reference
<b>General – Strategy</b>	102–14	Statement from senior decision-maker	A message from our CEO, David Schwimmer, is included in the Sustainability Report and Annual Report.	Annual Report 2021, pages 8–9 <a href="#">Sustainability Report 2021, pages 3–4</a>
	102–15	Key impacts, risks, and opportunities	An overview of key impacts and opportunities is described in the Sustainability Report, where our Impact Framework is described. In terms of ESG risks, we are working to further integrate these considerations into.	Annual Report 2021, pages 29 and 30 <a href="#">Sustainability Report 2021, pages 21–22</a>
<b>General – Ethics and Integrity</b>	102–16	Values, principles, standards, and norms of behaviour	The values and the principles to which we adhere in carrying out our activities are clearly stated in the governance section of our Sustainability Report. The Code of Conduct then further explains the ethical framework that we expect our employees to operate in.	<a href="#">Sustainability Report 2021, page 42</a>
<b>General – Governance</b>	102–18	Governance structure	An overview of our sustainability governance is presented in our Sustainability Report; further explanation is provided in our Group Sustainability Policy.	<a href="#">Sustainability Report 2021, page 40</a>
	102–19	Delegating authority	Sustainability governance is provided in the Sustainability Report.	<a href="#">Sustainability Report 2021, page 40</a>
	102–20	Executive-level responsibility for economic, environmental and social topics	This information is presented in our published Group Sustainability Policy.	<a href="#">Group Sustainability Policy</a>
	102–21	Consulting stakeholders on economic, environmental and social topics	We discuss some of our sustainability-related stakeholder engagement in our Sustainability Report.	<a href="#">Sustainability Report 2021, page 41</a>
	102–22	Composition of the highest governance body and its committees	The Board structure and changes are reported in the Annual Report.	Annual Report 2021, pages 67–71
	102–23	Chair of the highest governance body	The Chairman of the Group is independent on appointment.	Annual Report 2021, page 69
	102–24	Nominating and selecting the highest governance body	We include the Report of the Nomination Committee in the Annual Report.	Annual Report 2021, pages 81–82
	102–25	Conflicts of interest	We have established procedures whereby actual and potential conflicts of interest are regularly reviewed.	Annual Report 2021, page 76
	102–32	Highest governance body's role in sustainability reporting	The Board reviews and approves the Sustainability Report. An overview of our sustainability governance is presented in our Sustainability Report; further explanation is provided in our Group Sustainability Policy.	<a href="#">Sustainability Report, page 40</a>
	102–35	Remuneration policies	A full summary of compensation and remuneration within the Group can be found in the Directors' Report on Remuneration in our Annual Report.	Annual Report 2021, pages 80–91
	102–36	Process for determining remuneration		
	102–37	Stakeholders' involvement in remuneration		
	102–38	Annual total compensation ratio		
	102–39	Percentage increase in annual total compensation ratio		

