THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice as soon as possible from your stockbroker, bank, solicitor, accountant or other appropriate independent professional financial adviser (being, in the case of persons in the United Kingdom, an adviser authorised pursuant to the Financial Services and Markets Act 2000 ("FSMA"), or from another appropriately authorised independent financial adviser if you are in a territory outside of the United Kingdom).

This document constitutes a prospectus (the "**Prospectus**") for the purposes of the Prospectus Regulation (as defined below) relating to London Stock Exchange Group plc ("**LSEG plc**" or the "**Company**"), in connection with the admission to the premium listing segment of the Official List of the UK Financial Conduct Authority (the "**FCA**") and to trading on London Stock Exchange plc's ("**London Stock Exchange**") main market for listed securities (the "**Main Market**") (together, "**Admission**"), of all the issued and to be issued voting ordinary shares of LSEG plc with a nominal value of $6^{79}/_{86}$ pence each (the "**LSEG Ordinary Shares**"). LSEG plc proposes to issue up to 204,225,968 Consideration Shares in connection with its proposed acquisition of Refinitiv (the "**Transaction**"), to be comprised of (i) LSEG Ordinary Shares; and (ii) limited-voting ordinary LSEG plc shares of $6^{79}/_{86}$ pence each ("**Limited-voting Ordinary Shares**"). Unless the context otherwise requires, this Prospectus has been drawn up on the assumption that the Transaction will become effective as disclosed in further detail in this document. Applications for Admission of all of the issued and to be issued LSEG Ordinary Shares are intended to be made as set out in this document. It is expected that Admission will become effective and that dealings for normal settlement in the LSEG Ordinary Shares will commence on London Stock Exchange at 8.00 a.m. London time on the business day on which completion of the Transaction ("**Completion**") becomes effective. No applications are intended to be made for the LSEG Ordinary Shares to be admitted to listing or dealt with on any exchange other than London Stock Exchange, and no applications will be made for the Limited-voting Ordinary Shares to be admitted to listing or dealt with on any exchange.

This document comprises a prospectus relating to the Company prepared in accordance with the terms of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**"), the Prospectus Regulation Rules made under section 73A of the Financial Services and Markets Act 2000, as amended (the "**FSMA**") (the "**Prospectus Regulation Rules**") and the UK Companies Act 2006 (the "**Companies Act**"). This Prospectus has been approved by the FCA (as competent authority under the Prospectus Regulation in accordance with section 87A of the FSMA) as a prospectus prepared in accordance with the Prospectus Regulation Rules. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation Rules, and such approval should not be considered as an endorsement of the issuer that is, or the quality of the securities that are, the subject of this document. Investors should make their own assessment as to the suitability of investing in the securities.

LSEG plc, the directors of LSEG plc whose names appear on page 33 of this document (the "**Directors**"), and those individuals who have agreed to become directors of LSEG plc on Completion, whose names appear on page 33 of this document (the "**Proposed Directors**"), accept responsibility for the information contained in this document. To the best of the knowledge of LSEG plc, the Directors and the Proposed Directors, the information contained in this document is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

London Stock Exchange Group plc

(*Incorporated under the Companies Act 1985 and registered in England and Wales with registered number 5369106*)

Recommended all-share acquisition of Refinitiv by London Stock Exchange Group plc
Proposed issue by London Stock Exchange Group plc of up to 204,225,968 shares comprising new voting ordinary shares of $6^{79}/_{86}$ pence each and limited-voting ordinary shares of $6^{79}/_{86}$ pence each
Application for admission of all of the issued and to be issued voting ordinary shares in London Stock Exchange Group plc to the premium listing segment of the Official List of the UK Financial Conduct Authority and to trading on London Stock Exchange plc's main market for listed securities

Prospective investors should read this Prospectus and the documents incorporated herein by reference in their entirety. In particular, attention is drawn to Part 1 (*Risk Factors*) of this document for a discussion of certain risks and other factors that should be considered prior to any investment to which this Prospectus relates. Certain terms used in this document are defined in Part 16 (*Definitions and Glossary*) of this document.

Prospective investors should rely only on the information contained in this document and the documents incorporated herein by reference. No person has been authorised to give any information or to make any representations other than those contained in this document and, if given or made, such information or representations must not be relied on as having been so authorised. Any delivery of this document shall not, under any circumstances, create any implication that there has been no change in the affairs of LSEG plc or Refinitiv since, or that the information contained herein is correct at any time subsequent to, the date of this document or the date of the documents incorporated by reference herein. LSEG plc will comply with its obligation to publish a supplementary prospectus containing further updated information if so required by law or by any regulatory authority but assumes no further obligation to publish additional information.

This Prospectus is being made available to the public in accordance with the Prospectus Regulation and can be accessed free of charge in electronic form on LSEG plc's corporate website at www.lseg.com/investor-relations.

The contents of this document are not to be construed as legal, financial or tax advice. Each recipient of this document should consult his, her or its own legal adviser, independent financial adviser or tax adviser for legal, financial or tax advice. None of LSEG plc, the Banks (as defined below) or any of their respective representatives is making any representation to any prospective investor in the LSEG Shares regarding the legality of an investment in the LSEG Shares by such prospective investor under the laws applicable to such prospective investor.

This Prospectus has been prepared as a requirement for Admission of all of the issued and to be issued LSEG Ordinary Shares following Completion of the Transaction, including the LSEG Ordinary Shares to be issued by LSEG plc in connection with the Transaction. For the avoidance of doubt, the allotment of such LSEG Ordinary Shares will, if the Transaction becomes effective, occur as a consequence of the terms of the Transaction and not in pursuance of any offer to sell or exchange or invitation to purchase, or the solicitation of an offer or invitation to purchase or subscribe for, any securities or to become a member of LSEG plc.

This Prospectus does not constitute an offer of, or the solicitation of an offer to subscribe for or buy, any LSEG Shares to any person in any jurisdiction. The distribution of this document in certain jurisdictions may be restricted by law. Other than in the United Kingdom, no action has been or will be taken by LSEG plc to permit an issue of the LSEG Shares or to permit the possession or distribution of this document (or any other issuing or publicity materials relating to the LSEG Shares) in any jurisdiction where action for that purpose may be required or where to do so may be unlawful. Neither this Prospectus, any advertisement nor any other material relating to it may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Transaction disclaim any responsibility or liability for the violation of any such restrictions by any person.

Goldman Sachs International ("**Goldman Sachs**"), which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting as lead financial adviser to LSEG plc and no one else in connection with the Transaction and the matters set out in this document. In connection with such matters, Goldman Sachs, its affiliates, and its or their respective directors, officers, employees and agents will not regard any other person as their client, nor will they be responsible to any other person for providing the protections afforded to their clients or for providing advice in relation to the Transaction or the contents of this document or any other matter referred to herein.

Morgan Stanley & Co. International plc ("**Morgan Stanley**"), which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting as lead financial adviser to LSEG plc and no one else in connection with the matters set out in this document. In connection with such matters, Morgan Stanley, its affiliates, and its or their respective directors, officers, employees and agents will not regard any other person as their client, nor will they be responsible to any other person for providing the protections afforded to their clients or for providing advice in relation to the contents of this document or any other matter referred to herein.

Robey Warshaw LLP ("**Robey Warshaw**"), which is authorised and regulated by the Financial Conduct Authority is acting as lead financial adviser to LSEG plc and no one else in connection with the matters set out in this document and will not be responsible to anyone other than LSEG plc for providing the protections afforded to its clients or for providing advice in relation to the contents of this document or any other matter referred to herein.

Barclays Bank plc, acting through its Investment Bank ("**Barclays**" or the "**Sponsor**"), which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting as sponsor, corporate broker and financial adviser to LSEG plc and no one else in connection with the matters set out in this document. Barclays will not regard any other person as a client in relation to the matters set out in this document and will not be responsible to anyone other than LSEG plc for providing the protections afforded to clients of Barclays nor for providing advice in relation to the contents of this document or any other matter referred to herein.

RBC Europe Limited (trading as "**RBC Capital Markets**"), which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting for LSEG plc and no one else in connection with the matters referred to in this document and will not be responsible to anyone other than LSEG plc for providing the protections afforded to clients of RBC Capital Markets, or for providing advice in connection with the matters referred to in this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on Goldman Sachs, Morgan Stanley, Robey Warshaw, RBC Capital Markets and/or Barclays (together, the "**Banks**") by FSMA or the regulatory regime established thereunder (including in the case of Barclays and for the avoidance of doubt, Barclays' obligations to the FCA as LSEG plc's sponsor pursuant to Listing Rule 8), or under the regulatory regime of any jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of the Banks nor any of their respective affiliates accepts any responsibility whatsoever for the contents of this document including its accuracy, completeness and verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the LSEG Shares or the Transaction. Each of the Banks and each of their respective affiliates accordingly disclaim, to the fullest extent permitted by applicable law, all and any liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise be found to have in respect of this document or any such statement. No representation or warranty express or implied, is made by any of the Banks or any of their respective affiliates as to the accuracy, completeness, verification or sufficiency of the information set out in this document, and nothing in this document will be relied upon as a promise or representation in this respect, whether or not to the past or future.

Any forwarding, redistribution or reproduction of this document in whole or in part is unauthorised. Failure to comply with this directive may result in a violation of the US Securities Act or the applicable laws of other jurisdictions.

Notice to overseas shareholders

The LSEG Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**US Securities Act**") or with any securities regulatory authority of any state of the United States. The LSEG Shares to which this Prospectus relates may not be offered, sold, pledged or otherwise transferred in the United States, except to persons reasonably believed to be qualified institutional buyers ("**QIBs**"), as defined in, and in reliance on, the exemption from the registration requirements of the US Securities Act provided in Rule 144A under the US Securities Act ("**Rule 144A**") or another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Prospective investors are hereby notified that sellers of LSEG Shares may be relying on the exemption from the provisions of section 5 of the US Securities Act provided by Rule 144A. Outside the United States, any sale of LSEG Shares will be made in offshore transactions as defined in Regulation S under the US Securities Act. No actions have been taken to allow a public offering of the LSEG Shares under the applicable securities laws of any jurisdiction, including Australia, Canada or Japan. Subject to certain exceptions, the LSEG Shares may not be offered or sold in any jurisdiction, or to or for the account or benefit of any national, resident or citizen of any jurisdiction, including Australia, Canada or Japan. This Prospectus does not constitute an offer of, or the solicitation of an offer to subscribe for or purchase any LSEG Shares to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

The LSEG Shares have not been and will not be registered under the applicable securities laws of Australia, Canada or Japan. The LSEG Shares have not been recommended by any US federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

The distribution of this document and the offer and sale of the LSEG Shares in certain jurisdictions may be restricted by law. No action has been or will be taken by the Company or the Banks to permit a public offering of the LSEG Shares under the applicable securities laws of any jurisdiction. Other than in the United Kingdom, no action has been taken or will be taken to permit the possession or distribution of this document (or any other offering or publicity materials relating to the LSEG Shares) in any jurisdiction where action for that purpose may be required or where doing so is restricted by law. Accordingly, neither this Prospectus, nor any advertisement, nor any other offering material may be distributed or published in any jurisdiction, other than in the United Kingdom, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Available information

For so long as any of the LSEG Shares are in issue and are "restricted securities" within the meaning of Rule 144(a)(3) under the US Securities Act, the Company will, during any period in which it is not subject to Section 13 or 15(d) under the US Securities Exchange Act of 1934, as amended (the "**US Exchange Act**"), nor exempt from reporting under the Exchange Act pursuant to Rule 12g3-2(b) thereunder, make available to any holder or beneficial owner of an LSEG Share, or to any prospective purchaser of an LSEG Share designated by such holder or beneficial owner, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the US Securities Act.

The date of publication of this document is 9 December 2020.

CONTENTS

SUMMARY

SECTION A—INTRODUCTION AND WARNINGS	
A.1.1	***Name and international securities identifier number (ISIN) of the securities*** As at the Latest Practicable Date, London Stock Exchange Group plc's ("**LSEG plc**") share capital consisted of 351,563,499 voting ordinary shares with a nominal value of $6^{79}/_{86}$ pence each (the "**LSEG Ordinary Shares**"). As consideration for LSEG plc's proposed all share acquisition of Refinitiv (the "**Transaction**"), LSEG plc has agreed to issue 204,225,968 consideration shares comprising (i) LSEG Ordinary Shares; and (ii) limited-voting ordinary shares with a nominal value of $6^{79}/_{86}$ pence each (the "**Limited-voting Ordinary Shares**", and together with such LSEG Ordinary Shares, the "**Consideration Shares**"), subject to: (i) the option for LSEG to settle up to US$2.5 billion of the consideration in cash, in which case the number of Consideration Shares issued will reduce accordingly; and (ii) any further adjustments for leakage. This figure takes into account a small amount of known and agreed leakage in respect of the Refinitiv group. Subject to completion of the Transaction ("**Completion**"), applications will be made for all of the issued and to be issued LSEG Ordinary Shares to be admitted to the Official List of the UK Financial Conduct Authority (the "**FCA**") and to trading on the premium listing segment of the main market (the "**Main Market**") of London Stock Exchange plc ("**London Stock Exchange**") ("**Admission**"). The Limited-voting Ordinary Shares will not be admitted to listing or trading on any market. On Admission, the LSEG Ordinary Shares will be registered with ISIN number GB00B0SWJX34 and SEDOL number B0SWJX3, and trade under the symbol LSE.L.
A.1.2	***Identity and contact details of the issuer, including its Legal Entity Identifier (LEI)*** The registered office and principal place of business of LSEG plc is at 10 Paternoster Square, London, EC4M 7LS. LSEG plc's telephone number is +44 (0) 207 797 1000 and its legal entity identifier ("**LEI**") number is 213800QAUUUP6I445N30.
A.1.3	***Identity and contact details of the competent authority approving the prospectus*** This prospectus (the "**Prospectus**") has been approved by the FCA, as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"), with its head office at 12 Endeavour Square, London, E20 1JN, and telephone number: +44 (0) 20 7066 1000, in accordance with the Prospectus Regulation Rules. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation Rules, and such approval should not be considered as an endorsement of the issuer that is, or of the quality of the securities that are, the subject of this document. Investors should make their own assessment as to the suitability of investing in the securities.
A.1.4	***Date of approval of the Prospectus*** This Prospectus was approved on 9 December 2020.
A.1.5	***Warning*** This summary should be read as an introduction to the Prospectus. Any decision to invest in the LSEG Shares should be based on a consideration of this document as a whole by the investor. An investor could lose all or part of their invested capital. Where a claim relating to the information contained in this document is brought before a court, the plaintiff investor might, under the national law, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this document, or if it does not provide, when read together with the other parts of this document, key information in order to aid investors when considering whether to invest in the LSEG Shares.
SECTION B—KEY INFORMATION ON THE ISSUER	
B.1	***Who is the issuer of the securities?***
B.1.1	***Domicile, legal form, LEI, jurisdiction of incorporation and country of operation*** LSEG plc was incorporated and registered in England and Wales on 18 February 2005 under the Companies Act 1985 as a private company limited by shares with registered number 5369106, with the name Milescreen

Limited. On 16 November 2005, the Company changed its name to London Stock Exchange Group Limited. On 7 December 2005, it re-registered as a public limited company pursuant to section 43 of the Companies Act 1985 and changed its name to London Stock Exchange Group plc. LSEG plc's LEI number is 213800QAUUUP6I445N3.

B.1.2 *Principal activities*

On Completion, LSEG and Refinitiv will combine ("the **Combined Business**").

The Combined Business will form a leading global financial markets infrastructure provider by revenue, with combined pro forma 2019 revenues of over £6.8 billion (excluding the Borsa Italiana Group), exceeding those of any other listed global financial markets infrastructure provider. The Combined Business will operate on a global scale and with a significant presence in key financial centres, in particular in North America, Europe, Asia and emerging markets. Refinitiv has an established presence in Asia and the US which LSEG believes will enhance and diversify LSEG's existing geographic operations and customer reach. The Combined Business will have superior data content, management and distribution capabilities, bringing together Refinitiv's capabilities in data collection, management and distribution with LSEG's leading global, multi-asset index capabilities through FTSE Russell. The Combined Business will have multi-asset class capital markets and post trade offerings, bringing together LSEG's leading European equities trading businesses and global multi-asset clearing houses with Refinitiv's leading trading venues in FX and fixed income. It is proposed that the Combined Business will operate three business divisions: (i) Data & Analytics; (ii) Capital Markets and (iii) Post Trade; all supported by a commitment to operational and technological innovation and performance.

B.1.3 *Major shareholders*

	As at the Latest Practicable Date		As at Admission(1)(2)(3)(4)(5)(6)(7)			As at the PIK Redemption Date(1)(2)(3)(4)(5)(6)(7)		
Name	**LSEG Ordinary Shares held**	**Percentage of LSEG Ordinary Shares held(1)**	**Percentage of LSEG Shares held**	**Percentage economic interest in LSEG plc**	**Percentage voting interest in LSEG plc**	**Percentage of LSEG Shares held**	**Percentage economic interest in LSEG plc**	**Percentage voting interest in LSEG plc**
Qatar Investment Authority	28,080,219	7.99	5.29	5.29	5.97	5.05	5.05	5.67
Lindsell Train Limited	17,507,698	4.98	3.30	3.30	3.72	3.15	3.15	3.54
The Capital Group Companies, Inc.	23,702,950	6.74	4.46	4.46	5.04	4.26	4.26	4.79
BlackRock, Inc	23,963,192	6.82	4.51	4.51	5.09	4.31	4.31	4.84
York Holdings II Limited	0.00	0.00	24.07	24.07	18.00	23.00	23.00	17.11
York Holdings III Limited	0.00	0.00	9.74	9.74	7.29	9.31	9.31	6.92
ConsortiumCo	0.00	0.00	0.00	0.00	0.00	4.43	4.43	4.97
Total	**93,254,059**	**26.53**	**51.37**	**51.37**	**45.10**	**53.52**	**53.52**	**47.83**

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(1) Calculations exclude LSEG plc treasury shares

(2) Figures subject to any additional LSEG Shares being issued between the Latest Practicable Date, Admission and the PIK Redemption Date other than the issue of the Consideration Shares

(3) Figures assume that the number of LSEG Ordinary Shares held by the relevant person will not change between the Latest Practicable Date, Admission and the PIK Redemption Date, other than in respect of the issue of the Consideration Shares to the Refinitiv Sellers and ConsortiumCo

(4) Figures subject to any adjustments to the number of Completion Consideration Shares as a result of LSEG plc electing to settle any of the consideration in respect of the Transaction in cash

(5) Figures subject to any adjustments to the number of Completion Consideration Shares as a result of any leakage in the period prior to Completion and the allocation of such leakage

(6) Figures subject to any LSEG Shares being sold pursuant to exceptions to the Lock-up Provisions

(7) Figures are indicative only and such persons' interests in LSEG Shares as at Admission and the PIK Redemption Date may differ from the interests set out in this table

B.1.4 *Key managing directors*

The members of LSEG plc's board of directors (the "**Board**") are Don Robert (Chair), David Schwimmer (Chief Executive Officer), Anna Manz (Chief Financial Officer), Stephen O'Connor (Senior Independent Director), Jacques Aigrain, Dominic Blakemore, Professor Kathleen DeRose, Cressida Hogg CBE and Dr. Val Rahmani (Non-Executive Directors). On Completion and Admission, Martin Brand, Douglas M. Steenland and Erin Brown will each be appointed to the Board as Non-Executive Directors.

B.1.5 *Identity of the statutory auditors*

The statutory auditors of LSEG plc are Ernst & Young LLP, whose registered address is at 1 More London Place, London SE1 2AF.

B.2

What is the key financial information regarding the issuer?

Shareholders should read the whole of this document and not rely solely on the summarised financial information set out below.

Refinitiv

The tables below set out Refinitiv's summary financial information for the periods indicated.

The financial information set forth below is extracted or derived from, and should be read in conjunction with, the audited combined financial statements for Refinitiv as of and for the years ended 31 December 2019, 31 December 2018 and 31 December 2017, audited, interim, combined financial statements in relation to Refinitiv for the six month period ended 30 June 2020 and unaudited, interim, combined financial statements for the six month period ended 30 June 2019 included in this document.

Refinitiv Combined Income Statement

	Six months ended 30 June		**Year ended 31 December**		
	2020	**2019**	**2019**	**2018**	**2017**
	(US$m) *(audited)*	*(unaudited)*		*(US$m)* *(audited)*	
Total income	3,221	3,118	6,250	6,205	5,946
Gross profit	**2,736**	**2,638**	**5,294**	**5,335**	**5,107**
Adjusted earnings before interest, tax, depreciation, amortisation and impairment and non-underlying items[1]	**1,349**	**1,189**	**2,320**	**2,068**	**1,581**
Adjusted operating profit[1]	**999**	**841**	**1,661**	**1,513**	**1,063**
Operating profit/(loss)	**47**	**(89)**	**(197)**	**441**	**723**
Profit/(loss) for the period	**(357)**	**(469)**	**(740)**	**173**	**772**

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(1) Before amortisation of purchased intangible assets and non-underlying items

Refinitiv Combined Balance Sheet

	As at 30 June	**As at 31 December**		
	2020	**2019**	**2018**	**2017**
	(US$m) *(audited)*		*(US$m)* *(audited)*	
Total non-current assets	20,613	20,890	21,303	13,508
Total current assets	2,270	2,005	2,251	971
Total assets	**22,883**	**22,895**	**23,554**	**14,479**
Total current liabilities	1,943	1,865	1,951	818
Total non-current liabilities	13,959	13,942	14,000	737
Total liabilities	**15,902**	**15,807**	**15,951**	**1,555**
Net assets	**6,981**	**7,088**	**7,603**	**12,924**

Refinitiv Combined Cash Flow Statement

	Six month period ended 30 June		**Year ended 31 December**		
	2020	**2019**	**2019**	**2018**	**2017**
	US$m *(audited)*	*(unaudited)*		*US$m* *(audited)*	
Cash flow from operating activities	420	124	872	1,580	1,562
Cash flow from investing activities	(433)	(307)	(582)	(17,045)	(639)
Cash flow from financing activities	108	(188)	(351)	16,281	(892)
Net change in cash and cash equivalents	**95**	**(371)**	**(61)**	**816**	**31**
Cash and cash equivalents at start of period	1,134	1,192	1,192	381	347
Exchange gain (loss) on cash and cash equivalents	10	1	3	(5)	3
Cash and cash equivalents at end of period	**1,239**	**822**	**1,134**	**1,192**	**381**

LSEG

The tables below set out LSEG's summary financial information for the periods indicated.

The consolidated financial information set forth below is extracted or derived from, and should be read in conjunction with, the audited consolidated financial statements for LSEG for the years ended 31 December 2019, 31 December 2018 and 31 December 2017, and unaudited, interim, consolidated management statements for LSEG for the six month period ended 30 June 2020 and 30 June 2019 incorporated by reference into this document.

Consolidated Statement of Income of LSEG

	Six month period ended 30 June		Year ended 31 December		
	2020	**2019**	**2019**	**2018**	**2017**
	£m *(unaudited)*			*£m* *(audited)*	
Total income	1,235	1,140	2,314	2,135	1,955
Gross profit	**1,114**	**1,031**	**2,104**	**1,908**	**1,740**
Adjusted earnings before interest, tax, depreciation amortisation and impairment and non-underlying items(1)	**674**	**621**	**1,265**	**1,066**	**915**
Adjusted operating profit(1)	**575**	**533**	**1,065**	**931**	**812**
Operating profit (loss)	**391**	**399**	**738**	**751**	**626**
Profit (loss) for the period	**261**	**265**	**465**	**553**	**586**

Note: (1) Before amortisation of purchased intangible assets and non-underlying items

Consolidated Statement of Financial Position of LSEG

	2020	**2019**	**2018**	**2017**
	£m *(unaudited)*		*£m* *(audited)*	
Total non-current assets	5,383	5,137	5,013	4,963
Total current assets	907,501	798,514	837,833	737,017
Total assets	**912,884**	**803,651**	**842,846**	**741,980**
Total non-current liabilities	2,459	2,312	2,295	2,056
Total current liabilities	906,292	797,538	836,853	736,172
Total liabilities	**908,751**	**799,850**	**839,148**	**738,228**
Net assets	**4,133**	**3,801**	**3,698**	**3,752**

Consolidated Statement of Cashflows of LSEG

	Six month period ended 30 June		Year ended 31 December		
	2020	**2019**	**2019**	**2018**	**2017**
	£m *(unaudited)*			*£m* *(audited)*	
Cash flow from operating activities	448	400	837	722	659
Cash flow from investing activities	(105)	(346)	(440)	(163)	(821)
Cash flow from financing activities	(263)	(99)	(340)	(475)	378
Net change in cash and cash equivalents	**80**	**(45)**	**57**	**84**	**216**
Cash and cash equivalents at start of period	1,493	1,510	1,510	1,382	1,151
Exchange gain (loss) on cash and cash equivalents	68	(15)	(74)	44	15
Cash and cash equivalents at end of period	**1,641**	**1,450**	**1,493**	**1,510**	**1,382**

B.3

Key pro forma financial information

The unaudited pro forma consolidated financial information of the Combined Business set out below addresses a hypothetical situation and has been prepared for illustrative purposes only; namely, to illustrate the effect on LSEG plc's income statement as if the Transaction and the Borsa Italiana Divestment had taken place as at 30 June 2020 and on LSEG plc's net asset statement as if the Transaction and the Borsa Italiana Divestment had taken place as at 30 June 2020. It does not represent LSEG plc's actual results of operations or financial condition or what the Combined Business' actual results of operations or financial condition would have been if the Transaction had been completed on the dates indicated. The key pro forma financial information set forth below in respect of LSEG plc and the Borsa Italiana Group has been extracted from the unaudited consolidated financial statements of LSEG plc for the six months ended 30 June 2020; the key pro forma financial information set forth below in respect of Refinitiv Parent has been extracted from the audited combined financial statements of Refinitiv Parent for the six months ended 30 June 2020.

Unaudited pro forma income statement

	LSEG plc Six months ended 30 June 2020	Refinitiv Six months ended 30 June 2020	Pro Forma adjustments related to Refinitiv Acquisition	Pro Forma Combined Business Six months ended 30 June 2020	Exclude: Borsa Italiana Group Six months ended 30 June 2020	Pro Forma adjustments related to Borsa Italiana Divestment	Pro Forma Combined Business (exc. Borsa Italiana) Six months ended 30 June 2020
				(£m)			
Total income	**1,235**	**2,554**	—	**3,789**	**(208)**	—	**3,581**
Gross profit	**1,114**	**2,169**	—	**3,283**	**(200)**	—	3,084
Earnings before interest, tax, depreciation, amortisation and impairment and non-underlying items	674	1,070	—	1,744	(132)	—	1,613
Earnings before interest, tax, depreciation, amortisation and impairment	586	879	(287)	1,179	(132)	2,430	3,477
Operating profit	**391**	**37**	**(287)**	**142**	**(100)**	**2,430**	**2,472**
Profit from continuing operations	**261**	**(283)**	**(673)**	**695**	**(70)**	**2,435**	**1,671**

Unaudited pro forma net assets statement

	LSEG plc as at 30 June 2020	Refinitiv as at 30 June 2020	Pro Forma adjustments related to Refinitiv acquisition	Pro Forma Combined Business as at 30 June 2020	Exclude: Borsa Italiana Group as at 30 June 2020	Pro forma adjustments related to Borsa Italiana Divestment	Pro Forma Combined Business (exc. Borsa Italiana) as at 30 June 2020
				(£m)			
Non-current assets	5,383	16,756	12,128	34,267	(1,349)	—	32,918
Current assets	907,501	1,845	—	909,346	(148,174)	3,954	765,126
Total assets	**912,884**	**18,602**	**12,128**	**943,614**	**(149,523)**	**3,954**	**798,044**
Current liabilities	906,292	1,579	673	908,545	(147,891)	22	760,675
Non-current liabilities	2,459	11,347	—	13,806	(135)	—	13,671
Total liabilities	**908,751**	**12,927**	**673**	**922,351**	**(148,026)**	**22**	**774,347**
Net assets	**4,133**	**5,675**	**11,455**	**21,263**	**(1,497)**	**3,932**	**23,698**

There are no qualifications in the accountants' reports on the financial information included in this document.

B.4

What are the key risks that are specific to the issuer?

The following is a selection of the most material risks specific to the Combined Business. In making the selection, LSEG plc has considered circumstances such as the possibility of the risk materialising on the basis of the current state of affairs, the potential impact that the materialisation of the risk could have on the Combined Business' financial condition, results of operations and prospects, and the attention that management of the Combined Business would, on the basis of current expectations, have to devote to these risks if they were to materialise.

The Combined Business' success will be dependent upon its ability to integrate the businesses of LSEG and Refinitiv; there will be challenges associated with the integration and the delivery of synergies, the benefits and/or business performance expected as a result of the Transaction may not be achieved as anticipated or at all, and the costs to achieve the synergies and benefits may be higher than anticipated.

Economic, political and social factors that influence the level of activity in global financial and data markets are beyond the Combined Business' control and may adversely affect its financial condition.

The Combined Business will face significant competition in each of its main business areas, including Data & Analytics (indices data, risk and analytics); Capital markets (primary and secondary capital markets trading) and Post Trade (clearing, settlement, central securities depository services and risk management services.

The Combined Business will operate in highly regulated markets which may restrict the operations of the Combined Business.

Non-compliance with legal and regulatory requirements may result in the Combined Business and its group entities becoming subject to regulatory sanctions, fines, censures and other regulatory, administrative or judicial proceedings, including, in extreme circumstances, the withdrawal of authorisations, regulatory approvals, licences or exemptions required to operate the Combined Business.

The Combined Business may be adversely affected by risks associated with clearing and settlement activities and will be exposed to counterparty risks of its clearing members.

	Data privacy breaches, misuse of personal data or failure to protect confidential information could adversely affect the Combined Business' reputation and expose it to litigation or other legal or regulatory actions. The Combined Business may not be able to attract and/or retain senior management and other key employees, and failure to do so could have adverse consequences for the operations of the Combined Business. The Combined Business will have certain dependencies on Thomson Reuters in relation to the Thomson Reuters News Agreement, content and brand usage, and transitional services, which could result in an adverse impact on the Combined Business, its financial condition, results of operations, reputation and brand. The Combined Business will be highly dependent on the development and operation of its sophisticated technology and advanced information systems and those of its third party service providers; and any failure of, or disruption to, any of these systems and related development projects could adversely affect the Combined Business. An operational failure in the Combined Business' processes could result in financial losses and reputational damage. If the products or services of the Combined Business contain undetected errors, defects or fail to perform properly or suffer delays, such errors, defects, failures or delays could have a material adverse effect on its business, financial condition or results of operations, brand and reputation. The Combined Business' data, IT systems and networks, and those of its third-party service providers, may be vulnerable to security risks, such as cyber attacks, data breach or other leakage of sensitive data, which could adversely affect the Combined Business. If the Combined Business' goodwill or intangible assets become impaired, the Combined Business may be required to record a significant charge to earnings.
SECTION C—KEY INFORMATION ON THE SECURITIES	
C.1	***What are the main features of the securities?***
C.1.1	***Type, class and ISIN*** When admitted to listing and trading the LSEG Ordinary Shares will be registered with ISIN number GB00B0SWJX34 and SEDOL number B0SWJX3, and trade under the symbol LSE.L. The Limited-voting Ordinary Shares will not be admitted to listing or trading on any market.
C.1.2	***Currency, denomination, par value, number of securities issued and duration*** As at the Latest Practicable Date, the issued share capital of LSEG plc was £24,323,288.59, comprising 351,563,499 LSEG Ordinary Shares. Assuming that there are no further adjustments as a result of any leakage in the period prior to Completion or LSEG plc electing to make a cash substitution, LSEG plc has agreed to issue 204,225,968 Consideration Shares in respect of the Transaction, such Consideration Shares to be comprised of: (i) LSEG Ordinary Shares and (ii) Limited-voting Ordinary Shares. This figure takes into account a small amount of known and agreed leakage in respect of the Refinitiv group. Of the total number of Consideration Shares to be issued, it is expected that 179,610,123 LSEG Shares will be issued around the time of Admission, such that the issued share capital of LSEG plc at that time will be up to £36,752,577.42, comprising up to 531,213,724 LSEG Shares (assuming a maximum of 40,102 further LSEG Shares are issued pursuant to the exercise of certain SAYE options under the LSEG International Sharesave Scheme 2008 after the Latest Practicable Date (which are not reflected in the Latest Practicable Date share capital figure above)). In addition, 24,615,845 LSEG Ordinary Shares will be issued one month after Admission (the "**PIK Redemption Date**"), such that the issued share capital of LSEG plc at the PIK Redemption Date is expected to be up to £38,455,650.41, comprising up to 555,829,569 LSEG Shares. The LSEG Ordinary Shares are, and the Limited-voting Ordinary Shares will be, denominated in pounds sterling.
C.1.3	***Rights attaching to the LSEG Shares*** *LSEG Ordinary Shares* The LSEG Ordinary Shares rank *pari passu* for voting purposes. On a show of hands each holder of LSEG Ordinary Shares has one vote and on a poll each holder of LSEG Ordinary Shares has one vote for every LSEG Ordinary Share held. The LSEG Ordinary Shares carry the right to and rank *pari passu* for all dividends and other distributions declared, made or paid. The LSEG Ordinary Shares to be issued as consideration for the Transaction will rank *pari passu* with the other LSEG Ordinary Shares then in issue. Applications in respect of Admission will be made by LSEG plc in respect of its issued and to be issued LSEG Ordinary Shares. *Limited-voting Ordinary Shares* The Limited-voting Ordinary Shares will rank *pari passu* with the LSEG Ordinary Shares in all respects, except that a holder of Limited-voting Ordinary Shares will only have, on a poll vote, one-tenth of a vote for every Limited-voting Ordinary Share of which it is the holder, and on a show of hands, one vote. This will not apply to certain resolutions referred to in Listing Rule 9.2.21, in respect of which a holder of Limited-voting Ordinary Shares will not be entitled to vote. The Limited-voting Ordinary Shares will be convertible by the holder at any time into LSEG Ordinary Shares provided that the conversion does not result in: (i) the holder or

	any person acting in concert with it being required to make a mandatory offer for LSEG plc under Rule 9 of the City Code; or (ii) the holder and any persons acting in concert with it (other than any Company Director Concert Party) holding LSEG Shares conferring voting rights in excess of the Maximum Voting Threshold. The Limited-voting Ordinary Shares will not be admitted to listing or trading but any LSEG Ordinary Shares arising on conversion of the Limited-voting Ordinary Shares will be admitted to listing and to trading on or shortly after conversion.
C.1.4	***Rank of securities in the issuer's capital structure in the event of insolvency*** The LSEG Ordinary Shares and the Limited-voting Ordinary Shares do not carry any rights to participate in a distribution (including on a winding-up) other than those that exist under the Companies Act 2006 (the "**Companies Act**"), LSEG plc's articles of association (containing the rights and restrictions attaching to the LSEG Ordinary Shares) (the "**Articles**") and the ordinary resolution passed at the general meeting of LSEG plc on 26 November 2019 (containing the rights and restrictions attaching to the Limited-voting Ordinary Shares) (the **"Admission Resolution**"). The LSEG Ordinary Shares and the Limited-voting Ordinary Shares will rank *pari passu* on a winding up of LSEG plc.
C.1.5	***Restrictions on transfer*** Save for the Lock-up Provisions, Orderly Marketing Provisions and certain provisions which limit the transfer of Limited-voting Ordinary Shares to third parties contained in the Relationship Agreement, there are no agreements that are known to LSEG plc that may result in restrictions on the transferability of LSEG Ordinary Shares or the Limited-voting Ordinary Shares.
C.1.6	***Dividend or payout policy*** Supported by a high level of revenues and strong cash generation, the Board intends for the Combined Business to continue with its current policy of paying dividends on a progressive basis following Completion, balanced by a focus on returning LSEG to its target range of 1-2x net debt to adjusted EBITDA in the 24 months following Completion, consistent with LSEG's existing capital management policy.
C.2	***Where will the securities be traded?*** Subject to Completion, applications will be made for Admission of all of the issued and to be issued LSEG Ordinary Shares. On Admission, such LSEG Ordinary Shares will be publicly traded on London Stock Exchange. The LSEG Ordinary Shares will be registered with ISIN number GB00B0SWJX34 and SEDOL number B0SWJX3, and trade under the symbol LSE.L. The Limited-voting Ordinary Shares will not be admitted to listing or trading on any market.
C.3	***What are the key risks that are specific to the securities?*** The following are the most material risks specific to the LSEG Ordinary Shares. In selecting these risks, LSEG has considered circumstances, such as the possibility of the risks materialising and the potential impact which the materialisation of the risk could have on holders of LSEG Ordinary Shares: Substantial sales of LSEG Ordinary Shares by the Refinitiv Shareholders, or the perception that such sales might occur, could depress the market price of the LSEG Ordinary Shares. In particular, LSEG plc will be unable to predict whether substantial amounts of LSEG Ordinary Shares will be sold in the open market by the Refinitiv Shareholders prior to or following the expiry of the lock-up restrictions in the Relationship Agreement. The Refinitiv Shareholders may be able to exercise significant influence over the Combined Business.
SECTION D—KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON A REGULATED MARKET	
D.1	***Under which conditions and timetable can I invest in this security?*** This Prospectus does not constitute an offer or an invitation to any person to subscribe for or purchase any shares in LSEG plc. LSEG plc expects that Admission will become effective in respect of all of the issued and to be issued LSEG Ordinary Shares on the date of Completion. The total costs, charges and expenses payable by the Combined Business in connection with the Transaction and Admission are estimated to be approximately £835 million (comprising £358 million of transaction related costs and £477 million of financing related costs).
D.2	***Why is this prospectus being produced?*** In view of its size, the Transaction is classified as a Reverse Takeover of LSEG plc under the Listing Rules of the FCA. Among other things, the Transaction therefore requires LSEG plc to reapply for Admission and is conditional upon the FCA having approved admission of the issued and to be issued LSEG Ordinary Shares to the Official List. This Prospectus is being published by LSEG plc in connection with Admission. LSEG plc will not receive any proceeds in connection with Admission. There are no conflicting interests that are material to Admission.

PART 1
RISK FACTORS

Any investment in LSEG Shares is subject to a number of risks. Prior to investing in LSEG Shares, prospective investors should carefully consider the risk factors associated with any investment in LSEG Shares, the Combined Business' business and the industry in which it will operate, together with all other information contained in this document including, in particular, the risk factors described below.

Prospective investors should note that the risks relating to the Combined Business, its industry and the LSEG Shares summarised in the section of the Prospectus headed "Summary" are the risks that the Directors and the Company believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the LSEG Shares. However, as the risks which the Combined Business will face relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.

The risk factors described below are not an exhaustive list or explanation of all risks which investors may face when making an investment in LSEG Shares and should be used as guidance only. Additional risks and uncertainties relating to the Combined Business that are not currently known to LSEG, or that LSEG currently deems immaterial, may individually or cumulatively also have a material adverse effect on the Combined Business' business, results of operations, financial condition and/or prospects, if any such risk should occur, the price of the LSEG Shares may decline and investors could lose all or part of their investment. An investment in LSEG Shares involves complex financial risks and is suitable only for investors who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Investors should consider carefully whether an investment in LSEG Shares is suitable for them in the light of the information in this document and their personal circumstances.

Risks Related to the Transaction

The Combined Business' success will be dependent upon its ability to integrate the businesses of LSEG and Refinitiv; there will be challenges associated with the integration and the delivery of synergies, the benefits and/or business performance expected as a result of the Transaction may not be achieved as anticipated or at all, and the costs to achieve the synergies and benefits may be higher than anticipated.

The success of the Combined Business will depend, in part, on the effectiveness of the integration process and the ability of the Combined Business to realise the anticipated benefits from combining the respective businesses of LSEG and Refinitiv. To the extent that the Combined Business is unable to efficiently integrate the operations of LSEG and Refinitiv, realise anticipated revenue synergies or cost reductions, retain qualified personnel or customers and avoid unforeseen costs or delay, there may be an adverse effect on the business, results of operations, financial condition and/or prospects of the Combined Business.

In particular, some of the key integration challenges associated with combining LSEG and Refinitiv include: coordinating and consolidating services and operations, particularly across different countries, regulatory regimes (including in relation to different business lines) and cultures; consolidating infrastructure, procedures, systems, facilities, accounting functions and policies, and managing a significant increase in the number of employees across geographically dispersed locations (from approximately 5,551 to approximately 25,118, with a material increase in the number of employees in certain locations including India, the Philippines and Poland), which may have challenges for compensation structures and other employee policies, oversight and management of employees and corporate culture. These challenges may be accentuated as a result of widespread remote working arrangements due to measures adopted in response to the Covid-19 pandemic. Challenges may also include operating and integrating a large number of different technology platforms and systems, including maintaining the operational resilience and security of legacy platforms, and consolidating services, or developing new services, where underlying assets used to provide those services are subject to contractual commitments with third parties. Unanticipated events or liabilities may arise which result in a delay or reduction in the benefits anticipated to be derived from the Transaction, or in costs significantly in excess of those estimated. Such events or liabilities may be as a result of a decision or action taken by a regulator with jurisdiction over the Combined Business or any change in the regulatory or legislative framework applicable to the Combined Business which has an adverse impact on the Combined Business and its operations or otherwise. Such changes in relation to the regulatory framework may relate to the terms of the UK's exit from the European Union ("**Brexit**"). For more detail, see the risk factor titled, "*Uncertainty regarding Brexit and the outcome of future arrangements between the EU and the United Kingdom could have* *a material adverse effect on the Combined Business*". While the Directors believe that the Transaction and integration costs and the revenue synergies or cost reductions anticipated to arise from the Transaction have been reasonably estimated, no assurance can be given that the integration process will deliver all or substantially all of the anticipated benefits or realise any or all of such benefits.

LSEG's, Refinitiv's and, following Completion, the Combined Business' management and resources may be distracted during the integration planning and implementation process. This may reduce the capacity to pursue other business opportunities, cause a delay in other projects currently contemplated by LSEG or Refinitiv (and which are intended to be continued by the Combined Business following Completion) or lead to an increase in the number of operational risk events such as the level of administrative errors. A decline in service standards or a fault or interruption in services during the integration process may result in an increase in customer complaints and customer and/or regulatory actions, which may lead to reputational damage and the loss of customers or business by the Combined Business and ultimately have an adverse impact on financial performance and financial condition.

Under any of these circumstances, the business growth opportunities, overhead cost reductions and other synergies anticipated by the Board to result from the Transaction may not be achieved as expected, or at all, or may be materially delayed. To the extent that the Combined Business incurs higher integration costs or achieves lower synergy benefits than expected, its business, results of operations, financial condition and/or prospects, and the price of LSEG Ordinary Shares, may be adversely affected.

Completion is subject to a number of conditions which may not be satisfied or waived, or which may not be capable of satisfaction without the imposition of undertakings or conditions.

Completion of the Transaction is subject to the fulfilment or waiver of various Conditions, as described in more detail in the paragraph headed "*Conditions*" in Part 6 (*Summary of the Key Transaction Terms*) of this document, including the receipt of all required or advisable merger control and regulatory approvals.

While a majority of required or advisable merger control and regulatory approvals have been obtained, including in the US, Completion remains conditional on, amongst other things, receiving merger control clearance in a number of jurisdictions including the EU and regulatory approvals from relevant financial services and markets regulators in a number of jurisdictions including in the UK, Italy, France, the Netherlands and Malaysia. Merger control and foreign investment approvals have already been obtained from a number of relevant authorities, including in the US. Although not conditions to the Transaction, a number of other merger control and regulatory clearances and approvals have also been sought by LSEG and Refinitiv in connection with the Transaction. In this context, competition authorities, financial services and markets regulators and certain other governmental entities with jurisdiction to review the Transaction may impose or seek undertakings or conditions as a condition of clearing the Transaction or, in certain cases, following Completion. The terms on which such measures may be effected are unknown and could be impacted by the circumstances in which they are being made. Any such measures could limit the revenues of either LSEG or Refinitiv, increase the costs of LSEG or Refinitiv or reduce the anticipated benefits of the Transaction to the Combined Business.

As described more fully in Part 6 (*Summary of the Key Transaction Terms*) of this document, if merger clearances are not obtained for the Transaction or there is material delay in reaching agreement on remedies to facilitate the Transaction, LSEG plc will in certain circumstances pay a termination fee of £198.3 million to Refinitiv Holdings.

As described in paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) of Part 5 (*Information on the Transaction*) of this document, and in the context of the EC's Phase II review of the Transaction, LSEG plc announced on 9 October 2020 that it has agreed to sell its entire shareholding in London Stock Exchange Group Holdings Italia S.p.A. ("**LSEG Italia**"), the parent company of the Borsa Italiana Group, to Euronext N.V. (the "**Borsa Italiana Buyer**") for an equity value of €4.325 billion, plus an additional amount reflecting cash generation to completion (the "**Borsa Italiana Divestment**"). While the EC's review of the Transaction is still ongoing, it is LSEG plc's expectation that a divestment of the Borsa Italiana Group or any material part thereof (including MTS S.p.A. ("**MTS**")) will be a condition of any EC clearance decision for the Transaction, and the Borsa Italiana Divestment is conditional upon such requirement and on completion of the Transaction. The Borsa Italiana Divestment also remains subject to a number of other conditions, including, among others the approval by the EC of the Borsa Italiana Buyer as the acquirer of the Borsa Italiana Group. Please refer to the paragraph entitled, "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document for full details of the Borsa Italiana Divestment and the conditions to which it is subject. If such conditions are not satisfied (or, where possible, waived), this could delay or prevent completion of the Borsa Italiana Divestment or lead to it taking place on materially different commercial terms, and potentially affect the EC's merger control clearance for the Transaction.

In addition, the outstanding regulatory approval processes and/or merger control clearance processes may take a further period of time to complete. Under the terms of the existing Withdrawal Agreement between the UK and the EU, the European Commission will retain jurisdiction over the Transaction. However, the outstanding regulatory approval processes and/or the merger control clearance processes may be delayed or otherwise adversely impacted by new or modified arrangements between the United Kingdom and the EU. There is no guarantee that the Conditions will be satisfied in the necessary time frame before the Long Stop Date, or waived, if applicable, and the Transaction may, therefore, not complete as contemplated or at all.

Delay in completing the Transaction will prolong the period of uncertainty for LSEG and Refinitiv, and both delay and failure to complete may result in the accrual of additional and, in the case of a failure to complete, wasted costs to their businesses, without any of the potential benefits of the Transaction having been achieved. For example, there may be an increase in costs or, in the case of a failure to complete, waste of costs already incurred in relation to the agreement, preparation or issue of documentation or other elements of the planning and implementation of the Transaction. Failure to complete or delay in completing the Transaction could result in adverse sentiment among investors and potential investors in LSEG plc, and may result in a reduction in the price of LSEG Ordinary Shares (including but not limited to a reversal of the increase in the price of LSEG Ordinary Shares achieved in the period following LSEG plc's announcement on 27 July 2019 that advanced discussions in relation to the Transaction were taking place). In addition, LSEG's and Refinitiv's management would have spent time in connection with the Transaction which could otherwise have been spent more productively in connection with the other activities of LSEG and Refinitiv, as applicable. Customers may delay or decide against entering into agreements with LSEG or Refinitiv during any periods prior to Completion, which could lead to a loss of revenue. Therefore, the aggregate consequences of a material delay in completing or a failure to complete the Transaction may have a material adverse effect on the business, results of operations and financial condition of LSEG, Refinitiv, or the Combined Business.

Completion of the Transaction may result in a reduction in LSEG plc's credit rating. A reduction in LSEG plc's credit rating could lead to an increased cost of funding for the Combined Business (in particular if it is combined with a deterioration in financial market conditions), impact its ability to refinance its debts, and affect its relationships with customers and investors.

In connection with the Transaction and in order to obtain financing sufficient to refinance Refinitiv's third-party debt on Completion, LSEG plc entered into the 2019 Bridge Facilities on 1 August 2019. A summary of the 2019 Bridge Facilities is set out in the section headed "*The 2019 Bridge Facilities*" in Part 6 (*Summary of the Key Transaction Terms*) of this document. On drawdown of the 2019 Bridge Facilities (or any longer term financing that replaces some or all of the 2019 Bridge Facilities), while it is expected that LSEG's leverage ratio will increase from within its current target range of 1.0–2.0x net debt to adjusted EBITDA, to above the originally anticipated 3.5x net debt to adjusted EBITDA, taking into account the expected completion of the Borsa Italiana Divestment leverage will step down materially. Thereafter, the high cash generating profile of the Combined Business is expected to result in further deleveraging with leverage reducing to within LSEG's current 1.0–2.0x net debt to adjusted EBITDA target range in the 24 months following Completion.

LSEG plc currently has long-term credit ratings of A by S&P Global Ratings (a division of S&P Global Inc.) and A3 by Moody's Investors Service Limited, both of whom are registered or certified in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies. These credit ratings are based on a number of factors, including financial strength (including leverage ratio) as well as factors that will not be entirely within the Combined Business' control, such as conditions affecting the macroeconomic environment and financial services industry generally. Following LSEG plc's entry into the 2019 Bridge Facilities, S&P Global Ratings moved its ratings outlook for LSEG plc to "credit watch negative" and stated that on Completion its long-term rating of LSEG plc may be reduced by two notches. Following the announcement of the Borsa Italiana Divestment, S&P Global Ratings stated that, assuming LSEG uses most of the proceeds from the Borsa Italiana Divestment to pay down debt following completion of the Borsa Italiana Divestment, its long-term rating of LSEG plc may be reduced by a maximum of one notch. Moody's Investors Service Limited placed its long-term rating of LSEG plc on "review for possible downgrade," with LSEG plc anticipating a possible ratings downgrade of one notch, but noting Moody's credit positive positioning should LSEG apply a majority of proceeds from the Borsa Italiana Divestment to pay down debt following completion of the Borsa Italiana Divestment. Whilst the Board expects LSEG plc to retain good, investment grade credit ratings on Completion, there can be no assurance that LSEG plc will maintain its credit ratings in the future.

A failure to maintain a good credit rating by LSEG plc could lead to more onerous funding terms (including higher costs of funding) for the Combined Business, in particular if it is combined with a deterioration in financial market conditions. This could adversely impact the Combined Business' ability to refinance its debts, including the 2019 Bridge Facility, and ability to return to its target leverage range of 1.0–2.0x net debt to adjusted EBITDA within a desirable timeframe or at all (although nothing in this risk factor should be construed as qualifying the statement in respect of the Combined Business' working capital set out in paragraph 21 (*Combined Business working capital statement*) of Part 14 (*Additional Information*) of this document). Other possible impacts include a reduction in the credit rating of LSEG's (and ultimately the Combined Business') rated subsidiary, LCH, which currently has a long-term rating of AA– by S&P Global Ratings, a potential reduction in the competitiveness of the Combined Business including its CSD and CCP businesses, and a broader perception among customers and investors that the Combined Business will have a weaker credit profile. Any of the foregoing could have an adverse impact on the Combined Business' financial condition and operating results.

Risks Related to the Combined Business

Economic, political and social factors that influence the level of activity in global financial and data markets are beyond the Combined Business' control and may adversely affect its financial condition.

The operating results of the Combined Business will be highly dependent upon the level of activity in global financial and data markets. Many of the factors that influence the levels of primary market issuances, together with issuers' market capitalisations, secondary market trading volumes, and consequently demand for post-trade and information services (including data, analytics, risk management and index services), are economic, political and social factors that will be beyond the control of Combined Business, but will have the potential to adversely affect its business, revenues, financial condition and operating results.

Such factors include: (i) inflation or deflation; (ii) general trends in the corporate financial markets, including in the broad investment strategies adopted by large financial institutions, investment houses and other fund managers across different asset classes; (iii) macro-economic changes in global or regional demand or supply shifts for equity, derivatives, fixed income, over-the-counter ("**OTC**") products, commodities, financial data and other capital markets products and services; (iv) changes in the financial standing of the Combined Business' customers; (v) technological change; (vi) the liquidity of financial markets and individual asset classes within the financial markets; (vii) changes in government, fiscal and monetary policies; (viii) legislative and regulatory changes, including any direct or indirect restrictions on (or increased costs associated with) trading and clearing in, and participant access to, relevant markets and the provision of information services or investment management, including those that will impact the Combined Business' customers and clients; (ix) exposure to possibly adverse governmental or regulatory actions in countries where the Combined Business will operate or conduct business; (x) changes in market infrastructure and practice; (xi) levels of volatility in global markets; (xii) increased exposure to the effects of economic sanctions or other restrictive economic measures as a result of the increased size and geographic reach that the Combined Business will have; and (xiii) any change or development in global, national or regional political conditions, (xiv) external events such as acts of terrorism, cyber-crime, any outbreak of hostilities or war, natural disasters, power outages, transportation interruptions and climate change.

Whilst the Combined Business' increasingly diversified geographic presence, product and service offering and customer profile may mitigate its overall exposure to localised, product or service specific, or customer group specific, risks, there can be no assurance that these risks would arise in such a way, and the Combined Business' diversification could expose it to elements of these risks which LSEG and Refinitiv may not have experienced as standalone businesses. The Combined Business will also have exposure to more economies, political and social systems, government actions and regulators than LSEG and Refinitiv have on a standalone basis. Such risks could adversely affect the business, revenues, financial condition and operating results of the Combined Business.

The Combined Business may be adversely affected by uncertainty, downturns and changes in the markets that it serves, in particular in the financial services industry.

The Combined Business will be highly dependent on the financial services industry and as a result will derive a significant proportion of its revenues from a number of large financial institutions. The financial services industry remains challenged with heightened regulatory scrutiny, consolidation among firms, increasing capital requirements, lower transaction volumes in certain markets and asset classes, and relatively low overall anticipated market growth. Since the 2008 financial crisis, banks and other firms across the financial services industry have continued to implement structural and technological changes designed to reduce costs, including job cuts and reducing supplier spending, and it remains to be seen whether these changes will be further affected or exacerbated by the impact of the Covid-19 pandemic. The combination of these factors continues to put intense pressure on financial institutions' profitability and returns. Whilst increased and more complex regulatory requirements could create opportunities for the Combined Business, these factors, together with the continued global economic uncertainty and future downturns in the financial services industry in one or more of the countries in which the Combined Business will operate, and changes in the market that the Combined Business will serve or significant trading market disruptions, could adversely affect the Combined Business and its revenues, financial condition and results of operations.

Covid-19 could have a material adverse effect on the Combined Business' business, operations and financial performance.

The global pandemic from the outbreak of SARS-CoV-2 and its associated disease ("**Covid-19**") is causing widespread disruption to financial markets and normal patterns of business activity across the world, including in the UK, the US and other markets in which the Combined Business will operate. In particular, the synchronisation of emergency measures to slow the spread of Covid-19 across the world has brought about rapid deterioration in economic growth across all countries and regions which, even if temporary, is likely to inflict significant damage on the world economy, directly adversely impacting the UK, the US and the other markets in which the Combined Business will operate in many ways, including in respect of trade and capital flow. The scope and duration of the impact on the economy is highly uncertain, and may go beyond current forecasts in respect of the scale of loss of output and recession in the UK, the US, and the other markets in which the Combined Business will operate. To the extent that the impact of the Covid-19 pandemic results in a sustained depression of stock prices, FTSE Russell's AUM-related fees could be reduced. The impact of the disruption to financial markets on revenues and working practices of the Combined Business, both favourable and adverse, is uncertain.

As a result of the Covid-19 pandemic, the potential for conduct and compliance risks, as well as operational risks materialising has increased, notably in the areas of cyber, fraud, people, technology, operational resilience and where there is reliance on third-party suppliers. In addition to the key operational risks, widespread remote working as a result of 'social distancing' measures announced by authorities in a number of jurisdictions including the UK and the US may lead to disruption to the Combined Business' operations if significant portions of its workforce are unable to work effectively, including because of illness, quarantines, government actions, or other restrictions in connection with the pandemic. As the majority of LSEG's and Refinitiv's (and, ultimately, the Combined Business') employees and those of its key suppliers of services and of its customers or members continue to work remotely while the rate of new Covid-19 infections remains high, there is a risk to the wellbeing of its key employees, to the effectiveness of its operations or its continuity which could have a material adverse effect on the Combined Business' ability to realise the benefits of the Transaction, results of operations, financial condition or prospects.

Whilst LSEG and Refinitiv continue to, and ultimately the Combined Business will, monitor and assess the impact of Covid-19, the extent to which the Covid-19 pandemic will impact the Combined Business' results of operations, financial condition and overall performance will depend on matters which are outside the Combined Business' control and on future developments which are highly uncertain and cannot be predicted, including the scope and duration of the pandemic and actions taken by governmental authorities and other third parties in response to the pandemic.

Uncertainty regarding Brexit and the outcome of future arrangements between the EU and the United Kingdom could have a material adverse effect on the Combined Business.

The United Kingdom withdrew from the EU on 31 January 2020 and is currently in a transition period set to end on 31 December 2020, during which time EU legislation continues to apply in the United Kingdom as though it were a Member State. It is not yet known what the United Kingdom's future relationship with the EU will be and it is difficult to predict the effect that Brexit will have on the business and operations of the Combined Business, and what the effect will be on the UK, European and global economies. Uncertainty regarding new or modified arrangements between the United Kingdom and the EU could have a material adverse effect on the business activity of the Combined Business and on political stability and economic conditions in the United Kingdom, the EU and elsewhere.

Lack of clarity about future UK laws and regulations, as the UK determines which EU laws and regulations to keep or replace in the UK in the event of a withdrawal, or how such laws and regulations may be changed, may adversely impact the buying behaviour of commercial and individual customers of the Combined

Business, and increase costs and disruption to the Combined Business operating in the UK, the EU and elsewhere.

Any of the above-mentioned developments, or the perception that any of these developments are likely to occur, could have a material adverse effect on economic growth or business activity in the United Kingdom, the EU and elsewhere. In addition, any Brexit-related downturn is likely to be compounded by the effects of Covid-19. For further information, please see the risk factor entitled, "*Covid-19 could have a material adverse effect on the Combined Business' business, operations and financial performance.*" The Combined Business will have contingency plans in place to mitigate the risk of the United Kingdom exiting the Brexit transition period without an agreed trade relationship with the EU across its diversified businesses; however, there remains a risk that political decisions could result in the relocation of businesses and people, cause business interruptions, lead to trade restrictions and increases in or the imposition of trade tariffs, lead to economic recession or depression, and impact the stability of the financial markets, the availability of credit, political systems, financial institutions and the financial and monetary system. By extension, this could impact the Combined Business' envisioned business arrangements, licences and contingency plans, thereby damaging the reputation, operations and financial position of the Combined Business and leading to increased costs to retain current revenues, any of which could have a material adverse effect on the Combined Business.

The Combined Business will be subject to certain risks related to non-controlling interests in certain consolidated subsidiaries.

The Combined Business will conduct its business through subsidiaries. In certain cases, third-party shareholders hold non-controlling interests in these subsidiaries, such as: (i) in the case of LSEG, LCH, LCH SA, Turquoise Global Holdings Limited and, prior to the completion of the Borsa Italiana Divestment, MTS; and (ii) in the case of Refinitiv, Tradeweb. MTS will form part of the Combined Business for a period following Completion until the Borsa Italiana Divestment is completed, at which point MTS will no longer form part of the Combined Business. Completion of the Borsa Italiana Divestment is expected to occur in the first half of 2021. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment. The Combined Business will depend to some extent upon good relations with such third-party shareholders in these subsidiaries to ensure profitable operations of such non wholly owned subsidiaries. The Combined Business may be adversely affected if its ability to exercise effective control over its non-wholly owned subsidiaries is impacted by these non-controlling interests or otherwise diminished in any way.

Various disadvantages may result from the involvement of non-controlling shareholders whose economic, business or legal interests or goals may not always be aligned with those of the Combined Business. These shareholders may not be able or willing to fulfil their obligations, whether of a financial nature or otherwise, with respect to these non-wholly owned subsidiaries, which may require the Combined Business to contribute additional capital to such subsidiaries. In addition, any dividends that are distributed from these non-wholly owned subsidiaries would be shared pro rata with these non-controlling shareholders according to their relative ownership interests. As a result, the Combined Business may not be able to access the cash flow of these non-wholly owned subsidiaries to service its debt and cannot provide assurance that the amount of cash and cash flow reflected on its consolidated financial statements will be fully available to it. Upon a bankruptcy or restructuring of the Combined Business' non-wholly owned subsidiaries, it is possible the Combined Business may become liable for the liabilities of such subsidiaries. Furthermore, the Combined Business' ability to engage in a strategic transaction involving these non-wholly owned subsidiaries on advantageous terms or at all when it so desires may be limited or restricted under the terms of its agreements with such shareholders. Some of these disadvantages may, among other things, result in the Combined Business' inability to implement organisational efficiencies and transfer cash and assets from these non-wholly owned subsidiaries to another subsidiary in order to allocate such cash and assets most effectively.

For these or any other reasons, disagreements or disputes with these non-controlling shareholders could impair or adversely affect the Combined Business' ability to conduct its business and to receive distributions from, and return on its investments in, those non-wholly owned subsidiaries and the Combined Business may be unable to resolve such disagreements or disputes in a manner that will be satisfactory to it. Any of the aforementioned could have a material adverse effect on the Combined Business and its cash flows, financial condition and results of operations.

The Combined Business will face significant competition in each of its main business areas, including Data & Analytics (indices, data, risk and analytics); Capital Markets (primary and secondary capital markets trading) and Post Trade (clearing, settlement, central securities depository services and risk management services).

The areas of the financial markets infrastructure ("**FMI**") and information services industries in which the Combined Business will operate are highly competitive, and therefore the Combined Business will face significant competition from a number of competitors for the products and services that it offers. Competition has been intensified by trends including: (i) technological innovation, in particular given the usage the Combined Business will have of complex information systems; (ii) the globalisation of world capital markets, which has resulted in greater mobility of capital, greater international participation in local regions and more competition among different geographical areas; and (iii) the continued growth and expansion of other market participants resulting in stronger global competitors.

The Combined Business will compete with other market participants in a variety of ways, including in relation to the: (i) quality and speed of trade execution, functionality, data, risk and index services; (ii) ease of use and performance of trading systems, data distribution platforms, and analytics and risk management services; (iii) range of products and services offered to customers, including trading participants and listed companies, including through the development of new and enhanced propositions; (iv) adoption of technological advancements including meeting customer data needs in relation to cloud capabilities; (v) increased customer demand for local language market data as more geographic markets become electronified; and (vi) increased customer interest in and demand for non-traditional "alternative data sets" (such as satellite imagery, location data, parking lot usage and credit card data, as well as other alternative data sets), which may require significant investment and innovation to meet, and which has intensified competition from smaller market data providers. Further, competitors continue to compete aggressively on price across each of listings, trade execution, post-trade services, index, analytics, risk management, data services and technology, as market conditions evolve and become ever more competitive. This trend is expected to continue in the future.

If the Combined Business is unable to adapt to continued changing market pressures and evolving customer demands or maintain its industry position given the intense competition (or as a result of the commitments entered in to in connection with the EC's Phase II review of the Transaction, as further discussed in paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*)), or is forced to reduce pricing, revenues and profit margins could decline. In addition, a decrease in customer demand for the Combined Business' listing, trading, index, analytics, risk management and data or technology services could adversely impact other business segments, which may be seen by current and prospective customers as less valuable, any of which could have a material adverse effect on the Combined Business, its cash flows, financial condition and results of operations.

Increased accessibility to free or relatively inexpensive information and software may reduce demand for the Combined Business' products and services.

In recent years, more public sources of free or relatively inexpensive information of the kind the Combined Business may seek to distribute have become available, particularly through the internet, and this trend is expected to continue. For example, certain public bodies and governmental and regulatory agencies have increased the amount of information they make publicly available at no cost. For example, in June 2015, the UK government made available 170 million financial records and accounts in relation to UK private companies, free of charge. The UK and other governments and regulators may replicate this kind of large-scale data disclosure in the future. Some regulators such as ESMA are exploring whether to introduce mandatory consolidated tape systems, which would require businesses such as the Combined Business to submit real time financial data to a centralised system which would then be required to be disseminated to investors. In addition, private companies and organisations are increasingly making certain financial and other information publicly available at no cost. Technological developments are also making data more readily accessible to consumers through free-of-charge open source software that has similar functionality to some of the products and services that the Combined Business will offer, and a growing number of datasets are capable of being found through the use of simple internet search engines.

Public sources of free or relatively inexpensive information and software may reduce demand for the products and services that the Combined Business will offer. Although the Board believes that LSEG and Refinitiv's (and ultimately the Combined Business') software, and their information and data, which is often enhanced through analytics, tools and applications that are embedded into customers' workflows, will remain more valuable than publicly available information and data, the Combined Business and its financial condition and results of operations may be adversely affected if its customers choose to use these public sources as a substitute for the Combined Business' products or services.

The Combined Business will operate in highly regulated markets which may restrict the operations of the Combined Business

A substantial part of the Combined Business' activities will involve operations in, and the provision of services into, highly regulated markets. Following Completion, the Combined Business' regulated entities will be subject to extensive oversight by national and supranational governmental and regulatory bodies, and the Combined Business will be regulated in more jurisdictions and by more regulators than LSEG and Refinitiv are currently. Such regulation and oversight:

- may limit the ability of the Combined Business and its group entities to provide certain of their current or planned services, or to build an efficient, competitive organisation;
- may limit the ability of the Combined Business and its group entities to outsource certain of its activities;
- may place financial and corporate governance restrictions on the Combined Business and its group entities;
- may make it difficult for the exchanges, MTFs, ATSs, SEFs and other trading venues, CCPs and/or CSDs of the Combined Business to compete with other competitors in different jurisdictions, including outside the EU;
- may impose restrictions such as capital requirements, clearing or trading requirements and proprietary trading restraints on market participants or otherwise cause market participants to change their behaviour in a manner that requires or incentivises such market participants to reduce their use of the exchanges, MTFs, ATSs, SEFs and other trading venues, CCPs and/or CSDs operated by the Combined Business;
- may impose limitations or restrictions on pricing in relation to market data or in relation to the provision of market data inside or outside the EU;
- may significantly increase compliance and associated costs of the Combined Business, for instance by requiring the businesses of the Combined Business to devote substantial time and cost to the implementation of new rules and related changes in their operations;
- may materially increase the costs of, and restrictions associated with, trading and clearing which could decrease trading and clearing volumes and profits; and
- may increase the risk of shareholders experiencing dilution of, or losses on, their holdings which may not be compensated in the event that recovery and resolution powers are exercised by regulators.

Such restrictions, restraints, constraints and costs could materially adversely affect the Combined Business, its financial condition and operating results.

Following Completion, the Combined Business will operate exchanges, MTFs, ATSs, SEFs and other trading venues, CCPs, CSDs, benchmark administrators, information services providers, data reporting service providers, trade repositories, market intermediaries, investment advisers and other regulated entities in multiple jurisdictions, including, but not limited to, the United Kingdom, the US, Italy, France, Ireland, the Netherlands, Singapore, Hong Kong and Switzerland. The Combined Business' regulated activities in these jurisdictions will generally need to be approved by the relevant regulatory authorities in each of these countries. The Combined Business may from time to time seek to engage in new business activities, some of which may require changes to the rules pertaining to the relevant regulated entity and may also require changes to the relevant entity's regulatory status, such as obtaining new licences, exemptions or approvals from the relevant regulatory authority. In addition, the Combined Business may wish to expand its current activities or commence new activities which may require further licences, exemptions or approvals. Upon completion of the Borsa Italiana Divestment, the Combined Business will no longer operate any CSD within its group, although it will own LSEG's existing 4.9 per cent. stake in Euroclear. Completion of the Borsa Italiana Divestment is expected to occur in the first half of 2021. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment.

Any delay or failure to obtain the requisite regulatory approvals or any conditions attached to such approvals could cause the Combined Business to lose strategic business opportunities, slow its ability to integrate its different markets or slow or impede its ability to change its governance practices. The Combined Business' competitive position could be significantly weakened if its competitors are able to obtain regulatory approval for new functionalities faster, or with less cost or difficulty, or if approval is not required for such competitors.

Certain of the regulated entities in the Combined Business will be subject to recovery and resolution arrangements resulting from the implementation of the EU Bank Recovery and Resolution Directive ("**BRRD**") or domestic legislation such as the UK Banking Act 2009 (which implements BRRD in the UK). Resolution authorities (such as the Bank of England) will have a number of resolution powers which they can use when a regulated entity enters resolution (including, for example, selling all or part of the business of the regulated entity, transferring it to a bridge institution or an asset management vehicle, or exercising a bail-in power). If the resolution authority exercises its powers, existing shareholders may experience dilution of their holdings or losses which may not be compensated. Holders of debt and other liabilities may also have their liabilities subject to write-off or conversion. Furthermore, if a resolution scenario arises, financial public support may only be available to the regulated entities as a last resort and after the resolution authorities have assessed and exploited the resolution tools including the bail-in power. There is no assurance that any financial public support will be forthcoming.

The Combined Business will also be subject to laws such as export control and customs regulations. The Combined Business' ability to comply with these laws and regulations is largely dependent on its establishment, maintenance and enforcement of effective compliance procedures. Failure to establish, maintain and enforce the required compliance procedures, even if unintentional, could subject the Combined Business to significant losses, lead to disciplinary or other actions or affect the reputation of the Combined Business.

Any of these risks could have a material adverse effect on the Combined Business and its cash flows, financial condition and operating results. Similarly, future changes in the legal and regulatory environment in jurisdictions in which the Combined Business will operate, including changes to the implementing rules and corresponding guidance for any relevant legislative or regulatory regimes, may impose additional and/or more onerous requirements on the Combined Business in areas that are currently subject to regulation, or may extend the scope of the regulatory regime to areas of the Combined Business that to date have not been regulated.

Non-compliance with legal and regulatory requirements may result in the Combined Business and its group entities becoming subject to regulatory sanctions, fines, censures and other regulatory, administrative or judicial proceedings, including, in extreme circumstances, the withdrawal of authorisations, regulatory approvals, licences or exemptions required to operate the Combined Business.

The Combined Business will be subject to a number of legal and regulatory requirements as a result of its enhanced product and service offering and its expanded presence in multiple jurisdictions. The regulatory regimes that will apply to the Combined Business' products and services may conflict in different jurisdictions. Actual, suspected or alleged failure to comply with legal or regulatory requirements, including failure to obtain or renew a licence, could result in an entity of the Combined Business becoming subject to investigations and/or regulatory, administrative or judicial proceedings. These investigations and proceedings may result in substantial criminal and/or civil sanctions, fines and penalties, including the restriction or revocation of an authorisation, regulatory approval, licence, recognition, exemption or registration that the Combined Business or its entities will rely on in order to conduct their business. In particular, the Combined Business will have an expanded presence in the US (as compared to LSEG's current operations in the US) which may result in increased exposure to investigations and proceedings in the US.

Any such investigation or proceeding, whether successful or unsuccessful, could result in substantial costs and diversions of resources, and could negatively impact the Combined Business' reputation.

Any of these risks could have a material adverse effect on the Combined Business and its cash flows, financial condition and operating results.

The Combined Business' regulated entities will be subject to ongoing requirements to maintain their regulatory status.

LSEG and Refinitiv's (and ultimately the Combined Business') regulated entities, including those referred to below, must meet initial and ongoing requirements to obtain and maintain their regulated status. These requirements will generally include requirements for a regulated entity to have adequate financial and other resources available to it to operate its business.

For example, London Stock Exchange, as a recognised investment exchange, must satisfy the recognition criteria in the Financial Services & Markets Act 2000 (Recognition Requirements for Investment Exchanges and Clearing Houses) Regulations 2001 (as amended), as further expanded by the guidance in the FCA's

Recognised Investment Exchanges Sourcebook. The recognition criteria include the requirement that the recognised investment exchange has "financial resources sufficient for the proper performance of its functions as a recognised investment exchange". Further, Turquoise, EuroMTS, Tradeweb Europe Limited and Refinitiv Transaction Services Limited, as UK investment firms operating MTFs and OTFs, are subject to the capital requirements established by CRD IV and the UK Threshold Conditions for authorisation set out in Part 1B of Schedule 6 of the FSMA which include a requirement for the firm to have financial and other resources which are appropriate for the regulated activities which the firm carries on. EuroMTS will form part of the Combined Business for a period following Completion until the Borsa Italiana Divestment is completed, at which point EuroMTS will no longer form part of the Combined Business. Completion of the Borsa Italiana Divestment is expected to occur in the first half of 2021. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment. In the US, DW SEF LLC, Refinitiv US SEF LLC and TW SEF LLC, each being registered SEFs with the CFTC, are required to maintain sufficient financial resources to cover their operating costs for a one-year period, calculated on a rolling basis. LCH Limited and LCH SA, as CFTC-registered DCOs, are subject to similar requirements, including the requirement to maintain sufficient financial resources to meet their obligations to their clearing members and participants, in the event that both such parties' default in respect of a trade being cleared. Further, the four broker-dealers operated by Refinitiv—REDI Global Technologies LLC, Tradeweb LLC, Tradeweb Direct LLC and Directweb Inc.—and the broker-dealer operated by LSEG, MTS Markets International, are subject to extensive financial, reporting, conduct and other regulatory requirements imposed by the SEC and FINRA.

Regulatory requirements are also imposed on other regulated entities within LSEG and Refinitiv, and therefore the Combined Business, in other jurisdictions. By way of example, Borsa Italiana and MTS as operators of, *inter alia*, Italian regulated markets must satisfy the financial and organisational requirements set forth under the Italian Financial Consolidated Act (*Testo unico delle disposizioni in materia di intermediazione finanziaria*) ("**IFCA**"). Borsa Italiana and MTS will form part of the Combined Business for a period following Completion until the Borsa Italiana Divestment is completed, at which point Borsa Italiana and MTS will no longer form part of the Combined Business. Completion of the Borsa Italiana Divestment is expected to occur in the first half of 2021. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment. In addition, Financial & Risk Transaction Services Ireland Limited, an entity within the Refinitiv business and which is regulated by the Central Bank of Ireland as a MiFID investment firm operating an MTF, is subject to the capital requirements established by CRD IV and the conditions for authorisation set out in the European Union (Markets in Financial Instruments) Regulations 2017 which include a similar requirement for the firm to have financial and other resources which are appropriate for the regulated activities it provides. Further, Tradeweb EU B.V. is authorised by the Dutch Authority for the Financial Markets (*Autoriteit Financiële Markten*) as a Dutch investment firm operating an MTF and OTF and is therefore subject to the capital requirements established by CRD IV and CRR, and also to the conditions for authorisation set out in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), which are based on MiFID II.

Failure of LSEG and Refinitiv's (and ultimately the Combined Business') regulated entities to maintain sufficient financial and other resources could result in the restriction or removal of the regulated entity's licence to operate its business, and therefore could have a material adverse effect on the Combined Business, its financial condition and operating results.

Regulatory capital requirements may negatively affect the Combined Business, and such requirements are subject to change.

In order to maintain their regulatory status, certain regulated entities which will be within the Combined Business are subject to minimum capital requirements. The regulatory capital regimes vary by jurisdiction and form of regulatory status. Some entities which will be within the Combined Business are subject to customised regulatory capital regimes which differ from those of credit institutions or other investment firms, while other entities are subject to the regulatory capital requirements applicable to investment firms and credit institutions established by CRD IV. EU regulated entities which will be within the Combined Business may also be subject to the revised Capital Requirements Directive 2019/878/EU, or CRD V, which may result in requirements to hold additional capital or to restructure certain EU entities under an intermediate EU parent undertaking. Regulatory capital requirements may require relevant entities to retain surplus capital, leading to capital inefficiencies within the Combined Business.

Any changes to the capital requirements that will be applicable to the Combined Business or its group entities may result in increased capital for one or more entities which will be within the Combined Business, or any sub-group which will be within the Combined Business or for the Combined Business as a whole, which may have a materially adverse effect on the Combined Business' ability to deliver its strategy, its business and cash flows, financial condition and operating results.

In particular, the relevant entity, sub-group or the Combined Business as a whole may be required to raise further capital by equity issuance or other appropriate financing in order to ensure compliance with applicable regulatory capital requirements. There is a risk that future economic and market conditions may prevent the Combined Business or any of its group entities from completing such financing and/or from allocating suitable capital within the timeframe required, although nothing in this risk factor should be construed as qualifying the statement in respect of the Combined Business' working capital set out in paragraph 21 (*Combined Business working capital statement*) of Part 14 (*Additional Information*) of this document. Any failure to do so may lead to the relevant entity, sub-group or the Combined Business as a whole being subject to regulatory sanctions or other restrictive measures, including the revocation of operating licences, and may adversely affect the Combined Business' reputation, its businesses and cash flows, financial condition and operating results. A failure by a relevant entity, sub-group or the Combined Business as a whole to meet capital requirements or obligations that apply in relation to capital requirements may lead to regulatory action of the type described above and may negatively affect the business of the Combined Business.

The Combined Business may be adversely affected by risks associated with clearing and settlement activities and is exposed to counterparty risks of its clearing members.

LSEG's (and ultimately the Combined Business') clearing providers assume the counterparty risk for all transactions that are cleared through their markets and are exposed to the risk of default by third party clearing members. This risk is greater if market conditions are unfavourable at the time of the default. Credit and liquidity exposure to clearing members is closely monitored and addressed by setting high membership standards for firms, collecting collateral in the form of margins and default fund contributions from clearing members and maintaining arrangements that cover the CCP's liquidity needs (including commercial bank liquidity credit lines and access to central bank liquidity support for some but not all of LSEG's (and ultimately the Combined Business') CCPs). Default by a clearing member could adversely affect the Combined Business' CCPs' revenues and its customers' goodwill and, in extreme circumstances, could lead to a call on the Combined Business' CCPs' own capital. While the Combined Business will have in place measures to mitigate such risks, and to the extent possible CCP default waterfalls are designed to eradicate or minimise the risk of a member's default impacting a CCP's capital, in extreme circumstances such measures may not be sufficient to mitigate the impact of these risks. In the event of a default by a clearing member, the Combined Business' business, financial condition and operating results could be materially adversely affected.

In addition, certain CCPs that will be within the Combined Business have interoperability arrangements with other counterparties requiring collateral to be exchanged in proportion to the value of the underlying transactions involved. The relevant clearing provider entities that will be within the Combined Business are therefore exposed to the risk of a default of such counterparties under such arrangements.

The Combined Business also may be subject to claims and litigation by clearing members, including in relation to default management exercises. Under the terms of their agreements with clearing members, LSEG's (and ultimately the Combined Business') CCPs have extensive powers and obligations in the circumstances of a clearing member's default to close out transactions entered into by the defaulting member and to apply margin and, if necessary, default fund monies, to meet any amounts owed by the defaulting member. These powers and obligations, when they do arise, usually have to be exercised in situations of market volatility and on the basis of preliminary information. In such circumstances, disputes with affected counterparties can arise. The amounts involved in such disputes can be significant. Any such matters could have a material adverse effect on the Combined Business' reputation, business and cash flows, financial condition and results of operations.

LCH and CC&G's collateral management expose them to customer liquidity risk and investment counterparty default risk.

The CCPs of LSEG, and ultimately of the Combined Business, such as LCH Group and CC&G, collect clearing members' margin and/or default funds contributions in cash and/or in highly liquid securities. CC&G will form part of the Combined Business for a period following Completion until the Borsa Italiana Divestment is completed, at which point CC&G will no longer form part of the Combined Business. Completion of the Borsa Italiana Divestment is expected to occur in the first half of 2021. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment. To maintain sufficient on-going liquidity and immediate access to funds, the CCPs of LSEG, and ultimately of the Combined Business, deposit the cash received in highly liquid and secure investments, such as sovereign bonds and reverse repos, as mandated under EMIR; securities deposited by clearing members are therefore held in dedicated accounts with CSDs and/or international CSDs. These CCPs also hold a small proportion of their investments in unsecured bank and money market deposits. The successful operation of these investment activities is contingent on general market conditions and there is no guarantee that such investments may be exempt from market losses. Furthermore, there is a risk of an investment counterparty default which could lead to losses to the Combined Business. Such a loss may occur, for example, due to the default of an issuer of bonds in which funds may be invested or the default of a bank in which funds are deposited. LSEG's, and ultimately the Combined Business', CCPs manage their exposure to credit and concentration risks arising from such investments by maintaining a diversified portfolio of high quality issuers and of banking counterparties.

These CCPs rely on established policies with minimum counterparty credit and concentration risk criteria, instructions, rules and regulations, as well as procedures specifically designed to actively manage and mitigate credit risks. There is no assurance, however, that these measures will be sufficient to protect the Combined Business' CCPs from an investment counterparty default.

A default by any of the above mentioned investment counterparties could have a material adverse effect on the Combined Business' reputation, business and cash flows, financial condition and results of operation.

Data privacy breaches, misuse of personal data or failure to protect confidential information could adversely affect the Combined Business' reputation and expose it to litigation or other legal or regulatory actions.

The Combined Business will be subject to a number of laws and regulations relating to privacy, security and data protection, including the General Data Protection Regulation (Regulation (EU) 2016/679) ("**GDPR**") (in UK domestic law from 31 December 2020, the "**UK GDPR**" as it forms part of retained EU law by operation of the UK European Union (Withdrawal Act) 2018), the UK's Data Protection Act 2018, US federal and applicable state privacy laws (including the recently passed California Consumer Privacy Act of 2018, which became effective on 1 January 2020 and California Privacy Rights Act of 2020)) and certain other relevant non-EEA data protection and privacy laws. Such laws govern, or will govern, the Combined Business' ability to collect, use and transfer personal data including in relation to actual and potential customers, suppliers, employees and third parties. In addition, new laws or regulations governing privacy, security and data protection may be introduced which will apply to the Combined Business in future, in any of the jurisdictions in which the Combined Business will operate. The nature and extent of any such new and/or changes in laws or regulations and the impact they may have on the Combined Business is uncertain.

The Combined Business will rely on third-party service providers and its own employees and systems to collect and process personal data and to maintain and continue to develop its databases. Its business will also include subscription screening products (such as World-Check) which it will sell to customers (including government entities, central banks, FIUs or other authorities, and regulated and unregulated entities) who need access for counterparty risk screening for legitimate purposes, to enable them to satisfy their legal, regulatory, compliance or similar obligations, including anti-money laundering reviews, KYC checks, sanctions screening, politically exposed person screening, anti-bribery and corruption screening, counter-terrorist financing screening and the prevention of financial crimes. Such screening products contain and process large amounts of personal data, including sensitive personal data for which the Combined Business may be subject to heightened compliance requirements). Products such as World-Check pose particular data protection risks, including that the data held by World-Check may be inaccurate or not up-to-date or used by subscribers inappropriately or not stored securely. There is a risk that decisions may be made by subscribers about individuals leading to court proceedings and public censure due to inaccurate information being held on individuals. This may also attract reputational damage. In addition, World-Check and its subscribers must take particular care to ensure compliance with applicable data protection laws, including transparency and data security requirements, in relation to the delivery and use of the products respectively. Therefore, the Combined Business will be exposed to the risk that such data could be wrongfully appropriated, lost or disclosed, rendered unavailable, damaged or processed in breach of privacy, security or data protection laws. Please also refer to the risk factor headed "*Unauthorised data access or privacy breaches may cause some of the Combined Business' customers to lose confidence in its security measures and could result in increased costs for the Combined Business*" in this Part 1 (*Risk Factors*) of this document.

While the Combined Business will endeavour to comply with all applicable laws and regulations relating to privacy, security and data protection, it is possible that such requirements may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another or may conflict with other laws or the Combined

Business' practices. That concern is particularly relevant for the GDPR, given that different Member State regulators (or the UK's ICO) may differ as to their interpretation of it and the approach they may take to breaches, enforcement, complaints or the exercise of rights in relation to personal data by individuals. Further, the impact of the judgment by the Court of Justice of the European Union in Data Protection Commissioner v Facebook Ireland and Maximillian Schrems (Case C-311/18) EU:C:2020:559 ("**Schrems II**") may result in differences in application of the GDPR, as regards to whether, how and under what conditions personal data may be transferred from the EEA to other countries (each a "**recipient jurisdiction**"), dependent upon the data protection risks posed by the laws of that recipient jurisdiction.

Any perceived or actual failure by the Combined Business to protect confidential data, personal data or any material non-compliance with privacy, security or data protection laws or regulations may harm its reputation and credibility, adversely affect its revenues, reduce its ability to attract or retain customers, result in litigation or other actions being brought against it and the imposition of significant fines and, as a result, could have a material adverse effect on its business, results of operations, financial condition or prospects.

Unauthorised data access or privacy breaches may cause some of the Combined Business' customers to lose confidence in its security measures and could result in increased costs for the Combined Business.

The Combined Business will collect, store, use and transmit sensitive data, including the proprietary business information and personal data of its employees, partners, vendors, customers and third-parties on its networks. A number of LSEG and Refinitiv's, and therefore the Combined Business', customers and suppliers also entrust it with storing and securing their own confidential data and information. The Combined Business will also have certain subscription-based screening products (such as World-Check) which contain large amounts of personal data, including sensitive personal data. Any malicious or accidental breach of data security could result in unintentional loss, disclosure of, or unauthorised access to, third-party, customer, vendor, employee or other confidential or sensitive data or information, which could potentially result in damage to the Combined Business' brands and reputation, costs to the Combined Business to enhance security or to respond to occurrences, lost sales, violations of privacy or other laws, penalties, fines, regulatory actions, investigations, sanctions, or litigation, and/or loss of confidence in its security measures, which could harm its ability to retain and attract customers. In addition, media or other reports of perceived security vulnerabilities to the Combined Business' systems or those of its third-party suppliers, whether or not accurate, could adversely impact the Combined Business' brand and reputation and materially adversely affect its business, financial condition and results of operations.

The Combined Business may not be able to attract and/or retain senior management and other key employees, and failure to do so could have adverse consequences for the operations of the Combined Business.

The Combined Business' success will be dependent upon the experience and industry knowledge of its senior management and key employees. The ability of the Combined Business to attract and retain key personnel is dependent on a number of factors, including (without limitation), prevailing market conditions, compensation packages offered by previous or competing employers, any regulatory impact thereon and the ability of the Combined Business to continue to have appropriate variable remuneration and retention arrangements in place that drive strong business performance and results. The Covid-19 pandemic may also affect the Combined Business' ability to attract and retain key personnel.

For example, 35 members of Refinitiv's senior management team participate in a pre-existing management incentive plan set up by Refinitiv Holdings that is expected to give rise to material payments to participants (although participants will only be able to start to realise value under their awards with effect from the expiry of certain lock-up provisions). While in the short term this management incentive plan may benefit the Combined Business' ability to retain these employees, following expiry of the lock-up provisions it may affect the ability of the Combined Business to retain them in employment. Further details in respect of these arrangements are described in Part 6 (*Summary of the Key Transaction Terms*) of this document.

Consequently, there can be no assurance that the Combined Business will be successful in attracting and retaining the personnel it requires, which may adversely affect its ability to execute business operations and strategies effectively. If a significant number of Refinitiv's senior managers leave, the Combined Business may need to recruit to ensure it has sufficient depth and experience to operate the relevant Refinitiv businesses. During the integration implementation process following Completion, there is also a risk that some current and prospective employees of the Combined Business may experience uncertainty about their future roles within the Combined Business, which may adversely affect the Combined Business' ability to retain or recruit key managers and other employees. Any of the aforementioned could have a material adverse effect on the Combined Business and its operations, cash flows, financial condition and results of operations.

A number of large global financial institutions are customers of LSEG and Refinitiv, and in some cases, of both LSEG and Refinitiv. Such customers' bargaining power may increase as a result of the Transaction and they may seek to or successfully improve the terms on which they contract with the Combined Business.

A number of large global financial institutions (such as investment banks, asset management firms and large institutional investors) use LSEG's and Refinitiv's products and services and may use multiple products and services provided by each of them. Across their respective business lines, LSEG and Refinitiv both conduct business with a number of the same clients. As a result of the Transaction, the bargaining power of those clients may be increased. Such clients may use their increased bargaining power to seek to amend or renegotiate existing contracts to include terms less favourable to the Combined Business than may historically have been the case with LSEG and Refinitiv, respectively. In addition, some clients (including those who may also compete with LSEG or Refinitiv as standalone businesses) may use the Transaction as a basis for exercising rights to cancel or re-negotiate existing contracts, whether arising as a result of the Transaction or otherwise, use the threat of such cancellation to improve their bargaining position with, or may otherwise decide to reduce their economic exposure to, the Combined Business. Loss of all or a substantial portion of the business of the Combined Business' large customers, for whatever reason, could have a material adverse effect on the Combined Business and its cash flows, financial condition and results of operations.

