

Climate Standard

LSEG

Introduction

LSEG is committed to managing climate-related impacts, risks and opportunities and aims to support the UK Government's commitment to the Paris Agreement. This Standard sets out how the Group will ensure that its approach to climate change is aligned with this ambition. It sets out minimum requirements, roles and responsibilities and governance with respect to the following outcomes to:

- Identify and manage LSEG's material climate-related impacts, risks and opportunities.
- Define a Climate Transition Plan.
- Monitor, manage and reduce greenhouse gas (GHG) emissions.
- Define and execute climate adaptation measures to reduce physical climate risks.
- Define and execute carbon offsetting and internal carbon pricing approach.
- Provide customers with sustainable finance products to meet their needs.

Our approach

LSEG's approach to climate is grounded in the following minimum standards:

Compliance: We seek to comply with applicable laws and regulations, including:

- Companies Act 2006 (Section 414CA & 414CB) as amended by the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.
- UK Listing Rule 6.6.6R(8) Task Force on Climate-related Financial Disclosures (TCFD).
- The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.
- GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition).
- EU Corporate Sustainability Reporting Directive (CSRD, applicable from FY 2027).

Targets: We work towards the climate targets we have set, approved by the Science Based Targets Initiative (SBTi) in 2021 which are aligned with the expectations of the Paris Agreement:

- Emissions reduction target: Reducing our absolute Scope 1, Scope 2 and Scope 3 (Fuel and Energy Related Activities, Business Travel and Employee Commuting) GHG emissions by 50% by 2030.
- Supplier engagement target: 67% of Scope 3 emissions from goods and services purchased by LSEG are from suppliers with science-based targets by the end of 2026.

Key concepts

Greenhouse Gas (GHG) Emissions are gases released into the atmosphere from human activity and natural sources, and include gases such as carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O).

Carbon credit is a convertible and transferable instrument representing a unit of GHG emissions (typically 1 tonne) that has been reduced, avoided or removed from the atmosphere through projects that are verified according to recognised quality standards. Carbon credits are also referred to as carbon offsets.

Decarbonisation levers are actions that enable the reduction of greenhouse gas emissions. Examples include energy efficiency, electrification, fuel switching, use of renewable energy, product innovation, and supply chain decarbonisation.

Climate transition plan sets out an organisation's strategic ambition, objectives, targets and actions, for responding to and contributing towards the transition to a low-carbon economy.

Sustainable finance products including sustainability-related data, analytics, indices, screening and capital raising solutions which help customers to achieve their objectives.

Key roles and responsibilities

LSEG's Climate Standard is implemented by a range of stakeholders across the business. Specific roles and responsibilities are set out for each outcome of this standard:

- **LSEG Board:** Approves the Climate Transition Plan and any new or materially revised climate targets.

- **Sustainability Committee:** Provides oversight and strategic direction for sustainability, including the Climate Transition Plan, and reports to the Executive Committee.
- **Climate Transition Steering Committee (CTSC):** Directs operational delivery of the Climate Transition Plan and reports to the Sustainability Committee.
- **Environmental Operating Group (EOG):** Drives implementation of activities to meet climate targets and reports to the CTSC.
- **Glidepaths:** Key operational emissions areas (Property, Data Centres, Travel, Supply Chain, People), each led by an Accountable Executive responsible for defining and delivering decarbonisation strategies.

Standard Outcomes

This Standard ensures that LSEG delivers the following outcomes:

1) Identify and manage climate-related impacts, risks and opportunities

We conduct scenario analysis to identify physical and transition risks. These findings are integrated into business processes to mitigate risks and capture opportunities, ensuring resilience and long-term value creation.

2) Define and maintain a Climate Transition Plan

Our Climate Transition Plan sets out LSEG's ambition, targets and actions for transitioning to a low-carbon economy. It includes decarbonisation pathways, priorities, and governance processes. It is reviewed and updated periodically to reflect evolving best practice and regulatory requirements.

3) Monitor, manage and reduce GHG emissions

We maintain GHG accounting processes to ensure accurate reporting across Scope 1, 2 and 3 emissions and we set targets aligned with science-based methodologies. We implement decarbonisation actions such as energy efficiency, renewable energy sourcing, and supply chain engagement.

4) Implement climate adaptation measures

We identify and embed adaptation measures to enhance the Group's resilience to physical climate risks, particularly within our property and data centre infrastructure.

5) Define and execute carbon offsetting and internal carbon pricing approaches

We use carbon offsets to complement our emissions reduction efforts aligned with recognised standards. We use carbon prices to help inform our scenario analysis and decarbonisation decisions.

6) Provide customers with sustainable finance products

We provide a range of sustainable finance products - including sustainability-related data, analytics, indices, screening and capital raising solutions - which help customers to achieve their objectives.

Governance

The Standard supports LSEG's Sustainability Policy and is approved by the Sustainability Committee. The Executive Sponsor is the Chief Risk Officer and the Group Head of Sustainability is the Standard owner.

Please note, the full version of this Standard is available for internal use and contains additional detail on roles and responsibilities to support implementation.