## GRI Index continued

Disclosure		Indicator	Profile	Reference
General – Stakeholder Engagement	102–40	List of stakeholder groups	The list of our key stakeholders is provided in our published Code of Conduct. Details on our relationship with stakeholders are described in our Annual Report, including our Section 172(f) statement.	Annual Report 2021, pages 61–66 <a href="#">LSEG Code of Conduct</a>
	102–41	Collective bargaining agreements	We report on the number of employees covered by collective bargaining agreements.	<a href="#">Sustainability Report 2021, page 58</a>
	102–42	Identifying and selecting stakeholders	Stakeholder engagement is mainly project and product based. Details on our relationship with stakeholders are described in our Annual Report, including our Section 172(f) statement.	Annual Report 2021, pages 61–66
	102–43	Approach to stakeholder engagement	Stakeholder engagement is mainly project and product based, however, the way in which we engage with different stakeholder groups depends on their specific characteristics. Details on our relationship with stakeholders are described in our Annual Report, including our Section 172(f) statement.	Annual Report 2021, pages 61–66
	102–44	Key topics and concerns raised	Details on our relationship with stakeholders are described in our Annual Report, including our Section 172(f) statement.	Annual Report 2021, pages 61–66
General – Reporting Practice	102–45	Entities included in the consolidated financial statements	A list of the Group’s subsidiaries as at 31 December 2021 is included in the ‘Notes to the financial statements’. On 29 January 2021, the all-share acquisition of Refinitiv was completed. A list of the Combined Group’s subsidiaries is provided in the 2021 Annual Report.	Annual Report 2021, pages 116–128
	102–46	Defining report content and topic	Prior to reporting, all initiatives and activities from across the year are assessed for their materiality within our strategic framework. Items are cross-referenced using both internal and external evaluators; internally, initiatives are evaluated on their relevance to six impact areas and externally against the UN Sustainable Development Goals (SDGs) and Global Reporting Initiative (GRI) materiality definitions. If the item is deemed to be material against this framework, it is reported.	<a href="#">Sustainability Report 2021, page 8–10</a>
	102–47	List of material topics	On the basis of our materiality assessment six impact areas are considered as material to LSEG, they are listed and described in our Sustainability Report.	<a href="#">Sustainability Report 2021, page 8–10</a>
	102–48	Restatements of information	Restatements of our 2018 and 2019 GHG emissions took place during 2020. Details of this can be found in our Sustainability Report.	<a href="#">Sustainability Report 2021, page 18</a>
	102–49	Changes in reporting	Details of our changes to GHG reporting can be found in our Sustainability Report.	<a href="#">Sustainability Report 2021, page 18</a>
	102–50	Reporting period	We report on calendar year 2021 basis for both the Annual Report and Sustainability Report.	<a href="#">Sustainability Report 2021, page 1</a>
	102–51	Date of most recent report	31 December 2021.	
	102–52	Reporting cycle	We report annually.	
	102–53	Contact point for questions regarding the report	Contact details are provided in our Sustainability Report.	<a href="#">Sustainability Report 2021, page 1</a>

## GRI Index continued

Disclosure		Indicator	Profile	Reference
General – Reporting Practice	102–54	Claims of reporting in accordance with the GRI Standards	This report references the following GRI Standards:	
			GRI 102 General Disclosure	<a href="#">Sustainability Report 2021</a>
			GRI 103 Management Approach	<a href="#">Sustainability Report 2021, page 40</a>
			GRI 201: Economic Performance	Annual Report 2021, page 31
			GRI 205: Anti-Corruption	<a href="#">Sustainability Report, page 41</a>
			GRI 302: Energy	<a href="#">Sustainability Report 2021, page 18</a>
			GRI 303: Water and Effluents	<a href="#">Sustainability Report 2021, page 18</a>
			GRI 305: Emissions	<a href="#">Sustainability Report 2021, page 18</a>
			GRI 306: Effluents and Waste	<a href="#">Sustainability Report 2021, page 18</a>
			GRI 401: Employment	<a href="#">Sustainability Report 2021, page 62</a>
			GRI 403: Occupational Health and Safety	<a href="#">Sustainability Report 2021, page 62</a>
			GRI 404: Training and Education	<a href="#">Sustainability Report 2021, page 33</a>
			GRI 405: Diversity and Equal Opportunity	<a href="#">Sustainability Report 2021, page 33</a>
			GRI 406: Non discrimination	<a href="#">Sustainability Report 2021, page 33</a>
			GRI 408: Child Labour	<a href="#">Sustainability Report 2021, page 43</a>
	102–55	GRI content index	The present GRI content index has been prepared in accordance with the disclosure requirements.	
	102–56	External assurance	Our Annual Report 2021 was subject to both internal and external verification. Our Sustainability Report 2021 was submitted to an internal verification process. Environmental data was externally verified.	<a href="#">Sustainability Report 2021, page 48</a>
Management Approach	103–1	Explanation of the material topic and its Boundary	Prior to reporting, all initiatives and activities from across the year are assessed for their materiality within our strategic framework. Items are cross-referenced using both internal and external evaluators; internally, initiatives are evaluated on their relevance to six impact areas and externally against the UN Sustainable Development Goals (SDGs) and Global Reporting Initiative (GRI) materiality definitions. If the item is deemed to be material against this framework, it is reported.	<a href="#">Sustainability Report 2021, page 8</a>
	103–2	The management approach and its components	For each material topic, we provide an overview of our management approach, including commitments, actions and initiatives, in our Sustainability Report.	<a href="#">Sustainability Report 2021, page 8</a>
Economic Performance	201–1	Direct economic value generated and distributed	Our financial review is set out in the Annual Report. Our community investments are summarised in the Sustainability Report.	Annual Report 2021 pages 31–49 <a href="#">Sustainability Report 2021, page 38</a>
	201–2	Financial implications and other risks and opportunities due to climate change	In June 2017 LSEG signed a statement of support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Details on LSEG's alignment to TCFD recommendations are reported in our Annual Report and our Annual Report.	Annual Report 2021, pages 29–30 <a href="#">Sustainability Report 2021, pages 21–22</a>
	201–3	Defined benefit plan obligations and other retirement plans	The Group operates defined benefit and defined contribution pension schemes.	Annual Report 2021, pages 98–100