The Combined Business will generate a significant percentage of its revenues from recurring, subscription-based arrangements, and its ability to maintain existing revenues and to generate higher revenues is dependent in part on maintaining a high subscription renewal rate.

Refinitiv is, and therefore the Combined Business will be, more reliant on recurring revenue streams derived from subscription or similar contractual arrangements than LSEG is on a standalone basis. For the financial year ended 31 December 2019, 36 per cent. of LSEG's total income was recurring in nature and derived from subscriptions or similar contractual arrangements. For the financial year ended 31 December 2019, 83 per cent. of Refinitiv's total revenues were recurring in nature and derived from subscriptions or similar contractual arrangements. The Combined Business' revenues will be supported by a relatively fixed cost base that is generally not impacted by fluctuations in revenues. The majority of Refinitiv's, LSEG's and therefore the Combined Business' subscription arrangements have an initial term of one year and the remaining portion largely have two or three year initial terms. These arrangements typically have renewal provisions and the standard renewal term is one year. Renewal dates are spread over the course of the year.

While the Combined Business' increased reliance on subscription-like arrangements may mitigate its reliance on other, less predictable sources of revenue, in order to maintain its existing revenues and to generate higher revenues, the Combined Business will be dependent on a significant number of its subscription customers continuing their contractual arrangements with it.

Subscription customers may be more likely to view the products and services they source as fixed business costs than other groups of customers, and consequently the Combined Business may face pricing pressure in obtaining and retaining its customers. Customers may be able to seek price reductions from the Combined Business when they renew a contract, when a contract is extended, or when the customer's business has significant volume changes, and may be more reluctant to accept any increases in price. Customers may also reduce their use of the Combined Business' services if they decide to procure services in-house, or if they switch to another supplier. Further, the Combined Business' smaller and mid-sized customers may also exert pricing pressure, particularly on renewal, due to pricing competition or other economic needs or pressures being experienced by the customer. On some occasions, this pricing pressure may result in lower revenue from a customer than the Combined Business had anticipated, based on a previous agreement with that customer. The Combined Business' revenues could be lower if a significant number of its customers renewed their arrangements with it but reduced the amount of their spending. This reduction in revenue could result in an adverse effect on the Combined Business' business, financial condition and results of operations.

The Combined Business may not be successful in offering new products, identifying opportunities, entering into or increasing its presence in new markets or attracting new customers.

It is intended that the Combined Business will continue to explore and pursue opportunities to strengthen and grow its businesses following Completion, among other things, to realise the anticipated benefits of the Transaction. In order to meet or exceed the anticipated benefits of the Transaction, it is intended that the Combined Business will develop or add to the existing products of LSEG or Refinitiv, launch new products, and enter into new markets or increase its presence in existing markets that already possess established competitors, including newly developing areas of competition, where competitors may be subject to less regulation, and where demand for such services is subject to uncertainty. As a result of these expansions, the Combined Business may spend substantial time and money developing new products or improving current product offerings and, if not successful, the Combined Business may not fully realise the anticipated benefits of the Transaction, may miss potential market opportunities, and may not be able to offset the cost of such initiatives. If the Combined Business is unable to expand its business to successfully launch new products, identify and pursue opportunities and therefore effectively compete with its competitors, this could have a material adverse effect on the Combined Business and its cash flows, financial condition and results of operations.

New business initiatives of the Combined Business, including acquisitions, partnerships and joint ventures, may require significant resources and/or result in significant unanticipated costs or liabilities or fail to deliver anticipated benefits.

The Combined Business' strategy for future growth will include the identification and implementation of new business initiatives such as acquisitions, partnerships and joint ventures with third parties, which involves various risks. The Combined Business' ability to successfully implement any such new business initiatives (including any recently completed or existing initiatives of LSEG or Refinitiv) is subject to, among other things, availability of internal resources (which may be reduced as a result of efforts directed towards integration of the LSEG and Refinitiv businesses) and execution risks, and the success of such initiatives may be adversely impacted by a number of factors, including the Combined Business' financial profile (including leverage ratio), regulation, anti-trust, intellectual property, assumed existing or pending litigation and political considerations. In addition, some of the Combined Business' activities will be subject to minimum regulatory capital requirements which may constrain its ability to use its available capital resources to finance future business initiatives such as potential acquisitions.

The implementation of such business initiatives may not achieve the revenue or profitability that justify the original investment made by the LSEG, Refinitiv or the Combined Business, or support the goodwill recorded for the acquisition. Furthermore, such activities will require significant time and resources from management and may require the diversion of resources from other activities of the Combined Business. Failure to implement such business initiatives due to any of the foregoing factors could have a material adverse effect on the Combined Business, its financial condition and operating results.

The Combined Business will rely on third party providers and other suppliers for a number of products (including data and content) and services that are important to its business, including through certain outsourcing arrangements. An interruption or cessation of an important product or service supplied by any third-party, or the loss of an exclusive licence, could adversely affect the Combined Business, its financial condition, operating results and reputation.

The Combined Business will rely on access to certain data used in its business through licences with third-parties, and depend on third-party suppliers for data and content, including data received from certain competitors, clients, various government and public record services venues and financial institutions, that will be used in its products and services. Some of this data will be provided exclusively from particular suppliers and may not be obtained from other suppliers. The Combined Business will also depend on a number of other suppliers, such as online service providers, hosting service and software providers, data processors, software and hardware vendors, banks, local and regional utility providers, and telecommunications companies, for elements of their trading, clearing, settlement, data or risk management services and other systems. If these third-parties were to discontinue providing products or services to the Combined Business for any reason or fail to provide the type of service agreed to, the Combined Business may experience significant disruption to its business and may be subject to litigation by its customers or increased regulatory scrutiny or regulatory fines. The Combined Business' third-party data suppliers will perform audits on it from time to time in the ordinary course of business to determine if data licences for redistribution have been properly accounted for in accordance with the terms of the applicable licence agreement and, as a result of these audits, the Combined Business may incur additional expenses.

On and following Completion, the Combined Business will outsource certain functions to third-party service providers, including for telecommunications, certain finance and human resources administrative functions, and facilities management and IT services, in order to leverage leading specialised capabilities and achieve cost efficiencies. Outsourcing these functions involves the risk that the third-party service providers may not perform to the Combined Business' standards or legal requirements, may not produce reliable results, may not perform in a timely manner, may not maintain the confidentiality of the Combined Business' proprietary information, or may fail to perform at all. Failure of these third-parties to meet their contractual, regulatory, confidentiality, or other obligations to the Combined Business could result in material financial loss, higher costs, regulatory actions and reputational harm. Outsourcing these functions also involves the risk that the third-party service providers may not maintain adequate physical, technical and administrative safeguards to protect the security of the Combined Business' confidential information and data. Failure of these third-parties to maintain these safeguards could result in unauthorised access to the Combined Business' systems or a system or network disruption that could lead to improper disclosure of confidential information or data, regulatory penalties and remedial costs. Any of the aforementioned could have a material adverse effect on the Combined Business' business, financial condition, operating results and reputation.

The Combined Business will have certain dependencies on Thomson Reuters in relation to the Thomson Reuters News Agreement, content and brand usage, and transitional services, which could result in an adverse impact on the Combined Business, its financial condition, results of operations, reputation and brand.

The Combined Business will have certain dependencies on the Thomson Reuters group in relation to: (i) the Thomson Reuters News Agreement, a long-term news content and relationship agreement in respect of which the Combined Business will receive financial and general news content; and (ii) its use of the Reuters brand pursuant to a brand licence from Thomson Reuters. In particular, the Thomson Reuters News Agreement is for a 30 year term (expiring in 2048), with no express rights for either party to terminate these arrangements early. This means that the Combined Business will have committed to pay to receive Thomson Reuters content until 2048, at a cost of (subject to upwards adjustment for inflation) no less than US$325 million per annum. The Thomson Reuters News Agreement is described in detail in paragraph 17.2.3 (*Thomson Reuters News Agreement*) of Part 14 (*Additional Information*) of this document.

As a result, the integrity of Thomson Reuters' brand and reputation and the content that Thomson Reuters provides, will be important to the Combined Business' reputation as a trusted source of information and news and therefore its ability to attract and retain customers. Certain actions taken by Thomson Reuters, a company that the Combined Business will not control, could potentially have a negative impact on the Combined Business' reputation. Any potential deterioration of the quality of the news and editorial content provided to the Combined Business by Thomson Reuters may negatively impact the value of its products and services provided to its customers. In such circumstances, the Combined Business' contractual rights under the Thomson Reuters News Agreement may not be sufficient to mitigate any resulting negative impact. There is also a risk under the terms of the Thomson Reuters News Agreement that Thomson Reuters may question the Combined Business' performance with respect to the Thomson Reuters Trust Principles, which could impact the Combined Business' continued receipt of news, or that Thomson Reuters may question the Combined Business' adherence to quality control provisions in the Reuters brand licence, which could impact the Combined Business' residual use of the Reuters brand, each of which may adversely affect the Combined Business' financial condition and results of operations.

In addition, Refinitiv is, and the Combined Business will be, party to a mutual transitional services agreement with Thomson Reuters in respect of the 2018 Transaction. Many of the service terms under this agreement are expected to have expired by the time of Completion, but prior to their expiry (either before or after Completion) if Thomson Reuters fails to provide transitional services, the Combined Business may not be able to operate its business effectively until it is able to perform these services on its own. Third-party suppliers under the transitional services agreement could also seek to hold the Combined Business responsible for liabilities under the agreement that Thomson Reuters had agreed to retain, and in such circumstances there can be no assurance that indemnity cover from Thomson Reuters in respect of such liabilities will be sufficient to fully protect the Combined Business against such liabilities, or that Thomson Reuters will be able to satisfy its indemnification obligations. Similarly, the Combined Business will have obligations to Thomson Reuters under the transitional services agreement and may fail to perform such obligations either in a timely or effective manner or at all, or the Combined Business may fail to migrate away from transitional services or other arrangements with Thomson Reuters by the end of the relevant term, which could lead to liabilities for the Combined Business.

Any of the aforementioned may adversely affect the Combined Business' financial condition, results of operations, reputation and brand.

The Combined Business will be highly dependent on the development and operation of its sophisticated technology and advanced information systems and those of its third party service providers; and any failure of, or disruption to, any of these systems and related development projects could adversely affect the Combined Business.

The Combined Business' collection, aggregation and distribution of financial data, indices, trade and price information, provision of analytics and risk management services, and provision of markets infrastructure, including platforms for the execution, clearing and settlement, as applicable, of trades on markets, will depend on technology that is secure, stable and performs at high levels of availability and throughput at low latency. The Combined Business will operate sophisticated technology platforms and service management processes in conjunction with external suppliers (although their products and services will not be reliant upon third-party suppliers for all of their IT development). While such IT development insourcing will provide the Combined Business with a significant degree of control, there remains a risk of resource over-stretch to meet both the requirements of the Combined Business and those of third-parties.

To compete effectively, the Combined Business must be able to anticipate and respond, in a timely and effective manner, to the need for new and enhanced technology. The markets in which the Combined Business competes are characterised by rapidly changing technology, evolving industry standards and regulatory requirements, frequent enhancements to existing products and services, the introduction of new services and products and changing customer demands. If the Combined Business' systems are unable to expand to meet increased demand, are disrupted or otherwise fail to perform, the Combined Business' reputation, business and operating results could be impacted. New major IT projects and IT integrations have risks associated with them as well, particularly with regards to migrating products and services to new technological platforms in a safe, resilient and regulatory-compliant manner. New major IT projects and technology migrations (such as data centre relocations and cloud migrations) require significant capital investment and there can be no assurance that such migrations will be completed successfully or in line with allocated budgets. New or upgraded platforms also may not perform as intended or deliver the expected benefits, including, where relevant, increased transaction volumes and lower operating costs. There cannot, therefore, be any assurance that such projects will prove cost-effective and, in such circumstances, the profitability and reputation of the Combined Business, its products and services and its technology brands could be damaged. The flexibility of the Combined Business and its ability to respond to customer needs for services could consequently be disrupted.

Additionally, the Combined Business' ability to provide uninterrupted services will be dependent on systems where failure, disruption or capacity limitations could adversely affect their business and reputation. These systems have experienced failures in the past, and it is possible that systems failures will occur in the future. Such failures may arise for a wide variety of reasons, such as software malfunctions, insufficient capacity, including network bandwidth in particular during peak trading times or periods of unusual market volatility, as well as hardware and software malfunctions or defects, or complications experienced in connection with the operation of such systems, including system upgrades. If the Combined Business' (or those of its third-party service providers) technology and/or information systems suffer from major or repeated failures, this could interrupt or disrupt its trading, clearing, settlement, index, analytics, data information or risk management services and undermine confidence in the Combined Business' platforms and services, cause reputational damage, impact operating results, cause delays to the integration of the LSEG and Refinitiv businesses, and lead to customer claims, litigation and regulatory action including investigations and sanctions. While the Combined Business will have incident and disaster recovery plans, business contingency plans and back-up procedures in place to minimise, mitigate, manage and recover from the risk of an interruption of, or failure to, its critical IT operations, it cannot entirely eliminate the risk of a system failure, interruption or data breach occurring. Further, to the extent that IT systems, cloud-based services or other networks are managed or hosted by third-parties, coordination with such third-parties will be required to resolve any issues, which may mean they take longer to resolve than if they were managed or hosted by the Combined Business alone.

Following Completion, certain IT systems and supporting functions of LSEG and Refinitiv may be integrated in due course, which will expand the scope and therefore the exposure of the Combined Business' IT systems. If the Combined Business' IT systems suffer from major or repeated failures, this could interrupt or disrupt and/or undermine confidence in the Combined Business' products and services, may cause reputational damage, impact operating results and lead to customer claims, litigation and regulatory action including investigations and sanctions.

The Combined Business' data, IT systems and networks, and those of its third-party service providers, may be vulnerable to security risks, such as cyber attacks, data breach or other leakage of sensitive data, which could adversely affect the Combined Business.

The Combined Business will accumulate, store and use certain data in its operating business that is sensitive, commercially valuable and/or subject to data protection laws in the countries in which it operates. Additionally, as with all IT dependent companies, the Combined Business' IT systems and networks, and those of its third-party service providers, may also be vulnerable to cyber attacks, data breaches, unauthorised access, computer viruses and other security issues (despite regular testing, security reviews and training and awareness campaigns), and such attacks, breaches, access, viruses and other issues may not be detected by the Combined Business. The Combined Business may be an attractive target to persons seeking to circumvent security measures to wrongfully access and use the Combined Business', its suppliers' or its customers', networks, information and IT systems (including hardware and software), or cause interruptions or malfunctions in their operations. The Combined Business could also be subject to attempts to wrongfully access and use its information and systems, or cause interruptions or malfunctions to its operations. Although the Combined Business will have policies and procedures in place and will take measures to protect data and IT systems in accordance with applicable laws, the security measures taken by the Combined Business may ultimately prove inadequate, and it is possible that there may be unauthorised access, loss or leakages in the future. Unauthorised access to, loss or leakage of sensitive data, fraud in relation to sensitive data or violation of data protection laws, whether due to cyber attack or otherwise, and cyber attacks more generally, may result in reputational damage, regulatory sanctions, fines, litigation, loss of market share, loss of transaction volumes, loss of customers, loss of revenues or financial losses, any of which could also have a material adverse effect on the Combined Business and its cash flows, financial condition and results of operations.

Design defects, errors, failures or delays associated with new, modified or upgraded technology, products or services introduced by the Combined Business could negatively impact its business.

LSEG and, in particular, Refinitiv, are heavily reliant on complex technology systems (not least as a result of Refinitiv's technology footprint, which is bigger than LSEG's); the Combined Business will rely on such systems more so than LSEG does as a standalone business. Despite testing, software, hardware, products and services that the Combined Business will provide, develop, license or distribute may contain errors or defects when first released/launched or when new updates or enhancements are released that cause the software, hardware, products or services to operate incorrectly or less effectively. Many of LSEG's, Refinitiv's (and ultimately the Combined Business') technologies, products and services also rely on data and services provided by third-party providers over which the Combined Business will have no control and may be provided to the Combined Business with defects, errors, failures or delay. The Combined Business may also experience delays while developing and introducing new products and services for various reasons, such as difficulties in licensing data inputs or adapting to particular operating environments. Defects, errors, failures or delays in the Combined Business' technology, products or services that are significant, or are perceived to be significant, could result in rejection or delay in market acceptance, damage to the Combined Business' reputation, loss of revenue, a lower rate of licence renewals or upgrades, diversion of development resources, liability claims or regulatory actions, or increases in service and support costs. The Combined Business may also need to expend significant capital resources to eliminate or work around defects, errors, failures or delays. In each of these ways, the Combined Business' business, financial condition or results of operations could be materially adversely impacted.

The Combined Business will operate in a business environment that continues to experience significant and rapid technological change. If the Combined Business is unable to continue improving or to successfully develop and implement new technologies, or if the Combined Business or its third-party suppliers or its customers do not commit appropriate resources to developing and implementing new technologies or if the Combined Business' technological investment proves unsuccessful, it could result in a loss of customers.

The technologies upon which FMI providers (as the Combined Business will be) rely, including those in respect of the collection, aggregation and distribution of data and other content, index, desktop, analytics and risk management services, are subject to ongoing and rapid change (including in relation to a shift to cloud-based resources, the development of distributed ledger technologies and AI). Further, in recent years, electronic trading and customer demand for increased choice of execution methods has grown significantly. These developments entail significant technological, financial and business risks. These risks include the Combined Business failing or being unable to provide reliable and cost-effective electronic trading and data services and functionality or user experience on a basis that is comparable to the systems provided by other third-party providers, to attract independent software vendors to write front-end software that will enable access to their electronic trading, data platforms and automated order routing systems and to generate sufficient revenue to justify substantial levels of capital investment in electronic trading and data platforms and clearing and settlement systems. If the Combined Business is unable to anticipate and respond to the demand, industry standards and regulatory requirements for new services, products and technologies in a timely manner or on a cost-effective basis, or to adapt to technological advancements and changing standards, it may be unable to compete effectively.

The adoption of new technologies or market practices, for instance in blockchain or AI, may require the Combined Business to devote additional resources to improve and adapt its services to meet new demand, and there can be no assurance that these investments will be successful or that the Combined Business will be quick enough to react to deploy new solutions. If there is insufficient demand for a new service or customers or third-party suppliers lack the appropriate resources or infrastructure to support new products and trading and clearing functionality developed by the Combined Business, or do not subscribe to new services in a timely manner, new initiatives may be unsuccessful or result in significant losses.

Any failure or delay in developing new technology, or inability to exploit technology as successfully or cost-effectively as competitors, including new market entrants, could result in a decrease in customer demand, which could have a material adverse effect on the Combined Business' business and cash flows, financial condition and results of operations.

An operational failure in the Combined Business' processes could result in financial losses and reputational damage. If the products or services of the Combined Business contain undetected errors, defects or fail to perform properly or suffer delays, such errors, defects, failures or delays could have a material adverse effect on its business, financial condition or results of operations, brand and reputation.

The Combined Business' Data & Analytics division will collect, aggregate, enrich and distribute data and develop, calculate, market and distribute indices in a variety of asset classes. As a result, the Combined Business' indices will underlie derivative financial instruments of investors, financial market product developers and issuers. Indices (and data forming part of such indices) and other products developed or licensed by the Combined Business may contain miscalculations or undetected errors, and this risk may be heightened where manual processing is required. As a consequence, market participants who use real time price and order-book information or other market moving signals to make their buy or sell decisions and recommendations or require accurate instrument reference data for risk management activities and error-free settlement may base their decisions on miscalculated or erroneous information. Therefore, the Combined Business may be exposed to risks of litigation being brought against it based on such miscalculations or undetected errors which, even if ultimately unsuccessful, could materially adversely affect its reputation and cause disruption to its business, as well as adversely affect its ability to retain and attract customers for its products. Any such events could have a material adverse effect on the Combined Business' and its cash flows, financial condition and results of operations, brand and reputation.

Although the Combined Business will primarily deploy automated data processing, manual data processing is also utilised in relation to certain services, and therefore operator errors or omissions may occur, for example, in relation to the manual input of data, or the incorrect processing of customer instructions in its custody business. In addition, the Combined Business will be exposed to operational risks associated with the clearing and settlement of transactions, risk management methodologies or calculations, the management of collateral (including the management of CCP collateral and collateral investment by custodians), as well as the provision and receipt of routing, netting and settlement services to ensure that cash and securities are exchanged in a timely and secure manner for a multitude of products, particularly where there are manual processes and controls. As a result, the Combined Business will remain exposed to the risk of inadequate handling of customer instructions in certain business segments. Further, manual intervention in market and system management is necessary in certain cases. While the Combined Business will have procedures and controls in place to prevent failures of these processes and to mitigate the impact of any such failures, any operational error could have a material adverse effect on its business and cash flows, financial condition, results of operations and reputation.

A failure to protect the Combined Business' proprietary software, data or intellectual property rights, or allegations that they have infringed the intellectual property rights or contractual rights of others, could adversely affect the Combined Business, its brands and reputation.

The Combined Business will have brands that are well-recognised globally by customers and within the financial market industry segments and countries in which it will operate. Any events or actions that damage the reputation or brands of the Combined Business could adversely affect its business, financial condition, operating results and reputation.

The Combined Business will face risks arising from the unauthorised use of: (i) its proprietary software; (ii) the trademarks, service marks, trade names, database rights, copyright and patents that it will own or license for use in its businesses, including rights to use certain indices as the basis for passive funds or financial products; and (iii) its data, including for trading, calculation and benchmarking purposes, (together, the "**Combined Business' IP Assets**"). Although the Combined Business will rely on a variety of trade mark, copyright, patent, database and trade secrets laws, as well as confidentiality and other contractual arrangements with affiliates, customers, strategic investors and others, to protect its proprietary software, intellectual property and its rights in data, these protections may be inadequate to deter misuse or misappropriation of the Combined Business' IP Assets or to allow the Combined Business to enforce its intellectual property rights. Furthermore, some of the products and processes of the Combined Business may not be subject to intellectual property protection, and competitors of the Combined Business may also independently develop and patent or otherwise protect products or processes that are the same or similar to the products or processes of the Combined Business. Although LSEG and Refinitiv are currently unaware of the existence of any such matters that are material in the context of the Combined Business as a whole, failure to protect the Combined Business' IP Assets, and any efforts required to defend or enforce intellectual property rights, which may require significant financial and managerial resources, could, individually or in aggregate, affect the ability of the Combined Business to compete effectively and have an adverse effect on the Combined Business' reputation, business, financial condition and operating results.

Additionally, third-parties may assert intellectual property rights claims against the Combined Business, with or without merit, and such claims could divert management resources and be costly to defend or settle. If the Combined Business is unsuccessful in defending such claims, it could be required to pay damages, modify or discontinue its use of technology or business processes, or purchase licences from third-parties, any of which could also have a material adverse effect on the Combined Business' business and cash flows, financial condition, results of operations and reputation.

The Combined Business will have significant funding obligations in respect of Refinitiv's pensions arrangements that are affected by factors outside of its control

Refinitiv has significant funding obligations for various pension arrangements within its worldwide operations that will be the responsibility of the Combined Business following Completion. This includes sizeable defined benefit pension (or similar) plans in the United Kingdom, Guernsey, Germany, Switzerland and the Netherlands and smaller arrangements in other locations, that are affected by factors that will be outside of the Combined Business' control, including market factors and changes in legislation. Out of these, the material arrangements include the Reuters Pension Fund ("**RPF**") and the Reuters Supplementary Pension Scheme ("**SPS**") in the United Kingdom, the Refinitiv Overseas Pension Plan in Guernsey ("**ROPP**") and the Refinitiv Switzerland Pension Fund in Switzerland, which remain open to future accrual. The trustee of the RPF has a unilateral power to amend the rules of the plan and increase the benefits payable under the RPF, subject to receiving the consent of the scheme actuary (and subject, in the case of increases, to certain restrictions in place until 31 December 2024).

The valuations of obligations for material plans are calculated by independent actuaries and require assumptions in respect of a number of factors including future compensation levels, expected mortality, inflation and demographic statistics, along with the discount rate to measure obligations. These assumptions are reviewed annually. Significant differences in actual experience or significant changes in assumptions may materially affect the Combined Business' valuations of pension obligations and related future expenses. In addition, the performance of equity and fixed income and other investment markets, which may be influenced by general economic conditions, including interest rates, inflation and currency exchange rates, may impact the funding level of Refinitiv's funded plans and required contributions.

The UK pension plans' trustees are required to undertake triennial valuations of the RPF and the SPS and agree statutory funding plans with Refinitiv Limited as the sponsoring employer of these plans, although the trustees are free to call for a further valuation on an earlier date if there have been material changes in circumstances and they think necessary. Any future decline in the value of plan assets, changes in mortality and/or morbidity rates, future changes in interest rates, changes in inflation rates or changes in the current investment strategies of the pension plans could increase or contribute to the pension plans' funding deficits and require the Combined Business to make additional funding contributions in excess of those currently expected. As is the case for all formerly contracted-out defined benefit pension plans in the United Kingdom, the liabilities of the RPF and the SPS, and so the funding level, have been impacted by a High Court decision requiring the impact of unequalised guaranteed minimum pension benefits provided to men and women to be equalised and an allowance has been made for this liability in the 31 December 2019 actuarial valuations. After the 31 December 2019 actuarial valuations were agreed, a further judgment was rendered which confirms that the trustees of formerly contracted-out defined benefit pension plans will also be required to equalise guaranteed minimum pension benefits provided to men and women in respect of transfers out of such plans, including historic transfers. This could also impact on the liabilities of, and therefore the funding level of, the RPF and the SPS.

Refinitiv Limited has agreed the technical provisions basis for the most recent triennial valuation for the RPF and the SPS, which showed a surplus of £39 million for the RPF and a surplus of £18 million for the SPS on the agreed technical provisions basis as of 31 December 2019. The next triennial valuations for the RPF and the SPS will be as at 31 December 2020. Following payments of deficit contributions up to 2018, and as the RPF and SPS are in surplus as at 31 December 2019, no further deficit repair contributions are currently due or payable for the RPF or the SPS.

In addition, Refinitiv Holdings and Refinitiv UK Parent Limited have provided a guarantee to each of the trustees of the RPF and the SPS on a joint and several basis to cover any employer debt that may arise in relation to the RPF and the SPS under section 75 of the Pensions Act 1995 and any future deficit contributions in accordance with an agreed schedule of contributions, being obligations of Refinitiv Limited. The guarantee provided to the trustee of the RPF is subject to a payment cap of £700 million and the guarantee provided to the trustee of the SPS is subject to a payment cap of £120 million. Both guarantees are limited to a 15-year term from the 2018 Transaction Closing Date.

Following Completion one of the two guarantors, Refinitiv UK Parent Limited, will become part of the Combined Business. However, Refinitiv Holdings will remain outside of the Combined Business. Because Refinitiv Holdings will no longer have any direct connection with Refinitiv Limited (which has the primary liability to the RPF and the SPS and will become part of the Combined Business), and given the continuing obligations under the guarantee of Refinitiv UK Parent Limited, as agreed with Refinitiv Holdings, LSEG has been engaging with the trustees of the two schemes to seek a release of Refinitiv Holdings from its obligations under the guarantee and discussions are ongoing. Refinitiv Limited has also granted a negative pledge to the trustees of the RPF and the SPS, respectively, not to grant security on its assets (or those of its subsidiaries) other than liens in connection with working capital facilities, liens incurred in the ordinary course of business and non-consensual liens.

In certain circumstances, the UK Pensions Regulator has statutory powers to demand contributions or other financial support from companies connected or associated with an employer in a defined benefit pension plan (such as other entities within a group). These are commonly referred to as “moral hazard” powers and enable the UK Pensions Regulator to take action if it considers it is reasonable to do so, including where corporate activity has had a materially detrimental effect on the security of members’ benefits in a pension plan. The Combined Business will be within the scope of these “moral hazard” powers in respect of the RPF and the SPS.

The UK Pensions Regulator also has statutory powers to intervene in pension scheme funding if the employers and trustees fail to reach agreement or if it is not satisfied that the statutory funding plans will eliminate the funding deficit in a timely manner. Changes to the UK regulatory framework governing defined benefit pension schemes, which includes proposals to extend the UK Pension Regulator’s powers in relation to its “moral hazard powers”, and proposals to clarify the scheme funding framework, and introduce a new statutory requirement to comply with some aspects of the UK Pension Regulator’s guidance on scheme funding, could affect the valuation of assets and liabilities of the plans at their next triennial valuations.

The defined benefit plans operated in Germany, Switzerland and the Netherlands and the ROPP have a combined deficit of £79.6 million measured on a US GAAP basis as at 30 June 2020.

Any of the foregoing could have an adverse effect on the Combined Business’ business, results, financial condition and prospects.

The Combined Business will be subject to litigation risks and other liabilities.

The Combined Business will be exposed to litigation risks, including in relation to allegations of the misuse of the data and intellectual property of others, employment and competition matters and defamation claims as well as other commercial disputes. Some of this litigation risk arises under laws and regulations relating to tax, anti-money laundering, foreign asset controls, foreign corrupt practices, privacy and data use and dissemination, and this litigation risk could increase as a result of the Combined Business’ diversification of customers and geographic presence, including in more litigious jurisdictions like the US. These risks also include potential liabilities arising from defects in the Combined Business' index or data services, claims in relation to the use or management of personal data held by the Combined Business, or disputes over the terms of a securities trade, or from claims that a system or operational failure or delay caused monetary losses to a customer, as well as potential liability from claims relating to facilitation of unauthorised transactions or materially false or misleading statements in connection with a transaction on the Combined Business' trading venues. Claims may arise against the Combined Business' service providers regarding quality of trade execution, improperly cleared or settled trades, default management mismanagement, or even fraud. Despite deploying measures seeking to minimise these risks, any such litigation (either individually or in the aggregate) could be lengthy and costly, and could result in the expenditure of significant financial and management resources, which could adversely affect the Combined Business' business and cash flows, financial condition and results of operations.

Attention is drawn to paragraph 18 (*Litigation*) of Part 14 (*Additional Information*) of this document for details in respect of LSEG's and Refinitiv's material litigation.

The Combined Business may not always successfully manage actual or potential conflicts of interest that arise in its business.

The Combined Business will increasingly have to manage actual or potential conflicts of interest, including situations where its services to a particular client conflict, or are perceived to conflict, with the interests of another client, as well as situations where certain employees of the Combined Business have access to material non-public information that may not be shared with all employees of the Combined Business. Failure to adequately address potential conflicts of interest could adversely affect the Combined Business' reputation, operating results and business prospects.

The Combined Business will have procedures and controls that are designed to identify and mitigate conflicts of interest, including those designed to prevent the improper sharing of information. However, appropriately managing conflicts of interest is complex and difficult. The Combined Business' reputation could be damaged and the willingness of clients to enter into transactions in which such a conflict might arise may be affected if the Combined Business fails, or appears to fail, to deal appropriately with conflicts of interest. In addition, potential or perceived conflicts could give rise to litigation or regulatory enforcement actions.

The Combined Business will be exposed to fluctuations in foreign exchange rates and interest rates.

LSEG plc uses sterling as its reporting currency for the purposes of its consolidated accounts and other financial reports, and the subsidiaries of LSEG plc will continue to use their existing functional currencies for the purposes of their accounts and other financial reports, including the Refinitiv companies acquired in respect of the Transaction. The results of such entities will be converted into sterling for the purposes of consolidation in LSEG plc's accounts. Changes in the foreign exchange rates of the various functional currencies of the Combined Business' subsidiaries (in particular the Euro and the US dollar) as against sterling could have an adverse impact on the Combined Business' reported results. In addition, since the Combined Business will conduct operations in a number of different countries, including in Europe, the US and Asia, a substantial portion of its assets, liabilities, revenues and expenses are denominated in Euros, US dollars and other currencies, and its businesses are exposed to foreign exchange rate fluctuations. Such exposure will continue and may be increased by the multiple currency conversions that will take place as a result of transactions between subsidiaries of LSEG plc located in different jurisdictions. There can be no assurance that the Combined Business will be able to successfully mitigate these risks and accordingly, changes in foreign exchange rates could have an adverse effect on the value of the Combined Business' business, financial condition and operating results.

In addition, the Combined Business will be exposed to interest rate fluctuations, in particular in connection with cash investments, marketable securities, deposits of cash and cash equivalents or debt (including in relation to the 2019 Bridge Facilities, or any longer-term financing which replaces the 2019 Bridge Facilities), as well as through corporate transactions and CCP collateralised investments. Subject to any applicable restrictions, the Combined Business may use derivative financial instruments and/or hedging arrangements with the aim of reducing some of the negative impacts that could result from fluctuations in these rates. However, the Combined Business' assumptions and assessments with regard to the future development of these rates and the chosen level of risk avoidance or risk tolerance will have a substantial impact on the success or failure of its hedging policies. Accordingly, there can be no assurance that the Combined Business will be successful in managing and mitigating the impact of interest rate fluctuations, which could have a material adverse effect on the Combined Business' business, financial condition and operating results.

If the Combined Business' goodwill or intangible assets become impaired, the Combined Business may be required to record a significant charge to earnings.

Under International Financial Reporting Standards as adopted by the EU ("**IFRS**"), LSEG does, and the Combined Business will, review its amortisable intangible assets for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Goodwill and intangible assets are tested for impairment at least annually, and are also tested when factors arise that may be considered a change in circumstances indicating that the carrying value of the goodwill or intangible assets may not be recoverable, such as a decline in stock price and market capitalisation, reduced future cash flow estimates, and slower growth rates in the relevant business. Accordingly, the Combined Business may be required to record a significant charge in its financial statements during the period in which any impairment of its goodwill or intangible assets is determined, and it cannot be ruled out that it may need to do so in respect of the goodwill or intangible assets of Refinitiv. The Combined Business cannot guarantee that impairment charges will not be necessary on goodwill or other intangible assets on any future balance sheet date particularly in the event of a substantial deterioration of the Combined Business' future prospects or general economic conditions. In addition, any goodwill arising from the Transaction accounted for by the Combined Business may be subject to impairment, and it may be required to record a significant charge in its financial statements. If impairment charges are incurred, this could have a material adverse effect on the Combined Business' financial condition.

Risks related to tax

Changes in and the complexity of tax law may adversely affect the Combined Business.

Following Completion, the Combined Business will operate in a large number of jurisdictions and has a material presence in the US. The tax rules to which the Combined Business will be subject, including in the US, are increasingly complex. The members of the Combined Business must make judgements as to the interpretation and application of these rules.

Changes in tax law (including tax rates), tax treaties, accounting policies and accounting standards, including as a result of the Organisation for Economic Co-Operation and Development's review of base erosion and profit shifting, the EU's anti-tax abuse measures, and proposals in a number of jurisdictions to introduce digital services taxes, combined with increased investments by governments in the digitisation of tax administration, could result in an increased tax burden for the Combined Business and increased levels of audit activity, investigations, litigation or other actions by relevant tax authorities.

Under audit, tax authorities may disagree with the interpretation and/or application of relevant tax rules by the members of the Combined Business. A challenge by the tax authorities in these circumstances might require members of the Combined Business to incur costs in connection with litigation or in reaching settlement and, if the tax authority's challenge is successful, could result in additional taxes (perhaps with interest and penalties) being assessed on members of the Combined Business. This could increase the amount payable in respect of tax by the members of the Combined Business and may additionally, given the current political and economic environment in relation to tax liabilities of multinational companies, cause reputational damage to the Combined Business. Where a member of the Combined Business disputes with a tax authority, tax alleged to be due, provision may be made in relation to such dispute. Such provision may not cover the actual costs and/or liabilities suffered in relation to such dispute, resulting in an adverse effect on the Combined Business. For example, as discussed in note 7 of LSEG's interim report for the financial period ending on 30 June 2019, on 2 April 2019, the EC's final decision regarding its investigation into the UK's controlled foreign company regime was published. It concluded that the group financing exemption in UK legislation in place to December 2018 was in partial breach of EU state aid rules. The UK government and certain taxpayers are currently appealing this decision, but in the meantime (in accordance with EU state aid rules) HMRC has begun the process of recovering the alleged aid from taxpayers. Like many other multinational groups that have acted in accordance with this UK legislation, the Combined Business may be adversely affected by these proceedings and the final outcome of the ongoing appeals against the decision of the EC.

The Combined Business may be affected by the proposed introduction of an EU financial transaction tax ("FTT") and/or a tax on high frequency trading.

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (each, other than Estonia, a participating Member State). However, Estonia has since stated that it will not participate.

In January 2017 it was suggested by a member of the European Commission that a draft text for the FTT could be ready by mid-2017, however no such draft was published.

The Commission's Proposal had a very broad scope: under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of participating member states of the EU ("**Member States**"), and could apply to various types of financial instrument.

In June 2019, the Economic and Financial Affairs Council of the European Union (ECOFIN) again discussed the possibility of moving forward with the FTT. The most recent proposal is for the FTT to apply (more narrowly than was envisioned by the Commission's Proposal) to acquisitions of shares of listed companies which are headquartered in participating Member States. It was suggested that agreement on an FTT might be reached in Autumn 2019, though no agreement has yet been published.

The FTT proposal and the scope of any such tax remains subject to negotiation between participating Member States and additional Member States may also decide to participate. It is therefore not possible to predict what effect the proposed FTT might have on the Combined Business. The tax could adversely affect the business of the Combined Business, as it might, for example, increase costs of trading or clearing in the markets in which it operates and for this or other reasons cause: (i) a decrease in trading or clearing volumes; and/or (ii) a shift of trading to foreign markets outside Europe, either of which might lead to a fall in demand for the Combined Business' trading and clearing services, which may impact the Combined Business' market share or pricing structures. Taxes on high frequency trading which may be introduced in the future may similarly affect the Combined Business' business, financial condition and operating results.

There can be no assurance that LSEG plc will not be treated as a passive foreign investment company for US federal income tax purposes, which could result in materially adverse US federal income tax consequences for LSEG Shareholders that are subject to US federal income tax with respect to their LSEG Shares.

In general, a non-US corporation, such as LSEG plc, will be classified as a passive foreign investment company (a "**PFIC**") for US federal income tax purposes for any taxable year in which either: (i) 75 per cent. or more of its gross income is passive income (such as, for example, dividends, interest, rents, royalties or gains from the disposition of investment assets); or (ii) at least 50 per cent. of the quarterly average value of its assets consists of assets that produce or are held for the production of passive income. Certain exceptions may apply to treat otherwise passive income as active income (e.g., income derived by securities dealers from transactions in securities in their capacity as a dealer). For the purpose of applying the PFIC tests, LSEG plc will be deemed to own its proportionate share of the assets of and to receive directly its proportionate share of the income of any other corporation in which the non-US corporation owns, directly or indirectly, at least 25 per cent. by value of the stock. Accordingly, LSEG plc is deemed to earn the income and own the assets of the Combined Business. Although LSEG plc does not believe that it is currently a PFIC and does not expect to become a PFIC, because the tests for determining PFIC status are factual in nature and made annually and after the close of each taxable year, there can be no assurance that LSEG plc will not become a PFIC in any taxable year. If LSEG plc is classified as a PFIC, then materially adverse US federal income tax consequences generally would ensue to LSEG Shareholders that are subject to US federal income tax with respect to their LSEG Shares ("**US Holders**"), including taxation of gain on a sale or other disposition of, and certain distributions on, LSEG Shares at the highest ordinary income tax rate, and the imposition of an interest charge for the deferred payment of such tax. US Holders are advised to seek their own professional advice regarding the application of the PFIC rules to LSEG plc and the consequences to US Holders if LSEG plc were classified as a PFIC.

Risks related to the LSEG Ordinary Shares

Substantial sales of LSEG Ordinary Shares by the Refinitiv Shareholders, or the perception that such sales might occur, could depress the market price of the LSEG Ordinary Shares. In particular, LSEG plc will be unable to predict whether substantial amounts of LSEG Ordinary Shares will be sold in the open market by the Refinitiv Shareholders prior to or following the expiry of the lock-up restrictions in the Relationship Agreement.

After the PIK Redemption Date, the Refinitiv Shareholders are expected to hold, through their holdings in Refinitiv Holdings (and therefore the Refinitiv Sellers) and/or ConsortiumCo, LSEG Ordinary Shares and Limited-voting Ordinary Shares equating to (based on LSEG plc's issued share capital (excluding shares held in treasury) as at Latest Practicable Date) an approximate 37 per cent. economic interest in LSEG plc.

Under the Relationship Agreement, subject to certain exceptions, Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo will be subject to lock-up provisions pursuant to which they are prevented from: (i) disposing of any Consideration Shares for the first two years following Completion; and (ii) disposing of more than one-third of the Consideration Shares during each of years three and four following Completion (in year four, together with any Consideration Shares not sold pursuant to this entitlement in the previous year). After the end of year four, the lock-up restrictions will end.

The Board is unable to predict whether, where the Refinitiv Sellers and ConsortiumCo are permitted to dispose of LSEG Ordinary Shares, the Refinitiv Shareholders will cause the Refinitiv Sellers and/or ConsortiumCo to sell their LSEG Ordinary Shares as permitted, or whether a substantial number of LSEG Ordinary Shares will be sold by the Refinitiv Sellers and/or ConsortiumCo, and in each case when any such sales may take place. Notwithstanding the orderly marketing provisions that apply under the Relationship Agreement in relation to disposals of LSEG Ordinary Shares by the Refinitiv Sellers and ConsortiumCo, any sale of a substantial number of LSEG Ordinary Shares by the Refinitiv Sellers and/or ConsortiumCo, or the perception that such sales might occur, could result in, or have, a material adverse effect on the market price of the LSEG Ordinary Shares. This may make it more difficult for LSEG Shareholders to sell their LSEG Ordinary Shares at a time and price that they deem appropriate and could also impede LSEG plc's ability to issue equity securities in the future.

Certain of the Refinitiv Shareholders may be able to exercise significant influence over the Combined Business following Completion.

After the PIK Redemption Date, the Refinitiv Shareholders are expected, through their holdings in Refinitiv Holdings (and therefore the Refinitiv Sellers) and/or ConsortiumCo, to hold LSEG Ordinary Shares and Limited-voting Ordinary Shares equating to (based on LSEG plc's issued share capital (excluding shares held in treasury) as at the Latest Practicable Date) an approximate 37 per cent. economic interest in LSEG and carrying less than 30 per cent. of the voting rights in LSEG plc.

At Completion, LSEG plc, Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo will enter into the Relationship Agreement. The Relationship Agreement will set out Refinitiv Holdings' rights to nominate the Refinitiv Directors for appointment to the Board as set out in Part 5 (*Information on the Transaction*) and in the summary of the Relationship Agreement included in Part 6 (*Summary of the Key Transaction Terms*) of this document. The Relationship Agreement will also contain a commitment from the Refinitiv Sellers and ConsortiumCo that during the Voting Commitment Period they will vote all LSEG Shares held by them in line with the Board's recommendation on any resolution proposed at a general meeting (including an annual general meeting), other than: (i) a resolution required by Chapter 10 of the Listing Rules of the FCA; (ii) a resolution relating to a non-pre-emptive share issue outside of the customary approval given at each annual general meeting; or (iii) a resolution to approve or implement a recommended takeover offer (the "**Voting Commitment Exceptions**").

Through their holdings in Refinitiv Holdings (and therefore the Refinitiv Sellers) and/or ConsortiumCo, and as a result of Refinitiv Holdings' rights to nominate the Refinitiv Directors, certain of the Refinitiv Shareholders may, following Completion (and for so long as they retain a substantial shareholding), notwithstanding the voting commitment contained in the Relationship Agreement, possess rights and voting power that will be sufficient to have significant influence over LSEG plc and the Combined Business' business following Completion, including those matters requiring shareholder approval that fall within the Voting Commitment Exceptions. With effect from Completion, existing LSEG Shareholders and their successors' interests in LSEG Ordinary Shares will also have been diluted as a result of the Transaction. The interests of the Refinitiv Shareholders may not always be aligned with, or may conflict with, those of other LSEG Shareholders and this could delay, deter or prevent acts that the other LSEG Shareholders may favour or which are or may be beneficial to LSEG. This may have a material adverse effect on the business, financial condition and results of operations of the Combined Business, and on the market price of the LSEG Ordinary Shares.

Refinitiv may perform below expectations in the period prior to Completion and/or the LSEG Ordinary Shares may outperform, which could result in the value of Refinitiv at Completion being less than the value of the Consideration Shares to be issued by LSEG plc.

Under the terms of the Transaction, the Refinitiv Sellers and ConsortiumCo will receive 204,225,968 Consideration Shares (subject to: (i) the option for LSEG to settle up to US$2.5 billion of the consideration in cash, in which case the number of Consideration Shares issued will reduce accordingly; and (ii) any further adjustments for leakage). This figure takes into account a small amount of known and agreed leakage in respect of the Refinitiv group. These Transaction terms were agreed on the basis of assumptions regarding, among other things, the respective financial and operational performances of Refinitiv and LSEG, including in the period prior to Completion, and the number of Consideration Shares to be issued has not been and will not be adjusted to reflect either changes in the price of the LSEG Ordinary Shares or changes affecting the operations, financial condition or prospects of Refinitiv in the period between signing of the Stock Purchase Agreement and Completion. Until Completion, it is possible that adverse events could have occurred or could occur that affect Refinitiv that would not give rise to a right for LSEG to terminate the Transaction and/or it is possible that the price of the LSEG Ordinary Shares could have outperformed or could outperform LSEG's pre-signing assumptions which, in either case, could result in the value of Refinitiv at Completion being less than the value of the Consideration Shares to be issued by LSEG plc. This could have an adverse impact on the market value of the LSEG Ordinary Shares.

The Transaction and the shareholdings of the Refinitiv Shareholders may negatively influence the willingness of third-parties to make a takeover offer for LSEG plc in the period following Completion.

Following Completion and the PIK Redemption Date, the Refinitiv Shareholders are expected to hold, through their holdings in Refinitiv Holdings (and therefore the Refinitiv Sellers) and/or ConsortiumCo, LSEG Ordinary Shares and Limited-voting Ordinary Shares equating to (based on LSEG plc's issued share capital (excluding shares held in treasury) as at the Latest Practicable Date) an approximate 37 per cent. economic interest in LSEG plc and carrying less than 30 per cent. of the voting rights in LSEG plc.

Accordingly, for so long as the Refinitiv Shareholders retain a substantial shareholding in LSEG plc, the willingness of a third-party to make a takeover offer for LSEG plc is likely to be materially influenced by the willingness and ability of the Refinitiv Shareholders, through their holdings in Refinitiv Holdings (and therefore the Refinitiv Sellers) and/or ConsortiumCo, to accept or approve such an offer. Under the Relationship Agreement, the Refinitiv Sellers and ConsortiumCo will, during the Relevant Period, be prevented from accepting or approving an offer from a third-party unless it has been recommended by a majority of the Board of LSEG plc or the offeror has received acceptances in respect of more than 50 per cent. of the LSEG Ordinary Shares held by all shareholders other than the Refinitiv Sellers and ConsortiumCo, persons acting in concert with them and the Directors. The interests of the Refinitiv Shareholders when considering any takeover offer may also differ from, or conflict with, the interests of other LSEG Shareholders. These factors, coupled with a potentially material increase in the market capitalisation of LSEG plc on and following Completion, could delay, deter or prevent any takeover offer by a third-party that other LSEG Shareholders may favour.

In addition, under the Relationship Agreement and Relationship Agreement Support Agreement, the Refinitiv Shareholders, Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo will be subject to standstill restrictions preventing them from making a takeover offer for LSEG plc during the Relevant Period.

Any of the aforementioned could have an adverse effect on the market price of the LSEG Ordinary Shares.

A summary of the Relationship Agreement is included in Part 6 (*Summary of the Key Transaction Terms*) of this document.

The share price of publicly traded companies can be highly volatile and LSEG plc's share price may fluctuate.

Following Admission, the value of any investment in LSEG Ordinary Shares may increase or decrease abruptly which may prevent LSEG Shareholders from being able to sell their LSEG Ordinary Shares at or above the price they paid for them. The price of the LSEG Ordinary Shares may fall in response to market perception of the Combined Business and various other events as described more fully in this Part 1 (*Risk Factors*) of this document, including regulatory changes affecting the Combined Business' operations, variations in the Combined Business' operating results and the liquidity of the financial markets. Any of these factors, some of which will be outside of the Combined Business' control, may impact the price and performance of the LSEG Ordinary Shares.

Because LSEG plc is a holding company and substantially all of its operations will be conducted through its subsidiaries, its ability to pay dividends on the LSEG Ordinary Shares depends on its ability to obtain cash dividends or other cash payments or to obtain loans from such entities.

LSEG plc's ability to pay dividends is limited under English company law, which limits a company to only pay cash dividends to the extent it has distributable reserves and cash available for this purpose. LSEG plc conducts substantially all of its operations through its subsidiaries and such entities will generate substantially all of its operating income and cash flow. As a holding company, LSEG plc's ability to pay dividends in the future is affected by a number of factors, principally its ability to receive sufficient dividends from its subsidiaries.

The ability of such entities to make dividend payments to LSEG plc depends largely on their financial condition and ability to generate profits. In addition, because LSEG's subsidiaries are, and the Combined Business' subsidiaries will be, separate and distinct legal entities, they will have, to the extent they have not agreed otherwise by entering into a separate agreement with LSEG plc, no obligation to pay any dividends or to lend or advance to LSEG plc funds and may be restricted from doing so by contract, including under financing arrangements, charter provisions, other shareholders or the applicable laws and regulations of the various countries in which they operate. Additionally, claims of the creditors of LSEG plc's subsidiaries have priority over any claims that LSEG plc may have with respect to the assets of its subsidiaries. There can be no assurance that, in the long-term, the Combined Business' subsidiaries will generate sufficient profits and cash flows, or otherwise prove willing or able, to pay dividends or lend or advance to LSEG plc sufficient funds to enable it to meet its obligations and pay interest, expenses and dividends, if any, on the LSEG Ordinary Shares. The inability of one or more of these entities to pay dividends or lend or advance funds to LSEG plc could, in the long-term, have a material adverse effect on its business, cash flows, financial condition and the results of its operations.

Holders of the LSEG Shares in certain jurisdictions, including the US, may not be able to exercise their pre-emption rights if LSEG plc increases its share capital.

Under the Companies Act, holders of LSEG Shares generally will have a pre-emption right with respect to any issuance of LSEG Shares or the granting of rights to subscribe for LSEG Shares to maintain their relative ownership percentages upon the issuance of any new ordinary shares in exchange for cash consideration.

Holders of LSEG Shares in certain jurisdictions may not be able to exercise their pre-emption rights unless LSEG plc takes action to register or otherwise qualify the rights offering under the laws of that jurisdiction. For example, US Holders of LSEG Shares may not be able to exercise their pre-emption rights unless a registration statement under the US Securities Act is effective with respect to such rights and the LSEG Shares or an exemption from the registration requirements of the US Securities Act is available. LSEG currently does not intend to, and there is no intention that the Combined Business will, register the LSEG Shares under the US Securities Act or the laws of any other jurisdiction, and no assurance can be given that an exemption from such registration requirements will be available to US or other holders of the LSEG Shares. If LSEG Shareholders in such jurisdictions are unable to exercise their subscription rights, their ownership interest in LSEG plc would be diluted.

Admission may not take place, or may not take place when expected.

As the Transaction is classified as a Reverse Takeover under the Listing Rules of the FCA, the admission of all of the existing LSEG Ordinary Shares to listing on the Official List of the FCA and to trading on London Stock Exchange will be cancelled upon Completion pursuant to Listing Rule 5.2.3 ("**De-Listing**"), and LSEG plc will need to make applications prior to such time for all of the issued and to be issued LSEG Ordinary Shares to be immediately re-admitted or admitted (as the case may be) to listing on the Official List of the FCA and to trading on London Stock Exchange pursuant to Listing Rule 5.4.1. As set out in Part 4 (*Expected Timetable of Principal Events*) of this document, LSEG currently anticipates that De-Listing and Admission will occur at 8:00 a.m. on the date of Completion and that dealings in all of the issued and to be issued LSEG Ordinary Shares on London Stock Exchange will re-commence or commence (as the case may be) at 8:00 a.m. on the same date. Admission is subject to the approval of the FCA and London Stock Exchange, and to the satisfaction of any conditions which are attached to such approvals. There can be no assurance that approvals will be granted in respect of Admission and that any conditions attached to such approvals will be satisfied by LSEG or other parties. Consequently, there can be no assurance that Admission will take place, or that it will take place when anticipated.

PART 2
PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Presentation of financial information

Unless otherwise stated:

- financial information relating to LSEG has been extracted without material adjustment from the audited consolidated financial statements of LSEG for the financial years ended 31 December 2019, 31 December 2018 and 31 December 2017, or from the unaudited, interim, consolidated management statements of LSEG for the six month period ended 30 June 2020, each of which have been incorporated by reference into this document as described in Part 15 (*Documentation incorporated by reference*) of this document;
- financial information for the Borsa Italiana Group has been extracted from the audited consolidated financial statements of LSEG plc for the financial year ended 31 December 2019 and from the unaudited consolidated financial statements for the six months ended 30 June 2020, which have been prepared in accordance with IFRS as adopted by the EU, and are incorporated by reference into this document;
- an average rate of exchange of €1.14 to £1 and €1.14 to £1, and a period end spot rate of €1.17 to £1 and €1.09 to £1, have been used to convert the financial information of the Borsa Italiana Group into pounds sterling for the financial year ended 31 December 2019 and period ended 30 June 2020 respectively;
- financial information relating to Refinitiv has been extracted without material adjustment from the audited combined financial statements of Refinitiv for the financial years ended 31 December 2019, 31 December 2018 and 31 December 2017, or from the audited, interim, combined financial statements in relation to Refinitiv for the six month period ended 30 June 2020 (and unaudited comparatives for the six month period ended 30 June 2019), each of which is included in Section B (*Combined Historical Financial Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*) of this document; and
- all prices quoted for LSEG Ordinary Shares are closing prices in sterling as at the date specified, as provided by London Stock Exchange.

Where information has been extracted from the audited consolidated financial statements in relation to LSEG or the audited combined financial statements in relation to Refinitiv, the information is audited unless otherwise stated. Where information has been extracted from the unaudited, interim financial statements in relation to LSEG or Refinitiv, the information is unaudited.

Unless otherwise indicated, financial information in this document relating to LSEG and Refinitiv has been prepared in accordance with IFRS.

Pro Forma Financial Information

In this document, any reference to "pro forma" financial information is to information which has been extracted without material adjustments from the unaudited pro forma financial information contained in Part 13 (*Unaudited Pro Forma Financial Information for the Combined Business*) of this document. The unaudited pro forma information contained in Part 13 (*Unaudited Pro Forma Financial Information for the Combined Business*) of this document is based on the historical financial information of LSEG and Refinitiv contained in Section A (*Historical Financial Information of LSEG plc*) and Section B (*Combined Historical Financial Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*) of this document, respectively.

The unaudited pro forma income statement and statement of net assets are presented in sterling, the proposed reporting currency of the Combined Business.

The unaudited pro forma income statement has been prepared to illustrate the effect on the earnings of the LSEG plc as if the proposed Transaction and the Borsa Italiana Divestment had taken place on 1 January 2020 and 1 January 2019. The unaudited pro forma statement of net assets has been prepared to illustrate the effect on the net assets of LSEG plc as if the Transaction and the Borsa Italiana Divestment had taken place on 30 June 2020 and 31 December 2019. The unaudited pro forma statement of recurring income has been prepared to illustrate the effect on the recurring income of LSEG plc as if the Transaction and the Borsa Italiana Divestment had taken place on 1 January 2020 and 1 January 2019. The pro forma segmental income breakdown has been prepared to illustrate the effect on the segmental income of LSEG plc as if the Transaction and the Borsa Italiana Divestment had taken place on 1 January 2020 and 1 January 2019.

The unaudited pro forma statement of net assets, pro forma income statement, pro forma statement of recurring income and pro forma segmental income breakdown (together the "**Unaudited Pro Forma Financial Information**") has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and does not, therefore, represent LSEG plc's or the Combined Business' actual financial position or results. The Unaudited Pro Forma Financial Information has been prepared in a manner consistent with the accounting policies to be adopted by LSEG plc in preparing its next audited consolidated financial statement and in accordance with Annex 20 of the PR Regulation. The pro forma financial information is stated on the basis of the accounting policies of LSEG plc.

In addition to the matters noted above, the Unaudited Pro Forma Financial Information does not reflect the effect of anticipated synergies and efficiencies associated with the Transaction.

Rounding

Certain figures included in this document have been subject to rounding adjustments. Accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Currencies

Unless otherwise indicated, all references in this document to "sterling", "GBP", "£", "pence" or "p" are to the lawful currency of the United Kingdom; references to "EUR", "Euro" or "€" are to the official currency of the Eurozone; and references to "US Dollars", "USD" or "US$" are to the lawful currency of the US.

Forward-looking statements

This document (including information incorporated by reference in this document), oral statements made regarding the Transaction, and other information published in connection with the Transaction contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. The forward-looking statements contained in this document include statements relating to the expected effects of the Transaction on LSEG, the expected timing and scope of the Transaction and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved.

Although LSEG plc believes that the expectations reflected in such forward-looking statements are reasonable, LSEG plc can give no assurance that such expectations will prove to be correct. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include the satisfaction of the Conditions, any matter referred to in Part 1 (*Risk Factors*) of this document, as well as factors such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of regulators and other factors such as changes in the political, social and regulatory framework in which the Combined Business will operate or in economic or technological trends or conditions. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors.

None of LSEG plc or any of its associates or directors, officers or advisers provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. You are cautioned not to place undue reliance on these forward-looking statements. Other than in accordance with its legal or regulatory obligations (including under the Listing Rules and the Disclosure Guidance and Transparency Rules of the FCA, and the Prospectus Regulation Rules), LSEG plc is under no obligation, and LSEG plc expressly disclaims any intention or obligation, to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Nothing in this paragraph or anywhere else in this document should be construed as qualifying the statement in respect of the Combined Business' working capital set out in paragraph 21 (*Combined Business working capital statement*) of Part 14 (*Additional Information*) of this document.

No offer of securities

This document does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of any offer to sell, dispose of, purchase, acquire, subscribe for or issue, any security, including any LSEG Shares to be issued in connection with the Transaction. In particular, the LSEG Shares to be issued in connection with the Transaction have not been and will not be registered under the US Securities Act and may not be offered or sold in the US absent registration or an applicable exemption from the registration requirements of the US Securities Act.

No profit forecasts or estimates

No statement in this document, or incorporated by reference into this document, is intended to be or is to be construed as a profit forecast or estimate for any period and no other statement in this document should be interpreted to mean that earnings or earnings per share for LSEG plc for the current or future financial years, or those of the Combined Business, would necessarily match or exceed the historical published earnings or earnings per share for LSEG plc.

Quantified synergy benefits

Statements of identified synergies and estimated cost savings relate to future actions and circumstances which by their nature involve risks, uncertainties and contingencies. As a consequence, the identified synergies and estimated cost savings referred to in this document may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated.

Market and Industry Information

Market data and certain industry forecasts used in this document were obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable but that the accuracy or completeness of such information is not guaranteed. Similarly, internal surveys, reports and studies and market research, while believed by LSEG plc to be reliable and accurately extracted by LSEG plc for the purposes of this document, have not been independently verified and LSEG plc makes no representation as to the accuracy of such information. See the paragraph headed "*Forward-looking statements*" above.

Sources of third-party information

The information set out in this document that has been sourced from third parties has been accurately reproduced and, so far as LSEG plc is aware and has been able to ascertain from that published information, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where third party information has been used in this document, the source of such information has been identified.

Time of day

Unless otherwise indicated, all references in this document to time of day are references to London time.

Enforceability of Judgments

LSEG plc is a public limited company incorporated under the laws of England and Wales and a substantial portion of the assets of LSEG plc are located outside the US. Furthermore, most of the Directors are residents of countries other than the US and there can be no assurance that they will have substantial assets in the US. As a result, it may not be possible for investors to effect service of process within the US upon LSEG plc or such persons or to enforce judgments obtained outside the US against LSEG plc or such persons in the US courts, including, without limitation, judgments based upon the civil liability provisions of the US federal securities laws or the laws of any state or territory within the US. In addition, awards of punitive damages in actions brought in the US or elsewhere may be unenforceable in the United Kingdom. Investors may also have difficulties enforcing, in original actions brought in courts in jurisdictions outside the US, liabilities under US securities laws.

Certain defined terms

Certain terms used in this document, including capitalised terms and certain technical and other items, are defined and explained in Part 16 (*Definitions and Glossary*).

PART 3
DIRECTORS, COMPANY SECRETARY, REGISTERED AND HEAD OFFICE AND ADVISERS

Directors of the Company:	Don Robert	Chair
	David Schwimmer	Chief Executive Officer
	Anna Manz	Chief Financial Officer
	Stephen O'Connor	Senior Independent Director
	Jacques Aigrain	Non-Executive Director
	Dominic Blakemore	Non-Executive Director
	Professor Kathleen DeRose	Non-Executive Director
	Cressida Hogg CBE	Non-Executive Director
	Dr. Val Rahmani	Non-Executive Director
Proposed new Directors of the Company following Completion:	Martin Brand	Non-Executive Director
	Douglas M. Steenland	Non-Executive Director
	Erin Brown	Non-Executive Director
Company Secretary of the Company:	Lisa Condron	
Registered Office of the Company:	10 Paternoster Square London EC4M 7LS	
Lead Financial Adviser to the Company:	Goldman Sachs International Plumtree Court 25 Shoe Lane London EC4A 4AU	
Lead Financial Adviser to the Company:	Morgan Stanley & Co. International plc 25 Cabot Square Canary Wharf London E14 4QA	
Lead Financial Adviser to the Company:	Robey Warshaw LLP 9 Grosvenor Square London W1K 5AE	
Financial Adviser, Corporate Broker and Sponsor to the Company:	Barclays Bank plc, acting through its Investment Bank 5 The North Colonnade Canary Wharf London E14 4BB	
Corporate Broker to the Company:	RBC Europe Limited, trading as RBC Capital Markets 100 Bishopsgate London EC2N 4AA	
Legal Advisers to the Company as to English and US law:	Freshfields Bruckhaus Deringer LLP 100 Bishopsgate London EC2P 2SR	
Legal Advisers to the Sponsor as to English and US law:	Herbert Smith Freehills LLP Exchange House Primrose Street London EC2A 2EG	
Reporting Accountants to the Company:	KPMG LLP 15 Canada Square London E14 5GL	
	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH	

Auditors to the Company:	Ernst & Young LLP 1 More London Place London SE1 2AF
Reporting Accountants to Refinitiv:	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
Auditors to Refinitiv:	Deloitte & Touche LLP 30 Rockefeller Plaza New York, NY 10112-0222
Company Registrar:	Equiniti Limited Aspect House Spencer Road Lancing West Sussex BN99 6DA

PART 4
EXPECTED TIMETABLE OF PRINCIPAL EVENTS

All times shown are London times unless otherwise stated. All dates and times are based on the current expectations of LSEG plc and are subject to change. They will depend, among other things, upon the date on which the outstanding Conditions are satisfied or (where applicable) waived. If any of the dates and/or times in this expected timetable change, the revised dates and/or times will be notified to LSEG Shareholders by announcement through a Regulatory Information Service.

Event	**Expected time/date**
Publication of this document	9 December 2020
Issue of the Completion Consideration Shares to the Refinitiv Sellers. Cancellation of admission of and dealings in LSEG Ordinary Shares. Re-Admission of LSEG Ordinary Shares and Completion	8.00 a.m. on D(1) 2021
Issue of the Deferred Issue Shares to ConsortiumCo	Immediately prior to 8.00 a.m. on D + one month, 2021
Admission of the Deferred Issue Shares	8.00 a.m. on D + one month, 2021
Completion of the Borsa Italiana Divestment	First half of 2021
Long Stop Date(2)	31 May 2021
Long Stop Date of the Borsa Italiana Divestment	31 December 2021

Notes:

(1) Completion is expected Q1 2021.

(2) The latest date by which the Transaction must be implemented unless the parties to the Stock Purchase Agreement agree in writing a later date as the Long Stop Date.

PART 5
INFORMATION ON THE TRANSACTION

1. Introduction

On 1 August 2019, LSEG announced (the "**Announcement**") that it had agreed definitive terms with a consortium including certain investment funds affiliated with Blackstone, as well as Thomson Reuters (together, the "**Refinitiv Shareholders**"), to acquire Refinitiv in an all share transaction for a total enterprise value of US$27 billion (as at 1 August 2019) (the "**Transaction**"). Blackstone's consortium includes an affiliate of Canada Pension Plan Investment Board, an affiliate of GIC Special Investments Pte. Ltd., and certain co-investors (the "**Blackstone Consortium**"). The Transaction is expected to result in the Refinitiv Shareholders ultimately holding an approximate 37 per cent. economic interest in LSEG plc and less than 30 per cent. of the total voting rights in LSEG plc.

Refinitiv is a leading global provider of market and financial data, analytics, and workflow solutions that serve as important infrastructure for the trading and investment markets. The Directors believe that combining Refinitiv's highly attractive data capabilities and multi-asset class capital markets functionality with LSEG will be strategically and financially transformational and create a financial markets infrastructure leader of the future.

In assessing the Transaction, the Board considered the future needs of customers and identified potential growth opportunities. The digital transformation of the financial markets infrastructure landscape, and the increased potential for innovation this brings, is driving customer demand for sophisticated data content and analytics, provided on flexible and open platforms and across multiple asset classes. Against this backdrop, the Board is convinced that a leading financial markets infrastructure provider must operate globally and across asset classes, with strong data management, analytics and distribution capabilities as part of its customer offering.

The combination of LSEG and Refinitiv (the "**Combined Business**") will be well positioned in all key geographies and will offer significant customer benefits across the full range of LSEG's businesses by: extending its trading capabilities across asset classes; expanding its data content, management and distribution capabilities; increasing its global footprint and range of customer offerings; and enabling LSEG, Refinitiv and their customers to benefit from future data and technology-enabled innovation and growth opportunities. Together, LSEG and Refinitiv will form a leading global financial markets infrastructure provider by revenue, with combined pro forma 2019 revenues of £6.8 billion (excluding the Borsa Italiana Group), exceeding those of any other listed global financial markets infrastructure provider.

Accordingly, the Board believes that the Transaction represents a compelling strategic opportunity for LSEG and Refinitiv to deliver significant benefits for customers, and in particular to:

- transform LSEG's position and create a global financial markets infrastructure leader of the future;
- strengthen LSEG's global footprint and accelerate its successful growth strategy across multiple key financial centres and jurisdictions, including in North America (the world's largest financial market), Asia and fast-growing emerging markets;
- significantly enhance LSEG's customer proposition in data and analytics, utilising the Combined Business' intellectual property to offer innovative new services;
- complement LSEG's existing multi-asset class growth strategy to create a global multi-asset class capital markets business with the addition of high-growth foreign exchange and fixed income venues; and
- deepen and expand LSEG's and Refinitiv's shared core principles of open access and customer partnership.

The combination of LSEG and Refinitiv is also expected to deliver a highly attractive financial profile for the Combined Business and create significant value for LSEG Shareholders, offering:

Enhanced revenue mix with attractive growth

- The Combined Business will target a compound annual growth rate, excluding recoveries and including net treasury income, of 5 to 7 per cent. over the first three years following Completion, although growth in 2021 is expected to be below the bottom end of this range.
- Improved business mix with recurring revenue of 70 per cent. for the Combined Business (based on combined pro forma annual revenue for 2019 excluding recoveries and including net treasury income) as compared to 36 per cent. for LSEG on a standalone basis.

Significant synergies

- Targeted annual run-rate revenue synergy benefits in excess of £225 million by the end of year five following Completion.
- Targeted annual run-rate cost synergies in excess of £350 million by the end of year five following Completion.
- Separate and additional benefits from Refinitiv's existing transformation programme, expected to deliver Refinitiv revenue growth plus annual run-rate cost savings of US$650 million by the end of 2020.

Attractive returns

- Targeted combined adjusted EBITDA margin of around 50 per cent. in the medium term following Completion based on revenues excluding recoveries and including net treasury income.
- Returns on invested capital in excess of LSEG's stated investment criteria from the third year following Completion.
- Targeted adjusted earnings per share accretion of over 30 per cent. in the first full year following Completion, increasing further in years two and three.

Maintenance of current capital management framework, including:

- Maintenance of LSEG's current progressive dividend policy.
- Expected to return to LSEG's target range of 1.0–2.0x net debt to adjusted EBITDA in the 24 months following Completion, from above the originally anticipated 3.5x net debt to adjusted EBITDA at Completion; taking into account the expected completion of the Borsa Italiana Divestment leverage will step down materially.

The Board has considered at length the impact of the current disruption caused by Covid-19 to both: (i) the financial markets infrastructure sector as a whole (including our peers, customers and vendors); and (ii) the Combined Business specifically. Notwithstanding the current disruption and the potential impact that this may have on the financial profile of the Combined Business in the current financial year, the Board continues to believe that the strategic fit and the financial benefits of the Transaction remain compelling, as they are underpinned by longer term structural growth drivers in the industry which largely remain unaffected by uncertainty related to Covid-19. In addition, the impact of Covid-19 reinforces the basis for the creation of the Combined Business as a highly diversified business with coverage across the financial markets infrastructure value chain with a mix of transaction-based and recurring revenues supported by scale and efficiency in core capabilities and enabling functions. For further information, see Section A (*Operating and Financial Review of LSEG plc*) of Part 10 (*Operating and Financial Review of the Combined Business*).

Following Completion, Don Robert will chair the Combined Business and David Schwimmer will lead the Combined Business as Chief Executive Officer. Anna Manz will be the Combined Business' Chief Financial Officer, replacing David Warren with effect from 21 November 2020. David Warren will remain with the Combined Business until his retirement in June 2021, to ensure a seamless transition. David Craig will join LSEG's Executive Committee and continue as Chief Executive Officer of Refinitiv. The Combined Business will be headquartered in London and LSEG plc, which will retain its premium listing on the Official List of the FCA and will continue to be traded on London Stock Exchange's Main Market for listed securities as London Stock Exchange Group plc, will be the parent company of the Combined Business. Following Completion, the Combined Business will comply with the UK Corporate Governance Code. For further details in respect of the Combined Business' management and governance, please refer to paragraph 6 (*Management and governance*) of this Part 5 (*Information on the Transaction*).

The Transaction is conditional, among other things, upon there having been no event that has had a material adverse effect on LSEG or Refinitiv between Announcement and Completion, receipt of antitrust and regulatory clearances and, given the Transaction is classified as a Reverse Takeover of LSEG plc under the Listing Rules of the FCA, the re-admission of LSEG plc's enlarged voting ordinary share capital to the premium listing segment of the Official List and to trading on London Stock Exchange's Main Market for listed securities. LSEG Shareholder Approval was obtained at a general meeting of LSEG plc on 26 November 2019 and the other conditions to the Transaction (other than those which by nature may only be satisfied at Completion) are well progressed. Further details in respect of the terms of the Transaction are set out in paragraph 5 (*Summary of the terms of the Transaction*) of this Part 5 and in Part 6 (*Summary of the Key Transaction Terms*) of this document.

This Prospectus is being published by LSEG plc in connection with Admission, which, subject to the satisfaction or waiver of the other conditions to the Transaction, is expected to occur at 8:00 a.m. on the date of Completion. Following publication of this document, applications will be made by LSEG plc to the FCA and London Stock Exchange in respect of Admission. The expected Transaction timetable is set out in Part 4 (*Expected Timetable of Principal Events*) of this document.

2. Background to and Reasons for the Transaction

LSEG strategy

LSEG is a global financial markets infrastructure business that sits at the centre of the world's financial community. Operating on an open access basis and in partnership with customers, LSEG focuses on three core strategic areas: Information Services, Post Trade, and Capital Markets.

LSEG has successfully responded to evolving customer needs and macroeconomic, regulatory and technology trends as it has diversified from a domestic exchange group into a global, multi-asset class financial markets infrastructure provider. As a result of this diversification, LSEG's income has risen from £546 million during the financial year ended 31 March 2008, to £2,314 million during the financial year ended 31 December 2019. While pursuing the many growth opportunities in each of its core business areas, LSEG is also pursuing group-wide opportunities to deliver new and enhanced value and solutions to customers. It is also growing its global footprint, with a focus on North America, Asia and emerging markets, in addition to maintaining its well-established presence in the UK and Europe.

LSEG has a strong track record of creating shareholder value by anticipating and creating opportunities from structural trends in the fast-evolving financial markets infrastructure landscape, and delivering innovative solutions for customers. This is evidenced by its successful inorganic initiatives, including the acquisitions of FTSE and Russell to create a leading global multi-asset class index provider, allowing customers and shareholders to benefit from the growth in passive investment strategies, and the acquisition of a majority stake in LCH, a multi-asset class global CCP operator, which continues to be well positioned for growth in response to the regulatory focus on post-trade combined with increased capabilities of most CCPs and their increasing integration with other parts of the value chain. The continuing organic growth of these businesses under LSEG's management, outperforming on original synergy targets and reflecting successful delivery of integration plans, reinforces this track record.

Reasons for the Transaction

The Board monitors global trends and the evolving landscape to anticipate the future needs of customers and identify potential growth opportunities. The Board is convinced that to be a financial markets infrastructure leader of the future, LSEG must operate globally with data management, analytics and distribution capabilities that can serve customers across asset classes and geographies.

The Transaction represents a compelling opportunity to acquire Refinitiv, one of the leading global providers of market and financial data and analytics, with leading trading venues across asset classes. It will combine Refinitiv's best-in-class data management capabilities with LSEG's deep market infrastructure expertise to create a global financial markets infrastructure leader of the future, together with shared values of open access and customer partnership.

The Transaction:

Transforms LSEG's position as a global financial markets infrastructure leader of the future, strengthening its global footprint and accelerating its strategy

The Transaction is expected to create the largest publicly-listed financial markets infrastructure company by revenue globally, and brings together two highly complementary businesses, providing LSEG with significant additional capabilities across asset classes, enabling it to respond to emerging financial markets infrastructure trends. The Combined Business will have a balanced global footprint with a significant presence in key financial centres, in particular in North America, Asia and fast-growing emerging markets, as well as in Europe. Refinitiv has an extensive footprint in the US with strong relationships across sell-side and buy-side customers, as well as the corporate market. The US is the world's largest financial market with the largest equities and fixed income markets by volume of listings, and the second largest foreign exchange ("**FX**") market by trading volume. The Transaction also provides deeper access to the Asia Pacific region through Refinitiv's presence in 30 countries in the region, with approximately 9,800 employees in Asia Pacific and over 1,100 in China. Refinitiv's businesses will provide access to over 40,000 customers and over 400,000 end users across approximately 190 countries, expanding and diversifying LSEG's overall geographic footprint and customer reach.

The Transaction will materially increase LSEG's presence as a data, analytics and workflow solutions provider to the corporate, wealth and risk markets, providing access to new groups of customers which the Combined Business will be well placed to serve, and will position LSEG as a leading multi-asset class trading venue, presenting customers with optionality and the ability to deploy multi-asset class investment strategies.

Significantly enhances LSEG's customer proposition in data and analytics, accelerating opportunities in valuable intellectual property ("IP") and innovative new services

Refinitiv's leading data content, management and solutions capabilities are highly complementary to LSEG's global index and analytics businesses. They will expand LSEG's ability to support customers in relation to the growth of passive investment and development of multi-asset class investment strategies. This includes the ability to create new indices and analytics products in emerging areas such as environmental, social and governance ("**ESG**") benchmarks by utilising Refinitiv's data sets and LSEG's best-in-class analytics capabilities.

The Transaction will significantly enhance LSEG's product innovation capabilities and complement its recent acquisitions in data and analytics, including The Yield Book, Mergent and Beyond Ratings. Refinitiv's expertise in data management and enrichment will allow LSEG to create significant value for customers from its existing data sets, in particular from post trade services. These capabilities will allow LSEG to deliver a wider suite of solutions to meet the fast-evolving needs of the investment community.

In addition to increased IP and new products, the Combined Business will benefit from enhanced distribution capabilities, utilising Refinitiv's open platform model, its over 400,000 end users, and global salesforce. These combined open platforms with multi-channel distribution capabilities will facilitate access to an expanded range of content by a broader group of customers.

Creates a global multi-asset class capital markets business with the addition of high-growth foreign exchange and fixed income venues

The Transaction is expected to create a global multi-asset class capital markets business through the addition of FX and fixed income venues. FX and fixed income are the two largest traded asset classes globally and benefit from multiple growth trends including the electronification of markets, the shift from active to passive investment and the increased direct role played by buy-side firms in the market. Refinitiv benefits from leading execution venues in OTC markets, including the Tradeweb Group (in which Refinitiv has an approximate 53 per cent. economic interest), Matching and FXall, with average daily trading volume of over US$400 billion in FX and over US$720 billion in fixed income. This is highly complementary to LSEG's existing position as an operator of leading listing and trading venues. Opportunities exist for technology-driven product innovations across asset classes and the Combined Business will be well-positioned to support customers as they seek opportunities in respect of these trends on a global basis.

Deepens and expands LSEG's and Refinitiv's shared core principles of open access and customer partnership

The Combined Business will offer customers enhanced choice and access to products and services, providing both proprietary and third-party content across a wide range of applications and platforms on an open access basis.

LSEG and Refinitiv share a long-standing commitment to open access and a customer partnership approach that delivers innovation and choice to their respective customers. LSEG operates on an open access basis across its Information Services, Post Trade and Capital Markets businesses, and has provided its technology products globally to more than 40 exchanges and trading platforms. LSEG also operates a number of its businesses in partnership with its customers, including LCH, Turquoise and CurveGlobal, creating greater innovation, efficiency and choice. Refinitiv operates an open data platform and has over 40,000 customers and over 400,000 end users globally. Refinitiv's open platform provides it with multi-point access to a broad array of data drawn from its customers and third-parties, enabling access to cutting edge content and analytics, and Refinitiv's partnerships with its customers play a key role in re-distributing its content to end users. Refinitiv's open platform also allows customers to engage with other users through offerings such as App Studio and Side-by-Side Integration API.

LSEG and Refinitiv have each sought to create long-term value through aligning their products and services with the interests of customers, and the Combined Business will maintain this partnership approach. This open access approach will be a strength for the Combined Business, to the benefit of its customers and LSEG Shareholders, compared to certain vertical or integrated models that may be more susceptible to future competitive and regulatory pressures as the global financial markets infrastructure landscape evolves.

Improves LSEG business mix and generates attractive revenue growth

The combination of LSEG and Refinitiv is expected to create an attractive revenue profile for the Combined Business, with strong revenue growth and a high level of recurring, diversified revenue streams. Excluding recoveries, 2019 pro forma revenue for the Combined Business (excluding the Borsa Italiana Group) comprised 70 per cent. recurring subscription-based revenue, a significant increase compared to LSEG standalone (36 per cent.) and would have been well-diversified across products and geographies.

The Combined Business will target a revenue compound annual growth rate ("**CAGR**"), excluding recoveries and including Net Treasury Income, of 5 to 7 per cent. over the first three years following Completion, although growth in 2021 is expected to be below the bottom end of this range. The target three year growth rate is expected to be achieved through: (i) continued performance of LSEG's current businesses, where total income CAGR has been 12 per cent. over the last 3 years, and where Information Services (including FTSE Russell) and Post Trade (including LCH and UnaVista), are expected to form the basis of continued strong growth in LSEG's current businesses going forward; (ii) accelerating revenue growth of Refinitiv's Data, Distribution, Analytics and Workflow businesses resulting from its ongoing transformation programme (including the expansion of its data content sets, enhancement of its platform capabilities, continued expansion in emerging and frontier markets, and salesforce initiatives); (iii) continued strong growth of Tradeweb, FX and Risk; and (iv) realisation of target revenue synergies as a Combined Business. A summary of LSEG's recent financial performance is included in Section A (*Operating and Financial Review of LSEG Plc*) of Part 10 (*Operating and Financial Review of the Combined Business*) and further detail in respect of Refinitiv's transformation programme and existing revenue initiatives is set out in paragraph 3 (*Summary information on Refinitiv*) of this Part 5 of this document.

The Board, having reviewed and analysed the potential benefits of the Transaction, believes that the Combined Business will be able to achieve incremental and recurring pre-tax gross revenue synergies in excess of £225 million per annum by the end of year five following Completion. The Board expects that these revenue synergies will originate from:

- **Cross-selling opportunities and enhancing existing products**, accounting for approximately 90 percent. of the identified benefits. Cross-selling opportunities include the distribution of LSEG's index products and The Yield Book analytics via Refinitiv's data platforms and the distribution of Refinitiv's pricing and reference data to LSEG's index customers. Enhancing existing product opportunities include providing enhanced services to LSEG's issuer customers, through the addition of Refinitiv's data, and LCH valuation, margin and capital optimisation tools, as well as extending LSEG's suite of fixed income indices, and improving and increasing the number of Refinitiv's indices by utilising LSEG's index expertise.
- **Developing and launching new products**, accounting for approximately 10 per cent. of the identified benefits. This includes developing new fixed income and ESG index and analytics services using Refinitiv's extensive data and content sets.

These revenue synergy assumptions have been risk adjusted, and LSEG has exercised a degree of prudence in their calculation. The total quantified revenue synergies in excess of £225 million per annum are equivalent to approximately 3 per cent. of the Combined Business' pro forma total income from continuing operations for the 12 months ended 31 December 2019, of £6.8 billion (excluding the Borsa Italiana Group).

The Board expects that revenue synergy realisation will take place progressively, whereby approximately 60 per cent. of the total benefits will be realised by year three following Completion, rising to 100 per cent. by the end of year five following Completion. Revenue synergies are anticipated to drive additional growth in later years and LSEG believes that significant potential upsides exist in addition to the quantified revenue synergies, to be derived from innovations in Capital Markets and Post Trade, where market and regulatory-driven change will create further opportunities for growth.

The Board expects that realisation of these revenue synergies would result in non-recurring costs of approximately £180 million in aggregate. LSEG considered revenue dis-synergies that could arise from the Transaction and, whilst not significant, these were taken into account in deriving a net synergy position. These costs will mainly consist of development capex and investment in the distribution capabilities of the Combined Business. The phasing will be assessed further and refined as part of the detailed integration planning, in due course.

These revenue synergies are separate from and in addition to Refinitiv's existing revenue initiatives referred to in paragraph 3 (*Summary information on Refinitiv*) of this Part 5, they reflect both the beneficial element and relevant costs to achieve them, are expected to arise as a direct result of the Transaction, and could not be achieved independently of the Transaction.

Generates significant value creation through cost synergies and reducing interest expense

LSEG and Refinitiv have strong track records of delivering shareholder value from complex transactions. The Board, having reviewed and analysed the potential benefits of the Transaction, believes that the Combined Business will be able to achieve incremental and recurring pre-tax cost synergies in excess of £350 million per annum by the end of year five following Completion. The Board expects that these cost synergies will originate from:

- **Corporate and employee related efficiencies**, accounting for approximately 50 per cent. of the identified benefits. These efficiencies include removing duplication of corporate functions, delayering management and leveraging the Combined Business' wider geographic footprint, while continuing to invest in growth.
- **Technology efficiencies**, accounting for approximately 30 per cent. of the identified benefits. These efficiencies include streamlining data, infrastructure and information technology capabilities across the Combined Business.
- **Property and other efficiencies**, accounting for approximately 20 per cent. of the identified benefits. These efficiencies are expected to arise from consolidating the property footprint of the Combined Business in common locations, rationalising supplier contracts, and depreciation benefits from technology and property de-duplication.

The total anticipated cost synergies in excess of £350 million per annum are equivalent to approximately 12 per cent. of the Combined Business' 2019 pro forma adjusted operating expenses (before depreciation, amortisation, impairments and non-underlying items and excluding the Borsa Italiana Group) from continuing operations, of £3.0 billion.

The Board expects that cost synergy realisation will take place progressively, whereby approximately 25 per cent. of the total benefits will be realised in year one following Completion, rising to 70 per cent. effective in year three and 100 per cent. by the end of year five following Completion.

The Board expects that realisation of these cost synergies would result in non-recurring costs of approximately £550 million in aggregate, the majority of which will be incurred in the first two years following Completion. The phasing will be assessed further and refined as part of the detailed integration planning in due course.

These cost synergies are expected to arise as a direct result of the Transaction, and could not be achieved independently of the Transaction. They reflect both the beneficial element and the relevant costs to achieve them. The benefits are separate from and in addition to Refinitiv's previously announced and ongoing US$650 million cost savings programme (described in further detail in paragraph 3 (*Summary information on Refinitiv*) of this Part 5 (*Information on the Transaction*)).

In addition, the refinancing at lower costs of the existing Refinitiv debt, which was contracted at the time of the investment in Refinitiv by the Blackstone Consortium, is expected to materially reduce the future pre-tax interest expense of the Combined Business compared with the aggregated standalone interest costs of LSEG and Refinitiv. LSEG has arranged underwritten bridge financing of approximately US$13.5 billion to refinance Refinitiv's notes and term loans in full at Completion, as further described under the heading "*Transaction financing*" in paragraph 5 (*Summary of the terms of the Transaction*) of this Part 5 (*Information on the Transaction*).

LSEG is targeting a combined adjusted EBITDA margin of around 50 per cent. in the medium term following Completion, based on revenues excluding recoveries and including Net Treasury Income. This is driven by the significant cost synergies from the Transaction, completion of Refinitiv's existing cost savings programme, as well as the strong expected revenue growth for the Combined Business.

Delivers attractive returns for shareholders, with strong expected returns on invested capital and adjusted earnings per share accretion

The Board expects the Transaction to deliver attractive financial returns to shareholders. The Transaction is expected to be accretive to adjusted earnings per share by over 30 per cent. in the first full year after Completion, with further accretion in years two and three. The Transaction is also expected to deliver returns on invested capital in excess of LSEG's stated investment criteria from the third year following Completion.

Delivers high cash generation which supports deleveraging and future dividend policy

The Board has considered the future capital management policy for the Combined Business. At Completion, while it is expected that the leverage of the Combined Business will be above the originally anticipated 3.5x net debt to adjusted EBITDA; taking into account the expected completion of the Borsa Italiana Divestment leverage will step down materially. Thereafter, the high cash generating profile of the Combined Business is expected to result in further deleveraging with leverage reducing to within LSEG's current 1.0-2.0x net debt to adjusted EBITDA target range in the 24 months following Completion, consistent with LSEG's existing capital management policy. Supported by a high level of recurring revenue and strong cash generation, LSEG will maintain its progressive dividend per share policy, balanced by a focus on returning LSEG's leverage to its target range whilst continuing to invest in its core businesses. The Combined Business will maintain LSEG's current capital management framework and target a strong investment grade credit rating.

In connection with the Borsa Italiana Divestment, LSEG is expected to receive proceeds in cash on completion of the Borsa Italiana Divestment (before deductions of applicable taxes and other transaction related costs) of €4.325 billion, plus an additional amount reflecting cash generation in the period from (and including) 1 July 2020 to completion of the Borsa Italiana Divestment. It is LSEG's intention to use the net proceeds from the Borsa Italiana Divestment to repay indebtedness related to the Transaction and for general corporate purposes, bringing LSEG closer to achieving its target net debt to adjusted EBITDA ratio of 1.0-2.0x within a desirable timeframe following Completion.

3. Summary information on Refinitiv

Refinitiv is a leading global provider of market and financial data and infrastructure, delivering data, insight and analytics tailored to strategic workflows across its four core customer communities: trading professionals, investment and advisory, wealth and risk and compliance management. In market and financial data, Refinitiv is a top two provider by revenue globally, and across its segments it serves over 40,000 customer institutions and over 400,000 end users in approximately 190 countries, including buy and sell-side firms, market infrastructure companies, governments, financial technology firms and corporations.

- The Refinitiv Data Platform and Workspace segment provides multi-point access to data and content feeds, data management solutions and analytics across clients' end-to-end business processes, from pre trade through to post trade.
- Refinitiv's Venues & Transactions segment includes the Matching and FXall trading platforms and the Tradeweb fixed income trading platform (in which Refinitiv owns a majority interest), among others. It also includes trading workflow solutions including cross-asset class execution management systems ("**EMS**"), order management systems ("**OMS**"), and portfolio analytics. With average daily trading volume of over US$400 billion in FX and over US$720 billion in fixed income, Refinitiv provides access to leading sources of liquidity in FX trading markets and fixed income, enabling clients to transact electronically in an efficient manner across asset classes and end markets.
- Refinitiv's Risk segment includes the World-Check suite of products containing over four million records, serving the compliance and regulatory needs of customers, in particular screening and KYC compliance, client on-boarding and other financial crime risk management programs.
- A detailed description of Refinitiv's business is included in Section C (*History and Current Business Overview of Refinitiv*) of Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*) of this document.

The 2018 Transaction

On 30 January 2018, the Blackstone Consortium announced the acquisition of an approximate 55 per cent. interest in Thomson Reuters' financial and risk business (the "**2018 Transaction**" and the "**Thomson Reuters Financial & Risk Business**", respectively), which was renamed Refinitiv after the 2018 Transaction closed on 1 October 2018 (the "**2018 Transaction Closing Date**"). As part of the 2018 Transaction, Thomson Reuters retained an approximate 45 per cent. interest in Refinitiv and agreed to provide financial and general news content to Refinitiv for 30 years pursuant to the Thomson Reuters News Agreement, a long-term news content and relationship agreement which is described in detail in paragraph 17.2.3 (*Thomson Reuters News Agreement*) of Part 14 (*Additional Information*) of this document.

Refinitiv transformation programme—efficiency initiatives

Since the 2018 Transaction Closing Date, Refinitiv has been implementing efficiency initiatives that are expected to generate annual run-rate cost savings of US$650 million (the "**Target Cost Savings**") by the end of 2020. It is intended that the Target Cost Savings will be achieved by, among other things, Refinitiv employee initiatives, the off-shoring and automation of business processes, rationalising data centres and other technology infrastructure, consolidating supplier expenditure and reducing Refinitiv's real estate footprint. Refinitiv's efficiency initiatives are well progressed and ahead of schedule. As at 30 September 2020, Refinitiv had achieved US$613 million (or approximately 94 per cent.) of the Target Cost Savings.

Refinitiv transformation programme—revenue enhancing initiatives

Refinitiv has also been pursuing a number of revenue-enhancing, operating efficiency and strategic initiatives designed to support the future growth of the business, with a particular focus on its Data Platform and Workspace segment (which contributed approximately 68 per cent. of Refinitiv's gross revenue during the financial year ended 31 December 2019). The Data Platform and Workspace segment is well positioned to respond to industry trends including global trading driven by the growth and redistribution of global wealth, increasing demand for multi-asset class solutions and coverage across the investment value chain (in each case resulting in customer demand for new data sets), and digitisation, artificial intelligence ("**AI**") and automation driving demand for data-driven solutions (including the need to better source and manage data).

Significant capital expenditure of approximately US$500 million was implemented during the financial year ended 31 December 2019, together with improvements in the business' operating expenditure programme, driving innovation and revenue growth. Refinitiv's investment and expenditure programme seeks to enhance the business' customer offering in financial information and data, where global, industry-wide revenues grew by approximately 14.6 per cent. between 2015 and 2019, from US$26.6 billion to US$30.5 billion. Refinitiv has four key initiatives which are supported by the strength and breadth of its distribution channels:

- **Expansion of data content**: A number of initiatives are underway to further expand Refinitiv's content and analytics capabilities. These include entering into agreements with MarketAxess and Tradeweb to distribute fixed income data, as well as developing products in growth areas such as alternative data platforms and Asian and emerging markets data and analytics (including, for example, the provision of private company data on Chinese companies).
- **Enhanced platform capabilities**: Eikon (Refinitiv's legacy desktop business) is undergoing significant change in response to challenging market conditions and lower levels of historic growth in certain product areas. Over US$171 million has been invested since the 2018 Transaction Closing Date to develop a significantly upgraded Workspace, delivering a high performance, web-based platform which, in response to shifting customer needs, operates seamlessly across operating systems, web browsers and mobile devices. This proposition, alongside expanded data capabilities and existing cloud distribution, seeks to improve customer access and speed to market across Refinitiv's offering. Beta testing of the new platform has been met with positive user feedback and the product is being initially rolled out to users in the Wealth community. Currently, the launched versions of Refinitiv Workspace include Wealth, Students and Investment Banking. The improvements to Refinitiv Workspace seek to respond to customers' evolving preferences for data consumption, away from the traditional terminal-based model to agile data platforms and feeds.
- **Expansion into emerging and frontier markets**: During the financial year ended 31 December 2019, approximately 2.2 per cent. of Refinitiv's revenues were in emerging and frontier markets. Refinitiv has a presence in 30 countries in Asia and has approximately 7,000 customers in the region. Emerging and frontier markets are expected to continue to be an important growth driver for Refinitiv's business, with initiatives in place to invest in content sets, workflow solutions and partnerships in the region. Refinitiv has launched cloud-based delivery for Asian and Central and South American clients, auctions functionality for open market operations and fixed income auctions (which has facilitated over US$1.77 trillion of trades to date for central banks and corporates), and BRI Connect, a suite of data tools for analysing investment opportunities from China's Belt and Road initiative.

- **Salesforce initiatives**: Refinitiv currently has approximately 2,500 sales FTEs, operating globally. Strategic initiatives are underway to enhance the effectiveness of these FTEs by reducing organisational layers, building specialist teams better able to support and meet the needs of customers and improving customer retention. Sales tools and client relationship management initiatives are also in place to improve flexibility in the way clients are able to purchase the data they use. For instance, for certain products Refinitiv has started to move to a model that is based on customers' actual use of data and the Refinitiv Data Platform and Workspace, rather than the traditional per-terminal model, in order to better serve the needs of individual customers.

Refinitiv also anticipates continued strong growth in its Risk segment, which experienced 11.8 per cent. revenue growth during the financial year ended 31 December 2019. This has been driven by increased customer demand for financial cyber crime, AML, KYC and counterparty due diligence services, and Refinitiv has responded with investments in digital identification, service content, cloud delivery and automation, with the intention of improving customer rollout and supporting future growth.

Since the 2018 Transaction Closing Date, as a result of technological, commercial and operational changes and these initiatives, Refinitiv has seen high customer retention rates, demonstrating resilience notwithstanding Covid-19, leading to improved revenue performance.

4. Summary Financial Information on the Combined Business

Summary of Unaudited Pro Forma Financial Information of the Combined Business	**Six months ended 30 June 2020 IFRS (£m)**	**Six months ended 30 June 2020 (excl. Borsa Italiana) IFRS (£m)**	**Year ended 31 December 2019 IFRS (£m)**	**Year ended 31 December 2019 (excl. Borsa Italiana) IFRS (£m)**
Income	3,789	3,581	7,208	6,813
Adjusted EBITDA	1,744	1,613	3,083	2,836
Operating Profit	142	2,472	306	2,402
Net Profit/(Loss)	(695)	1,671	(765)	1,389
Adjusted basic earnings per share	117.3(i)	103.1(i)	211.2(i)	184.4(i)
Total net assets	**21,263**	**23,698**	**20,952**	**23,231**

Notes*:*

(i) Adjusted earnings per share is shown in pence not £m.

Further detailed information on the unaudited pro forma financial information for the Combined Business is provided in Part 13 (*Unaudited Pro Forma Financial Information for the Combined Business*) of this document.

Historical Financial Information and Current Trading and Prospects of the Combined Business

LSEG

Audited consolidated financial statements for LSEG for the financial years ended 31 December 2019, 31 December 2018 and 31 December 2017, and unaudited, interim, consolidated management statements for LSEG for the six month period ended 30 June 2020 have been incorporated by reference into this document, as described in Part 15 (*Documentation incorporated by reference*) of this document. LSEG's historical financial statements should be read in conjunction with Section A (*Operating and Financial Review of LSEG Plc*) of Part 10 (*Operating and Financial Review of the Combined Business*) of this document.

Refinitiv

Audited combined financial statements relating to Refinitiv for the financial years ended 31 December 2019, 31 December 2018 and 31 December 2017, and audited, interim, combined financial statements in relation to Refinitiv for the six month period ended 30 June 2020 (and unaudited comparatives for the six month period ended 30 June 2019), are included in Section B (*Combined Historical Financial Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*) of this document. Refinitiv's historical financial statements should be read in conjunction with Section B (*Operating and Financial Review of Refinitiv*) of Part 10 (*Operating and Financial Review of the Combined Business*) of this document.

5. Summary of the terms of the Transaction

Consideration Structure

Under the terms of the Stock Purchase Agreement entered into by LSEG plc and Refinitiv Holdings, among others, in relation to the Transaction, LSEG plc will (directly and through certain wholly owned subsidiaries) acquire the entire issued and to be issued share capital of Refinitiv Parent from two subsidiaries of Refinitiv Holdings, York Holdings II Limited and York Holdings III Limited (the "**Refinitiv Sellers**") and, in exchange, subject to any adjustments as a result of (i) any leakage in the period prior to Completion; or (ii) LSEG plc electing to make a cash substitution (whereby LSEG plc has the option to settle up to US$2.5 billion of the consideration in cash, in which case the number of Consideration Shares issued will reduce accordingly), LSEG plc agreed to issue 204,366,585 Consideration Shares to the Refinitiv Sellers to be comprised of (a) LSEG Ordinary Shares and (b) Limited-voting Ordinary Shares. As a result of a small amount of known and agreed leakage with respect to the Refinitiv group, LSEG plc is currently expected to issue 204,225,968 Consideration Shares to the Refinitiv Sellers, subject to any further adjustments as a result of leakage or LSEG plc electing to make a cash substitution. The LSEG Ordinary Shares will rank *parri passu* in all respects with the existing LSEG Ordinary Shares.

Of the total number of Consideration Shares to be issued, it is expected that 179,610,123 LSEG Shares will be issued to the Refinitiv Sellers at Completion. In addition, 24,615,845 LSEG Ordinary Shares will be issued one month after Completion (the "**PIK Redemption Date**") to BCP York Holdings (Delaware) L.P. ("**ConsortiumCo**"), a company owned by the Blackstone Consortium (such shares, the "**Deferred Issue Shares**"). The issue of the Deferred Issue Shares to ConsortiumCo is in connection with the settlement of certain existing payment-in-kind shares in Refinitiv Holdings' capital structure.

As a consequence, at the PIK Redemption Date, subject to any adjustments as a result of (i) any further leakage in the period prior to Completion; or (ii) LSEG plc electing to make a cash substitution (whereby LSEG plc has the option to settle up to US$2.5 billion of the consideration in cash, in which case the number of Consideration Shares issued will reduce accordingly), the Refinitiv Sellers and ConsortiumCo are expected to hold in aggregate 204,225,968 Consideration Shares. Based on LSEG plc's issued share capital (excluding shares held in treasury) as at the Latest Practicable Date, this would amount to: (i) an economic interest in LSEG plc equal to approximately 37 per cent.; and (ii) less than 30 per cent. of the total voting rights in LSEG plc. Please refer to the table included in paragraph 3.4 (*Impact of the Transaction on existing LSEG Shareholders and their interests in LSEG Shares*) of Part 14 (*Additional Information*) for details of LSEG plc's anticipated share capital and the interests of the Refinitiv Sellers and ConsortiumCo as a result of the Transaction.

Whilst the Refinitiv Sellers and ConsortiumCo will not be entitled at any time to hold more than 30 per cent, of the total voting rights in LSEG plc, the Consideration Shares will, once all Limited-voting Ordinary Shares have been converted (and based on LSEG plc's issued share capital (excluding shares held in treasury) as at the Latest Practicable Date and 204,225,968 Consideration Shares), carry approximately 37 per cent. of the voting rights in LSEG plc.

Based on the LSEG Ordinary Share volume weighted average price ("**VWAP**") of US$71.1154 (£56.8570 at daily US$/£ FX rate) for the period from 1 July to 26 July 2019, the value of the Consideration Shares as at Announcement was approximately US$14.5 billion and the Transaction valued the whole of Refinitiv (inclusive of Refinitiv's net debt of approximately US$12.5 billion, and other adjustments as at 30 June 2019) at approximately US$27 billion.

Stock Purchase Agreement and Conditions to Completion

The Transaction is not conditional on investor or shareholder approvals of Refinitiv Holdings but is subject to, among other matters: (i) there having been no event that has had a material adverse effect on LSEG or Refinitiv between Announcement and Completion; (ii) the representations and warranties in the Stock Purchase Agreement being true and correct, subject to exceptions for certain of the warranties based on certain materiality standards; (iii) certain competition and foreign investment approvals which remain to be obtained; (iv) certain financial regulatory approvals which remain to be obtained; and (v) the FCA and London Stock Exchange agreeing to re-admit the LSEG Ordinary Shares to the premium listing segment of the Official List and to trading on London Stock Exchange's Main Market for listed securities ("**Admission**").

In view of its size, the Transaction is classified as a Reverse Takeover under the Listing Rules of the FCA, and therefore required the approval of LSEG Shareholders and requires LSEG plc to re-apply for Admission. LSEG Shareholder Approval was obtained at a general meeting of LSEG Shareholders on 26 November 2019.

This Prospectus is being published by LSEG plc in connection with Admission, which, subject to the satisfaction or waiver of the other conditions to the Transaction, is expected to occur at 8:00 a.m. on the date of Completion. Following publication of this document, applications will be made by LSEG plc to the FCA and London Stock Exchange in respect of Admission. The expected Transaction timetable is set out in Part 4 (*Expected Timetable of Principal Events*) of this document.

For further detail on the regulatory and merger control approval process in respect of the Transaction, including the termination fee that will be payable by LSEG plc in certain circumstances if merger clearances are not obtained for the Transaction, please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) of this Part 5 (*Information on the Transaction*).

The Stock Purchase Agreement contains representations and warranties, covenants and undertakings given by, and termination rights in favour of, each of Refinitiv Holdings and LSEG plc that are customary for a transaction of this nature. The undertakings include non-solicitation restrictions that prevent LSEG plc from soliciting, encouraging or taking any other action designed to facilitate a takeover transaction for LSEG plc (other than to the extent required for LSEG plc to comply with its obligations under the City Code). LSEG plc has obtained representation and warranty insurance cover in respect of the representations and warranties given by Refinitiv Holdings in the Stock Purchase Agreement, subject to certain exclusions, and as described in further detail in Part 6 (*Summary of the Key Transaction Terms*) of this document.

Rights attaching to the Consideration Shares

The LSEG Ordinary Shares to be issued in connection with the Transaction will rank *pari passu* with the other LSEG Ordinary Shares then in issue. The Limited-voting Ordinary Shares will rank *pari passu* with the LSEG Ordinary Shares in all respects, except that a holder of Limited-voting Ordinary Shares will only have, on a poll vote, one-tenth of a vote for every Limited-voting Ordinary Share of which it is the holder, with the total number of votes exercisable by the holder rounded down to the nearest whole number (except where the holder holds fewer than ten Limited-voting Ordinary Shares, in which case the number of votes exercisable by the holder shall be rounded up to one vote). On a show of hands, a holder of Limited-voting Ordinary Shares will have one vote. This will not apply to certain resolutions referred to in Listing Rule 9.2.21, which can only be voted on by holders of listed shares, and on which any holder of Limited-voting Ordinary Shares will therefore, in respect of their Limited-voting Ordinary Shares, not be entitled to vote.

The Limited-voting Ordinary Shares will be convertible by the holder at any time into LSEG Ordinary Shares provided that the conversion does not result in: (i) the holder or any person acting in concert with it being required to make a mandatory offer for LSEG plc under Rule 9 of the City Code; or (ii) the holder and any persons acting in concert with it (other than any Company Director Concert Party) holding LSEG Shares carrying more than 29 per cent. of the total voting rights in LSEG plc (or, where the Company Director Concert Parties are no longer deemed to be concert parties of the holder or their concert parties, 29.9 per cent. of the total voting rights in LSEG plc) (the "**Maximum Voting Threshold**"). When a Limited-voting Ordinary Share is converted into an LSEG Ordinary Share, the total voting rights in LSEG plc will increase accordingly.

The Limited-voting Ordinary Shares will not be admitted to listing or trading on any market but any LSEG Ordinary Shares arising on conversion of the Limited-voting Ordinary Shares will be admitted to listing and to trading on or shortly after conversion.

Relationship Agreement

At Completion, LSEG plc, Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo will enter into a relationship agreement governing the relationship between them following Completion. This will contain Refinitiv Holdings' Board appointment rights in respect of the Transaction, as detailed in paragraph 6 (*Management and governance*) of this Part 5 (*Information on the Transaction*) as well as certain lock-up, standstill and voting commitments, as described below.

Lock-up

The Refinitiv Shareholders will, through their interests in Refinitiv Holdings (and therefore the Refinitiv Sellers) and ConsortiumCo, have an important investment in the Combined Business. Accordingly, Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo have agreed to be subject to certain lock-up provisions pursuant to which they are prevented from: (i) disposing of any Consideration Shares for the first two years following Completion; and (ii) disposing of more than one-third of the Consideration Shares during each of years three and four following Completion (in year four, together with any Consideration Shares not sold pursuant to this entitlement in the previous year).

There are certain exceptions to the lock-up arrangements, as described in further detail in Part 6 (*Summary of the Key Transaction Terms*) of this document. The Refinitiv Sellers are also entitled to early release from the lock-up if certain events occur that result in particular tax liabilities for Thomson Reuters or its affiliates. As certain of the steps required to implement Completion will give rise to a tax liability for Thomson Reuters, the Refinitiv Sellers will be entitled to dispose of such number of LSEG Shares following Completion as will result in total net proceeds for Thomson Reuters of a minimum of US$750 million, less a certain proportion of any cash that may be received by Thomson Reuters in connection with the Transaction.

The lock-up arrangements will not apply to 5,781,285 of the LSEG Ordinary Shares issued to ConsortiumCo on the PIK Redemption Date, which will be free to be sold at any time.

The lock-up arrangements will terminate on the fourth anniversary of Completion. Any disposals of shares will be subject to orderly marketing restrictions, including certain restrictions on the frequency of disposals.

Standstill and voting commitments

A standstill restriction will also apply to Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo and each of the Indirect Shareholders, under which they will agree not to, among other matters, acquire further shares in, or make a takeover offer for, LSEG plc during the Relevant Period.

The Refinitiv Sellers and ConsortiumCo have also agreed that, during the Voting Commitment Period, which applies at least for so long as Refinitiv Holdings has a Director appointed to the Board, they will vote all of the LSEG Shares held by them in line with the Board's recommendation on any resolution proposed at a general meeting (including an annual general meeting), other than: (i) a resolution required by Chapter 10 of the Listing Rules of the FCA (in respect of significant transactions); (ii) a resolution relating to a non-pre-emptive share issue outside of the customary approvals given at each annual general meeting; or (iii) a resolution to approve or implement a takeover offer (subject to separate restrictions that apply for the same period as the standstill restrictions on voting any Consideration Shares in favour of a takeover of LSEG plc). On account of this voting commitment, the UK Panel on Takeovers and Mergers has confirmed that, as a technical matter, it will treat the Directors as acting in concert with the Refinitiv Sellers and ConsortiumCo for so long as the voting commitment is in place.

For further details on the terms of the Relationship Agreement, please refer to Part 6 (*Summary of the Key Transaction Terms*) of this document.

City Code

A Rule 9 waiver has not been and will not be sought for the Transaction, reflecting the fact that the Limited-voting Ordinary Shares cannot be converted into LSEG Ordinary Shares if: (i) such conversion would result in the Refinitiv Sellers, ConsortiumCo and their concert parties (other than any Company Director Concert Party) being interested in LSEG Shares exceeding the Maximum Voting Threshold; or (ii) to do so would result in the Refinitiv Sellers, ConsortiumCo or their concert parties being required to make a mandatory offer for LSEG under Rule 9 of the City Code. Accordingly, the Transaction is not subject to the City Code and consequently the provisions of the City Code applicable to a "whitewash transaction" do not apply.

Transaction financing

To obtain financing sufficient to refinance Refinitiv's third-party debt on Completion, LSEG plc entered into a US$9,325 million and EUR3,580 million bridge term facilities agreement, arranged by Barclays Bank plc, Goldman Sachs International and Morgan Stanley Bank International Limited, on 1 August 2019 (the "**2019 Bridge Facilities**") and subsequently successfully syndicated to a number of large, well regarded international banks. It is intended that LSEG will use the proceeds of the 2019 Bridge Facilities (or any longer term financing that replaces some or all of the 2019 Bridge Facilities) to refinance Refinitiv's Dollar Loan Facility, Euro Loan Facility, Indentures and Secured and Unsecured Notes, in each case as further described in paragraph 17.2 (*Refinitiv material contracts*) of Part 14 (*Additional Information*) of this document. It is expected that drawdown under the 2019 Bridge Facilities (or any longer-term financing that replaces the 2019 Bridge Facilities) will occur on or around the date of Completion. A summary of the 2019 Bridge Facilities is set out in the paragraph headed "*The 2019 Bridge Facilities*" in Part 6 (*Summary of the Key Transaction Terms*) of this document.

As at the date of this document, LSEG is engaged in discussions with its lending syndicate in relation to the entry into a new term loan and a revolving credit facilities agreement, and the amendment and increase of the 2017 Revolving Credit Facility. It is currently expected that these arrangements will be finalised and entered into prior to Completion, although there can be no certainty of this. If LSEG does enter into a new term loan and revolving credit facilities agreement, LSEG will cancel a portion of the 2019 Bridge Facilities in an amount equal to that of the new term loan facilities. It is intended that LSEG would use the proceeds of the new term loan facilities together with the remaining proceeds of the 2019 Bridge Facilities to refinance Refinitiv's Dollar Loan Facility, Euro Loan Facility, Indentures and Secured and Unsecured Notes, in each case as further described in paragraph 17.2 (*Refinitiv material contracts*) of Part 14 (*Additional Information*) of this document. In addition, if LSEG does enter into a new term loan and revolving credit facilities agreement and amends and increases the amount available under the 2017 Revolving Credit Facility, LSEG intends to cancel the 2015 Revolving Credit Facility at Completion. The 2015 Revolving Credit Facility and the 2017 Revolving Credit Facility are described in paragraph 17.1 (*LSEG material contracts*) of Part 14 (*Additional Information*) of this document.

While LSEG plc's credit ratings with Moody's (A3) and S&P (A) are currently unchanged, they have moved their ratings outlooks for LSEG plc in light of LSEG plc's intention to refinance Refinitiv's debt on Completion and, linked to that, entry into the 2019 Bridge Facilities. Following LSEG plc's entry into the 2019 Bridge Facilities, S&P Global Ratings moved its ratings outlook for LSEG plc to "credit watch negative" and stated that on Completion its long-term rating of LSEG plc may be reduced by two notches. Following the announcement of the Borsa Italiana Divestment, S&P Global Ratings stated that, assuming LSEG uses most of the proceeds from the Borsa Italiana Divestment to pay down debt following completion of the Borsa Italiana Divestment, its long-term rating of LSEG plc may be reduced by a maximum of one notch. LSEG plc notes the potential for a ratings downgrade by Moody's of one notch, tempered by a more recent credit positive positioning should LSEG use the proceeds of the Borsa Italiana Divestment to pay down debt following Completion. Attention is drawn to the risk factor under the heading "*Completion of the Transaction may result in a reduction in LSEG plc's credit rating. A reduction in LSEG plc's credit rating could lead to an increased cost of funding for the Combined Business* (*in particular if it is combined with a deterioration in financial market conditions*)*, impact its ability to refinance its debts, and affect its relationships with customers and investors*" in Part 1 (*Risk Factors*) of this document. Both Moody's and S&P remain positive about the strategic rationale for the Transaction, and the Board expects LSEG plc to retain good, investment grade credit ratings.

For further details on the terms of the Transaction, please refer to Part 6 (*Summary of the Key Transaction Terms*) of this document.

6. Management and governance

Don Robert will chair the Combined Business and David Schwimmer will lead the Combined Business as Chief Executive Officer. Anna Manz will be the Combined Business' Chief Financial Officer. David Warren will remain with the Combined Business until his retirement in June 2021, to ensure a seamless transition. David Craig will join LSEG's Executive Committee and continue as Chief Executive Officer of Refinitiv.

Following Completion, Refinitiv Holdings will be entitled to nominate for appointment to the Board, subject to, among other considerations, certain regulators not having objected to the proposed nominees:

- three non-executive Board members for as long as the Refinitiv Sellers and ConsortiumCo hold in aggregate at least 25 per cent. of the LSEG Shares;
- two non-executive Board members for as long as the Refinitiv Sellers and ConsortiumCo hold in aggregate at least 17.5 per cent. but less than 25 per cent. of the LSEG Shares; and
- one non-executive Board member for as long as the Refinitiv Sellers and ConsortiumCo hold in aggregate at least 10 per cent. but less than 17.5 per cent. of the LSEG Shares.

For so long as Refinitiv Holdings is entitled to nominate three non-executive Board members for appointment to the Board, one such nominee will be a representative of Thomson Reuters. The other nominees will be representatives of Blackstone.

Refinitiv Holdings has nominated Martin Brand, Douglas M. Steenland (who are representatives of Blackstone) and Erin Brown (who is a representative of Thomson Reuters) for appointment to the Board with effect from Completion (the "**Proposed Directors**"). Their appointment has been approved by the Board following a recommendation by the Nomination Committee. The Proposed Directors will therefore become Non-Executive Directors of LSEG plc with effect from Completion and Admission. Details in respect of the Proposed Directors, including their profiles and letters of appointment, are included in Section B (*Corporate Governance*) of Part 9 (*Directors, LSEG Key Managers and Corporate Governance*) and paragraph 8 (*Service* *contracts and letters of appointment of the Directors and Proposed Directors*) of Part 14 (*Additional Information*).

The Combined Business will comply with the UK Corporate Governance Code following Completion, including as regards the composition of the Board. Committees of the Board will continue to include its audit, nomination, remuneration and risk committees.

The Combined Business will be headquartered in London and LSEG plc, which will retain its premium listing on the Official List of the FCA and will continue to be traded on London Stock Exchange's Main Market for listed securities as London Stock Exchange Group plc, will be the parent company of the Combined Business. LSEG plc will continue to trade under ticker symbol LSE.L.

Please refer to Part 7 (*Information on the Combined Business*) for a detailed description of the management and governance arrangements which will apply in respect of the Combined Business from Completion.

7. Management and employee incentive arrangements

The Board attaches great importance to the skills and experience of the Combined Business' management and employees and believes that they will be an important factor in the success of the Combined Business.

Refinitiv's high-quality management and employees will be essential to maintain Refinitiv's existing focus on and expertise in financial data and infrastructure. Refinitiv's CEO, David Craig, will join LSEG's Executive Committee on Completion and continue as Chief Executive Officer of Refinitiv. He will continue to be incentivised under an existing Refinitiv management incentive arrangement and a mix of other short-term and long-term incentives that will be subject to the approval of LSEG's Remuneration Committee in due course.

The incentive packages and retention arrangements in respect of other key managers and employees of Refinitiv will be an important aspect of ensuring that the Transaction is successful and, in addition to the continuation of Refinitiv's existing incentive arrangements, LSEG has established cash and share based retention arrangements which will apply following Completion. Such arrangements are designed to ensure the full alignment of management and employees with the strategic focus of the Combined Business.

Further details in respect of a pre-existing management incentive arrangement, which was set up by Refinitiv Holdings, can be found under the paragraph headed "*Management incentive plan for Refinitiv's management team*" in Part 6 (*Summary of the Key Transaction Terms*) of this document.

Certain details in respect of LSEG's existing management and employee incentive arrangements can be found in the paragraph headed "*Employee Share Plans*" in Part 14 (*Additional Information*) of Part 7 (*Information on the Combined Business*) of this document. LSEG expects that after Completion it will propose certain changes to its shareholder-approved remuneration policy to ensure that it appropriately reflects the size and complexity of the Combined Business. Any proposed changes to LSEG's remuneration policy will be consulted upon in a manner consistent with LSEG's usual approach and will be voted upon by LSEG Shareholders at LSEG plc's annual general meeting in 2021.

8. Integration

The success of the Combined Business and the ability to realise the anticipated benefits of the Transaction are dependent on the Combined Business' ability to integrate LSEG and Refinitiv. LSEG and Refinitiv are organisations with strong track records of delivering large-scale transformation through successful integration programmes. This is evidenced by the acquisitions by LSEG of LCH, FTSE, Frank Russell Company and The Yield Book, the acquisitions by Refinitiv of FXall, Avox and Clarient and REDI Technologies, the acquisition by Tradeweb of BondDesk, and the carve-out of Refinitiv from the remaining Thomson Reuters group by Blackstone.

An Integration Management Office (the "**IMO**") was established following signing of the Transaction which is headed by David Shalders, who joined LSEG on 18 November 2019 as Chief Integration Officer and a member of the LSEG Executive Committee. David brings over thirty years of experience to LSEG in integration, technology and operations in the financial services sector, where he has successfully led a number of global integration programmes, as further described in Section A (*Directors and LSEG Key Managers*) of Part 9 (*Directors, LSEG Key Managers and Corporate Governance*) of this document. David reports to LSEG Chief Executive Officer David Schwimmer. Good progress has been made in planning the integration of LSEG and Refinitiv. The IMO is responsible for managing the overall integration planning process and will be responsible for ensuring that the synergies expected to result from the Transaction are properly monitored, reported on and delivered. The IMO comprises senior leaders from both LSEG and Refinitiv working together across a number of workstreams to develop post-close operating models and processes across the Combined Group's businesses and functions and to validate and develop detailed cost and revenue synergy plans, as well as to identify the values and behaviours that will define the Combined Group's culture.

The integration will be managed in two phases, integration planning (which is being undertaken in the period prior to Completion) and integration implementation (which will be undertaken following Completion). Each phase is being or will be overseen by an integration committee of senior executives, led by David Schwimmer, with representation from LSEG, Refinitiv and each of the Indirect Shareholders, which is reporting, and will report, to the Board on a regular basis (but will not be a Board committee).

The integration of LSEG and Refinitiv will adhere to several overarching integration principles, including to:

- Safeguard customers' interests and minimise disruption during the integration process.
- Adopt a customer centric mindset, focusing on enhancing value for customers in existing and new areas.
- Maintain focus on delivering announced value creation for stakeholders whilst being mindful of existing business as usual plans.
- Focus on attracting and retaining world class talent.
- Follow a 'one team' approach to the integration, taking the best from LSEG and Refinitiv in developing new practices for the Combined Business.

The Board is confident in the ability of the Combined Business to complete a successful and timely integration of LSEG and Refinitiv without undue disruption to the businesses and operations of the Combined Business and its clients

9. Regulatory and merger control approvals and the Borsa Italiana Divestment

Background

The Transaction is conditional on, amongst other things, receiving merger control clearances, approvals from certain government entities in accordance with foreign investment laws, and regulatory approvals from relevant financial services and markets regulators in a number of jurisdictions. Although not conditions to the Transaction, a number of other merger control and regulatory clearances and approvals have also been sought by LSEG and Refinitiv in connection with the Transaction. Unconditional merger control and foreign investment approvals have already been obtained from a number of relevant authorities, including in the US. As at the date of this document, certain merger control and regulatory clearances and approvals remain outstanding, including in the EU and a small number of other jurisdictions. These approvals are expected to be obtained and Completion is expected to occur in the first quarter of 2021.

The Stock Purchase Agreement will be capable of termination if Completion has not occurred on or before 31 May 2021 (the "**Long Stop Date**").

Merger control clearances

The parties continue to make progress with merger control, foreign investment and financial regulatory filings. The Transaction remains subject to review by a small number of antitrust authorities, including the EC. LSEG formally notified the Transaction to the EC on 13 May 2020 and continues to work constructively with the EC case team. The outcomes of the outstanding reviews are not known, but they could require one or more undertakings or conditions in order for the relevant clearances and approvals to be obtained. Please refer to the section entitled "*The Borsa Italiana Divestment*" below for further details of LSEG's proposed divestment of the Borsa Italiana Group in connection with the EC's merger control process. The Board believes that the overall strategic rationale for, and financial benefits of, the Transaction remain compelling notwithstanding any such divestments or other remedies, including the divestment of the Borsa Italiana Group. All of the merger control approvals obtained as at the date of this prospectus have been unconditional.

In respect of certain services of the Combined Business' Data & Analytics division and its OTC interest rate derivative clearing services (provided by LCH's SwapClear service), LSEG plc has made certain behavioural commitments to the European Commission concerning non-discriminatory access as part of its ongoing review of the Transaction. These commitments reinforce LSEG and LCH's existing commitment to open access. In addition, LSEG has committed to implement information barriers to ringfence potentially sensitive information within the Combined Business.

If the Stock Purchase Agreement is terminated because merger control clearances are not obtained for the Transaction, or if there is material delay in reaching agreement on remedies to facilitate the Transaction, LSEG plc will pay a termination fee of £198.3 million to Refinitiv Holdings. The payment of this termination fee will be the sole remedy of Refinitiv Holdings if the necessary divestments are not made in order to obtain merger control clearances. Further details in relation to the termination fee arrangements are set out in the paragraph entitled "*Termination*" in Part 6 (*Summary of the Key Transaction Terms*) of this document.

The Borsa Italiana Divestment

In the context of the EC's Phase II review of the Transaction, LSEG plc announced on 9 October 2020 that it had agreed to sell its entire shareholding in LSEG Italia, the parent company of the Borsa Italiana Group (as defined below), to the Borsa Italiana Buyer for an equity value of €4.325 billion, plus an additional amount reflecting cash generation to completion of the Borsa Italiana Divestment.

LSEG Italia and its subsidiaries (together, the "**Borsa Italiana Group**") constitute a European FMI business which comprises, inter alia: (i) Borsa Italiana S.p.A. ("**Borsa Italiana**"), the operator of the Italian stock exchange in which LSEG Italia holds a 99.99 per cent. stake; (ii) MTS, the European fixed income trading venue in which Borsa Italiana holds a 62.53 per cent. majority stake; (iii) Cassa di Compensazione e Garanzia S.p.A. ("**CC&G**"), the Italian clearing house; and (iv) Monte Titoli S.p.A. ("**Monte Titoli**"), an Italian-based custody and settlement business. For further detail in respect of the Borsa Italiana Group business to be sold, please see the paragraph entitled "*The Borsa Italiana Group*" in Section A (*History and Current Business Overview of LSEG*) in Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*) of this document, and detail in respect of the impact of the Borsa Italiana Divestment on the Combined Business is set out in the unaudited pro forma financial information of the Combined Business in Part 13 (*Unaudited Pro Forma Financial Information for the Combined Business*) of this document.

While the EC's review of the Transaction is still ongoing, it is LSEG's expectation that a divestment of the Borsa Italiana Group or any material part thereof (including MTS) will be a condition of any EC clearance decision for the Transaction, and the Borsa Italiana Divestment is therefore conditional, among other things, upon completion of the Transaction having occurred and the divestment of the Borsa Italiana Group or any material part thereof (including MTS) being a condition of any EC clearance decision for the Transaction. The Borsa Italiana Divestment is also conditional on the approval by the EC of the Buyer as the acquirer of the Borsa Italiana Group. LSEG Shareholder approval in respect of the Borsa Italiana Divestment was obtained on 3 November 2020, and Borsa Italiana Buyer shareholder approval in respect of the Borsa Italiana Divestment was obtained on 20 November 2020. Full details of the terms and conditions of the Borsa Italiana Divestment are set out in the paragraph entitled "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document.

As more fully described under the heading "*Delivers high cash generation which supports deleveraging and future dividend policy*" of this Part 5 (*Information on the Transaction*), it is expected that proceeds in cash received on completion of the Borsa Italiana Divestment will be used to repay indebtedness related to the Transaction and for general corporate purposes.

Completion of the Borsa Italiana Divestment is expected to occur in the first half of 2021 and it is expected that the Borsa Italiana Divestment will be reflected in LSEG plc's accounts for the year ended 31 December 2021.

Regulatory approvals

The provision of financial markets infrastructure is a heavily regulated industry. Accordingly, the Combined Business' operations will be subject to regulation by a significant number of national financial services and markets regulators. The Transaction remains subject to approval from certain regulators, including in the UK, France, Italy, the Netherlands and Malaysia, who will review the terms of the Transaction, including the future governance and organisational structure of the Combined Business. Consequently, LSEG cannot rule out that the financial services and market regulators from whom the Combined Business is seeking approvals may impose or seek undertakings or conditions as a condition of approving the Transaction. The parties may need to offer such undertakings or conditions in order to obtain such approvals. LSEG, Refinitiv, Blackstone and Thomson Reuters are in discussions and correspondence with a number of their key financial supervisory regulators in relation to the regulatory approvals required as part of the Transaction. Approval has already been obtained in the US and Ireland and the Board is confident that the remaining necessary approvals will be obtained.

10. Dividends and dividend policy

For the financial year ended 31 December 2019, LSEG plc paid a dividend of 70.0 pence per share (2018: 60.4; 2017: 51.6), representing a 16 per cent. increase on the level in 2018. In line with LSEG's dividend policy, the interim dividend is calculated as one-third of the prior full year dividend. For the six month period ended 30 June 2020, LSEG plc has paid an interim dividend of 23.3 pence per share (2019: 20.1; 2018: 17.2; 2017: 14.4) representing a 16 per cent. increase on the 2019 interim payment. Supported by a high level of revenues and strong cash generation, the Board intends for the Combined Business to continue with its current policy of paying dividends on a progressive basis following Completion, balanced by a focus on returning LSEG to its target range of 1-2x net debt to adjusted EBITDA in the 24 months following Completion, consistent with LSEG's existing capital management policy.

11. Taxation

The Transaction does not involve existing LSEG Shareholders disposing of their LSEG Ordinary Shares or acquiring additional LSEG Shares. As such, the Transaction is not expected to have any UK or US tax implications for existing LSEG Shareholders. The contents of this document are not to be construed as tax advice and each LSEG Shareholder should consult its own tax adviser for tax advice in relation to its holding of LSEG Shares.

PART 6
SUMMARY OF THE KEY TRANSACTION TERMS

The Stock Purchase Agreement

The Stock Purchase Agreement was entered into on 1 August 2019 between LSEG plc and Refinitiv Holdings, amended on 23 August 2019, and amended and restated on 4 November 2019. The Stock Purchase Agreement is governed by the laws of the State of Delaware and sets out the arrangements for the consummation of the Transaction and certain ancillary matters.

Consideration

Under the terms of the Stock Purchase Agreement, LSEG plc will (directly and through certain wholly owned subsidiaries) acquire the entire issued and to be issued share capital of Refinitiv Parent from York Holdings II Limited and York Holdings III Limited (the "**Refinitiv Sellers**") (being certain subsidiaries of Refinitiv Holdings) and, in exchange, subject to any adjustments as a result of (i) any leakage in the period prior to Completion; or (ii) LSEG plc electing to make a cash substitution (as described further below), LSEG plc agreed to issue 204,366,585 Consideration Shares to the Refinitiv Sellers, such Consideration Shares to be comprised of: (i) LSEG Ordinary Shares; and (ii) Limited-voting Ordinary Shares. As a result of a small amount of known and agreed leakage with respect to the Refinitiv group, LSEG plc is currently expected to issue 204,225,968 Consideration Shares to the Refinitiv Sellers, subject to any further adjustments as a result of leakage or LSEG plc electing to make a cash substitution.

Of the total number of Consideration Shares expected to be issued, it is expected that 179,610,123 LSEG Shares will be issued to the Refinitiv Sellers at Completion (such number of shares as are issued at Completion, the "**Completion Consideration Shares**"). In addition, 24,615,845 LSEG Ordinary Shares will be issued one month after Completion (on the PIK Redemption Date) to ConsortiumCo, a company owned by the Blackstone Consortium. The issue of the Deferred Issue Shares to ConsortiumCo is in connection with the settlement of certain existing payment-in-kind shares in Refinitiv Holdings' capital structure. Based on LSEG plc's issued share capital (excluding shares held in treasury) as at the Latest Practicable Date, the total Consideration Shares would amount to: (i) an economic interest in LSEG plc equal to approximately 37 per cent.; and (ii) less than 30 per cent. of the total voting rights in LSEG plc.

The Completion Consideration Shares will be comprised of the maximum number of LSEG Ordinary Shares (the "**Completion Consideration Ordinary Shares**") and such number of Limited-voting Ordinary Shares as will result in the Refinitiv Sellers and ConsortiumCo, together with any persons acting in concert with them (other than any Company Director Concert Party), being interested in not more than 29 per cent. of the voting rights carried by all LSEG Shares on Completion, assuming for this purpose that the Deferred Issue Shares were also issued at Completion.

Cash adjustment

Prior to Completion and upon sixty days prior written notice to Refinitiv Holdings, LSEG plc is permitted to substitute cash in an amount of up to US$2.5 billion for a number of Completion Consideration Shares calculated based on the VWAP of the LSEG Ordinary Shares for the thirty trading days preceding the date that is three Business Days prior to Completion.

If LSEG plc does not serve such notice, LSEG plc will be entitled to serve notice on Refinitiv Holdings at any time prior to the date falling 10 Business Days prior to Completion that it wishes to effect a post-Completion cash substitution in an amount of up to US$2.5 billion, such that a number of Completion Consideration Shares will not be issued at Completion and instead will be substituted for cash following Completion, applying a substitution mechanism equivalent to the formula set out in the previous paragraph but using the thirty day period prior to substitution (or such other exchange basis as the parties agree).

If LSEG plc exercises either of these options the number of Consideration Shares to be issued, and the overall economic interest of the Refinitiv Sellers and ConsortiumCo in LSEG plc as at the PIK Redemption Date, would reduce accordingly.

Leakage adjustment

The Stock Purchase Agreement contains customary locked box provisions to prevent unapproved value being transferred out of LSEG or Refinitiv (as the case may be) in the period between 30 June 2019 and Completion. To the extent that LSEG plc or Refinitiv Holdings notifies the other of any unapproved leakage prior to Completion, there will be a corresponding adjustment to the number of Completion Consideration Shares. The expected number of Consideration Shares has already been adjusted for a small amount of known and agreed leakage with respect to the Refinitiv group.

The Stock Purchase Agreement also contains indemnification obligations with respect to unapproved leakage which survive for one year following Completion, to the extent that the parties are only notified of leakage after Completion has occurred.

Pre-Completion Restructuring Steps and Completion Steps

The Stock Purchase Agreement contemplates a series of steps to be taken prior to Completion (the "**Pre-Completion Restructuring Steps**") and at Completion (the "**Completion Steps**") in connection with the consummation of the Transaction. The parties have agreed to implement these steps prior to Completion, at the time of Completion or on the date of, but subsequent to, Completion (as applicable).

Representations and Warranties

The Stock Purchase Agreement contains customary representations and warranties given by Refinitiv Holdings to LSEG plc (the "**Refinitiv Warranties**"). These include, among other matters, representations and warranties in respect of its and its subsidiaries' power and authority to enter into and perform the Stock Purchase Agreement, title to shares in the Refinitiv Sellers and the holding companies of Refinitiv, accounts and certain financial matters, there having been no event since 31 December 2018 which has had or is reasonably likely to have a material adverse effect on Refinitiv (the "**Refinitiv MAE Warranty**"), IP and IT matters, certain contracts, the 2018 Transaction, litigation, matters relating to employees and employee benefits, real estate matters, compliance with laws, environmental matters, insurance and taxation.

LSEG plc has given representations and warranties to Refinitiv Holdings in respect of its power and authority to enter into and perform the Stock Purchase Agreement, its share capital and the issue of the Consideration Shares, accounts and certain financial matters, there having been no event since 31 December 2018 which has had or is reasonably likely to have a material adverse effect on LSEG (the "**LSEG MAE Warranty**"), its public filings and certain business and transaction related matters.

Any change in regulatory or political conditions relating to Brexit shall not be taken into account in determining whether there has been or will be a material adverse effect on Refinitiv or LSEG for the purposes of the Refinitiv MAE Warranty or LSEG MAE Warranty (as applicable).

Certain of the representations and warranties made by each party are qualified by disclosures that such party delivered to the other party concurrently with the execution of the Stock Purchase Agreement.

The representations and warranties of the parties do not survive Completion.

Representation and warranty insurance

LSEG plc has entered into representation and warranty insurance policies (collectively, the "**R&W Policies**") with certain insurers which provide aggregate coverage of US$1.157 billion.

This coverage is for any breach of a Refinitiv Warranty given as at the date of the Stock Purchase Agreement and as of the date that is twelve months after the date of the Stock Purchase Agreement. Coverage for any breach of a Refinitiv Warranty given as at Completion will be provided at the insurers' good faith discretion. There is no certainty that any such coverage, or appropriate coverage, will be available.

This coverage is for the period from the date of the Stock Purchase Agreement until the date that is the three-year anniversary of Completion, except that certain fundamental Refinitiv Warranties and the pre-completion tax indemnity are covered until the six-year anniversary of Completion. Certain limited subject areas are excluded from the scope of the R&W Policies.

Agreements relating to the 2018 Transaction

In connection with the 2018 Transaction, Thomson Reuters entered into a Transaction Agreement (the "**Prior Transaction Agreement**"), together with a number of ancillary agreements, with Refinitiv Holdings, formerly known as King (Cayman) Holdings Ltd. The Blackstone Consortium also entered into representation and warranty insurance policies in connection with the 2018 Transaction. Refinitiv Holdings and the Blackstone Consortium have agreed to assign the rights and obligations under these agreements (including under the existing representation and warranty insurance policies), subject to certain exceptions, to LSEG plc in connection with the Transaction (the "**Required Assignments**"). As at the Latest Practicable Date, the

Required Assignments had been entered into by the applicable parties and will have effect on and from Completion.

Covenants

Covenants regarding the conduct of business and the Transaction

Refinitiv Holdings has agreed that prior to Completion, unless otherwise agreed to in writing by LSEG plc and subject to certain other exceptions, it shall use commercially reasonable efforts to cause the business of Refinitiv to be conducted in the ordinary course of business consistent with past practice. In addition, each of Refinitiv Holdings and LSEG plc has agreed to certain customary restrictions regarding the conduct of the business of Refinitiv or LSEG, as applicable, in the period to Completion.

Refinitiv Holdings and LSEG plc have agreed to certain other undertakings in relation to the period between signing and Completion. These include, among other matters, undertakings in relation to the implementation of the Pre-Completion Restructuring Steps and the establishment and maintenance of a pre-Completion integration committee.

The Stock Purchase Agreement contains customary undertakings in relation to employee and employee benefit matters. LSEG plc has also separately agreed with Refinitiv Holdings that it will engage with the trustees of its UK pension schemes prior to Completion to seek a release of Refinitiv Holdings from the obligations it has under guarantees given in respect of those schemes.

Covenants regarding Refinitiv indebtedness

Under the Stock Purchase Agreement, LSEG plc is under an obligation to, or provide Refinitiv with the funds necessary to, discharge in full and terminate, at or around the time of Completion, certain indebtedness of Refinitiv Holdings and its subsidiaries. For further information please see the paragraph below headed "*The 2019 Bridge Facilities*".

Covenants regarding antitrust and regulatory approvals

Refinitiv Holdings and LSEG plc have agreed to cooperate with each other and use their reasonable best efforts to obtain all governmental, antitrust and regulatory clearances that are necessary or advisable in connection with the consummation of the Transaction. The parties agreed a list of jurisdictions in which clearances would be sought. These included, without limitation: (i) the EU and US, with respect to antitrust clearances; and (ii) the US, France, Germany, Italy and Australia, with respect to approvals required in accordance with foreign investment laws; and (iii) the UK, France, Italy, the US, Ireland, the Netherlands, Singapore, Hong Kong and Switzerland with respect to financial regulatory clearances.

In addition, Refinitiv Holdings and LSEG plc agreed to use reasonable best efforts to effect Remedies if necessary in order to avoid the entry of a judgment, decision or other order under applicable antitrust law that would have the effect of preventing consummation of the Transaction, provided that Refinitiv Holdings must obtain LSEG plc's prior written consent before agreeing to any Remedy. Remedies means any: (i) sale, divestiture or disposal of assets, properties or businesses of LSEG or Refinitiv or any interest therein; or (ii) actions that would limit LSEG or Refinitiv's freedom of action with respect to, or its ability to retain, any assets, properties, businesses, of LSEG or Refinitiv or any interest therein. In the event of any breach by LSEG plc of these obligations, Refinitiv Holdings' only remedy shall be payment of the termination fee described under the heading "*Termination fees*".

Whilst Refinitiv Holdings and LSEG plc agreed to jointly develop, and consult and cooperate in all respects with one another in connection with any presentations, arguments and proposals made or submitted by or on behalf of any party in connection with any proceedings under any antitrust or foreign investment law, following such consultation LSEG plc has sole authority for leading the strategy (including all decisions relating to any Remedies) for obtaining any necessary or advisable antitrust law or foreign investment law clearances.

As announced in LSEG's Circular to Shareholders dated 6 November 2019, the reviews by antitrust authorities could require one or more divestments, which could be material, in order for the relevant clearances and approvals to be obtained. In the context of the EC's Phase II review of the Transaction, LSEG plc announced on 9 October 2020 that it had agreed to sell its entire shareholding in LSEG Italia, the parent company of the Borsa Italiana Group, to the Borsa Italiana Buyer for an equity value of €4.325 billion, plus an additional amount reflecting cash generation to completion of the Borsa Italiana Divestment. For further detail in respect of the Borsa Italiana Group business to be sold, please see the paragraph entitled "*The Borsa Italiana Group*" in Section A (*History and Current Business Overview of LSEG*) in Part 8 (*Information on the LSEG and*

Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate) of this document. Please see the paragraph below entitled "*The Borsa Italiana Divestment*" for a summary of the key transaction terms of the Borsa Italiana Share Purchase Agreement.

Please see the paragraphs below headed "*Conditions*", "*Termination*" and "*Termination Fees*" for further information on certain antitrust and regulatory provisions of the Stock Purchase Agreement.

Non-solicit and exclusive dealings

LSEG plc has agreed that it will not, and will not authorise or permit any of its controlled affiliates or any of its or their officers, directors or employees to (and that it will use its reasonable best efforts to cause any representatives retained by it or any of its controlled affiliates not to), directly or indirectly, solicit, initiate or knowingly encourage (including by way of furnishing information), or knowingly take any other action designed to facilitate, any enquiries regarding, or the making of, any proposal the consummation of which would constitute an Alternative Transaction.

Refinitiv Holdings has also agreed to give certain exclusive dealing commitments to LSEG plc with respect to wholly owned members of Refinitiv in the period prior to Completion. Refinitiv Holdings has agreed to use its reasonable best efforts, in its capacity as a beneficial shareholder, to ensure that any non-wholly owned members of Refinitiv comply with these commitments.

An "**Alternative Transaction**" for these purposes means: (i) any takeover offer (including any mandatory offer under Rule 9 of the City Code) for LSEG plc or any class of LSEG Shares, any scheme of arrangement to acquire LSEG Shares, or any merger, consolidation or share exchange with a third-party involving LSEG Shares or any other transaction which has as its objective or potential effect (directly or indirectly) obtaining or consolidating control of LSEG plc, excluding a Reverse Takeover for UK City Code purposes; or (ii) any sale of all or substantially all of the assets of LSEG plc.

Tax

In connection with the Stock Purchase Agreement, a tax indemnity agreement was entered into on 1 August 2019 between LSEG plc, Refinitiv Holdings and Thomson Reuters and amended on 4 November 2019 (the "**Tax Indemnity Agreement**"). The Tax Indemnity Agreement is governed by the laws of the State of Delaware. Under the Tax Indemnity Agreement, from Completion, Refinitiv Holdings agrees to indemnify and hold harmless LSEG plc from and against certain tax liabilities of members of the Refinitiv group acquired by Refinitiv Holdings under the Prior Transaction Agreement in respect of periods prior to completion of that transaction (i.e., the period when such members were owned by Thomson Reuters). Thomson Reuters has irrevocably, absolutely and unconditionally guaranteed the performance by Refinitiv Holdings of its liabilities and obligations under the Tax Indemnity Agreement in respect of such matters.

Conditions

The obligation of the parties to complete the Transaction is subject to the satisfaction of certain conditions, some of which have now been satisfied (as described below):

(i) all relevant waiting periods, consents and approvals under any antitrust laws that the parties agree are required or advisable having been terminated or expired, obtained or made, as applicable; and all relevant consents, notices, non-objections, registrations and approvals in connection with certain regulatory approvals having been obtained or made (the "**Antitrust and Regulatory Condition**");

(ii) no applicable law or judgment prohibiting consummation of the Transaction;

(iii) ordinary resolutions of the LSEG Shareholders approving the Transaction and the issue of the Consideration Shares being passed at a general meeting of the LSEG Shareholders;

(iv) the FCA having approved the admission of the LSEG Ordinary Shares (including the Completion Consideration Ordinary Shares) to the Official List and the London Stock Exchange having approved admission of the LSEG Ordinary Shares (including the Completion Consideration Ordinary Shares) to trading on its Main Market for listed securities with effect from Completion;

(v) all relevant approvals or consents under certain foreign investment laws, including CFIUS approval, having been obtained, or such conditions having been waived by mutual agreement of the parties;

(vi) the Required Assignments being in full force and effect;

(vii) the representations and warranties of each of Refinitiv Holdings and LSEG plc being true and correct as at the date of the Stock Purchase Agreement and as at the date of Completion, subject to exceptions for certain of the representations and warranties based on certain materiality standards; and

(viii) each of the parties having performed in all material respects the obligations required to be performed by it on or prior to Completion under the Stock Purchase Agreement.

LSEG Shareholder Approval was obtained at a general meeting of LSEG plc on 26 November 2019 and the other conditions to the Transaction (other than those which by nature may only be satisfied at Completion) are well progressed.

Termination

The Stock Purchase Agreement may be terminated at any time prior to Completion in certain circumstances, including:

(i) by mutual written agreement of Refinitiv Holdings and LSEG plc;

(ii) by either Refinitiv Holdings or LSEG plc in the event that Completion has not occurred by the Long Stop Date, except that the right to terminate is not available to any party if such party is in material breach of certain terms of the Stock Purchase Agreement (excluding, in respect of LSEG plc, certain obligations in respect of Remedies under applicable antitrust laws (if applicable)) and such breach is the principal cause of, or directly results in, the failure of Completion to occur by the Long Stop Date;

(iii) by either Refinitiv Holdings or LSEG plc in the event that: (a) any law makes consummation of the Transaction illegal or otherwise prohibited; (b) consummation of the Transaction would violate any non-appealable final judgment or directive of any applicable governmental entity; or (c) a CFIUS turndown or other failure to obtain any approval or consent under any applicable foreign investment law has occurred, except that the right to terminate will only be available if such party has fulfilled its antitrust related obligations in the Stock Purchase Agreement (excluding, in respect of LSEG plc, certain obligations in respect of Remedies under applicable antitrust laws (if applicable));

(iv) by either Refinitiv Holdings or LSEG plc in the event that the other party has breached any representation or warranty or the other party or its subsidiaries have breached any covenant or agreement in the Stock Purchase Agreement that would, if continuing on the date of Completion, result in a failure of a condition to the notifying party's obligation to complete the Transaction, and such breach cannot be cured or (if curable) has not been cured on or prior to the first Business Day prior to the Long Stop Date, and provided that the notifying party has not also breached the Stock Purchase Agreement so as to cause the failure of a condition to Completion;

(v) by Refinitiv Holdings in the event that Refinitiv Holdings delivers to LSEG plc at any time after 1 June 2020 a notice stating that it believes that LSEG plc has breached certain of its obligations under the Stock Purchase Agreement with respect to antitrust laws (a "**Pre-Termination Notice**") and:

    (a) by the 90th day (except as set out in paragraph ((b)) below) after the date of delivery of the Pre-Termination Notice: (A) the EC has not issued a decision approving the Transaction, LSEG plc has not agreed with Refinitiv Holdings to implement any Remedies included in such decision, or LSEG plc is not continuing to use reasonable best efforts to implement such Remedies; or (B) the US government has not approved the Transaction (i.e., it has sued to block the Transaction, it has not issued a consent decree/order, there is an agreement in effect between the parties and the US government preventing the parties from consummating the Transaction, or the HSR Act waiting period has not expired or been terminated); or

    (b) to the extent applicable, by the 210th day after the date of delivery of the Pre-Termination Notice: (A) the UK Competition and Markets Authority has not approved the Transaction unconditionally; or (B) LSEG plc has not implemented Remedies to the extent necessary to allow the Transaction to be consummated immediately.

Refinitiv Holdings' right to terminate the Stock Purchase Agreement in the circumstances set out in paragraph (v) will not be available if Refinitiv Holdings has not complied in all material respects with its antitrust related obligations under the Stock Purchase Agreement and such breach is the principal cause of any of the matters referred to above.

Effect of termination

In the event of termination of the Stock Purchase Agreement, the Stock Purchase Agreement will become void and of no further force and effect, without any liability on the part of any party, other than: (i) liability, in certain circumstances, for the payment by LSEG plc of a termination fee as described below; (ii) certain covenants in respect of access to information, confidentiality and public announcements; and (iii) the effect of certain miscellaneous provisions of the Stock Purchase Agreement. Notwithstanding the foregoing, except in the case of the payment by LSEG plc of a termination fee as described below (which shall constitute the sole and exclusive remedy of Refinitiv Holdings in such case), nothing shall relieve any party of liability for any damages for any wilful breach of any covenant prior to termination of the Stock Purchase Agreement.

Termination fees

LSEG plc has agreed to pay Refinitiv Holdings a termination fee of £198.3 million in certain circumstances, including:

(i) LSEG plc or Refinitiv Holdings terminates the Stock Purchase Agreement in the event that Completion has not occurred by the Long Stop Date and the Antitrust and Regulatory Condition is not satisfied, or there is a judgment or directive enjoining or prohibiting the consummation of the Transaction in an action by or with an antitrust authority, or an agreement not to consummate the Transaction with an antitrust authority;

(ii) LSEG plc or Refinitiv Holdings terminates the Stock Purchase Agreement in the event that: (a) any law makes consummation of the Transaction illegal or otherwise prohibited; (b) consummation of the Transaction would violate any non-appealable final judgment or directive of any applicable governmental entity; and (c) such law or judgment giving rise to such termination is in connection with any antitrust law; or

(iii) Refinitiv Holdings terminates the Stock Purchase Agreement in the circumstances described above in paragraph (v) under the heading "*Termination*" where certain antitrust clearances have not been obtained following the delivery of a Pre-Termination Notice by Refinitiv Holdings.

LSEG plc is not required to pay the termination fee in the circumstances described above if: (i) Refinitiv Holdings has not complied in all material respects with its antitrust related obligations in the Stock Purchase Agreement, and such breach is the principal cause of the applicable termination event; or (ii) any affiliate of Refinitiv Holdings or any portfolio company of such affiliate acquires or owns another business and such transaction or ownership is the principal cause of the applicable termination event.

If the Stock Purchase Agreement is terminated in circumstances where a termination fee is payable, the receipt of such termination fee will constitute the sole and exclusive remedy of Refinitiv Holdings against LSEG plc for all losses and damages suffered as a result of the failure of the Transaction to complete, the termination of the Stock Purchase Agreement or for any breach or failure to perform under the Stock Purchase Agreement. In no event is LSEG plc obligated to pay more than one termination fee.

The maximum termination fee does not exceed 1 per cent. of LSEG plc's market capitalisation as at the date of Announcement.

Limitations on Liability

The liability of LSEG plc and Refinitiv Holdings for their respective covenants and agreements under the Stock Purchase Agreement to be performed prior to Completion, and those with respect to leakage, survive for a period of one year following Completion, and all other covenants and agreements survive until the expiration of the undertaking set forth in such covenants and agreements. As noted above, the representations and warranties of the parties do not survive Completion.

Other terms

The Confidentiality Agreement, which survives execution of the Stock Purchase Agreement but terminates upon Completion, contains customary arrangements in relation to confidentiality.

Each of LSEG plc and Refinitiv Holdings has agreed to a customary non-solicit with respect to certain officers and senior executives of the other party for a period of two years following Completion. Refinitiv Holdings has also agreed to: (i) a customary standstill with respect to securities of LSEG plc until Completion; and (ii) a customary non-compete for a period of three years following Completion.

LSEG plc and Refinitiv Holdings are entitled to specific performance in respect of any breaches of and/or failures to perform under the Stock Purchase Agreement.

The Stock Purchase Agreement Support Agreement

In addition to the Stock Purchase Agreement, on 1 August 2019 LSEG plc entered into a Stock Purchase Agreement Support Agreement (which was amended on 4 November 2019) with, among others, Blackstone, Thomson Reuters, CPPIB and GIC (together, the "**Indirect Shareholders**"), Blackstone Management Partners and ConsortiumCo. The purpose of the Stock Purchase Agreement Support Agreement is to ensure that certain transaction terms also apply as between LSEG plc and these entities.

The principal terms of the Stock Purchase Agreement Support Agreement are summarised below.

Standstill and non-solicit provisions

The Stock Purchase Agreement Support Agreement contains customary standstill provisions mirroring the provisions in the Stock Purchase Agreement. These provisions apply to Blackstone Management Partners, Thomson Reuters, CPPIB and GIC until Completion.

The Stock Purchase Agreement Support Agreement also contains customary non-solicit provisions with respect to certain officers and senior executives of: (i) LSEG plc, on the one hand; and (ii) each of Blackstone, Thomson Reuters, GIC and CPPIB, on the other hand, for a period of two years following Completion.

Restrictions on transfers of interests

The Stock Purchase Agreement Support Agreement contains undertakings on behalf of each of the Indirect Shareholders that neither they nor any of their Associates (as defined in the Stock Purchase Agreement Support Agreement) will, in the period between signing and Completion: (i) directly or indirectly dispose of any securities in LSEG plc, ConsortiumCo, Refinitiv Holdings or the Refinitiv Sellers, except for certain indirect transfers to permitted affiliates (and other than those securities in LSEG plc acquired before 1 August 2019); or (ii) vary, amend or waive (except where expressly contemplated) any rights under or terminate any of the Relevant Shareholder Arrangements, or enter into any other agreement or arrangement relating to their interests in LSEG plc, Refinitiv Holdings, the Refinitiv Sellers or ConsortiumCo.

The purpose of these provisions is to ensure that these entities retain their interests in Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo until Completion, at which time the provisions of the Relationship Agreement and the Relationship Agreement Support Agreement (as summarised below) will come into force.

Other terms

The Stock Purchase Agreement Support Agreement also contains, among other matters, provisions relating to the making of announcements and the provision of information to LSEG plc in connection with consummating the Transaction.

The Relationship Agreement

At Completion, LSEG plc, Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo will enter into the Relationship Agreement which will regulate the relationship between them after Completion. The principal terms of the Relationship Agreement are summarised below.

Director appointment rights

Refinitiv Holdings will be entitled to nominate for appointment to the Board, and to remove (and nominate another person in that person's place):

- three Refinitiv Directors for as long as the Refinitiv Sellers and ConsortiumCo hold in aggregate at least 25 per cent. of the LSEG Shares;
- two Refinitiv Directors for as long as the Refinitiv Sellers and ConsortiumCo hold in aggregate at least 17.5 per cent., but less than 25 per cent., of the LSEG Shares; and
- one Refinitiv Director for as long as the Refinitiv Sellers and ConsortiumCo hold in aggregate at least 10 per cent., but less than 17.5 per cent., of the LSEG Shares.

Each of the Refinitiv Directors will also be appointed to the Nomination Committee (provided such membership is not inconsistent with the provisions of the UK Corporate Governance Code).

For so long as Refinitiv Holdings is entitled to nominate three Refinitiv Directors, one such nominee will be a representative of Thomson Reuters. The other nominees will be representatives of Blackstone.

The appointment of any Refinitiv Director to the Board will be subject to, among other matters, the prior approval (not to be unreasonably withheld or delayed) of a majority of the members of the Nomination Committee (excluding any existing Refinitiv Directors that are members of such committee) and such person's appointment or continuation as a Director not being objected to by the FCA or the Bank of England.

Please refer to Section A of Part 9 (*Directors, LSEG Key Managers and Corporate Governance*) for details of the Refinitiv Directors who have been nominated for appointment to the Board with effect from Completion.

Integration Committee

After Completion, LSEG will establish, and maintain for not less than three years, an integration committee (the "**Integration Committee**") for the purpose of overseeing and monitoring the delivery of the integration of the LSEG and Refinitiv businesses. The Integration Committee will be led by the LSEG Chief Executive Officer, David Schwimmer, and will not be a formal Board committee. Each of Thomson Reuters, Blackstone, CPPIB and GIC will be represented on the Integration Committee.

Voting on shareholder resolutions

During: (i) the period from the date of Completion and for so long as any Refinitiv Director is appointed to the Board and for three months thereafter; or (ii) if any Refinitiv Director has been removed from the Board as a result of the provisions referred to under '*Loss of rights*' below, the Relevant Period (the "**Voting Commitment Period**"), the Refinitiv Sellers and ConsortiumCo will vote all the LSEG Shares held by them in line with the recommendation of a majority of the Board on any resolution proposed at a general meeting of LSEG plc (including an annual general meeting) other than: (a) a resolution required by Chapter 10 of the Listing Rules (in respect of significant transactions); (b) a resolution relating to a non-pre-emptive share issue outside of the customary approvals given at each annual general meeting; or (c) a resolution to approve or implement a takeover of LSEG plc (subject to separate restrictions during the Relevant Period on voting any Consideration Shares in favour of a takeover of LSEG plc, summarised below under "*Lock-up provisions*") (each, a "**Relevant Resolution**") (the "**Voting Commitment Provisions**"). On account of this voting commitment, the UK Panel on Takeovers and Mergers has confirmed that as a technical matter it will treat the Directors as acting in concert with the Refinitiv Sellers and ConsortiumCo for so long as the voting commitment is in place.

After the end of the Voting Commitment Period, if the Refinitiv Sellers and/or ConsortiumCo vote any LSEG Shares against the recommendation of a majority of the Board on any resolution proposed at a general meeting (other than a Relevant Resolution), Refinitiv Holdings' right to nominate Refinitiv Directors will cease.

Standstill provisions

The Relationship Agreement will contain standstill provisions (the "**Standstill Provisions**") pursuant to which each of Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo will undertake that from the date of Completion until the third anniversary of the date of Completion and thereafter for so long as (i) any Refinitiv Director is appointed to the Board, or (ii) the Refinitiv Sellers and ConsortiumCo hold in aggregate 10 per cent. or more of the LSEG Shares (the "**Relevant Period**"), it will not, among other matters (subject to certain exceptions):

- acquire or offer to acquire any interest in any LSEG Shares (except where LSEG plc makes an offering or issue of LSEG Shares and the relevant shareholder takes up its rights to subscribe for or acquire the shares offered to it);
- announce or make a takeover, or a proposal for a takeover, of LSEG plc;
- act in concert with any person in connection with a takeover, or possible takeover, of LSEG plc;
- other than pursuant to certain existing arrangements, act in concert with any person with respect to the holding, voting, acquisition or disposal of any interest in LSEG Shares;
- solicit or participate in any solicitation of LSEG Shareholders to vote on any resolution contrary to the recommendation of a majority of the Board; or
- requisition or join in requisitioning any general meeting of LSEG plc.

Lock-up provisions

The Relationship Agreement will contain lock-up provisions (the "**Lock-up Provisions**") pursuant to which, subject to certain exceptions, the Refinitiv Sellers and ConsortiumCo will undertake that they will not:

- Dispose of any of the Consideration Shares on or before the second anniversary of Completion (the "**Second Anniversary**");
- Dispose of more than one-third of the Consideration Shares during the period from the Second Anniversary to the third anniversary of Completion (the "**Third Anniversary**"); or
- Dispose of more than one-third of the Consideration Shares (together with any Consideration Shares that the Refinitiv Sellers and/or ConsortiumCo were entitled to Dispose of before the Third Anniversary but did not so Dispose of) during the period from the Third Anniversary to the fourth anniversary of Completion (the "**Fourth Anniversary**").

The Lock-up Provisions do not apply in respect of 5,781,285 LSEG Ordinary Shares to be issued to ConsortiumCo on the PIK Redemption Date, which may be Disposed of at any time. The Lock-up Provisions will also not apply to any LSEG Shares to which members of Refinitiv management are entitled pursuant to the MIP, provided that the Refinitiv Sellers will not Dispose of any LSEG Shares to which Refinitiv management are entitled until such time as relevant members of Refinitiv management are entitled to sell such LSEG Shares in accordance with the MIP. Please see "*Management incentive plan for Refinitiv's management team*" below for further information.

The Lock-up Provisions will cease to apply after the Fourth Anniversary.

Exceptions to the Lock-up Provisions

Exceptions to the Lock-up Provisions include:

- a Disposal pursuant to an on-market purchase of LSEG Ordinary Shares by LSEG plc;
- at such time that the Refinitiv Sellers and ConsortiumCo hold in aggregate less than 10 per cent. of the LSEG Shares, a Disposal by way of a distribution of all of the LSEG Shares then held by the Refinitiv Sellers and ConsortiumCo to Thomson Reuters, Blackstone, CPPIB and GIC in accordance with the Relevant Shareholder Arrangements and following which the Relevant Shareholder Arrangements will be terminated;
- a transfer by the Refinitiv Sellers or ConsortiumCo of LSEG Shares to a wholly owned subsidiary or parent company, provided that the transferee agrees to be bound by the terms of the Relationship Agreement; and
- a Disposal to enable Refinitiv Holdings to satisfy an indemnity claim made by LSEG plc pursuant to the Stock Purchase Agreement.

In addition, early release from the Lock-up Provisions in respect of certain of the Consideration Shares is permitted if:

- a disposal of certain parts of Refinitiv (either to satisfy the conditions to Completion or in certain circumstances following Completion) results in particular tax liabilities for Thomson Reuters or any of its affiliates;
- Thomson Reuters or any of its affiliates incurs an incremental tax liability as a result of LSEG plc electing to settle part of the consideration for Refinitiv in cash; and/or
- implementation of the Completion Steps results in particular tax liabilities for Thomson Reuters or any of its affiliates.

The Refinitiv Sellers will in these circumstances generally be entitled to Dispose of such number of the Consideration Shares as will result in total net proceeds sufficient to enable Thomson Reuters to pay the relevant tax liability, provided that: (i) if the liability is triggered by implementation of the Completion Steps or a Disposal which is required to satisfy the conditions to Completion, the amount of Consideration Shares disposed of will be a minimum of US$750 million less an amount equal to such proportion of any cash received by Thomson Reuters on Completion or as a result of the relevant Disposal as is for US federal income tax purposes treated as attributable to Refinitiv TW Holdings Ltd. (which may reduce the amount the Refinitiv Sellers are entitled to Dispose of to nil); and (ii) the Refinitiv Sellers shall not be entitled to Dispose of LSEG Shares if such Disposal would result in Thomson Reuters receiving total net proceeds in excess of

US$1.5 billion, other than in certain limited circumstances where incremental tax liabilities are incurred by Thomson Reuters in connection with LSEG plc electing to settle part of the consideration for Refinitiv in cash.

As the Completion Steps will give rise to a tax liability for Thomson Reuters, the Refinitiv Sellers will, following Completion, be entitled to Dispose of such number of LSEG Shares as will result in total net proceeds for Thomson Reuters of a minimum of US$750 million, less a certain proportion of any cash that may be received by Thomson Reuters in connection with the Transaction (as further described above).

In connection with these provisions, LSEG plc has agreed to give Thomson Reuters certain information and consultation rights in respect of certain transactions being undertaken by LSEG plc.

Additional Lock-up Provisions

In addition to the provisions described above, the Lock-up Provisions also provide that the Refinitiv Sellers and ConsortiumCo will not before the end of the Relevant Period:

- accept, vote any Consideration Shares in favour of or take any other step to facilitate or support any takeover of LSEG plc except for (i) in the case of a takeover that requires a shareholder vote and is at the time recommended by a majority of the Directors, voting in favour of the transaction or (ii) in the case of a takeover by way of offer (rather than a scheme of arrangement or other transaction), accepting such offer: (a) on the last day for acceptances if it is recommended by a majority of the Directors at such time; or (b) after the offeror has declared that it has received acceptances in respect of more than 50 per cent. of the LSEG Ordinary Shares held by all shareholders other than the Refinitiv Sellers and ConsortiumCo, persons acting in concert with them and the Directors; or
- give an irrevocable commitment or letter of intent in connection with any takeover of LSEG plc unless at the time it is given the transaction is recommended by a majority of the Directors and it is on terms that are consistent with the paragraph above.

Orderly marketing arrangements

The Relationship Agreement will provide that where the Refinitiv Sellers and/or ConsortiumCo are permitted to Dispose of any Consideration Shares such Disposals will be subject to certain restrictions (the "**Orderly Marketing Provisions**"), including that:

- for so long as the Refinitiv Sellers and ConsortiumCo hold in aggregate 5 per cent. or more of the LSEG Shares, any Disposal will only be by way of: (i) a sale to an institutional investor; or (ii) a placing, block trade, bought deal or marketed sell-down to one or more institutional investors (a "**Permitted Disposal**");
- for so long as the Refinitiv Sellers and ConsortiumCo hold in aggregate 5 per cent. or more of the LSEG Shares, they will not sell any LSEG Shares if, to their knowledge, to do so would result in any transferee or any person acting in concert with the transferee being required to make a mandatory offer for LSEG plc under Rule 9 of the City Code;
- for so long as the Refinitiv Sellers and ConsortiumCo hold in aggregate 10 per cent. or more of the LSEG Shares, there will be no more than three Permitted Disposals in any rolling 12 month period after the Second Anniversary (subject to certain limited exceptions, including in relation to Disposals permitted by certain of the exceptions to the Lock-up Provisions);
- for so long as the Refinitiv Sellers and ConsortiumCo hold in aggregate 10 per cent. or more of the LSEG Shares, they will not sell, in aggregate through one or more sales, 10 per cent. or more of the LSEG Shares to any one person or group of persons that to their knowledge is acting in concert; and
- for so long as the Refinitiv Sellers and ConsortiumCo hold in aggregate 5 per cent. or more but less than 10 per cent. of the LSEG Shares, they will only sell LSEG Shares in a manner reasonably designed to maintain an orderly market in the LSEG Ordinary Shares.

LSEG plc will agree to provide reasonable co-operation and assistance to the Refinitiv Sellers and/or ConsortiumCo in connection with any permitted Disposal of LSEG Shares.

Relationship with Refinitiv Holdings and ConsortiumCo

The Relationship Agreement will contain undertakings from Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo that, among other things:

- transactions and arrangements between Refinitiv Holdings, the Refinitiv Sellers and/or ConsortiumCo and their Associates (as such term is defined in the Relationship Agreement) and LSEG will be conducted on an arm's length basis and on normal commercial terms;
- Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo and their Associates will not take any action that would have the effect of preventing LSEG plc from complying with the UK Corporate Governance Code or its obligations under the Listing Rules;
- Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo and their Associates will not propose or procure the proposal of a shareholder resolution of LSEG plc which is intended or appears to be intended to circumvent the proper application of the Listing Rules; and
- they and their Associates will not take any action that would affect the ability of LSEG to carry on its business independently of Refinitiv Holdings, the Refinitiv Sellers, ConsortiumCo and/or the Indirect Shareholders or their respective Associates (as such term is defined in the Relationship Agreement).

Provision of information and confidentiality

During the Relevant Period, subject to compliance with applicable law, each of Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo will be entitled to certain information from LSEG plc, including: (i) such financial or other information relating to LSEG as is reasonably requested by Refinitiv Holdings, the Refinitiv Sellers and/or ConsortiumCo to comply with applicable law, including its tax or public reporting obligations; and (ii) the monthly management accounts of LSEG plc.

In addition, subject to compliance with applicable law and certain exceptions, the Refinitiv Directors and members of the Integration Committee will be entitled to provide materials received by them in such capacity to certain individuals at Thomson Reuters, Blackstone, CPPIB and GIC.

Any information relating to LSEG provided in accordance with these provisions will be subject to customary confidentiality obligations contained in the Relationship Agreement.

Loss of rights

In the event of an un-remedied material breach by Refinitiv Holdings, the Refinitiv Sellers and/or ConsortiumCo of any of the Voting Commitment Provisions, the Standstill Provisions, the Lock-up Provisions or the Orderly Marketing Provisions, any outstanding rights of Refinitiv Holdings under the Relationship Agreement to nominate Refinitiv Directors for appointment to the Board will cease to apply (except that, if the breach is by ConsortiumCo and at the time the Refinitiv Sellers and ConsortiumCo hold in aggregate 25 per cent. or more of the LSEG Shares, Refinitiv Holdings will remain entitled to nominate for appointment to the Board one Refinitiv Director that will be a representative of Thomson Reuters).

In addition, if there is an un-remedied material breach by any of Thomson Reuters, Blackstone, CPPIB or GIC of certain provisions of the Relationship Agreement Support Agreement, the Stock Purchase Agreement Support Agreement and/or the Relevant Shareholder Arrangements (or, with respect to Blackstone, the Refinitiv Holdings, the Refinitiv Sellers and/or ConsortiumCo breach certain provisions of the Relationship Agreement), or (other than with respect to CPPIB) there are certain changes to the ownership structure of such party, the relevant party's rights: (i) to be represented on the Integration Committee; (ii) to receive information as referred to under '*Provision of information and confidentiality*' above and below; and (iii) in the case of Thomson Reuters or Blackstone, for its representatives to be appointed to the Board, will cease to apply.

In the event of an un-remedied material breach by LSEG plc of its obligation to appoint to the Board any person nominated for appointment in accordance with the Relationship Agreement by Refinitiv Holdings as a Refinitiv Director, the Voting Commitment Provisions, Standstill Provisions, Lock-up Provisions and (subject to certain exceptions) Orderly Marketing Provisions will cease to apply to Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo.

Termination

Subject to certain exceptions, the Relationship Agreement will terminate:

- if the Refinitiv Sellers and ConsortiumCo cease to hold in aggregate 5 per cent. or more of the LSEG Shares;
- if, at such time as the Refinitiv Sellers and ConsortiumCo hold in aggregate less than 10 per cent. of the LSEG Shares, all of such shares are distributed to Thomson Reuters, Blackstone, CPPIB and GIC in accordance with the Relevant Shareholder Arrangements and following which the Relevant Shareholder Arrangements will be terminated; or
- if, as a direct result of a takeover of LSEG plc or a transaction which requires LSEG Shareholder approval pursuant to Chapter 10 of the Listing Rules, the Refinitiv Sellers and ConsortiumCo cease to hold in aggregate 10 per cent. or more of the LSEG Shares.

In addition, any party will be able to terminate the Relationship Agreement with immediate effect on or at any time after LSEG plc passes a winding-up resolution or certain insolvency-related events relating to LSEG plc.

The Relationship Agreement Support Agreement

Introduction

In addition to the Relationship Agreement, at Completion LSEG plc will also enter into the Relationship Agreement Support Agreement with, among others, the Indirect Shareholders and Blackstone Management Partners which will regulate the relationship between LSEG plc and such other parties after Completion.

The purpose of the Relationship Agreement Support Agreement is to ensure that relevant provisions from the Relationship Agreement (which will be between LSEG plc, Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo) also apply as between LSEG plc and these entities. The principal terms of the Relationship Agreement Support Agreement are summarised below.

Standstill provisions

The Relationship Agreement Support Agreement will contain standstill provisions mirroring the Standstill Provisions in the Relationship Agreement (and summarised above in relation to the Relationship Agreement) and that are applicable (also during the Relevant Period) to each of Blackstone Management Partners, Thomson Reuters, CPPIB and GIC and their respective Associates (as such term is defined in the Relationship Agreement Support Agreement).

No transfers of interests

The Relationship Agreement Support Agreement will contain undertakings by each of Thomson Reuters, Blackstone, CPPIB and GIC not to:

- permit any Disposal of LSEG Shares by Refinitiv Holdings, the Refinitiv Sellers and/or ConsortiumCo where such Disposal would constitute a breach of the terms of the Relationship Agreement; or
- vary, amend, waive any rights under or terminate any rights under certain provisions of the Relevant Shareholder Arrangements, or enter into any other agreement or arrangement relating to their interests in LSEG Shares or shares in Refinitiv Holdings, the Refinitiv Sellers and/or ConsortiumCo,

in each case except as permitted by the terms of the Relationship Agreement or the Relationship Agreement Support Agreement.

In addition, the Relationship Agreement Support Agreement will contain provisions under which each of Thomson Reuters, Blackstone, CPPIB and GIC agrees that it will not, and will procure that its Associates (as defined in the Relationship Agreement Support Agreement) will not, subject to certain limited exceptions, dispose of any securities in: (i) Refinitiv Holdings and/or ConsortiumCo; or (ii) any entity that has a direct or indirect equity interest in Refinitiv Holdings and/or ConsortiumCo.

The purpose of these provisions is to ensure that the Indirect Shareholders retain their interests in Refinitiv Holdings and/or ConsortiumCo (as applicable) and thereby continue to stand behind relevant provisions of the Relationship Agreement.

Provision of information and confidentiality

The Relationship Agreement Support Agreement will contain equivalent information sharing provisions to those contained in the Relationship Agreement (and summarised above in relation to the Relationship Agreement) that operate (also during the Relevant Period and subject to applicable law and certain exceptions) in favour of Thomson Reuters, Blackstone, CPPIB and GIC, together with equivalent confidentiality undertakings from each of such parties in relation to any information relating to LSEG provided in accordance with such provisions.

Loss of rights

The Relationship Agreement Support Agreement will contain provisions relating to the circumstances in which the parties to the Relationship Agreement and Relationship Agreement Support Agreement will lose certain rights under those agreements, and in which Thomson Reuters, Blackstone, CPPIB and GIC will cease to be bound by certain provisions of the Relationship Agreement Support Agreement, that (in each case) mirror the equivalent provisions in the Relationship Agreement (as summarised above).

Termination

Subject to certain exceptions, the Relationship Agreement Support Agreement will terminate when the Relationship Agreement terminates.

Relevant Shareholder Arrangements

In connection with their respective investments in Refinitiv Holdings and/or ConsortiumCo, Thomson Reuters, Blackstone, CPPIB, GIC and ConsortiumCo have entered into, or will at Completion enter into, certain agreements and arrangements (the "**Relevant Shareholder Arrangements**"), relevant details of which are set out below.

Governance

As a result of the governance arrangements set out in the Relevant Shareholder Arrangements, Blackstone will, subject to certain consultation and/or consent rights in favour of the other Indirect Shareholders in respect of certain matters, be able to determine matters to be decided by the board of directors and/or shareholders of Refinitiv Holdings and by ConsortiumCo (including matters relating to their holdings of LSEG Shares).

The Relevant Shareholder Arrangements will require the board of Refinitiv Holdings to cause Refinitiv Holdings and its subsidiaries (including the Refinitiv Sellers) to vote its or their LSEG Shares in accordance with the Voting Commitment Provisions (as further described above).With respect to any resolution where those entities have discretion as to how to vote their LSEG Shares, the board of Refinitiv Holdings will be entitled to cause those entities to vote the LSEG Shares as it deems appropriate, provided that it must first consult with Thomson Reuters.

Sell down mechanics

Pursuant to the Relevant Shareholder Arrangements, when the Refinitiv Sellers are entitled to sell LSEG Shares pursuant to the Lock-up Provisions of the Relationship Agreement (other than with respect to certain permitted sales pursuant to a lockup release relating to Thomson Reuters taxable events, in which case the sales and proceeds will be allocated to Thomson Reuters), ConsortiumCo and Thomson Reuters will each have certain rights to require the Refinitiv Sellers to sell a portion of the LSEG Shares allocated to it in line with Thomson Reuters' and ConsortiumCo's proportionate interests in Refinitiv Holdings, except that while Thomson Reuters holds more than 10 per cent. of the shares in Refinitiv Holdings, Thomson Reuters will have the right to require the Refinitiv Sellers to sell proportionately more of the LSEG Shares allocated to it than ConsortiumCo. Of the LSEG Shares to be sold that are allocated to ConsortiumCo, ConsortiumCo will be permitted to sell a percentage of the LSEG Shares held directly by it proportionate to the number of LSEG Shares held by the Refinitiv Sellers and permitted to be sold in such time period, provided that the aggregate number of such LSEG Shares sold by ConsortiumCo and the Refinitiv Sellers does not exceed the maximum number of LSEG Shares that may be sold under the Relationship Agreement in such time period (disregarding any sales of shares held by ConsortiumCo and not subject to the lock-up arrangements).

At the ConsortiumCo level, each of Blackstone, CPPIB and GIC will have certain rights to require Refinitiv Holdings to initiate a sale of a portion of the LSEG Shares that ConsortiumCo is entitled to require Refinitiv

Holdings to cause to sell, and to require ConsortiumCo to sell a portion of the LSEG Shares that ConsortiumCo is entitled to sell that is in line with such party's proportionate holding in ConsortiumCo.

If the Refinitiv Sellers and ConsortiumCo hold in aggregate less than 10 per cent. of LSEG Shares and distribute all of the LSEG Shares to the Indirect Shareholders, the key Relevant Shareholder Arrangements will terminate. The Relationship Agreement and Relationship Agreement Support Agreement will also terminate in such circumstances.

Alternatively, if the Relationship Agreement terminates for any other reason, there will be an automatic distribution of any LSEG Shares held by the Refinitiv Sellers and ConsortiumCo to the Indirect Shareholders and the key Relevant Shareholder Arrangements will subsequently terminate.

Other

Pursuant to the Relevant Shareholder Arrangements, the Indirect Shareholders have agreed to certain exclusive investment provisions relating to their joint investment in LSEG plc. Under the Relationship Agreement, in the event of breach by one of such parties of those provisions, certain rights under the Relationship Agreement in favour of that party will terminate (including in the case of Blackstone or Thomson Reuters, its right for Refinitiv Holdings to nominate the relevant Refinitiv Director(s)). LSEG plc has third-party enforcement rights in respect of this and certain other provisions of the Relevant Shareholder Arrangements.

The 2019 Bridge Facilities

On 1 August 2019, LSEG plc and certain of its subsidiaries entered into an underwritten US$9,325 million and EUR3,580 million term facilities agreement with Barclays Bank plc, Goldman Sachs International and Morgan Stanley Bank International Limited (the "**2019 Bridge Facilities**"). Subsequent to signing, the 2019 Bridge Facilities were successfully syndicated to a number of large, well regarded international banks.

The 2019 Bridge Facilities can be utilised by LSEG plc, London Stock Exchange Group Holdings (Italy) Limited and LSEGH (Luxembourg) Limited. They are guaranteed by LSEG plc.

The 2019 Bridge Facilities can be used to refinance Refinitiv's third-party debt on Completion, in particular, Refinitiv's Dollar Loan Facility, Euro Loan Facility, Indentures and Secured and Unsecured Notes, in each case as further described in paragraph 17.2 (*Refinitiv material contracts*) of Part 14 (*Additional Information*) of this document. The 2019 Bridge Facilities are available to be utilised until the earlier of: (i) termination of the Stock Purchase Agreement; (ii) five Business Days after Completion; or (iii) 16 July 2021.

The 2019 Bridge Facilities will terminate and any amounts utilised and outstanding at such time will need to be repaid on the date falling 12 months after the earlier of: (i) the date falling 18 months after the date of the 2019 Bridge Facilities; and (ii) the date of Completion, subject to LSEG plc's right (at its option) to extend the termination date by 6 months.

The 2019 Bridge Facilities contain certain mandatory prepayment and cancellation provisions, relating to: (i) lender illegality; (ii) termination of the Stock Purchase Agreement; (iii) change of control of LSEG plc; (iv) raising other debt in the loan or capital markets above US$500 million in aggregate; and (v) disposing of assets after Completion for proceeds in excess of US$250 million in aggregate as part of remedial measures to facilitate Completion with prepayment or cancellation (as applicable) to the extent required to ensure the ratio of consolidated net debt to adjusted consolidated EBITDA immediately following such disposal shall not exceed 3.5:1.

The 2019 Bridge Facilities have a floating rate of interest based on an initial interest rate margin of 0.3 per cent. per annum over LIBOR/EURIBOR which increases by 0.1 per cent. every three months from the earlier of the date fallings 12 months after the date of the 2019 Bridge Facilities and the date falling 3 months after Completion.

The 2019 Bridge Facilities attract a commitment fee on unutilised, uncancelled amounts at the rate of 30 per cent. of the then applicable margin from the date falling 3 months after the signing of the 2019 Bridge Facilities to the date falling 6 months after the signing of the 2019 Bridge Facilities, 40 per cent. of the then applicable margin from the date falling 6 months after the signing of the 2019 Bridge Facilities to the date falling 9 months after the signing of the 2019 Bridge Facilities and 50 per cent. of the then applicable margin from the date falling 9 months after the signing of the 2019 Bridge Facilities to the last day on which the 2019 Bridge Facilities are available for utilisation.

The 2019 Bridge Facilities contain customary representations and undertakings, including (with certain agreed carve-outs) a negative pledge, a restriction on disposals and a restriction on the incurrence of financial indebtedness by subsidiaries. They also contain financial covenants, such that for any relevant period of 12 months ending on the last day of LSEG plc's financial year or first half year of its financial year, the ratio of consolidated net debt to adjusted consolidated EBITDA shall not exceed 4.5:1 through until the date falling 12 months after Completion and 4.25:1 thereafter and the ratio of consolidated EBITDA to consolidated net interest expenses shall not be lower than 3:1.