## GRI Index continued

Disclosure		Indicator	Profile	Reference
<b>Anti-corruption</b>	205-1	Operations assessed for risks related to corruption	The Group continues to maintain systems and controls to mitigate compliance risk.	Annual Report 2021, page 58
	205-2	Communication and training about anti-corruption policies and procedures	In compliance with the UK Bribery Act, we make clear the specific responsibilities of all of our employees and business partners and we require all our employees, partners, agents, suppliers and customers to comply with the regulation. Accordingly, there have been no breaches of this policy material to LSEG in 2021.	Annual Report 2021, page 26 <a href="#">Sustainability Report 2021, pages 42-43</a>
	205-3	Confirmed incidents of corruption and actions taken	No employees were disciplined or dismissed due to non-compliance with anti-corruption policies in 2021.	<a href="#">Sustainability Report 2021, pages 42-43</a>
<b>Anti-corruption</b>	205-1	Operations assessed for risks related to corruption	The Group continues to maintain systems and controls to mitigate compliance risk.	Annual Report 2021, pages 55 and 58
	205-2	Communication and training about anti-corruption policies and procedures	In compliance with the UK Bribery Act, we make clear the specific responsibilities of all of our employees and business partners and we require all our employees, partners, agents, suppliers and customers to comply with the regulation. Accordingly, there have been no breaches of this policy material to LSEG in 2021.	Annual Report 2021, page 28 <a href="#">Sustainability Report 2021, pages 42-43</a>
	205-3	Confirmed incidents of corruption and actions taken	No employees were disciplined or dismissed due to non-compliance with anti-corruption policies in 2021.	<a href="#">Sustainability Report 2021, pages 42-43</a>
<b>Environmental Category – Energy</b>	302-1	Energy consumption within the organisation	We report all of the emission sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013.	<a href="#">Sustainability Report 2021, pages 18 and 46-48</a> Annual Report, page 27
	302-3	Energy intensity	We include this in the Environment section of the Sustainability Report.	<a href="#">Sustainability Report 2021, pages 18 and 46-48</a>
	302-4	Reduction of energy consumption	We include this in the Environment section of the Sustainability Report.	<a href="#">Sustainability Report 2021, pages 18 and 46-48</a>
<b>Environmental Category – Water and Effluents</b>	303-5	Water consumption	We include this in the Environment section of our Sustainability Report.	<a href="#">Sustainability Report 2021, pages 18 and 46-48</a>
<b>Environmental Category – Emissions</b>	305-1	Direct (Scope 1) GHG emissions	We include this in the Environment section of the Sustainability Report.	<a href="#">Sustainability Report 2021, pages 18 and 46-48</a>
	305-2	Energy indirect (Scope 2) GHG emissions		
	305-3	Other indirect (Scope 3) GHG emissions		
	305-4	GHG emissions intensity		
	305-6	Reduction of GHG emissions		