The 2019 Bridge Facilities also contain customary events of default, including non-payment, breach of financial covenants, cross default, insolvency and material adverse change impacting LSEG's ability to perform its payment obligations or comply with the financial covenants, the occurrence of any of which would allow the lenders to cancel the commitments and declare any loans immediately due and payable. It is also an event of default if London Stock Exchange ceases to be a recognised investment exchange.

As at the date of this document, LSEG is engaged in discussions with its lending syndicate in relation to the entry into a new term loan and a revolving credit facilities agreement, and the amendment and increase of the 2017 Revolving Credit Facility. It is currently expected that these arrangements will be finalised and entered into prior to Completion, although there can be no certainty of this. If LSEG does enter into a new term loan and revolving credit facilities agreement, LSEG will cancel a portion of the 2019 Bridge Facilities in an amount equal to that of the new term loan facilities. It is intended that LSEG would use the proceeds of the new term loan facilities together with the remaining proceeds of the 2019 Bridge Facilities to refinance Refinitiv's Dollar Loan Facility, Euro Loan Facility, Indentures and Unsecured and Secured Notes, in each case as further described in paragraph 17.2 (*Refinitiv material contracts*) of Part 14 (*Additional Information*) of this document. In addition, if LSEG does enter into a new term loan and revolving credit facilities agreement and amends and increases the amount available under the 2017 Revolving Credit Facility, LSEG intends to cancel the 2015 Revolving Credit Facility at Completion. The 2015 Revolving Credit Facility and the 2017 Revolving Credit Facility are described in paragraph 17.1 (*LSEG material contracts*) of Part 14 (*Additional Information*) of this document.

Management incentive plan for Refinitiv's management team

35 members of Refinitiv's senior management team currently participate in a management incentive plan ("**MIP**") set up by Refinitiv Holdings. The MIP was designed by Blackstone and Thomson Reuters for the purpose of the 2018 Transaction to retain management, incentivise performance and share growth in Refinitiv's value. Under the MIP, management have acquired shares in Refinitiv Holdings. 40 per cent. of these shares are subject to time-based vesting and 60 per cent. are subject to various performance conditions.

To improve the retentive effect of the MIP, amendments have been made to the MIP in connection with the Transaction so that certain of the shares do not vest on Completion and will be subject to forfeiture in certain leaver circumstances. All 35 participants have signed up to these changes to the MIP, and accordingly this will act as an important retention tool for key Refinitiv management. The performance-based MIP shares will vest on the third anniversary of Completion provided only that the participant has neither resigned nor been dismissed (other than for certain prescribed, 'good leaver' reasons). The time-based MIP shares will vest on Completion but will be transferrable or payable only in accordance with the lock-up restrictions described below.

Upon Completion, the outstanding MIP shares will be converted into the same class of common shares in Refinitiv Holdings and accordingly participating members of Refinitiv's management will initially continue to hold their interests in Refinitiv Holdings shares following Completion. Upon the third anniversary of Completion, LSEG Shares representing management's entitlements under the MIP will be transferred to management (or an aggregator vehicle or nominee). These LSEG Shares will be subject to lock-up restrictions under which MIP participants will not be able to begin to realise the value in their MIP shares until the fifth anniversary of Completion, save that: (i) members of management based in the US will be permitted to sell a portion of their shares on or shortly following Completion so as to satisfy a tax liability that is expected to arise at Completion on part of the value of their MIP interests; and (ii) management may be permitted to realise value; (a) at the same time as, and on a pro rata basis with, Blackstone and Thomson Reuters; or (b) insofar as sales are required for tax purposes.

The Borsa Italiana Divestment

In the context of the EC's Phase II review of the Transaction, LSEG plc announced on 9 October 2020 that it has agreed to sell its entire shareholding in LSEG Italia to the Borsa Italiana Buyer for an equity value of €4.325 billion, plus certain additional amounts for each day elapsed in the period from (and including) 1 July 2020 until completion of the Borsa Italiana Divestment. The share purchase agreement relating to the Borsa

Italiana Divestment (the "**Borsa Italiana Share Purchase Agreement**") was entered into on 9 October 2020 between LSEG plc, London Stock Exchange Group Holdings (Italy) Limited (the "**Borsa Italiana Seller**") and the Borsa Italiana Buyer. The Borsa Italiana Share Purchase Agreement is governed by English law and sets out the arrangements for the consummation of the Borsa Italiana Divestment and certain ancillary matters.

Consideration

The purchase price will be paid in cash on completion of the Borsa Italiana Divestment. The purchase price comprises:

(a) €4,325,000,000; plus

(b) an additional sum of €456,000 multiplied by the number of days elapsed from (and including) 1 July 2020 to (and including) 31 August 2020; plus

(c) an additional sum of €378,000 multiplied by the number of days elapsed from (and including) 1 September 2020 to (and including) the earlier of 31 December 2020 and the date of completion of the Borsa Italiana Divestment; plus

(d) an additional sum of €475,000 multiplied by the number of days elapsed from (and including) 1 January 2021 to (and including) the date of completion of the Borsa Italiana Divestment.

Leakage adjustment

The Borsa Italiana Share Purchase Agreement contains customary locked box provisions to prevent unapproved value being transferred out of the Borsa Italiana Group to LSEG in the period from 30 June 2020 until completion of the Borsa Italiana Divestment. The Borsa Italiana Seller has agreed to indemnify the Borsa Italiana Buyer for any such unapproved value leakage if the Borsa Italiana Buyer notifies the Borsa Italiana Seller of any such leakage within six months of completion of the Borsa Italiana Divestment.

Conditions

The obligation of the parties to complete the Borsa Italiana Divestment is subject to the satisfaction of certain conditions (some of which have since been satisfied):

(a) completion of the Transaction having occurred;

(b) the divestment of a member of the Borsa Italiana Group being a condition of the EC's clearance decision for the Transaction;

(c) the EC having confirmed that it either: (i) approves the Borsa Italiana Buyer as the acquirer of the Borsa Italiana Group if required as a condition to completion of the Transaction; or (ii) does not object to the identity of the Borsa Italiana Buyer as the acquirer of the Borsa Italiana Group (the "**EC Borsa Italiana Buyer Condition**");

(d) the shareholders of the Borsa Italiana Buyer having approved the Borsa Italiana Divestment (the "**Borsa Italiana Buyer Shareholder Approval Condition**");

(e) the LSEG Shareholders having approved of the Borsa Italiana Divestment for purposes of Listing Rule 11 (the "**LSEG Shareholder Approval Condition**");

(f) the German Federal Cartel Office having approved the Borsa Italiana Divestment (the "**Antitrust Condition**");

(g) the Italian President of the Council of Ministers having approved the Borsa Italiana Divestment under the Italian foreign direct investment regime (together with the Antitrust Condition, the "**Borsa Italiana Buyer Antitrust and FI Conditions**");

(h) the Borsa Italiana Buyer's College of Regulators having confirmed that they do not object to the Borsa Italiana Divestment and the Borsa Italiana Buyer having received the necessary approvals for change of control to certain entities within the Borsa Italiana Group from the Bank of Italy, CONSOB, the Autorité de contrôle prudentiel et de resolution, the National Bank of Belgium and the FCA (the "**Borsa Italiana Buyer Financial Regulatory Approvals Condition**" and, together with the Borsa Italiana Buyer Shareholder Approval Condition and the Borsa Italiana Buyer Antitrust and FI Conditions, the "**Borsa Italiana Buyer Conditions**");

(i) the Borsa Italiana Seller having received the necessary regulatory approvals to be obtained in the context of the Borsa Italiana Divestment (the "**Borsa Italiana Seller Regulatory Approval Condition**"); and

(j) if required, the Italian Ministry of Economy and Finance having given its consent to the transfer of shares in the Borsa Italiana Group to the Borsa Italiana Buyer under the by-laws of MTS (the "**MoE Condition"**).

LSEG Shareholder approval in respect of the Borsa Italiana Divestment was obtained on 3 November 2020, and Borsa Italiana Buyer shareholder approval in respect of the Borsa Italiana Divestment was obtained on 20 November 2020. The MoE Condition was satisfied on 19 November 2020 and the Antitrust Condition was satisfied on 11 November 2020.

LSEG may waive any of the conditions set out in paragraphs (a) to (c) above by written notice to the Borsa Italiana Buyer before 31 December 2021 (the "**Borsa Italiana Divestment Long Stop Date**"), provided that the waiver is deemed to be given: (i) in relation to paragraphs (a) to (c) above, where the LSEG plc termination right described in paragraph (d) under the heading "Termination" below is not exercised within the 20 Business Day period for exercise of such termination right; and (ii) in relations to paragraphs (b) and (c) above, where the LSEG plc termination right described in paragraph (e) under the heading "Termination" below is not exercised within the 20 Business Day period for exercise of such termination right.

Covenants

Covenants regarding pre-Completion conduct

From the signing date of the Borsa Italiana Share Purchase Agreement until completion of the Borsa Italiana Divestment, the Borsa Italiana Seller has agreed to ensure that (except with the consent of the Borsa Italiana Buyer and subject to certain exceptions) the business of the Borsa Italiana Group is carried on in all material respects in the ordinary course of business. In addition, the Borsa Italiana Seller has also agreed to certain customary restrictions regarding the conduct of business of the Borsa Italiana Group in the period prior to completion of the Borsa Italiana Divestment.

Covenants regarding antitrust and regulatory approvals

The Borsa Italiana Buyer has undertaken to: (i) take all necessary steps to assist the Borsa Italiana Seller in ensuring that the EC Borsa Italiana Buyer Condition is satisfied; (ii) use its best efforts to fulfil the other Borsa Italiana Buyer Conditions; and (iii) offer any requirements, conditions, obligations or undertakings necessary to satisfy the EC Borsa Italiana Buyer Condition.

The Borsa Italiana Seller has undertaken to use its best efforts to satisfy the EC Borsa Italiana Buyer Condition and the Borsa Italiana Seller Financial Regulatory Condition.

Completion

Completion of the Borsa Italiana Divestment shall take place on the tenth business day after the date on which the last of the Conditions to the Borsa Italiana Divestment is satisfied or waived in accordance with the provisions of the Borsa Italiana Share Purchase Agreement.

Non-Solicitation

The Borsa Italiana Share Purchase Agreement contains non-solicitation restrictions that prevent the Borsa Italiana Buyer from soliciting a takeover offer for the Borsa Italiana Buyer and from entering into, encouraging or taking any other action designed to facilitate a transaction that would be reasonably likely to prevent, delay, frustrate or otherwise impede or restrict the ability of either the Borsa Italiana Buyer or the Borsa Italiana Seller to fulfil any of the Conditions to the Borsa Italiana Divestment or to take any steps to finance and/or implement the Borsa Italiana Divestment. Now that its shareholder meeting to approve the Borsa Italiana Divestment has been held, the Borsa Italiana Buyer is only permitted to engage in relation to such qualifying unsolicited potential takeover offers for the Borsa Italiana Buyer if such proposed takeover would not be reasonably likely to delay, frustrate or otherwise impede or restrict the ability of either the Borsa Italiana Buyer or the Borsa Italiana Seller to fulfil any of the Conditions to the Borsa Italiana Divestment or to take any steps to finance and/or implement the Borsa Italiana Divestment.

The Borsa Italiana Share Purchase Agreement contains non-solicitation restrictions that prevent LSEG plc and the Borsa Italiana Seller from soliciting, encouraging or taking any other action designed to facilitate a transaction to sell the Borsa Italiana Group to a third party.

Borsa Italiana Buyer debt financing

The Borsa Italiana Buyer has entered into a €4.4 billion facilities agreement dated 7 October 2020 between, among others, the Borsa Italiana Buyer and its financing banks (the "**Borsa Italiana Buyer Facilities Agreement**"). The Borsa Italiana Buyer has undertaken to LSEG Italia that it shall not, prior to completion of the Borsa Italiana Divestment, amend or agree to amend (or waive or agree to waive any rights under the Borsa Italiana Buyer Facilities Agreement. The Borsa Italiana Buyer has undertaken to comply with its obligations under the Borsa Italiana Buyer Facilities Agreement and given certain other undertakings to ensure that it will have access to the required funds under the Borsa Italiana Buyer Facilities Agreement to pay the purchase price at completion of the Borsa Italiana Divestment. The Borsa Italiana Buyer has undertaken that, if any portion of the funds under the Borsa Italiana Buyer Facilities Agreement required to pay the purchase price at completion of the Borsa Italiana Divestment becomes unavailable, the Borsa Italiana Buyer shall use best efforts to obtain alternative financing on terms providing at least as certain funding to fulfil its obligation to pay the purchase price as soon as possible.

Equity Refinancing Arrangements

The Borsa Italiana Buyer intends to finance or refinance certain of the amounts borrowed under the Borsa Italiana Buyer Facilities Agreement through a reserved capital increase to CDP Equity S.p.A. and Intesa Sanpaolo S.p.A. and a rights issue to its shareholders. The Borsa Italiana Buyer has warranted that its ability to implement the Borsa Italiana Divestment is in no way contingent upon the implementation of the rights issue or the reserved capital increase.

The Borsa Italiana Seller has undertaken to assist the Borsa Italiana Buyer with the preparation of any required public documents in connection with its proposed equity financing prior to completion of the Borsa Italiana Divestment.

The Borsa Italiana Buyer has undertaken that, if required to complete the Borsa Italiana Divestment, it shall carry out or commit to carry out one or more equity issuances.

Warranties

The Borsa Italiana Seller has given warranties relating to title, capacity and authority (together, the "**Borsa Italiana Seller Fundamental Warranties**"). The Borsa Italiana Seller has also given customary business warranties in respect of the Borsa Italiana Group and its business which relate to, amongst other things, its financial accounts, material contracts, its intellectual property and information technology, title to material property, compliance with applicable laws and regulation, ownership of material assets and the absence of material litigation and material insurance claims. The warranties given by the Borsa Italiana Seller will be deemed to be repeated immediately prior to completion of the Borsa Italiana Divestment.

LSEG plc has also given warranties relating to capacity and authority.

The Borsa Italiana Buyer has given warranties relating to capacity, authority, absence of requirement for works council consultation and availability of sufficient funding to pay the consideration under the Borsa Italiana Share Purchase Agreement in cash at completion of the Borsa Italiana Divestment.

Separately, under a disclosure letter from the Borsa Italiana Seller that certain information which has been fairly disclosed shall qualify the Borsa Italiana Seller's warranties. Accordingly, there shall be no breach of the Borsa Italiana Seller's warranties under the Borsa Italiana Share Purchase Agreement if facts and/or matters that would otherwise give rise to a breach of warranty have been fairly disclosed, including in the data room or on certain relevant public registers.

Limitations on liability

The Borsa Italiana Share Purchase Agreement includes limitations on the Borsa Italiana Seller's liability in respect of claims made by the Borsa Italiana Buyer under the warranties and other provisions of the Borsa Italiana Share Purchase Agreement.

The Borsa Italiana Seller's liability in respect of claims by the Borsa Italiana Buyer under the warranties (other than the Borsa Italiana Seller Fundamental Warranties) is limited to an aggregate nominal cap of €1.00. The Borsa Italiana Buyer has taken out a warranty and indemnity insurance policy in respect of such claims. The Borsa Italiana Seller has agreed to pay €3,502,000, which represents 50 per cent. of the premium and certain other associated costs, in respect of the policy.

The Borsa Italiana Seller's liability in respect of other claims by the Borsa Italiana Buyer under the Borsa Italiana Share Purchase Agreement (including under the Borsa Italiana Seller Fundamental Warranties) is limited to an amount equal to 100 per cent. of the purchase price.

Taxation

The Borsa Italiana Share Purchase Agreement includes an indemnity in respect of historic taxes (the "**Borsa Italiana Tax Covenant**"), under which the Borsa Italiana Seller has agreed to pay the Borsa Italiana Buyer an amount equal to any tax liabilities of the Borsa Italiana Group which relate to the period before completion of the Borsa Italiana Divestment, as well as any payroll tax and social security liabilities arising in the Borsa Italiana Group in relation to share awards or options granted before Completion under certain LSEG share plans. The Borsa Italiana Tax Covenant is subject to customary limitations and exclusions. The Borsa Italiana Seller's liability in respect of claims by the Borsa Italiana Buyer under the Borsa Italiana Tax Covenant is generally limited to an aggregate nominal cap of €1.00. The Borsa Italiana Buyer has taken out a warranty and indemnity insurance policy in respect of such claims. Separately, LSEG Italia has agreed to indemnify the Borsa Italiana Buyer in respect of a specific Italian tax risk which is not covered by the Borsa Italiana Buyer's warranty and indemnity insurance policy. That indemnity is subject to customary limitations and exclusions, and LSEG Italia's liability in respect of claims under that indemnity is capped at €30 million.

Under the Borsa Italiana Share Purchase Agreement, the Borsa Italiana Buyer is responsible for any stamp duties and other similar taxes and duties arising in connection with the sale and purchase of shares pursuant to the Borsa Italiana Divestment.

Seller Guarantee

LSEG plc has guaranteed the Borsa Italiana Seller's obligations under the Borsa Italiana Share Purchase Agreement and related transaction documents

Termination

LSEG plc may terminate the Borsa Italiana Share Purchase Agreement at any time prior to completion of the Borsa Italiana Divestment in the following circumstances:

(a) the EC Borsa Italiana Buyer Condition is not fulfilled on or prior to the later of: (i) 31 January 2021; (ii) three months' after the date that LSEG plc submits the application for approval to satisfy the EC Borsa Italiana Buyer Condition; or (iii) such later date as LSEG plc determines;

(b) the EC confirms to LSEG plc in writing that it will object to, or will not approve, the Borsa Italiana Buyer as the acquirer of the Borsa Italiana Group in order to fulfil the EC Borsa Italiana Buyer Condition;

(c) the Transaction is terminated or otherwise lapses (provided LSEG plc terminates the Borsa Italiana Divestment within 20 business days of the Transaction having terminated or lapsing);

(d) the EC provides its clearance decision for the Transaction and does not include the divestment of any member of the Borsa Italiana Group as a condition (provided LSEG plc terminates the Borsa Italiana Divestment within 20 business days of the clearance decision being provided);

(e) the Borsa Italiana Buyer's lenders under the Borsa Italiana Buyer Facilities Agreement have become entitled to terminate, or refuse to satisfy a drawdown under, the Borsa Italiana Buyer Facilities Agreement and the Borsa Italiana Buyer having not obtained waivers or alternative financing within 20 business days;

(f) any of the conditions to the Borsa Italiana Divestment are not satisfied or waived by the Borsa Italiana Divestment Long Stop Date;

(g) the Borsa Italiana Buyer solicits or encourages any third party in relation to a takeover offer for the Borsa Italiana Buyer; and/or

(h) after the date of the Borsa Italiana Buyer's general meeting to approve the Borsa Italiana Divestment, the Borsa Italiana Buyer engages with a third party in relation to a takeover offer other than where: (i) required in order to comply with the fiduciary duties of the Borsa Italiana Buyer's boards and (ii) such takeover would not be reasonably likely to prevent, delay, frustrate or otherwise impede or restrict the fulfilment of the conditions or the implementation or financing of the Borsa Italiana Divestment and, in such circumstances, does not cease such engagement after written notice to do so from LSEG plc.

The Borsa Italiana Buyer may terminate the Borsa Italiana Share Purchase Agreement at any time prior to completion of the Borsa Italiana Divestment in the following circumstances:

(a) the EC Borsa Italiana Buyer Condition has not been fulfilled or waived by 30 June 2021; and/or

(b) any of the conditions to the Borsa Italiana Divestment are not satisfied or waived by the Borsa Italiana Divestment Long Stop Date.

Effect of Termination

If the Borsa Italiana Share Purchase Agreement is terminated, save for the expense payment arrangements referred to below, no party shall have any claim under the Borsa Italiana Share Purchase Agreement except: (i) in respect of any rights and liabilities which have accrued before termination; or (ii) under certain miscellaneous provisions of the Borsa Italiana Share Purchase Agreement including the confidentiality obligations.

The Borsa Italiana Seller would be required to pay €15 million to the Borsa Italiana Buyer as reimbursement for costs if LSEG terminates the Borsa Italiana Share Purchase Agreement under items (c) and (d) in the list of LSEG termination rights above.

Separation Framework Agreement

A separation framework agreement (the "**Separation Framework Agreement**") has been agreed between SSC Global Business Services Limited ("**SSC**") (a subsidiary of LSEG plc) and Borsa Italiana in relation to the Borsa Italiana Divestment. The Separation Framework Agreement is governed by English law and sets out the arrangements for the separation of the Borsa Italiana Group from LSEG, including in relation to the provision of transitional services, the continuation of certain existing arm's length arrangements between LSEG and the Borsa Italiana Group, migration planning and implementation, and the splitting of certain contracts shared by the two groups.

Provision of transitional services

The Separation Framework Agreement requires each of SSC and Borsa Italiana to provide, from completion of the Borsa Italiana Divestment, certain services to the other on a transitional basis (the "**Borsa Italiana Transitional Services**") to enable the orderly separation of any dependencies that the Borsa Italiana Group has on LSEG and vice versa. Each of LSEG and the Borsa Italiana Group will, in providing the relevant Borsa Italiana Transitional Services, be required to: (i) use reasonable skill and care; (ii) maintain the standards of service and performance for equivalent services provided by the relevant group in the twelve months prior to 9 October 2020; and (iii) in relation to certain Borsa Italiana Transitional Services, comply with any specified service levels agreed between the parties.

Each of the Borsa Italiana Transitional Services is offered for an initial term ranging from 3 months to 24 months, depending on the complexity of, and/or the time required to effect, transition from the relevant intragroup dependency. The recipient of each Borsa Italiana Transitional Service is also granted rights to extend the services for periods ranging from 3 to 12 months. The charges payable in respect of each Borsa Italiana Transitional Service are based on current intragroup recharges between LSEG and the Borsa Italiana Group for equivalent services.

The Borsa Italiana Transitional Services to be provided by LSEG to the Borsa Italiana Group will include the following:

(a) *ISD Market Data Services*—audit and client reporting services to support Borsa Italiana Group's market data services business.

(b) *Client Technology Services*—provision and support of: (i) customer support services relating to various Borsa Italiana Group systems; and (ii) GUI conformance in relation to various Borsa Italiana Group systems.

(c) *Technology and Corporate Systems*—provision and support of (i) finance and procurement systems; (ii) HR systems; (iii) compliance and risk systems; (iv) marketing systems; (v) audit systems; (vi) travel systems; and (vii) certain operational systems used by the Borsa Italiana Group.

(d) *Networks and Infrastructure Services*—infrastructure services for the Borsa Italiana Group instances of certain IT systems, as well as support services for those instances and certain ancillary systems (including corporate technology systems).

(e) *End User Computing*—provision of end user computing services, including in relation to the provision of software such as Office 365 and telephony services.

(f) *Information and Cybersecurity Services*—services related to supporting the cybersecurity posture of the Borsa Italiana Group, including cybersecurity testing and vulnerability management, and identity and access management.

(g) *Hosting and Connectivity Services*—provision of access to LSEG markets for Borsa Italiana Group customers, including enabling cross market access and accommodating client access requirements.

(h) *Property and Facilities Management Services*—provision of desk and equipment space (and related facilities management services) in LSEG's offices in London, Paris and New York.

The Borsa Italiana Transitional Services to be provided from the Borsa Italiana Group to LSEG will include the following:

(a) *Hosting and Connectivity Services*—provision of access to Borsa Italiana Group markets for LSEG customers, including enabling cross market access and accommodating client access requirements.

(b) *Property and Facilities Management Services*—provision of desk and equipment space (and related facilities management services) in the Borsa Italiana Group's office in Milan.

(c) *Technology Support and Development Services*—management, support and quality assurance of LSEG instances of key IT systems, services and assets, including managing disaster recovery environments, customer support services relating to certain LSEG systems, provision of software development services in relation to certain IT systems, and LSEG corporate websites.

(d) *Academy Support*—provision of customer support, business development and related services to LSEG's financial markets training business.

(e) *Service Desk Support*—provision of service desk support in relation to certain Borsa Italiana Group systems used by LSEG.

Migration

The Separation Framework Agreement requires LSEG to, prior to completion of the Borsa Italiana Divestment, implement the logical separation of LSEG's IT systems from those of the Borsa Italiana Group so that LSEG and the Borsa Italiana Group each has access only to those parts of the other's IT systems and data that relate to their own businesses and/or services received or provided under the Separation Framework Agreement. SSC will bear the costs of this logical separation.

SSC and Borsa Italiana shall work together to finalise draft migration plans to migrate the parties off the services provided by the other party as soon as possible after 9 October 2020, with each party primarily responsible for preparing the plan for its own required migration. The parties will charge each other for time spent preparing or reviewing the other party's migration plan and complying with that migration plan.

Platform IP Separation

The Separation Framework Agreement requires each of SSC and Borsa Italiana to deliver to the other, on or prior to completion of the Borsa Italiana Divestment, copies of instances of certain software owned by the delivering party but used by the other party. The recipient party will also receive a perpetual licence to use and modify the proprietary software delivered to it.

Contract Separation

The Separation Framework Agreement also includes mechanics for splitting certain contracts shared by LSEG and the Borsa Italiana Group. These include certain customer contracts and contracts for the provision of technology services. Existing agreements between LSEG and the Borsa Italiana Group will be terminated on completion of the Borsa Italiana Divestment, except for certain existing arm's length agreements that will remain in place following completion of the Borsa Italiana Divestment.

Termination

The Separation Framework Agreement shall terminate automatically if the Borsa Italiana Share Purchase Agreement is terminated and completion of the Borsa Italiana Divestment does not occur. Any service shall terminate automatically if provision of it breaches applicable law.

The recipient of any Borsa Italiana Transitional Service may terminate that service (or, in respect of certain Borsa Italiana Transitional Services, part of that service) for convenience by giving two months' notice to the provider of that service, subject to paying in particular the service provider's costs accrued before the end of the relevant service term as a result of that early termination, provided the service provider uses reasonable endeavours to mitigate those costs.

The provider of any Borsa Italiana Transitional Service may terminate that service if the recipient: (i) commits an unremedied material breach of a relevant obligation under the Separation Framework Agreement; or (ii) knowingly causes the service provider or its affiliates to be in breach of a third party supply agreement and that third party terminates or serves notice to terminate a third party supply agreement relating to that service.

Either party may terminate the Separation Framework Agreement if: (i) the other party fails to pay any sum of more than €50,000 (in aggregate) that has not been disputed in good faith, within 60 days; (ii) the other party commits a material breach and fails to remedy it within 30 days of receiving notice to do so; (iii) an insolvency or pre-insolvency event occurs in relation to the other party; or (iv) the other party ceases or threatens to cease carrying on the whole or any material part of its business, which may adversely affect, in the terminating party's opinion, the other party's ability to perform its obligations under the Separation Framework Agreement.

Limitations on Liability

The provider of any Borsa Italiana Transitional Service shall not be liable for breaching its obligations under the Separation Framework Agreement if the breach is caused by a third party supplier to the provider. Where the service provider recovers a sum from the third party, it shall share an equitable amount with the service recipient.

The aggregate liability of Borsa Italiana, in its capacity as provider of services to LSEG under the Separation Framework Agreement, for all claims, including under any indemnity, shall not exceed €15 million.

The aggregate liability of SSC, in its capacity as provider of services to Borsa Italiana under the Separation Framework Agreement, for all claims, including under any indemnity, shall not exceed €20 million. SSC will provide certain cyber security services to the Borsa Italiana Group under the Separation Framework Agreement. SSC will have no liability for cyber security incidents suffered by the Borsa Italiana Group, provided that SSC provides those cyber security services and performs certain other information technology-related obligations, in all material respects in accordance with the Separation Framework Agreement.

Limitations of liability do not apply in the case of: (i) death or personal injury caused by the relevant party's negligence; (ii) liability for fraud or fraudulent misrepresentation; (iii) the service recipient's liability to pay or procure payment of the charges; (iv) deliberate repudiatory breach; or (v) any other liability that cannot be excluded by applicable law.

PART 7
INFORMATION ON THE COMBINED BUSINESS

Investors should read this Part 7 (*Information on the Combined Business*) *in conjunction with other information contained in this document, including the financial information appearing in Part 12* (*Historical Financial Information of the Combined Business*) *and the financial and other information appearing in Part 10* (*Operating and Financial Review of the Combined Business*). *Where stated, financial information in this section has been extracted from Part 12* (*Historical Financial Information of the Combined Business*).

The Combined Business will comprise the business and operations of both LSEG and Refinitiv. Section A (*History and Current Business Overview of LSEG*) *and Section C* (*History and Current Business Overview of Refinitiv*) *of Part 8* (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*) *provides information on the current business and operations of LSEG and Refinitiv, respectively. Section A* (*Purpose and Strategy of the Combined Business*) *of this Part 7* (*Information on the Combined Business*) *provides information with respect to the strategy of the Combined Business from Completion. Section B* (*Information on the Combined Business*) *of this Part 7* (*Information on the Combined Business*) *provides information on the proposed business and operations of the Combined Business from Completion. Section C* (*Overview of the Industry and Competitive Environment in which the Combined Business will operate*) *of this Part 7* (*Information on the Combined Business*) *provides information on the industry, market trends and competitive environment which will impact the Combined Business from Completion. Part 7 and Part 8 provide information on LSEG's business as it currently operates and on the Combined Business as it will operate at Completion, including the Borsa Italiana Group. For details on the Borsa Italiana Divestment, please see paragraph 9 (Regulatory and merger control approvals and the Borsa Italiana Divestment) of Part 5 (Information on the Transaction).*

Section A Purpose and Strategy of the Combined Business

The purpose of the Combined Business will be to promote financial stability and sustainable growth by connecting the world's financial markets and empowering economies through trusted data and market infrastructure. This represents a continuation of the long-standing role that both LSEG and Refinitiv have played in supporting the development of financial markets and responding to customers' evolving needs across the financial markets value chain.

The Combined Business will build on LSEG and Refinitiv's existing strategies to provide a broad global service offering across the financial markets value chain to better serve its customers, who increasingly operate on a global basis. These range from the world's largest investment banks and trading firms, asset owners, wealth and asset managers, to corporates and Small and Medium-Size Enterprises ("**SMEs**") to institutional and retail investors.

As a result of the Transaction, the Combined Business will be better able to build on these strategies. The Combined Business will focus on the strategic goal of becoming a global financial market infrastructure leader, with the ability to innovate and invest globally in order to meet the following strategic priorities:

Responding to customers' and partners' needs for a trusted FMI partner to provide seamless access and solutions across the financial markets value chain on a global scale

The Combined Business will seek to build on LSEG and Refinitiv's existing, well-balanced global presences and diverse set of products and services to facilitate innovation and address customers' efficiency challenges.

The Combined Business will continue to work in close partnership with LSEG and Refinitiv's customers to develop tailored solutions to their specific needs. Opportunities include exploring solutions which reduce the costs of capital raising for corporates and SMEs, delivering new and enhanced data and analytics to inform pre-trade and post-trade decision making, and developing solutions targeted at simplifying capital markets workflows, as well as continuing to focus on investment and partnerships in emerging and frontier markets.

Developing innovative data, analytics, indices and IP for customers, including drawing on data and domain expertise from across both LSEG and Refinitiv's existing information services, capital markets and post trade businesses

The Combined Business will bring together Refinitiv's data content, management and solutions capabilities with LSEG's global index and analytics businesses. This will enable the Combined Business to better support customers in responding to the growth and further development of passive investment and multi-asset class investment strategies.

The Combined Business will continue to invest in content, particularly data sets which complement traditional financial data to inform its customers' decision making. The Combined Business will leverage Refinitiv's extensive data sets in conjunction with LSEG's index creation and analytics capabilities to create new indices and analytics products in areas of growing investor focus such as environmental, social and governance ("**ESG**") and multi-factor indices.

The Combined Business will also continue to invest in a simplified global data platform and desktop product (through Refinitiv Workspace) to provide faster data onboarding and a better customer experience, while also targeting increased flexibility in how customers can consume content and derive value from the Combined Business' products.

Providing efficient access to support capital raising and trading activities across asset classes globally to drive sustainable growth

The Combined Business will have a global, multi-asset class capital markets offering, with leading listing and trading venues in equities, exchange traded funds ("**ETFs**"), fixed income, FX and derivatives.

The Combined Business will continue to focus on developing this offering to serve customers across the end-to-end capital markets workflows, provide efficient access to liquidity across multiple asset classes and regions, and support customers seeking to trade and raise capital on a global basis, underpinned by the Combined Business' commitment to the principle of open access.

Delivering a technology and operating model focused on enabling simplified access for customers to the Combined Business' products and services

The Combined Business will have a scaled operations function that will bring benefits to both customers and the Combined Group's businesses with the capacity to deliver new and differentiated content, supported by efficient processes and technology. The Combined Business' strategy is focused on deploying improved and trusted technology to the processes of sourcing, extracting, translating and quality controlling data, alongside a more consistent approach to the Combined Business' interaction with, and support of, external and internal customers.

The technology functions of LSEG and Refinitiv bring together domain expertise in building and operating resilient, high performing data and market infrastructure platforms. Together, the Combined Business will be well placed to meet the challenges and opportunities presented by the increasing importance and changing requirements of technology infrastructure. Both LSEG and Refinitiv are in the process of moving significant parts of their operations to the cloud and will continue to adopt a "cloud first" strategy as a combined business, whilst investing in cyber security and resilience.

Deepening and expanding our principles of open access and customer partnership

The Combined Business will continue both LSEG and Refinitiv's long-standing commitment to the principles of open access and customer partnership, which will differentiate the Combined Business from its competitors. A commitment to these principles promotes innovation and choice, as well as sustainable long-term value creation for customers.

Open access

The Combined Business will be committed to open access principles and will not operate a vertically integrated model. The Combined Business will seek to provide access to execution venues and products for a wide range of users, including to those venues and products that compete with the services of the Combined Business.

The Combined Business' proposed open access approach will draw upon LSEG's current post trade business in particular, which provides clearing and settlement services for products traded on third party venues (such as BrokerTec and Euronext) and Refinitiv's open data platform, which allows customers to engage with third party providers through offerings such as App Studio (a product providing access to specialised applications from a range of providers within a single workspace).

Customer partnership

A number of businesses that will be within the Combined Business are owned and governed in partnership with customers, including LCH, Turquoise and CurveGlobal. As LSEG's, and ultimately the Combined Business', customers are minority shareholders in these businesses, they have the opportunity to participate in the governance and development of the business. LSEG and Refinitiv believe a partnership approach will continue to foster innovation and enable the Combined Business to add value to customers' businesses and operations. Refinitiv's partnership approach with its customers also plays an important role in re-distributing its content to end-users as well as the distribution of third-party content.

Section B Information on the Combined Business

Overview of the Combined Business

The Combined Business will form a leading global financial markets infrastructure provider by revenue, with combined pro forma 2019 revenues of £6.8 billion (excluding the Borsa Italiana Group), exceeding those of any other listed global financial markets infrastructure provider.

The Combined Business will operate on a global scale and with a significant presence in key financial centres, including in North America, Europe, Asia and emerging markets. Refinitiv's larger footprint in the US and in Asia in particular will enhance and diversify LSEG's existing geographic operations and customer reach.

Servicing customers across the entire investment lifecycle, the Combined Business will have: (i) superior data content, management and distribution capabilities, bringing together Refinitiv's capabilities in data collection, management and distribution with LSEG's leading global, multi-asset index capabilities through FTSE Russell, and (ii) multi-asset class capital markets and post trade offerings, bringing together LSEG's leading equities trading businesses and global multi-asset clearing houses with Refinitiv's leading trading venues in FX and fixed income.

It is proposed that the Combined Business will operate three business divisions: (i) Data & Analytics; (ii) Capital Markets; and (iii) Post Trade, all supported by a commitment to operational and technological innovation and performance.

Data & Analytics

Overview

The Data & Analytics division will account for, on a continuing operations basis, 72 per cent. of the Combined Business' (excluding the Borsa Italiana Group) pro-forma total income for the financial year ended 31 December 2019.

The Data & Analytics division will primarily consist of LSEG's existing Information Services division together with Refinitiv's Data Platform and Workspace, and Risk segments and workflow trading products (Autex, Electronic Trading, REDI, Alphadesk) (which currently form part of Refinitiv Venues & Transactions segment). The division will provide customers with a wide range of leading information and data products including real-time and non-real-time data, pricing and reference services, indices and analytics, delivered via a number of distribution channels, including data feeds and desktop solutions.

In respect of certain services of the Combined Business' Data & Analytics division, LSEG plc has made certain commitments to the European Commission concerning non-discriminatory access (including quality of access) as part of its ongoing review of the Transaction. These commitments reinforce LSEG's existing commitment to open access. In addition, LSEG plc has committed to implement an information barrier to ringfence potentially sensitive information within the Combined Business. It is not expected that such commitments will result in material changes to the Combined Business' business model or operations.

Key strategic priorities

The Combined Business' Data & Analytics division will:

- invest in new content, particularly data sets which complement traditional financial data, to enable its customers to make better informed decisions;
- utilise Refinitiv's extensive data sets in conjunction with LSEG's analytics and index creation capabilities to create new indices and analytics products in areas of growing investor interest, such as ESG and multi-factor indices;
- invest in a simplified global data platform and desktop experience through Refinitiv Workspace to provide faster content onboarding and an improved customer experience;
- work with the Combined Business' Capital Markets and Post Trade divisions to create transactional datasets and tools to enable clients to derive value therefrom;
- use its expertise in data and domains to create new and value additive data-enabled products for customers; and

- introduce Refinitiv Access to select accounts to give customers flexibility on the consumption and pricing of their data needs in-line with the Combined Business' customer partnership ethos described in Section A (*Purpose and Strategy of the Combined Business*).

Businesses within Data & Analytics

The Combined Business' Data & Analytics division will be made up of products and solutions across the five business categories: (i) Trading, (ii) Enterprise Data, (iii) Investment Solutions, (iv) Wealth and (v) Risk. In addition, the Data Platform business will sit within Data & Analytics but will work across divisions of the Combined Business.

Trading

The Trading business will provide customers with a broad suite of content, news and workflow solutions to inform and connect trading, treasury management and risk management market participants.

Relevant businesses from LSEG:

Mergent Online

Mergent Online is part of LSEG's Information Services division, serving academic and public libraries, as well as corporate and financial institutions. It provides business and financial information on public and private companies globally, including company history, annual reports, executive biographies and compensation data in addition to economic and demographic information, global financials and analytics, equity pricing and supply chain data.

Relevant businesses from Refinitiv:

The following businesses will be included in Trading. They currently form part of Refinitiv's Data Platform and Workspace segment:

Eikon Premium

Eikon is Refinitiv's open platform desktop and mobile solution for financial professionals, offering an array of desktop solutions providing information, analytics, workflow tools and access to market liquidity for sell-side, buy-side, governmental and corporate institutions.

Eikon Premium is the premium full feature, multi-asset desktop application, targeted at traders and financial analysts.

Eikon DFO (Datastream for Office)

Eikon Datastream for Office allows for integration with, and the ability to download data to, the Microsoft Office application suite.

FXT

FXT is a leading desktop for FX spot, forward, swap, NDF and options traders. FXT provides a single point of access to Refinitiv's leading FX venues, Matching and FXall, which together handled US$424 billion daily average FX volume for the 12-month period ended 31 December 2019. FXT also provides connectivity to the world's largest global professional FX community of approximately 15,000 trading professionals via Dealing (as at 31 December 2019).

FI (Eikon for Fixed Income, TM3, AMA, LPC, IFR)

Refinitiv has multiple Fixed Income products that address specific customer needs. These products include:

- *Eikon for Fixed Income*: provides news, pricing and fixed income market data to trading users;
- *TM3* (Municipal Market Monitor): provides news, primary and secondary market information, and MDD yield curves (among other things) for the US municipal bond industry;
- *AMA* (Advanced Mortgage Analytics): provides high-performance, ultra-dynamic, big data mortgage analytics;

- *LPC* (Loan Pricing Connector): provides news, data and analysis on the syndicated loan market; and
- *IFR* (International Financial Review): delivers detailed coverage of primary markets issuance across asset classes, market commentary and analysis in addition to deal and league table data.

Banking / Academic

A desktop offering targeting M&A and capital raising professionals (Workspace for Investment Banking) and academics such as universities and students (Workspace for Students).

Electronic Trading

Electronic Trading provides workflow and functionality to support FX and money markets electronic trading, providing banking clients with control over electronic pricing, distribution, and hedging to meet the needs of their client base and improve internal efficiency through automation.

The following businesses will be included in Trading and are currently part of Refinitiv's Venues & Transactions segment:

Autex

Autex is a global FIX-based order-routing network for multiple asset classes, providing buy-side connectivity to brokers. Autex Trade Route allows customers to connect to a network of more than 650 brokers and venues over a FIX order routing network (handling an order flow of over 40 billion shares a day).

REDI and AlphaDesk

REDI Technologies is an award-winning EMS that offers multi-asset class trading functionality, powerful workflow and compliance tools, and rich analytics via desktop, cloud and API. It allows Refinitiv users to trade equities, futures and options with over 200 brokers, through a single interface. To complement REDI Technologies Refinitiv acquired an order management system, AlphaDesk, in May 2019, offering end-to-end, buy-side trading solutions to its customers.

Enterprise Data

Enterprise Data will provide a broad range of market participants with real-time data and news, reference and legal entity data, with associated integration capabilities for a variety of platforms.

Relevant businesses from LSEG:

The following businesses will be included in Enterprise Data. They currently form part of LSEG's Information Services division:

Real Time Data

LSEG's real time data business provides real time data on a range of tradable instruments in both display and non-display format. The real time data business' tick-by-tick data, showing the full depth of the order book, is used by traders, brokers and fund managers globally, while real time prices are licensed to display on websites.

SEDOL Masterfile is a global, multi-asset class reference data service, providing unique identification codes ("**SEDOL codes**") for global equity, derivatives and fixed income securities. SEDOL Masterfile is hosted on the UnaVista platform allowing real time creation and functionality directly through browser access. SEDOL codes are also available via a customised pre-allocation service so that issuers can improve new issuance processing time frames.

As the UK representative of the Association of National Numbering Agencies, London Stock Exchange allocates UK ISINs. In an extension to this, London Stock Exchange LEI Limited, a wholly owned indirect subsidiary of LSEG, is a fully accredited local operating unit for the global allocation of legal entity identifiers, which uniquely identify every legal entity or structure, in any jurisdiction, which is party to a financial transaction.

Relevant businesses from Refinitiv:

The following businesses will be included in Enterprise Data and are currently part of Refinitiv's Data Platform and Workspace segment:

Fundamental Data and Content

Refinitiv's Fundamentals, Ownership and ESG content sets help meet the financial analysis requirements of its clients. Refinitiv's proprietary estimates content, known as International Brokers Estimate System (IBES), is compiled from analyst performance forecasts for approximately 22,000 active companies from over 900 contributors, and is recognised as a comprehensive view of the industry.

Pricing and reference data

Refinitiv's evaluated pricing and reference data offers tailor-made and transparent valuations, along with risk calculations, for structured notes, hard-to-value OTC derivatives, and other illiquid equity and foreign exchange securities. Refinitiv provides full access to the pricing process, including cash flow descriptions, market data inputs, numerical methods and model assumptions to help address its customers' transparency and regulatory requirements.

Refinitiv also delivers comprehensive reference data to the global financial community, which includes identifiers like ISIN, securities description, regulatory reference data, and parent company and issuer relationship, as well as mnemonic codes such as PERM ID. In addition, Refinitiv offers equity corporate actions data for over 100,000 public companies and deep terms and conditions information. Refinitiv is an originator, consolidator and value-add redistributor of security and financial instrument data. Refinitiv enables customers' security master management, asset setup, enterprise data management, automated corporate actions processing, compliance and exposure reporting and many other financial workflows.

Real time data

Refinitiv's real time data feeds support trading, analytics, risk metrics and reporting by streaming real time securities prices and deep market insights from exchanges around the world and OTC markets, including detail required by sophisticated customers such as millisecond timestamps, short sale indicators, auction data and tick-level data. Refinitiv's low latency offering leverages a proprietary, binary encoded, bandwidth optimised wire protocol in order to process content in a faster and more efficient way.

Refinitiv's consolidated data feeds cover over 80 million instruments, spanning more than 500 exchanges and thousands of OTC markets, supplied through application programming interfaces and file transfer protocols. Refinitiv maintains real time points-of-presence in Chicago, Frankfurt, Hong Kong, London, New York, Singapore and Tokyo.

Refinitiv Real-Time Distribution System

Refinitiv Real-Time Distribution System is a networked data distribution system for the financial marketplace. Refinitiv Real-Time Distribution System facilitates the reliable flow of real time data from data feed handlers and other programs supplying information, through a network, to display analytical applications for human and machine consumption. Refinitiv Real-Time Distribution System enables firms to integrate data from any source and to enrich and validate those sources of data to create proprietary prices, analytics and other content, and to feed all of that content into any type of workflow application whilst also managing individual user access to such data.

Investment Solutions

Investment Solutions will draw upon LSEG and Refinitiv's existing data, technology and capital markets expertise to deliver a range of investment and risk management services that serve customers in all stages of the investment process. Investment Solutions products and services will be targeted at supporting consistency and accuracy in investment strategy and asset allocation decisions through insight, analytics, indices and benchmark products.

Relevant businesses from LSEG:

The following businesses will be included in Investment Solutions and are currently part of LSEG's Information Services division:

FTSE Russell

FTSE Russell is a leading global multi-asset class provider of indices, analytics and data solutions with approximately US$16 trillion assets under management ("**AUM**") benchmarked as at the end of 2019. FTSE Russell's offering forms an important part of the investment process and includes a wide range of indices for investors to benchmark markets across different asset classes, styles and strategies covering 98 per cent. of the global investable equities market. FTSE Russell is a leading provider of indices for the growing ETF market, with US$669 billion AUM benchmarked to its indices as at 30 June 2020.

Some key features of FTSE Russell's service offerings are as follows:

- FTSE Russell provides analytics and data solutions to assist customers in their risk management and asset allocation. It has built global relationships and is used by the world's top financial institutions and their clients.
- With nearly two decades of sustainable investment experience, FTSE Russell provides clients with sustainable investment data models, ratings, analytics, and indices covering thousands of companies across developed and emerging markets globally. To bolster this capability, in June 2019 LSEG acquired Beyond Ratings, an ESG data and analytics company specialising in the application of ESG principles to fixed income products.
- Through The Yield Book, FTSE Russell has a highly respected analytics platform that provides insights into a broad array of fixed income instruments. With 30 years' experience, The Yield Book offers a trusted source for in-depth risk analytics, regulatory stress-testing and complex portfolio analysis across global markets.
- FTSE Russell is committed to leading global best practice standards in index design, governance and transparency and embraces the IOSCO Principles.

Relevant businesses from Refinitiv:

The following businesses will be included in Investment Solutions and are currently part of Refinitiv's Data Platform & Workspace segment:

Indices and Benchmarks

Refinitiv provides several benchmark products, including WM/Reuters FX benchmarks, used globally for portfolio valuation, performance measurement, index calculation, and as a price reference in financial contracts. Refinitiv also provides a range of index solutions for benchmarking or the development of investment vehicles, including a custom index service (including IP creation, data & calculation, regulatory & reporting, and marketing & licensing offerings).

Lipper

Refinitiv's proprietary Lipper funds content provides independent insight to asset managers and institutional investors on global collective investments, including mutual funds, hedge funds and fund fees. Trusted by investment professionals for more than 40 years, Refinitiv provides coverage and insight to the funds industry.

StarMine and SentiMine

Refinitiv offers proprietary StarMine quantitative analytics and models to provide a foundation for investment research.

Refinitiv Labs created SentiMine to help customers gain more value from unstructured content by reducing the time and associated cost of consuming research. SentiMine combines natural language processing (NLP), sentiment analysis and deep learning to provide insights from thousands of unstructured research reports and company transcripts quickly and efficiently.

Quants and Feeds

Quants and Feeds is a front office product suite for financial data management and research, aimed at simplifying client workflows to construct, validate, and deploy quantitative investment strategies.

QA Direct

QA Direct provides access to a range of "ready to use" content and quantitative analysis, including an extensive range of historical price, company, index and macroeconomic data from leading vendors such as Refinitiv, S&P, MSCI and FTSE Russell.

Eikon / Workspace for Investment Managers

Eikon / Workspace for Investment Managers is a desktop offering designed for a range of users across research and advisory functions. Workspace is the rebranded name and product for Eikon; it has the same functionality as Eikon but with enhanced capabilities, interface and technology. Refinitiv plans to upgrade the different Eikon variants to Workspace over time; currently, the launched versions of Workspace include Wealth, Students and Investment Banking.

Wealth

Wealth will provide a suite of solutions designed to facilitate wealth manager workflows, including advisor solutions, investor wealth portals and brokerage processing tools. Together, these elements will enable advisors to be more informed, efficient and engaged and ultimately to provide a relevant and responsive investor experience.

The following businesses will be included in Wealth and are currently part of Refinitiv's Data Platform & Workspace segment:

Desktop

Variants of the Thomson One, Eikon and Workspace desktop products, focused on providing real-time, cross-asset data, news and research tools that investment management advisors require to streamline workflows and identify investment opportunities.

Digital

Refinitiv's digital business provides APIs, hosted digital solutions and data to facilitate digital investor engagement (either directly or through an adviser), while allowing investment advisers to provide a personalised client experience.

The following businesses will be included in Wealth and are currently part of Refinitiv's Venues & Transactions segment:

Beta Systems

Beta Systems is Refinitiv's complete suite of integrated, intelligent solutions to manage retail brokerage operations, including workflow and productivity tools, transaction processing, reporting and archiving, data delivery and more.

Scivantage and ASI

Refinitiv acquired Scivantage, a wealth company, in March 2020. Scivantage's primary solutions include Wealthscope, a digital wealth management offering, Maxit E2E, an end-to-end tax information reporting solution and a digital client experience. In July 2020, Refinitiv acquired ASI, a small digital advice platform, to further expand its digital wealth capabilities.

Risk

Risk will be comprised of Refinitiv's existing risk segment. Key products will include World-Check and Enhanced Due Diligence ("**EDD**"), along with other businesses that deliver risk management through an enterprise view of risk. On 8 December 2020, Refinitiv acquired Giact Systems, LLC, a leader in the US in digital identity, payments verification and fraud prevention, complementing Refinitiv's existing risk segment.

World-Check

World-Check is one of Refinitiv's core products in information, software products and managed services, serving the KYC and third-party screening needs of the world's largest firms, helping these organisations detect, assess and minimise potential risks with customers, suppliers and partners and protect against reputational and financial damage. It combines human expertise and technology to provide a global database. Refinitiv's customers are compliance and risk management professionals, anti-money laundering reporting officers, general counsels, supply chain and procurement managers and business leaders.

EDD

EDD provides customers with extensive background checks on any entity or individual, helping them identify key issues relating to bribery, corruption and financial crime, notably, money laundering. Refinitiv's EDD offers auditable proof of due diligence and helps firms meet their legal and regulatory obligations. EDD can be conducted in approximately 190 countries or territories and in over 60 languages. In October 2020, Refinitiv acquired the Red Flag Group, a leading provider of workflow data, due diligence and ratings solutions, to further expand its enhanced due diligence offering.

Data Platform

The Refinitiv Data Platform provides a leading set of data management capabilities, including data capture and ingestion, content identification, governance and enrichment, and data distribution via desktop and data feeds. The Refinitiv Data platform, while not a specific revenue line, will sit within the Data & Analytics division but will work across the Combined Business' divisions.

This set of capabilities will support the Combined Business' operating model and will be utilised across the Combined Business to deliver enhanced value to the Combined Business' customers by improving access to, and distribution and development of, the Combined Business' products and services.

The Refinitiv Data Platform is expected to be a competitive advantage for the Combined Business, enhancing its overall customer experience by providing: (i) a simplified point of access to the breadth and depth of the Combined Business' data products and services, enabling delivery of a more consistent customer experience; (ii) a channel for the Combined Business to work with customers and partners to build new products and services; and (iii) a consistent mechanism for distribution of both the Combined Business' and third party data, analytics and services through multiple channels, including real-time data feeds, human interfaces (i.e., desktop solutions such as Eikon and Workspace) and the cloud.

The combination of LSEG's and Refinitiv's existing capabilities will provide the Combined Business with a strong foundation from which to deliver new and enhanced analytics offerings in a scalable manner to better meet customers' needs, including:

- *improving product distribution:* utilising the Refinitiv Data Platform's distribution capabilities to broaden the accessibility of analytics products (for example, LSEG's Yield Book product) and enable greater usability of these products;
- *enhancing existing products*: improving the quality of existing analytics offerings, utilising content sets from across the Combined Business to expand coverage of analytics products to new asset classes to improve the value proposition for our customers; and
- *developing new solutions:* utilising the data management capabilities within the Refinitiv Data Platform, along with data and domain expertise from across the Combined Business to develop new analytics products targeted at meeting customers' evolving priorities, for example, through trade analytics (e.g. transaction cost analysis), regulatory and surveillance analytics (e.g. FRTB, CCAR) or liquidity analytics.

Capital Markets

Overview

The Capital Markets division will account for, on a continuing operations basis, 16 per cent. of the Combined Business' (excluding the Borsa Italiana Group) pro-forma total income during the financial year ended 31 December 2019.

The Combined Business' Capital Markets division will bring together LSEG's Capital Markets division with Refinitiv's leading fixed income and FX venues, providing access to capital for domestic and international businesses, and efficient electronic platforms for secondary market trading of equities, fixed income and FX.

Key strategic priorities

The Combined Business will focus on developing its offering across the end-to-end capital markets workflow, with the goal of providing efficient access to liquidity across multiple asset classes and regions and supporting customers who seek to trade and raise capital on a global basis.

The Combined Business will continue to work in partnership with customers to develop products and solutions which respond to an evolving capital markets landscape characterised by (i) the continued electronification of markets and digitisation of components thereof, (ii) the more prominent role of buy-side firms, and (iii) the demand for investment in alternative asset classes.

The proposed Capital Markets division will also collaborate closely with other divisions on the Combined Business' offerings in other areas across the value chain. The Combined Business will seek to (i) broaden and expand solutions for issuers via the data, analytics and distribution capabilities in Data & Analytics, (ii) simplify connectivity across multiple venues and asset classes, including utilising trade workflow tools such as REDI and AlphaDesk in Data & Analytics, and (iii) extend the global reach and access of capital markets offerings beyond Europe, drawing on the Combined Business' enhanced global footprint (particularly in China and the US).

Businesses within Capital Markets

The products and services of the Capital Markets division will be aligned by asset class, namely (i) Equities, (ii) FX and (iii) Fixed Income.

The Combined Business will operate in a range of primary and secondary markets across multiple asset classes. The Combined Business' envisioned Primary Markets segment will seek to enable companies to more efficiently raise capital or issue debt and to increase their visibility with a wide group of customers and investors. The proposed Secondary Markets segment will introduce investors to multiple pools of liquidity and allow active and efficient trading of equity, foreign exchange and fixed income products through its high-performance trading platforms.

Primary Markets

Relevant businesses from LSEG:

The following businesses will be included in the Primary Markets segment and are currently part of LSEG's Capital Markets division:

Primary Markets

Revenues from Primary Markets are derived from fees charged to equity issuers seeking admission to the Primary Markets of London Stock Exchange and Borsa Italiana. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment. The fees are charged based on the market value of the securities listed. Issuers of equity securities are subsequently subject to annual fees. On London Stock Exchange, fees are also charged for companies carrying out further equity fundraisings once they are listed. With respect to fixed income securities, a flat fee is charged for each new bond issued onto our markets.

London Stock Exchange, United Kingdom

In the UK, London Stock Exchange operates the following Primary Markets:

- *Main Market*: London Stock Exchange's flagship market comprising four different segments for international and domestic businesses looking to access Europe's most liquid pool of capital. It is one of the world's most international markets for the listing and trading of public equity and debt. Main Market companies come from a broad range of sectors and vary widely in size, covering a spectrum from fledgling growth companies to global multinationals.
- *AIM*: a world-leading growth market launched in 1995. AIM's regulatory structure, tailored to the needs of SMEs, allows companies to quickly and cost-effectively raise capital at admission and

through further fundraisings from a diverse set of investors who understand the needs of entrepreneurial businesses.

- *Professional Securities Market*: offers issuers the opportunity to list debt securities or depository receipts restricted to professional investors.
- *International Securities Market*: an exchange-regulated MTF market for primary debt issuance constructed with an efficient and customer-centric admission process at the core. This market enables issuers to connect with institutional and professional investors from around the world.

Further, in 2019, London Stock Exchange launched the Shanghai Segment of the Main Market as Shanghai-London Stock Connect. Shanghai-London Stock Connect brings together two of the world's largest capital markets, allowing established Chinese issuers to raise capital from London's global liquidity pool and global investors to access China A-share instruments from outside Greater China.

Borsa Italiana, Italy

In Italy, Borsa Italiana operates three Primary Markets for equities:

- *MTA*: the Italian main market for domestic and international equity issued by companies seeking to access a global investor base. Within MTA, the STAR segment, launched in 2001, is tailored to small and mid-cap companies.
- *AIM Italia*: the Italian Growth Market dedicated to SMEs with high growth potential, launched in 2009. AIM Italia's regulatory structure is tailored to meet the needs of SMEs and allows these companies to efficiently raise capital at admission and through further fundraisings.
- *MIV*: the regulated market providing capital, liquidity and visibility for retail and professional investors on a range of investment vehicles.

ELITE

LSEG, through its Italian-based subsidiary ELITE S.p.A., launched the ELITE platform. Initially launched in Italy and subsequently in the UK in 2014, its aim is to facilitate access to capital for SMEs and enhance their growth prospects. With over 1,400 private companies registered across 45 countries and drawn from a wide variety of sectors, ELITE promotes capital formation and operates a private placement platform in the UK and Italy through its authorised entities, ELITE Club Deal Limited and ELITE SIM S.p.A..

ELITE S.p.A. has set up, in the UK, ELITE Club Deal Limited, an investment firm authorised to provide arranging services and, in Italy, ELITE SIM S.p.A., an investment firm authorised by CONSOB and Bank of Italy, to provide the investment services of transmitting and receiving orders.

Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment, of which ELITE S.p.A. will form a part.

Regulatory News Services (currently part of LSEG's Information Services division)

Regulatory News Service ("**RNS**") is part of LSEG's Information Services division. It is a regulatory and financial communications channel and helps companies and their intermediaries fulfil their UK (and other global) regulatory disclosure obligations. RNS operates as a Primary Information Provider and is regulated by the FCA. RNS' clients include the UK's leading listed companies and financial public relations firms and corporate advisers.

LSEG Issuer Services

The LSEG Issuer Services platform is a digital hub for London Stock Exchange issuers. Through this platform, issuers can access a wide range of solutions dedicated to serving the individual needs of public companies. Through its Spark platform, Issuer Services is able to host virtual events and publication of content from issuers, Marketplace members, London Stock Exchange and other thought leaders.

Secondary Markets—Equities

The Secondary Markets Equities offering within Capital Markets will be comprised of LSEG's equities trading platforms which provides services via a range of reliable electronic trading systems, in an effective regulatory environment and with a high level of price and trade transparency.

Revenue in the cash equities segment is principally derived from fees for execution on the electronic order books. In the UK and on Turquoise, fees are based on value-traded; whereas in Italy, fees are based on volume of contracts traded. Revenues are also generated from annual membership fees, reporting fees for trades carried out away from the order book and market maker security registration fees.

Equities trading

LSEG's equities trading business provides members with access to liquid markets, fast and efficient trade execution and reporting. LSEG's cash trading services are designed to deliver efficient trading price formation and execution services through reliable trading systems, effective regulation and a high level of price and trade transparency. Average daily value traded through LSEG's UK cash equities order book was £4.7 billion in the year ended 31 December 2019.

Turquoise, LSEG's majority owned MTF, provides trading across a broad range of pan-European and US shares, IOB depository receipts, ETF's and European rights issues.

In Italy, Borsa Italiana facilitates secondary equities trading through multiple regulated markets including MTA, AIM Italia and MIV as well as other MTFs. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment, of which MTA, AIM Italia, MIV and BIt Equity MTF will form a part.

Secondary Markets—Foreign Exchange (FX)

The FX offering within Capital Markets will be comprised of Refinitiv's existing leading FX venues, FXall and Matching.

Relevant businesses from Refinitiv:

The following businesses will be included within FX and are currently part of Refinitiv's Venues & Transactions segment:

FXall

FXall is Refinitiv's leading, premium independent electronic multibank trading platform, used by over 2,400 institutional clients and 200 leading FX banks and alternative market makers. The platform has experienced an 11 per cent. CAGR from 2016 to 2019 in average daily trading volume, making it a leader in its segment with approximately US$208 billion in average daily volume for the 12-month period ended 31 December 2019. Refinitiv's customers are FX and money market traders, sales desks, hedge funds, alternative market makers, asset managers, banks, broker-dealers, prime brokers and institutional treasury groups.

Matching

Matching is a primary electronic communication network that provides firm and anonymous liquidity through a central limit order book platform, anonymously connecting participants to trade spots and forwards in over 70 different currency pairs. Since its launch in 1992, Spot Matching caters for the needs and requirements of both manual and application programme interface-based trades. Forward Matching is a trading segment of the Refinitiv MTF.

Secondary Markets—Fixed Income, Derivatives and Other

The Fixed Income and Derivatives offering will be comprised of LSEG's existing fixed income and derivatives offering and Refinitiv's Tradeweb business.

Relevant businesses from LSEG:

Fixed income

LSEG's fixed income business is provided through a range of electronic trading venues, including LSEG's majority owned subsidiary, MTS and the Italian MOT business.

- *Order Book for Retail Bonds* ("**ORB**"): ORB is London Stock Exchange's electronic order book for bonds launched in 2010 and aimed at private investors and retail brokers. ORB offers a range of gilts, corporate and supranational bonds. It operates as an open electronic order-driven market with dedicated market makers committed to quoting two-way tradable prices on-screen throughout the trading day. ORB offers trading in smaller sizes by value to appeal to retail investors.

- *MTS*: MTS facilitates a number of regulated electronic fixed income markets in both the dealer-to-dealer and dealer-to-client spaces across Europe and the US. MTS offers several products in connection with fixed income markets. Revenue from MTS is principally derived from fees for the execution of trades on MTS' markets. These fees are based on the volume traded. Revenue is also derived from membership fees and the sale of market data products.
- *MOT* and *ExtraMOT*: MOT is the fixed income, electronic order-driven regulated retail-sized market operated by Borsa Italiana. It has two different segments, defined according to the CSD, in which the trades are settled: DomesticMOT (settlement in Monte Titoli) and EuroMOT (settlement in Euroclear or Clearstream, Luxembourg). Borsa Italiana also operates ExtraMOT, an MTF regulated by Borsa Italiana, for the trading of corporate Eurobonds. ExtraMOT also operates a professional segment. Both MOT and ExtraMOT markets are cleared through CC&G.
- *ETFplus*: an electronic market for ETFs, exchange traded commodities ("**ETCs**") and exchange traded notes.
- *ATFund*: an MTF for open-ended funds.
- *SeDeX*: an MTF for securitised derivatives, covered warrants and certificates.

Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment, of which MTS, MOT, ExtraMOT, ETFplus, ATFund and SeDeX will form a part.

Derivatives

LSEG's derivatives business offers trading of equity derivatives through the Italian Derivatives Market ("**IDEM**") and trading of commodities, power and specialist products, through IDEM, the Italian Derivatives Energy Exchange and the Agricultural Derivatives Exchange in Italy, and interest rate derivatives products through CurveGlobal Markets in the UK. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment, of which LSEG's trading of equity derivatives through IDEM, the Italian Derivatives Energy Exchange and the Agricultural Derivatives Exchange in Italy will form a part.

In 2015, LSEG announced the launch of CurveGlobal, an interest rate derivatives joint venture with a number of major dealer banks and Chicago Board Options Exchange. CurveGlobal went live in September 2016, initially in short-term and long-term interest rate futures. CurveGlobal products trade on CurveGlobal Markets, the derivatives segment of London Stock Exchange (re-branded from London Stock Exchange Derivatives Market in 2019). CurveGlobal products are cleared by LCH, which gives investors access to a single default fund across OTC and listed trades and the ability to use LCH Spider, a portfolio margining service for interest rate derivatives launched in May 2016. This provides members and their clients opportunities to benefit from risk and collateral efficiencies on an open access basis. LSEG currently holds approximately 43.7 per cent. of CurveGlobal's total share capital.

LSEG Technology Services (currently part of LSEG's Technology division)

LSEG's Technology Services provide LSEG and its customers, including banks, specialist trading firms and other capital market venues with hosting and connectivity services providing resilient, high-speed, low latency trading platforms, post trade platforms, real time market data and surveillance products and services.

LSEG's cash equity and retail bond markets run on the latest version of the Millennium Exchange trading platform. This technology has reduced LSEG's cost base and enabled customers to benefit from enhanced functionality and co-location services. This has allowed LSEG to meet the needs of its customers quickly and cost effectively. LSEG has implemented solutions for over 40 organisations and exchanges worldwide. In March 2020, LSEG's EquityClear service went live with Millennium's Clearing and Risk technology platform with the ability to process trades on a real time basis with high throughput and low latency. Previously its own division within LSEG, Technology Services will now form part of the Secondary Markets segment of the Combined Business.

Relevant businesses from Refinitiv:

Refinitiv's Tradeweb business will be included within Secondary Markets—Fixed Income, Derivatives and Other and is currently part of Refinitiv's Venues & Transactions segment:

> *Tradeweb*
>
> Tradeweb is a global operator of electronic marketplaces for trading across a range of asset classes, including, fixed income, derivatives, money market and equity products. Tradeweb provides access to markets, data and analytics, electronic trading, straight-through-processing and reporting for more than 40 products to clients in the institutional, wholesale and retail markets. For 2019, the Tradeweb platform supported US$726 billion in average daily trading volume in bonds, derivatives and ETFs. Tradeweb is listed and operates as a standalone unit. Refinitiv currently owns an approximate 53 per cent. economic interest in the Tradeweb Group, with the remainder owned by third-parties. Volumes across both rates and money markets have grown strongly, increasing 38 per cent. and 23 per cent, respectively, in 2019, as the digitisation of trading facilitates lead to faster and more cost-effective trading. Tradeweb's customers are institutional traders, banks and broker-dealers.

Post Trade

Overview

The Post Trade division will account for, on a continuing operations basis, 12 per cent. of the Combined Business' (excluding the Borsa Italiana Group) pro forma total income during the financial year ended 31 December 2019.

The Combined Business' Post Trade division will be comprised of the existing LSEG Post Trade division, which currently provides a range of clearing, settlement and regulatory reporting services to support clients' risk and balance sheet management, regulatory reporting and capital efficiency.

In respect of the OTC interest rate derivative clearing services provided by SwapClear, LSEG plc has made certain commitments to the European Commission concerning non-discriminatory access as part of its ongoing review of the Transaction. These commitments reinforce LSEG and LCH's existing commitment to open access on a non-discriminatory basis. In addition, LSEG has committed to implement an information barrier to ringfence potentially sensitive information within the Combined Business. It is not expected that such commitments will result in material changes to the Combined Business' business model or operations.

Key Strategic Priorities

The Combined Business will continue to invest in systemically important regulated services, working in close partnership with customers and partners to develop services aligned to customers' priorities (e.g. continued growth in OTC clearing services such as SwapClear and ForexClear).

The Combined Business' Post Trade services will continue to be offered on an open access basis, allowing customers that have traded products either through Combined Business or non-Combined Business venues to clear through LCH.

In addition, the Combined Business will seek to build on the trusted LSEG brand in Post Trade, LSEG's regulatory relationships and LSEG's open access principles to continue to develop the post trade footprint beyond clearing and settlement by building on LCH SwapAgent and UnaVista.

Post Trade will also collaborate closely with other divisions to enhance the Combined Business' offerings across the value chain. The Combined Business will seek to partner with its customers to identify and develop post trade solutions which utilise the data from LSEG's existing services, together with the Data Platform capabilities in Data & Analytics, to develop new and enhanced solutions to meet customer demands. Potential solutions include enhanced margin and risk analytics (building on LCH SMART) and pre-trade analytics tools and insight.

Businesses within Post Trade

The following businesses will be included in Post Trade and are currently part of LSEG's Post Trade division:

LCH

LSEG holds an 82.6 per cent. majority stake in LCH, a group of leading multi-asset class clearing houses. LSEG acquired a 55.5 per cent. majority stake in 2013, which in addition to the 2.3 per cent. stake already held gave LSEG a total shareholding of 57.8 per cent..; LSEG's stake in LCH was subsequently increased in 2017 and 2018. LCH provides proven risk management capabilities across a range of asset classes, including Rates (OTC and exchange traded derivatives), Fixed Income, FX, CDS, Equities and Commodities. LCH has clearing operations in the UK, Eurozone, North America and an expanding presence in the Asia-Pacific region. LCH operates under a customer partnership approach whereby products and processes are designed in conjunction with customers including that of clearing house members.

LCH operates its CCPs through two entities that are overseen by regulators in various jurisdictions in which business is carried out, including:

- LCH Limited (UK-domiciled) is authorised as a central counterparty to offer services and activities in the EU in accordance with EMIR and regulated as a Recognised Clearing House by the Bank of England in the UK. LCH Limited is also registered in the US as a Derivatives Clearing Organisation by the CFTC.
- LCH SA (France-domiciled) is authorised as a central counterparty to offer services and activities in the EU in accordance with EMIR and regulated as a credit institution and central counterparty by its national competent authorities: l'Autorité des marchés financiers (AMF), l'Autorité de Contrôle Prudentiel et de Résolution (ACPR), and Banque de France (BDF). LCH SA is also registered in the US as a Derivatives Clearing Organisation by the CFTC and as a clearing agency by the SEC.

LCH operates the following services:

- *SwapClear* (*OTC Rates*)*:* an interest rate derivatives clearing service, delivering high levels of efficiency and liquidity to dealers and clients. SwapClear allows market participants to fully comply with mandatory clearing requirements in multiple jurisdictions around the world. SwapClear is a leading global provider offering clearing across 27 currencies. SwapClear's global, multi-currency pool of cleared OTC liquidity provides customers with opportunities to benefit from portfolio margining, counterparty risk reduction and operational efficiencies. In 2019, SwapClear processed over US$1.2 quadrillion in notional, compressed over US$900 trillion and is estimated to have saved its customers up to US$39.5 billion in capital.
- *Listed Rates:* provides a platform for generating significant capital and operational efficiencies between OTC and listed derivative positions. Members and their clients can trade futures contracts, for example, through CurveGlobal and clear them at LCH. By clearing futures contracts such as these through LCH, which uses the same default fund as SwapClear, members can potentially realise substantial margin efficiencies—portfolio margining their listed futures positions against SwapClear OTC's interest rate swap positions, through LCH Spider.
- *ForexClear:* offers clearing services for non-deliverable and deliverable FX products. Clearing is offered for 12 emerging market currencies and five G10 currencies for non-deliverable forwards. LCH's ForexClear launched clearing of deliverable FX options, and associated spot and forward hedges in collaboration with CLS's settlement service beginning in July 2018. In October 2019, ForexClear launched the clearing of deliverable FX forwards, the first CCP to clear the product. ForexClear intends to launch the clearing of Non-Deliverable Options (NDOs) in Q1 2021, subject to regulatory approval.
- *CDSClear:* clears a broad range of European and US CDS products allowing margin offsets to provide opportunities for increased capital efficiency. Over 100 index series and 500 single name CDS contracts are eligible for clearing.
- *RepoClear*: clears cash bond and repo trades and is offered through LCH Limited and LCH SA across a number of European markets. In 2019, LCH SA consolidated the clearing of European government bond repo clearing activity into one CCP enabling members to benefit from netting and use Euroclear, Clearstream or T2S settlement in a CSD of their choice. RepoClear cleared $212 trillion of nominal value in 2019.

- *CommodityClear*: offers clearing service for commodity derivatives through LCH SA. Members can clear a wide range of agricultural and soft commodity futures and options that are listed on Euronext Derivatives.
- *EquityClear:* offers equity clearing services for a number of European regulated exchanges and MTFs including London Stock Exchange, Turquoise, Euronext, SIX Swiss Exchange, Oslo Børs, Cboe Europe Equities and other venues. Risk management and clearing services are also provided from European trading to the close of the US markets. LCH Ltd also provides interoperability with other CCPs.
- *LCH SwapAgent:* launched in May 2017, LCH SwapAgent provides a service designed to simplify the processing, margining and settlement of uncleared derivatives by extending part of the existing clearing infrastructure to the bilateral market without novation to a central counterparty and associated risk management. In 2020, SwapAgent surpassed US$1 trillion in notional registered.

CC&G

Established in 1992, CC&G is an Italian-based clearing house providing risk management and CCP services. The main services offered include granting of anonymity, interposition (trade date novation), netting by novation, position-keeping, collateral management, reporting, delivery of settlement instructions to the securities settlement system, fails management and buy-in procedures for Italian and European securities.

CC&G, by serving as the guarantor of final settlement of contracts and as buyer towards each seller and seller towards each buyer, assumes counterparty risk. By assuming the counterparty risk, CC&G underpins many important financial markets, facilitating trading and increasing confidence within the Italian markets. CC&G's activities are performed under the supervision of the Bank of Italy and CONSOB, which approve CC&G's regulations that it puts in place for its members.

CC&G is: (i) a Recognised Overseas Clearing House and authorised by the FCA to operate in the UK; and (ii) with approval from the Bank of Italy and a college of regulators, is licensed to operate as a CCP in the EU under EMIR and is interoperable with LCH SA for Italian Government bonds traded on MTS and BrokerTec. CC&G acts as clearing house and CCP for transactions covering a broad range of trading venues and asset classes.

Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment, of which CC&G will form a part.

Monte Titoli

Monte Titoli is LSEG's Italian-based Central Securities Depository ("**CSD**") and is a provider of settlement, custody, asset servicing, collateral management and issuer services to a domestic and international client base of 188 intermediaries and 2,649 issuers (as at 31 December 2019). Almost all securities held in Monte Titoli are in dematerialised (i.e., electronic) form. The remaining securities are held as global or jumbo certificates, but managed in book entry form. Monte Titoli is authorised to perform these activities by the Bank of Italy and supervised by both the Bank of Italy and CONSOB, the Italian authorities with regulatory and supervisory powers over the Italian financial system. It is also part of T2S, the centralised settlement platform for securities, developed and operated by the Eurosystem (the European Central Bank and the national central banks of the Eurozone), created to provide settlement services for transactions in central bank money.

Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment, of which Monte Titoli will form a part.

UnaVista

UnaVista is a technology platform for regulatory reporting, reference data and analytics, providing business solutions designed to help firms reduce operational risk across all asset classes.

Group Strategic Accounts

In addition to the sales and account management functions in each of the three business divisions described above (Data & Analytics, Capital Markets and Post Trade), the Combined Business will also operate a Group Strategic Accounts ("**GSA**") function, targeted at providing a single point for relationship management across the Combined Business for its largest and most strategic customers.

Strategic Investments and Innovation

LSEG and Refinitiv each have strategic investments in companies which operate across the financial markets value chain. A LSEG strategic investments team will operate across the Combined Business, managing LSEG and Refinitiv's existing investments and identifying new opportunities. New opportunities will be identified using the following strategic goals:

- solving for capability gaps, accessing new IP / technologies and accelerating innovation;
- strengthening and influencing commercial partnerships with key strategic partners; and
- providing investors early access to companies with significant growth potential.

LSEG's existing strategic investments include:

AcadiaSoft

In June 2018, LSEG acquired an approximate 16 per cent. minority stake in AcadiaSoft, a leading provider of risk and collateral management services for the non-cleared derivatives community. Alongside the investment, LCH SwapAgent and AcadiaSoft signed heads of terms for an agreement to deepen collaboration on new products, aimed at automating and standardising the margin process for non-cleared derivatives.

Euroclear

In January 2019, LSEG acquired a 4.9 per cent. minority stake in Euroclear Holding SA/NV. Euroclear Holding SA/NV and its group provide settlement, custody and collateral management services across Europe. LSEG's minority investment is expected to strengthen LSEG's and Euroclear's existing operational and commercial relationship and provide further opportunities for the companies to deliver benefits to their customers, through commercial collaboration and product development.

Nivaura

In February 2019, LSEG acquired a 7.3 per cent. minority stake in Nivaura. Nivaura is a UK based developer of end-to-end automation solutions for primary financial instrument issuances and administration that uses a combination of legal mark-up language and distributed ledger technologies.

CurveGlobal

A description of CurveGlobal (in which LSEG currently holds approximately a 43.4 per cent. stake) is included within the overview of the Capital Markets division.

Primary Bid

In October 2020, LSEG acquired a 9% stake in PrimaryBid as part of PrimaryBid's $50m Series B funding round. PrimaryBid's platform connects retail investors with public companies raising capital on the same terms as institutional investors. The investment, and ongoing collaboration, is part of LSEG's commitment to broadening access to capital markets for retail investors and supporting companies through providing access to long-term equity capital.

Refinitiv's existing strategic investments include:

Global Data Consortium (GDC)

GDC offers an API platform which provides reference data for identity verification in over 50 countries. The platform includes data from over 200 data sources across more than 70 providers.

In May 2020, Refinitiv invested in GDC to further expand into the growing digital identity space to further enhance Refinitiv's existing Qual-ID offering.

ModuleQ

ModuleQ is a Microsoft partner for Office 365 and Microsoft Teams. ModuleQ's intelligent app predicts users' current priorities while working in Microsoft Teams to bring them timely and relevant content, news and analytics.

In March 2020, Refinitiv invested in and entered into a strategic partnership agreement with ModuleQ. The Refinitiv and ModuleQ partnership will help provide proactive, mission-critical business information directly in their workflow, to professionals across industries from sales teams, lawyers and bankers to company executives. Refinitiv holds a 12.5 per cent. minority stake in the business.

BattleFin

BattleFin is a technology and events company focused on enabling corporations, hedge funds and investment firms to source, evaluate, test and purchase alternative data.

In June 2019, Refinitiv made a strategic investment in BattleFin and formed a partnership to enable customers access to alternative datasets across its data platforms, including quantitative data management platform QA Direct in the Cloud. Refinitiv holds a 14.3 per cent. minority stake in the business.

Citywire

Citywire is a London based financial publishing and information company specialising in providing news, information and insight to professional advisers and investors globally. Refinitiv holds a 19 per cent. minority stake in the business.

Innovation

The established innovation processes of Refinitiv Labs will be leveraged for the benefit of the Combined Business to increase the speed and agility of product innovation across divisions. With significant expertise in the fields of artificial intelligence, machine learning and data science, Refinitiv Labs is a proven research and development function, capable of deploying new technologies to meet the emerging needs of our partners and customers.

Technology and Operations

Technology

The technology functions of LSEG and Refinitiv will bring together domain expertise in building and operating resilient, high performing data and market infrastructure platforms. The Combined Business' technology function will support delivery of the Combined Business' strategic priorities through provision of secure, resilient, and sustainable technology, enhanced by cloud, data and technological innovation.

The Combined Business will be well placed to meet the challenges and opportunities presented by the increasing importance and changing requirements of technology infrastructure, in particular by:

- *Maintaining operational excellence:* ensuring secure, resilient, reliable, and uninterrupted access to financial markets;
- *Adopting a cloud first strategy:* continuing LSEG and Refinitiv's efforts to move significant parts of their operations to the cloud; adopting a "cloud-first" strategy whilst continuing to invest heavily in cyber security and resilience;
- *Transforming and simplifying our technology estate:* delivering modern and sustainable technology infrastructure to support increased agility within the Combined Business, with global scale that will effectively support the organisation in the future; utilising common technology and data frameworks and shared capabilities where possible across the Combined Business; and
- *Emerging technologies:* continuing to assess opportunities and risks arising from emerging technologies throughout the financial technology sector; working with regulators, industry consortiums and specialist technology firms in areas such as distributed ledger and blockchain technology, machine learning and big data.

Operations

The Combined Business will have a scaled operations function that will benefit both the Combined Business and its customers. The Combined Business will develop an innovative operating model with the anticipated capacity to accelerate the delivery of new and differentiated content. The Combined Business' operations function will be supported by efficient processes and technology and will focus on delivering a more consistent service offering. The Combined Business' strategy will focus on deploying consistent technology enablement to the Refinitiv data platform's sourcing, extracting, translating and quality control processes, and will adopt a consistent approach to the interaction with, and support of, external and internal customers.

Section C Overview of the Industry and Competitive Environment in which the Combined Business will operate

The following information has been provided for background purposes only. The information has been extracted from a variety of sources released by public and private organisations. The information has been accurately reproduced and, as far as LSEG plc is aware and is able to ascertain from information published by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Industry Overview

As a global financial markets infrastructure ("**FMI**") leader, the Combined Business will provide a range of services operating across the financial markets value chain. This set of products and services are categorised into four value chain segments below: (i) capital formation and issuance; (ii) pre-trade information and workflow, (iii) trade execution, and (iv) Post Trade.

Capital formation and issuance

This segment includes offerings which support both public and private companies in raising capital in a manner most suitable for their individual financing needs, enabling issuers to raise equity or debt efficiently, and increase their visibility with a wide group of customers and investors. This segment also includes a broad range of data, analytics and workflow solutions which are targeted at supporting issuers, intermediaries and investors in the capital raising process. The Combined Business' Capital Markets division will provide primary and secondary listing services through London Stock Exchange and Borsa Italiana to companies which are seeking to have their securities admitted to trading, as well as providing issuer services for these companies. Listing and admission to trading are necessary pre-conditions to the trading of securities on an exchange. Listing securities on an exchange is one of the numerous options available to businesses seeking to raise primary capital and to investors seeking to monetise the value in their shares through the secondary markets. Through ELITE, the Combined Business will also provide corporates considering a potential future listing access to a network of entrepreneurs, advisors, investors and key stakeholders focusing on the provision of business support for SMEs. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment, of which Borsa Italiana and ELITE will form a part.

Pre-trade information and workflow

This segment includes a broad range of data, analytics and workflow solutions to support investment decision making, capital allocation and performance benchmarking activities. Pre-trade information services include real time and trading data (for example, order book information, price data and trading volumes and statistics), non-real time data feed services (including pricing, reference and valuation data products), news and research services and the development, calculation and dissemination of indices and benchmark rates. These products and services are used by a broad range of market participants, including trading professionals, investment managers, wealth managers and risk and compliance professionals.

The Combined Business' Data & Analytics division will provide its clients with a range of leading information and data products including content (both real-time and non-real-time data), pricing and reference services, and indices, benchmarks and analytics, delivered via a number of distribution channels including data feeds, desktop solutions and partners.

The Combined Business' Data & Analytics division will provide a range of risk solutions to support clients' compliance and regulatory needs. These solutions will allow clients to detect, assess and minimise money laundering risks, allow them to prevent KYC fraud and address supplier, partner and distributor risks. In addition, the Combined Business' risk-related solutions will facilitate audit, compliance and operational risk processes, helping its customers mitigate risk. It will also address wealth management advisors' needs with a complete suite of integrated, intelligent solutions to manage retail brokerage operations including workflow and productivity tools, transaction processing, reporting and archiving and data delivery (this solution, BETA, is available in the US only).

For further detail on the businesses which will be included within the Combined Business' Data & Analytics division, please refer to Section B (*Information on the Combined Business*) under the heading "*Data & Analytics*".

Trade execution

This segment includes services which provide access to liquidity, enabling market participants to trade a wide range of financial products, including both cash securities (such as individual equities, ETFs or fixed income securities) and derivative instruments (whose value depends on an underlying asset such as an individual equity or fixed-income security, index, commodity or currency).

These services include trading venues, on which trading of these financial products takes place, as well as trade workflow solutions such as order management systems ("**OMS**") and execution management systems ("**EMS**") which provide connectivity to trading venues and associated data and analytics to support trading activities.

The Combined Business' Capital Markets division will operate a number of trading platforms which will collectively enable trading services for various market participants across multiple asset classes. The Combined Business' trading platforms will include London Stock Exchange, Borsa Italiana, Turquoise, CurveGlobal, MTS, Tradeweb, FXall and Matching. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment. The Combined Business will also provide a range of trade execution technology services to businesses within its group as well as third-parties. For further detail on the businesses which will be included within the Combined Business' Capital Markets division, please refer to Section B (*Information on the Combined Business*) under the heading "*Capital Markets*".

The Combined Business' Data & Analytics division will offer workflow tools, including order management and trade execution management systems (through REDI and AlphaDesk), to support clients' capital markets activities across multiple asset classes. For further detail on the businesses which will be included within the Combined Business' Data & Analytics division, please refer to Section B (*Information on the Combined Business*) under the heading "*Data & Analytics*".

Post Trade

This segment includes a range of services to support customers in risk management and capital efficiency to enable increased trading and investment activities, including central counterparty clearing services, collateral management solutions, settlement and custody services and post trade reporting.

Clearing, settlement and custody services are post trade services that are used to implement and complete transactions. Securities clearing, which takes place between trade execution and settlement, includes netting, enrichment of trades with information required for settlement (e.g., settlement account information) as well as the validation of the existence of sufficient cash collateral and securities. Securities clearing also includes the services of a CCP which acts as counterparty to both buyers and sellers and manages the counterparty risks resulting in margin requirements for clearing members to cover their net risk exposure.

Settlement involves the effective transfer of securities and cash between the counterparties to the trade, whilst custody services involve the secure and reliable safekeeping of securities on behalf of their owners and the handling of payments and notifications to such parties, including the handling of corporate actions and dividend re-investments.

Post trade reporting includes products and services which support customers in meeting their regulatory reporting obligations and requirements, whilst reducing operational risk associated with these activities.

The Combined Business' Post Trade Division will provide a broad range of post trade services, including clearing (through LCH and CC&G) and settlement and custody services (provided through Monte Titoli). Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment, of which CC&G and Monte Titoli will form a part. These services will operate across both OTC and non-OTC products on an open access basis. UnaVista also provides a technology platform for regulatory reporting, designed to help firms reduce operational risk across all asset classes. For further detail on the businesses within the Combined Business' Post Trade division, please refer to Section B (*Information on the Combined Business*) under the heading "*Post Trade*".

Market Trends

The FMI landscape is fast moving and dynamic and has evolved significantly in recent years. The needs of the Combined Business' customers, who operate on a global basis and range from the world's largest financial institutions to retail investors and SMEs, are changing. FMI providers are adapting, and in the case of the Combined Business will have to adapt, their strategies as a result of these changes.

There are a number of key trends which are expected to continue to shape customer needs and therefore shape the Combined Business' strategy and plans:

- global trading driven by the growth and redistribution of global wealth;
- increasing demand for multi-asset class solutions and coverage across the investment value chain;
- digitisation, AI and automation driving demand for data-driven solutions; and
- continued regulatory change.

Global trading driven by the growth and redistribution of global wealth

Global wealth and redistribution: As global wealth continues to grow, data from a PwC Asset Management publication shows that total AUM is expected to reach approximately US$145 trillion by 2025. Increasing global wealth brings with it increased numbers of market participants, volumes of financial transactions and demand for financial data. The distribution of global wealth has continued to shift significantly between different geographical regions in 2020.

Growth of Emerging Markets: According to a PwC Asset Management publication, between 2020 and 2025, developing markets are expected to increase their share of the world's assets, driven by double-digit growth in AUM for emerging markets, including in Asia-Pacific and in Latin America (where AUM are expected to grow by 11.8 per cent. and 10.4 per cent., respectively). Growth in developing economies is expected to continue to outpace that of developed markets such as North America and Europe (where AUM during the same period are expected to grow by 4.0 per cent. and 3.4 per cent., respectively, according to a PwC Asset Management publication) and is expected to contribute towards approximately 75 per cent. of the world's GDP growth over the next 5 years, according to the International Monetary Fund.

Importance of global presence: Increasingly, customers want to be able to trade across different regions, asset classes and currencies and are, therefore, seeking FMI providers who can provide access and solutions on a global scale.

Implications for the Combined Business: The Combined Business will seek to be a global FMI leader and provider of trusted data and market infrastructure, with a well-balanced global footprint operating a wide range of services to a global customer base. LSEG and Refinitiv collectively have an established emerging markets footprint and, as such, the Combined Business will be well-positioned to capitalise on opportunities in these markets, including the electronification of trading and growing demand from the buy-side for direct participation in capital markets.

The Combined Business will continue to build on LSEG and Refinitiv's focus on establishing partnerships in strategically important regions to serve its global customers, develop a balanced global footprint with significant presence in all major regions including Asia and emerging markets, and enhance its presence and achieve growth in the US, the world's largest financial market. For example, Shanghai-London Stock Connect allows global investors to access China's growing capital markets, while London Stock Exchange listed issuers will have direct access to Chinese investors, a first across European exchange providers. Refinitiv has a track record of investing across emerging markets to ensure it retains highly rated content and capabilities, such as FXT, a leading FX desktop product, and Dealing, a global professional trading community with more than 15,000 trading professionals around the world.