## GRI Index continued

Disclosure		Indicator	Profile	Reference
<b>Environmental Category – Effluents and Waste</b>	306–2	Waste by type and disposal method	We include this in the Environment section of the Sustainability Report, under ‘Waste’.	<a href="#">Sustainability Report 2021, pages 18 and 46–48</a>
<b>Labour Practices and Decent Work Category – Employment</b>	401–1	New employee hires and employee turnover	We report three year time series of comparable data of employee-based indicators.	<a href="#">Sustainability Report 2021, pages 18 and 46–48</a>
	401–2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	We offer a number of rewards, and career opportunities and development for employees.	<a href="#">Sustainability Report 2021, pages 30–34</a>
<b>Labour Practices and Decent Work Category: Occupational Health and Safety</b>	403–1	Occupational health and safety management system	In compliance with local legal requirements, a health and safety management system is implemented at the Group level. An update on H&S policy and systems improvements is presented in the Sustainability Report.	<a href="#">Sustainability Report 2021, page 42</a>
	403–3	Occupational health services	LSEG is committed to high standards of health and safety management. Updates on how the Group ensures the quality of H&S services are presented in our Sustainability Report.	<a href="#">Sustainability Report 2021, page 42</a>
	403–4	Worker participation, consultation, and communication on occupational health and safety	LSEG workforce is represented in formal joint management-worker health and safety committees.	<a href="#">Sustainability Report 2021, page 40</a>
	403–6	Promotion of worker health	We have implemented a broad wellbeing programme for our employees, spanning across five different areas: financial, mental, physical, social purpose, and work-life balance.	<a href="#">Sustainability Report 2021, pages 30–34</a>
	403–9	Work-related injuries	We include this information in the Social Performance section of our Sustainability Report.	<a href="#">Sustainability Report 2021, page 45</a>
<b>Labour Practices and Decent Work Category – Training and Education</b>	404–3	Percentage of employees receiving regular performance and career development reviews	We report three year time series of comparable data on training and education.	<a href="#">Sustainability Report 2021, pages 30–34</a>
<b>Labour Practices and Decent Work Category – Diversity and Equal Opportunities</b>	405–1	Diversity of governance bodies and employees	We include initiatives on diversity and inclusion, and report three-year time series of comparable data on diversity and equal opportunity.	<a href="#">Sustainability Report 2021, pages 30–34</a>
<b>Human Rights Category – Non discrimination</b>	406–1	Incidents of discrimination and corrective actions taken	We report three year time series of comparable data on non-discrimination.	
<b>Human Rights Category – Child Labour</b>	408-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	In compliance with the Modern Slavery Act 2015, every year LSEG publishes a Modern Slavery Act Statement, reaffirming its commitments of combating every form of modern slavery and human trafficking by improving its supply chain management and procurement process. The Statement, while providing a description of our approach to risk assessment, gives also an overview of due diligence process.	<a href="#">Modern Slavery Act Statement</a>

## GRI Index continued

Disclosure		Indicator	Profile	Reference
<b>Human Rights Category – Forced or Compulsory Labour</b>	409–1	Operations and suppliers at significant risk for incidents of forced or compulsory Labour	In compliance with the Modern Slavery Act 2015, every year LSEG publishes a Modern Slavery Act Statement, reaffirming its commitments of combating every form of modern slavery and human trafficking by improving its supply chain management and procurement process. The Statement, while providing a description of our approach to risk assessment, gives also an overview of due diligence process.	<a href="#">Modern Slavery Act Statement</a>
<b>Society Category – Public Policy</b>	415–1	Political contributions	We report three year time series of political contributions.	Annual Report 2021, page 109



# LSEG