The Combined Business will also continue to develop a scaled technology and operating model, investing in key regions to support delivery of the Combined Businesses activities globally.

Increasing demand for multi-asset class solutions and coverage across the financial markets value chain

Changes in investment preferences and products: Investment preferences are continuing to shift in response to the changing market landscape. Infrastructure solutions, trading, and data and analytics continue to develop beyond traditional equities into other asset classes such as fixed income and private capital as customers look for more diversification and flexibility in their multi-asset class investment solutions. According to a PwC Asset Management publication and to Bloomberg, in 2019 assets in passive US equity funds outweighed actively managed assets for the first time, and passive and alternative investment AUMs are expected to more than double by 2025, to US$10 trillion and US$21 trillion, respectively. The global market for algorithmic trading alone is expected to grow by 11.2 per cent. per annum between 2019 and 2025 (from $11.8 billion to $21 billion) according to Research and Markets data. ETFs continue to grow in popularity as low-cost alternative investment vehicles with US$12 trillion ETF AUM forecast by 2023 and ESG factors are becoming a more mainstream consideration in investment decision-making, with around US$30 trillion of AUM having an ESG integration strategy (according to data from BlackRock, and BNP Paribas). The increased accessibility of private capital is creating alternative market structures which are becoming increasingly popular with investors.

Electronification of asset classes and automation of multi-asset investment strategies: There has been a gradual transition from single-asset class human-based trading to multi-asset class electronic trading, which is reliant on direct data feeds and other non-display data. This transition has been facilitated by the continued adoption of digital technology across the industry such as automation, cloud computing and AI, and machine learning.

Changing operating dynamics of customers: Buy and sell-side customers continue to focus on operating model reforms and cost efficiencies in response to continued management and performance fee pressures, growing investor scrutiny and regulatory-driven changes. Customers are increasingly looking across the value chain from trading to clearing and settlement in order to realise efficiencies and are looking for more innovative and effective ways of accessing the products and services they require.

Growing demand for unified user experience and simplified access: The need for more open offerings to promote simplified access and flexible solutions delivery is focusing product development and design on the user experience. In this space, offerings are more successful and relevant when they allow for simplified open access while leveraging insights from customer data.

Implications for the Combined Business:

The Combined Business will seek to build upon both LSEG's and Refinitiv's efforts to expand capabilities across core businesses and asset classes in each of the Combined Business' divisions.

For example, in Information Services, LSEG continues to realise value from the integrations of Mergent and The Yield Book, which have expanded its ability to provide solutions across multiple asset classes and enhanced its data and analytics capabilities. For Refinitiv, sell-side pressure to reduce costs is leading clients to seek purpose-built solutions to meet their particular requirements, such as Refinitiv Workspace. Additionally, the demand of wealth management firms for desktop solutions, such as Thomson Reuters Knowledge Direct's data feeds, to navigate the increasingly complex financial ecosystem and to remain competitive is increasing demand for Refinitiv's applications. The Combined Business will be well-positioned to aggregate, organise and distribute data to its customers, covering multiple asset classes across the financial markets value chain in response to this demand. This trend may also present an opportunity for adoption of new products such as Refinitiv Access and Refinitiv Workspace as the need for data and content accelerates.

In Capital Markets, the electronification of trading, particularly in the OTC markets, is leading to greater trading volumes on Refinitiv's electronic trading platforms, especially on Tradeweb, Matching and FXall, whilst in Post Trade, LCH has extended its core clearing offering to additional asset classes.

The Combined Business will continue to build out its capabilities across the value chain through strategic acquisitions, organic initiatives and partnerships, for example, its continued investment in alternative forms of funding and private capital through its minority investment in Nivaura in 2019, a digital platform used for issuing and administering corporate bonds, loans and equity.

This will be supported by a strong focus by the Combined Business on technological and operational excellence, and its partnership approach, which leaves it well positioned to play a leading role in addressing customer challenges across the industry.

Digitisation, AI and automation driving demand for data-driven solutions

Advances in technology, including cloud computing, machine learning and AI, have enhanced data processing and storage capabilities across the FMI industry. Further, technological developments have created increasingly digitised trading processes generating more data, with c.50 zettabytes of data expected to be generated in 2020, nearly double the 2018 level, and expected to reach 153 zettabytes by 2024 at 26 per cent. compound growth rate (according to data from International Data Corporation). As a result, there is an increased need for data categorisation and management. Data is increasingly viewed as a core component in investment decision-making, with customers demanding data-driven solutions in order to realise value. As a result, customers increasingly need enhanced data management, more sophisticated analytics and data solutions and effective data distribution to keep up with the fast-paced nature of today's markets.

Implications for the Combined Business:

The Combined Business expects the need for greater and more accurate data to drive increased demand for the Combined Business' Data & Analytics products. Both LSEG and Refinitiv have historically invested in developing their respective data processing and storage capabilities through organic initiatives, partnership and acquisitions, including LSEG's acquisitions of The Yield Book (which enhanced LSEG's data analytics capabilities) and Beyond Ratings (which expanded LSEG's ESG offering in relation to fixed income securities).

The Combined Business will continue to take advantage of this trend through continued investment in Refinitiv's Data Platform and Workspace offerings. The Combined Business expects such investment to further support collaboration with the developer community and its platform tools, as well as improving its extensive network of third-party partnerships. Offerings targeted at investment managers and buy-side professionals, such as Refinitiv Workspace, Datastream and StarMine, are expected to perform well in this environment given investment managers' need to access data and quantitative analytics to support their investment strategies.

Cloud storage and computing power available on demand offer a way to reduce costs and for customers to consume the Combined Business' data in a more agile, flexible and integrated way. This is also driving business opportunities from machine learning and AI, driving consumption of and the desire for, access to data from, multiple sources, combined with demand for sophisticated data analytics, offering new use cases. The Combined Business expects to continue to see shifts to open platforms and cloud-based workflow solutions.

Continued regulatory change

The following points set out LSEG's assessment of likely regulatory changes and their implications for the Combined Business.

Brexit update (*LSEG*)*:* In respect of clearing, LCH SA and CC&G benefit from a temporary deemed permission by the Bank of England which was confirmed publicly on 24 January 2019. This deemed permission will last for a maximum of three years extendable by HM Treasury in increments of twelve months. In addition, the European Commission announced on 21 September 2020 that the temporary equivalence for UK CCPs will apply from the end of the transition period until 30 June 2022 and ESMA announced on 28 September 2020 that LCH Ltd would be recognised by ESMA as a third country CCP under Article 25 of EMIR at the end of the Brexit transition period until 30 June 2022. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment, of which CC&G will form a part.

Implications for LSEG: LCH SA, CC&G and LCH Ltd.'s recognitions confirm their ability to continue to offer all clearing services for all products and services to all members and clients when the UK exits the Brexit transition period, for the periods to which they relate. When the UK exits the Brexit transition period, it may impact the trading revenue generated by LSEG's Capital Markets business due to the implications of the Share Trading Obligation. The impact of the UK exiting the Brexit transition period on EU investment firms would include that, in the absence of an equivalence determination or similar, EU investment firms may not be able to trade shares listed or traded on a trading venue in the EU on a UK trading venue, including LSE plc and Turquoise Global Holdings Limited. On 4 November 2020 the FCA announced that if mutual equivalence decisions have not been made by the EU and the UK before the end of the transition period it would use the Temporary Transitional Power to issue directions to permit UK investment firms to continue to trade shares on EU trading venues that are Recognised Overseas Investment Exchanges, have deemed authorisation under the temporary permissions regime or fall within the overseas persons exclusion. It is unclear at this time whether UK venues will be granted equivalence by ESMA or whether HM Treasury will grant equivalence to EU venues. ESMA set out its final position on the Share Trading Obligation scope on 26 October 2020, clarifying that after the end of the transition period on 31 December 2020, ESMA assumes that all EU shares (shares with an EEA ISIN) will be within the scope of the Share Trading Obligation (except those that trade on UK trading venues in sterling), while UK shares (shares with a UK ISIN) will be outside the scope of the Share Trading Obligation. As part of a structured Brexit programme formed by LSEG, it continues to engage with UK and EU Brexit policy leads to advise on financial market infrastructure considerations. LSEG's key objectives are: (i) maintaining London's position as a global financial hub; (ii) providing continuity of cross-border financial services; and (iii) protecting against policies which may result in fragmentation of financial markets. LSEG continues to maintain an ongoing dialogue with UK, EU and other authorities with respect to the need for contingency measures and on LSEG contingency plans for several businesses.

Brexit update (*Refinitiv*)*:* In respect of Refinitiv's Venues & Transactions division segment, Refinitiv established in 2019 Financial & Risk Transaction Services Ireland Limited ("**FRTSIL**") in Ireland. FRTSIL obtained authorisation from the Central Bank of Ireland as an investment firm operating an MTF. FRTSIL has also entered the Temporary Permission Regime in the UK. Accordingly, Refinitiv will be able to continue to access the European and UK markets irrespective of the outcome of the Brexit negotiations between the UK and the EEA. FRTSIL has also obtained a number of secondary licences in other jurisdictions including, but not limited to, Hong Kong, Singapore, Switzerland, Australia and Canada. Accordingly, FRTSIL is licensed to provide services to EEA and UK clients as well as clients located in other key jurisdictions. FRTSIL has been providing access to such clients since 30 September 2019. Additionally, Tradeweb established Tradeweb EU B.V. in the Netherlands. Tradeweb EU B.V. has obtained authorisation in the Netherlands from the Netherlands Authority for the Financial Markets and the De Nederlandsche Bank as an investment firm operating an MTF and an OTF. Tradeweb EU B.V. started servicing clients in January 2019. The operations of these new trading venues permit Refinitiv to continue to access EEA, as well as UK-based market participants intending to access Refinitiv's venues. In relation to Refinitiv's benchmark business, Refinitiv Benchmark Services (UK) Limited ("**RBSL**") is the administrator of a number of indices and benchmarks. RBSL is regulated as an administrator of certain benchmarks used within the EU and is thus caught by the European Union Benchmark Regulation ("**EU BMR**"). RBSL is authorised by the FCA, as listed on the FSMA Register, to administer benchmarks under the EU BMR. RBSL is considering contingency measures for when the UK exits the Brexit transition period to ensure the continued provision and use of its benchmarks in the EU. The EU BMR provided for a third-country transition period, which runs until 31 December 2021, during which non-EU firms involved in benchmark administration are able to continue providing benchmarks to supervised entities in the EU until they are approved (specifically via 'recognition' or 'endorsement,' per the EU BMR) by an EU regulator. The EU BMR prohibits use of third-country benchmarks from 1 January 2022 unless regulatory approval is granted.

Implications for Refinitiv: As part of a structured Brexit programme formed by Refinitiv, it continues to engage with UK and EU Brexit policy leads on financial market infrastructure considerations. Refinitiv's key objectives are: (i) continued access for clients to its trading venues; (ii) providing continuity of cross-border financial services; and (iii) planning for potential changes in the EU BMR regime. Refinitiv continues to maintain an ongoing dialogue with the UK, the EU and other authorities with respect to Brexit.

Cross-border market access: As G20 mandates continue to be implemented and revised, focus has increased *across* jurisdictions on cross-border market access to financial market infrastructure products and services. In the EU, EMIR 2.2, the EU BMR, MiFID II/MiFIR and other financial services files contain third country provisions that could impact EU participant access across non-EU clearing, trading, benchmarks and other global products and services. In the US, the CFTC has proposed several revisions to expand cross-border derivatives markets access. The UK will continue to evaluate its market access rules pending Brexit developments.

Implications for the Combined Business: As a leading global financial market infrastructure business, market access rules impact how customers across jurisdictions will access the Combined Business' products and services. LSEG and Refinitiv promote harmonisation and cross-border rules that support open and global markets. The Combined Business will remain closely engaged with authorities at national and multilateral levels to promote open, cross-border access to its global offerings.

EU BMR and LIBOR transitions: The EU BMR came into effect in January 2018. Building on the IOSCO Principles, the regulation impacts benchmark users, contributors and administrators. There are initiatives in other *jurisdictions* to review the regulatory framework governing benchmarks. Regulators have established a clear priority to move away from inter-bank rates including LIBOR to introduce alternative reference rates in several major jurisdictions. In June 2020, the UK Chancellor published a written statement which stated that the UK government will introduce amendments to the UK onshore version of the EU BMR to ensure that FCA powers are sufficient to manage an orderly transition from LIBOR. These amendments were included in the Financial Services Bill 2019-21 (which was introduced in the UK Parliament on 21 October 2020) and provide the FCA with new and enhanced powers to oversee the orderly wind-down of LIBOR. The Financial Services Bill is undergoing Parliamentary scrutiny as part of the UK legislative process and is intended to come into force at the end of the transition period.

Implications for the Combined Business: FTSE Russell is a leading global benchmarks provider. FTSE International Limited has been authorised by the FCA as a benchmark administrator under the EU BMR. RBSL is a global benchmarks provider and is authorised by the FCA as a benchmark administrator under the EU BMR.

Both LSEG and Refinitiv view the EU BMR positively, as it raises standards across the industry, and the Combined Business will continue to monitor the changing regulatory landscape to facilitate the widest possible consumption of its benchmarks and related services. Regarding the interbank reference rate transitions, LCH is closely engaged with the relevant government authorities and industry participants to fully support a smooth transition to selected alternative reference rates.

Uncleared margin rules (“**UMRs**”): Under the UMRs, certain non-centrally cleared OTC derivatives will be subject to initial and variation margin requirements. The UMRs are currently being phased in. On 3 April 2020, in light of the significant challenges posed by Covid-19, the Basel Committee on Banking Supervision and the International Organisation of Securities Commissions agreed to extend by one year the deadline for completing the final two implementation phases of the margin requirements for non-centrally cleared derivatives, such that the final implementation phase will take place on 1 September 2022. Cleared instruments such as exchange traded derivatives and centrally-cleared OTC swaps are not within the scope of UMRs.

Implication for the Combined Business: The new phase of the UMRs to be introduced may drive market participants to clear more trades centrally and, therefore, may increase the overall number of derivatives which are centrally cleared across the sector.

CCP Recovery and Resolution: Authorities across Europe, North America and other major jurisdictions, as well as international standard setters, are working on further developing the regulatory frameworks for the recovery and resolution of CCPs. In the rare scenario where CCPs face severe distress or failure, this global framework will ensure that the critical functions of CCPs are preserved while maintaining financial stability.

Implications for the Combined Business: Harmonisation of the requirements for CCP recovery plans, and the introduction of resolution plans prepared by the resolution authorities should provide clarity on the impact on CCPs and identify the critical functions they must maintain in the unlikely event of their failure. The Combined Business will continue to assist the authorities and provide input for the development of this framework including in respect of the potential increase of CCP resources. The European Commission has published a proposal for a recovery and resolution regime for CCPs in the EU. The EC’s proposal aims to ensure that CCPs’ critical functions are preserved in a crisis scenario while maintaining financial stability and preventing the costs associated with the restructuring and resolution of failing CCPs from falling to taxpayers. The text of the proposal also imposes a second layer of CCP’s own contribution in case of a default of a clearing member that is not covered by the non-defaulting clearing members’ resources (a “default fund”). This additional layer of CCP own resources may lead to increased costs for LSEG CCPs.

Market Structure Reviews: MiFID II/MiFIR is the widest ranging of the EU’s legislative initiatives in terms of its impact on LSEG and its customers. The application of MiFID II/MiFIR is under review at present, as MiFID/MiFIR requires the European Commission to present the Parliament and Council with a report on the operation of the new framework, together with a legislative proposal for reform, if deemed necessary. The European Commission has carried out a consultation on this although has not, as at the Latest Practicable Date, published a response or indicated whether a proposal for reform is likely to be necessary. On 24 July 2020, the European Commission published a proposal for a Directive to amend MiFID II with respect to information requirements, product governance, position limits and to help the recovery from the Covid-19 pandemic. In the US, there is growing focus on both equity and fixed income market structure topics with a view to implementing changes, whilst there is a global regulatory scrutiny process led by IOSCO into the rapidly growing ETF space.

Implications for the Combined Business: The impact on the Combined Business includes rules on market transparency, trading protocols and microstructures market data, transaction reporting, SME Growth Markets, and Open Access for CCPs, trading venues and benchmark providers. The impact of MiFID II/MiFIR has been broadly neutral, with the ability to offer customer solutions in areas such as block trading on Turquoise and Open Access potentially providing opportunities across all the Combined Business’ divisions (see the paragraph headed “*Open access*” below). The Combined Business will follow the US debates closely given the potential impact on its growing US operations, as well as the global focus on ETFs.

Capital Markets Union (“**CMU**”): CMU is a plan introduced by the EC that aims to create deeper and more integrated European capital markets, enhance competition and remove barriers to retail investment.

Implications for the Combined Business: CMU may increase activity across the Combined Business’ Capital Markets and Post Trade divisions. The Combined Business will closely follow development of the relevant regulatory files such as the EC proposals for a prudential regime for investment firms including market makers and initiatives to support SME growth markets.

Sustainable Finance: The Global Commission on the Economy and Climate estimated that US$90 trillion of investment is needed by 2030 to achieve the objectives of the Paris Agreement. Given the desire of some investors to integrate ESG factors into investment strategies, asset managers across the world are responding. There is also legislative interest, with the EU Disclosure Regulation on disclosures to be made by asset managers and investment funds relating to sustainable investments and sustainability risks and there are EU proposals for a taxonomy regulation which will provide businesses and investors with a common language to identify those economic activities which are considered environmentally sustainable.

Implications for the Combined Business: The Combined Business will actively continue to contribute to this global and regional debate, in particular building LSEG's contributions to the EC Sustainable Finance Action Plan and the Technical Expert Group, and the UK Green Finance Taskforce and Institute. In Italy, Borsa Italiana joined the Italian Observatory on Sustainable Finance. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment. LSEG has also contributed to the Canadian High-Level Expert Group. As the Combined Business' clients integrate climate change and sustainability into their plans, the Combined Business will support issuers to access capital and investors' choice in developing and implementing investment strategies.

Open access: Open access underpins provisions within EMIR and MiFID II/MiFIR that change the way some clearing houses, trading venues and index providers will need to provide their products and services. The changes, which have applied to clearing houses and trading venues since 3 January 2018 (unless such clearing houses and trading venues are temporarily exempt from the provisions in relation to certain instruments) and have applied to index providers from 3 January 2020, require access to be provided to potential users of trading, clearing and indices on a non-discriminatory basis. National competent authorities were able to exempt trading venues and CCPs from the MiFIR access provisions for exchange-traded derivatives until 3 July 2020, without the possibility for further extension. However, the entry into application of the open access provisions with respect to exchange-traded derivatives was postponed for a year, and will enter into application on 4 July 2021.

Implications for the Combined Business: Open access remains a key principle that underpins LSEG's strategy and business model and is fully aligned with the way the Combined Business expects to operate. Open access increases competition across a range of services, to the benefit of investors and market participants, and potentially provides the Combined Business' relevant businesses and partnerships with opportunities to launch new products and attract new trading and clearing flows (e.g., CurveGlobal).

LSEG's clearing services already accept clearing trades that originate from venues outside of the group and some of LSEG's trading venues already provide choice of clearing through alternative CCPs outside its group. Further, FTSE Russell provides index licences to several exchange businesses that are competitors to LSEG's trading venues.

Refinitiv is currently in compliance with the Open Access requirements applicable under MiFIR. Tradeweb's EU trading venues provide trade feeds to clearing houses authorised and/or recognised in the EU that wish to clear transactions in financial instruments traded on its trading venues. Pursuant to MiFIR's provisions on access to benchmarks, Refinitiv also provides information relating to the benchmarks it operates to trading venues outside of the Refinitiv group on a non-discriminatory basis.

Emerging Technology: For the financial services industry, regulators in major jurisdictions are closely monitoring and developing regulatory frameworks on emerging financial technology ("**Fintech**"), specifically the potential uses of distributed ledger technology, cloud computing, machine learning and AI. Regulators are also exploring opportunities for regulatory technology to help develop new strategies for the hosting and use of regulatory data.

Implications for the Combined Business: Emerging technology-related regulatory initiatives will have implications for all of the Combined Business' functions and services to varying degrees, either as compliance obligations or constituents of the services that the Combined Business provides to its customers. The Combined Business will monitor and engage with regulators and leading industry working groups on these issues for the development of regulatory framework; the Combined Business will also work closely with potential new entrants and monitor market trends in the emerging technology space.

Operational resilience and cyber security: Regulators (both at a national level and through the G7 cyber experts working group and other multilateral bodies) and the industry are working to keep pace with the growing cyber threats facing markets through enhancements and further development of resilience standards. There is continuous focus from regulators on the operational resilience of FMIs to ensure continuity of critical business services and the overall resilience of the financial sector. The European Commission adopted a legislative proposal for the Digital Operational Resilience Act ("**DORA**") on 24 September 2020, which aims to put in place a detailed and comprehensive framework on digital operational resilience for EU financial entities.

Implications for the Combined Business: One of the Combined Business' key priorities will be to continue to invest in ensuring cyber resilience and compliance with applicable regulations. In addition to complying with current cyber and data protection requirements, both LSEG and Refinitiv comply with significant data and cyber operational controls and standards required under regulations. The Combined Business will continue to monitor and engage with regulators and leading industry working groups on the development of regulatory frameworks and appropriate harmonisation of standards across jurisdictions.

Outsourcing: In recent years, authorities in a number of jurisdictions have introduced new or stricter rules and regulations regarding outsourcing of critical activities by regulated entities. For instance, MiFID II has introduced detailed requirements associated with outsourcing, including in relation to the terms of outsourcing agreements, rights of termination, rights of information and rights to inspect and access books and premises of service providers. In addition, there is increased oversight of outsourcing arrangements and outsourcing service providers. The FCA referred to outsourcing as a particular area of supervisory focus in January 2019 and, more recently, has noted in the context of operational resilience that firms also need to effectively manage service providers to reduce the risk of operational disruption and harm to their consumers. The DORA legislative proposal published by the European Commission on 24 September 2020 enhances the existing EU requirements on information communication technology ("**ICT**") outsourcing. The DORA legislative proposal contemplates the creation of an EU-level oversight framework for critical third party ICT providers ("**CTTPs**"), and the addition of a broad restriction on EU financial entities using CTTPs established in a third country.

Implications for the Combined Business: Changes in rules and regulations affecting outsourcing arrangements will have implications for the Combined Business both as a regulated financial services provider and also as a provider of outsourced services to other regulated financial services providers. Accordingly, the Combined Business will continue to monitor and engage with regulators on changes to the rules and regulations affecting outsourcing arrangements and intends to change its processes and products and services to comply with any amended requirements in this area.

Competition

The Combined Business expects to be subject to competition across all markets for all of its products, with competitors ranging in size from smaller, highly specialised single-product businesses to multi-billion dollar companies. The competitive environment in which the Combined Business will operate has undergone, and continues to undergo, transformational changes by market participants, investors, infrastructure operators and regulators, as well as intensifying competition.

To better serve the needs of their existing customers and to attract new customers, competitors continue to enhance, invest and improve their products and services (such as by adding new content and functionalities), develop new products and services, compete on price, invest in technology and partner with other businesses in key sectors to allow them to offer a broader array of products and services. Sophisticated FMI providers are diversifying and broadening their propositions to gain access to new product areas and geographies.

Smaller and newer competitors are seeking to differentiate themselves from the breadth of existing offerings through specialisation. As a result, these competitors may be able to adopt new or emerging technologies, including AI and analytic capabilities, or address customer requirements more quickly than existing providers.

Customers continue to sponsor entry of new market infrastructure providers, for example by committing to provide order or transaction flow and/or by participating in their formation, thus shaping the market. Through sponsored entry, customers are also able to ensure that they get the services that they demand on competitive terms and incentivise existing platforms to compete strongly against new players.

These developments have resulted in competition that has driven down fees while spurring technological development. Financial markets infrastructure providers, such as the Combined Business, will need to continue to work hard to address these changing customer needs in an evolving regulatory landscape.

Data & Analytics

The Combined Business' Data & Analytics division will offer a broad range of data and analytics products and, as such, will compete with a wide range of both large and smaller specialist providers, in a sector characterised by numerous market entrants and expansion and high levels of innovation. These providers include Bloomberg, FactSet, S&P Global (including its Market Intelligence business), FIS, ICE Data Services, IHS Markit, SIX Financial, Dow Jones, and new entrants such as Money.net, Symphony and OpenFin.

In index and benchmarks, established market participants such as MSCI and S&P Dow Jones Indices continue to compete strongly and competitors are expanding, whilst REDI Technologies' execution management capabilities' principal competitors include Bloomberg, Virtu Financial, FlexTrade and Instinet. BETA's principal competitors include Pershing, Broadridge, Fidelity and FIS Global.

The Risk business competes with a wide variety of global, regional and niche competitors. Competitors include Dow Jones (which is owned by News Corp.), RELX Group, Wolters Kluwer and Experian.

The market segments for the Combined Business' data, information, software, services and products are highly competitive and are subject to rapid technological changes and evolving customer demands and needs. The Combined Business will need to continue to work hard to address these changing customer needs in an evolving regulatory and technological landscape.

Capital Markets

Competitors of the Combined Business' Capital Markets division are expected to include exchange groups, electronic communication networks, dark pools and other alternative trading systems, market makers and other execution venues. The Combined Business also expects to face competition from large brokers and customers that may assume the role of principal and act as counterparty to orders originating from retail customers, or by matching their respective order flows through bilateral trading arrangements.

The Combined Business' equities businesses are expected to primarily compete with other exchange groups for listings, such as HKEx, ICE and Nasdaq, whilst its trading offerings are expected to compete with European exchanges and MTFs such as Euronext and Cboe Europe Equities. MiFID II/MiFIR has been particularly effective in facilitating the emergence and growth of MTFs, including significant players such as BATS/Chi-X Europe (which have since merged and now operate as Cboe Europe Equities), leading to an unprecedented level of competition between equities trading venues.

The Combined Business' fixed income venues expect to principally compete with, amongst others, MarketAxess, Bloomberg and large inter-dealer brokers. Tradeweb's retail and wholesale marketplaces also face competition from the principal venues in those areas, including ICE and CME/NEX.

The Combined Business' FX venues are expected to primarily compete with large inter-dealer brokers, such as TP-ICAP, Tradition and BGC Partners; as well as FX platforms offered by custodians such as State Street's Currenex and FXConnect, and FX venues operated by exchanges such as Deutsche Borse's 360T, Euronext FX and CBOE FX, CME Group's EBS platform and, Bloomberg. The Combined Business' FX venues are also expected to compete with single-dealer portals and bank voice execution.

Post Trade

The Combined Business' Post Trade businesses expect to compete with other providers of clearing, settlement and regulatory reporting services. This includes other exchange groups, such as ICE, CME, Deutsche Borse, SIX, Moscow Exchange, HKEX, JPX, ASX and, following completion of the Borsa Italiana Divestment, Euronext. This also includes post-trade service providers such as DTCC and Euroclear. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment.

Since the introduction of MiFID II/MiFIR and EMIR, on the back of a general shift towards central clearing, a number of new CCPs have also entered the market and succeeded in capturing a significant share of European trade flow. The competition within the post trade environment has also intensified due to a general industry move towards inter-operability of CCPs (where participants on trading platforms are offered a choice of CCPs), strengthened by regulatory developments, including MiFID II and MiFID. Both European Multilateral Clearing Facility N.V. and EuroCCP Ltd. (an example of customer-sponsored entry) emerged as leading pan-European cash equities clearing houses and in 2013 merged to become one of Europe's leading post trade service providers (European Central Counterparty N.V., now operated by Cboe Europe Equities).

Entry and expansion into European markets for clearing is also made possible by the adoption of "equivalence" decisions by the European Commission, enabling non-EU CCPs to seek recognition to provide clearing services in the EU under more favourable regulatory conditions for themselves as well as for their bank customers. In addition, certain post trade business is expected to shift from traditional service providers, such as the national CSDs to the central European settlement infrastructure, T2S, at the same time fuelling competition between the national CSDs for the remaining services.

PART 8

INFORMATION ON THE LSEG AND REFINITIV BUSINESSES, OPERATIONS AND THE LEGAL AND REGULATORY FRAMEWORKS IN WHICH THEY OPERATE

Investors should read this Part 8 (Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate) in conjunction with the more detailed information contained in this document including in Part 1 (Risk Factors) and Part 10 (Operating and Financial Review of the Combined Business). The Combined Business will comprise the business and operations of both LSEG and Refinitiv. Section A (History and Current Business Overview of LSEG) and Section C (History and Current Business Overview of Refinitiv) of Part 8 (Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate) provides information on the current business and operations of LSEG and Refinitiv, respectively. Section B (Additional information on LSEG's business, operations and the Regulatory and Legal Frameworks in which LSEG operates) of this Part 8 (Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate) provides information with respect to the industry, competition, regulatory and legal frameworks in which LSEG operates, while Section B (Additional information on LSEG's business, operations and the Regulatory and Legal Frameworks in which LSEG operates) of this Part 8 (Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate) provides information with respect to the industry, competition, regulatory and legal frameworks in which Refinitiv operates. Section A (History and Current Business Overview of LSEG) and Section B (Additional information on LSEG's business, operations and the Regulatory and Legal Frameworks in which LSEG operates) of this Part 8 (Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate) provides information on LSEG's business as it currently operates and on the Combined Business as it will operate at Completion, including the Borsa Italiana Group. For detail on the Borsa Italiana Divestment, please see paragraph 9 (Regulatory and merger control approvals and the Borsa Italiana Divestment) of Part 5 (Information on the Transaction).

Section A History and Current Business Overview of LSEG

History and Development

London Stock Exchange is one of the world's oldest stock exchanges and can trace its history back more than 300 years. It was originally constituted by deed of settlement in 1802 and 1875, as amended from time to time, prior to the adoption of modern memoranda and articles of association in 1991. The London Stock Exchange's recent corporate history commenced on 19 November 1986 when it was incorporated and registered in England and Wales with registered number 2075721, as a private limited company under the Companies Act 1985 with the name The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited. On 9 December 1995, The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited changed its name to The London Stock Exchange Limited. On 8 June 2000, The London Stock Exchange Limited was re-registered as a public limited company pursuant to section 43 of the Companies Act 1985 and changed its name to The London Stock Exchange plc. The London Stock Exchange plc became a listed company in July 2001. At this point it was predominantly a UK equities exchange.

The holding company of LSEG was incorporated and registered in England and Wales on 18 February 2005 under the Companies Act 1985 as a private company limited by shares with registered number 5369106 and with the name Milescreen Limited. On 16 November 2005, it changed its name to London Stock Exchange Group Limited. On 7 December 2005, it was re-registered as a public limited company pursuant to section 43 of the Companies Act 1985 and changed its name to London Stock Exchange Group plc. On 15 May 2006, London Stock Exchange Group plc became the holding company of London Stock Exchange plc pursuant to a scheme of arrangement made under section 425 of the Companies Act 1985 and replaced The London Stock Exchange as the listed entity.

LSEG's path towards becoming a global financial markets infrastructure group evolved through a series of strategic acquisitions starting in 2007 when LSEG plc became the holding company of Borsa Italiana, diversifying its activities into European equities and fixed income. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment. LSEG expanded into Technology Services through the acquisition of MillenniumIT in 2009. In 2013, LSEG plc completed the acquisition of a majority stake in the global clearing house, LCH (with two subsequent stake increases in 2017 and 2018), expanding further into the provision of Post Trade services. In 2011, LSEG plc completed the acquisition of the outstanding 50 per cent. of FTSE International Limited; in 2014, LSEG plc completed the acquisition of Frank Russell Company (with Russell Investments subsequently sold in June 2016); and in 2017, LSEG also completed the acquisition of Mergent and The Yield Book and Citi Fixed Income Indices, in each case developing its capabilities in data, indices and analytics.

The registered and head office of LSEG is 10 Paternoster Square, London EC4M 7LS, United Kingdom. Its telephone number is +44 (0) 20 7797 1000. The principal legislation under which LSEG operates is the UK Companies Act 2006 (the "**Companies Act**"). LSEG has unlimited objects.

Business Overview

LSEG is a global FMI business that sits at the centre of the world's financial community. Operating on an open access basis in partnership with its customers, LSEG operates three main business divisions: (i) Information Services; (ii) Post Trade; and (iii) Capital Markets, each supported by Technology Services and a commitment to operational excellence.

Information Services: The Information Services division ("**Information Services**"), through FTSE Russell, is a leading global multi-asset class provider of indices, analytics and data solutions. Through The Yield Book, FTSE Russell has a highly respected analytics platform that provides insights into a broad array of fixed income instruments. LSEG's Information Services division also provides customers with an extensive range of real time data, reference data, news and software products, including Mergent, SEDOL and RNS.

Post Trade: The Post Trade division ("**Post Trade**"), through LCH, operates a group of leading multinational clearing houses, with clearing operations in the UK, the Eurozone, the US and an expanding presence in the Asia Pacific region. In addition to LSEG's majority ownership of LCH, Post Trade includes Cassa di Compensazione e Garanzia ("**CC&G**"), the Italian clearing house, Monte Titoli S.p.A. ("**Monte Titoli**"), a European custody and settlement business, and UnaVista, a post trade regulatory reporting service. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment, of which CC&G and Monte Titoli will form a part.

Capital Markets: The Capital Markets division ("**Capital Markets**") operates a broad range of international equity, ETF, fixed income and derivatives markets, including London Stock Exchange plc ("**London Stock Exchange**"), Borsa Italiana, MTS S.p.A. ("**MTS**"), Turquoise Global Holdings Limited ("**Turquoise**") and Curve Global Limited ("**CurveGlobal**"). Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment. Through these platforms, LSEG connects businesses and investors with access to capital markets that enable companies to grow and develop. Through its various platforms, LSEG's Capital Markets division offers international businesses and investors leading access to Europe's capital markets with secondary markets providing access to financial securities to enable improved price formation, transparency and trading efficiency.

Technology Services: The Technology Services division ("**Technology Services**") supports LSEG's above mentioned divisions by developing and operating high performance technology solutions including trading, market surveillance and post trade systems for over 40 organisations and exchanges, including LSEG's own markets.

LSEG is headquartered in London, with significant operations in North America, Italy, France, Romania and Sri Lanka, and employs approximately 5,551 people. The LSEG Ordinary Shares are admitted to the premium segment of the Official List and to trading on London Stock Exchange's regulated market. LSEG is a constituent of the FTSE 100 index.

For the half-year period ended 30 June 2020, income from LSEG's continuing operations was £1,235 million and revenue was £1,058 million (these were £2,314 million and £2,056 million respectively for the financial year ended 31 December 2019). For the half-year period ended 30 June 2020, LSEG's operating profit from continuing operations was £391 million and its adjusted operating profit (before acquisition amortisation and non-recurring items) from continuing operations was £575 million (these were £738 million and £1,065 million respectively for the financial year ended 31 December 2019).

For the half-year period ended 30 June 2020, LSEG's adjusted EBITDA margin was 54.6 per cent. (this was 54.7 per cent. for the financial year ended 31 December 2019). LSEG's total underlying operating expenses for the half-year period ended 30 June 2020 were £537 million (these were £1,039 million for the financial year ended 31 December 2019). In the half-year period up to 30 June 2020, LSEG generated £165 million of discretionary free cash flow (this was £378 million for the financial year ended 31 December 2019).

As at 31 December 2019, LSEG was within its target dividend cover range of 2.5x–3.0x.

The Borsa Italiana Group

In the context of the EC's Phase II review of the Transaction, LSEG plc announced on 9 October 2020 that it had agreed to sell its entire shareholding in LSEG Italia, the parent company of the Borsa Italiana Group, to the Borsa Italiana Buyer for an equity value of €4.325 billion, plus an additional amount reflecting cash generation to completion of the Borsa Italiana Divestment.

The Borsa Italiana Group is a European FMI business, offering products and services across a range of asset classes and at all levels of the value chain, being (i) listing and pre-trade; (ii) capital markets and trading venues, (iii) post-trade services, including clearing, settlement and custody; (iv) market data services; and (v) technology and infrastructure services. The Borsa Italiana Group principally consists of:

- Borsa Italiana, which operates three primary markets for equities: Borsa Italiana Main Market (MTA), MIV (Market for Investment Vehicles) and AIM Italia, a market dedicated to SMEs. In addition to its equity primary markets, other markets operated by Borsa Italiana include ETFplus, ATFund, SeDeX, MOT, ExtraMOT, IDEM, EuroTLX and BIt Equity MTF;
- MTS, a provider of regulated electronic fixed income markets, in which Borsa Italiana holds a 62.53 per cent. interest. The remaining shares are held by 22 shareholders, which include leading dealer-banks and investment firms. MTS facilitates a number of regulated electronic fixed income markets in both the dealer-to-dealer and dealer-to-client spaces across Europe and the US;
- CC&G, an Italian-based clearing house providing risk management and CCP services, including granting of anonymity, interposition (trade date novation), netting by novation, position-keeping, collateral management, reporting, delivery of settlement instructions to the securities settlement system, fails management and buy-in procedures for Italian and European securities;
- Monte Titoli, an Italian-based central securities depository and provider of settlement, custody, asset servicing, collateral management and issuer services. Monte Titoli is part of the T2S, the centralised

settlement platform for securities, developed by the Eurosystem, created to provide settlement services for transactions in central bank money;

- Elite, an international business development and capital-raising platform, in which the Borsa Italiana Group holds a 75 per cent. interest. Elite supports SMEs in their growth and funding journeys, promoting capital formation and operating private placing platforms in the UK and Italy; and
- GATElab, a provider of ultra-low latency technology to boost pre-trade, trading and post-trade operations. GATElab provides front-office trading and market access solutions to the global financial community.

The Borsa Italiana Seller, a wholly owned subsidiary of LSEG, owns 100 per cent. of the shares in LSEG Italia. LSEG Italia in turn owns 99.998 per cent. of the shares in Borsa Italiana.

In the financial year ended 31 December 2019, the Borsa Italiana Group contributed adjusted EBITDA of €280 million, adjusted profit before tax of €246 million and profit before tax of €200 million to LSEG, and had gross assets of €1,843 million (excluding central counterparty clearing (CCP) assets).

Section B Additional information on LSEG's business, operations and the regulatory and legal frameworks in which LSEG operates

Material Contracts

For a description of the material contracts of LSEG, see paragraph 17.1 (*LSEG material contracts*) of Part 14 (*Additional Information*) of this document.

Intellectual Property

As LSEG operates in a highly dynamic and competitive industry, its business is dependent, in part, on the creation and subsequent protection of intellectual property and knowhow. This is especially important in product design and underlying systems where the business is dependent on licensing use of intellectual property, such as information services (including data and indices) and software. Where appropriate, LSEG takes specific measures such as licence restrictions, registering trademarks and patents, and asserting copyright and database rights to protect its own intellectual property.

Through FTSE Russell, LSEG is a global leader in financial indexing, benchmarking and analytical solutions with approximately US$16 trillion in assets benchmarked to its indices. LSEG also provides customers with an extensive range of real time and reference data products as well as reporting, reconciliation and confirmation services, including SEDOL, UnaVista and RNS. LSEG's business and customers depend on its secure technology that performs throughout to high levels of availability. LSEG licenses certain of its software and intellectual property to customers and is also a licensee under numerous agreements with third-parties.

LSEG is a leading developer and operator of high-performance technology solutions, including trading, market surveillance and post trade systems for over 40 organisations and exchanges including LSEG's own platforms. Additional services include network connectivity and hosting.

LSEG's businesses are also dependent on the good reputation of its brands which it seeks to protect from third-party abuse. Where appropriate, LSEG's brand names are protected through trademarks (whether registered or unregistered) in the United Kingdom, Europe and other territories of the world (as applicable).

Risk Management

LSEG is a widely diversified FMI group, and the management of risk is fundamental to the successful execution of its strategic plans. While its formal risk framework codifies the objectives and practices that govern its processes, its risk culture determines the manner in which it manages risks from day to day. The scope and application of the risk framework and risk culture includes all parts of LSEG's business.

LSEG's management culture embeds risk awareness, transparency and accountability. A strong emphasis is placed on the timely identification and reporting of risk exposures and in the strategic analysis of prevailing or anticipated risks. The responsibility for identifying and managing risks rests with management and with the LSEG Executive Committee, with independent oversight from LSEG's risk management team and from LSEG's Board Risk Committee. LSEG's risk culture is one of its most fundamental tools for effective risk management. LSEG's behaviour framework feeds into the criteria that it uses to assess the effectiveness of its risk culture and the communication, escalation and use of risk analysis to make strategic decisions.

The following risk objectives of LSEG are derived from LSEG's strategy as defined annually by the Board:

- Maintaining a strong risk culture throughout LSEG: the risk management framework is embedded within divisions and functions.
- Maintaining stakeholder confidence: LSEG's stakeholders have confidence in its ability to deliver its strategic objectives with robust and effective governance and operational controls.
- Maintaining stable earnings growth: the strategic growth of the business is delivered in a controlled manner with long-term value enhancement and low volatility of underlying profitability.
- Maintaining capital requirements: LSEG has sufficient capital resources to meet regulatory requirements, to cover unexpected losses and to meet its strategic ambitions.
- Maintaining liquidity: LSEG retains or has adequate access to funding to meet its obligations, taking into account the availability of funds.
- Monitoring and managing credit risk exposure in conjunction with prevailing macroeconomic and geopolitical factors to ensure LSEG threshold limits (the process by which the LSEG monitors and

manages the aggregate counterparty credit risk exposure arising from our clearing and treasury activities) are always adhered to.

- Ensuring prudent levels of margin, default funds and liquidity arrangements in LSEG's CCPs.
- Maintaining operational stability by facilitating orderly market operations: LSEG's operations are delivered in a secure and efficient manner without disruption.
- Achieving operational excellence consistent with LSEG's aspiration to be operationally "best in class".
- Maintaining physical and IT security to protect LSEG's assets, its people, infrastructure, data and other assets.
- Adhering to regulatory requirements: LSEG conducts activities at all times in full compliance with its regulatory obligations.

LSEG's risk control structure is based on the "3 lines of defence" model:

- The first line (Management) is responsible and accountable for identifying, assessing and managing risk.
- The second line (Risk Management and Compliance) is responsible for defining the risk management process and policy framework, providing challenge to the first line on risk management activities, assessing risks and reporting to committees of the Board on risk exposure.
- The third line (Internal Audit) provides independent assurance to the Board and other key stakeholders over the effectiveness of the systems of controls and the enterprise risk management framework ("**ERMF**").

Key risk categories include strategic, operational, and financial risks. LSEG recognises that each of these risks, if not properly managed and/or mitigated, could have an adverse impact on LSEG's and each of its subsidiary's reputation.

LSEG's approach to managing risks includes a bottom up and a top down approach. Key external and internal factors are stress tested across LSEG's operations to assess the potential impact on the financial results, strategic plans and operational resilience.

LSEG has a group-wide policy framework that defines minimum standards, tolerance levels and escalation requirements. Compliance with these policies is monitored and a management self-certification is also performed semi-annually. Each business unit is required to confirm that it is in compliance with LSEG's policies and governance procedures, and that it is managing its risk in accordance with its risk appetite: exceptions are escalated to the Audit Committee and to the Risk Committee. All employees are subject to a mandatory training programme.

LSEG has arrangements for its employees to raise concerns in confidence about possible wrongdoing in financial reporting or other matters. The Audit Committee ensures that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action. The Audit Committee also reviews LSEG's procedures for detecting fraud and for the prevention of bribery.

LSEG has an ongoing programme for development and enhancement of its ERMF. The ERMF metrics and indicators include stress testing used to monitor risks against its risk appetite, to respond to emerging or expected risks.

LSEG's risk oversight capabilities include:

- evaluation of strategic risks as part of the strategic planning process and routine re-assessment as part of the overall enterprise wide risk management framework. A financial stress testing process is used as a tool to measure and monitor strategic risks and to support the Board's expectation that LSEG will continue to operate and meet its liabilities as they fall due for at least the next three years. Under this group-wide stress testing process, a set of severe but plausible scenarios appropriate to the business of LSEG and reflecting its principal risks is determined by LSEG management to define bear cases, and the financial impact of each on LSEG is quantified. The scenario impacts are evaluated on LSEG's key financial metrics: liquidity headroom; leverage and interest rate cover ratios; and regulatory capital headroom. In addition, a set of compounded stresses is evaluated to provide further confidence on the ongoing financial viability of LSEG even under very highly stressed environments. The stress test results feed into the strategic plan and are used to assess major strategic undertakings;
- managing financial risk exposures for credit and counterparty risk using an aggregation tool and VaR calculation engine which aggregates clearing and treasury exposures on a T+1 basis across LSEG and

includes automated stress scenario testing on counterparty risk. The LSEG Risk Appetite defines limits for key financial risk metrics and these are monitored and reported quarterly to the LSEG Financial Risk Committee and to the Board Risk Committee; and

- risk assessment of operational and regulatory risks based on key risk indicators and changes to risk drivers on a monthly basis which are consolidated from a business unit level to a divisional level and consolidated and reported to the LSEG Operational Risk Committee and to the Board Risk Committee on a quarterly basis.

Risks are assessed against LSEG's risk appetite which is approved by the Board on an annual basis. Each of LSEG's CCPs complies with the appropriate regulatory requirements. Consequently, they each manage their risk under the governance of their board of directors and of their internal risk management structure. LSEG monitors the CCPs' aggregated risk positions by using tools that measure the overall exposure to counterparty, credit and liquidity risks. It uses a bottom-up approach for the monitoring of operational risks.

As well as being managed by the CCP's own independent processes, CCPs risks are reported to and overseen by LSEG's Executive Committee and the Board's Risk Committee.

Insurance

As an integral part of its risk management framework LSEG maintains a comprehensive portfolio of insurance policies that are designed to provide cover for specific risks or liabilities that may arise from activities undertaken by businesses. In order to assess the scope and the adequacy of coverage, the risk profile of LSEG is evaluated on an annual basis to ensure an appropriate level of risk transfer via a group-wide master and local insurance policies.

All insurance policies are placed with established insurance carriers that can demonstrate sufficient creditworthiness and service capabilities to protect LSEG. Coverage includes but is not restricted to crime and civil liability, property and casualty, terrorism, pension trust liability, travel, and employer's liability. Additionally, LSEG has subscribed to various specific employee benefit insurance policies including life, accident and assistance policies. A directors' and officers' policy is in force to cover members of the Board and all other officers of LSEG in respect of legal action whilst they carry out their fiduciary duties.

LSEG, as a diversified FMI group, has a global footprint and business lines which have varied risk profiles. Changes to business profiles and geographic exposures are evaluated and cover is adapted where necessary with a view to maintaining sufficient insurance coverage to mitigate foreseeable risks. However, LSEG may still incur damages that are not covered by insurance policies or that exceed coverage limits or amounts set aside to cover such risks. Moreover, there can be no assurance that LSEG will be able to maintain or obtain adequate insurance coverage in the future.

Employees

A key facet of LSEG's strategy is attracting, developing and retaining the right employees for every role. To achieve this, LSEG places great importance on supporting its employees' development. In addition, LSEG emphasises diversity and equal opportunities among its employees. The number of employees employed by LSEG as at 31 December 2019, 31 December 2018 and 31 December 2017 was as follows:

	31 December		
	2019	**2018**	**2017**
By geographical location[(1)(2)]			
United Kingdom	1,705	1,666	1,596
Sri Lanka	1,127	1,001	1,036
Italy	683	669	625
US	676	667	657
Russia	0	0	555
Taiwan	80	30	24
France	192	167	171
Malaysia	199	189	121
Romania	193	68	N/A
Other	126	160	123
Total	**4,981**	**4,587**	**4,908**

Note:

(1) Permanent/regular and fixed term staff only.

(2) Certain employee numbers will be affected as a result of the Borsa Italiana Divestment. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment.

The number of employees of LSEG has increased from 4,981 as at 31 December 2019 to 5,551 as at the Latest Practicable Date.

Employee Share Plans

Principal terms of LSEG plc's employee share plans

LSEG plc currently operates several employee share plans which provide for the grant of awards or options over its shares to LSEG employees (the "**LSEG Share Plans**"). LSEG's reward strategy has a short term focus, through an annual bonus scheme linked to LSEG's global performance management approach, and a medium term focus, through share schemes aimed at senior management and the wider workforce. The Long-Term Incentive Plan aligns the performance and reward of senior management with the Group's ongoing performance and growth.

Sharesave, LSEG's principal employee share ownership scheme, is available to all permanent LSEG employees across France, Hong Kong, Italy, Malaysia, Sri Lanka, the UK and the US. LSEG employees can contribute up to £500 or equivalent per month to the scheme, with the option after three years of using their accumulated savings to buy LSEG shares at a discounted price. In 2019 LSEG launched SharePurchase to permanent employees in Australia and Romania. Under this plan, LSEG employees can purchase up to £500 per month of LSEG shares and are awarded additional shares which vest after the completion of a three-year plan cycle.

During 2019, almost 600 LSEG employees across six countries benefited from Sharesave maturities including share price appreciation of 137%, reflecting the Group's performance over the previous three years. Participation was extended further, with almost 1,100 LSEG employees joining the 2019 scheme, increasing overall participation to over 59% of eligible employees.

Interests in LSEG plc's employee share plans

As at the Latest Practicable Date, the aggregate number of LSEG Ordinary Shares outstanding pursuant to options and awards under the LSEG Share Plans (including 550,881 options and awards granted to Directors and LSEG Key Managers) was 3,729,091. Save as disclosed in this paragraph, neither LSEG plc nor any of its subsidiaries has granted any option over its shares or loan capital which remains outstanding or has agreed, conditionally or unconditionally, to grant any such options.

Material Property

Details of the material properties of LSEG plc are set out below:

Location	Tenure	Rent p.a. at 31 December 2019 (000)	Rent review date	Term	Areas (approx. m^2)	Uses
Paternoster Square, London	Leasehold	£12,504	02/09/2023	Expiry 01/09/2028	18,976	Sole tenancy, office-based functions and commercial events suite
Aldgate House, London	Leasehold	£2,405	25/03/2021	Expiry 24/03/2026	5,990	Mixed tenancy, office-based functions
Palazzo Mezzanotte, Milan(1)	Leasehold	€5,596	Annually on 1 January	Expiry 31/12/2023, termination with one year notice	12,306	Sole tenant, office-based functions and commercial events suite
28 Liberty Street, New York	Leasehold	US$5,237	17/04/2026	Expiry 30/04/2031	6,951	Mixed tenancy, office-based functions

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Note:

(1) This will no longer be a material property of LSEG following completion of the Borsa Italiana Divestment. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment.

Regulatory and Legal Environment

LSEG operates in a highly regulated industry. Several entities within LSEG are operators of exchanges and other trading venues, CCPs, CSDs, index administrators, information service providers, trade repositories, other regulated entities and transaction service providers. LSEG offers a variety of products and services within the FMI landscape, including trading and clearing of equities and derivatives, transaction settlement, custody and management of securities, the provision of market information and the development and operation of electronic systems.

The legal and regulatory framework governing the operations of LSEG is subject to ongoing reform. The focus of regulatory reform since the global financial crisis has been on areas such as increasing capital requirements, requirements for risk management and monitoring and managing systemic risks, measures to create more efficient and more effective supervision, market transparency and transparent and non-discriminatory access to financial market infrastructure. Initiatives to mitigate potential systemic risks stemming from the derivatives market, including the requirement to trade certain OTC derivatives on regulated venues and clear them through CCPs, have also been implemented, along with rules on non-discriminatory access to such infrastructures. Key supranational and national regulatory schemes applicable to LSEG's business are summarised below.

*Regulatory and legal environment in the European Economic Area (“**EEA**”)*

LSEG's entities operate various FMI providers throughout the EEA (being the EU Member States together with Norway, Iceland and Liechtenstein) including cash and derivative exchanges, (alternative) multilateral trading venues for financial products and commodities, CCPs and a settlement system for transactions concluded both on and off-exchange as well as trade repositories and market data and index providers.

LSEG operates exchanges in a number of countries including the UK and Italy and also has CCPs in the UK, France and Italy.

Each of LSEG's EEA exchanges and/or its operator holds an exchange licence under national law transposing MiFID II, granted by the relevant national exchange regulatory authority, and is subject to ongoing supervision by such authority. Likewise, each of the EEA investment firms of LSEG are licensed, and subject to ongoing supervision, by the relevant national competent authority under national law transposing MiFID II.

Each EEA CCP within LSEG is licensed under EMIR. LCH SA is also licensed as a credit institution pursuant to national law transposing the requirements of the Capital Requirements Directive 2013/36/EU and as such is subject, amongst others, to the capital requirements set out in CRD IV. LSEG will also be subject to the revised Capital Requirements Directive 2019/878/EU, or CRD V, which may result in requirements to hold additional capital or to restructure EU entities under an intermediate EU parent undertaking. Investment firms, such as

Turquoise, will be subject to the new Investment Firms Regulation and Directive in the EU and the corresponding regime in the UK. These will introduce a new prudential regime for investment firms, as well as introducing new liquidity, remuneration and regulatory reporting requirements.

LSEG's CSD, Monte Titoli, operates under authorisation from CONSOB in agreement with the Bank of Italy. In addition, Monte Titoli is now part of a new European securities settlement engine coordinated by the European Central Bank ("**ECB**"), the T2S. T2S is operated by the Eurosystem on a cost-recovery basis. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment, of which Monte Titoli will form a part.

The regulatory framework in which LSEG operates in the EEA is derived from EU directives and regulations in the financial services area. EU directives do not automatically apply throughout the EEA and must be implemented into the national laws of EEA member states, by such member states. EU regulations have direct effect in EU member states (although this is not the case for Iceland, Liechtenstein and Norway). There may be differences in approach as regards the implementation of EU directives and supervision under EU legislation, and there may also be additional national requirements as regards its implementation and supervision. A non-exhaustive list of the key aspects of the EEA regulatory framework applicable to LSEG are summarised in the following paragraphs.

MiFID, MiFID II and MiFIR

Since its introduction and implementation in November 2007, MiFID has aimed to provide a single market for financial services by harmonising national rules on the provision of such services and on financial transactions throughout the EEA. The implementation of MiFID also addressed market operators' governance, shareholders and organisation.

MiFID has since been replaced by MiFID II, which has been transposed into the national law of the Member States. By way of example, in the UK, the transposition was mainly effected through amendments to the Financial Services and Markets Act 2000 and related instruments and regulatory rules. The EC has recently proposed changes to MiFID II concerning information requirements, product governance and position limits to assist in the market recovery from the effects of Covid-19; it is anticipated these changes will be adopted by the end of 2020.

Some of the key changes brought about by MiFID II and MiFIR focus on market infrastructure. These include, for example, requirements for transparent and non-discriminatory access by trading venues and CCPs to other trading venues and CCPs, the extension of pre and post trade transparency to non-equities markets, extension of and changes to the transaction reporting regime and requirements relating to the provision and publication of market data. MiFIR also introduced a Share Trading Obligation requiring investment firms to trade shares which are admitted to trading on a regulated market or traded on a trading venue to take place on either a regulated market, multilateral trading facility, systematic internaliser or an equivalent third country trading venue. ESMA set out its final position on the EU Share Trading Obligation scope on 26 October 2020, clarifying that after the end of the transition period on 31 December 2020, ESMA assumes that all shares with an EEA ISIN will be within the scope of the EU Share Trading Obligation, while shares with a UK ISIN will be outside the scope of the EU Share Trading Obligation. The trading of shares with an EEA ISIN on a UK trading venue in UK pounds sterling will not be subject to the EU Share Trading Obligation.

Market Abuse

The current market abuse regime under MAR directly applies to all EU Member States. MAR is complemented by CSMAD. The UK has opted out of CSMAD.

One of the key developments for operators of exchanges and other trading venues is that MAR introduced an express obligation on them to establish and maintain effective arrangements, systems and procedures aimed at preventing and detecting insider dealing and market manipulation. Operators must report all transactions and orders (including any cancellations or modifications) that could constitute insider dealing or market manipulation to competent authorities without delay. In addition, the scope of MAR now extends to instruments traded on trading venues other than regulated markets, as well as to additional types of products and instruments. Manipulation of certain benchmarks is also within the scope of MAR.

EMIR and Interoperability

EMIR imposes various requirements on CCPs, trade repositories and counterparties to derivative contracts. EMIR in particular imposes organisational requirements on CCPs, for instance as regards board composition, the establishment of an independent risk function and default management arrangements (including the CCP's own contribution in case of default of a clearing member that is not covered by the defaulting clearing members' resources). These include requirements in relation to "interoperability arrangements" which involve CCPs establishing arrangements with each other so that a counterparty using one CCP may execute a trade with a counterparty that has chosen a different CCP.

EMIR seeks to reduce the additional risks resulting from interoperability arrangements by restricting the circumstances in which CCPs may enter into such arrangements. Under EMIR, CCPs may only enter into interoperability arrangements where certain risk management and approval requirements are met, such as the provision of margin between interoperating CCPs and additional risk monitoring and management processes.

The European CCPs in LSEG are licensed and regulated under EMIR.

Following a review process by the EC, EMIR has recently been amended by two new regulations: informally known as the EMIR Refit Regulation and EMIR 2.2. Broadly, the EMIR Refit Regulation amends certain of the transaction-level requirements and EMIR 2.2 amends the supervisory framework applicable to EU and third country CCPs (which, following Brexit, should include UK CCPs such as LCH Limited). Third country CCPs are required to be categorised into tiers. CCPs that are, or are likely to become systemically important for the financial stability of the EU or one of its Member States are referred to as "**Tier 2 CCPs**". On 28 September 2020, ESMA announced the recognition of LCH Limited as a Tier 2 CCP under the EMIR 2.2 supervisory framework. Tier 2 CCPs will be subject to EMIR requirements for CCPs (or their home state rules if these are considered comparable), to direct supervision by ESMA and to certain potential additional requirements imposed by the EU Central Banks of Issue. ESMA may also conclude (after consulting with the ESRB and in agreement with the relevant central banks) that a third-country CCP or some of its clearing services are of such substantial systemic importance that it should not be recognised in respect of those services of activities. In parallel, the Governing Council of the ECB has adopted a recommendation to amend Article 22 of the Statute of the European System of Central Banks and of the European Central Bank. The amendment would have provided the ECB with a clear legal competence in the area of central clearing, which would pave the way for the Eurosystem to exercise the powers that are foreseen for central banks issuing a currency under the review of EMIR proposed by the EC. However, the ECB withdrew its recommendation to amend Article 22 of the Statute of the European System of Central Banks and of the European Central Bank and does not pursue, at this stage, additional legal competence in the area of central clearing.

Single Supervisory Mechanism

The Single Supervisory Mechanism ("**SSM**") impacts the regulation of LSEG's entities located in the Eurozone that are licensed as credit institutions such as LCH SA. The SSM confers on the ECB the competence to carry out, in co-operation with national competent authorities ("**NCAs**"), key supervisory tasks for credit institutions in the participating EU Member States, being the current members of the Eurozone. It also provides the ECB with far-ranging investigatory and enforcement powers. The ECB directly supervises significant institutions, while less significant institutions continue to be directly supervised by the national competent authorities, under the oversight of the ECB. Currently, all entities within LSEG, located in the Eurozone, that are authorised as credit institutions qualify as less significant institutions and are thus not under the direct supervision of the ECB. However, through regulations, guidelines and general instructions addressed to the NCAs, the ECB can exercise indirect supervision on these less significant institutions.

*Legislation on recovery and resolution of CCPs (**"CCP Recovery and Resolution"**)*

The European Commission has published a proposal for a recovery and resolution regime for CCPs in the EU. The proposal is being finalised and is expected to be published in the Official Journal of the EU by the end of 2020. The EC's proposal aims to ensure that CCPs' critical functions are preserved in a crisis scenario while maintaining financial stability and preventing the costs associated with the restructuring and resolution of failing CCPs from falling to taxpayers. The proposal could lead to increased costs for CCPs: resolution authorities that identify barriers to resolution could require CCPs to take appropriate measures to address such barriers, including changes to the CCP's operational or legal structure or to its pre-funded loss-absorbing resources. The text of the proposal also imposes a second layer of a CCP's own contribution in case of default of a clearing member that is not covered by the non-defaulting clearing members' resources (a "default fund").

As the CCP Recovery and Resolution is expected to apply from mid-2022, it will not apply automatically in the UK.

*BRRD, Single Resolution Mechanism (“**SRM**”) and potential legislation on recovery and resolution of financial market infrastructures*

The BRRD, which applies to credit institutions and certain investment firms and their groups, provides for the introduction of a package of minimum early intervention and resolution-related tools and powers (including the power to bail-in eligible liabilities) for relevant authorities in Member States and for special rules for cross-border groups, along with rules on recovery and resolution planning. With several adaptations, the BRRD applies to LCH SA as it is licensed as a credit institution. The BRRD additionally introduced rules on minimum requirements for own funds and eligible liabilities. The minimum requirements, which are to be set by the competent authorities with regard to each institution, are designed to ensure that institutions always hold sufficient liabilities so that the bail-in tool can be used effectively in case of their resolution. The technical standards drafted by the European Banking Authority setting out the requirements in more detail apply in this regard since they were adopted by the EC.

The BRRD has been transposed into the national law of the Member States. By way of example, it has been implemented in the UK, *inter alia*, by amendments to the Banking Act 2009.

The BRRD has been amended by an amending directive (“**BRRD II**”) as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms. EU member states are required to bring into force the laws, regulations and administrative provisions necessary to comply with BRRD II, and apply such measures, by 28 December 2020. The EU CCP Recovery and Resolution framework would ensure that BRRD does not apply to CCPs that are licensed as credit institutions, such as LCH SA. Once the CCP Recovery and Resolution framework is adopted in the EU, it will apply to LCH SA rather than BRRD.

In the event that the ACPR as the French resolution authority determines that: (i) LCH SA is failing, or is likely to fail; (ii) there is no reasonable prospect that this failure may be prevented within a reasonable period of time otherwise than by the implementation of a resolution action; and (iii) a resolution action is necessary having regard to the objectives of the resolution regime and by virtue of LCH SA’s judicial liquidation not meeting these objectives to the same extent, then the ACPR may take resolution actions. These include appointing a special manager to replace the management body of LCH SA, who may exercise all the powers of the shareholders and the management body under the control of the ACPR. The ACPR may also use one or more resolution tools, including sale of the business, establishment of a bridge institution, asset separation or bail-in. It is a principle of resolution under BRRD that the shareholders of an institution in resolution bear the first losses. A resolution of LCH SA would therefore be likely to have a significant impact on the value of LSEG’s investment in LCH SA.

Similar rules apply with respect to EuroMTS and Turquoise under the Banking Act 2009. The Bank of England as the resolution authority can exercise a number of stabilisation options using its stabilisation powers if (A) the FCA determines that either EuroMTS or Turquoise is failing, or is likely to fail; and (B) the Bank of England is satisfied that (i) having regard to timing and other relevant circumstances it is not reasonably likely that action will be taken by or in respect of EuroMTS or Turquoise that will mean they are not failing or reasonably likely to fail; (ii) the exercise of a stabilisation power is necessary having regard to the public interest in the advancement of one or more of the special resolution objectives; and (iii) that one or more of the special resolution objectives would not be met by the winding up of EuroMTS or Turquoise. The stabilisation options include (i) sale of all or part of the business of EuroMTS or Turquoise to a commercial purchaser; (ii) transfer of all or part of the business of EuroMTS or Turquoise to a ‘bridge bank’; (iii) transfer of all or part of the business of EuroMTS or Turquoise to an asset management vehicle; or (iv) bail-in. In addition, in certain circumstances capital instruments issued by EuroMTS or Turquoise may be subject to mandatory write-down or conversion. The exercise of one of the stabilisation options in respect of EuroMTS or Turquoise would be likely to have a significant impact on the value of LSEG’s investment in EuroMTS or Turquoise. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment, of which EuroMTS will form a part.

The Bank of England is also the resolution authority for UK CCPs, including LCH Limited. As the resolution authority for LCH Limited, the Bank of England may use stabilisation powers available to it under the Banking Act 2009 to pursue a number of stabilisation options if it determines that LCH Limited is: (i) failing or is likely to fail to satisfy the requirements resulting from section 286 of FSMA (that is, the recognition requirements); and (ii) having regard to timing and other relevant considerations, it is not reasonably likely that (ignoring the stabilisation powers) action will be taken by or in respect of LCH Limited that will enable it to maintain the continuity of any critical clearing services it provides while also satisfying the recognition requirements. The stabilisation options available to the Bank of England include (i) sale of all or part of the business of LCH Limited to a commercial purchaser; (ii) transfer of all or part of the business of LCH Limited to a 'bridge bank'; or (iii) transfer ownership of LCH Limited to any person. A resolution of LCH Limited would be likely to have a significant impact on the value of LSEG's investment in LCH Limited.

The SRM framework was established by the SRM Regulation, which applies to all credit institutions in the Eurozone and provides for bank resolution (including resolution planning) to be managed through a Single Resolution Board ("**SRB**") and a single resolution fund, which is financed by the banking sector. Within the SRM, the SRB is directly responsible for resolution planning and resolution in relation to (i) the most significant credit institutions (those which are directly supervised by the ECB) and (ii) other cross-border groups. The national resolution authorities are responsible for the remaining less significant institutions. The SRM II Regulation, which will apply from 28 December 2020, makes amendments to the SRM Regulation as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms.

Benchmarks

Responding to allegations of manipulation of LIBOR and EURIBOR, since 2012 in particular, the EC passed new legislation on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, in the form of the EU BMR. Certain entities within LSEG are regulated as benchmark administrators under the EU BMR.

The EU BMR imposes obligations in respect of: (i) the provision of benchmarks; (ii) the contribution of input data to a benchmark; and (iii) the use of a benchmark. Of particular relevance to LSEG, the EU BMR requires the authorisation of, and imposes governance and control requirements on, benchmark administrators, i.e., persons who have control over the provision of a benchmark.

*Central Securities Depositories Regulation ("**CSDR**")*

The CSDR, which was adopted in 2014, creates a uniform European regulatory framework for CSDs, including a uniform authorisation process that required CSDs operating under national authorisations to renew their licence under the harmonised framework in September 2017. Moreover, the CSDR introduced an obligation of dematerialisation for most securities (meaning that financial instruments exist only as book entry records), harmonised settlement periods for most transactions in such securities and settlement discipline measures. Another consequence of CSDR is that CSDs are required to reapply for authorisation for additional licences to provide banking-type ancillary services. Several of these obligations are however, not yet applicable.

The EC and ESMA were tasked with specifying the requirements in additional technical standards. ESMA released draft regulatory technical standards in relation to the settlement discipline regime as well internal rules and authorisation requirements. These provisions were accepted by the EC and published in the Official Journal although as they are due to apply from February 2021, they will not apply automatically in the UK. ESMA has proposed that their application be postponed for another year until February 2022. On 23 October 2020, the European Commission adopted a regulation which extends the date for application of the settlement discipline provisions to 1 February 2022. In a written statement dated 23 June 2020, the UK's chancellor confirmed that the UK will not be implementing the EU's new settlement discipline regime as set out in the CSDR.

Brexit

For further information in relation to Brexit, please refer to Part 1 (*Risk Factors*) of this document, and the risk entitled "*Uncertainty regarding Brexit and the outcome of future arrangements between the EU and the United Kingdom could have a material adverse impact on the Combined Business*".

Other Developments

At the EU level, the legislative proposal for DORA was published on 24 September 2020, and requires changes focused on the oversight framework for critical third party ICT providers ("**CTTPs**"), and the addition of a broad restriction on EU financial entities using CTTPs established in a third country, providing a strong indication that the EC intends to use DORA as another opportunity to require re-localisation in Europe. ICT services impacted are likely to include digital and data services provided through the ICT systems to one or more internal or external users, including provision of data, data entry, data storage, data processing and reporting services, data monitoring as well as data based business and decision support services. According to the proposal DORA will apply to 'financial entities' including EU trading venues, CCPs, CSDs, investment firms and trade repositories, and so would apply to a number of entities in the Combined Business.

Regulatory and Legal Environment in the US

LSEG's entities currently operate various market infrastructure providers in the US, including: (i) two DCOs (LCH Limited and LCH SA) and a foreign board of trade ("**FBOT**"), all registered with the CFTC; (ii) a clearing agency (LCH SA) registered with the Securities and Exchange Commission ("**SEC**"); and (iii) a brokerage firm registered with the SEC, the Financial Industry Regulatory Authority ("**FINRA**") and 50 states and 2 territories of the US.

Various agencies and regulatory bodies of the US federal government have taken, and continue to take, actions to address the 2008 financial crisis and its aftermath. These actions include, but are not limited to, the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank**"), which was signed into law on 21 July 2010 and which imposes a new regulatory framework on the US financial services industry and the securities and commodity derivatives markets in particular. Dodd-Frank mandates that prudential banking regulators (including the Board of Governors of the Federal Reserve System), the SEC and the CFTC issue implementing rules and regulations. The regulators have adopted substantially all of these rules and regulations. However, the compliance dates of certain rules and regulations have been deferred.

These changes, individually or collectively, have altered, and will continue to alter, the manner in which LSEG's US registered entities operate, particularly when considered cumulatively with similar legislative and regulatory initiatives in Europe and elsewhere in the world. The cumulative effect of these recent regulatory changes and the related costs of compliance are uncertain at this time.

The reform of the financial system has affected, among other areas, the regulation of CCPs and broker-dealers. These regulatory changes include, but are not limited to, the following:

*Derivatives clearing organisations ("**DCOs**")*

Title VII of Dodd-Frank has amended the Commodity Exchange Act in significant respects to address all aspects of the trading and clearing of derivatives. It establishes a trading and clearing mandate for those categories of swaps designated by the CFTC as subject to mandatory clearing (currently, certain categories of interest rate swaps and credit default swaps). Pursuant to Title VII of Dodd-Frank, the CFTC has adopted a range of new regulatory requirements relating to the classification of swaps, the obligation to trade certain categories of swaps on regulated trading platforms known as swap execution facilities ("**SEFs**") or designated contract markets ("**DCMs**"), the registration of market participants who make a market in swaps as swap dealers ("**SDs**") or trade a material amount of swaps as major swap participants, the operation of DCOs, the reporting of swap transaction information to registered swap data repositories ("**SDRs**") and documentation requirements and responsibilities relating to the foregoing.

Section 725(c) of Dodd-Frank (which amended Section 5b(c)(2) of the Commodity Exchange Act) sets forth core principles with which a DCO must comply. The implementing regulations establish standards for compliance, financial resources/capital, participant and product eligibility, risk management, settlement procedures, treatment of funds, default rules and procedures, rule enforcement, system safeguards, reporting, record-keeping, public information, information sharing, merger control considerations and legal risk.

In February 2016 the CFTC and EC announced a common approach regarding requirements for CCPs. The agreement is designed to ensure that European CCPs and US CCPs will be able to continue to provide services to counterparties located in the US and the EU, respectively. On 15 March 2016, the EC adopted an equivalence decision under EMIR with respect to CFTC requirements (Commission Implementing Decision (EU) 2016/377), which applies from 5 April 2016. A number of US CCPs have since applied for and been recognised under EMIR. Once recognised, US CCPs may continue to provide clearing services to clearing members of trading venues in the EU within the terms of ESMA's recognition, subject principally to compliance with applicable US requirements.

At the same time, on 16 March 2016, the CFTC approved a substituted compliance framework for dually-registered CCPs located in the EU, together with a comparability determination with respect to certain EU rules. The determination became effective upon official publication on 22 March 2016. The determination will permit EU CCPs already registered with the CFTC as DCOs and those seeking registration to provide services to US clearing members and clients while complying with certain corresponding EU requirements set forth in EMIR. Simultaneously, the CFTC issued a no-action letter (No. 16-26 of 16 March 2016) providing limited relief for DCO/CCPs from the application of CFTC regulations to discrete aspects of a DCO/CCP's non-US clearing activities. Two CCPs in LSEG, namely LCH Ltd and LCH SA, are both dual-regulated notwithstanding this regime.

In August 2018, the CFTC published for comment a proposal that would authorize the CFTC to grant a non-US CCP an exemption from registration as a DCO, conditionally or unconditionally ("**Limited Exemption**"). Under the proposal, an exempt DCO would be permitted to clear swaps on behalf of certain US persons and futures commission merchants (FCMs), but only with respect to the proprietary accounts of such persons, as that term is defined by CFTC rules. Importantly, an FCM would not be permitted to clear swaps on behalf of customers. Further, to qualify for the proposed relief, the CFTC would have to find that the DCO/CCP is subject to comparable, comprehensive supervision and regulation by its home country regulator.

More recently, in July 2019, the CFTC published for comment two additional proposals (Registered with Alternative Compliance and Exemption from DCO Registration) intended to reduce the regulatory obligations to which certain registered DCOs located outside of the US would be subject. As above, the relief provided under both the Registered with Alternative Compliance proposal and the Exemption from DCO Registration proposal would be available to a DCO/CCP that is subject to comparable, comprehensive supervision and regulation by its home country regulator. In addition, the CFTC would have to find that the DCO/CCP is not deemed to pose a substantial risk to the US financial system. A non-US DCO/CCP would be deemed to pose a substantial risk to the US financial system if: (i) the DCO/CCP holds 20 per cent. or more of the required initial margin of clearing members with US parents for swaps across all registered and exempt DCOs; and (ii) 20 per cent. or more of the initial margin requirements for swaps at that clearing organisation is attributable to clearing members with US parents. In contrast to the 2018 Limited Exemption proposal, the Exemption from DCO Registration proposal would allow DCOs exempt from registration to clear for US customers outside of the US clearing model.

The Registered with Alternative Compliance proposal was finalised on 17 September 2020 largely as proposed. As finalised, it will not impact the way in which the CFTC regulates LCH Ltd, although LCH SA may be able to apply for alternative compliance. On 18 November 2020, the CFTC finalised its 2018 Limited Exemption proposal. In doing so, the CFTC specifically declined to adopt the 2019 Exemption from DCO Registration proposal,-, although the CFTC noted that it may consider permitting US customer clearing at exempt DCOs or establishing a substantial risk test for exempt DCOs at a later time.

*Foreign Boards of Trade ("**FBOTs**")*

FBOTs are subject to a new registration system under Dodd-Frank and no longer rely on a no-action process to operate. In determining whether to register an FBOT, the CFTC evaluates whether the FBOT's home regulatory authority oversees the FBOT in a manner that is comparable to the CFTC's oversight of DCMs, and specifically whether the FBOT's regulator supports and enforces regulatory objectives that are substantially equivalent to those supported and enforced by the CFTC, such as prevention of market manipulation and safeguards against customer and market abuse. The new application procedures and registration requirements ensure that the process by which FBOTs are permitted to provide members and other participants located in the US with direct access to their trading systems is standardised, fair and consistent to registration applicants and transparent to the general public.

Clearing Agencies

Clearing agencies are subject to multiple regulatory regimes. Any clearing agency that clears or settles securities and security-based swaps ("**SBS**"), including single-name credit-default swaps, is required to register with the SEC under section 17A of the US Exchange Act. The clearing of SBS is subject to rules similar but not identical to those applicable to DCOs in respect of swaps.

The SEC has adopted final rules establishing minimum standards for the operation, governance, and risk management practices of registered clearing agencies, including clearing agencies designated as systemically important. The SEC has also adopted final rules that establish a process for clearing agencies to provide information to the SEC about SBS that the clearing agencies plan to accept for clearing. It has also adopted prudential rules enhancing the oversight of systemically important clearing agencies or those that engage in complex transactions, such as SBS. The SEC has also finalised its regime for the reporting and public dissemination of SBS transaction data to SBS repositories ("**Regulation SBSR**"). However, the compliance date of Regulation SBSR has been deferred.

Broker-dealers

Broker-dealers are subject to registration and other requirements under the US Exchange Act. They are subject to supervision and enforcement by the SEC and FINRA as an industry-wide self-regulatory organisation and must also maintain registration with FINRA. SEC and FINRA rules and regulations and guidelines are subject to frequent changes. In addition, those rules and guidelines continue to evolve through regulatory notices and interpretive, exemptive and no-action letters.

LSEG's US registered broker dealer, MTS Markets International, Inc., is subject to extensive regulatory requirements that apply to all aspects of its business activity, including: capital requirements (which require a broker-dealer to maintain a specified level of minimum net capital in relatively liquid form); the use and safekeeping of customer funds and securities; the suitability of customer investments; record-keeping and reporting requirements; employee-related matters; limitations on extensions of credit in securities transactions; prevention and detection of money laundering and terrorist financing; procedures relating to research analyst independence; procedures for the clearance and settlement of trades; and communications with the public. Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment, of which MTS Markets International, Inc. will form a part.

Dodd-Frank expands the extraterritorial jurisdiction of US courts over actions brought by the SEC or the US with respect to violations of the antifraud provisions in the US Securities Act, the US Exchange Act and the US Investment Advisers Act.

Cross-border effects of US derivatives regulation

The interplay between the US and EU regulatory frameworks relating to derivatives trading is uncertain. The equivalence regime is in its nascent stages. MiFIR will require certain derivative transactions between financial counterparties (such as, amongst others, investment firms, credit institutions and insurance companies) and/or certain non-financial counterparties (established in the EU and whose transactions in OTC derivative contracts exceed EMIR's prescribed clearing threshold) in sufficiently liquid derivatives to be executed on a qualifying EU trading venue or a trading venue located in a third country that has been declared equivalent by the EC for such purposes and that meets the requirements of the MiFID II/MiFIR regime. This trading obligation will also apply to counterparties which enter into derivatives that have been declared subject to the trading obligation with non-EU financial institutions or other non-EU entities that would be subject to the clearing obligation if they were established in the EU. It will further apply to non-EU entities that would be subject to the clearing obligation if they were established in the EU, which enter into derivatives transactions pertaining to a class of derivatives that has been declared subject to the trading obligation, provided that the contract has a direct, substantial and foreseeable effect within the EU or where such obligation is necessary or appropriate to prevent the evasion of any provision of MiFIR. The Dodd-Frank framework for derivatives, for its part, applies to any transaction in which a US person nexus is present, with limited recourse to substituted compliance or considerations of equivalence. Broadly, where a US person is involved in a transaction, the Dodd-Frank framework applies a series of entity and transaction-level requirements to the relevant swap.

Although the CFTC has adopted final rules implementing a substantial portion of Dodd-Frank's requirements with respect to swaps, CFTC regulation and its interpretation continues to evolve and uncertainties remain, particularly with regard to the extraterritorial application of CFTC regulations.

The SEC has now substantially finalised its Dodd-Frank rulemaking with respect to security-based swap dealers. It is expected that dealers that reach the de minimis threshold will need to register with the SEC as a security-based swap dealer no later than 1 November 2021, at which time market participants will need to start complying with most security-based swap rules.

Section C History and Current Business Overview of Refinitiv

History and Development

Before the 2018 Transaction Closing Date, Refinitiv was the Thomson Reuters Financial & Risk Business. Thomson Reuters was created in 2008 when The Thomson Corporation, founded in 1934 as a publishing company by Roy Thomson, acquired Reuters Group, founded in 1851 by Paul Julius Reuter as a business transmitting stock market quotations, which then became a global reporting network for media, financial and economic data. Operating in the first year under a dual-listed company structure, in 2009, it unified its dual listed structure to become Thomson Reuters, which is listed on the New York Stock Exchange and the Toronto Stock Exchange. Thomson Reuters had multiple business units, of which the Thomson Reuters Financial & Risk Business accounted for approximately half of its revenues.

On 30 January 2018, the Blackstone Consortium announced the 2018 Transaction, pursuant to which it would acquire an approximate 55 per cent. interest in the Thomson Reuters Financial & Risk Business, which was renamed Refinitiv after the 2018 Transaction Closing Date. As part of the 2018 Transaction, Thomson Reuters retained an approximate 45 per cent. interest in Refinitiv.

Prior to the 2018 Transaction Closing Date, on 21 March 2018, F&R (Cayman) Parent Ltd. was incorporated as a private company in the Cayman Islands as a special purpose acquisition vehicle by Blackstone, and changed its name on 28 February 2019, after the 2018 Transaction Closing Date, to Refinitiv Parent. Refinitiv Parent is headquartered in London and New York and is the holding company of Refinitiv, which is being acquired by LSEG in respect of the Transaction.

Refinitiv holds an approximate 85 per cent. voting interest and an approximate 53 per cent. economic interest in Tradeweb Markets Inc. and its subsidiaries, (the "**Tradeweb Group**"). Tradeweb Markets Inc. ("**Tradeweb"**) is a Delaware company and the holding company of Tradeweb Markets LLC, ("**Tradeweb Markets**"), which offers electronic marketplaces for trading fixed income, derivatives, money market and equity products, was listed on NASDAQ Global Select Market under the ticker symbol "TW" on 4 April 2019, having been transferred to Refinitiv by Thomson Reuters as part of the 2018 Transaction. Tradeweb operates as a standalone, publicly listed entity.

Current Business Overview

Refinitiv powers and connects the global financial community to support investing, transactions, data management and risk management in a safe, effective and efficient way. Refinitiv is a leader in market and financial data, news, analytics and workflow solutions that serve as key infrastructure for the trading and investment markets, with a global footprint of over 40,000 customers and over 400,000 end users in approximately 190 countries.

Refinitiv serves the needs of multiple communities within the financial services sector, in particular: (i) trading professionals through trading tools, real time data, and access to multiple leading liquidity venues across asset classes; (ii) investment managers with leading non-real time data, benchmarks, research and portfolio management solutions; (iii) wealth managers with wealth advisor workflow tools, digital solutions and back office processing services; and (iv) risk and compliance professionals with tools to support their evolving regulatory and compliance needs.

Refinitiv operates three main business segments: (i) Data Platform and Workspace; (ii) Venues & Transactions; and (iii) Risk. Refinitiv also collects revenues from customers and passes it through to a third-party provider in return for distribution of their content or services through Refinitiv's platform. This has a minimal impact on Refinitiv's profitability (Recoveries).

Data Platform and Workspace: delivers pricing, reference, fundamental and low latency real time data analytics and related value-added services across asset classes and markets globally with delivery mechanisms integrated into financial institutions' workflows. Refinitiv's Workspace, including Eikon, FXT tools and Thomson One, delivers information, analytics, workflow tools and access to market liquidity to sell-side and buy-side firms, governments and corporate institutions. Through Workspace, Refinitiv's significant data, content sources, analytics and workflow tools are delivered to meet multiple users' needs, from access to low latency trading data and execution capabilities for its trading communities, to delivery of non-real time and referential data content as ESG, alternative data and analytics for investment managers.

Venues & Transactions: operates leading trading venues including Matching and FXall, and trading workflow solutions such as AlphaDesk (an OMS) and REDI Technologies, providing access to varied sources of liquidity, enabling Refinitiv's clients to electronically transact in an efficient manner across asset classes and end markets. Refinitiv also has an approximate 53 per cent. economic interest in the Tradeweb Group. Tradeweb offers electronic marketplaces for trading fixed income, derivatives, money market and equity products.

Risk: includes Refinitiv's World-Check, EDD and Giact products which address the ever-increasing compliance and regulatory needs of its customers, in particular around KYC compliance processes, client on-boarding, digital identity, payments verification and fraud prevention and other financial crime risk management programmes.

Recoveries: recoveries revenue is collected from customers and passed through to a third-party provider in return for distribution of their content or services through Refinitiv's platform. This has a minimal impact on Refinitiv's profitability.

Refinitiv is headquartered in London and New York, with significant operations in America, Asia, Europe, including in emerging countries.

Refinitiv's revenue base for the financial year ended 31 December 2019 was highly predictable, with approximately 76 per cent. of revenue derived from subscriptions and approximately 7 per cent. of revenues derived from recoveries. From 2016 to 2019, Refinitiv achieved average annual customer retention rates of approximately 90 per cent, based on the dollar value of revenues from product renewals.

For the half-year period ended 30 June 2020, revenue from Refinitiv's continuing operations was US$3.2 billion (this was US$6.3 billion for the financial year ended 31 December 2019). For the half-year period ended 30 June 2020, Refinitiv's operating income from continuing operations was US$47 million and its adjusted operating profit (before acquisition amortisation and non-recurring items) was US$1,109 million (these were US$(197) million and US$1,894 million respectively for the financial year ended 31 December 2019).

For the half-year period ended 30 June 2020, Refinitiv's adjusted EBITDA margin was 34 per cent. (this was 30 per cent. for the financial year ended 31 December 2019). Refinitiv's total underlying operating expenses before depreciation and amortisation for the half-year period ended 30 June 2019 were US$1,450 million (these were US$2,976 million for the financial year ended 31 December 2019).

Section D Additional Information on Refinitiv's Business, Operations and the Regulatory and Legal Frameworks in which Refinitiv Operates

Refinitiv's Relationship with Thomson Reuters

Refinitiv and Reuters News are parties to the Thomson Reuters News Agreement, which is a 30-year agreement, expiring in 2048, for Reuters News to supply news and editorial content to Refinitiv for a minimum amount of US$325 million per year. For the same time period (and terminating upon termination of the Thomson Reuters News Agreement), Thomson Reuters has granted Refinitiv licences to permit it to brand its products and services with the "Reuters" mark, subject to applicable limitations and restrictions set forth in two trademark licence agreements (the "**Trademark Licence Agreements**"). Additionally, Thomson Reuters and Refinitiv entered into a master services agreement pursuant to which each party continues to provide the other with specified content consistent with the content that the various Thomson Reuters business lines provided to each other prior to the 2018 Transaction Closing Date (the "**Master Services Agreement**").

Reuters News is the world's leading provider of news and financial insight spanning every global asset class, including equities, foreign exchange, commodities, fixed income, alternative investments and real estate. Products and services provided by Refinitiv to its customers pursuant to the Thomson Reuters News Agreement include:

- news technology and integration products (e.g., search, tagging, mapping);
- news marketing inside the products (e.g., in-product messaging and external campaigns, with dedicated marketing resources for news);
- news capabilities and innovation (e.g., news tagging tracer, significance algorithm, TR digest); and
- news strategic shifts (e.g., coverage of buy-side firms and corporate institutions, resource planning versus strategic shifts).

Material Contracts

For a description of the material contracts of Refinitiv, see paragraph 17.2 (*Refinitiv material contracts*) of Part 14 (*Additional Information*) of this document.

Intellectual Property

Many of Refinitiv's products and services contain information and content that is delivered to customers through a variety of media, including online, software-based applications, smartphones, tablets, books, journals and dedicated transmission lines. Refinitiv's principal intellectual property assets are protected by patents, trademarks, trade secrets, database rights and copyrights, as well as confidentiality agreements with third-parties. Refinitiv continues to apply for and receive patents for its innovative technologies, and owns many prominent trademarks and domain names. Additionally, Refinitiv continues to acquire intellectual property through the acquisition of companies. Refinitiv also obtains significant content and data through licensing arrangements with content providers, including via the Thomson Reuters News Agreement and the Master Services Agreement, and has the long-term right to use the "Reuters" trademark in its business pursuant to the Trademark Licence Agreements.

Risk Management

Refinitiv has an established and well-defined organisational and operational structure with clearly defined roles, responsibilities and reporting lines to ensure that appropriate spans of control operate throughout the organisation.

Fit and proper checks are carried out on applicable staff from key functions to ensure that they possess the competence, expertise and integrity necessary for the performance of their duties. Refinitiv's management culture embeds risk awareness, transparency and accountability. A strong emphasis is placed on the timely identification and reporting of risk exposures and in the strategic analysis of prevailing or anticipated risks. Refinitiv's risk culture is one of its most fundamental tools for effective risk management. Refinitiv's behaviour framework feeds into the criteria that it uses to assess the effectiveness of its risk culture and the communication, escalation and use of risk analysis to make strategic decisions.

Refinitiv's risk process includes:

- identifying the most significant operational, strategic, reputational, financial and other risks across the business, considering both the external environment as well as internal changes related to structure, strategy and processes;
- assessing which of these risks individually or together with other identified risks could have a significant impact on Refinitiv as an enterprise if they were to materialise; and
- developing and implementing action plans for the enterprise-level risks and reviewing them periodically at a corporate and board level.

In 2019, Refinitiv created a new "Enterprise Risk Management" ("**ERM**") framework. The ERM process provides a framework for risk management across Refinitiv in a structured and forward-looking way.

Refinitiv's ERM is a five-step model of risk management:

- The approach to ERM focuses on the key business risks agreed at the Executive Leadership Team ("**ELT**") level.
- The ELT evaluates functional and operational risks for their respective areas, ranks those risks, establishes mitigation plans and manages remediation. Through this systematic approach, this initiative validates key risks and provides a mechanism to identify new and emerging enterprise risks.
- Bi-annually, risks are validated at the ELT level.
- Bi-annually, a review of the ERM process and identified risks is provided at meetings of the Audit Committee and the Audit Committee is primarily responsible for overseeing management's ERM process.
- A summary is shared with the Refinitiv Board at its regularly scheduled meetings.

Key risk categories include strategic, operational, and financial risks. Refinitiv recognises that each of these risks, if not properly managed and/or mitigated could have an adverse impact on Refinitiv and on each of its subsidiary's reputations.

Refinitiv's approach to managing risks includes a bottom-up and a top down approach. Key external and internal factors are evaluated across Refinitiv's operations to assess the potential impact on its financial results, strategic plans and operational resilience. Refinitiv's risk control structure also utilises a "3 lines of defence" model, with: (i) the first line (management) responsible and accountable for identifying, assessing and managing risk; (ii) the second line (compliance) responsible for defining the risk management process and policy framework, providing challenge to the first line on risk management activities and assessing risks; and (iii) the third line (internal audit) providing independent assurance to the Refinitiv audit committee and other key stakeholders with respect to the effectiveness of the systems of controls.

In addition, Refinitiv's regulated entities manage their respective risks in accordance with their individual governance frameworks, which generally are run by a board of directors and in accordance with regulated requirements and obligations.

Insurance

As an integral part of its risk management framework, Refinitiv maintains insurance or otherwise insures against hazards in a manner appropriate and customary for its businesses. Such insurance is designed to provide cover for specific risks or liabilities that may arise from activities undertaken by its businesses.

There are, however, certain losses that may be either uninsurable or not economically insurable, in whole or in part. Insurance proceeds may not compensate Refinitiv fully for its losses. Moreover, there can be no assurance that Refinitiv will be able to maintain or obtain adequate insurance coverage in the future.

All insurance policies are placed with established insurance carriers that can demonstrate sufficient creditworthiness and service capabilities to protect Refinitiv and are reviewed periodically. Coverage includes but is not restricted to professional indemnity insurance, cyber insurance, and directors' and officers' insurance, business interruption insurance, public and employers' liability insurance, general office insurance and property damage insurance.

Employees

The average number of Refinitiv employees during the financial years ended 31 December 2019, 31 December 2018 and 31 December 2017 was as follows:

	31 December		
	2019	**2018**	**2017**
By geographical location[(1)(2)]			
US	3,210	3,406	2,743
India	4,908	4,412	2,338
United Kingdom	2,222	2,562	1,704
Philippines	1,505	1,309	1,132
Poland	1,215	1,387	1,100
Other	6,121	6,353	4,105
Total	19,181	19,429	13,122

Notes:

(1) Represents FTEs and does not include contractors.

(2) 2017 data is FTE data for Thomson Reuters' Financial & Risk Business before the 2018 Transaction Closing Date and does not include any FTEs devoted to corporate functions. On the 2018 Transaction Closing Date, on the formation of Refinitiv in the context of the 2018 Transaction, approximately 6,000 FTEs transferred from Thomson Reuters' corporate functions (primarily from Enterprise Technology & Operations and Global Growth Organisation units, but also Finance, Human Resources, Strategy and Legal) to Refinitiv. This explains the increase in the number of FTEs in 2018.

The number of employees of Refinitiv has not changed significantly since 31 December 2019.

Employee Share Plans/Incentive Arrangements

Please refer to paragraphs headed "*Management incentive plan for Refinitiv's management team*" in Part 5 (*Information on the Transaction*) of this document.

Material Property

Details of the material properties of Refinitiv are set out below:

Location	Tenure	Rent p.a. at 31 December 2019 (000)	Rent review date	Term	Areas (approx. sq. ft)	Uses
3 Times Square, New York, US[1]	Leasehold	US$20,924	n/a	19/11/2021	520,653	Operating facilities and corporate office
Technopolis, Bangalore, India	Leasehold	INR 233,110.930	01/04/2022	16/06/2022	455,479	Operating facilities
5 Canada Square, Canary Wharf, London, United Kingdom[2]	Leasehold	£14,436.695	2022	02/10/2027	354,000	Operating facilities and corporate office
Floors 1 and 2, Tower A, RMZ Infinity, Bangalore, India	Leasehold	INR 56,873.412	n/a	06/14/2021	74,370	Operating facilities
Floor 1, Tower E, RMZ Infinity, Bangalore, India	Leasehold	INR 41,736.960	27/06/2021	06/26/2023	36,230	Operating facilities
Tower D, RMZ Infinity, Bangalore, India	Leasehold	INR 88,518.960	17/06/2022	06/16/2024	68,940	Operating facilities
Arca Building, Beijing, China[3]	Leasehold	CNY 48,096.706	01/03/2019	28/02/2021	140,000	Operating facilities
717 Parkway, St. Louis, Missouri, US	Leasehold	US$1,114.0	n/a	4/30/2021	101,375	Operating facilities
795 Parkway, St. Louis, Missouri, US	Freehold	n/a	n/a	n/a	53,439	Operating facilities
2&3 World Square and 9 Upper McKinley Hill, Manila, Philippines	Leasehold	PHP 103,110.300	01/09/2020	4/30/2020 & 8/31/2023	137,164	Operating facilities
Baltic Business Center and Assecco, Gdynia, Poland[4]	Leasehold	EUR1,277.820	n/a	30/11/2021	124,183	Operating facilities
Champion Tower & ICBC Tower, Hong Kong, China	Leasehold	HKD 15,730.848	01/11/2019	31/12/2021	33,201	Administrative office

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Notes:

(1) Refinitiv leases this facility from 3XSQ Associates, an entity owned by Thomson Reuters and Rudin Times Square Associates. Refinitiv and Thomson Reuters have entered into a sublease agreement whereby Refinitiv has subleased to Thomson Reuters approximately 140,000 sq. ft of the property area.

(2) Refinitiv is in the process of consolidating its four existing locations in London, including 30 South Colonnade (Canary Wharf), into a new location at 5 Canada Square in Canary Wharf. The transition to 5 Canada Square is being carried out in phases. Refinitiv expects to sublease approximately 44 per cent. of the space to Thomson Reuters. In addition, Refinitiv has a reversionary lease with the superior landlord for an additional 10 years from 2027.

(3) Refinitiv is in the process of splitting leases so that Thomson Reuters will lease 9,751 sq. ft directly from the landlord.

(4) Consists of two buildings (Baltic Business Centre and Assecco) of approximately 108,839 sq. ft and 4,344 sq. ft, respectively.

Regulatory and Legal Environment

Refinitiv is subject to a number of US federal and state laws, as well as laws and regulations in other jurisdictions. In addition, a number of Refinitiv entities are regulated in other jurisdictions. Each regulated entity has licences in jurisdictions in which, and in some cases into which, it undertakes business or offers services. Refinitiv also has a number of businesses which, while not regulated, provide services to regulated clients for whom Refinitiv applies an appropriate programme of compliance to assist them in meeting their own regulatory obligations. Various Refinitiv entities are subject to regulations that provide broad regulatory, administrative and enforcement powers to supervisory agencies of the jurisdictions in which they operate. Refinitiv is subject to the rules and regulations administered by, but not limited to, the FCA, the SEC, the CFTC, the Central Bank of Ireland, the Australian Securities and Investment Commission, the Hong Kong Monetary Authority, the Hong Kong Securities & Futures Commission, the Japanese Financial Services Agency, the Reserve Bank of India, the Bank Negara Malaysia, the Monetary Authority of Singapore, the Swiss Financial Market Supervisory Authority and regulatory authorities in various Canadian provinces.

In addition to the regulators summarised above, Refinitiv is also subject to regulation by self-regulatory organisations such as FINRA and the National Futures Association ("**NFA**"), as well as various national and local securities, and other regulators (such as regulatory agencies and bodies like the US Department of Labor) in the US and other foreign jurisdictions where it does business.

The regulatory environment in which Refinitiv's businesses operate remains subject to change and heightened regulatory scrutiny. Regulatory developments globally have resulted, or are expected to result in, greater regulatory oversight and internal compliance obligations for firms across the financial services industry. In addition, there is enhanced legislative and regulatory oversight regarding aspects of Refinitiv's business, including the operation of trading venues and the administration of benchmarks. These legal and regulatory changes have impacted, and may in the future impact, the manner in which Refinitiv is regulated and the manner in which it operates and governs its businesses.

The discussion set out below provides a general overview of the primary laws and regulations impacting Refinitiv's businesses. Certain Refinitiv subsidiaries may be subject to one or more elements of this regulatory framework depending on the nature of their businesses, the products and services they provide or the geographic locations in which they operate. To the extent the discussion includes references to statutory and regulatory provisions, such references are to those statutory and regulatory provisions only and to their provisions as at the Latest Practicable Date.

Regulatory and legal environment in the EEA

Certain Refinitiv subsidiaries are required to comply with EU financial services legislation. There is enhanced legislative and regulatory oversight regarding financial services across international markets, including in the EU.

Certain Refinitiv subsidiaries in the UK, Ireland and the Netherlands are investment firms which are authorised to conduct financial services business under national laws implementing MiFID II. Such subsidiaries are regulated by the relevant national authority in their member state, and are subject to rules which impose certain capital, operational and compliance requirements and allow for disciplinary action in the event of non-compliance.

Refinitiv also has a UK subsidiary authorised by the FCA as a benchmark administrator. This authorisation has been granted under the EU BMR and the UK subsidiary is subject to the operational and compliance requirements of the EU Benchmarks Regulation and to the oversight of the FCA.

The regulatory framework in which Refinitiv operates in the EEA is derived from EU directives and regulations in the financial services area. EU directives do not automatically apply throughout the EEA and must be implemented into the national laws of EEA member states, by such member states. EU regulations have direct effect in EU member states (although this is not the case for Iceland, Liechtenstein and Norway). There may be differences in approach and/or additional national requirements as regards the implementation of EU directives and supervision under such EU legislation. A non-exhaustive list of the key aspects of the EEA regulatory framework applicable to Refinitiv are summarised in the following paragraphs.

MiFID, MiFID II and MiFIR

Please refer to the paragraphs headed "*MiFID, MiFID II and MiFIR*" in Section B (*Additional information on LSEG's business, operations and the Regulatory and Legal Frameworks in which LSEG operates*) of this Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*). This regulatory framework applies to Refinitiv as well as LSEG.

In addition, MiFID II and MiFIR have introduced a regime for the authorisation and regulation of data reporting services. MiFID II and MiFIR created a passporting framework for authorised data reporting service providers. Such service providers include persons authorised to provide the service of publishing trade reports on behalf of investment firms pursuant to their post trade transparency obligations. A number of Refinitiv entities are regulated under MiFID II and MiFIR. Refinitiv Transaction Services Limited, Tradeweb Europe Limited, Financial & Risk Transaction Services Ireland Limited and Tradeweb EU BV are entities within the Refinitiv group that are regulated as investment firms authorised to operate trading venues under MiFID II and MiFIR. The requirements under MiFID II and MiFIR in relation to trading venues include requirements relating to transparency and non-discriminatory access given to CCPs and pre and post trade transparency requirements. In addition, Tradeweb Europe Limited and Tradeweb EU BV are regulated as data reporting service providers under MiFID II and MiFIR and are subject to various additional requirements, including requirements relating to the provision of market data on a non-discriminatory and reasonable commercial basis.

Market Abuse

Please refer to the paragraph headed "*Market Abuse*" in Section B (*Additional information on LSEG's business, operations and the Regulatory and Legal Frameworks in which LSEG operates*) of this Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*). This regulatory framework applies to Refinitiv as well as LSEG.

Benchmarks

Please refer to the paragraph headed "*Benchmarks*" in Section B (*Additional information on LSEG's business, operations and the Regulatory and Legal Frameworks in which LSEG operates*) of this Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*). This regulatory framework applies to Refinitiv as well as LSEG.

A Refinitiv company, RBSL, is authorised as a benchmark administrator under the EU BMR. Accordingly, the rules of the EU BMR requiring the authorisation of and imposing governance and control requirements on benchmark administrators, apply to RBSL. As a benchmark administrator, RBSL is subject to various governance, conflict of interest and record-keeping requirements, as well as control requirements in relation to the determination of the benchmark it operates.

Brexit

Please refer to the paragraph headed "*Brexit*", in Section B (*Additional information on LSEG's business, operations and the Regulatory and Legal Frameworks in which LSEG operates*) of this Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*). This applies to Refinitiv as well as LSEG.

Refinitiv has obtained necessary licences and put in place necessary arrangements in the EEA and the UK to continue providing services to its EEA and UK clients, irrespective of the outcome of the Brexit negotiations between the UK and the EU.

Data Protection

GDPR

The GDPR lays down rules relating to the protection of natural persons with regard to the processing of personal data and rules relating to the free movement of personal data. It seeks to ensure a consistent and high level of protection of natural persons and to remove the obstacles to flows of personal data within the EU. The GDPR replaces and repeals the 1995 EU directive (which was implemented in the United Kingdom by the Data Protection Act 1998), which was inconsistently implemented and applied in EU member states. The GDPR is an EU regulation and thus is directly applicable in all EU member states. The GDPR represents a material change in the way personal data is regulated in Europe, as well as outside of Europe, to the extent that goods or services are being provided to EU citizens and their personal information is collected and processed during the course of that interaction. Refinitiv's GDPR governance programme covers other upcoming regulatory changes (including Brexit) and the data privacy impact that this will have on its current business model following Brexit. Refinitiv is monitoring the draft EU e-Privacy Regulation, which will replace the current EU e-Privacy Directive, and may impact how firms can electronically market to customers, and how cookies and other tracking technologies are used in websites.

In the context of Brexit, it is becoming more likely than not that the UK will not obtain an Adequacy Assessment from the EU by the end of 2020, which means that post Brexit, the transfer of personal data from the EU to the UK will need to take place via the data transfer mechanisms in Chapter 5 of the GDPR. Businesses have been preparing for this eventuality with the roll-out of amended inter-group agreements and third party mitigating measures. There is also a small risk that the UK may determine that personal data transfers from the UK to the EU would no longer be permitted which would have a future impact on businesses. This is being monitored closely. The future of personal data transfer from the UK to the EU and the rest of the world remains unclear at this time and is evolving.

The CJEU's decision in Schrems II on 16 July 2020 has invalidated the US Privacy Shield and transfers from the EU and the UK to the US under the US Privacy Shield. In relation to Standard Contractual Clauses ("**SCCs**"), the most commonly used method for international data transfers, these are now subject to additional scrutiny as a result of this ruling. Guidance on how to address the impact of Schrems II was published by the European Data Protection Board in November 2020 and is currently open for consultation. Firms are considering the impact of both Schrems II Guidance and new SCC's which are anticipated to be finalised in early 2021. The UK position on both has not yet been made clear. In addition, the EC published new draft SCCs in November 2020. Once the new draft SCCs are approved, organisations will have a twelve month grace period from the date those SCCs enter into force to implement them with their data importers. The situation in respect of international data transfers from the EEA continues to evolve.

Other Developments

Data protection and privacy legislation continue to develop in jurisdictions across the world, including Brazil enacting its data protection legislation with retrospective effect from 16 August 2020. In India, there are three significant proposals to provide a comprehensive framework for data protection which are working their way through the legislative process, and may be passed as soon as the end of 2020, although with Covid-19, further significant delays are more likely. This would likely impact local employee, customer and financial data which forms part of Refinitiv's global products and services with potential significant impacts including additional compliance measures, the localisation of certain data, and the potential impact on the location of the processing or development of other data categories. In China, the new Multi-Level Protection Scheme and related cyber and national security requirements continue to develop and a new personal data protection law has been proposed. A significant challenge in determining the compliance requirements and business impact is the limited number of translations available and broad terms in which the obligations are expressed, which makes it difficult to assess the specific impact for both on-shore and off-shore customer engagement models, but additional compliance, notice and disclosure measures to both customers and authorities are and will continue to be required, together with data localisation measures.

At the EU level, the legislative proposal for DORA was published on 24 September 2020, and requires changes focused on the oversight framework for CTTPs, and the addition of a broad restriction on EU financial entities using CTTPs established in a third country, providing a strong indication that the EC intends to use DORA as another opportunity to require re-localisation in Europe. ICT services impacted are likely to include digital and data services provided through the ICT systems to one or more internal or external users, including provision of data, data entry, data storage, data processing and reporting services, data monitoring as well as data based business and decision support services. According to the proposal the DORA will apply to 'financial entities' including EU trading venues, CCPs, CSDs, investment firms and trade repositories, and so would apply to a number of entities in the Combined Business.

*Fifth Money Laundering Directive ("**MLDV**")*

MLDV came into effect on 9 July 2018 and, being a directive, was required to be transposed by EU member states (by 10 January 2020). MLDV amended the Fourth Money Laundering Directive ("**MLDIV**") with a view to strengthening the EU anti-money laundering and counter-terrorist financing framework. A number of Refinitiv entities are subject to MLDV. Refinitiv has anti-money laundering compliance policies and procedures in place.

Regulatory and Legal Environment in the US

Several Refinitiv subsidiaries currently operate as market intermediaries, infrastructure providers or investment advisers that are registered in the US with the SEC, CFTC and various self-regulatory organisations, including FINRA and the NFA.

As is the case in the EEA, there is enhanced legislative and regulatory interest in financial services in the US and any future laws or regulations could potentially increase the regulatory burden on Refinitiv and require it to adopt new or different approaches to its operations.

Most recently, various agencies and regulatory bodies of the US federal government have taken, and continue to take, actions in response to the 2008 financial crisis. These actions include, but are not limited to, the enactment of the US Dodd-Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank**"), which was signed into law on 21 July 2010 and which imposes a new regulatory framework on the US financial services industry and the securities and commodity derivatives markets in particular. Dodd-Frank mandates that prudential banking regulators (including the Board of Governors of the Federal Reserve System), the SEC and the CFTC issue implementing rules and regulations.

These changes, individually or collectively, have altered, and will continue to alter, the manner in which Refinitiv's US registered entities operate. Together with similar legislative and regulatory initiatives in the EU and elsewhere, the cumulative effect of these recent regulatory changes, and the related costs of compliance for Refinitiv, are uncertain.

Furthermore, the continuing tension and sanctions activity between the US and China require continual monitoring to determine any business and vendor adjustments required.

*Swap execution facilities (“**SEFs**”)*

Section 733 of Dodd-Frank introduced a new category of registered entity, the swap execution facility, under the US Commodity Exchange Act (“**CEA**”). SEFs include trading systems or platforms on which multiple participants have the ability to execute or trade swaps by accepting bids and offers made by multiple participants in the facility or system. Refinitiv and its subsidiaries operate three registered SEFs. As a condition of registration, a SEF must satisfy numerous “core principles” set forth in the CEA. To the extent that trading facilities may be subject to US regulation as SEFs as well as EU regulation as multilateral trading facilities (“**MTFs**”) or organised trading facilities (“**OTFs**”), the CFTC and the EU have worked to address the circumstance in which the same entity may be required to register under both the US and European regimes. In December 2017, the CFTC and the EC took action to implement mutual recognition of derivatives trading venues. On 5 December 2017, the EC issued an equivalence decision finding that certain designated contract markets and SEFs are eligible for compliance with the EU trading obligation for derivatives. On 8 December 2017, the CFTC issued an order of exemption, pursuant to its authority under Section 5h(g) of the CEA, exempting certain MTFs and OTFs from the SEF registration requirement (the “**CFTC Order**”). The exemption was based on the CFTC’s finding that MTFs and OTFs that are authorised within the EU are subject to comparable, comprehensive supervision and regulation on a consolidated basis by appropriate governmental authorities within their respective member states. The CFTC has subsequently amended the list of MTFs and OTFs identified in the CFTC Order to include additional MTFs. In November 2018, the CFTC issued proposed amendments to its existing regulations related to SEFs to, among other things, apply the SEF registration requirements to certain swap broking entities and aggregators of single-dealer platforms, and allow SEFs to offer flexible execution methods for all swaps that they list for trading. Consultation in respect of the proposed amendments has closed and the proposed amendments are pending. In July 2020, the CFTC finalised a rule prohibiting post-trade name giving-up for swaps executed, pre-arranged or pre-negotiated anonymously on or pursuant to the rules of a SEF and intended to be cleared. In November 2020, the CFTC finalised a rule amending certain parts of its regulations relating to the execution of package transactions on SEFs to allow for flexible means of execution, and to allow for the resolution of error trades on SEFs.

*Introducing brokers (“**IBs**”)*

Refinitiv subsidiaries currently operate three registered IBs. IBs solicit or accept orders for futures, options or swaps contracts, although they do not accept any money, securities, or property (or extend credit in respect of them) to margin, guarantee, or secure trades or contracts that result or may result. IBs are also required to be members of NFA. As an entity registered with the CFTC and an NFA member, an IB is subject to regulatory requirements including, among other things, KYC, regulated sales practices, supervision, record-keeping and reporting.

Broker-Dealers

Broker-dealers are subject to registration and other requirements under the US Exchange Act. They are subject to supervision and enforcement by the SEC and must also maintain registration with FINRA as a self-regulatory organisation. SEC and FINRA rules, regulations and guidelines are subject to frequent changes. In addition, they continue to evolve through regulatory notices from the SEC/FINRA and interpretive, exemptive and no-action letters.

Refinitiv’s subsidiaries operate four registered broker-dealers. US registered broker-dealers are subject to extensive regulatory requirements that apply to all aspects of their business activity, including: (i) capital requirements (which require a broker-dealer to maintain a specified level of minimum net capital in relatively liquid form); (ii) the use and safekeeping of customer funds and securities, rules regulating the suitability of customer investments (which require recommended securities transactions to be suitable for each customer based on the customer’s specific facts and circumstances); (iii) record-keeping and reporting requirements; (iv) requirements relating to employees and employee investments, limitations on extensions of credit in securities transactions; (v) the prevention and detection of money laundering and terrorist financing; (vi) the application of procedures relating to research analyst independence; (vii) the application of procedures for the clearance and settlement of trades; and (viii) requirements in relation to communications with the public. These requirements are imposed by the SEC, FINRA and, in some cases, other self-regulatory organisations.

Some of Refinitiv's broker-dealer subsidiaries are also registered with the SEC as alternative trading systems ("**ATSs**"), which are exchange-like trading platforms that are exempted from registration as national securities exchanges provided they comply with prescribed conditions. As registered ATSs, these broker-dealers must comply with various conduct, reporting, disclosure and other obligations, as required by the SEC under Regulation ATS.

Investment Adviser

One of Refinitiv's subsidiaries, Refinitiv Global Markets ("**RGM**"), is a registered SEC investment adviser under the US Investment Advisers Act. RGM has two divisions: (i) IFR Markets ("**IFR**"); and (ii) Municipal Market Data ("**MMD**"). IFR electronically publishes real time commentary and technical and fundamental analysis in respect of the global commodity and fixed income (cash, futures and derivatives) markets. MMD electronically publishes real time commentary and technical and fundamental analysis of the municipal cash, futures and US Treasury markets. MMD also creates a suite of indicative yield curves providing an opinion to the market regarding where MMD sees fair value. In addition to receiving published advice, subscribers to RGM products and services are able to contact RGM's analysts to discuss the published information. RGM is registered at federal level and is therefore exempt from state level registration requirements.

The supervised persons associated with RGM are subject to various regulations that impact how they operate, including as regards their practices related to supervision, rendering investment advice, sales and marketing methods, personal trading practices, treatment of material non-public information and record-keeping and financial reporting.

Cross-border effects of US derivatives regulations

The interplay between the US and EU regulatory frameworks relating to derivatives trading is uncertain. The equivalence regime is in the early stages of being developed. MiFIR sets out a regime which requires certain derivatives transactions in sufficiently liquid derivatives between financial counterparties (such as investment firms, credit institutions and insurance companies, amongst others) and certain non-financial counterparties (established in the EU and whose transactions in OTC derivatives contracts exceed EMIR's prescribed clearing threshold) to be executed on a qualifying EU trading venue or a trading venue located in a third country that has been declared equivalent by the EC for such purposes, and that meets the requirements of MiFID II/MiFIR. This trading obligation will also apply to counterparties who enter into derivatives that have been declared to be subject to the obligation, with non-EU financial institutions or other non-EU entities that would be subject to the clearing obligation set out in EMIR if they were established in the EU. It will also apply to non-EU entities, that would be subject to the clearing obligation under EMIR if they were established in the EU, who enter into derivatives transactions relating to a class of derivatives that have been declared to be subject to the trading obligation, provided that the contract has a direct, substantial and foreseeable effect within the EU or where such obligation is necessary or appropriate to prevent the evasion of any provision of MiFIR. The OTC derivatives that are subject to the MiFIR trading obligation must have been specified. ESMA maintains a register of derivatives that have been declared to be subject to the trading obligation in MiFIR, as well as the trading venues on which those derivatives can be traded and the dates on which the obligation takes effect, according to the category of counterparty. The EC has declared that certain CFTC-authorised SEFs and designated contract markets are equivalent for the purposes of the MiFIR trading obligation, which includes SEFs operated by Tradeweb entities.

The Dodd-Frank framework for derivatives applies to any transaction in which a US person nexus is present, with limited recourse to substituted compliance or the ability for there to be an equivalence determination. Broadly, where a US person is involved in a transaction, the Dodd-Frank framework applies a series of entity and transaction-level requirements to the relevant swap. In July 2013, the CFTC issued interpretive guidance to inform the public about how the CFTC understood, and intended to apply, its extraterritorial authority. In July 2020, the CFTC approved a final rule on the cross-border application of certain swap provisions under the CEA.

Although the CFTC has adopted final rules implementing a substantial portion of Dodd-Frank's requirements with respect to swaps, the CFTC regulation and its interpretation continues to evolve and uncertainties remain.

The SEC has now substantially finalised its Dodd-Frank rulemaking with respect to security-based swap dealers. It is expected that dealers that reach the de minimis threshold will need to register with the SEC as a security-based swap dealer no later than 1 November 2021, at which time market participants will need to start complying with most security-based swap rules.

Privacy and USA Patriot Act

Many aspects of Refinitiv's business are subject to the comprehensive legal requirements of multiple different functional regulators concerning the use and protection of personal information, including client and employee information. Refinitiv has implemented policies and procedures in response to such requirements. Refinitiv endeavours to safeguard the data entrusted to it in accordance with applicable laws and its internal data protection policies, including taking steps to reduce the potential for identity theft or other improper use or disclosure of personal information, while seeking to collect only the data that is necessary to properly achieve its business objectives and to best serve its clients.

The California Consumer Privacy Act of 2018, which was passed in June 2018 and came into effect in January 2020, grants consumers a right to request: (i) that a business disclose the categories and specific pieces of personal information that it collects about the consumer; (ii) the categories of sources from which that information is collected; (iii) the business purposes for collecting or selling the information; and (iv) the categories of third-parties with whom the information is shared. The California Consumer Privacy Act further grants consumers a right to request that a business that sells a consumer's personal information, or discloses it for a business purpose, discloses the categories of information that it collects and the identity of third-parties to which the information was sold or disclosed, among other rights. The California Privacy Rights Act of 2020 (the "**California Privacy Rights Act**") was approved by voters in California's election on 3 November 2020 and will largely replace the California Consumer Privacy Act. The majority of the substantive provisions of the California Privacy Rights Act come into force on 1 January 2023 and apply to personal data collected after 1 January 2022. The California Privacy Rights Act brings California's privacy laws closer to the GDPR, while preserving key unique components of the California Consumer Privacy Act. Refinitiv continues to work on its compliance program related to the California Consumer Privacy Act and the newly approved California Privacy Rights Act.

The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act, commonly referred to as the USA Patriot Act, provides the federal government powers to address terrorist threats through enhanced domestic security measures, expanded surveillance powers and increased information sharing, and broadened anti-money laundering requirements applicable to financial institutions. In addition, Refinitiv is subject to applicable anti-money laundering legislation in the US.

Other Non-US and non-European Regulation

Some of Refinitiv's subsidiaries and their activities are also subject to other local country regulations, including those of Australia, Brazil, Canada, China, Hong Kong, India, Malaysia, Japan, Russia, Singapore, Switzerland and Thailand.

Other Regulations

Telecommunications licences

Refinitiv also offers certain connectivity services (branded Delivery Direct) typically to its larger clients which, depending on the local national telecommunications regulatory framework at a given location, can bring these services within the scope of telecommunications regulation. The national regulatory environment can require specific authorisations and compliance with a number of ongoing obligations, for example, payment of regulatory fees and filing of regular reports. Accordingly, Refinitiv maintains a number of telecommunications authorisations, including in Canada, Singapore and Hong Kong.

PART 9
DIRECTORS, LSEG KEY MANAGERS AND CORPORATE GOVERNANCE

Section A Directors and LSEG Key Managers

The Directors

The following table lists the names, ages and positions of the Directors.

Name	Age	Position
Don Robert	61	Chair
David Schwimmer	51	Group Chief Executive Officer
Anna Manz	47	Group Chief Financial Officer
Stephen O'Connor	58	Senior Independent Director
Jacques Aigrain	66	Non-Executive Director
Dominic Blakemore	51	Non-Executive Director
Professor Kathleen DeRose	59	Non-Executive Director
Cressida Hogg CBE	51	Non-Executive Director
Dr. Val Rahmani	63	Non-Executive Director

Anna Manz joined LSEG as Group Chief Financial Officer and a member of the Board on 21 November 2020, reporting to David Schwimmer. She succeeded David Warren who announced on 18 October 2019 his intention to retire from LSEG and to step down from the Board by the end of 2020. David Warren stepped down as Chief Financial Officer and a LSEG Executive Director when Anna started and will remain with LSEG until his retirement date of 24 June 2021 to ensure a seamless transition.

The Proposed Directors

The following table lists the names, ages and proposed positions of the Refinitiv Directors who will be appointed to the Board with effect from Completion and Admission (the "**Proposed Directors**"), together with details of the Indirect Shareholder that each such Proposed Director will represent.

Name	Age	Proposed Position	Indirect Shareholder
Martin Brand	45	Non-Executive Director	Blackstone
Douglas M. Steenland	69	Non-Executive Director	Blackstone
Erin Brown	45	Non-Executive Director	Thomson Reuters

The paragraph headed "*Director appointment rights*" in the summary of the Relationship Agreement included in Part 6 (*Summary of the Key Transaction Terms*) of this document contains a detailed description of Refinitiv Holdings' rights to nominate for appointment to the Board, and to remove (and nominate another person in that person's place), the Refinitiv Directors.

Business address of the Directors and Proposed Directors

The business address of the Directors is, and the business address of the Directors and the Proposed Directors will be on and following Completion and Admission, 10 Paternoster Square, London, EC4M 7LS United Kingdom.

Profiles of the Directors

Don Robert (Chair)

Don Robert joined the Board as a Non-Executive Director on 1 January 2019 and became Chair on 1 May 2019. Don was previously Chair of Experian plc, a role he stepped down from in July 2019. Prior to his appointment as Chair of Experian plc in 2014, he was Chief Executive Officer from 2006 to 2014 and prior to that served as Chief Executive Officer of Experian North America from 2001 to 2005. Other previous senior roles include, President of Credco, Inc. from 1992 to 1995, Chair of the US Consumer Data Industry Association, Director and Trustee of the National Education and Employer Partnership Taskforce, Non-Executive Director of First Advantage Corp from 2003 to 2009, Non-Executive Director and Senior Independent Director at Compass Group plc from 2009 to 2018 and Chair of Achilles Group Limited. Don also served as a Non-Executive Director of the Court of Directors, Bank of England from 2014 to 2019. Don Robert's principal activities currently performed outside of LSEG are Chair of Validis Holdings Limited and Chair of the London School of Hygiene & Tropical Medicine, partner at the start up PE firm Corten Capital, a visiting fellow at Oxford University and Honorary Group Captain, Royal Airforce.

David Schwimmer (Group Chief Executive Officer)

David Schwimmer joined the Board on 1 August 2018. Prior to joining LSEG, David spent 20 years at Goldman Sachs, where he held a number of senior roles, most recently as Global Head of Market Structure from 2017 to 2018 and Global Head of Metals & Mining from 2011 to 2017. During his tenure, he also served as Chief of Staff to Lloyd Blankfein from 2005 to 2006, who was then President and COO of Goldman Sachs, and spent 3 years in Russia as Co-Head of Russia/CIS from 2006 to 2009. Prior to joining Goldman Sachs, he practised law at Davis Polk & Wardwell.

Anna Manz (Group Chief Financial Officer)

Anna Manz joined the Board as Group Chief Financial Officer on 21 November 2020. Anna previously held the positions of CFO and Executive Director of Johnson Matthey plc from 2016 to 2020, leading its Finance, Procurement and IT functions. Prior to joining Johnson Matthey plc, Anna spent 17 years at Diageo plc in a number of senior finance roles, including most recently as Chief Strategy Officer and member of the Executive Committee, and previously Finance Director of Spirits North America, Group Treasurer and Finance Director Asia Pacific. Anna Manz's principal role currently performed outside of LSEG is Non-Executive Director at ITV plc, a role she has held since 2016.

Stephen O'Connor (Senior Independent Director)

Stephen O'Connor joined the Board on 12 June 2013. Stephen was previously Chair of the International Swaps and Derivatives Association from 2011 to 2014, having been appointed as a Non-Executive Director in 2009. Stephen also worked at Morgan Stanley from 1988 to 2013, where he was a member of the Fixed Income Management Committee and held senior roles including Global Head of Counterparty Portfolio Management and Global Head of OTC Client Clearing. Stephen was a member of the High-Level Stakeholder Group for the UK Government's review of the Future of Computer Trading in Financial Markets and served as Vice-Chair of the Financial Stability Board's Market Participants Group on Financial Benchmark Reform. Stephen was formerly a member of the US Commodity Futures Trading Commission Global Markets Advisory Committee. He was a Non-Executive Director of OTC DerivNet Ltd from 2001 to 2013 and was Chair from 2001 to 2011. Stephen O'Connor's principal activities currently performed outside of LSEG are as Chair of Quantile Technologies Limited, Chair of HSBC Bank plc, a member of the Scientific Advisory Board of the Systemic Risk Centre, London School of Economics and Political Science and Non-Executive Director of FICC Market Standards Board Limited.

Jacques Aigrain (Non-Executive Director)

Jacques Aigrain joined the Board on 1 May 2013. Jacques was formerly Chair of LCH Clearnet Group from 2010 to 2015. He has also been a Non-Executive Director of Resolution Ltd from 2010 to 2013, a Supervisory Board member of Deutsche Lufthansa AG from July 2007 to April 2015, a Non-Executive Director of the Qatar Financial Centre Authority from March 2011 to October 2015, and a Non-Executive Director of Swiss International Airlines AG (a subsidiary of Deutsche Lufthansa AG) from December 2001 to June 2018. Jacques joined Swiss Re Group in 2001 and was also Chief Executive Officer of Swiss Re Group from 2006 to 2009. Prior to 2001 (when he joined Swiss Re Group), Jacques spent 20 years with J.P. Morgan Chase, working in its New York, London and Paris offices. Jacques Aigrain's principal activities currently performed outside of LSEG are as Senior Advisor at Warburg Pincus LLC, Chair of LyondellBasell Industries NV, Chair of Singular Bank S.A.U. and a Non-Executive Director at WPP plc.

Dominic Blakemore (Non-Executive Director)

Dominic Blakemore joined the Board on 1 January 2020. Dominic is currently Group Chief Executive Officer of Compass Group PLC, a role he assumed in January 2018. Dominic's previous roles at the Compass Group included: Group Finance Director from 2012 to 2015 and Group Chief Operating Officer, Europe from 2015 to 2017, before becoming Deputy Chief Executive Officer in October 2017. Dominic was formerly a Non-Executive Director and Chair of the Audit, Risk and Compliance Committee of Shire plc from 2014 to 2018 and Chief Financial Officer of Iglo Foods Group Limited from 2010 to 2011. Before joining Iglo, Dominic was European Finance & Strategy Director at Cadbury plc from 2008 to 2010 having previously held senior finance roles at that company. Prior to his role at Cadbury plc, Dominic was a Director at Pricewaterhouse Coopers LLP. Dominic is also a member of the Council of University College London.

Professor Kathleen DeRose (Non-Executive Director)

Kathleen DeRose joined the Board on 28 December 2018. Kathleen previously held a number of senior roles at Credit Suisse Group AG from 2010 to 2015 including Managing Director (Head of Business Strategy and Solutions, Investment Strategy and Research). Prior to that she was Managing Director (Head of Global Investment Process, Asset Management). Other roles Kathleen has undertaken have included Managing Partner, Head of Portfolio Management and Research at Hagin Investment Management (2006 to 2010), and Managing Director, Head of Large Cap Equities at Bessemer Trust (2003 to 2006). Prior to 2003, Kathleen also held a number of roles at Deutsche Bank (1991 to 2003), where she became a Managing Director of the bank, and at JPMorgan Chase (formerly Chase Manhattan Bank) (1983 to 1991). In addition to her senior executive positions, Kathleen served as a board member of EDGE (Economic Dividends for Gender Equality) from 2014 to 2015, and she was founding Chair of Evolute Group AG from 2016 to 2017. Kathleen DeRose's principal activities currently performed outside of LSEG are as Non-Executive Director of Evolute Group AG, Non-Executive Director Voya Financial, Inc., Fubon FinTech Director and a Clinical Associate Professor of Finance at the New York University Leonard N. Stern School of Business.

Cressida Hogg CBE (Non-Executive Director)

Cressida Hogg joined the Board on 8 March 2019. Cressida spent almost 20 years with 3i Group plc having joined them in 1995 from JP Morgan. She co-founded 3i's infrastructure business in 2005, becoming Managing Partner in 2009, and led the team which acted as Investment Adviser to 3i Infrastructure plc, a FTSE 250 investment company. She advised on all of 3i Infrastructure's transactions from its flotation in 2007 through to her leaving in 2014. From 2014 to April 2018, Cressida was Global Head of Infrastructure at the Canada Pension Plan Investment Board. Cressida was previously a member of the advisory board for Infrastructure UK (the HM Treasury unit that works on the UK's long-term infrastructure priorities) from 2010 to 2013, a Non-Executive Director of Anglian Water Group from 2007 to 2018, and a Non-Executive Director of Associated British Ports from 2015 to 2018. Cressida received a CBE in 2014 for services to infrastructure investment and policy. Cressida Hogg's principal activities currently performed outside of LSEG are as Chair of the board of Land Securities Group plc and Non- Executive Director of Troy Asset Management.

Dr. Val Rahmani (Non-Executive Director)

Val Rahmani joined the Board on 20 December 2017. Val has over 30 years' experience in the technology industry including at IBM from 1981 to 2009, most recently as General Manager of Internet Security Systems. She was CEO at Damballa Inc., a privately held internet security software firm from 2009 to 2012. She was also a Non-Executive Director of Aberdeen Asset Management plc from 2015 to 2017, and Teradici Corporation from 2010 to 2015. Val Rahmani's principal activities currently performed outside of LSEG are as Non-Executive Director of RenaissanceRe Holdings Limited, Non-Executive Director of Computer Task Group Inc, the private company Entrust Datacard and the early stage company Rungway.

Profiles of the Proposed Directors

Martin Brand (Proposed Non-Executive Director)

Martin Brand is proposed to become a Non-Executive Director of the Combined Business with effect from Completion and Admission. Martin is a Senior Managing Director and serves as co-head of U.S. Acquisitions for Blackstone's Private Equity Group. Martin leads Blackstone's private equity investments in technology, media, telecom, and financial institutions. He also serves as a member of the investment committee of Blackstone's Tactical Opportunities funds. Martin was involved in Blackstone's investments in Refinitiv, MagicLab, Promontory Interfinancial Network (now IntraFi Network), Paysafe, Vungle, JDA, Optiv, Ultimate Software, Kronos (which merged with Ultimate Software to form Ultimate Kronos Group), Ipreo, Knight Capital Group, Lendmark, Exeter Finance, Viva, NCR, First Eagle Investment Management, BankUnited, PBF Energy, Performance Food Group, Travelport, New Skies, Cine UK, NHP, Kabel BW, Kabelnetz NRW, Primacom, and Sulo. Before joining Blackstone, Martin worked as a derivatives trader with Goldman Sachs in New York and Tokyo, and with McKinsey & Company in London. Martin received a BA/MA in Mathematics and Computation, First Class Honors, from Oxford University and an MBA from Harvard Business School. He is a director of Tradeweb Markets, Refinitiv, Ultimate Kronos Group, Exeter Finance, IntraFi Network, and First Eagle. Martin Brand is a Trustee of the American Academy Berlin and a director of the Park Avenue Armory.

Douglas M. Steenland (Proposed Non-Executive Director)

Douglas M. Steenland is proposed to become a Non-Executive Director of the Combined Business with effect from Completion and Admission. Douglas has been a Senior Adviser to Blackstone Private Equity Group since 2009. Douglas served in a number of Northwest Airlines Corporation executive positions from 1991 including Chief Executive Officer from 2004 to 2008 and President from 2001 to 2004. Prior to that, he was a senior partner at Washington, D.C. law firm Verner, Liipfert, Bernhard, McPherson and Hand (now part of DLA Piper) and also worked in the Office of the General Counsel of the US Department of Transportation. Douglas was Chairman of the Air Transport Association from January 2008 to December 2009, after serving as a Director from 2005 to 2008, and previously a Director of International Lease Finance Group, Travelport LLC and Performance Food Group Company. Douglas is currently Chairman of American International Group, Inc. and a Director of Hilton Worldwide Holdings Inc. and American Airlines Group, Inc..

Erin Brown (Proposed Non-Executive Director)

Erin Brown is proposed to become a Non-Executive Director of the Combined Business with effect from Completion and Admission. Erin has served in a number of senior executive roles at Thomson Reuters and is currently Head of Finance for the Thomson Reuters Corporates segment. Erin joined Thomson Reuters in 2011 and previously served as Treasurer, Vice President of Knowledge Solutions—Tax & Accounting, Vice President, Finance, and Vice President and Assistant Treasurer. In 2018, Erin led Thomson Reuters' sale of a 55% interest in its former Financial & Risk business (now Refinitiv) to certain investment funds affiliated with Blackstone. Prior to joining Thomson Reuters, Erin held a number of finance roles at General Motors from 2003 to 2011. Erin has been a director of Refinitiv Holdings Limited since September 2019.

The LSEG Key Managers

The following table lists the names, ages and positions of the LSEG Key Managers.

Name	Age	Position
Diane Côté	56	Chief Risk Officer
Catherine Johnson	52	Group General Counsel
Tim Jones	48	Group Head of Human Resources
Daniel Maguire	44	Group Director, Post Trade Division and Chief Executive Officer of LCH Group
Anthony McCarthy	59	Group Chief Information Officer
Murray Roos	44	Group Director of Capital Markets
Waqas Samad	51	Group Director of Information Services and Chief Executive Officer of FTSE Russell
David Shalders	53	Group Chief Operating Officer and Chief Integration Officer
Brigitte Trafford	55	Chief Communications and Marketing Officer

The Proposed LSEG Key Managers

David Craig will join LSEG's Executive Committee and continue as Chief Executive Officer of Refinitiv on Completion and Admission. With effect from Completion and Admission David Craig, Andrea Remyn Stone and Debra Walton will become LSEG Key Managers. Balbir Bakhshi will join LSEG and the LSEG Executive Committee as Chief Risk Officer on 25 January 2021, following the retirement of Diane Côté (together with David Craig, Andrea Remyn Stone and Debra Walton, the "**Proposed LSEG Key Managers**").

Business address of the LSEG Key Managers and Proposed LSEG Key Managers

The business address of the LSEG Key Managers is, and the business address of the LSEG Key Managers and the Proposed LSEG Key Managers will be on and following Completion and Admission, 10 Paternoster Square, London, EC4M 7LS United Kingdom.

Profiles of the LSEG Key Managers

Diane Côté (Chief Risk Officer)

Diane Côté joined the LSEG Executive Committee in June 2013 with her appointment as Chief Risk Officer. Diane was previously Aviva plc's Chief Finance Operations Officer. Prior to this, Diane held the position of Aviva's Chief Audit Officer. Diane has many years' experience holding senior positions within Aviva and other leading organisations, including Standard Life Assurance. She is a CPA-CA. It was announced on 3 November 2020 that Diane has informed LSEG of her intention to retire from LSEG and step down from the Executive Committee around the time of Completion.

Catherine Johnson (Group General Counsel)

Catherine Johnson joined LSEG in 1996 and was appointed to the LSEG Executive Committee in 2016. She advises the Board and senior executives on key legal matters and strategic initiatives. Catherine qualified as a lawyer at Herbert Smith in 1993.

Tim Jones (Group Head of Human Resources)

Tim Jones joined LSEG in 2010 and was appointed Group Head of Human Resources in May 2011. Tim was appointed to the LSEG Executive Committee in January 2020 and is responsible for attracting, developing and retaining talent for the Group's global business. Tim was previously HR Director at Aegis Media, most recently for the EMEA region, and spent 15 years at Marks & Spencer in a variety of business and HR roles.

Daniel Maguire (Group Director of Post Trade Division and Chief Executive Officer of LCH Group)

Daniel Maguire became Group Director of the Post Trade Division in January 2020. He has been Chief Executive Officer of LCH Group since October 2017, having joined LCH in 1999. He also serves as Chair of the LCH Group and Chair of CurveGlobal. Previously, Daniel has held the positions of LCH Group COO, Global Head of SwapClear and head of LCH's ForexClear and Listed Rates services. Prior to joining LCH, Daniel worked at J.P. Morgan. Daniel was appointed to the Board of the International Swaps and Derivatives Association in April 2018.

Anthony McCarthy (Group Chief Information Officer)

Anthony McCarthy was appointed Chief Information Officer in January 2020. Previously, Anthony was CIO for LCH Group and Ltd from October 2017 until December 2019 where he was accountable for the provision of IT services in each CCP. Previously Anthony was a Managing Director in IT at Deutsche Bank and was the Group CIO for the bank from March 2011 to November 2013.

Murray Roos (Group Director of Capital Markets)

Murray Roos is Group Director of Capital Markets and a member of LSEG's Executive Committee. Prior to joining LSEG in April 2020, he was at Citigroup, where he was most recently Global Co-Head of Equities and Securities Services, having previously led Global Equity Sales and Trading, as well as the Multi-Asset Structuring Group. Prior to joining Citigroup in 2015, he spent a decade at Deutsche Bank holding a number of senior roles including EMEA Head of Equities, Head of Emerging Markets Equities and Global Head of Prime Finance. He began his career as a derivatives trader in South Africa.

Waqas Samad (Group Director of Information Services and Chief Executive Officer of FTSE Russell)

Waqas Samad was appointed Director of Information Services in January 2019, having previously held the positions of CEO of Benchmarks and head of the FTSE Canada business. Waqas joined LSEG from Barclays in 2016 where he was CEO of Barclays Risk Analytics & Index Solutions (BRAIS). Prior to that, Waqas was head of index research in Europe and Asia at Deutsche Bank and held a variety of quantitative and technology roles at Credit Suisse. Waqas is a director and Chairman of the Index Industry Association. Upon Completion Waqas will report to Andrea Remyn Stone (a Proposed LSEG Key Manager), playing a key role within the new structure envisioned for Data & Analytics.

David Shalders (Group Chief Operating Officer and Chief Integration Officer)

David Shalders was appointed Chief Operating Officer and Chief Integration Officer on 18 November 2019. David brings over thirty years' experience to LSEG in integration, technology and operations in the financial services sector. Most recently, David was Group Operations and Technology Director at Willis Towers Watson, having led the integration of Willis and Towers Watson. Prior to his six years at Willis Towers Watson, David spent nineteen years at The Royal Bank of Scotland in a number of senior operations and technology roles, including as Group Head of Integration for RBS' ABN Amro acquisition.

Brigitte Trafford (Chief Communications and Marketing Officer)

Brigitte Trafford joined the LSEG Executive Committee in September 2020 with her appointment as Chief Communications and Marketing Officer. Brigitte previously led the Corporate Affairs function at Virgin Media. Prior to this, Brigitte held similar positions at ICAP plc as the Director of Corporate Affairs, Lloyds Banking Group as the Group Communications Director and ITV plc as the Group Communications Director. Earlier in Brigitte's career, she worked at Dow Jones in New York. Brigitte is a member of the global advisory board of NewsGuard Technologies.

Profile of the Proposed LSEG Key Managers

David Craig (Chief Executive Officer of Refinitiv)

David Craig will join LSEG's Executive Committee and continue as Chief Executive Officer of Refinitiv on Completion and Admission, and will become an LSEG Key Manager with effect from Completion and Admission. Before leading Refinitiv, David started Thomson Reuters' Risk business and was responsible for the turnaround of the Thomson Reuters Financial & Risk Business (now Refinitiv) as its President from 2012. David first joined Reuters plc as Chief Strategy Officer in 2007 and led the integration planning for its merger with Thomson Corporation. He is a member of the Advisory Council of TheCityUK, Co-Chairman of the India UK Financial Services Partnership and a member of the UK Financial Services Trade Advisory Group for the UK Department of International Trade. Prior to joining Thomson Reuters, David spent seven years as a partner at McKinsey, in the technology strategy practice. He was previously a Senior Principal at American Management Systems, developing risk, trading and telecommunications systems, and was project manager for the LCH SwapClear service launched in 1999. David Craig started his career in manufacturing engineering.

Andrea Remyn Stone (Chief Customer Proposition Officer of Refinitiv)

Andrea Remyn Stone will join LSEG's Executive Committee as Chief Product Officer, Data & Analytics division and will be a LSEG Key Manager from that time. Andrea will report to David Craig. Andrea joined the Refinitiv Executive Leadership team in February 2020 on her appointment as Chief Customer Proposition Officer of Refinitiv. Andrea joined from Dealogic where she was Chief Strategy Officer. Prior to Dealogic, Andrea spent five years at Bloomberg as Global Head of Strategy and Corporate Development from 2010 to 2015, and, before joining Bloomberg, was McGraw-Hill's Managing Director of Standard and Poor's Investment Research and Advisory Services from 2007 to 2010. Andrea is a strategic advisor to Alkymi.io, a machine learning unstructured data platform, and has served as a mentor at W.O.M.E.N. in America.

Debra Walton (Chief Revenue Officer of Refinitiv)

Debra Walton will join LSEG's Executive Committee as Chief Revenue Officer, Data & Analytics division and will be a LSEG Key Manager from that time. Debra will lead the Data & Analytics division's Sales and Account Management function and oversee the Combined Business' Group Key Strategic Accounts. Debra leads all sales, client and partner relationship management and market development activities for Refinitiv. Debra has held senior executive positions across product, content, sales and marketing at Refinitiv and the Financial & Risk business division of Thomson Reuters since she joined the firm in 2003, including Global Managing Director, Customer Proposition from 2016 to 2018 and Chief Product and Content Officer from 2015 to 2018. Debra is a board member of Tradeweb. Before joining Thomson Reuters, Debra was a Managing Director at Cantor Fitzgerald and a Senior Vice President at Dow Jones Telerate. Debra was a board member of the Women's Refugee Commission, a non-profit civil rights and social action organisation, and is currently an advisory board member of Springboard Enterprises.

Balbir Bakhshi (Prospective Chief Risk Officer)

Balbir Bakhshi will join LSEG and the LSEG Executive Committee on 25 January 2021, following the retirement of Diane Côté. Balbir has previously held the position of Group Head of Non-Financial Risk Management at Deutsche Bank. Prior to this, Balbir was Global Head of Operational Risk Management at Credit Suisse and previously held a variety of senior roles at Credit Suisse, including UK Investment Banking Chief Risk Officer and Head of Market Risk. Balbir started his career at LCH as a risk analyst.

Director, Proposed Director, LSEG Key Manager and Proposed LSEG Key Manager Confirmations

None of the Directors, the Proposed Directors, the LSEG Key Managers or the Proposed LSEG Key Managers has, during the five years prior to the date of this document been: (i) convicted in relation to a fraudulent offence; (ii) associated with any bankruptcy, receivership, liquidation or company put into administration while acting in the capacity of a member of the administrative, management or supervisory body or of senior manager of any company; (iii) subject to any official public incrimination and/or sanction by statutory or regulatory authorities (including designated professional bodies); or (iv) disqualified by a court from acting as a member of the administrative, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.

Service contracts, letters of appointment, interests in LSEG plc securities and remuneration

For information on service contracts, letters of appointment, interests in LSEG plc securities and remuneration of the Directors, please refer to Items 8 (*Service contracts and letters of appointment of the Directors and Proposed Directors)*, 9 (*Directors' interests in LSEG plc* securities) and 10 (*Proposed Directors' interests in LSEG plc securities*) of Part 14 (*Additional Information*).

Directors' and Officers' Insurance

LSEG plc does, and following Completion and Admission will continue to, maintain a directors' and officers' liability insurance policy for the members of the Board in line with usual market practice. Under the Relationship Agreement, each of the Proposed Directors (and any future Refinitiv Director) is required to be covered by LSEG plc's directors' and officers' liability insurance on the terms in place from time to time and, after any Proposed Director (and any future Refinitiv Director) ceases to hold office for any reason, he or she must continue to be covered by the policy or any replacement on the same basis as other Directors who have ceased to hold office. In addition, under the Stock Purchase Agreement, pre-Completion indemnification arrangements applicable to employees and directors (or former employees and directors) of Refinitiv must be maintained for a period of six years following Completion.

Directorships and Partnerships of the Directors

The Directors hold or have held the following directorships (other than, where applicable, directorships held in LSEG plc and/or in any subsidiaries of LSEG plc), and/or are and were members of the following partnerships, within the past five years:

Name	Role	Current Directorships / Partnerships	Past Directorships / Partnerships
Don Robert	Chairman of LSEG and of the Nomination Committee	Validis UK Holdings Limited Validis Group Holdings Limited Validis Holdings Limited Corten Advisors UK LLP Albemarle Ship Investments LLP	Achilles Group Limited Achilles Holdco Limited Experian Holdings Limited Experian Finance plc Experian Information Solutions Inc. Corten Management UK Limited Compass Group Plc. Education and Employers Taskforce
David Schwimmer . .	Group Chief Executive Officer	—	—
Anna Manz	Group Chief Financial Officer	ITV plc	Johnson Matthey plc Diageo DV Limited Haberdashers' Aske's Elstree Schools Limited
Stephen O'Connor . .	Senior Independent Director and Chairman of the Risk Committee	Quantile Technologies Limited Quantile Group Limited HSBC Bank plc. FICC Market Standards Board Limited	GE Capital International Holdings Limited
Jacques Aigrain . . .	Non-Executive Director and Chairman	Singular Bank S.A.U. LyondellBasell Industries	Swiss International Air Lines Limited

Name	Role	Current Directorships / Partnerships	Past Directorships / Partnerships
	of the Remuneration Committee	NV WPP plc. Tufton Management Company Limited	
Dominic Blakemore .	Non-Executive Director and Chairman of the Audit Committee	Compass Group Holdings plc. Compass Group plc Hospitality Holdings Limited	Shire plc.
Professor Kathleen DeRose	Non-Executive Director	Evolute Group AG Voya Financial, Inc.	—
Cressida Hogg CBE .	Non-Executive Director	Land Securities Group plc. Troy Asset Management Limited	Associated British Ports Holdings Limited ABPA Holdings Limited Anglian Water Limited AWG Parent Co Limited Osprey Acquisitions Limited Osprey holdco Limited
Dr. Val Rahmani . . .	Non-Executive Director	RenaissanceRe Holdings Limited Computer Task Group Inc. Entrust Corporation Rungway Limited	Aberdeen Asset Management plc.

Directorships and Partnerships of the Proposed Directors

The Proposed Directors hold or have held the following directorships, and/or are and were members of the following partnerships, within the past five years:

Name	Role	Current Directorships / Partnerships	Past Directorships / Partnerships
Martin Brand	Non-Executive Director	Refinitiv Holdings Limited Tradeweb Markets Inc. UKG Inc. Nexus Parent LLC Exeter Finance Corp. Enzo Parent LLC First Eagle Holdings, Inc. Seventh Regiment Armory Conservancy, Inc.	Paysafe Group Holdings Limited Optiv Inc. Ipreo Parent Holdco LLC LFS HoldCo LLC LFS TopCo LLC Redbird Parent Holdings, Inc.
Douglas M. Steenland . .	Non-Executive Director	American International Group, Inc. Hilton Worldwide Holdings Inc. American Airlines Group, Inc. IBS, Inc.	Travelport LLC Performance Food Group Company RGIS, LLC Trans Maldivian Airways (Pvt) Ltd
Erin Brown	Non-Executive Director	Refinitiv Holdings Limited	Highland Fidelity Limited

Directorships and Partnerships of the LSEG Key Managers

The LSEG Key Managers hold or have held the following directorships (other than, where applicable, directorships held in LSEG plc and/or in any subsidiaries of LSEG plc), and/or are and were members of the following partnerships, within the past five years:

Name	Role	Current Directorships / Partnerships	Past Directorships / Partnerships
Diane Côté	Chief Risk Officer	Société Générale Group	Novae Syndicates Limited Mulberry Schools Trust
Catherine Johnson . .	Group General Counsel	—	—
Tim Jones	Group Head of Human Resources	—	—
Daniel Maguire	Group Director, Post Trade Division and Chief Executive Officer of LCH Group	International Swaps and Derivatives Association, Inc.	—
Anthony McCarthy .	Group Chief Information Officer	—	untapt, Inc.
Murray Roos	Group Director of Capital Markets	Nivaura Ltd	—
Waqas Samad	Group Director of Information Services and Chief Executive Officer of FTSE Russell	Index Industry Association	Barclays Risk Analytics and Index Solutions Limited
David Shalders	Group Chief Operating Officer and Chief Integration Officer	Charities Aid Foundation CAF Nominees Limited Llewelyn Davies Enterprises Limited Future Screen Partners 2005 No.1 LLP	Willis Towers Watson plc TP ICAP plc.
Brigitte Trafford . . .	Chief Communications and Marketing Officer	NewsGuard Technologies, Inc.	Virgin Media Limited

Directorships and Partnerships of the Proposed LSEG Key Managers

The Proposed LSEG Key Managers hold or have held the following directorships, and/or are and were members of the following partnerships, within the past five years:

Name	Role	Current Directorships/ Partnerships	Past Directorships/ Partnerships
David Craig	Chief Executive Officer of Refinitiv	Refinitiv Holdings Limited Great Ormond Street Hospital Children's Charity	Thomson Reuters Foundation Thomson Reuters Investment Holdings Limited
Andrea Remyn Stone	Chief Customer Proposition Officer of Refinitiv	Corso Capital Partners, LLC	—
Debra Walton	Chief Revenue Officer of Refinitiv	Refinitiv US Organization LLC Tradeweb Markets Inc.	Tradeweb Markets LLC
Balbir Bakhshi	Prospective Chief Risk Officer	Aston Residential Limited Aston Propco Ltd Deutsche Bank Luxembourg S.A.	—

Directors', Proposed Directors', LSEG Key Managers' and Proposed LSEG Key Managers' conflicts of interest

Save for their capacities as persons legally and beneficially interested in LSEG Shares as described in paragraphs 9 to 13 of Part 14 (*Additional Information*) and, in relation to the Proposed Directors, as disclosed below, there are (i) no potential conflicts of interest between any duties will which be owed to the Combined Business of the Directors, Proposed Directors, LSEG Key Managers and Proposed LSEG Key Managers and their respective private interests and/or other duties; and (ii) no other arrangements or understandings with major shareholders, customers, suppliers or others, pursuant to which any of the Directors, Proposed Directors, LSEG Key Managers and Proposed LSEG Key Managers were selected as a member of the administrative, management or supervisory bodies or member of senior management.

The Proposed Directors have been nominated to the Board by Refinitiv Holdings under the terms of the Relationship Agreement which will regulate the relationship between them after Completion. Further information regarding Refinitiv Holdings' board appointment rights is set out under the heading "the Relationship Agreement" in Part 6 (*Summary of the Key Transaction Terms*) of this document.

Section B Corporate Governance

Articles of Association

Paragraph 4 (*LSEG plc's Articles*) of Part 14 (*Additional Information*) of this document sets out a summary of LSEG plc's articles of association.

Rights and restrictions attaching to the Limited-voting Ordinary Shares

Paragraph 5 of Part 14 (*Additional Information*) of this document sets out a summary of the rights and restrictions attaching to the Limited-voting Ordinary Shares.

UK Corporate Governance Code

The Directors, the Proposed Directors and LSEG plc are committed to the highest standards of corporate governance. LSEG plc does and the Combined Business will following Completion and Admission comply with the requirements of the UK Corporate Governance Code, which is the corporate governance regime applicable to LSEG plc. Following Completion and Admission, LSEG plc will report to LSEG Shareholders on its compliance with the UK Corporate Governance Code in accordance with the Listing Rules.

Board structure

The Board is a unitary board with overall responsibility for the leadership, control and oversight of the Combined Business. Responsibility for the day-to-day management of the Combined Business has been delegated by the Board to the Executive Committee. This delegation is effected through the Chief Executive Officer, who is accountable to the Board. The functions of Chair and Chief Executive Officer are not combined and both roles' responsibilities are clearly divided. A number of responsibilities of the Board are delegated to other committees of the Board (the "**LSEG Board Committees**"). Details in respect of the LSEG Board Committees are set out below.

The Board has overall responsibility for the Combined Business' objectives; strategy; annual budgets; major acquisitions and capital projects; treasury policy and succession. It sets governance policies, ensures implementation thereof and monitors and reviews evolving governance best-practice. It defines the roles and responsibilities of the Chair, Chief Executive Officer, other Directors and the committees of the Board. In addition, the Board, following recommendation from the Audit Committee, approves the interim management statements, half-yearly and annual financial statements, reviews systems of internal control and approves any significant changes in accounting policies. The Board approves all resolutions and related documentation put before LSEG Shareholders at general meetings. The Board also sets LSEG plc's dividend policy, approves its interim dividend and recommends its final dividend.

The UK Corporate Governance Code recommends that at least half the board of directors of a premium listed company, excluding the Chair, should comprise non-executive directors determined by the board to be independent in character and judgement and free from relationships or circumstances which may affect, or could appear to affect, the director's judgement. Following Completion and Admission, 6 of LSEG plc's 12 Directors (excluding the Chair) will be independent Non-Executive Directors. LSEG plc's independent Non-Executive Directors will be Jacques Aigrain, Dominic Blakemore, Kathleen DeRose, Cressida Hogg, Val Rahmani and Stephen O'Connor.

The UK Corporate Governance Code recommends that the board of directors of a premium listed company should appoint one of its non-executive directors to be the Senior Independent Director, to act as a sounding board for the Chair and to serve as an intermediary for the other directors when necessary. The Senior Independent Director should be available to shareholders if they have concerns which contact through the normal channels of the Chief Executive Officer has failed to resolve or for which such contact is inappropriate. Stephen O'Connor will continue as Senior Independent Director of LSEG plc on and following Completion.

In line with best practice principles set out in the UK Corporate Governance Code, LSEG plc has adopted a policy of annual re-election for all Directors. Directors seeking re-election are subject to an annual performance appraisal. LSEG plc will continue to apply this policy in respect of the Directors (including the Proposed Directors) from Completion.

LSEG Board Committees

LSEG Executive Committee

The Chief Executive Officer chairs the LSEG Executive Committee, which supports the CEO in the day-to-day management of the Combined Business. The LSEG Executive Committee reports to the Chief Executive Officer who is, among other things, responsible for the overall strategy of the Combined Business. The Executive Committee comprises the LSEG Executive Directors and the LSEG Key Managers. David Craig will join the LSEG Executive Committee and continue as Chief Executive Officer of Refinitiv from Completion and Admission. Andrea Remyn Stone and Debra Walton will also join the LSEG Executive Committee from Completion and Admission. Balbir Bakhshi will join the LSEG Executive Committee on 25 January 2021, following the retirement of Diane Côté.

Audit Committee

The Audit Committee assists the Board in discharging its responsibilities with regard to financial reporting, external and internal audits and controls, including reviewing and monitoring the integrity of the Combined Business' annual and interim financial statements, reviewing and monitoring the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors, overseeing the Combined Business' relationship with its external auditors, reviewing the effectiveness of the external audit process, and reviewing the effectiveness of the Combined Business' internal control review function. The ultimate responsibility for reviewing and approving the annual report and accounts and the half yearly reports remains with the Board. The Audit Committee gives due consideration to laws and regulations, including the general duties of directors set out in the Companies Act, the provisions of the UK Corporate Governance Code and the requirements of the Listing Rules, Prospectus Regulation Rules, Market Abuse Regulation, Disclosure Guidance and Transparency Rules and any other applicable rules as appropriate. The Audit Committee takes appropriate steps to ensure that the Combined Business' statutory auditors are independent of the Combined Business and that they comply with guidelines on independence issued by the relevant accountancy and auditing bodies. The Audit Committee meets not less than three times a year at appropriate times in the reporting and audit cycle and otherwise as required. The Audit Committee is chaired by Dominic Blakemore and its other members are Jacques Aigrain, Stephen O'Connor and Kathleen DeRose. The UK Corporate Governance Code recommends that the Audit Committee should comprise at least three members who are independent Non-Executive Directors (other than the Chairman), and that at least one member should have recent and relevant financial experience. LSEG plc complies with the requirements of the UK Corporate Governance Code in this respect. The Company Secretary is the secretary of the Audit Committee and attends all meetings. The Chairman of the Board, Chief Executive attend meetings on a regular basis and other directors may be invited to attend all or part of any meeting as and when appropriate. The external auditors, Group Head of Internal Audit, Group CRO, Group CFO and Group Financial Controller will attend meetings of the Committee on a regular basis.

Nomination Committee

The Nomination Committee assists the Board in discharging its responsibilities relating to the composition, balance and skill set of the Board and any LSEG Board Committees. It is also responsible for periodically reviewing the Board's structure and succession planning including identifying potential candidates to be appointed as Directors or LSEG Board Committee members, as the need may arise. The Nomination Committee will be responsible for evaluating the balance of skills, knowledge and experience and the size, structure and composition of the Board and the LSEG Board Committees, retirements and appointments of additional and replacement directors and LSEG Board Committee members and will make appropriate recommendations to the Board on such matters. The Nomination Committee meets as necessary to consider these proposals for appointment to the Board and the Board Committees and other matters within the scope of its terms of reference. The Nomination Committee is chaired by Don Robert and its other members are Jacques Aigrain, Kathleen DeRose, Cressida Hogg, Stephen O'Connor, Val Rahmani and Dominic Blakemore. Pursuant to the terms of the Relationship Agreement and as described under the paragraph headed "*The Relationship Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document, each Proposed Director (and any Refinitiv Director appointed to the Board in place of any Proposed Director) will from Completion and Admission be appointed to the Nomination Committee (provided that such appointment is not inconsistent with the provisions of the UK Corporate Governance Code relating to the composition of the Nomination Committee). The UK Corporate Governance Code recommends that a majority of the Nomination Committee are independent Non-Executive Directors. LSEG plc complies, and will following Completion and Admission comply with the requirements of the UK Corporate Governance Code in this respect. The Company Secretary is the secretary of the Nomination Committee and attends all meetings. The Chief Executive Officer, Group Head of Human Resources and external advisers attend meetings of the Nomination Committee if they are requested to do so.

Remuneration Committee

The Remuneration Committee will determine the Combined Business' policy on the remuneration of the Chairman and LSEG Executive Directors, which is subject to approval by the Board. The Remuneration Committee's duties include setting the over-arching principles, parameters and governance framework for the Combined Business' remuneration policy applicable to LSEG Executive Directors and determining the individual remuneration and benefits package of the Chairman and each of the LSEG Executive Directors. In performing its duties the Remuneration Committee takes into account the guidance set out in the UK Corporate Governance Code and other relevant remuneration rules. The Remuneration Committee meets not less than twice a year. The Remuneration Committee is chaired by Jacques Aigrain and its other members are Cressida Hogg, Don Robert and Val Rahmani. The UK Corporate Governance Code recommends that the Remuneration Committee should include a minimum of three independent directors. The Chairman can also be a member if he was independent on appointment. LSEG plc complies with the requirements of the UK Corporate Governance Code in this respect. The Company Secretary is the secretary of the Remuneration Committee and attends all meetings. The Chief Executive Officer, the Group Head of Human Resources and external remuneration advisers attend meetings on a regular basis.

Risk Committee

The Risk Committee assists the Board in discharging its responsibilities for determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives, maintaining sound risk management and internal control systems. The Risk Committee meets not less than three times a year. The Risk Committee is chaired by Stephen O'Connor and its other members are Kathleen DeRose, Val Rahmani and Dominic Blakemore. Stuart Lewis (Chief Risk Officer, Deutsche Bank AG) acts as a special adviser to the Risk Committee and is a standing invitee to meetings of the Risk Committee. The Company Secretary is the secretary of the Risk Committee and attends all meetings. The Chairman of the Board, Group Chief Executive attend the Committee on a regular basis and other directors may be invited to attend all or part of any meeting as and when appropriate. The Group CFO, Group CRO, the Group Head of Internal Audit and other representatives of the risk function, and external audit attend meetings of the Committee on a regular basis. Professor Kathleen DeRose will become Chair of the Risk Committee effective 1 January 2021.

Additional committees

If the need should arise, the Board may establish such additional LSEG Board Committees as it deems appropriate from time to time.

The Integration Committee

After Completion and Admission, and in accordance with the terms of the Relationship Agreement, LSEG will establish, and maintain for not less than three years, an integration committee (the "**Integration Committee**") for the purpose of overseeing and monitoring the delivery of the integration of the LSEG and Refinitiv businesses. The Integration Committee will be led by the LSEG Chief Executive Officer, David Schwimmer, and will not be a formal LSEG Board Committee. The integration of LSEG and Refinitiv will adhere to several overarching integration principles, including to: (i) safeguard customers' interests and minimise disruption during the integration process; (ii) adopt a customer centric mindset, focusing on enhancing value for customers in existing and new areas; (iii) maintain focus on delivering announced value creation for stakeholders whilst being mindful of existing business as usual plans; (iv) focus on attracting and retaining world class talent; and (v) follow a 'one team' approach to the integration, taking the best from LSEG and Refinitiv in developing new practices for the Combined Business. The Board is confident in the ability of the Combined Business to complete a successful and timely integration of LSEG and Refinitiv without undue disruption to the businesses and operations of the Combined Business and its clients. Each of Thomson Reuters, Blackstone, CPPIB and GIC will be represented on the Integration Committee. David Shalders joined LSEG on 18 November 2019 as Chief Integration Officer and a member of the LSEG Executive Committee.

New significant shareholders post-Completion

Under the terms of the Stock Purchase Agreement, at Completion, LSEG plc will acquire the entire issued and to be issued share capital of Refinitiv Parent from the Refinitiv Sellers (being subsidiaries of Refinitiv

Holdings) and, in exchange, LSEG plc is expected to issue 179,610,123 LSEG Shares to the Refinitiv Sellers, comprised of: (i) LSEG Ordinary Shares; and (ii) Limited-voting Ordinary shares. In addition, one month after Completion, LSEG plc will issue a further 24,615,845 LSEG Ordinary Shares to ConsortiumCo, a company owned by the Blackstone Consortium, in connection with the settlement of certain existing payment-in-kind shares in Refinitiv Holdings' capital structure. As a consequence, one month after Completion, subject to any further adjustments to the number of Consideration Shares as a result of: (i) any leakage in the period prior to Completion; or (ii) LSEG plc electing to make a cash substitution (as described further in Part 6 (*Summary of the Key Transaction Terms*) of this document), the Refinitiv Sellers and ConsortiumCo will hold, in aggregate, 204,225,968 LSEG Shares. Based on LSEG plc's issued share capital (excluding shares held in treasury) as at the Latest Practicable Date, this would amount to: (i) an economic interest in LSEG plc equal to approximately 37 per cent.; and (ii) less than 30 per cent. of the total voting rights in LSEG plc. As noted above, the number of Consideration Shares has already been adjusted to account for a small amount of known and agreed leakage in respect of the Refinitiv group.

The Relationship Agreement

At Completion, LSEG plc, Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo will enter into the Relationship Agreement which will regulate the relationship between them after Completion. The principal terms of the Relationship Agreement are summarised under the heading "*The Relationship Agreement*", in Part 6 (*Summary of the Key Transaction Terms*) of this document.

The Relationship Agreement Support Agreement

In addition to the Relationship Agreement, at Completion LSEG plc will also enter into the Relationship Agreement Support Agreement with, among others, the Indirect Shareholders and Blackstone Management Partners which will regulate the relationship between LSEG plc and such other parties after Completion. The purpose of the Relationship Agreement Support Agreement is to ensure that relevant provisions from the Relationship Agreement (which will be between LSEG plc, Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo) also apply as between LSEG plc and these entities. The principal terms of the Relationship Agreement Support Agreement are summarised under the heading "*The Relationship Agreement Support Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document.

Relevant Shareholder Arrangements

In connection with their respective investments in Refinitiv Holdings and/or ConsortiumCo, Thomson Reuters, Blackstone, CPPIB, GIC and ConsortiumCo have entered into, or will at Completion enter into, the Relevant Shareholder Arrangements. Details of the Relevant Shareholder Arrangements are summarised under the heading "*Relevant Shareholder Arrangements*" in Part 6 (*Summary of the Key Transaction Terms*) of this document.

Significant Subsidiaries

Paragraph 16 (*Significant subsidiaries of the Combined Business*) of Part 14 (*Additional Information*) of this document lists the Combined Business' significant subsidiaries.

Share dealing code

LSEG plc will adopt, with effect from Admission, codes in respect of securities dealing in relation to LSEG plc's securities, the securities of LSEG plc's direct and indirect subsidiaries, and the securities of other companies, which will primarily be based on the requirements of the Market Abuse Regulation. The codes will apply to the Directors, the Proposed Directors and other relevant employees and contractors of the Combined Business.

With effect from Admission, LSEG plc will be the indirect majority shareholder of Tradeweb, which has a code in respect of securities dealing in relation to Tradeweb securities.

Identity of Statutory Auditors

The statutory auditors of LSEG plc for the period covered by the historical financial information set out in this document are Ernst & Young LLP, chartered accountants, whose registered address is at 1 More London Place, London SE1 2AF. The auditors to Refinitiv are Deloitte & Touche LLP, 30 Rockefeller Plaza, New York, NY 10112-0222.

PART 10
OPERATING AND FINANCIAL REVIEW OF THE COMBINED BUSINESS

Section A Operating and Financial Review of LSEG Plc

The operating and financial review for the financial year ended 31 December 2017, as set out in the annual report and accounts of LSEG for the financial year ended 31 December 2017; the operating and financial review for the financial year ended 31 December 2018, as set out in the annual report and accounts of LSEG for the financial year ended 31 December 2018; the operating and financial review for the financial year ended 31 December 2019, as set out in the annual report and accounts of the LSEG for the financial year ended 31 December 2019; and the operating and financial review for the six month period ended 30 June 2020, as set out in the interim report of the LSEG for the six month period ended 30 June 2020, are incorporated by reference into this document as described in Part 15 (Documentation incorporated by reference) of this document. LSEG's current trading and prospects, as set out in LSEG plc's interim management statement published on 23 October 2020 in respect of the three month period ended 30 September 2020 is incorporated by reference into this document as described in Part 15 (Documentation incorporated by reference) of this document. Ernst & Young LLP has issued unqualified audit opinions in respect of the financial statements of LSEG plc for the financial years ended 31 December 2017, 31 December 2018 and 31 December 2019.

This Section A (Operating and Financial Review of LSEG Plc) of Part 10 (Operating and Financial Review of the Combined Business) should be read in conjunction with LSEG plc's historical financial information incorporated by reference into this document; the detailed information in relation to LSEG included in this document in Section C (History and Current Business Overview of Refinitiv) and Section A (History and Current Business Overview of LSEG) of Part 8 (Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate); and the information included at Part 14 (Additional Information) of this document.

Investors should read the whole of this document and the documents incorporated herein by reference and should not just rely on the financial information set out in this Part 10 (Operating and Financial Review of the Combined Business). Some of the information in the review set forth below and elsewhere in this document and in the information incorporated by reference into this document includes forward-looking statements that involve risks and uncertainties. LSEG plc's actual results may differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this document, including under Part 1 (Risk Factors) and Part 2 (Presentation of Financial and Other Information) of this document.

Overview

An overview of LSEG's business is provided under the heading "*Current Business Overview*" in Section A (*History and Current Business Overview of LSEG*) of Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*) of this document.

Results of Operations

The following list is intended to enable investors to identify easily specific items of information which have been incorporated by reference into this document.

Operating and Financial Review for the financial year ended 31 December 2017 as compared to the financial year ended 31 December 2016

The page numbers below refer to the relevant pages of the annual report and accounts of LSEG for the financial year ended 31 December 2017:

Page Number(s)	Section
4 to 5	Executive Chairman's statement
36 to 41	Financial review
10 to 11	Key performance indicators
46 to 53	Principal risks and uncertainties
127	Breakdown of revenue by geographical region

Operating and Financial Review for the financial year ended 31 December 2018 as compared to the financial year ended 31 December 2017

The page numbers below refer to the relevant pages of the annual report and accounts of LSEG for the financial year ended 31 December 2018:

Page Number(s)	Section
4 to 5	Executive Chairman's statement
41 to 47	Financial review
12 to 13	Key performance indicators
48 to 58	Principal risks and uncertainties
140	Breakdown of revenue by geographical region

Operating and Financial Review for the financial year ended 31 December 2019 as compared to the financial year ended 31 December 2018

The page numbers below refer to the relevant pages of the annual report and accounts of LSEG for the financial year ended 31 December 2019:

Page Number(s)	Section
4 to 5	Executive Chairman's statement
53 to 59	Financial review
12 to 13	Key performance indicators
60 to 74	Principal risks and uncertainties
167	Breakdown of revenue by geographical region

Operating and Financial Review for the six month period ended 30 June 2020 as compared to the financial year ended 30 June 2019

The page numbers below refer to the relevant pages of the interim report of LSEG for the six month period ended 30 June 2020:

Page Number(s)	Section
3 to 7	Group CEO's statement
13 to 23	Operating performance review including Key performance indicators
38 to 41	Principal risks and uncertainties

Summary of Cash Flows

The summary of cash flows relating to LSEG set out below is extracted without material adjustment from audited reports and consolidated accounts of LSEG prepared under IFRS for the financial years ended 31 December 2017, 31 December 2018 and 31 December 2019 and interim report for the six month period ended 30 June 2020:

	For the financial year ended 31 December 2017	For the financial year ended 31 December 2018	For the financial year ended 31 December 2019	For the six month period ended 30 June 2020
	Audited *£m*	*Audited* *£m*	*Audited* *£m*	*Unaudited* *£m*
Net cash generated from operating activities	659	722	837	448
Cash flows from investing activities	(821)	(163)	(440)	(105)
Cash flows from financing activities	378	(475)	(340)	(263)
Net (decrease)/increase in cash and cash equivalents	**216**	**84**	**57**	**80**
Cash and cash equivalents at beginning of period	1,151	1,382	1,510	1,493
Exchange gains/(losses) on cash and cash equivalents	15	44	(74)	68
Cash and cash equivalents at end of period	**1,382**	**1,510**	**1,493**	**1,641**

LSEG's operating cash flow for the financial year ended 31 December 2019 and the six month period ended 30 June 2020 was £837 million and £448 million respectively. This compares to LSEG's underlying EBITDA for the financial year ended 31 December 2019 and the six month period ended 30 June 2020 of £1,265 million and £674 million respectively.

Capital Resources

During the financial years ended 31 December 2017, 31 December 2018 and 31 December 2019 and the six month period ended 30 June 2020, the most significant cash outflows were in connection with the acquisition of Mergent on 3 January 2017 and The Yield Book on 31 August 2017 (further details of which are set out in Section A (History and Current Business Overview of LSEG) of Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*) of this document).

LSEG's sources of liquidity include its cash flows from operations, its cash balances and its existing facilities which are described in detail in paragraph 17.1 (*Material contracts of the Combined Business*) of Part 14 (*Additional Information*) of this document. Whilst the financial position for the period ended 30 June 2020 of LSEG is presented as being in net deficit, liquidity risk and working capital are managed effectively as a result of operating cash flows and the Existing Facilities.

Current Trading and Prospects

On 23 October 2020, LSEG plc's management published an interim management statement relating to its operating results for the three month period ended 30 September 2020 which is incorporated by reference as described in Part 15 (*Documentation incorporated by reference*) of this document.

Critical Accounting Policies

Critical accounting policies are those policies that require the application of LSEG plc's management's most challenging, subjective or complex judgements, often as a result of the need to make estimates about the effect of matters that are inherently uncertain and may change in subsequent periods. Critical accounting policies involve judgements and uncertainties that are sufficiently sensitive to result in materially different results under different assumptions and conditions. A detailed description of certain of the main accounting policies used in preparing LSEG plc's historical financial information is set forth in notes 1 to 4 to LSEG plc's consolidated audited financial statements for the financial year ended 31 December 2019, which are incorporated by reference into this document as described in Part 15 (*Documentation incorporated by reference*) of this document.

Section B Operating and Financial Review of Refinitiv

The financial information set out in this Section B (Operating and Financial Review of Refinitiv) of this Part 10 (Operating and Financial Review of the Combined Business) is extracted from the financial information set out in Section B (Combined Historical Financial Information of Refinitiv) of Part 12 (Historical Financial Information of the Combined Business) of this document. PricewaterhouseCoopers has issued unqualified audit opinions in respect of the financial statements of Refinitiv for each of the financial years ended 31 December 2019, 2018 and 2017 and the six months ended 30 June 2020.

This Section B (Operating and Financial Review of Refinitiv) of this Part 10 (Operating and Financial Review of the Combined Business) of this document should be read in conjunction with Part 2 (Presentation of Financial and Other Information), Section B (Combined Historical Financial Information of Refinitiv) of Part 12 (Historical Financial Information of the Combined Business), the detailed information relating to Refinitiv included in this document in Section B (Information on the Combined Business) of Part 7 (Information on the Combined Business) and Sections C (History and Current Business Overview of Refinitiv) and D (Additional Information on Refinitiv's Business, Operations and the Regulatory and Legal Frameworks in which Refinitiv Operates) of Part 8 (Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate) and the information relating to Refinitiv included in Part 14 (Additional Information) of this document.

As a result of the 2018 Transaction, a new basis of accounting was created on 1 October 2018. Consequently, the financial position and operating results of the successor period (commencing 1 October 2018) are not comparable in certain respects to the financial position and operating results of the predecessor period. Under IFRS, Refinitiv is required to present separately its operating results for the predecessor period ended 30 September 2018 and the successor period. In certain instances, it has supplemented the predecessor and successor period reporting with combined 2018 financial results to facilitate a comparative discussion of the financial results for applicable periods. The combination of the periods from 1 January through 30 September and 1 October through 31 December 2018 is referred to as the "combined twelve months ended 31 December 2018". This combined 2018 financial data is not required by or presented in accordance with IFRS and has not been prepared as pro forma results. It is are a simple addition of predecessor and successor periods (commencing 1 October 2018) and does not include any forms of adjustment related to such periods.

Some of the information in the review set forth below and elsewhere in this document includes forward-looking statements that involve risks and uncertainties. Refinitiv's actual results may differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this document, including under Part 1 (Risk Factors) and Part 2 (Presentation of Financial and Other Information—Forward-looking statements).

Overview

Refinitiv is a leading global provider of market and financial data and infrastructure, delivering data, insight and analytics tailored to strategic workflows across its four core customer communities: trading professionals, investment and advisory, wealth and risk and compliance management. Refinitiv serves over 40,000 customer institutions and over 400,000 end users across approximately 190 countries including buy and sell-side firms, market infrastructure companies, governments, financial technology firms and corporations. The Refinitiv Data Platform and Workspace business unit provides access to feeds, data management solutions, analytics and value-add services across its clients' end-to-end businesses processes. Refinitiv's Venues & Transactions business unit includes the Matching and FXall trading platforms and the Tradeweb fixed income trading platform (in which Refinitiv owns a majority interest), among others. It also includes trading workflow solutions including multi-asset class execution management systems and order management systems and portfolio analytics. Refinitiv's Risk business unit includes the World-Check suite of products containing over four million records, serving the compliance and regulatory needs of customers, in particular screening and KYC compliance, client on-boarding and other financial crime risk management programs.

Refinitiv's revenue base is diverse: for the six months ended 30 June 2020, approximately 42%, 39% and 19% of revenues were from the Americas, EMEA ("Europe, the Middle East and Africa"), and Asia Pacific regions, respectively. For the six months ended 30 June 2020, 81% of revenue is recurring in nature and its proprietary databases, workflow tools and analytics have high usage levels across Refinitiv's customers, helping to drive a retention rate of just over 90%.

Refinitiv's portfolio includes well-established, industry-leading products across its variety of revenue types:

Recurring Subscriptions

Recurring subscriptions include Data Platform and Risk subscription products. Refinitiv's Data Platform is a cross asset data offering that is directly integrated into financial institutions' systems and flows and is comprised of real time feeds and non-real-time feeds data and a desktop interface which offers analytics and workflow tools and access to market liquidity. Primary customers of this offering are investment banks, asset managers, wealth managers, custodians, hedge funds, prime brokers, proprietary traders, inter-dealer brokers, central banks and fund administrators. This business line, which includes Refinitiv's Elektron product, Refinitiv Real-Time Distribution System, Refinitiv Workspace and Thomson One Platform as well as Risk subscription products accounted for approximately 71% and 76% of Refinitiv's revenues for the six months ended 30 June 2020 and 30 June 2019, respectively. Within this business line, Refinitiv's Risk products, which consist of screening and enhanced due diligence service offerings that provide varying degrees of background checks, accounted for approximately 5% of revenues for the six months ended 30 June 2020 and 4% for the six months ended 30 June 2019.

Transactions

The transactions business line is comprised of Refinitiv's fixed income trading venue, currency trading venues and brokerage processing solutions. Key products include Tradeweb, FXall, FX Dealer-to-Dealer, and Beta Systems. This business line accounted for approximately 22% and 17% of revenues for the six months ended 30 June 2020 and 30 June 2019, respectively.

Recoveries

Recoveries relates to revenues collected from customers and passed through to a third-party provider in return for distribution of content through Refinitiv's platform and accounted for approximately 7% of revenues for both the six months ended 30 June 2020 and 30 June 2019. This is a non-core business, with little to no contribution to Refinitiv's profitability.

Key Factors Affecting Results of Operations and Financial Condition

External Factors

The business environment in which Refinitiv operates directly affects its results of operations. Its results have been affected by many factors, including the level of trading activity in its markets, which during any period is significantly influenced by general market conditions, competition, market share and the pace of industry consolidation. In recent years, the business environment has been characterised by increasing competition among global data providers and venues for trading, clearing and settlement volumes and listings, the globalisation of exchanges, customers and competitors, market participants' demand for speed, capacity and reliability, which requires continuing investment in technology, and increasing competition for market data revenues.

In particular, the results of operations and financial position of Refinitiv are influenced by, among others, the following external factors.

Changing regulatory environment

In the wake of the financial crisis of 2008 and 2009, regulators have continued to implement new frameworks for financial services companies globally. Many of these rules relate to financial advisor compensation, fees and expenses, investor disclosure, and the use of hedge funds and alternative investments. Complex regulations including GDPR, MiFID II, the European Union Benchmarks Regulation, as well as increasing pressures from anti-money laundering, financial crime and data protection regulations are driving profound and structural change and increased cost burdens for Refinitiv's customers. Refinitiv believes this environment creates opportunities for Refinitiv's Data Platform and Risk products, which address the increasing demand by banks and buy-side firms to reduce risk while lowering costs.

Refinitiv believes recent shifts in its industry, such as a greater emphasis on serving investors' interests and lowering fees, are fundamental changes that will continue. Refinitiv has introduced several new product offerings and solutions to help financial advisors determine, demonstrate, and document that their advice is in the best interest of the investor.

Competitive landscape

Refinitiv's business is subject to intense competition across all segments for all of its products, with competitors ranging in size from smaller, highly specialised, single-product businesses to multi-billion-dollar companies. While Refinitiv believes the breadth and depth of its suite of products and applications offer benefits to customers that are a competitive advantage, competitors are making investments to improve existing, and develop new, products, services and technology. Certain competitors have aggressively marketed their products as lower cost alternatives and have offered price incentives to attract new business.

Strategic partnerships and targeted acquisitions

Refinitiv believes the 2018 Transaction repositioned its business to enable it to accelerate revenue growth in an industry that is rapidly consolidating, while benefiting customers. Blackstone's expertise and business relationships within the financial services industry are expected to help enable Refinitiv's business to provide new and innovative products and services while driving further operational efficiencies.

Refinitiv has undertaken certain strategic transactions in recent years and will continue to pursue opportunities to build its business with targeted acquisitions and other strategic transactions.

Cost Saving Programme

Refinitiv also believes the 2018 Transaction repositioned its business to enable a cost saving programme to produce $650 million in run rate savings by the end of 2020. The programme is focused on an overhaul of the organisational design following the separation from Thomson Reuters, transfer of roles to operational hubs and third party partners, data centre shut downs, server virtualisations, network rationalisations and a reduced real estate footprint.

The rise of passive investing

In the past decade, passively managed index funds have seen greater investor interest, and this trend has become more dramatic in recent years. In order to reduce the operating costs of actively managed funds and pass savings to investors, there is increased adoption of artificial intelligence and automation across the investment management and advisory segment of the financial markets. This is leading to a greater demand for data and solutions that can provide quantitative analysis.

Market volatility

In the ordinary course of business, Refinitiv is exposed to financial risks involving the volatility of equity markets as well as foreign currency and interest rate fluctuations. Market volatility may impact all areas of Refinitiv's business, but in particular, transaction revenues.

Customer environment

In response to Refinitiv's customers' increased focus on automation and headcount and cost reductions, Refinitiv expects to continue to shift to an open platform and cloud-based workflow solutions. This is driving increased focus on the total cost of services as banks look for integrated, cloud-based workflow solutions to reduce the cost of their trading operations. This may result in pressure on pricing for certain of products, but Refinitiv believes this presents an opportunity to provide new products and services to such customers.

Increasing digitisation and automation

Refinitiv is seeing change across the financial services industry, particularly in the wealth management market where there is a demand for automated advisory solutions and self-service customer solutions, particularly in developing markets. This may put pressure on headcount in the wealth management advisory industry and thus put pressure on Refinitiv's desktop business which serves that industry, but Refinitiv believes this may also present an opportunity for adoption of these digital solutions as the need for Refinitiv data and content accelerates.

Health of the global economy

As a seller of financial information, the success of Refinitiv's business is highly dependent on the health of global financial markets and on the financial services industry in particular. Global economic conditions and the strength of the financial services industry has a significant impact on its financial results.

Impact of the Covid-19 pandemic

On 11 March 2020 the World Health Organization labelled the public health emergency caused by the coronavirus (Covid-19) outbreak a global pandemic. The rapid escalation of events worldwide is resulting in an unprecedented health crisis that has had and is expected to continue to have an impact on the macroeconomic environment and business evolution. To tackle the issue, many governments issued orders to stay at home, closed certain businesses and venues, prohibited public gatherings, and other guidelines.

Refinitiv has responded to this in a variety of ways to ensure minimal disruptions to services provided to clients and the well-being of employees as far as possible. Most of Refinitiv's staff are currently working from home, except for essential staff that must be in the office. Refinitiv is closely monitoring its technology infrastructure due to the changing requirements of employees working from home and the increased client activity and trading volume on its platforms.

On 6 April 2020 as a precautionary measure, Refinitiv borrowed $250 million on its Revolving Credit Facility. The full amount of this borrowing, plus interest, was repaid on 6 October 2020.

Factors Affecting Comparability of Financial Statements

Separation from Thomson Reuters and operating as a standalone company

The 2018 Transaction was financed by the following financing transactions, all of which were consummated on 1 October 2018:

- the borrowing of (i) $6,500 million under a new senior secured U.S. dollar denominated term loan facility (the "**Dollar Term Loan Facility**"), (ii) €2,355 million under a new senior secured euro denominated term loan facility (the "**Euro Term Loan Facility**" and, together with the Dollar Term Loan Facility, the "**Term Loan Facilities**") and the entry into a new $750 million senior secured revolving credit facility (the "**Revolving Credit Facility**" and, together with the Term Loan Facilities, the "**Senior Secured Credit Facilities**");
- the issuance of $1,250 million aggregate principal amount of 6.250% Senior First Lien Notes due 2026 (the "**Dollar Secured Notes**"), €860 million aggregate principal amount of 4.500% Senior First Lien Notes due 2026 (the "Euro Secured Notes" and, together with the Dollar Secured Notes, the "**Secured Notes**"), $1,575 million aggregate principal amount of 8.250% Senior Notes due 2026 (the "**Dollar Unsecured Notes**") and €365 million aggregate principal amount of 6.875% Senior Notes due 2026 (the "**Euro Unsecured Notes"** and, together with the Dollar Unsecured Notes, the "**Unsecured Notes**"; the Secured Notes and Unsecured Notes collectively referred to as the "**Notes**");
- the issuance by Refinitiv Holdings Ltd of $1,000 million aggregate initial liquidation preference of shares of pay-in-kind preferred equity (the "**PIK Preferred Stock**") to an affiliate of certain investment funds affiliated with Blackstone, an affiliate of Canada Pension Plan Investment Board, an affiliate of GIC Special Investments Pte. Ltd., and certain co-investors (the "**Sponsors**") at a purchase price of $963 million; and
- the investment of $4,088 million in equity by the Sponsors and certain co-investors (the "**Investor Group**"), which amount was reduced by 55% of the cash generated above $275 million by the Financial & Risk Business between 30 January 2018 and the closing of the 2018 Transaction.

The net proceeds from the borrowings under the Term Loan Facilities, the issuance of the Notes, the equity contribution by the Sponsors and the investment in PIK Preferred Stock by the Sponsors were used to (i) finance the consummation of the 2018 Transaction and other transactions contemplated by the Transaction Agreement, including amounts payable thereunder, (ii) provide cash on hand to Refinitiv Holdings Ltd and (iii) pay related fees, costs and expenses in connection with these transactions (we refer to the entry into and borrowings under the Senior Secured Credit Facilities, the issuance of the Notes, the 2018 Transaction and the other transactions described in this sentence collectively as the "**Separation Transactions**").

Prior to the 2018 Transaction, Refinitiv historically existed as part of the consolidated businesses of Thomson Reuters Corporation and its subsidiaries. The historical combined carve-out financial statements and accompanying OFR for the predecessor period were prepared on a stand-alone basis and were derived from the historical consolidated financial statements and accounting records of Thomson Reuters. The carve-out financial information reflects the combined historical results of operations, financial position and cash flows of the Financial & Risk Business, as if such financial information was historically managed this way, in conformity with U.S. GAAP and represent the predecessor period of Refinitiv.

In the predecessor period, Refinitiv relied on Thomson Reuters for a significant portion of its operational support. As such, the preparation of the carve-out financial statements was based on certain assumptions and estimates, including allocations of certain support functions that were provided on a centralised basis by Thomson Reuters, including but not limited to, expenses related to finance and accounting, human resources, information technology, real estate and legal. In addition, the combined carve-out financial information includes certain assets and liabilities that were historically maintained by Thomson Reuters on a centralised basis, but which are specifically identifiable or allocable to the Financial & Risk Business, as well as assets and liabilities transferred to the Financial & Risk Business as part of the 2018 Transaction. Thomson Reuters' third-party debt, and the related interest expense has not been reflected for any of the periods presented as Refinitiv was not the legal obligor of such debt and Thomson Reuters' borrowings were not directly attributable to these operations.

In the predecessor period, expenses and cost allocations have been determined on a basis that Refinitiv considered to be reasonable and appropriate; however, the expenses reflected in Refinitiv's historical results of operations may not necessarily reflect Refinitiv's results of operations if it had been a separate, standalone entity during the periods presented, and may not reflect its future results of operations, financial position and cash flows. After the 2018 Transaction, Refinitiv receives transition services from Thomson Reuters and provides services to Thomson Reuters pursuant to the Transition Services Agreement, and will obtain certain services from other companies, such as third-party providers, or add or develop internal resource to provide these services. Accordingly, the combined carve-out financial statements for the predecessor periods are not necessarily indicative of Refinitiv's future results of operations, financial position and cash flows. Refinitiv expect the standalone costs to replace many of the services that were previously provided to it by Thomson Reuters to be different to the expenses allocated in the combined carve-out financial statements.

All intercompany transactions have been eliminated. In the predecessor period, as described in the accompanying notes to the combined carve-out financial statements, certain transactions between the Financial & Risk Business and Thomson Reuters have been included in the financial information presented herein and are considered to be effectively settled for cash at the time the transaction is recorded. The total net effect of these transactions is reflected in the combined carve-out statements of cash flows as a financing activity and in the combined carve-out statements of financial position as net parent investment. Net parent investment represents the Financial & Risk Business' cumulative earnings as adjusted for cash distributions to Thomson Reuters and capital contributions from Thomson Reuters.

In the predecessor period, income tax expense has been recorded as if the Financial & Risk Business filed tax returns on a stand-alone basis separate from Thomson Reuters. This separate return methodology applies the accounting guidance for income taxes to the combined carve-out financial statements as if the Financial & Risk Business was a stand-alone enterprise for the periods presented. Prior to the carve-out, Refinitiv's operating results were included in Thomson Reuters' consolidated U.S. federal and state income tax returns or non-U.S. jurisdiction tax returns. The calculation of Refinitiv's income taxes involves considerable judgment and the use of both estimates and allocations. Therefore, the current tax liabilities and current and deferred taxes included in the combined carve-out financial statements may not be reflective of actual tax balances that were included in Thomson Reuters' consolidated filings prior to the carve-out.

Additionally, Refinitiv incurred a significant amount of indebtedness in connection with the consummation of the Separation Transactions, and its total indebtedness and related interest expense is significantly higher than they were prior to the 2018 Transaction.

Results of operations

The following discussion and analysis of the results of operations of Refinitiv Holdings Ltd. should be read in conjunction with the audited combined financial statements of Refinitiv Holdings Ltd. for the six months ended 30 June 2020 (and unaudited comparatives for the six month period ended 30 June 2019), and audited combined financial statements of Refinitiv Holdings Ltd. for the financial years ended 31 December 2019, 2018 and 2017, which have been prepared in accordance with IFRS and are included in this document at Section B (*Combined Historical Financial Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*).

Analysis of results of Operations for the Six months ended 30 June 2020

	For the six months ended 30 June	
	2020	**2019**
	US$m (audited)	*US$m (unaudited)*
Revenue	3,221	3,118
Cost of sales	(485)	(480)
Gross profit	**2,736**	**2,638**
Operating expenses before depreciation and amortisation	(1,628)	(1,663)
Share of profit after tax of associates	1	1
Earnings before interest, tax, depreciation and amortisation	**1,109**	**976**
Depreciation and amortisation	(1,062)	(1,065)
Operating loss	47	**(89)**
Finance income	95	32
Finance expense	(463)	(470)
Loss before tax	**(321)**	**(527)**
Taxation	(36)	58
Loss for the year	**(357)**	**(469)**
Loss for the year attributable to:		
Refinitiv Holdings/Thomson Reuters	**(400)**	**(495)**
Non-controlling interests	**43**	**26**

Six months ended 30 June 2020 compared to the six months ended 30 June 2019

Revenues

Revenues for the six months ended 30 June 2020 increased $103 million, or 3.3%, to $3,221 million compared to $3,118 million for the six months ended 30 June 2019. The increase was driven by 16.1% growth in Transactions revenues, 0.7% in Subscription revenues and 1.0% Recoveries/Other revenues.

On a constant currency basis revenue increased 3.9%, driven by transaction revenue growth, when comparing the six months ended 30 June 2020 to the six months ended 30 June 2019. Subscription revenues increased 1.7%, Transaction revenues increased 17.3% and Recoveries/Other revenues decreased 2.7%.

Cost of sales

Cost of sales for the six months ended 30 June 2020 increased $5 million, or 1.0%, to $485 million compared to $480 million for the six months ended 30 June 2019, due to higher data costs for the six months ended 30 June 2020.

Operating expenses before depreciation and amortisation

Operating expenses before depreciation and amortisation for the six months ended 30 June 2020 decreased $35 million, or 2.1%, to $1,628 million compared to $1,663 million for six months ended 30 June 2019. This decrease was driven by $22 million decrease in real estate costs and $13 million decrease in outside services costs, both resulting from Refinitiv's Cost Saving Programme.

Depreciation and amortisation

Depreciation and amortisation for the six months ended 30 June 2020 decreased $3 million, or 0.3%, to $1,062 million compared to $1,065 million for the six months ended 30 June 2019.

Operating income/loss

Income from operations for the six months ended 30 June 2020 was $47 million, compared to a loss of $89 million for the six months ended 30 June 2019 due to the aforementioned factors.

Finance Income

Finance income for the six months ended 30 June 2020 was $95 million, as compared to $32 million of finance income for the six months ended 30 June 2019. This change was due to a modification gain of $88 million resulting from the repricing of the EURO Term Facility in January 2020, which has been partially offset by a reduction in income received on derivatives, due to a reduction in LIBOR rates, and losses due to changes in foreign currency impacting internal lending.

Finance expense

Finance expense for the six months ended 30 June 2020 was $463 million, as compared to $470 million of finance expense for the six months ended 30 June 2019. This change was mainly due to lower average interest rates for the six months ended 30 June 2020, as a result of favourable movements in LIBOR rate and reduction in spread from debt repricing transactions.

Taxation

There was an income tax expense of $36 million for the six months ended 30 June 2020, compared to an income tax benefit of $58 million for the six months ended 30 June 2019. This change was primarily attributable to the change in valuation allowance whereby Refinitiv did not expect to benefit from its net operating losses.

Revenue based on geographical regions

The following table shows Refinitiv revenue by destination for the periods ended 30 June 2020 and 2019:

	For the six months ended 30 June	
	2020	**2019**
	US$m	*US$m*
United States	1,250	1,178
Canada	67	66
Other	48	47
Americas (North America, Latin America, South America)	**1,365**	**1,291**
United Kingdom	481	458
Other	771	771
Europe, Middle East and Africa	**1,252**	**1,229**
Asia Pacific	604	598
Total	**3,221**	**3,118**

Cash flow

The following table shows the consolidated cash flow statement of Refinitiv Holdings Ltd. for the periods ended 30 June 2020 and 2019.

	For the six months ended 30 June	
	2020 (unaudited)	2019 (unaudited)
	US$m	*US$m*
Cash flow from operating activities		
Cash generated from operations	802	635
Interest paid	(357)	(432)
Corporation tax paid	(25)	(79)
Net cash inflow from operating activities	**420**	**124**
Cash flow from investing activities		
Purchase of property, plant and equipment	(87)	(68)
Purchase of intangible assets	(265)	(170)
Proceeds from disposals of property and equipment	9	1
Acquisition of businesses and investments	(91)	(70)
Other investing activities	1	—
Net cash outflow from investing activities	**(433)**	**(307)**
Cash flow from financing activities		
Dividends paid to non-controlling interests	(14)	(88)
Payroll taxes paid from share-based payment award exercises	(72)	—
Arrangement fee paid	(3)	—
Proceeds from the issuance of debt, net	250	—
Proceeds from exercise of awards	62	—
Principal element of lease payments	(68)	(54)
Repayment of term loans	(46)	(46)
Offering costs from follow-on offering	(1)	—
Net cash inflow/(outflow) from financing activities	**108**	**(188)**
Increase/(decrease) in cash and cash equivalents	95	(371)
Cash and cash equivalents at beginning of period	1,134	1,192
Exchange gain on cash and cash equivalents	10	1
Cash and cash equivalents at end of period	**1,239**	**822**

Comparison of six months ended 30 June 2020 to 30 June 2019

Operating activities

Cash inflow from operating activities for the six months ended June 30, 2020 increased $296 million to $420 million compared to $124 million for the six months ended June 30, 2019. This increase was primarily driven by higher net earnings and working capital.

Investing activities

Net cash outflow from investing activities for the six months ended June 30, 2020 increased $126 million to $433 million compared to $307 million for the six months ended June 30, 2019. This increase was due to acquisitions, and capital expenditures.

Financing activities

Net cash inflow from financing activities for the six months ended June 30, 2020 increased $296 million to $108 million compared to $188 million of net cash outflow for the six months ended June 30, 2019. The increase was mainly due to $250 million borrowings under its Revolving Credit Facility.

Cash and cash equivalents

As of June 30, 2020, cash and cash equivalents were $1,239 million, an increase of $417 million from June 30, 2019. Of the total cash and cash equivalents balance as of June 30, 2020, $123 million was held in subsidiaries that have regulatory restrictions and contractual restrictions or operate in countries where exchange controls and other legal restrictions apply, and were, therefore, not available for general use by Refinitiv.

Results of operations for the years ended 31 December 2019, 2018 (combined) and 2017

The following table shows the consolidated results of operations of the Refinitiv Holdings Ltd. for the financial years ended 31 December 2019, 2018 (combined) and 2017.

	For the years ended 31 December		
	2019	**2018 (combined)**	**2017**
	US$m	*US$m*	*US$m*
Revenue	6,250	6,205	5,946
Cost of sales	(956)	(870)	(839)
Gross profit	**5,294**	**5,335**	**5,107**
Operating expenses before depreciation, amortisation and impairment	(3,402)	(3,740)	(3,537)
Share of profit after tax of associates	2	1	2
Earnings before interest, tax, depreciation, amortisation and impairment	**1,894**	**1,596**	**1,572**
Depreciation, amortisation and impairment	(2,091)	(1,155)	(849)
Operating loss	(197)	**441**	**723**
Finance income	263	51	8
Finance expense	(966)	(238)	(8)
Loss before tax	**(900)**	**254**	**723**
Taxation	160	(81)	49
Loss for the year	**(740)**	**173**	**772**
Loss for the year attributable to:			
Refinitiv Holdings/Thomson Reuters	**(809)**	**93**	**711**
Non-controlling interests	**69**	**80**	**61**

Year ended 31 December 2019 compared to the Combined Year ended 31 December 2018

Revenues

Revenues for the year ended 31 December 2019 increased $45 million, or 0.7%, to $6,250 million compared to $6,205 million for the combined twelve months ended 31 December 2018. The increase was driven by 0.5% and 7.1% growth in Subscription and Transaction revenues, respectively, which was partially offset by 10.3% decline in Recoveries/Other revenue.

On a constant currency basis revenue increased 2.7%, driven by Subscription and Transaction revenue growth. Subscription revenues increased 1.8%, Transaction revenues increased 8.5%, and Recoveries / Other revenues increased by 0.2%.

Revenue for the year ended 31 December 2019 included $418 million of revenues from Recoveries/Other revenue compared to $466 million for the combined twelve months ended 31 December 2018.

Cost of sales

Cost of sales for the year ended 31 December 2019 increased $86 million, or 9.9%, to $956 million compared to $870 million for the combined twelve months ended 31 December 2018. This increase was driven by the impact of the reclassification to cost of sales from "Allocation of costs from Thomson Reuters and affiliates" of certain costs, such as news content costs, as well as the cost of client facing platforms, communication and networks and other information technology items.

Operating expenses before depreciation, amortisation and impairment

Operating expenses before depreciation, amortisation and impairment for the year ended 31 December 2019 decreased $338 million, or 9.0%, to $3,402 million compared to $3,740 million for the combined twelve months ended 31 December 2018. Allocation of costs from Thomson Reuters and affiliates do not exist for the year ended 31 December 2019, whereas they were $1,043 million for the combined twelve months ended 31 December 2018. Due to the consummation of the 2018 Transaction on 1 October 2018, there was no further allocation of costs from Thomson Reuters and affiliates. Some of these costs continued to occur, such as the purchase of news content, which is included in "Cost of sales, excluding depreciation and amortisation", while other costs were eliminated. The reduction of these costs is partially due to Refinitiv's Cost Saving Programme.

Depreciation, amortisation and impairment

Depreciation, amortisation and impairment for the year ended 31 December 2019 increased $936 million, or 81.0%, to $2,091 million compared to $1,155 million for the combined twelve months ended 31 December 2018. This increase was due primarily to increases of $381 million of depreciation and amortisation of property, plant and equipment and $451 million of amortisation and impairment of purchased intangible assets. This increase was due to increase in fair values of the assets acquired in the Separation Transactions.

Operating income/loss

Income from operations for the year ended 31 December 2019 decreased $638 million, to a loss of $197 million, compared to an income of $441 million for the combined twelve months ended 31 December 2018 due to the aforementioned factors.

Finance income

Finance income for the year ended 31 December 2019 was $263 million compared to $51 million for the combined twelve months ended 31 December 2018. This change was mainly due to a modification gain of $128 million resulting from the repricing of the USD Term Loan Facility in 2019 and $65 million of income in interest receivable on swaps.

Finance expense

Finance expense for the year ended 31 December 2019 was $966 million compared to $238 million for the combined twelve months ended 31 December 2018. This change was mainly due to interest expense on borrowings related to the 2018 Transaction.

Taxation

There was an income tax benefit of $160 million for the year ended 31 December 2019 compared to an income tax expense of $81 million for the combined twelve months ended 31 December 2018. This change was primarily due to a significant change to pre-tax loss for the year ended 31 December 2019 compared to the pre-tax profit for the combined twelve months ended 31 December 2018. Additionally, the impact of the partnership organisational structure drove a significant portion of the 2019 tax benefit.

Combined year ended 31 December 2018 compared to the Year ended 31 December 2017

Revenues

Revenues for the combined twelve months ended 31 December 2018 increased $259 million, or 4.4%, to $6,205 million compared to $5,946 million for the year ended 31 December 2017, driven primarily by strong performance in Subscription and Transaction revenues.

On a constant currency basis revenue increased 2.6%, driven by Subscription and Transaction revenue growth. Subscription revenues increased 1.9%, Transaction revenues increased 8.8%, partially offset by a 2.2% decline in Recoveries / Other revenues.

Revenue for the combined twelve months ended 31 December 2018 included $466 million of revenues from Recoveries/Other revenue compared to $474 million for the twelve months ended 31 December 2017.

Cost of sales

Cost of sales for the combined twelve months ended 31 December 2018 increased $31 million, or 3.7%, to $870 million compared to $839 million for the twelve months ended 31 December 2017. This increase was driven by the impact of the reclassification to Cost of sales from “Allocation of costs from Thomson Reuters and affiliates” of certain costs, such as News content costs.

Operating expenses before depreciation, amortisation and impairment

Operating expenses before depreciation, amortisation and impairment for the combined twelve months ended 31 December 2018 increased $203 million, or 5.7%, to $3,740 million compared to $3,537 million for the twelve months ended 31 December 2017. This increase was driven primarily by severance costs incurred in the fourth quarter of 2018, as a result of Refinitiv’s Cost Saving Programme.

Depreciation, amortisation and impairment

Depreciation, amortisation and impairment for the combined twelve months ended 31 December 2018 increased $306 million, or 36.0%, to $1,155 million compared to $849 million for the twelve months ended 31 December 2017. This increase was due primarily to increases of $154 million of depreciation and amortisation of property, plant and equipment and $115 million of amortisation and impairment of purchased intangible assets. This increase was due to increase in fair values of the assets acquired in the Transactions.

Operating income

Income from operations for the combined twelve months ended 31 December 2018 decreased $282 million, or 39.0%, to $441 million compared to $723 million for the twelve months ended 31 December 2018 and year ended 31 December 2017 due to the aforementioned factors.

Finance expense

Finance expense for the combined twelve months ended 31 December 2018 increased $230 million, to $238 million compared to $8 million for the year ended 31 December 2017. This was mainly due to increased interest expense on borrowings related to the 2018 Transaction offset by income from the return on pension plan assets.

Taxation

Income tax benefit/(expense) for the combined twelve months ended 31 December 2018 decreased $130 million to expense of $81 million compared to a benefit of $49 million for the year ended 31 December 2017. The decrease was primarily due to a significant tax benefit of $90 million in 2017 as a result of the Tax Cuts and Jobs Act of 2017. This was partly offset by additional acquisition costs that were not deductible in 2018 related to the business transaction.

Revenue based on geographical regions

The following table shows Refinitiv revenue by destination for the years ended 31 December 2019, 2018 and 2017:

	For the years ended 31 December		
	2019	**2018 (Combined)**	**2017**
	US$m	*US$m*	*US$m*
United States	2,357	2,277	2,305
Canada	133	134	125
Other	96	101	64
Americas (North America, Latin America, South America)	**2,586**	**2,512**	**2,494**
United Kingdom	925	924	1,095
Other	1,536	1,585	1,323
Europe, Middle East and Africa	**2,461**	**2,509**	**2,418**
Asia Pacific	1,203	1,184	1,034
Total	**6,250**	**6,205**	**5,946**

Cash flow

The following table shows the consolidated cash flow statement of Refinitiv Holdings Ltd. for the financial years ended 31 December 2019, 2018 (combined) and 2017.

	For the years ended 31 December		
	2019	2018 (Combined)	2017
	US$m	*US$m*	*US$m*
Cash flow from operating activities			
Cash generated from operations	1,828	1,737	1,562
Interest paid	(826)	(128)	—
Corporation tax paid	(130)	(23)	—
Withholding tax paid	—	(6)	—
Net cash inflow from operating activities	**872**	**1,580**	**1,562**
Cash flow from investing activities			
Purchase of property, plant and equipment	(194)	(160)	(148)
Purchase of intangible assets	(321)	(265)	(312)
Proceeds from sale of businesses	—	6	—
Proceeds from disposals of property and equipment	2	—	—
Acquisition of businesses	(70)	(16,626)	(189)
Cash acquired on acquisition of businesses	—	—	7
Other investing activities	1	—	3
Net cash outflow from investing activities	**(582)**	**(17,045)**	**(639)**
Cash flow from financing activities			
Dividends paid to non-controlling interests	(115)	(79)	(66)
Arrangement fee paid	(6)	—	—
Net transfers from/(to) Refinitiv Holdings/Thomson Reuters	—	3,301	(826)
Proceeds from the issuance of debt	8	13,472	—
Principal element of lease payments	(139)	—	—
Repayment of term loans	(99)	—	—
Debt issuance costs	—	(413)	—
Net cash (outflow)/inflow from financing activities	**(351)**	**16,281**	**(892)**
(Decrease)/increase in cash and cash equivalents	(61)	816	31
Cash and cash equivalents at beginning of period	1,192	381	347
Exchange gain on cash and cash equivalents	3	(5)	3
Cash and cash equivalents at end of period	**1,134**	**1,192**	**381**
Supplemental cash flow information:			
Income taxes settled by Net Parent Investment	—	197	159

Comparison of Year ended 31 December 2019 to Combined Year ended 31 December 2018

Operating activities

Cash inflow from operating activities for the year ended 31 December 2019 decreased $708 million to $872 million compared to an inflow of $1,580 million for the combined twelve months ended 31 December 2018. This decrease was primarily driven by lower net earnings and working capital, primarily from decreased payables, accruals and provisions, partially offset by an increase in depreciation and amortisation.

Investing activities

Net cash outflow from investing activities for the year ended 31 December 2019 decreased $16,463 million to $582 million compared to an outflow of $17,045 million for the combined twelve months ended 31 December 2018. This decrease was due to the Separation Transactions in 2018.

Financing activities

Net cash outflow in financing activities for the year ended 31 December 2019 increased $16,632 million to $351 million compared to an inflow of $16,281 million for the combined twelve months ended 31 December 2018. This increase was due to the Separation Transactions in 2018.

Cash and cash equivalents as of 31 December 2019

As of December 31, 2019, cash and cash equivalents were $1,134 million, a decrease of $58 million from December 31, 2018 balance of $1,192 million. Of the total cash and cash equivalents balance as of 31 December 2019, $174 million was held in subsidiaries that have regulatory restrictions and contractual restrictions or operate in countries where exchange controls and other legal restrictions apply, and were, therefore, not available for general use by Refinitiv.

Comparison of Combined Year ended 31 December 2018 to Year ended 31 December 2017

Operating activities

Net cash inflow from operating activities for the combined twelve months ended 31 December 2018 increased $18 million, or 1.2%, to $1,580 million compared to an inflow of $1,562 million for the year ended 31 December 2017. This increase was driven by improvements in working capital, primarily from payables, accruals and provisions, partially offset by a decrease in net earnings.

Investing activities

Net cash outflow from investing activities for the combined twelve months ended 31 December 2018 increased $16,406 million, to $17,045 million compared to an outflow of $639 million for the year ended 31 December 2017. This increase was due to the Separation Transactions.

Financing activities

Net cash inflow from financing activities for the combined twelve months ended 31 December 2018 increased $17,173 million to $16,281 million compared to an outflow of $892 million for the year ended 31 December 2017. This increase was due to proceeds from the issuance of debt and equity instruments in connection with the Separation Transactions.

Cash and cash equivalents as of 31 December 2018

As of December 2018, cash and cash equivalents were $1,192 million, an increase of $811 million from 31 December 2017. Of the total cash and cash equivalents balance as of 31 December 2018, $156 million was held in subsidiaries that have regulatory restrictions and contractual restrictions or operate in countries where exchange controls and other legal restrictions apply, and were, therefore, not available for general use by Refinitiv.

Quantitative and Qualitative Disclosure of Financial Risk

Refinitiv is exposed to a variety of financial risks, including currency risk, interest rate risk and credit risk as its operations are global in nature. Refinitiv may, in the future, utilise derivative financial instruments among other methods to hedge some of these exposures. Refinitiv does not use derivative financial instruments for speculative or trading purposes.

Currency risk

The consolidated financial statements are expressed in U.S. dollars, but a significant portion of its business is conducted in other currencies. Changes in the exchange rates for such currencies into U.S. dollars can increase or decrease revenues, operating profit, net earnings and the carrying values of assets and liabilities. Additionally, Refinitiv may price customers' orders in one currency but allow customers to pay the equivalent price in another currency. In such cases, changes in exchange rates from order to billing create currency exposure.

Interest rate risks

Refinitiv has limited exposure to fluctuations in interest rates with respect to cash and cash equivalents, the majority of which were comprised of assets bearing low or no interest as of 30 June 2020 and 2019.

Following the Separation Transactions, Refinitiv is subject to interest rate risk under its Senior Secured Credit Facilities which accrues interest at variable rates. From time to time Refinitiv may enter into hedging arrangements with respect to floating interest rate borrowings. While Refinitiv may enter into such agreements to limit exposure to variable interest rates, such agreements may not fully limit its exposure to higher interest rates.

Credit Risks

Credit risk arises from cash and cash equivalents as well as credit exposure to customers, including outstanding receivables. Refinitiv attempts to minimise credit exposure as follows:

- Cash investments are placed with high-quality financial institutions with limited exposure to any one institution. At 30 June 2020 95% of the cash and cash equivalents were held by institutions that were rated at "A-" or higher by at least one of the major credit rating agencies.
- Refinitiv assesses the creditworthiness of its customers. No allowance for credit losses on financial assets was required as of 30 June 2020, other than the allowance for doubtful accounts. Further, no financial or other assets have been pledged.

Liquidity risk

For the predecessor period, Thomson Reuters managed its cash and financed its operations from a centralised Treasury function. Cash was typically swept from operating businesses on a daily basis and cash operating and investing needs were funded as needed. This approach does not necessarily reflect the manner in which the Financial & Risk Business would have financed its operations had it been a stand-alone enterprise separate from Thomson Reuters during the predecessor period presented. Cash transferred to and received from Thomson Reuters is reflected in net parent investment in the combined financial statements for the predecessor period accompanying this OFR.

For periods prior to the consummation of the 2018 Transaction, Refinitiv's ability to obtain cash to adequately fund its needs depended on the results of operations and the availability of financing from Thomson Reuters. Liquidity was used for operating expenses, capital expenditures and acquisitions.

Market price risk

Refinitiv has no significant exposure to price risk from equity securities or commodities.

Critical Accounting Policies and Estimates

Business combinations, goodwill and intangible assets

Refinitiv allocates the fair value of purchase consideration to the tangible assets acquired, liabilities assumed, and intangible assets acquired based on their estimated fair values. The excess of the purchase consideration over the fair value of these identifiable assets and liabilities is recorded as goodwill. Such valuations require management to make significant estimates and assumptions, especially with respect to intangible assets. Significant estimates include, but are not limited to, its weighted average cost of capital, long-term rate of growth, profitability, and changes in working capital. Its estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable, and as result, actual results may differ from estimates. Goodwill and intangible assets are recorded at their estimated fair values at the date of acquisition.

Goodwill and intangible assets are required to be tested for impairment at least annually or sooner whenever events or changes in circumstances indicate that the assets may be impaired. In conducting an annual impairment test, Refinitiv first reviews qualitative factors to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount. If factors indicate that is the case, Refinitiv performs the goodwill impairment test. Refinitiv compares the fair value of the reporting unit with its carrying amount. Refinitiv's significant estimates in the discounted cash flows model include its weighted average cost of capital, long-term rate of growth, profitability, and changes in working capital. If the carrying amount exceeds its fair value, goodwill is impaired to the extent that the carrying value exceeds the fair value of the reporting unit. Refinitiv performs its annual impairment tests in the fourth quarter of each fiscal year.

Refinitiv continually evaluates whether events and circumstances have occurred that indicate the remaining estimated useful life of long-lived assets may warrant revision or that the remaining balance may not be recoverable. These factors may include a significant deterioration of operating results, changes in business plans, or changes in anticipated cash flows. When factors indicate that an asset should be evaluated for possible impairment, a review of long-lived assets is done to assess recoverability from future operations using undiscounted cash flows. If future undiscounted cash flows are less than the carrying value, an impairment is recognised in earnings to the extent that the carrying value exceeds fair value.

Employee Future Benefits

For defined benefit pension plans and other post-employment benefits, the net periodic pension expense is determined actuarially on an annual, or interim, basis using the projected unit credit method. The determination of benefit expense requires assumptions such as the discount rate and an expected return on plan assets, which are used to determine the net periodic benefit cost (income). Other significant assumptions include expected increases to future compensation and pension payments. Actual results will differ from results that are estimated based on assumptions.

Critical judgements in applying accounting policies

Revenue recognition

Refinitiv derives its revenue from selling information, software, and services. Revenues are recognised when control of Refinitiv's products or services is transferred to customers, in an amount that reflects the consideration to which Refinitiv expects to be entitled. Such consideration is net of discounts, value-added taxes and other sales taxes. Critical judgements are often exercised particularly in contracts that contain multiple products and services, revenue from sales of third-party content and various costs of the contracts such as deferred or sales commissions. More information on revenues has been included within note 1 "*Basis of preparation and accounting policies*" of the financial statements at Section B (*Combined Historical Financial Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*).

Uncertain tax positions

Refinitiv is subject to taxation in numerous jurisdictions and is routinely under audit by many different taxing authorities in the ordinary course of business. There are many transactions and calculations during the course of business for which the ultimate tax determination is uncertain, as taxing authorities may challenge some of Refinitiv's positions and propose adjustments or changes to its tax filings. As a result, Refinitiv maintains provisions for uncertain tax positions that it believes appropriately reflect its risk. These provisions are made using Refinitiv's best estimates of the amount expected to be paid based on a qualitative assessment of all relevant factors. Refinitiv reviews the adequacy of these provisions at the end of each reporting period and adjusts them based on changing facts and circumstances. Due to the uncertainty associated with tax audits, it is possible that at some future date, liabilities resulting from such audits or related litigation could vary significantly from Refinitiv's provision. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such difference will affect the tax provision in the period in which such a determination is made.

PART 11
CAPITALISATION AND INDEBTEDNESS OF THE COMBINED BUSINESS

Section A Capitalisation and Indebtedness of LSEG plc

You should read the following tables together with Section A (*Operating and Financial Review of LSEG Plc*) of Part 10 (*Operating and Financial Review of the Combined Business*) and Section A (*Historical Financial Information of LSEG plc*) of Part 12 (*Historical Financial Information of the Combined Business*) of this document.

Capitalisation

The table below sets out the capitalisation of LSEG plc as at 30 June 2020, as extracted from the unaudited financial information set out in Section A (*Historical Financial Information of LSEG plc*) of Part 12 (*Historical Financial Information of the Combined Business*) of this document.

LSEG capitalisation as at 30 June 2020:

	(£ million) (unaudited)
Shareholders' equity	
Ordinary share capital	24
Share Premium	967
Retained earnings	773
Other reserves	1,981
Total shareholders' equity	3,745

There has been no material change in the Group's capitalisation since 30 June 2020 to the date of this document.

Indebtedness

The table below sets out the gross indebtedness of the Group at 30 September 2020. The figures for the cash and indebtedness of LSEG included in the following tables have been extracted without material adjustment from LSEG's unaudited management financial statements for the month ended 30 September 2020:

LSEG indebtedness as at 30 September 2020:

	(£ million) (unaudited)
Current debt	
Guaranteed	—
Secured	—
Unguaranteed/unsecured	480
Total current debt	480
Non-current debt (excluding current portion of non-current debt)	
Guaranteed	—
Secured	—
Unguaranteed/unsecured	1,797
Total non-current debt	1,797

LSEG cash and indebtedness as at 30 September 2020:

	(£m) *(unaudited)*
A. Cash	1,777
B. Cash equivalent (detail)	—
C. Trading securities	131
D. Liquidity (A) + (B) + (C)	1,908
E. Current financial receivables	—
F. Current bank debt	270
G. Current portion of non-current debt	—
H. Other current financial debt	210
I. Current financial debt (F) + (G) + (H)	480
J. Non-current financial indebtedness (I) – (E) – (D)	1,428
K. Non-current bank loans	—
L. Bonds issued	1,662
M. Other non-current loans	135
N. Non-current financial indebtedness (K) + (L) + (M)	1,797
O. Net financial indebtedness (J) + (N)	369

There has been no material change in the Group's indebtedness since 30 September 2020 to the date of this document.

Section B Capitalisation and Indebtedness of Refinitiv

You should read the following tables together with Section B (*Operating and Financial Review of Refinitiv*) of Part 10 (*Operating and Financial Review of the Combined Business*) and Section B (*Combined Historical Financial Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*) of this document.

Capitalisation

The table below sets out the capitalisation of Refinitiv as at 30 June 2020, as extracted from the audited financial information set out in Section B (*Combined Historical Financial Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*) of this document.

Refinitiv Capitalisation as at 30 June 2020:

	($ million) *(audited)*
Shareholders' equity	
Share capital(1)	—
Net Parent Investment(2)	6,638
Other reserves(3)	25
Total shareholders' equity(4)	6,663

Notes:

(1) Please refer to Note 1 '*Basis of Preparation and accounting policies*' of Section B (*Combined Historical Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*) of this document.

(2) Net Parent Investment does not include the accumulated impact of retained earnings.

(3) Other reserves consists of Pension related accumulated other comprehensive gains of $123 million and Hedging reserve losses of $98 million. Other reserves does not include the Foreign exchange translation reserve.

(4) Total shareholders' equity excludes non-controlling interests on the basis that they are not attributable to the equity holders of Refinitiv.

There has been no material change in Refinitiv's capitalisation since 30 June 2020 to the date of this document, save for the following:

- Actuarial losses of $93 million relating to defined benefit pension schemes were recognised between 30 June 2020 and 30 September 2020. The next actuarial valuation of the schemes will take place as at 31 December 2020.

Indebtedness

The table below sets out the gross indebtedness of Refinitiv as at 30 September 2020. The figures for the cash and indebtedness of Refinitiv included in the following tables have been extracted without material adjustment from Refinitiv's unaudited management financial statements for the period ended 30 September 2020:

Refinitiv Indebtedness as at 30 September 2020:

	($ million) *(unaudited)*
Current debt	
Guaranteed	—
Secured[(1)(2)]	339
Unguaranteed/unsecured	—
Total current debt[(4)]	339
Non-current debt (excluding current portion of non-current debt)	
Guaranteed	—
Secured[(1)(2)]	10,815
Unguaranteed/unsecured[(3)]	1,931
Total non-current debt[(4)]	12,746

Notes*:*

(1) As at 30 September 2020, the Secured debt consists of $8,706 million Senior Secured credit facilities, $2,198 million Secured Notes and $250 million drawdown from the Revolving Credit Facility.

(2) The Secured debts are guaranteed by Refinitiv Parent Limited and by Refinitiv US Holdings, Inc's material wholly owned subsidiaries, subject to certain exceptions. The obligations are also, subject to certain agreed upon exceptions, secured by a first-priority pledge on substantially all of Refinitiv US Holdings, Inc's and its material wholly-owned domestic subsidiaries' equity, including 100% of the equity of material domestic subsidiaries and 65% of the equity of certain first-tier foreign subsidiaries (including 65% of the equity of Refinitiv UK Parent Limited) and all of the tangible and intangible personal property of Refinitiv.

(3) As at 30 September 2020, the Unsecured debt consists of $1,931 million Unsecured Notes.

(4) Indebtedness is shown net of unamortised debt issuance cost and discount.

Refinitiv cash and indebtedness as at 30 September 2020:

	($ million) *(unaudited)*
A. Cash[(1)]	200
B. Cash equivalent[(1)(2)]	1,292
C. Trading securities	—
D. Liquidity (A) + (B) + (C)	**1,492**
E. Current financial receivables	—
F. Current bank debt	—
G. Current portion of non-current debt	339
H. Other current financial debt	—
I. Current financial debt (F) + (G) + (H)	339
J. Net current financial indebtedness (I) – (E) – (D)	**(1,153)**
K. Non-current bank loans	—
L. Bonds issued	—
M. Other non-current loans	12,746
N. Non-current financial indebtedness (K) + (L) + (M)	**12,746**
O. Net financial indebtedness (J) + (N)	**11,593**

Notes*:*

(1) Cash and cash equivalents exclude restricted cash of $170 million.

(2) Cash equivalents include $1,288 million of investment in Money Market funds and $4 million in short term deposits.

There has been no material change in Refinitiv's indebtedness since 30 September 2020 to the date of this document, save for the following:

- Current financial debt includes a $250 million drawdown from the Revolving Credit Facility that was repaid on 6 October 2020.

- On 19 October 2020, Refinitiv entered into an agreement to acquire Giact, a leader in the US in digital identity, payments verification and fraud prevention, for consideration of US$610 million; plus an earn-out payment of up to US$13.5 million, which is payable after the end of 2023. This transaction closed on 8 December 2020 and was partially funded by a drawdown of US$350 million from the Revolving Credit Facility, with the remainder being funded from its existing cash resources. The Revolving Credit Facility drawdown occurred on 7 December 2020.

PART 12
HISTORICAL FINANCIAL INFORMATION OF THE COMBINED BUSINESS

Section A Historical Financial Information of LSEG plc

Historical financial information in respect of LSEG plc, the contents of which have previously been announced through a Regulatory Information Service, are incorporated by reference into this document as described in Part 15 (*Documentation incorporated by reference*) of this document.

Section B Combined Historical Financial Information of Refinitiv

I. Combined Historical Financial Information of Refinitiv for the Six Months Ended 30 June 2020 and the Financial Years Ended 31 December 2017, 31 December 2018 and 31 December 2019

Combined Income Statement

For the six months ended 30 June 2020	**Notes**	**Underlying**	**Non-underlying**	**Total**
		(US$m)	*(US$m)*	*(US$m)*
Revenue	5	3,221	–	3,221
Cost of sales		(485)	–	(485)
Gross profit		**2,736**	–	**2,736**
Operating expenses before depreciation and amortisation	6,8	(1,388)	(240)	(1,628)
Share of profit after tax of associates	13	1	–	1
Earnings before interest, tax, depreciation and amortisation		**1,349**	**(240)**	**1,109**
Depreciation and amortisation	6,8	(350)	(712)	(1,062)
Operating profit		999	(952)	47
Finance income	9	95	–	95
Finance expense	9	(463)	–	(463)
Loss before tax		**631**	**(952)**	**(321)**
Taxation	8,10	(238)	202	(36)
Loss for the period		**393**	**(750)**	**(357)**
Loss for the period attributable to:				
Refinitiv Holdings		**326**	**(726)**	**(400)**
Non-controlling interests		**67**	**(24)**	**43**

Combined Income Statement

For the six months ended 30 June 2019 (unaudited)	**Notes**	**Underlying (revised)[(1)]**	**Non-underlying (revised)[(1)]**	**Total**
		(US$m)	*(US$m)*	*(US$m)*
Revenue	5	3,118	–	3,118
Cost of sales		(480)	–	(480)
Gross profit		**2,638**	**—**	**2,638**
Operating expenses before depreciation, amortisation and impairment	6,8	(1,450)	(213)	(1,663)
Share of profit after tax of associates	13	1	–	1
Earnings before interest, tax, depreciation, amortisation and impairment		**1,189**	**(213)**	**976**
Depreciation, amortisation and impairment	6,8	(348)	(717)	(1,065)
Operating loss		**841**	**(930)**	**(89)**
Finance income	9	32	–	32
Finance expense	9	(470)	–	(470)
Loss before tax		**403**	**(930)**	**(527)**
Taxation	8,10	(216)	274	58
Loss for the period		**187**	**(656)**	**(469)**
Loss for the period attributable to:				
Refinitiv Holdings		**140**	**(635)**	**(495)**
Non-controlling interests		**47**	**(21)**	**26**

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(1) The presentation of the split between underlying and non-underlying items has been revised since previously disclosed in order to better represent Refinitiv's ongoing activities. Refer to Note 8 for further details.

Combined Income Statement

For the year ended 31 December 2019	**Notes**	**Underlying**	**Non-underlying**	**Total**
		US$m	*US$m*	*US$m*
Revenue	5	6,250	–	6,250
Cost of sales		(956)	–	(956)
Gross profit		**5,294**	**–**	**5,294**
Operating expenses before depreciation, amortisation and impairment	6,8	(2,976)	(426)	(3,402)
Share of profit after tax of associates	13	2	–	2
Earnings before interest, tax, depreciation, amortisation and impairment		**2,320**	**(426)**	**1,894**
Depreciation, amortisation and impairment	6,8	(659)	(1,432)	(2,091)
Operating loss		1,661	(1,858)	(197)
Finance income	9	263	–	263
Finance expense	9	(966)	–	(966)
Loss before tax		**958**	**(1,858)**	**(900)**
Taxation	8,10	(243)	403	160
Loss for the year		**715**	**(1,455)**	**(740)**
Loss for the year attributable to:				
Refinitiv Holdings		**600**	**(1,409)**	**(809)**
Non-controlling interests		115	(46)	69

Combined Income Statement

For the year ended 31 December 2018	**Notes**	**Underlying (revised)(1)**	**Non-underlying (revised)(1)**	**Total**
		US$m	*US$m*	*US$m*
Revenue	5	6,205	–	6,205
Cost of sales		(870)	–	(870)
Gross profit		**5,335**	**—**	**5,335**
Operating expenses before depreciation and amortisation	6,8	(3,268)	(472)	(3,740)
Share of profit after tax of associates	13	1	–	1
Earnings before interest, tax, depreciation, and amortisation		**2,068**	**(472)**	**1,596**
Depreciation and amortisation	6,8	(555)	(600)	(1,155)
Operating profit		**1,513**	**(1,072)**	**441**
Finance income	9	51	–	51
Finance expense	9	(238)	–	(238)
Profit before tax		**1,326**	**(1,072)**	**254**
Taxation	8,10	(363)	282	(81)
Profit for the year		**963**	**(790)**	**173**
Profit for the year attributable to:				
Refinitiv Holdings/Thomson Reuters		**864**	**(771)**	**93**
Non-controlling interests		**99**	**(19)**	**80**

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(1) The presentation of the split between underlying and non-underlying items has been revised since previously disclosed in order to better represent Refinitiv's ongoing activities. Refer to Note 8 for further details.

Combined Income Statement

For the year ended 31 December 2017	Notes	Underlying	Non-underlying	Total
		US$m	*US$m*	*US$m*
Revenue	5	5,946	–	5,946
Cost of sales		(839)	–	(839)
Gross profit		**5,107**	**—**	**5,107**
Operating expenses before depreciation and amortisation	6,8	(3,528)	(9)	(3,537)
Share of profit after tax of associates	13	2	–	2
Earnings before interest, tax, depreciation, and amortisation		**1,581**	**(9)**	**1,572**
Depreciation and amortisation	6,8	(518)	(331)	(849)
Operating profit		**1,063**	**(340)**	**723**
Finance income	9	8	–	8
Finance expense	9	(8)	–	(8)
Profit before tax		**1,063**	**(340)**	**723**
Taxation	8,10	(66)	115	49
Profit for the year		**997**	**(225)**	**772**
Profit for the year attributable to:				
Thomson Reuters		**926**	**(215)**	**711**
Non-controlling interests		**71**	**(10)**	**61**

Combined Statement of Comprehensive Income

		For the six months ended 30 June		For the years ended 31 December		
	Notes	**2020**	**2019 (unaudited)**	**2019**	**2018**	**2017**
		US$m	*US$m*	*US$m*	*US$m*	*US$m*
(Loss)/profit for the financial period		**(357)**	**(469)**	**(740)**	**173**	**772**
Other comprehensive income/ (loss):						
Items that will not be subsequently reclassified to profit or loss:						
Defined benefit pension scheme remeasurement gain/(loss)	16	157	42	14	(85)	(114)
Income tax relating to these items	10	(2)	(6)	(1)	14	2
		155	**36**	**13**	**(71)**	**(112)**
Items that may be subsequently reclassified to profit or loss:						
Exchange (loss)/gain on translation of foreign operations, net of tax		(73)	5	(18)	(262)	398
Loss on cash flow hedges, net of tax	17	(30)	(54)	(32)	(36)	—
		(103)	(49)	(50)	(298)	398
Other comprehensive income/ (loss), net of tax		**52**	**(13)**	**(37)**	**(369)**	**286**
Total comprehensive (loss)/ income for the financial period		**(305)**	**(482)**	**(777)**	**(196)**	**1,058**
Total comprehensive (loss)/ income for the financial period:						
Attributable to Refinitiv Holdings/Thomson Reuters		**(350)**	**(508)**	**(846)**	**(276)**	**995**
Attributable to non-controlling interests		**45**	**26**	**69**	**80**	**63**

Combined Balance Sheet

	Notes	As at 30 June 2020	As at 31 December 2019	2018 (revised)[1]	2017
		US$m	*US$m*	*US$m*	*US$m*
Assets					
Non-current assets					
Property, plant and equipment	11	925	1,018	476	395
Intangible assets	12	18,233	18,857	20,248	12,588
Investment in associates	13	14	12	7	12
Deferred tax assets	15	622	334	22	20
Derivative financial instruments	17	6	3	34	12
Investments in financial assets	17	9	4	5	11
Retirement benefit asset	16	655	508	438	434
Trade and other receivables	19	149	154	73	36
		20,613	**20,890**	**21,303**	**13,508**
Current assets					
Trade and other receivables	17,19	977	827	1,059	590
Derivative financial instruments	17	21	17	–	–
Current tax	10	33	27	–	–
Cash and cash equivalents	17,20	1,239	1,134	1,192	381
		2,270	**2,005**	**2,251**	**971**
Total assets		**22,883**	**22,895**	**23,554**	**14,479**
Liabilities					
Current liabilities					
Trade and other payables	17,21	1,243	1,452	1,517	750
Contract liabilities	22	170	96	119	–
Derivative financial instruments	17	10	15	4	30
Current tax	10	133	138	90	–
Borrowings	17,23	338	88	91	–
Provisions	25	49	76	130	38
		1,943	**1,865**	**1,951**	**818**
Non-current liabilities					
Borrowings	17,23	12,573	12,664	12,915	–
Derivative financial instruments	17	135	87	41	29
Contract liabilities	22	8	9	20	–
Deferred tax liabilities	15	307	321	757	388
Retirement benefit obligations	16	145	130	133	196
Other non-current payables	17,21	722	659	60	70
Provisions	25	69	72	74	54
		13,959	**13,942**	**14,000**	**737**
Total liabilities		**15,902**	**15,807**	**15,951**	**1,555**
Net assets		**6,981**	**7,088**	**7,603**	**12,924**
Net Parent Investment, other reserves and non-controlling interests					
Net Parent Investment		4,779	5,134	5,741	15,093
Other reserves		(84)	(136)	(99)	(2,666)
Total Net Parent Investment		**4,695**	**4,998**	**5,642**	**12,427**
Non-controlling interests	14	**2,286**	**2,090**	**1,961**	**497**
Total Net Parent Investment, other reserves and non-controlling interests		**6,981**	**7,088**	**7,603**	**12,924**

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(1) The 31 December 2018 comparatives have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further details.

Combined Cash Flow Statement

		For the six months ended 30 June		For the years ended 31 December		
	Notes	**2020**	**2019 (unaudited)**	**2019**	**2018**	**2017**
		US$m	*US$m*	*US$m*	*US$m*	*US$m*
Cash flow from operating activities						
Cash generated from operations	26	802	635	1,828	1,737	1,562
Interest paid		(357)	(432)	(826)	(128)	–
Corporation tax paid		(25)	(79)	(130)	(23)	–
Withholding tax paid		–;	–	–	(6)	–
Net cash inflow from operating activities		**420**	**124**	**872**	**1,580**	**1,562**
Cash flow from investing activities						
Purchase of property, plant and equipment	11	(87)	(68)	(194)	(160)	(148)
Purchase of intangible assets	12	(265)	(170)	(321)	(265)	(312)
Proceeds from sale of businesses		–	–	–	6	–
Proceeds from disposals of property and equipment	11	9	1	2	–	–
Acquisition of businesses and investments	28	(91)	(70)	(70)	(16,626)	(189)
Cash acquired on acquisition of businesses	28	–	–	–	–	7
Other investing activities		1	–	1	–	3
Net cash outflow from investing activities		**(433)**	**(307)**	**(582)**	**(17,045)**	**(639)**
Cash flow from financing activities						
Dividends paid to non-controlling interests		(14)	(88)	(115)	(79)	(66)
Payroll taxes paid from share-based payment award exercises		(72)	–	–	–	–
Arrangement fee paid		(3)	–	(6)	–	–
Net transfers from/(to) Refinitiv Holdings/Thomson Reuters		–	–	–	3,301	(826)
Proceeds from the issuance of debt, net	24	250	–	8	13,472	–
Proceeds from exercise of awards		62	–	–	–	–
Principal element of lease payments	26	(68)	(54)	(139)	–	–
Repayment of term loans	24	(46)	(46)	(99)	–	–
Offering costs from follow-on offering		(1)	–	–	–	–
Debt issuance costs	24	–	–	–	(413)	–
Net cash inflow/(outflow)from financing activities		**108**	**(188)**	**(351)**	**16,281**	**(892)**
Increase/(decrease) in cash and cash equivalents		**95**	**(371)**	**(61)**	**816**	**31**
Cash and cash equivalents at beginning of period		1,134	1,192	1,192	381	347
Exchange gain on cash and cash equivalents		10	1	3	(5)	3
Cash and cash equivalents at end of period		**1,239**	**822**	**1,134**	**1,192**	**381**
Supplemental cash flow information:						
Income taxes settled by Net Parent Investment		–	–	–	197	159
Non-cash transfer of net assets included in Net Parent Investment		–	–	–	(19)	10

Combined Statement of Changes in Net Parent Investment

	Other reserves	Net Parent Investment	Non-controlling interests	Total
	US$m	*US$m*	*US$m*	*US$m*
1 January 2017	**(3,062)**	**14,976**	**485**	**12,399**
Profit for the year	–	711	61	772
Other comprehensive income/(loss) for the year	396	(112)	2	286
Equity transactions with non-controlling interests	–	43	15	58
Dividends paid to non-controlling interests	–	–	(66)	(66)
Net transfers to Thomson Reuters	–	(525)	–	(525)
31 December 2017	**(2,666)**	**15,093**	**497**	**12,924**
Impact of adopting IFRS 15	–	47	–	47
1 January 2018 (restated)	**(2,666)**	**15,140**	**497**	**12,971**
Profit for the year	–	93	80	173
Other comprehensive loss for the year	(369)	–	–	(369)
Net transfers from Refinitiv Holdings	–	6,268	–	6,268
Acquisition of businesses with non-controlling interests	–	–	1,954	1,954
Dividends paid to non-controlling interests	–	–	(79)	(79)
Other	–	19	16	35
Changes in ownership interests related to the 2018 Transaction (Note 1)	2,936	(15,779)	(507)	(13,350)
31 December 2018	**(99)**	**5,741**	**1,961**	**7,603**
Impact of adopting IFRS 16 (Note 2)	–	(1)	–	(1)
1 January 2019 (restated)	**(99)**	**5,740**	**1,961**	**7,602**
(Loss)/profit for the year	–	(809)	69	(740)
Other comprehensive loss for the year	(37)	–	–	(37)
Share-based compensation	–	53	–	53
Dividends paid to non-controlling interests	–	–	(115)	(115)
Tradeweb reorganisation	–	70	143	213
Other	–	80	32	112
31 December 2019	**(136)**	**5,134**	**2,090**	**7,088**
(Loss)/profit for the period	–	(400)	43	(357)
Other comprehensive income for the period	50	–	2	52
Share-based compensation	–	21	18	39
Payroll taxes on awards	–	–	(72)	(72)
Dividends paid to non-controlling interests	–	–	(14)	(14)
Tradeweb reorganisation	–	135	26	161
Adjustment to non-controlling interest	2	(128)	188	62
Other	–	17	5	22
30 June 2020	**(84)**	**4,779**	**2,286**	**6,981**

The notes form an integral part of this combined historical financial information.

Other reserves comprise the following:

Foreign exchange translation reserve of US$109 million (loss) (31 December 2019: US$36 million (loss); 31 December 2018: US$18 million (loss); 31 December 2017: US$2,680 million (loss)), a reserve reflecting the impact of foreign currency changes on the translation of foreign operations.

Hedging reserve of US$98 million (loss) (31 December 2019: US$68 million (loss); 31 December 2018: US$36 million (loss); 31 December 2017: nil), a reserve representing the cumulative fair value adjustment recognised in respect of cash flow hedges undertaken in accordance with hedge accounting principles.

Re-measurement gain on available-for-sale investments of nil (31 December 2019: nil; 31 December 2018: nil, 31 December 2017: US$23 million), a reserve representing the adjustment recognised upon re-measuring available for sale investments.

Pension related accumulated other comprehensive gain of US$123 million (31 December 2019: US$32 million loss; 31 December 2018: US$45 million loss, 31 December 2017 US$9 million loss), a reserve representing the cumulative adjustment recognised in respect of pensions.

NOTES TO THE COMBINED HISTORICAL FINANCIAL INFORMATION OF REFINITIV

1. Basis of preparation and accounting policies

General business description

On 30 January 2018, Thomson Reuters and Refinitiv Holdings (an exempted company controlled by certain investment funds affiliated with Blackstone) entered into the Prior Transaction Agreement in respect of the 2018 Transaction, pursuant to which Refinitiv Holdings would acquire all of the equity interests of certain specified entities and assets and liabilities that are primarily related to the Thomson Reuters Financial & Risk Business, and Thomson Reuters would indirectly acquire a 45 per cent. interest in Refinitiv Holdings.

The 2018 Transaction closed on the 2018 Transaction Closing Date (being 1 October 2018). Refinitiv Holdings contributed its investment in the Thomson Reuters Financial & Risk Business to Refinitiv Parent, a direct wholly owned subsidiary of Refinitiv Holdings. For the purpose of this Section B of this Part 12 (*Combined Historical Financial Information of Refinitiv*) prior to the 2018 Transaction Closing Date, references to "Refinitiv" within this combined historical financial information refer to the Thomson Reuters Financial & Risk Business, while references to "Refinitiv" on or after the 2018 Transaction Closing Date refer to Refinitiv Parent and its subsidiaries which together are operating under the brand name "Refinitiv".

Refinitiv Parent was incorporated on 21 March 2018 and has a registered address of 190 Elgin Avenue, George Town, Grand Cayman, KY1 9005, Cayman Islands.

Nature of operations

Refinitiv is a leading global provider of market and financial data and infrastructure, delivering data, insight and analytics tailored to strategic workflows across its four core customer communities: trading professionals, investment and advisory, wealth and risk and compliance management. Refinitiv serves over 40,000 customer institutions and over 400,000 end users across approximately 190 countries including buy and sell-side firms, market infrastructure companies, governments, financial technology firms and corporations. The Refinitiv Data Platform and Workspace business unit provides access to feeds, data management solutions, analytics and value-add services across its clients' end-to-end businesses processes. Refinitiv's Venues & Transactions business unit includes the Matching and FXall trading platforms and the Tradeweb fixed income trading platform (in which Refinitiv owns a majority interest), among others. It also includes trading workflow solutions including multi-asset class execution management systems and order management systems and portfolio analytics. Refinitiv's Risk business unit includes the World-Check suite of products containing over four million records, serving the compliance and regulatory needs of customers, in particular screening and KYC compliance, client on-boarding and other financial crime risk management programs.

Basis of preparation

The combined historical financial information has been prepared in accordance with IFRS as adopted by the EU for inclusion in the Prospectus of LSEG plc on the basis of the accounting policies consistent with those adopted by LSEG plc in its financial information for the financial period ended 30 June 2020. The accounting policies applied are set out below. The accounting policies have been consistently applied to all periods presented, unless otherwise stated.

Due to a change in the capital structure of Refinitiv Holdings on the 2018 Transaction Closing Date, the historical financial information is prepared on a combined basis which reflects the following:

(i) As of and for the six months ended 30 June 2020 and 2019 (unaudited), the combined financial information of Refinitiv, which includes certain costs borne by Refinitiv Holdings, namely share-based compensation expense of approximately US$7 million and nil, respectively;

(ii) As of and for the year ended 31 December 2019, the combined financial information of Refinitiv, which includes certain costs borne by Refinitiv Holdings, namely share-based compensation expense of approximately US$18 million;

(iii) As of and for the year ended 31 December 2018, the combined financial information of the Thomson Reuters Financial & Risk Business for the period from 1 January 2018 to 30 September 2018 and the combined financial information of Refinitiv for the period from the 2018 Transaction Closing Date to 31 December 2018, which includes certain costs borne by Refinitiv Holdings, namely transaction costs of approximately US$79 million and the revaluation of 2018 Transaction related foreign exchange and interest rate swaps (gain of approximately US$30 million); and

(iv) As of and for the year ended 31 December 2017, the combined financial information of the Thomson Reuters Financial & Risk Business.

IFRS does not provide for the preparation of combined financial information. Accordingly, in preparing the combined historical financial information certain accounting conventions commonly used for the preparation of historical financial information for inclusion in investment circulars, as described in the Annexure to SIR 2000 (Investment Reporting Standard applicable to public reporting engagements on historical financial information) issued by the UK Auditing Practices Board, have been applied.

This combined historical financial information is prepared on a going concern basis and under the historical cost convention, as modified for the impact of acquisition accounting and the revaluation of certain financial instruments. Specifically, for periods prior to the 2018 Transaction Closing Date, the combined historical financial information has been derived from the accounting records of Thomson Reuters using the historical statements of income and the historical bases of assets and liabilities of the Thomson Reuters Financial & Risk Business.

The combined historical financial information is presented in millions of US dollars ("**US$**") except when otherwise indicated. References to "**£**" are to British pound sterling. Average and year-end closing translation rates from Refinitiv's Treasury system for principal overseas currencies are as follows:

	Six months ended 30 June		Year ended 31 December		
	2020	**2019 (unaudited)**	**2019**	**2018**	**2017**
Spot rates					
EUR to USD	1.12	1.14	1.12	1.14	1.20
GBP to USD	1.24	1.27	1.32	1.27	1.35
Average rates					
EUR to USD	1.10	1.13	1.12	1.18	1.13
GBP to USD	1.26	1.29	1.28	1.34	1.29

As it relates to combined historical financial information derived from the accounting records of Thomson Reuters, the principal methodology underlying the combined historical financial information for the nine months ended 30 September 2018 and as of and for the year ended 31 December 2017 includes the following:

- The combined income statements include all revenues and costs directly attributable to Refinitiv as well as an allocation of expenses from Thomson Reuters related to centralised facilities, technology functions, and administrative services. Thomson Reuters allocated these costs to Refinitiv using methodologies that are considered to be appropriate and reasonable, including a pro rata basis of revenue, salaries and wages, or head count. In addition, Thomson Reuters provides editorial content which is featured in Refinitiv's products. The cost of such content is included in "Operating expenses" in the combined income statements and has been derived using Thomson Reuters' best estimate of costs to produce the content. Such amounts are not necessarily representative of costs that would have been incurred if Refinitiv had operated independently of Thomson Reuters.
- The combined balance sheets include the attribution of certain assets and liabilities that have historically been held at the corporate level by Thomson Reuters, but which are specifically identifiable or attributable to Refinitiv. Thomson Reuters' cash management and financing activities are centralised. Accordingly, no cash, cash equivalents, marketable securities, debt, or related interest expense have been allocated, except for certain cash accounts that were retained by the businesses because they were not available for general use by Thomson Reuters.
- "Net Parent Investment" is shown in lieu of shareholders' equity in the combined balance sheets because a direct ownership relationship did not exist. Current assets and current liabilities associated with allocations of costs from Thomson Reuters and affiliates are recorded within "Net Parent Investment".
- Transactions between Thomson Reuters and Refinitiv are considered to be effectively settled in cash at the time the transaction is recorded. The net effect of the settlement of these intercompany transactions is reflected in the combined statements of cash flows as a financing activity and in the combined balance sheets as "Net Parent Investment".
- The combined historical financial information includes the attribution of current and deferred income taxes of Thomson Reuters in a manner that is systematic, rational, and consistent with the asset and liability method. Accordingly, the income tax provision has been prepared following the "separate

return method", which computes income tax balances of each member of the consolidated group as if the group member was a separate taxpayer and a stand-alone enterprise. As a result, actual tax transactions included in Thomson Reuters' consolidated financial statements may not have been included in the combined historical financial information. Similarly, the tax treatment of certain items reflected in the combined historical financial information may not be reflected in Thomson Reuters' consolidated financial statements and tax returns. Therefore, items such as net operating losses, credit carry forwards, and derecognition of deferred tax assets may exist in the combined historical financial information that may or may not exist in Thomson Reuters' consolidated financial statements.

Going concern

This historical financial information has been prepared on the going concern basis, which contemplates the continuity of business activity and the realisation of assets and the settlement of liabilities in the normal course of business, taking into account the Directors' assessment of the financial and trading effects of Covid-19.

After making appropriate enquiries, the Directors have a reasonable expectation that Refinitiv has adequate resources to continue in operational existence for the foreseeable future and for at least twelve months from the date of this historical financial information. For these reasons the Directors continue to adopt the going concern basis in preparing Refinitiv's combined historical financial information.

The cash flow projections are the sole responsibility of the Directors based upon their present plans, expectations and intentions. In this context, the Directors have prepared and considered cash flow projections for Refinitiv for a period extending one year from the date of approval of this historical financial information. Based on these cash flows, and having regard to the provision of the debt facilities as described in Note 23 to this historical financial information, the Directors are satisfied that Refinitiv is able to meet its liabilities as and when they fall due for the foreseeable future and for a minimum period of twelve months from the date of this combined historical financial information.

Covid-19

The ongoing impact of Covid-19 on Refinitiv has been considered in the preparation of this historical financial information. The Directors have reviewed liquidity and covenant forecasts, regulatory capital, and critical accounting estimates and judgements. The Directors have also considered sensitivities including any potential impairments as a result of changes in cash flow forecasts. At the reporting date, no material short-term impacts have crystallised and Refinitiv remains confident about its long-term future performance but remains vigilant in monitoring day to day changes as the global situation evolves.

Recent accounting developments

The following major standards and amendments have been issued by the International Accounting Standards Board ("**IASB**") and the IFRS Interpretations Committee ("**IFRIC**") and endorsed by the EU and were adopted in this combined historical financial information effective 1 January 2020:

(a) Amendments to References to the Conceptual Framework in IFRS Standards

(b) Amendments to IFRS 3, "Business Combinations": Definition of a Business

(c) Amendments to IAS 1, "Presentation of Financial Statements" and IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors": Definition of Material

(d) Amendments to IFRS 9, "Financial Instruments", IAS 39, "Financial Instruments: Recognition and Measurement" & IFRS 7, "Financial Instruments: Disclosures": Interest Rate Benchmark Reform

The following major standards and amendments have been issued by the IASB and the IFRIC and endorsed by the EU and were adopted in this combined historical financial information effective 1 January 2019:

(a) IFRS 16, "Leases"

(b) IFRIC 23, "Uncertainty over Income Tax Treatments"

(c) Amendments to IAS 28, "Investments in Associates and Joint Ventures": Long-term interest in Associates and Joint Ventures

(d) Amendments to IAS 19, "Employee Benefits": Plan amendment, Curtailment or Settlement

(e) Amendments to IFRS 9, "Prepayment Features with Negative Compensation"

(f) Annual improvements to IFRS standards 2015–2017

The impact of adopting IFRS 16 on Refinitiv's financial results is described in detail in Note 2. No other standards or amendments had a material effect on Refinitiv's results.

The following standards and interpretations have been issued by the IASB and IFRIC, but have not been adopted either because they were not endorsed by the EU at 30 June 2020 or they are not yet mandatory and Refinitiv has not chosen to early adopt. Refinitiv plans to adopt these standards and interpretations when they become effective. The impact on Refinitiv's combined historical financial information of the future standards, amendments and interpretations is still under review but these are not expected to have a material effect on Refinitiv.

International accounting standards and interpretations	Effective date
IFRS 17, "Insurance Contracts"	1 January 2021

Accounting policies

Income Statement

Revenue

Refinitiv adopted IFRS 15 on 1 January 2018, and its accounting policies did not materially change as a result of the adoption.

The main source of Refinitiv's revenue is from selling information, software and services. Revenue is measured based on the consideration specified in a contract with a customer. Amounts deducted from revenue relate to discounts, value added tax, and other sales related taxes.

Refinitiv recognises revenue when control of Refinitiv's products or services is transferred to customers. Further details of Refinitiv's revenue accounting policy are set out below:

Recurring Revenue	Recurring revenues, which represent a majority of Refinitiv's revenues, primarily consist of fees to access products or services delivered electronically over time that include desktop services, such as Eikon, and non-desktop services, such as Elektron. These products are generally provided under one-year initial subscription arrangements, which most customers renew at the end of each subscription term for an annual term. Recurring revenue is generally recognised on a ratable basis over the contract term as this is the time period that the customer can use and benefit from the service. Recurring revenue also includes fees from software maintenance arrangements that are recognised over the maintenance period. Arrangements are generally billed annually, or quarterly, in advance.
Recoveries Revenue	Recoveries revenue consists of fees for third-party content, such as exchange data that is distributed directly to customers, and communications fees. Recoveries revenue is generally recognised on a ratable basis over the contract term. The contract terms and billing arrangements for Recoveries are similar to Recurring revenue.
Transactions Revenue	Transactions revenues are recognised primarily at a point in time based on their type, as follows: • Volume-based fees related to fixed income trading venues, currency trading venues and brokerage processing solutions are recognised based on usage; • Fees from software licences with no future obligations are recognised at the point of delivery, which is when the software is available to consume the licence; and

	• Professional fees from service and consulting arrangements are recognised as services are performed, generally based on hours incurred relative to total hours expected to be incurred, reflecting the continuous transfer of control to the customer. Transactions revenue is generally billed in arrears on a monthly or quarterly basis.

Refinitiv also considers the following:

Multiple performance obligations

Certain customer contracts include multiple products and services, which are accounted for as separate performance obligations when they are distinct. A product or service is distinct if a customer can benefit from it either on its own or with other readily available resources, and the promise to transfer the good or service is separately identifiable in the contract. In making the determination, management considers whether Refinitiv regularly sells a good or service separately and whether the goods or services are highly interrelated. The transaction price is allocated to the separate performance obligations based on the relative standalone selling price.

Refinitiv typically has more than one standalone selling price for individual products and services due to the stratification of its offerings by customer. As a result, management determines the standalone selling price by considering market conditions and other factors, including the value of its contracts, the product or service sold, the customer's market, geographic location, and the number and types of users in each contract.

A series of distinct goods or services is accounted for as a single performance obligation if the items in the series are substantially the same, have the same pattern of transfer and: (1) each distinct item in the series represents a performance obligation that would be satisfied over time, and (2) the measure to satisfy the performance obligation for each distinct item in the series is the same.

Certain Transactions revenue arrangements include installation or implementation services. If these services are distinct, consideration is allocated to them and revenue is recognised as the services are performed.

Sales involving third parties

Revenue from sales of third-party content or services delivered by Refinitiv is recorded on a gross basis as Refinitiv is the principal to these transactions because it supports the delivery of the service and generally has pricing discretion.

As permitted by the practical expedient in IFRS 15, Refinitiv does not adjust the promised amount of consideration for the effects of significant financing components in contracts where Refinitiv expects, at contract inception, the period between the transfer of a promised good or service to a customer and when the customer pays for that service to be one year or less.

Cost of sales

Cost of sales relate to the production and servicing of Refinitiv's offerings, including the production and maintenance of data, third-party content fees, exchange fees, production and distribution costs, and royalty fees.

Contract costs

Incremental costs of obtaining a customer contract, such as sales commissions paid to employees, are recognised as an intangible asset if the benefit of such costs is expected to be longer than one year. The associated asset is amortised over a period consistent with the transfer to the customer of the products and services under the contract and is presented as an intangible asset on the balance sheet. Refinitiv amortises the contract costs over the period from which a customer benefits from existing software technology supporting the underlying product or service.

Refinitiv also applies the practical expedient in IFRS 15 to recognise the incremental cost of obtaining a contract as an expense when incurred, if the amortisation period is one year or less.

Non-underlying items

Items of income and expense that are material by size and/or nature and are not considered to be incurred in the normal course of business are classified as non-underlying items on the face of the income statement within their relevant category. The separate reporting of these items together with amortisation of purchased intangible assets helps give an indication of Refinitiv's sustainable performance. Non-underlying items are disclosed in Note 8.

Pension costs

Refinitiv operates defined benefit and defined contribution pension schemes. For the defined benefit schemes the service cost, representing benefits accruing to employees, is included as an operating expense. The interest cost and expected return on plan assets is calculated by applying the discount rate to the net defined benefit liability or asset at the start of each annual reporting period. Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions or differences between actual and expected returns on assets are recognised at each period end net of tax in the statement of comprehensive income. The net asset or liability recognised on the balance sheet comprises the difference between the present value of pension obligations and the fair value of scheme assets. For defined contribution schemes, the expense is charged to the income statement as incurred.

Share-based compensation

Prior to the 2018 Transaction Closing Date, Thomson Reuters maintained certain share-based compensation plans under which it received services from employees as consideration for its equity instruments. The share-based compensation expense was based on the grant-date fair value and was recognised over the requisite service period. Where Refinitiv's employees participated in the plans, the allocated costs were included in the income statement. Total share-based compensation expense for the years ended 31 December 2018 and 2017 were US$23 million and US$18 million, respectively. The combined balance sheets do not include Thomson Reuters' equity instruments related to share-based compensation plans.

On the 2018 Transaction Closing Date, Refinitiv granted time-based and performance-based Class C and D shares to certain employees under a Management Incentive Plan (the "**MIP**"). The share-based compensation expense for the time-based shares was based on the grant-date fair value and is recognised as services are rendered by the employees with accelerated vesting for a change of control event that is considered probable. The share-based compensation expense for the performance-based shares is dependent on the probability at each reporting date of a triggering event occurring. During the second half of 2019, certain amendments were made to the MIP. As these amendments are largely contingent upon Completion, there was no impact on share-based compensation expense recognised for HY2020 and FY2019. Total share-based compensation expense for MIP awards amounted to US$21 million and US$7 million for HY2020 and HY2019, and US$53 million and US$4 million for FY2019 and FY2018. There were 4,360,263 Class C and D shares outstanding at 30 June 2020 and 31 December 2019, with a weighted average grant date fair value of $21.96. A Monte Carlo Simulation was used to determine the fair value of the Class C and D shares.

Refinitiv's majority owned subsidiary, Tradeweb, is authorised to issue up to 8,841,864 new shares of Class A common stock under an Omnibus Equity Plan. Under this plan, Tradeweb may grant awards in respect of shares of Class A common stock, including performance-based restricted share units ("**PRSUs**"), stock options, restricted stock units ("**RSUs**") and dividend equivalent rights. The awards may have performance-based and time-based vesting conditions. Stock options have a maximum contractual term of 10 years.

Share-based compensation expense is based on the grant-date fair value and the expense is recognised over the vesting period, which is the period over which the specified time-based and performance-based vesting conditions are satisfied. For awards with graded vesting, the fair value of each tranche is recognised over its respective vesting period. For awards with performance-based vesting, the expense is recognised to the extent the performance metrics are met or deemed probable.

Awards issued by Tradeweb largely consist of equity-settled PRSUs and stock options. For equity-settled PRSUs, fair value is determined on the grant date using the stock price of Tradeweb's Class A common stock. The number of shares a participant receives upon vesting is determined in part based on a performance modifier, which is adjusted in accordance with Tradeweb's financial performance in the grant year. During HY2020 and FY2019, 360,609 and 781,026 equity-settled PRSUs were granted, respectively, with weighted average grant date fair values of $38.87 and $21.08, respectively. Share-based compensation expense for equity-settled PRSUs amounted to US$13 million for HY2020 and US$25 million for FY2019.

Tradeweb has granted options with a four-year graded vesting schedule, with one half of the awards vesting based on the passage of the time (with accelerated vesting for certain time-based options with vesting dates of 1 January 2021 and 2022 upon completion of an initial public offering) and other half vesting if certain performance targets are achieved. Option fair values are calculated on the grant date using the Black-Scholes model. Share-based compensation expense for options amounted to US$4 million for HY2020 and US$24 million for FY2019.

Foreign currencies

The combined historical financial information is presented in US Dollars, which is Refinitiv's presentation currency. Foreign currency transactions are converted into the functional currency of the reporting entity using the rate ruling at the date of the transaction. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at year-end rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except for differences arising on pension fund assets or liabilities which are recognised in other comprehensive income.

The results and financial position of all Refinitiv entities that have a functional currency different from the presentation currency are converted into the presentation currency as follows:

(a) assets and liabilities including goodwill, purchased intangible assets and fair value adjustments are converted at the closing balance sheet rate;

(b) income and expenses are translated and recorded in the income statement at the average rate for the period; and

(c) all resulting exchange differences are recognised as a separate component of equity

When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

Finance income and expense

Finance income and expense comprise interest earned on cash deposited with financial counterparties and interest paid on borrowings which reflect the agreed market-based or contractual rate for each transaction undertaken during the financial period, and calculated using the effective interest rate method.

Recurring fees and charges levied on committed bank facilities, the cash management transactions, and the payment services provided by Refinitiv's banks, are charged to the income statement as accrued. Credit facility arrangement fees are capitalised and then amortised back to the income statement over the term of the facility subject to projected utilisation. Fees and charges are included within other finance costs.

Fair value gains and losses on financial instruments include the movement in the market valuations of derivative instruments not held as cash flow hedges.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are included in the combined historical financial information at cost less accumulated depreciation and any provision for impairment.

Computer hardware, buildings and building improvements, and furniture, fixtures and equipment are depreciated to residual value on a straight line basis over the estimated useful economic lives of the assets which are as follows:

(a) Computer hardware – 3 to 5 years;

(b) Buildings and building improvements – 10 to 40 years; and

(c) Furniture, fixtures and equipment – 5 to 7 years.

Leasehold improvements are included at cost and depreciated to residual value over the shorter of the period of the lease or the useful economic life of the asset.

Leases

Upon adoption of IFRS 16, Refinitiv adopted the following accounting policies in respect of leased assets:

Right-of-use assets

Refinitiv recognises a right-of-use asset where Refinitiv has control of an asset for a period of more than 12 months. Assets are recorded initially at cost and depreciated on a straight line basis over the shorter of the lease term and the estimated useful life. Cost is defined as the lease liabilities recognised, plus any initial costs and dilapidations provisions less any lease incentives received. The lease term is the non-cancellable term plus any optional extensions or less any reductions due to break clauses that in the judgement of management are likely to be exercised.

Lease liabilities

Lease liabilities are recognised at the net present value of the future payments to be made over the lease term at the commencement of a lease. Where a lease includes a break clause or extension option, management use their best estimate on the likely outcome on a lease by lease basis. Variable lease payments based on an index are estimated at the commencement date and revalued on an annual basis. The net present value is determined using the incremental borrowing rate of the leasing entity. Lease payments due within the next 12 months are recognised within "Trade and other payables"; payments due after 12 months are recognised within "Other non-current payables".

Short-term leases

Rental costs for leased assets that are for less than 12 months are recognised directly in the income statement on a straight-line basis over the term of the lease.

Prior to the adoption of IFRS 16, Refinitiv applied the following accounting policies in respect of leased assets:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis. Lease incentives are spread over the term of the lease.

Intangible assets

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

On the acquisition of a business, fair values are attributed to the assets and liabilities acquired. These may include trade names, customer relationships, databases and content, all of which are recorded as intangible assets and held at cost less accumulated amortisation. These assets are amortised on a straight line basis over their useful economic lives. Prior to the 2018 Transaction Closing Date, useful lives were as follows:

(a) Customer relationships – 3 to 25 years;

(b) Trade names – 2 to 25 years; and

(c) Databases, content and other – 3 to 30 years; and

(d) Software and contract costs – 2 to 30 years.

Post the 2018 Transaction Closing Date, useful lives are:

(a) Customer relationships – 12 to 15 years;

(b) Trade names – 15 to 25 years; and

(c) Databases, content and other – 5 to 25 years; and

(d) Software – 2 to 10 years.

The useful economic lives are based on management's best estimates such as attrition rates on customer relationships, product upgrade cycles for software and technology assets, market participant perspective for brands, and pace of change of regulation for business.

Third-party software costs for the development and implementation of systems which enhance the services provided by Refinitiv are capitalised and amortised over their estimated useful economic life of 3 years.

Internal product development expenditure is capitalised if the costs can be reliably measured, the product or process is technically and commercially feasible, future economic benefits are probable, and Refinitiv has sufficient resources to complete the development and to use or sell the asset. The assets are recorded at cost including labour, directly attributable costs and any third-party expenses, and amortised over their useful economic life of 3 years.

Intangible assets are assessed for any indicators of impairment at each balance sheet date. Where indicators of impairment for a particular intangible asset are identified, a full impairment assessment is performed, with any diminution in value recognised in the income statement.

Investment in associates

An associate is a company over which Refinitiv has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the company, but is not control nor joint control over those policies. Refinitiv's investments in associates are accounted for using the equity method.

Under the equity method, investments are initially recognised at cost and adjusted thereafter to recognise Refinitiv's share of the post-acquisition profits or losses and, if applicable, Refinitiv's share of movements in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Current and non-current classification

Current assets include assets held primarily for trading purposes, cash and cash equivalents, and assets expected to be realised within one year from the reporting date, or intended for trade or consumption and realised in the course of Refinitiv's operating cycle. All other assets are classified as non-current assets.

Current liabilities include liabilities held primarily for trading purposes, liabilities expected to be settled in the course of Refinitiv's operating cycle and those liabilities due within one year from the reporting date. All other liabilities are classified as non-current liabilities.

Current and deferred taxation

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where Refinitiv operates and generates taxable income.

Full provision is made, using the liability method, for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the combined historical financial information. Deferred taxation is determined using tax rates that are substantively enacted at the balance sheet date and are expected to apply when the asset is realised or liability settled. Deferred tax assets are recognised to the extent it is probable that they will be recoverable against future taxable profits.

Financial instruments

On 1 January 2018, Refinitiv adopted IFRS 9, 'Financial Instruments', however, Refinitiv has elected to continue to apply hedge accounting under IAS 39.

Refinitiv classifies its financial instruments as fair value through profit or loss (FVPL), fair value through other comprehensive income (FVOCI) or amortised cost. The classification depends on Refinitiv's business model for managing its financial instruments and whether the cash flows generated are 'solely payments of principal and interest' (SPPI).

Initial recognition:

- *Financial assets at amortised cost* are financial assets that are held in order to collect the contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest. Refinitiv's cash and cash equivalents and trade and other receivables fall within this category.
- *Financial assets at fair value through other comprehensive income* (*FVOCI*) are assets where the objective is achieved by both collecting the contractual cash flows or selling the asset. The contractual cash flows received are solely payments of principal and interest. This category includes investments in financial assets which are used under the business model to both collect the contractual cash flows and also to sell. Any profit or loss recognised in other comprehensive income on debt instruments is recycled to the income statement if the asset is sold. Any profit or loss on an equity investment remains in other comprehensive income and is not recycled to the income statement.
- *Financial assets at fair value through profit or loss* (*FVPL*) include all other financial assets not classified as amortised cost or FVOCI. This includes derivatives. There is no change on the previous treatment for these instruments.
- *Financial liabilities at fair value through profit or loss* (*FVPL*) are liabilities that must be held at fair value. This includes derivatives.

- *Financial liabilities at amortised cost* are all financial liabilities that are not included within financial liabilities at FVPL. This comprises Refinitiv's trade and other payables, borrowings and other payables.

Subsequent measurement:

Refinitiv adopts a forward-looking approach to estimate impairment losses on financial assets. An expected credit loss (ECL) is calculated based on the difference between the contractual cash flows due and the expected cash flows. The difference is discounted at the asset's original effective interest rate and recognised as an allowance against the original value of the asset.

- The ECL for trade receivables and cash and cash equivalents is calculated using IFRS 9's simplified approach using lifetime ECL. The allowance is based on Refinitiv's historic experience of collection rates, adjusted for forward-looking factors specific to each counterparty and the economic environment at large to create an expected loss matrix.
- For financial assets held at FVOCI, Refinitiv's policy is to calculate a 12 month ECL on these assets. If there is a significant increase in credit risk, then a lifetime ECL will be calculated. A significant increase in credit risk is considered to have occurred when contractual payments are more than 30 days past due.
- The ECL for financial assets held at amortised cost is measured using the general approach. Refinitiv calculates an allowance based on the 12 month ECL at each reporting date until there is a significant increase in the financial instrument's credit risk, at which point Refinitiv will calculate a loss allowance based on the lifetime ECL, as described above for FVOCI assets.
- No ECL is calculated for assets held at FVPL as any expected loss is already recognised in the fair value.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, and investments with an original maturity at the date of purchase of three months or less.

Fair value measurement

All assets and liabilities for which fair value is measured are categorised within the fair value hierarchy which is described in detail in Note 17.

For assets and liabilities that are recognised at fair value on a recurring basis, Refinitiv determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at each balance sheet date.

Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance sheet date. The method of recognising the resulting gain or loss depends on whether or not the derivative is designated as a hedging instrument, and if so the nature of the item being hedged.

Refinitiv has embedded foreign currency derivatives primarily in certain revenue contracts where the currency of the contract is different from the functional or local currencies of the parties involved. Refinitiv records these derivative instruments at fair value in the balance sheet as either assets or liabilities. Changes in the fair value of derivative instruments are recognised in the income statement, netted against revenue.

Refinitiv also uses foreign exchange contracts to manage foreign currency risk on cash flow excluding indebtedness. Specifically, Refinitiv mitigates such exposure by entering into a series of exchange contracts to purchase or sell certain currencies in the future at fixed amounts. Refinitiv records these derivative instruments at fair value in the balance sheet as either assets or liabilities.

Refinitiv designates hedges of interest rate movements associated with highly probable forecast transactions as cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in equity.

In order to qualify for hedge accounting, a transaction must meet strict criteria as regards documentation, effectiveness, probability of occurrence, and reliability of measurement. Refinitiv documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. Effectiveness testing is conducted at each reporting date and at the commencement and conclusion of any hedge in order to verify that the hedge continues to satisfy all the criteria for hedge accounting to be maintained. The ineffective portion is recognised in the income statement within finance costs.

Amounts accumulated in equity are recycled in the income statement in the period when the hedged item affects profit or loss (for example, when the forecast transaction that is hedged takes place). When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing at that time remains in other comprehensive income and is recycled to the income statement when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently at amortised cost, less any loss allowance. Refinitiv's approach to calculating credit loss allowances is described above within the financial instruments policy.

Recoveries of amounts previously written off are credited in the income statement.

Other receivables are initially recognised at fair value and subsequently at amortised cost, less any loss allowance as described above.

Contract liabilities

Revenue relating to future periods is classified as a contract liability on the balance sheet to reflect Refinitiv's obligation to transfer goods or services to a customer for which it has received consideration, or an amount of consideration is due, from the customer.

Contract liabilities are amortised and recognised as revenue in the income statement over period the services are rendered.

Borrowings

Borrowings are initially recorded at the fair value of amounts received, net of direct issue costs and transaction costs (including upfront facility fees). Subsequently, these liabilities are carried at amortised cost, and interest is charged to the income statement over the period of the borrowings using the effective interest rate method. Similarly, direct issue costs and transaction costs (including upfront facility fees) are charged to the income statement over the period of the borrowings using the effective interest rate method.

Provisions

A provision is recognised where there is a present obligation, whether legal or constructive, as a result of a past event for which it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the present value of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period, i.e. the present value of the amount that Refinitiv would rationally pay to settle the obligation at the balance sheet date or to transfer it to a third-party.

All provisions are discounted where the time value of money is considered material. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance expense.

Dividend distributions

Dividend distributions are recognised as a liability in Refinitiv's combined historical financial information in the period in which the dividends are approved by Refinitiv Holdings' shareholders.

Net Parent Investment

Prior to the 2018 Transaction Closing Date, the Net Parent Investment represents Thomson Reuters' historical investment in Refinitiv, accumulated net earnings after taxes, and the net effect of transactions with Thomson Reuters. Post the 2018 Transaction Closing Date, the Net Parent Investment represents Refinitiv Holdings' contribution of its investment in the Thomson Reuters Financial & Risk Business to Refinitiv Parent, accumulated net earnings after taxes and certain of Refinitiv Holdings' activity related to transaction costs, foreign exchange and interest rate swaps and share-based compensation expense.

2. Adoption of new accounting standards and interpretations

On 1 January 2019, Refinitiv adopted IFRS 16. The impact of adopting this standard has been reflected through transition adjustments to Net Parent investment at 1 January 2019. The table below provides a summary of the impact at the date of transition:

	As previously reported	**IFRS 16**	**After Adoption**
	31 December 2018	**Transition Adjustments**	**1 January 2019**
	US$m	*US$m*	*US$m*
Property, plant and equipment (revised)(1)	476	549	1,025
Intangible assets (revised)(1)	20,248	(51)	20,197
Assets	**20,724**	**498**	**21,222**
Lease liabilities—current	—	146	146
Lease liabilities—non current	—	407	407
Non-current payables (revised)(1)	146	(28)	118
Provisions (revised)(1)	204	(27)	177
Deferred tax (revised)(1)	757	1	758
Liabilities	**1,107**	**499**	**1,606**
Net Parent Investment	**5,741**	**(1)**	**5,740**

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(1) The 31 December 2018 comparatives have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further details.

Refinitiv adopted IFRS 16 using the modified retrospective transitional arrangements and consequently the comparative amounts have not been restated.

The standard requires Refinitiv to recognise a "right-of-use" asset where Refinitiv has a long-term arrangement to benefit from an asset which it controls in return for regular consideration (a lease). This definition includes the large majority of Refinitiv's offices around the world, and these form the largest group of assets recognised on 1 January 2019.

Refinitiv has recognised right-of-use assets and corresponding liabilities for all leased assets, except for those with only short-term commitment (less than 12 months). In such cases, Refinitiv recognises the associated lease payments as an expense on a straight-line basis over the lease term.

Right-of-use assets for property or equipment are included within property, plant and equipment on the face of the combined balance sheet.

The cost of right-of-use assets was calculated at an amount equal to the lease liability, adjusted by the amount of favourable lease intangible assets, unfavourable lease liabilities and onerous lease provisions relating to leases recognised in the combined balance sheet immediately before the date of initial application. The value recognised for lease liabilities is the present value of the remaining lease payments, discounted to 1 January 2019 using the same rate.

The following practical expedients were applied by Refinitiv:

- The use of hindsight to determine the lease term, if the contract included extensions or break clauses.
- Application of the short-term lease exemption to leases that expired before 31 December 2019.
- Excluding initial direct costs from the measurement of the cost of the asset.
- Applying a single discount rate to groups of leases with similar characteristics, e.g. similar period and location.

A reconciliation of the new liabilities to the amounts disclosed at 31 December 2018 as lease commitments is given below:

	US$m
Lease commitments at 31 December 2018	752
Discounted lease commitments at 1 January 2019	625
Less:	
Lease liabilities recognised as short-term leases	(57)
Lease liabilities previously recognised	(37)
Add:	
Leases not previously recognised	22
Lease liabilities at 1 January 2019	**553**
Weighted average incremental borrowing rate at 1 January 2019	**6.5%**

3. Financial risk management

Refinitiv seeks to protect its financial performance and the value of its business from exposure to capital, credit, concentration, liquidity, and market (including foreign exchange, cash flow and fair value interest rate) risks.

Refinitiv's financial risk management approach is not speculative and adopts a "three lines of defence" model. It is performed both at a Refinitiv level, where the treasury function identifies, evaluates, and hedges financial risks from a Refinitiv perspective and also locally, where operating units manage their regulatory and operational risks.

The UK's exit from the EU leaves significant uncertainty concerning the political and regulatory environment, the UK's future relationship with the EU, and the overall impact on the UK and EU economies both in the short and medium term. Refinitiv UK companies, as members of the EU or European Economic Area ("EEA"), rely on a number of rights that are available to them to conduct business with other EU or EEA members. Refinitiv group companies have analysed the potential impacts and considered contingency plans that they may choose to execute should these rights not be replaced by rights that persist outside EU membership.

Capital risk

<table>
<tr><th>Risk description</th><th>Risk management approach</th></tr>
<tr><td>Refinitiv's capital base comprises equity and debt capital.
Refinitiv recognises the risk that its entities may not maintain sufficient capital to meet their obligations or they may make investments that fail to generate a positive or value enhancing return.
Refinitiv considers that:
a) negative yields on its investments of cash, or
b) a scarcity of debt or equity (driven by its own performance or financial market conditions)
either separately or in combination are the principal risks to managing its capital.</td><td>Refinitiv focuses upon its overall cost of capital as it seeks, within the scope of its risk appetite, to provide superior returns to its shareholders, and fulfil its obligations to the relevant regulatory authorities and other stakeholders. Maintaining access to capital and flexibility to invest for growth is a key management consideration.
A summary of Refinitiv's capital structure is presented below:
<table>
<tr><th></th><th>30 June 2020</th><th>31 December 2019</th><th>31 December 2018</th></tr>
<tr><td>Book value of capital</td><td><i>US$m</i></td><td><i>US$m</i></td><td><i>US$m</i></td></tr>
<tr><td>Total Net Parent Investment</td><td>4,695</td><td>4,998</td><td>5,642</td></tr>
<tr><td>Refinitiv debt</td><td>12,911</td><td>12,752</td><td>13,006</td></tr>
</table>
Refinitiv invests in opportunities in our portfolio of products and services that we believe have the highest potential for strategic growth. We have made significant investments designed to improve and enhance the functionality and performance of a number of our existing flagship products, as well as enhanced the reliability and resiliency of the technology infrastructure that we use to deliver products and services.</td></tr>
</table>

We believe that capital held by Refinitiv companies is sufficient to comfortably support current regulatory frameworks. The level of amounts set aside by Refinitiv for these purposes remains subject to on-going review with regulators, particularly in Europe. A summary of Refinitiv's regulatory and operational capital is shown below:

	30 June 2020	31 December 2019	31 December 2018
Regulatory and operational capital	*US$m*	*US$m*	*US$m*
Total regulatory and operational capital	53	48	51
Amount included in cash and cash equivalents	123	174	156

To maintain the financial strength to access new capital at reasonable cost and sustain an investment grade credit rating, Refinitiv monitors its net leverage ratio which is operating net debt (i.e. net debt after excluding cash and cash equivalents set aside for regulatory and operational purposes) to EBITDA (Refinitiv earnings before net finance charges, taxation, impairment, depreciation and amortisation, foreign exchange gains or losses and non-underlying items) on a monthly basis. Refinitiv is also mindful of potential impacts on the key metrics employed by the credit rating agencies in considering increases to its borrowings.

For HY2020, net leverage was 9.2 times (FY2019: 5.3 times; FY2018: 6.0 times). Refinitiv is comfortably in compliance with its bank facility ratio covenant (first lien net leverage ratio) and this measure does not inhibit Refinitiv's operations or its financing plans.

Credit and concentration risk

Risk description	Risk management approach
Refinitiv's credit risk relates to its customers and counterparties being unable to meet their obligations to Refinitiv either in part or in full, including: • customer receivables, • repayment of invested cash and cash equivalents, and • settlement of derivative financial instruments.	Refinitiv attempts to minimise credit exposure as follows: Cash investments are placed with high-quality financial institutions with limited exposure to any one institution. At 30 June 2020, approximately 95 per cent. (31 December 2019: 94 per cent.; 31 December 2018: 95 per cent.) of cash and cash equivalents were held by institutions that were rated at "A–" or higher by at least one of the major credit rating agencies. Refinitiv assesses the creditworthiness of its customers. No allowance for credit losses on financial assets was required as of 30 June 2020 (31 December 2019: nil; 31 December 2018: nil) other than the provision for expected credit losses (allowance for doubtful accounts).

Concentration risk may arise through Refinitiv entities having large individual or connected exposures to groups of counterparties whose likelihood of default is driven by common underlying factors.

Refinitiv's maximum exposure with respect to credit, assuming no mitigating factors, would be the aggregate of the following:

	30 June 2020	31 December 2019	31 December 2018 (revised)[1]	31 December 2017
	US$m	*US$m*	*US$m*	*US$m*
Cash and cash equivalents	1,239	1,134	1,192	381
Trade and other receivables	977	827	1,059	590
Derivative financial instruments	27	20	34	12
Investments in financial assets	9	4	5	11
Maximum exposure to credit	**2,252**	**1,985**	**2,290**	**994**

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(1) The 31 December 2018 comparatives have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further detail.

Refinitiv monitors the trade receivable balance for each customer and regularly assesses collectability. None of the Refinitiv's trade receivables are material by individual counterparty.

	<180 days	>180 days	Total
At 30 June 2020	*US$m*	*US$m*	*US$m*
Expected credit loss rate	1%	11%	
Total trade receivables net of sales adjustments provision	615	19	634
Expected credit loss	(4)	(5)	(9)
	611	**14**	**625**

	<180 days	>180 days	Total
At 31 December 2019	*US$m*	*US$m*	*US$m*
Expected credit loss rate	0%	11%	
Total trade receivables net of sales adjustments provision	523	30	553
Expected credit loss	(2)	(5)	(7)
	521	**25**	**546**

	<180 days	>180 days	Total
At 31 December 2018	*US$m*	*US$m*	*US$m*
Expected credit loss rate	1%	12%	
Total trade receivables net of sales adjustments provision	496	28	524
Expected credit loss	(4)	(5)	(9)
	492	**23**	**515**

Liquidity risk

Risk description	Risk management approach
Refinitiv's operations are exposed to liquidity risk to the extent that they are unable to meet their daily payment obligations.	Refinitiv maintains sufficient liquid resources to meet its financial obligations as they fall due and to invest in capital expenditure, meet its pension commitments, support acquisitions or repay borrowings. Management monitors forecasts of Refinitiv's cash flow and overlays sensitivities to these forecasts to reflect assumptions about more difficult market conditions or stress events. Treasury policy requires that Refinitiv maintains adequate credit facilities provided by a diversified lending group to cover its expected funding requirements. During FY2019, Refinitiv repriced its Dollar Term Loan Facility with its debt investors, reducing the per annum margin from 3.75 per cent. to 3.25 per cent. In January 2020, Refinitiv repriced its Euro Term Loan Facility with its debt investors, which reduces the per annum margin from 4.00 per cent. to 3.25 per cent. As of 30 June 2020, Refinitiv had an available borrowing capacity of US$393 million after giving effect to the US$250 million drawdown (maturing 6 October 2020) and US$107 million of outstanding letters of credit. The table below analyses Refinitiv's financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table reflect the contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
At 30 June 2020	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*
Borrowings	341	91	273	12,754	13,459
Trade and other payables	1,229	-	-	-	1,229
Lease liabilities	171	129	183	234	717
Derivative financial instruments	5	140	-	-	145
	1,746	**360**	**456**	**12,988**	**15,550**

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
At 31 December 2019	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*
Borrowings	91	91	273	12,797	13,252
Trade and other payables	1,325	-	-	-	1,325
Lease liabilities	175	163	207	271	816
Derivative financial instruments	15	87	-	-	102
	1,606	**341**	**480**	**13,068**	**15,495**

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
At 31 December 2018	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*
Borrowings	91	92	276	13,958	14,417
Trade and other payables (revised)(1)	1,517	-	-	-	1,517
Derivative financial instruments	4	1	40	-	45
	1,612	**93**	**316**	**13,958**	**15,979**

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(1) The 31 December 2018 comparatives have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further details.

At 31 December 2017	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
Trade and other payables	750	-	-	-	750
Derivative financial instruments	30	28	1	-	59
	780	**28**	**1**	**-**	**809**

Market risk—Foreign Exchange

Risk description

Refinitiv's operations are global in nature. The combined historical financial information is expressed in US Dollars, but a significant portion of our business is conducted in other currencies.

Changes in the exchange rates for such currencies into US Dollars can increase or decrease revenues, operating profit, net earnings and the carrying values of assets and liabilities.

Additionally, Refinitiv may price customers' orders in one currency but allow customers to pay the equivalent price in another currency. In such cases, changes in exchange rates from order to billing create currency exposure.

Risk management approach

Refinitiv seeks to match the currency of its debt liabilities to the currency of its earnings and cash flows which to an extent protects its key ratios (net leverage and interest coverage) and balances the currency of its assets with its liabilities.

A material proportion of Refinitiv's debt is held in Euros as noted below.

Currency of debt	30 June 2020	31 December 2019	31 December 2018	31 December 2017
	US$m	*US$m*	*US$m*	*US$m*
Euro denominated drawn debt	3,789	3,876	3,960	–

In addition to projecting and analysing its earnings and debt profile by currency, Refinitiv reviews sensitivities to movements in exchange rates which are appropriate to market conditions. Refinitiv has considered movements in the Euro over HY2020, and FY2019 and, based on actual market observations, has concluded that a 10 per cent. movement in rates is a reasonable fluctuation to illustrate the potential risk to Refinitiv:

Six months ended 30 June 2020:

Decrease/(increase) to earnings	GBP	EUR	USD	Other	Total
Impact on earnings from embedded derivatives	–	(1)	102	–	**101**
Impact on earnings from cash and cash equivalents	5	–	–	3	**8**
Impact on earnings from other financial assets	(1)	3	19	(2)	**19**
Total impact on earnings	**4**	**2**	**121**	**1**	**128**

Year ended 31 December 2019:

Decrease/(increase) to earnings	GBP	EUR	USD	Other	Total
Impact on earnings from embedded derivatives	–	1	(81)	–	**(80)**
Impact on earnings from cash and cash equivalents	1	–	–	3	**4**
Impact on earnings from other financial assets	(1)	3	23	(1)	**24**
Total impact on earnings	**–**	**4**	**(58)**	**2**	**(52)**

Changes in exchange rates had a 0.8 per cent. unfavourable impact on the change in combined revenues between HY2020 and HY2019. Changes in exchange rates had a 1.1 per cent. unfavourable impact on the change in combined revenues between FY2019 and FY2018.

The translation effects of changes in exchange rates on the combined balance sheet were net translation losses of US$73 million (HY2019 (unaudited)—net translation gain of US$5 million; FY2019—net translation losses of US$18 million; FY2018—net translation losses of US$262 million, FY2017—net translation gains of US$398 million) which were recorded within "other reserves" in the combined balance sheet.

Market risk—Cash Flow and Fair Value Interest Rate Risk

Risk description	Risk management approach
Refinitiv's interest rate risk arises through the impact of changes in market rates on cash flows associated with cash and cash equivalents, and borrowings held at floating rates.	Refinitiv has limited exposure to fluctuations in interest rates with respect to cash and cash equivalents, the majority of which were comprised of assets bearing low or no interest. To hedge its exposures in expected future cash flows due to the changes in interest rates, Refinitiv enters into interest rate swap derivatives, which swaps the US dollar monthly floating rate interest payments into US dollars fixed interest payments. The interest rate swaps, which cover a portion of Refinitiv's debt, were designated as cash flow hedges and are recorded in the balance sheet at their fair value. As at 30 June 2020, net interest expense cover by EBITDA was measured over the 6 month period at 3.8 times (31 December 2019: 3.1 times; 31 December 2018: 2.6 times) and the floating rate component of total debt was 44 per cent. for all periods presented. In its review of the sensitivities to potential movements in interest rates, Refinitiv has considered interest rate volatility over the last year and prospects for rates over the next 12 months and has concluded that a 1 percentage point upward movement (with a limited prospect of material downward movement) reflects a reasonable level of risk to current rates. At 30 June 2020, at the Refinitiv level, if interest rates on cash and cash equivalents and borrowings had been 1 percentage point higher with all other variables held constant, post-tax loss for the period would have been US$48 million higher mainly as a result of higher interest expense on floating rate borrowings partially offset by higher interest income on floating rate cash and cash equivalents. In 2019, post-tax loss would have been US$42 million higher; in 2018, post-tax profit would have been US$43 million lower and in 2017, post-tax profit would have been US$1 million higher.

4. Significant judgements and estimates

Judgements and estimates are regularly evaluated based on historical experience, current circumstances, and expectations of future events.

Estimates:

For each period presented within this combined historical financial information, the following areas require the use of estimates:

Defined benefit pension asset or liability – determined based on the present value of future pension obligations using assumptions determined by Refinitiv with advice from an independent qualified actuary. Sensitivity analysis is provided in Note 16.

Intangible assets (computer software) – computer software represented 12 per cent. of total assets in the combined balance sheet as of 30 June 2020. A significant portion of ongoing expenditures relates to software that is developed as part of electronic databases, delivery systems, and internal infrastructures, and, to a lesser extent, software sold directly to customers. As part of the software development process, management must estimate the expected period of benefit over which capitalised costs should be amortised. The basis of these estimates includes the timing of technological obsolescence, competitive pressures, historical experience, and internal business plans for the use of the software. Due to rapidly changing technology and the uncertainty of the software development process itself, future results could be affected if management's current assessment of its software projects differs from actual performance. As of 30 June 2020, an increase of 12 months in the estimated period of benefit would increase the net book value of computer software by approximately US$217 million, while a decrease of 12 months in the estimated period of benefit would reduce the net book value of computer software by approximately US$301 million.

Tax receivable agreement liability – during FY2019, Refinitiv's majority-owned subsidiary, Tradeweb Inc., entered into a Tax Receivable Agreement (the "**TRA**") with Tradeweb Markets LLC and the owners of Tradeweb Markets LLC immediately prior to Tradeweb's IPO ("**LLC Owners**"). In accordance with the TRA, Tradeweb Inc. is required to make cash payments to the LLC Owners equal to 50% of the amount of US federal, state and local income or franchise tax savings, if any, that Tradeweb Inc. actually realises (or in some circumstances, is deemed to realise) as a result of certain future tax benefits to which Tradeweb Inc. may become entitled. The financial liability associated with projected obligations under the TRA is measured at amortised cost. The discount rate used to determine amortised cost is considered to be a significant estimate. Management considers a US Treasury yield, whose terms align with the expected term of the liability, to be an appropriate discount rate, as any Tradeweb specific adjustment would not be material. As of 30 June 2020, the TRA liability amounted to US$337 million.

Judgements:

In preparing each period contained within the combined historical financial information, the following judgements have been made:

Revenue recognition – management exercises significant judgement when assessing whether multiple products and services in customer contracts are distinct performance obligations that should be accounted for separately, or whether they must be accounted for together. In making the determination, management considers, for example, whether Refinitiv regularly sells a good or service separately, or whether the goods or services are highly interrelated. Furthermore, Refinitiv has more than one standalone selling price ("**SSP**") for individual products and services due to the stratification of its offerings by customer. As a result, management determines the SSP taking into consideration market conditions and other factors, including the value of its contracts, the product or service sold, customer's market, geographic location, and the number and types of users in each contract.

Assessment of the probability of an exit event – as the timing of expense recognition related to awards granted to employees under the MIP is affected by management's assessment as to the probability of an exit event (change of control or an IPO), management exercises significant judgment when assessing whether an exit event may be probable. Such an assessment is based on the facts and circumstances and takes into account all available evidence as regards the likelihood of an exit event.

Recognition of pension surplus – for funded plans, surpluses are recognised only to the extent that the surplus is considered recoverable. Recoverability is primarily based on the extent to which Refinitiv can unilaterally reduce future contributions to the plan or receive a refund in future. For Refinitiv's two UK plans, a legal opinion on the recoverability was obtained in October 2019. It was concluded that, based on the legal facts, for both plans an accounting policy choice can be made to either recognise the surplus or not. Having considered the legal opinion on the underlying facts and circumstances, management elected to recognise the pension surpluses for all periods presented in the combined historical financial information. While the Trustees (as defined in Note 16) have discretionary power to vary future benefits which could affect the amount of the surplus that is recoverable, management has chosen an accounting policy that will take account of the impact of any such variation of benefits, on the pension plan assets, only if and when it occurs. There is currently no expectation that Trustees will vary benefits.

Recoverability of the pension asset – the noted pension surpluses relate to entities residing in the United Kingdom and as such UK tax law applies in measuring the deferred tax relating to the pension. UK tax law applies different tax rates depending on how the surplus is expected to be recovered in the future. If pension surpluses are recovered via repayment, a 35 per cent. tax rate would be used to measure the deferred tax, rather than 19 per cent. Management determined the pension surplus would be recovered through reduced future contributions and as such has measured the related deferred tax at the main UK corporate income tax rate expected to be applicable when the deferred tax reverses (i.e. 19 per cent.) for all periods presented in the combined historical financial information.

Leases – when assessing whether a contract is, or contains, a lease, Refinitiv reviews contracts to determine whether the language conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For identified leases, the discount rate used is Refinitiv's incremental borrowing rate, which is determined based on information available at lease commencement and reflects the rate of interest Refinitiv would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The discount rate used for lease liabilities between 1 January 2019 and 30 June 2020 ranged from 1.56 per cent. to 22.86 per cent.

5. Segmental Information

Operating segments are components of an enterprise for which discrete financial information is evaluated by the chief operating decision maker ("**CODM**") for purposes of making decisions regarding resource allocation and assessing performance. As the CODM evaluates revenues by business unit, but profitability in aggregate, Refinitiv is operated as a single operating segment.

Refinitiv's revenue from contracts with customers disaggregated by major product and service line, and timing of revenue recognition for are shown below:

	For the six months ended 30 June		For the years ended 31 December	
	2020	**2019 (unaudited)**	**2019**	**2018**
	US$m	*US$m*	*US$m*	*US$m*
Revenue from external customers				
Major product & service lines				
Recurring	2,406	2,389	4,765	4,743
Transactions	607	523	1,067	996
Recoveries and other	208	206	418	466
Total revenue from contracts with customers	**3,221**	**3,118**	**6,250**	**6,205**

The disaggregated revenue table presented above is required under IFRS 15. In 2018, Refinitiv used the modified retrospective approach to transition to IFRS 15 and therefore no comparative disclosures for 2017 are presented.

	For the six months ended 30 June		For the years ended 31 December		
	2020	**2019 (unaudited)**	**2019**	**2018**	**2017**
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
Revenue from external customers					
United States	1,250	1,178	2,357	2,277	2,305
Other	115	113	229	235	189
Americas (North America, Latin America, South America)	**1,365**	**1,291**	**2,586**	**2,512**	**2,494**
United Kingdom	481	458	925	924	1,095
Other	771	771	1,536	1,585	1,323
Europe, Middle East and Africa	**1,252**	1,229	**2,461**	**2,509**	**2,418**
Asia Pacific	604	598	1,203	1,184	1,034
Total	**3,221**	**3,118**	**6,250**	**6,205**	**5,946**

		At 31 December		
	At 30 June 2020	**2019**	**2018 (revised)[1]**	**2017**
	US$m	*US$m*	*US$m*	*US$m*
Non-current operating assets				
United States	10,375	10,638	10,528	7,289
Other	149	168	176	210
Americas (North America, Latin America, South America)	**10,524**	**10,806**	**10,704**	**7,499**
United Kingdom	709	785	889	2,052
Other	6,794	7,127	7,865	2,064
Europe, Middle East and Africa	**7,503**	**7,912**	**8,754**	**4,116**
Asia Pacific	1,145	1,169	1,273	1,380
Total	**19,172**	**19,887**	**20,731**	**12,995**

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(1) The 31 December 2018 comparatives have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further details.

Non-current operating assets consist of property, plant and equipment, intangible assets, and investment in associates.

6. Expenses by nature

Expenses comprise the following:

		For the six months ended 30 June		For the years ended 31 December		
	Notes	2020	2019 (unaudited) (revised)[1]	2019	2018 (revised)[1]	2017
		US$m	*US$m*	*US$m*	*US$m*	*US$m*
Employee costs	7	856	873	1,749	1,497	1,258
Real estate		30	52	74	261	294
External services		217	230	481	212	155
Allocation of costs from Thomson Reuters and affiliates		-	-	-	1,043	1,432
Other costs		285	295	672	255	389
Non-underlying items		240	213	426	472	9
Operating expenses before depreciation, amortisation and impairment		**1,628**	**1,663**	**3,402**	**3,740**	**3,537**
Underlying depreciation, amortisation and impairment	11,12	350	348	659	555	518
Non-underlying depreciation, amortisation and impairment	11,12	712	717	1,432	600	331
Total operating expenses		**2,690**	**2,728**	**5,493**	**4,895**	**4,386**

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(1) The presentation of the split between underlying and non-underlying items has been revised since previously disclosed in order to better represent Refinitiv's ongoing activities. Refer to Note 8 for further details.

Real estate expense for HY2020 includes variable lease expense of US$2 million (HY2019 (unaudited): US$2 million; FY2019: US$4 million), short-term lease expense of US$2 million (HY2019 (unaudited): US$3 million; FY2019: US$5 million) and sub-lease income of US$(27) million (HY2019 (unaudited): US$(10) million; FY2019: US$(27) million).

Other costs include foreign exchange losses of US$13 million (HY2019 (unaudited): US$7 million; FY2019: US$13 million; FY2018: US$12 million; FY2017: US$3 million (gain)).

7. Employee costs

Employee costs comprise the following:

	For the six months ended 30 June		For the years ended 31 December		
	2020	2019 (unaudited)	2019	2018	2017
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
Salaries and other benefits	683	704	1,419	1,257	1,061
Social security costs	87	88	150	113	97
Pension costs	46	41	76	88	56
Share-based compensation	40	40	104	39	44
Total	**856**	**873**	**1,749**	**1,497**	**1,258**
Non-underlying items	70	100	210	214	9
Total employee costs	**926**	**973**	**1,959**	**1,711**	**1,267**

Staff costs include the costs of contract staff who are not on the payroll but fulfil a similar role to employees. Non-underlying items consists of restructuring costs and employee-related separation and transaction costs.

The average number of employees in Refinitiv from total operations was:

	For the six months ended 30 June		For the years ended 31 December		
	2020	2019 (unaudited)	2019	2018	2017
United States	3,016	3,264	3,210	3,406	2,743
India	5,511	4,622	4,908	4,412	2,338
United Kingdom	2,302	2,255	2,222	2,562	1,704
Philippines	1,694	1,391	1,505	1,309	1,132
Poland	979	1,332	1,215	1,387	1,100
Other	6,065	6,179	6,121	6,353	4,105
Total	**19,567**	**19,043**	**19,181**	**19,429**	**13,122**

Average staff numbers are calculated from the date of acquisition for subsidiary companies acquired in the period and up to the date of disposal for businesses disposed in the period.

8. Non-underlying items

		For the six months ended 30 June		For the years ended 31 December		
	Notes	2020	2019 (unaudited) (revised)(1)	2019	2018 (revised)(1)	2017
		US$m	*US$m*	*US$m*	*US$m*	*US$m*
Amortisation of purchased intangible assets	12	465	470	936	485	331
2018 Transaction related depreciation and amortisation of property, plant and equipment and software	11,12	247	247	496	115	-
2018 Transaction related lease expense		-	-	-	2	-
Transaction costs		32	7	24	79	-
Separation costs		187	135	278	206	-
Restructuring costs		21	71	124	185	9
Total affecting operating profit/(loss)		**952**	**930**	**1,858**	**1,072**	**340**
Tax effect on items affecting (loss)/profit before tax						
Deferred tax on amortisation		(33)	(45)	(81)	(32)	(94)
Current tax on amortisation		(120)	(171)	(227)	(147)	(18)
Tax effect on other items affecting profit/(loss) before tax		(49)	(58)	(95)	(103)	(3)
Total tax effect on items affecting (loss)/profit before tax		**(202)**	**(274)**	**(403)**	**(282)**	**(115)**
Total charge to income statement		**750**	**656**	**1,455**	**790**	**225**

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(1) The presentation of the split between underlying and non-underlying items has been revised since previously disclosed in order to better represent Refinitiv's ongoing activities. Specifically, subsequent to the original reporting of the Historical Financial Information relating to Refinitiv as included within LSEG's Circular to Shareholders dated 6 November 2019, it was decided to revise the presentation of underlying and non-underlying items for FY2018 and HY2019. The incremental depreciation and amortisation caused by acquisition accounting driven fair value step-ups of acquired tangible assets, software and favourable/unfavourable leases was previously reported as an underlying expense. In line with the acquirer's accounting policies, this has now been deemed a non-underlying item. The presentation of these items has therefore been revised with a transfer from underlying to non-underlying. The total expense and related tax impact remain the same as previously disclosed. This revision is considered to be the best representation of Refinitiv's ongoing activities.

Amortisation of purchased intangible assets

Purchased intangible assets include customer relationships, trade names, and databases and content, all of which are recorded as a result of acquisitions. Amortisation expense associated with purchased intangible assets is presented as a non-underlying item in order to provide more meaningful information regarding Refinitiv's sustainable performance.

2018 Transaction related depreciation and amortisation of property, plant and equipment and software

This relates to incremental depreciation and amortisation expense resulting from fair value uplifts on tangible assets and software, which were acquired in the 2018 Transaction. Depreciation and amortisation associated with these fair value adjustments is presented as a non-underlying item in order to provide more meaningful information on Refinitiv's sustainable performance.

2018 Transaction related lease expense

This relates to the net amortisation expense associated with favourable lease intangible assets and unfavourable lease liabilities, which were recognised in connection with the 2018 Transaction. Consistent with the 2018 Transaction related depreciation and amortisation, this net expense has also been reclassified to non-underlying expenses in FY2018. For HY2020, HY2019 and FY2019, the 2018 Transaction related lease expense is included in the 2018 Transaction related depreciation and amortisation expense following the adoption of IFRS 16 on 1 January 2019, as it formed part of the depreciation expense related to right-of-use assets.

Transaction costs

Transaction costs include US$28 million of costs incurred in HY2020 and US$24 million of costs incurred in FY2019 (HY2019 (unaudited): US$7 million) primarily related to the LSEG transaction and US$79 million of costs incurred in 2018 related to the acquisition of the Thomson Reuters Financial & Risk Business. These transaction costs relate to "Other costs" and are excluded from the amount of "Other costs" disclosed in Note 6. Refinitiv does not consider these items to be underlying as they are non-recurring in nature and do not form part of the ordinary course of Refinitiv's business.

Separation costs

During HY2020, FY2019 and FY2018, Refinitiv incurred separation costs in relation to the separation of the Thomson Reuters Financial & Risk Business from Thomson Reuters. Separation costs primarily consist of professional fees, consulting fees, and information technology charges. Approximately US$45 million (HY2019 (unaudited): US$29 million; FY2019: US$86 million; FY2018: US$29 million) of these costs are employee related and are included as "non-underlying" items in Notes 6 and 7. Approximately US$109 million (HY2019 (unaudited): US$72 million; FY2019: US$140 million; FY2018: US$91 million) relates to external services and is excluded from the amount disclosed in Note 6 for "External services". The remaining US$33 million (HY2019 (unaudited): US$34 million; FY2019: US$52 million; FY2018: US$86 million) relates to "Other costs" and is excluded from the amount of "Other costs" disclosed in Note 6. Given the nature of these costs, their presentation as non-underlying items provides additional information to users to help them better understand Refinitiv's underlying performance.

Restructuring costs

Refinitiv's restructuring charges are related to severance costs which are not part of normal operations. The costs incurred in HY2020, FY2019 and FY2018 primarily relate to a restructuring program entered into after the acquisition of the Thomson Reuters Financial & Risk Business. The purpose of this restructuring program was to reduce headcount. All of these restructuring costs are employee related and are included as "non-underlying" items in Notes 6 and 7. As these restructuring activities do not form part of Refinitiv's ordinary activities, these costs are therefore considered to be non-underlying in nature.

Tax

Non-underlying tax captures the tax effect of non-underlying items. Further details on the recognition of deferred tax in relation to the amortisation of purchased intangible assets are provided in Note 15.

Given the nature and magnitude of each of the non-underlying items discussed above, the presentation of these items as non-underlying is considered to provide more useful and meaningful information to users of this document.

9. Net finance expense

	Notes	For the six months ended 30 June 2020	 2019 (unaudited)	For the years ended 31 December 2019	 2018	 2017
		US$m	*US$m*	*US$m*	*US$m*	*US$m*
Finance income						
Expected return on defined benefit pension scheme assets	16	3	10	9	12	7
Bank deposit and other interest income		3	48	14	9	1
Other finance income		89	14	240	30	-
		95	**32**	**263**	**51**	**8**
Finance expense						
Interest payable on bank and other borrowings		(353)	(404)	(802)	(207)	—
Defined benefit pension scheme interest cost	16	—	—	—	(1)	(2)
Other finance expenses		(110)	(66)	(164)	(30)	(6)
		(463)	**(470)**	**(966)**	**(238)**	**(8)**
Net finance expense		**(368)**	**(438)**	**(703)**	**(187)**	**-**

Presented within finance expense are amounts in relation to defined benefit schemes which are measured at fair value. Finance expense primarily relates to interest expense on borrowings—see Note 23 for further details on debt arrangements.

Finance expense for HY2020 includes lease interest expense of US$18 million (HY2019 (unaudited): US$18 million; FY2019: US$35 million).

Other finance income for HY2020 includes a modification gain of US$88 million related to the repricing of the Euro Term Loan Facility which occurred in January 2020. Other finance income for FY2019 includes a modification gain of US$128 million related to the repricing of the Dollar Term Loan Facility which occurred in December 2019—see Note 23 for further details.

10. Taxation

The standard 2020 United Kingdom corporation tax rate was 19 per cent. (FY2019: 19 per cent.; FY2018: 19 per cent.; FY2017: 19.25 per cent.). The United Kingdom is the tax jurisdiction of Refinitiv Parent and a significant operating jurisdiction.

Taxation charged to the income statement	Notes	For the six months ended 30 June 2020	 2019 (unaudited)	For the years ended 31 December 2019	 2018	 2017
		US$m	*US$m*	*US$m*	*US$m*	*US$m*
Current tax:						
UK corporation tax for the period		7	9	20	50	22
Overseas tax for the period		25	15	71	179	136
Adjustments in respect of previous periods		(1)	-	1	1	1
		31	**24**	**92**	**230**	**159**
Deferred tax:						
Deferred tax for the period	15	32	(52)	(173)	(145)	92
Adjustments in respect of previous periods		3	(8)	(22)	15	(90)
Deferred tax liability on amortisation of purchased intangible assets and goodwill		(30)	(22)	(57)	(19)	(210)
Taxation charge/(credit)		**36**	**(58)**	**(160)**	**81**	**(49)**

Tax expense excludes the tax benefit of equity accounted share-based compensation of US$26 million (HY2019 (unaudited): US$37 million; FY2019: US$53 million; FY2018: nil; FY 2017: nil), which has been included in Net Parent Investment. Refinitiv believes there is uncertainty as to whether taxable profits will be sufficient to recognise US$2 million of employee benefits and deferred compensation tax deduction generated in 2020 through the reversal of existing temporary differences.

The adjustments in respect of previous periods' corporation tax are mainly in respect of tax returns submitted to the relevant tax authorities which reflect changes in estimates.

Taxation on items not (credited)/charged to income statement	For the six months ended 30 June 2020	For the years ended 31 December 2019	2018	2017
	US$m	*US$m*	*US$m*	*US$m*
Deferred tax (credit)/charge:				
Tax on employee benefits and deferred compensation	(29)	(122)	(23)	24
Translation and other, net	(8)	4	(1)	8
Other OCI movements	(10)	(11)	-	-
Tax on other liabilities	(262)	(377)	(11)	-
	(309)	**(506)**	**(35)**	**32**

In 2020, the tax on other liabilities includes an increase benefit of US$291 million that is attributable to activities at Tradeweb. In 2019, the tax on other liabilities includes an increase of US$176 million that is attributable to activities at Tradeweb

Factors affecting the tax charge/(credit) for the period

The income statement tax charge for the period differs from the standard rate of corporation tax in the United Kingdom of 19 per cent. (FY2019: 19 per cent.; FY2018: 19 per cent.; FY2017: 19.25 per cent.) as explained below:

	For the six months ended 30 June		For the years ended 31 December		
	2020	2019 (unaudited)	2019	2018	2017
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
(Loss)/profit before tax	**(321)**	**(527)**	**(900)**	**254**	**723**
(Loss)/profit multiplied by standard rate of corporation tax in the UK	(61)	(100)	(171)	48	139
Expenses not deductible	11	6	12	39	12
Adjustment arising from change in tax rates	2	1	1	19	(90)
Overseas earnings taxed at lower rate	(2)	33	8	(95)	(144)
Adjustments in respect of previous periods	—	—	—	(6)	3
Withholding taxes	8	9	17	23	26
Tax effect of partnership structure	(6)	(7)	(30)	(14)	(13)
Increase in income tax uncertainties	2	3	6	20	12
Currency exchange impacts	(1)	—	—	—	2
Derecognition of deferred tax assets	80	13	25	45	—
Other	3	(16)	(28)	2	4
Income tax	**36**	**(58)**	**(160)**	**81**	**(49)**

The UK Finance Bill 2016 was enacted in September 2016, reducing the standard rate of corporation tax further to 17 per cent. effective from 1 April 2020. In the Spring Budget 2020, the UK Government announced that the previously enacted decrease in the corporate tax rate from 19 per cent. to 17 per cent. from 1 April 2020 would no longer happen and that rates would remain at 19 per cent. for the foreseeable future; this new law was substantively enacted on 17 March 2020. Accordingly, the UK deferred tax balances at 30 June 2020 have been stated at 19 per cent. The deferred tax balances in other countries are recognised at the substantively enacted rates at the balance sheet date.

The effective income tax rate in 2017 was lower than the UK corporate income tax rate due significantly to the lower tax rates and differing tax rules applicable to certain of Refinitiv operating subsidiaries outside the UK. The effective income tax rate in 2018 was higher than the UK corporate income tax rate due primarily to non-deductible expenses, including interest expense limitations, offset partially by lower tax rates applicable to certain of Refinitiv operating subsidiaries outside the UK. The effective income tax rate in 2019 approximated the UK corporate income tax rate of 19 per cent., primarily due the tax benefit related to a partnership restructuring, which was offset by charges from (i) non-deductible interest in the US and UK, and (ii) withholding taxes. The effective income tax rate in HY2020 was lower than the UK corporate income tax rate primarily due to the change in valuation allowance in both the US and the UK. Because of the requirements of income tax accounting under IAS 12, "Income Taxes", income tax expense can differ significantly from taxes paid in any reporting period. Refinitiv expects to recognise a significant portion of the loss generated in 2019 through the reversal of existing taxable temporary differences. Refinitiv's ability to utilise interest expense carry forwards is uncertain; it is subject to limitations prescribed by the tax laws in the relevant jurisdictions.

On 22 December 2017 H.R.1, commonly referred to as the Tax Cuts and Jobs Act, was enacted in the United States which reduced the US corporate income tax rate to 21 per cent. from 35 per cent. The effect of this rate change was an income tax benefit to Refinitiv due to the net deferred tax liability balance present in that jurisdiction. In 2018, H.R. 1 and the UK corporate interest restriction rules gave rise to interest expense limitation carry forwards for which it was determined are not probable of being utilised, resulting in a US$45 million income tax effect.

Uncertain tax positions

Refinitiv is subject to taxation in numerous jurisdictions and is routinely under audit by many different tax authorities in the ordinary course of business. There are many transactions and calculations during the course of business for which the ultimate tax determination is uncertain, as taxing authorities may challenge some of Refinitiv's positions and propose adjustments or changes to its tax filings. As a result, Refinitiv maintains provisions for uncertain tax positions that it believes appropriately reflect its risk. These provisions have been included in "Current tax" or "Deferred tax liabilities" within the combined balance sheets based upon the expected method of settlement with the tax authorities. Refinitiv Parent has a tax indemnity asset for all tax liabilities incurred through the 2018 Transaction Closing Date in the predecessor company. This tax indemnity balance is included in "Other non-current assets" within the combined balance sheet. As of 30 June 2020, 31 December 2019 and 31 December 2018, Refinitiv Parent has a tax indemnity receivable of US$93 million, US$97 million and US$96 million, respectively, in relation to the uncertain tax positions recognised.

Refinitiv believes that it is reasonably possible that approximately US$3 million of the unrecognised tax benefits within the uncertain tax positions may be recognised by 31 December 2020, as a result of the lapse of the statute of limitations.

11. Property, plant and equipment

	Computer hardware	Buildings and building improvements	ROU assets—Buildings and building Improvements	Furniture, fixtures and equipment	Total
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
Cost:					
1 January 2017	**1,286**	**552**	**-**	**174**	**2,012**
Additions	107	24	-	11	142
Property, plant and equipment on acquisition of businesses (Note 28)	2	1	-	4	7
Disposals	(14)	-	-	(1)	(15)
Foreign exchange and other, net	41	8	-	(2)	47
31 December 2017	**1,422**	**585**	**-**	**186**	**2,193**
Additions	126	7	-	23	156
Disposals	(1)	-	-	-	(1)
Foreign exchange and other, net	152	-	-	7	159
Elimination on acquisition (Note 28)	(1,645)	(587)	-	(215)	(2,447)
Property, plant and equipment on acquisition of businesses (Note 28) (revised)(1)	231	148	-	102	481
31 December 2018 (revised)(1)	**285**	**153**	**-**	**103**	**541**
Impact of adopting IFRS 16 (Note 2)	-	-	549	-	549
1 January 2019 (restated)	**285**	**153**	**549**	**103**	**1,090**
Additions	157	28	192	43	420
Acquisitions	1	-	-	-	1
Disposals	(5)	(1)	(25)	(2)	(33)
Foreign exchange and other, net	14	2	(2)	5	19
31 December 2019	**452**	**182**	**714**	**149**	**1,497**
Additions	53	2	62	12	129

	Computer hardware	Buildings and building improvements	ROU assets—Buildings and building Improvements	Furniture, fixtures and equipment	Total
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
Acquisitions	2	-	(2)	-	-
Disposals	(1)	(10)	(2)	(3)	(16)
Foreign exchange and other, net	(10)	(14)	(16)	1	(39)
30 June 2020	**496**	**160**	**756**	**159**	**1,571**
Accumulated depreciation:					
1 January 2017	**1,117**	**364**	**-**	**102**	**1,583**
Charge for the year	104	50	-	19	173
Disposals	(14)	-	-	(1)	(15)
Foreign exchange and other, net	54	(1)	-	4	57
31 December 2017	**1,261**	**413**	**-**	**124**	**1,798**
Charge for the year	133	45	-	24	202
of which non-underlying	*20*	*2*	-	*8*	*30*
Disposals	(1)	-	-	-	(1)
Foreign exchange and other, net	131	(2)	-	15	144
Elimination on acquisition (Note 28)	(1,481)	(446)	-	(151)	(2,078)
31 December 2018	**43**	**10**	**-**	**12**	**65**
Charge for the year	149	46	155	40	390
of which non-underlying	*18*	*16*	*8*	*22*	*64*
Impairment	-	-	18	-	18
Disposals	(4)	(1)	-	(1)	(6)
Foreign exchange and other, net	6	3	-	3	12
31 December 2019	**194**	**58**	**173**	**54**	**479**
Charge for the period	62	19	83	14	178
of which non-underlying	(*15*)	*8*	*4*	*2*	(*1*)
Disposals	-	(1)	-	(3)	(4)
Foreign exchange and other, net	(2)	(2)	(2)	(1)	(7)
30 June 2020	**254**	**74**	**254**	**64**	**646**
Net book values:					
30 June 2020	242	86	502	95	925
31 December 2019	258	124	541	95	1,018
31 December 2018 (revised)	242	143	-	91	476
31 December 2017	161	172	-	62	395

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(1) The 31 December 2018 comparatives have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further details.

As at 30 June 2020, Refinitiv held no items of equipment under finance leases (31 December 2019: nil; 31 December 2018: nil; 31 December 2017: nil). As at 30 June 2020, buildings and building improvements includes approximately US$139 million of cost (31 December 2019: US$150 million; 31 December 2018: US$120 million) and US$72 million of accumulated depreciation (31 December 2019: US$56 million; 31 December 2018: US$10 million) relating to leasehold improvements, asset retirement obligations and work-in-progress. No comparative amount for 2017 is calculable due to the assets being an allocated balance from Thomson Reuters.

Refinitiv leases a number of properties in countries in which it operates and these are represented above within buildings and building improvements right-of-use assets.

12. Intangible assets

	Goodwill	Customer relationships	Trade names	Databases, content and other	Software and contract costs	Total
	US$m	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*
Cost:						
1 January 2017	**12,162**	**4,568**	**95**	**931**	**2,763**	**20,519**
Intangible assets on acquisition of businesses (Note 28)	124	38	5	8	18	193
Additions	-	-	-	-	310	310
Disposals	-	-	(12)	(12)	(51)	(75)
Foreign exchange	504	165	-	30	(222)	477
31 December 2017	**12,790**	**4,771**	**88**	**957**	**2,818**	**21,424**
Impact of adopting IFRS 15	-	-	-	-	63	63
1 January 2018 (restated)	**12,790**	**4,771**	**88**	**957**	**2,881**	**21,487**
Additions	-	-	-	-	370	370
Foreign exchange and other, net	(182)	(76)	(3)	(31)	5	(287)
Elimination on acquisition (Note 28)	(12,630)	(4,714)	(88)	(952)	(3,174)	(21,558)
Intangible assets on acquisition of businesses (Note 28) (revised)(1)	9,164	4,100	518	3,388	3,501	20,671
31 December 2018 (revised)(1)	**9,142**	**4,081**	**515**	**3,362**	**3,583**	**20,683**
Impact of adopting IFRS 16 (Note 2)	-	-	-	(54)	-	(54)
1 January 2019 (restated)	**9,142**	**4,081**	**515**	**3,308**	**3,583**	**20,629**
Additions	-	-	-	-	383	383
Acquisitions	15	2	-	-	26	43
Disposals	-	(1)	-	-	-	(1)
Foreign exchange and other, net	(26)	16	(4)	(30)	(38)	(82)
31 December 2019	**9,131**	**4,098**	**511**	**3,278**	**3,954**	**20,972**
Additions	-	-	-	-	221	221
Acquisitions	54	13	3	-	15	85
Foreign exchange and other, net	6	(47)	-	-	(4)	(45)
30 June 2020	**9,191**	**4,064**	**514**	**3,278**	**4,186**	**21,233**
Accumulated amortisation:						
1 January 2017	**2,680**	**2,632**	**92**	**690**	**2,120**	**8,214**
Amortisation charge for the year	-	297	5	29	345	676
Disposals	-	-	(12)	(12)	(51)	(75)
Foreign exchange	97	95	(3)	36	(204)	21
31 December 2017	**2,777**	**3,024**	**82**	**743**	**2,210**	**8,836**
Amortisation charge for the year	-	296	9	180	468	953
of which non-underlying	-	*296*	*9*	*180*	*85*	*570*
Elimination on acquisition (Note 28)	(2,744)	(3,210)	(84)	(766)	(2,508)	(9,312)
Foreign exchange and other, net	(33)	(38)	-	3	26	(42)
31 December 2018	**-**	**72**	**7**	**160**	**196**	**435**
Impact of adopting IFRS 16 (Note 2)	-	-	-	(3)	-	(3)
1 January 2019 (restated)	**-**	**72**	**7**	**157**	**196**	**432**
Amortisation charge for the year	-	287	30	619	747	1,683
of which non-underlying	-	*287*	*30*	*619*	*432*	*1,368*
Disposals	-	(1)	-	-	-	(1)
Foreign exchange and other, net	-	2	1	(1)	(1)	1
31 December 2019	**-**	**360**	**38**	**775**	**942**	**2,115**
Amortisation charge for the period	-	143	15	307	419	884
of which non-underlying	-	*143*	*15*	*307*	*248*	*713*
Foreign exchange and other, net	-	(4)	-	3	2	1
30 June 2020	**-**	**499**	**53**	**1,085**	**1,363**	**3,000**
Net book values:						
30 June 2020	9,191	3,565	461	2,193	2,823	18,233
31 December 2019	9,131	3,738	473	2,503	3,012	18,857
31 December 2018 (revised)(1)	9,142	4,009	508	3,202	3,387	20,248
31 December 2017	10,013	1,747	6	214	608	12,588

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(1) The 31 December 2018 comparatives have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further details.

Goodwill

Refinitiv made one acquisition in 2020 resulting in an increase in goodwill of US$54 million. Refinitiv made one acquisition in 2019 resulting in an increase in goodwill of US$15 million. Details of goodwill arising in each of the years ended 31 December 2018 and 2017, and for the six months ended 30 June 2020, is provided in Note 28. Goodwill generally represents synergies and the value of the acquired workforce. Prior to the 2018 Transaction Closing Date, goodwill was an allocated number. Refer to Note 1 for details regarding the principal assumptions underlying the combined historical financial information.

Purchased intangible assets

The fair values of the purchased intangible assets were principally valued using an income approach and are being amortised over their useful economic lives, which do not normally exceed 30 years. Refinitiv's purchased intangible assets include:

- Customer relationships, which primarily consist of customer contracts and customer relationships arising from such contracts.
- Trade names, which consist of purchased brand names that Refinitiv continues to use.
- Databases, content and other, which primarily consist of repositories of Refinitiv's specific financial and customer information, favourable leasehold interests and broker-dealer licences (in 2017 and prior periods, "other" included rights to Refinitiv's intellectual content, favourable leasehold interests and liquidity contracts).

Software, contract costs and other

The cost of internally generated software for HY2020 includes US$325 million (FY2019: US$243 million; FY2018: US$196 million; FY2017: US$87 million) representing assets not yet brought into use. No amortisation has been charged on these assets and instead they are tested for impairment annually.

During HY2020, additions relating to internally generated software amounted to US$187 million (FY2019: US$281 million; FY2018: US$75 million; FY2017: US$308 million).

During HY2020, Refinitiv capitalised US$16 million (FY2019: US$10 million; FY2018: US$33 million) of incremental contract costs in respect of revenue generating contracts with customers and recognised a US$22 million (FY2019: US$14 million; FY2018: US$28 million) amortisation charge relating to contract cost assets. No impairment was recognised in the period in relation to contract cost assets (FY2019: nil; FY2018: nil).

Impairment tests for goodwill

Prior to the 2018 Transaction Closing Date, Refinitiv had one cash generating unit. Following the 2018 Transaction, Refinitiv has two cash generating units (CGUs) to which goodwill is allocated and monitored by management, namely Refinitiv Core and Tradeweb. The carrying amount of goodwill allocated to Tradeweb for FY2019 and FY2018 was US$2,748 million. The carrying amount of goodwill allocated to Refinitiv Core for FY2019 and FY2018 was $6,383 million and US$6,394 million, respectively.

Management assessed both of these CGUs as of 30 June 2020 to determine if any impairment indicators existed at that date. Based on this assessment, management concluded that no indicators of impairment existed and that accordingly, a goodwill impairment test was not required.

For its annual goodwill impairment tests, the valuation techniques, significant assumptions, and sensitivities applied in the goodwill impairment test are described below. The selection and application of valuation techniques and the determination of significant assumptions require judgement.

In 2019, fair values were determined by reference to a binding sale agreement, and adjusted for estimated costs of disposal to derive recoverable amounts. In 2018, recoverable amounts were based on fair value, less costs of disposal, using a mix of the income approach, market approach and cost approach. In 2017, recoverable amount was based on fair value, less costs of disposal, using a weighted average of the income approach and the market approach. IFRS 13, "Fair Value Measurement", defines fair value as a market-based measurement, rather than an entity-specific measurement. Therefore, the fair value of the CGU must be measured using the assumptions that market participants would use, rather than those related specifically to Refinitiv. In particular, the discount and tax rates used in the income approach reflect market participant assumptions. To calculate these market participant assumptions, publicly available data was gathered from companies operating in businesses similar to the CGUs, which includes key competitors. As certain inputs to the valuation are not based on observable market data, the recoverable amounts of the CGUs are categorised in Level 3 of the fair value measurement hierarchy.

Refinitiv assumed a discount rate in order to calculate the present value of its projected cash flows for the income approach (discounted cash flow approach). The discount rate represented a weighted average cost of capital (WACC) for comparable companies operating in similar industries as the CGU, based on publicly available information. The WACC is an estimate of the overall required rate of return on an investment for both debt and equity owners and serves as the basis for developing an appropriate discount rate. Determination of the WACC requires separate analysis of the cost of equity and the cost of debt. The cost of equity reflects the long-term risk-free interest rate associated with US Treasury bonds and considers a risk premium based on an assessment of risks related to the projected cash flows of the CGU. In 2018, the WACC for Refinitiv Core and Tradeweb was 9.5% and 10.25%, respectively, while the growth rate used to extrapolate cash flows was 3.0%.

Factors that affected the discount rate include maturity, stability, and competitiveness of the markets in which Refinitiv operates.

Cash flow projections were based on internal budgets and projected over a period of at least three years, with a perpetual growth rate applied thereafter.

While calculations involving discounted cash flows are sensitive to changes in assumptions, the 2017 sensitivity analysis demonstrates that no reasonably possible change in the perpetual growth, discount rate, or income tax assumptions would cause the carrying amounts of the CGU to exceed its recoverable amount. No such sensitivity analysis was performed in 2018 given the excess of the recoverable amounts over the CGUs' carrying amounts.

13. Investment in associates

	US$m
1 January 2017	**11**
Foreign exchange and other	(1)
Share of profit after tax	2
31 December 2017	**12**
Foreign exchange and other	(2)
Share of profit after tax	1
Elimination on acquisition	(12)
Investment in associates on acquisition of businesses (Note 28)	8
31 December 2018	**7**
Acquisitions and investments	3
Share of profit after tax	2
31 December 2019	**12**
Acquisitions and investments	3
Foreign exchange and other, net	(2)
Share of profit after tax	1
30 June 2020	**14**

14. Non-controlling interests

Tradeweb is the only subsidiary that has material non-controlling interests within Refinitiv.

On 4 April 2019, Tradeweb Markets Inc. ("**Tradeweb Inc.**") completed an initial public offering of shares of its Class A common stock (the "**Tradeweb IPO**"). Tradeweb Inc. used the net proceeds of such offering to purchase outstanding common membership units in Tradeweb Markets LLC from certain of the investment and commercial banks that own a non-controlling interest in Tradeweb Markets LLC (the "**Bank Shareholders**"). Prior to the Tradeweb IPO, Refinitiv owned approximately 53 per cent. of Tradeweb's equity interests and had approval rights which resulted in Refinitiv consolidating Tradeweb's results. Following the Tradeweb IPO, Refinitiv owned approximately 54 per cent. of the economic interests and controlled approximately 70 per cent. of the voting interests in Tradeweb.

In connection with the Tradeweb IPO, Tradeweb Inc. entered into a Tax Receivable Agreement with Tradeweb Markets LLC and the owners of Tradeweb Markets LLC, immediately prior to the IPO ("**LLC Owners**"). In accordance with the Tax Receivable Agreement, Tradeweb Inc. is required to make cash payments to the LLC

Owners equal to 50% of the amount of US federal, state and local income or franchise tax savings, if any, that Tradeweb Inc. actually realises (or in some circumstances, is deemed to realise) as a result of certain future tax benefits to which Tradeweb Inc. may become entitled. As of 30 June 2020 and 31 December 2019, the liability under the Tax Receivable Agreement was US$337 million and US$209 million, respectively, the majority of which is reflected in "Other non-current payables" within the combined balance sheets.

On 22 October 2019, Tradeweb Inc. completed a follow-on offering of shares of its Class A common stock. Tradeweb Inc. used the net proceeds of such offering to purchase outstanding common membership units in Tradeweb Markets LLC from certain of the Bank Shareholders and certain of the executive officers that own a non-controlling interest in Tradeweb Markets LLC. After the follow-on offering, Refinitiv owned approximately 54 per cent. of the economic interest and controls approximately 77 per cent. of the voting interests in Tradeweb.

In April 2020, Tradeweb Inc. completed an underwritten follow-on offering of shares of its Class A common stock. Tradeweb Inc. used the net proceeds of such offering to purchase outstanding common membership units in Tradeweb Markets LLC from certain of the Bank Shareholders and certain of the executive officers. After the follow-on offering, Refinitiv owns approximately 53 per cent. of the economic interest and controls approximately 85 per cent. of the voting interests in the Tradeweb Group. Tradeweb is accounted for as a consolidated subsidiary with a non-controlling interest.

Summarised financial information for non-controlling interests is provided below.

	For the six months ended 30 June		**For the years ended 31 December**		
	2020	**2019 (unaudited)**	**2019**	**2018**	**2017**
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
Profit for the period attributable to non-controlling interests	43	26	69	80	61
Total comprehensive income attributable to non-controlling interests	45	26	69	80	63
Dividend paid to non-controlling interests in the period	(14)	(88)	(115)	(79)	(66)

	As at 30 June	**As at 31 December**		
	2020	**2019**	**2018**	**2017**
	US$m	*US$m*	*US$m*	*US$m*
Summarised balance sheet:				
Non-current assets	4,722	4,498	4,309	879
Current assets	741	597	688	438
Current liabilities	613	481	391	188
Non-current liabilities	22	22	34	143
Total equity	**4,828**	**4,592**	**4,572**	**986**
Attributable to:				
Equity holders of the company	**2,542**	**2,502**	**2,611**	**489**
Non-controlling interests	**2,286**	**2,090**	**1,961**	**497**

The balances above include goodwill, purchased intangible assets and associated amortisation, impairments and deferred tax attributable to non-controlling interests.

Non-controlling interests	**2,286**	**2,090**	**1,961**	**497**

The balances above include goodwill, purchased intangible assets and associated amortisation, impairments and deferred tax attributable to non-controlling interests.

Net increase in cash and cash equivalents	**99**	**50**	**58**	**29**

The summarised total comprehensive income of Tradeweb Markets is provided below.

Summarised statement of total comprehensive income:

	For the six months ended 30 June		For the years ended 31 December		
	2020	**2019**	**2019**	**2018**	**2017**
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
Total income					
Profit for the period	105	67	173	159	84
Other comprehensive income excluding exchange on translation of foreign operations	—	—	—	—	—
Total comprehensive income excluding exchange translation of foreign operations	**105**	**67**	**173**	**159**	**84**
(Losses)/gains on translation of foreign operations	(5)	—	3	(4)	3
Total comprehensive income	**100**	**67**	**176**	**155**	**87**
Attributable to:					
Equity holders of the company	**55**	**41**	**107**	**75**	**24**
Non-controlling interests	**45**	**26**	**69**	**80**	**63**

15. Deferred tax

The movements in deferred tax assets and liabilities during the period are shown below:

	Accelerated tax depreciation	Intangible assets and goodwill	Other	Employee benefits and deferred compensation	Investment in partnerships and equity investments	Net loss carry forwards and tax attributes	Cost of Debt	Total
	US$m	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*
1 January 2017	80	(654)	(7)	2	–	8	–	(571)
Deferred tax on acquisition of businesses	32	(5)	–	–	–	–	–	**27**
Tax credited/(charged) to the income statement	(33)	210	28	(7)	–	10	–	**208**
Tax (charged)/credited to other comprehensive income:								
– defined benefit scheme remeasurement gain	–	–	–	2	–	–	–	**2**
– foreign exchange	3	(17)	2	3	–	1	–	**(8)**
– other movement	–	–	–	(26)	–	–	–	**(26)**
31 December 2017	**82**	**(466)**	**23**	**(26)**	**–**	**19**	**–**	**(368)**
Impact of adopting IFRS 15	–	–	(18)	–	–	–	–	**(18)**
1 January 2018 (restated)	**82**	**(466)**	**5**	**(26)**	**–**	**19**	**–**	**(386)**
Tax credited to the income statement	18	62	3	4	9	52	–	**148**
Foreign exchange	–	1	–	15	–	–	–	**16**
Other balance sheet movements	–	–	–	–	–	(15)	–	**(15)**
Elimination on acquisition	(98)	414	(4)	18	–	(8)	–	**322**
Deferred tax on acquisition of businesses (Note 28) (revised)(1)	12	(593)	(30)	2	(249)	18	–	**(840)**
Tax credited to other comprehensive income:								
– other movement	–	–	11	9	–	–	–	**20**
31 December 2018 (revised)(1)	**14**	**(582)**	**(15)**	**22**	**(240)**	**66**	**–**	**(735)**
Impact of adopting IFRS 16 (Note 2)	–	–	(1)	–	–	–	–	**(1)**
1 January 2019 (restated)	**14**	**(582)**	**(16)**	**22**	**(240)**	**66**	**–**	**(736)**
Transfers between categories	–	–	26	–	–	(26)	–	**–**
Foreign exchange	2	(1)	–	(4)	–	–	–	**(3)**
Allowance on share options/awards–to equity	–	–	–	114	–	–	–	**114**
Other balance sheet movements	8	(31)	15	10	414	(26)	–	**390**
Tax credited/(charged) to the income statement	85	65	(5)	(12)	9	178	(82)	**238**
Tax credited/(charged) to other comprehensive income:								
– other movement	–	–	11	(1)	–	–	–	**10**
31 December 2019	**109**	**(549)**	**31**	**129**	**183**	**192**	**(82)**	**13**
Foreign exchange	(2)	6	–	5	–	–	–	**9**
Deferred tax on acquisition of businesses	(4)	(3)	–	–	–	3	–	**(4)**
Allowance on share options/awards–to equity	–	–	–	31	–	–	–	**31**
Other balance sheet movements	–	(13)	–	–	291	(16)	–	**262**
Tax credited/(charged) to the income statement	25	31	40	(18)	(55)	2	(29)	**(4)**
Tax credited/(charged) to other comprehensive income:	–	–	1	–	–	–	–	**1**
– other movement	–	–	11	(29)	–	26	–	**8**
30 June 2020	**128**	**(528)**	**82**	**118**	**419**	**207**	**(111)**	**315**

The following table summarises the net deferred tax asset (liability):

Assets at 30 June 2020	622
Liabilities at 30 June 2020	(307)
Net assets at 30 June 2020	**315**
Assets at 31 December 2019	334
Liabilities at 31 December 2019	(321)
Net assets at 31 December 2019	**13**
Assets at 31 December 2018	22
Liabilities at 31 December 2018	(757)
Net liabilities at 31 December 2018 (revised)[(1)]	**(735)**
Assets at 31 December 2017	20
Liabilities at 31 December 2017	(388)
Net liabilities at 31 December 2017	**(368)**

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(1) The 31 December 2018 comparatives have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further details.

The deferred tax assets are recoverable against future taxable profits and are expected to be recovered after more than one year.

On 30 January 2018, Thomson Reuters entered into the Prior Transaction Agreement with Refinitiv, which was controlled by certain investment funds affiliated with Blackstone, pursuant to which Refinitiv would acquire all of the equity interests of certain assets and liabilities associated with the Thomson Reuters Financial & Risk Business and Thomson Reuters would indirectly acquire a 45 per cent. interest in Refinitiv. The 2018 Transaction closed on the 2018 Transaction Closing Date and was accounted for as a business combination under IFRS 3. The Thomson Reuters Financial & Risk Business was transferred to Refinitiv in exchange for cash consideration of US$16,655 million and Refinitiv stock of US$2,101 million. As part of the 2018 Transaction, there was a sale of intellectual property from a Swiss subsidiary to the US and UK and a sale of trademarks licensed from Canada to the US and UK which gave rise to a step-up in tax basis related to these assets (i.e., intangible assets and computer software). The 2018 Transaction did not give rise to a step-up to fair market value for tax purposes in any other assets and resulted in the recording of deferred tax for differences between the historical tax basis and the stepped-up financial reporting basis which primarily related to investments in partnerships.

The deferred balances presented above to 30 September 2018 are presented on a carve-out basis and were prepared following the "separate return method", which computes income tax balances of each member of Refinitiv as if Refinitiv member were a separate taxpayer and a stand-alone enterprise. The tax treatment of certain items reflected in the combined historical financial information may not be reflected in the consolidated financial statements and tax returns of Thomson Reuters. Therefore, items such as net operating losses, credit carry forwards, and derecognition of deferred tax assets may exist in the combined historical financial information that may or may not exist in Thompson Reuters' consolidated financial statements through 30 September 2018. As a result of the above transaction, which closed on 1 October 2018, deferred tax assets and liabilities were re-determined based on updated book and tax bases and were recorded on an actuals basis through 31 December 2018. These adjustments that result from the transaction are effectuated through the "Elimination on acquisition" and "Deferred tax on acquisition" lines in the deferred rollforward above.

The net deferred tax asset of US$315 million (31 December 2019: US$13 million; 31 December 2018: deferred tax liability of US$735 million; 31 December 2017: deferred tax liability of US$368 million) is mainly attributable to intangible assets and goodwill, employee benefits and deferred compensation, investments in partnerships and equity investments, and net loss carry forwards. There is a deferred tax liability of US$528 million (31 December 2019: US$549 million; 31 December 2018: US$582 million; 31 December 2017: US$466 million) on the purchased intangible assets of the acquired subsidiary. This liability is amortised at the same rate as the purchased intangible assets. The employee benefits and deferred compensation total a deferred tax asset of US$118 million (31 December 2019: US$129 million; 31 December 2018: US$22 million; 31 December 2017: deferred tax liability of US$26 million). The investment in partnership and equity investments total a deferred tax asset of US$419 million (31 December 2019: US$183 million; 31 December 2018: deferred tax liability of US$240 million).

Refinitiv has unrecognised deferred tax assets in respect of interest expense carry forwards of US$55 million (31 December 2019: US$63 million; 31 December 2018: US$40 million; 31 December 2017: nil), US separate state tax credit carry forwards of US$4 million (31 December 2019: US$3 million; 31 December 2018: US$3 million; 31 December 2017: nil), and other operating loss carry forwards of US$119 million (31 December 2019: US$32 million; 31 December 2018: US$5 million; 31 December 2017: nil) within certain Refinitiv subsidiaries. The assets would be recognised in the future only if suitable taxable income were to arise within Refinitiv.

Refinitiv has not provided deferred tax on the unremitted earnings or other temporary differences associated with investments in subsidiaries. Refinitiv is able to control the timing and reversal of such differences. The retained earnings attributable to overseas affiliates at 30 June 2020 are estimated at US$101 million.

16. Retirement benefit obligations

Substantially all of Refinitiv's employees participate in defined benefit and defined contribution employee future benefit plans. Costs for future employee benefits are accrued over the periods in which the employees earn the benefits. Defined benefit plans provide pension and other post-employment benefits to covered employees. Significant plans are valued under IAS 19, "Employee Benefits" using the projected unit credit method.

The combined balance sheets include the assets and liabilities of the Reuters Pension Fund ("**RPF**") and the Supplementary Pension Scheme ("**SPS**"), covering UK employees (collectively, the "**Large UK plans**"), as well as various smaller plans closely associated with Refinitiv's operations.

The following is a summary of the movement in the net surplus for the defined benefit pension plans:

	US$m
1 January 2019	**305**
Pension expense included in the income statement	(3)
Gains included in total comprehensive loss	14
Contributions paid	39
Foreign exchange	24
Other	(1)
31 December 2019	**378**
Pension expense included in the income statement	(10)
Gains included in total comprehensive loss	157
Contributions paid	24
Foreign exchange	(30)
Other	(9)
30 June 2020	**510**
Retirement benefit asset	508
Retirement benefit obligations	(130)
31 December 2019	**378**
Retirement benefit asset	655
Retirement benefit obligations	(145)
30 June 2020	**510**

The following discussion relates to the material plans, which primarily relate to the Large UK plans. The "other plans" column in the subsequent tables contains other material plans only. Non-material plans are not presented in the rest of this footnote.

Defined benefit schemes

Benefits payable are generally based on salary and years of service, although each plan has a unique benefits formula. Employees in the Large UK plans (and in some smaller global plans) may also make voluntary contributions to augment future benefits. The normal retirement age is typically in the range of 60 to 65 years and benefits are generally payable in annuity or lump sum upon retirement. Most plans include provisions for early retirement, death, survivor, and disability benefits. Under the Large UK plans, vested benefits of former employees who are not yet of retirement age are held in deferment. Eligible benefits under the Large UK plans increase based on inflation.

Except where required by law, virtually all defined benefit plans are closed to new employees. However, most new employees are eligible to participate in defined contribution plans.

Refinitiv bears the cost of the Large UK plans (less employee contributions). However, the responsibility for the management and governance of each of the Large UK plans lies with an independent trustee board (the "**Trustees**"). The Trustees are responsible for carrying out triennial valuations (unless circumstances require an earlier review) and securing funding for benefit payments. In order to develop funding valuations and investment policies, the Trustees consult with the plan's actuary (who is independent of Refinitiv's actuary), the plans' investment advisors (also independent of Refinitiv's investment advisors), and Refinitiv. The Trustees and Refinitiv are required to agree on a schedule of contributions in support of funding objectives. Refinitiv has separate funding agreements with the Trustees that provide for ongoing contributions to fund current service accruals and scheduled deficit recovery contributions to remedy prior funding deficits over a period of several years. These arrangements are updated in conjunction with the triennial valuations.

Additionally, Refinitiv provides guarantees to the Trustees in conjunction with triennial valuation and funding agreements. As of 30 June 2020, the aggregate maximum liability under the guarantees was £700 million for the RPF and £120 million for the SPS.

Other international locations operate various pension plans in accordance with the local regulations and practices.

Defined contribution schemes

Refinitiv sponsors various defined contribution savings plans that provide for matching contributions. Total expense related to defined contribution plans for HY2020 was US$33 million (HY2019 (unaudited): US$33 million; FY2019: US$62 million; FY2018: US$46 million; FY2017: US$39 million), which approximates the cash outlays related to the plans.

Amounts recognised in the income statement from continuing operations are as follows:

		30 June 2020			
	Notes	RPF	SPS	Other plans	Total
		US$m	*US$m*	*US$m*	*US$m*
Defined contribution schemes		-	-	33	33
Defined benefit scheme—current/past service cost and expenses		7	1	5	13
Total pension charge included in employee costs	7	**7**	**1**	**38**	**46**
Net finance income	9	(3)	-	-	(3)
Total recognised in the income statement		**4**	**1**	**38**	**43**

		30 June 2019 (unaudited)			
	Notes	RPF	SPS	Other plans	Total
		US$m	*US$m*	*US$m*	*US$m*
Defined contribution schemes		-	-	33	33
Defined benefit scheme—current/past service cost and expenses		5	-	3	8
Total pension charge included in employee costs		**5**	**-**	**36**	**41**
Net finance income	9	(7)	(1)	(2)	(10)
Total recognised in the income statement		**(2)**	**(1)**	**34**	**31**

		31 December 2019			
	Notes	RPF	SPS	Other plans	Total
		US$m	*US$m*	*US$m*	*US$m*
Defined contribution schemes		-	-	62	62
Defined benefit scheme—current/past service cost and expenses		9	1	4	14
Total pension charge included in employee costs		**9**	**1**	**66**	**76**
Net finance (income)/expense	9	(9)	(1)	1	(9)
Total recognised in the income statement		**-**	**-**	**67**	**67**

	Notes	31 December 2018			
		RPF	SPS	Other plans	Total
		US$m	*US$m*	*US$m*	*US$m*
Defined contribution schemes		-	-	46	46
Defined benefit scheme—current/past service cost, expenses and curtailments		48	5	(7)	46
Total pension charge included in employee costs		**48**	**5**	**39**	**92**
Net finance income	9	(11)	-	-	(11)
Total recognised in the income statement		**37**	**5**	**39**	**81**

	Notes	31 December 2017			
		RPF	SPS	Other plans	Total
		US$m	*US$m*	*US$m*	*US$m*
Defined contribution schemes		-	-	39	39
Defined benefit scheme—current/past service cost, expenses and curtailments		18	1	14	33
Total pension charge included in employee costs		**18**	**1**	**53**	**72**
Net finance (income)/expense	9	(7)	1	1	(5)
Total recognised in the income statement		**11**	**2**	**54**	**67**

Defined benefit assets/(obligations) for pension scheme

	30 June 2020			
	RPF	SPS	Other plans	Total
	US$m	*US$m*	*US$m*	*US$m*
Fair value of assets:				
Equities (quoted)	97	—	96	193
Equities (unquoted)	43	—	—	43
Bonds (quoted)	1	—	107	108
Bonds (unquoted)	2,051	—	—	2,051
Property	—	—	20	20
Cash	114	5	9	128
Pensioner buy in policy	746	—	—	746
Other	381	404	66	851
Total fair value of assets	**3,433**	**409**	**298**	**4,140**
Present value of funded obligations	2,895	318	420	3,633
Surplus/(deficit)	**538**	**91**	**(122)**	**507**

	31 December 2019			
	RPF	SPS	Other plans	Total
	US$m	*US$m*	*US$m*	*US$m*
Fair value of assets:				
Equities (quoted)	—	—	109	109
Equities (unquoted)	46	—	—	46
Bonds (quoted)	—	—	107	107
Bonds (unquoted)	1,846	—	—	1,846
Property	—	—	22	22
Cash	89	3	7	99
Pensioner buy in policy	774	—	—	774
Other	587	407	63	1,057
Total fair value of assets	**3,342**	**410**	**308**	**4,060**
Present value of funded obligations	2,929	340	417	3,686
Surplus/(deficit)	**413**	**70**	**(109)**	**374**

	31 December 2018			
	RPF	SPS	Other plans	Total
	US$m	*US$m*	*US$m*	*US$m*
Fair value of assets:				
Equities (quoted)	—	—	91	91
Equities (unquoted)	55	—	2	57
Bonds (quoted)	—	—	23	23
Bonds (unquoted)	1,491	—	—	1,491
Property	1	—	24	25
Cash	79	40	6	125
Pensioner buy in policy	787	—	—	787
Other	514	346	145	1,005
Total fair value of assets	**2,927**	**386**	**291**	**3,604**
Present value of funded and unfunded obligations	2,567	335	404	3,306
Surplus/(deficit)	**360**	**51**	**(113)**	**298**

	31 December 2017			
	RPF	SPS	Other plans	Total
	US$m	*US$m*	*US$m*	*US$m*
Fair value of assets:				
Equities (quoted)	—	—	109	109
Equities (unquoted)	66	—	4	70
Bonds (quoted)	—	—	103	103
Bonds (unquoted)	2,099	—	13	2,112
Property	7	—	26	33
Cash	407	144	3	554
Pensioner buy in policy	81	—	50	131
Other	592	213	12	817
Total fair value of assets	**3,252**	**357**	**320**	**3,929**
Present value of funded and unfunded obligations	2,844	383	444	3,671
Surplus/(deficit)	**408**	**(26)**	**(124)**	**258**

For funded plans, surpluses are recognised only to the extent that the surplus is considered recoverable. Recoverability is primarily based on the extent to which Refinitiv can unilaterally reduce future contributions to the plan or receive a refund in future. For the two UK plans, the RPF and SPS, a legal opinion on the recoverability was obtained. It was concluded that, based on the legal facts, for both plans an accounting policy choice can be made to either recognise the surplus or not. Refinitiv therefore decided to recognise the surplus.

Investment policy of the material plans

Plan assets consist primarily of government and corporate bonds, and various other investment vehicles. Plan assets are invested to adequately secure benefits and to minimise the need for long-term contributions to the plans. However, specific investment allocations will vary across plans.

The principal investment objectives are to ensure the availability of funds to pay pension benefits as they become due under a broad range of future economic scenarios, maximise long-term investment return with an acceptable level of risk based on our pension obligation, and diversify broadly across and within the capital markets to insulate asset values against adverse experience in any one market.

Target investment allocation ranges are guidelines, not limitations. Funded plans may have broadly diversified portfolios with investments in equities, fixed income, real estate, insurance contracts, derivatives, and other asset classes through direct ownership or through other instruments such as mutual funds, commingled funds, and hedge funds. Derivatives may be used to achieve investment objectives or as a component of risk management such as for interest rate and currency management strategies.

Actuarial assumptions are set out below:

	For the six months ended 30 June		For the years ended 31 December					
	2020		2019		2018		2017	
	RPF	SPS	RPF	SPS	RPF	SPS	RPF	SPS
Inflation rate	2.85%	2.90%	3.00%	3.05%	3.20%	3.20%	3.40%	3.40%
Rate of increase in salaries	3.05%	2.90%	3.20%	3.25%	3.20%	3.20%	3.40%	3.40%
Rate of increase in pension payments	2.75%	2.75%	2.85%	2.85%	2.95%	3.00%	3.10%	3.10%
Discount rate	1.55%	1.49%	1.90%	1.83%	2.68%	2.60%	2.45%	2.35%
Life expectancy from age 65 (years)								
- Employee retiring as of 31 December at age 65 (male)	23	24	22	23	23	24	23	24
- Employee retiring as of 31 December at age 65 (female)	25	26	24	25	25	26	25	26

Discount rate

The discount rate was based on current market interest rates of high-quality corporate bonds, adjusted to reflect the duration of expected future cash outflows for pension benefit payments. To estimate the discount rate, a hypothetical yield curve that represented yields on high-quality zero-coupon bonds was constructed with durations that mirrored the expected payment stream of the benefit obligation.

Rates of inflation, increase in salaries, and pension payments

The rate of inflation, which impacts increases in eligible UK pension payments, was determined by reference to consumer and retail price indices as well as other benchmarks. The assumption on salary growth is for the long term over the life of the benefit plans.

Mortality assumptions

The mortality assumptions used to assess the defined benefit obligation for the Large UK plans are based on SAPS Light Tables with allowances for plan demographic specifics and longevity improvements.

Sensitivities

The sensitivities regarding the principal assumptions used to measure the RPF and SPS scheme obligations are:

		For the six months ended 30 June		Impact on scheme obligations					
				For the years ended 31 December					
		2020		2019		2018		2017	
Assumption	Change in assumption	RPF	SPS	RPF	SPS	RPF	SPS	RPF	SPS
Inflation rate (CPI) and salary increase	Increase by 0.25%	59	6	60	7	53	7	60	8
Discount rate	Increase by 0.25%	(120)	(9)	(122)	(10)	(109)	(10)	(134)	(13)
Mortality rate	Increase by 1 year	81	13	82	14	72	50	77	16

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The impact of the salary increase assumption as a standalone sensitivity has an immaterial impact on the scheme obligations.

Risks and uncertainties

The material risks and uncertainties Refinitiv is exposed to in relation to the Large UK plans are as follows:

- Investment risk: Returns on plan assets may not be sufficient to fund plan obligations. To mitigate such risk, plan trustees maintain investment policies and periodically review investment allocations to ensure adequate support of funding objectives. Additionally, the Trustees review fund manager performance against benchmarks for specific investment mandates.

  - Interest rate risk: A fall in interest rates will increase the value of the plan obligations as well as the fixed-income investments used to fund the obligations. Although a significant amount of plan assets are allocated to fixed-income investments, the benefit plans do not strictly follow a liability-matching investment strategy. As a result, plan liabilities may increase faster than assets in a declining interest rate environment, potentially requiring Refinitiv to make additional contributions. Diversified asset allocations mitigate this risk by creating the potential to outperform increases in liabilities and to reinvest excess returns in liability-matching assets, reducing the need for Refinitiv contributions.
  - Inflation risk: Actual salary increases and pension increases linked to inflation may exceed expectations, resulting in higher than anticipated plan obligations. To mitigate this risk, certain plan assets are invested in hedging assets, including derivatives and inflation-linked bonds.
- Currency risk: In some plans, obligations denominated in local currency may be partially funded by foreign investments. To hedge this currency mismatch, derivatives may be used.
- Liquidity risk: If a plan has insufficient cash to fund near-term benefit payments, Refinitiv may have to make additional contributions or unexpected changes in asset allocations may be required. This risk is mitigated as near-term pension payments are reasonably known and plans generally hold short-term debt securities to fund such payments.
- Mortality risk: Life expectancy may improve at a faster rate than expected resulting in higher plan obligations. To mitigate this risk, life expectancy assumptions are reviewed in connection with periodic valuations.

In addition to risk mitigation noted above, investment risk, interest rate risk, inflation risk and mortality risk related to the RPF are partially mitigated by the 2018 purchase of the Annuity Policy.

Changes in the present value of the defined benefit obligations during the period

	RPF	SPS	Other plans	Total
	US$m	*US$m*	*US$m*	*US$m*
Benefit obligation as at 1 January 2017	**2,566**	**355**	**416**	**3,337**
Past/current service cost	18	1	14	33
Interest cost	69	9	6	84
Pension expense included in the income statement	**87**	**10**	**20**	**117**
Actuarial losses/(gains)—financial assumptions	92	9	(2)	99
Actuarial gains—demographic assumptions	(43)	(13)	-	(56)
Actuarial (gains)/losses—experience	(2)	16	11	25
Losses included in total comprehensive income	**47**	**12**	**9**	**68**
Benefits paid	(102)	(22)	(33)	(157)
Foreign exchange	246	33	27	306
Other	-	(5)	5	-
Benefit obligation 31 December 2017	**2,844**	**383**	**444**	**3,671**
Past/current service cost	48	5	(7)	46
Interest cost	69	9	7	85
Pension expense included in the income statement	**117**	**14**	**-**	**131**
Actuarial gains—financial assumptions	(145)	(17)	(6)	(168)
Actuarial losses/(gains)—demographic assumptions	10	(2)	-	8
Actuarial losses/(gains)—experience	-	2	(33)	(31)
Gains included in total comprehensive income	**(135)**	**(17)**	**(39)**	**(191)**
Benefits paid	(97)	(28)	(23)	(148)
Foreign exchange	(162)	(21)	(9)	(192)
Other	-	4	31	35
Benefit obligation as at 31 December 2018	**2,567**	**335**	**404**	**3,306**
Past/current service cost	9	1	4	14
Interest cost	65	8	6	79
Pension expense included in the income statement	**74**	**9**	**10**	**93**
Actuarial losses—financial assumptions	342	27	29	398
Actuarial gains—demographic assumptions	(76)	(9)	-	(85)
Actuarial losses—experience	2	-	4	6
Losses included in total comprehensive income	**268**	**18**	**33**	**319**
Benefits paid	(98)	(33)	(35)	(166)
Foreign exchange	118	14	2	134
Other	-	(3)	3	-
Benefit obligation as at 31 December 2019	**2,929**	**340**	**417**	**3,686**
Past/current service cost	7	1	5	13
Interest cost	24	3	2	29
Pension expense included in the income statement	**31**	**4**	**7**	**42**
Actuarial losses—financial assumptions	152	11	-	163
Actuarial losses—demographic assumptions	52	2	-	54
Actuarial (gains)/losses—experience	(17)	(10)	3	(24)
Losses included in total comprehensive income	**187**	**3**	**3**	**193**
Benefits paid	(53)	(12)	(10)	(75)
Foreign exchange	(202)	(23)	3	(222)
Other	3	6	-	9
Benefit obligation as at 30 June 2020	**2,895**	**318**	**420**	**3,633**

Changes in the fair value of scheme assets during the period

	RPF	SPS	Other plans	Total
	US$m	*US$m*	*US$m*	*US$m*
Fair value of scheme assets as at 1 January 2017	**2,833**	**320**	**291**	**3,444**
Interest income	76	8	5	89
Pension income included in the income statement	**76**	**8**	**5**	**89**
Return on plan assets, excluding interest income	154	1	27	182
Re-measurement included in total comprehensive income	**154**	**1**	**27**	**182**
Contributions by employer	16	20	11	47
Contributions by employees	3	—	5	8
Expenses	(3)	(1)	—	(4)
Benefits paid	(102)	(22)	(33)	(157)
Foreign exchange	275	31	14	320
Fair value of scheme assets as at 31 December 2017	**3,252**	**357**	**320**	**3,929**
Interest income	80	9	7	96
Pension income included in the income statement	**80**	**9**	**7**	**96**
Loss on plan assets, excluding interest income	(237)	(15)	(24)	(276)
Re-measurement included in total comprehensive income	**(237)**	**(15)**	**(24)**	**(276)**
Contributions by employer	108	85	12	205
Contributions by employees	3	—	3	6
Expenses	(2)	(1)	—	(3)
Benefits paid	(97)	(28)	(23)	(148)
Foreign exchange	(180)	(21)	(4)	(205)
Fair value of scheme assets as at 31 December 2018	**2,927**	**386**	**291**	**3,604**
Interest income	74	9	5	88
Pension income included in the income statement	**74**	**9**	**5**	**88**
Return on plan assets, excluding interest income	276	26	31	333
Re-measurement included in total comprehensive income	**276**	**26**	**31**	**333**
Contributions by employer	22	6	11	39
Contributions by employees	2	—	2	4
Benefits paid	(98)	(33)	(35)	(166)
Foreign exchange	139	16	3	158
Fair value of scheme assets as at 31 December 2019	**3,342**	**410**	**308**	**4,060**
Interest income	27	3	2	32
Pension income included in the income statement	**27**	**3**	**2**	**32**
Return/(loss) on plan assets, excluding interest income	328	32	(10)	350
Re-measurement included in total comprehensive income	**328**	**32**	**(10)**	**350**
Contributions by employer	17	4	3	24
Contributions by employees	1	—	—	1
Benefits paid	(53)	(12)	(10)	(75)
Foreign exchange	(229)	(28)	5	(252)
Fair value of scheme assets as at 30 June 2020	**3,433**	**409**	**298**	**4,140**

The actual gain on plan assets in HY2020 was US$382 million (HY2019 (unaudited): US$313 million; FY2019: US$421 million; FY2018: loss of US$180 million; FY2017: US$271 million).

Analysis of other comprehensive income/(loss)

	Six months ended 30 June 2020				Six months ended 30 June 2019 (unaudited)			
	RPF	SPS	Other plans	Total	RPF	SPS	Other plans	Total
	US$m	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*
Remeasurement losses/(gains):								
Net remeasurement losses on defined benefit obligation	187	3	3	**193**	226	21	7	**254**
Return on plan assets (greater)/less than discount rate	(328)	(32)	10	**(350)**	(267)	(29)	—	**(296)**
Total recognised in other comprehensive (loss)/income before tax	(141)	(29)	13	**(157)**	(41)	(8)	7	**(42)**

	Years ended 31 December											
	2019				2018				2017			
	RPF	SPS	Other plans	Total	RPF	SPS	Other plans	Total	RPF	SPS	Other plans	Total
	US$m	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*
Remeasurement losses/(gains):												
Due to financial assumption changes	342	27	29	**398**	(145)	(17)	(6)	**(168)**	92	9	(2)	**99**
Due to demographic assumption changes	(76)	(9)	—	**(85)**	10	(2)	—	**8**	(43)	(13)	—	**(56)**
Due to experience	2	—	4	**6**	—	2	(33)	**(31)**	(2)	16	11	**25**
Return on plan assets (greater)/ less than discount rate	(276)	(26)	(31)	**(333)**	237	15	24	**276**	(154)	(1)	(27)	**(182)**
Total recognised in other comprehensive (loss)/income before tax	(8)	(8)	2	**(14)**	102	(2)	(15)	**85**	(107)	11	(18)	**(114)**

The benefit obligations of the RPF and SPS schemes are based on the results of the most recent funding valuations as at 31 December 2016. These figures are updated to 30 June 2020 by a qualified actuary allowing for changes in assumptions, cash flows, and estimated experience. According to the schedules of contributions of the RPF and SPS schemes, Refinitiv is expected to make contributions of US$4 million in the next six months.

The weighted average duration of the RPF and SPS schemes defined benefit obligations at the end of the reporting period is estimated to be 19 years and 13 years, respectively.

17. Financial assets and financial liabilities

Financial instruments by category

The financial instruments of Refinitiv are categorised as follows:

Financial assets	Financial assets at amortised cost	Financial assets at FVPL	Financial assets at FVOCI	Total
	US$m	*US$m*	*US$m*	*US$m*
30 June 2020				
Trade and other receivables	833	—	—	833
Cash and cash equivalents	245	994	—	1,239
Investments in financial assets—debt instruments	—	—	9	9
Derivative financial instruments	—	27	—	27
Total	**1,078**	**1,021**	**9**	**2,108**
31 December 2019				
Trade and other receivables	720	—	—	720
Cash and cash equivalents	415	719	—	1,134
Investments in financial assets—debt instruments	—	—	4	4
Derivative financial instruments	—	20	—	20
Total	**1,135**	**739**	**4**	**1,878**
31 December 2018				
Trade and other receivables (revised)[1]	969	—	—	969
Cash and cash equivalents	497	695	—	1,192
Investments in financial assets—debt instruments	—	—	5	5
Derivative financial instruments	—	34	—	34
Total (revised)[1]	**1,466**	**729**	**5**	**2,200**
31 December 2017				
Trade and other receivables	542	—	—	542
Cash and cash equivalents	269	112	—	381
Investments in financial assets—debt instruments	—	—	11	11
Derivative financial instruments	—	12	—	12
Total	**811**	**124**	**11**	**946**

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(1) The 31 December 2018 comparatives have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further details.

There were no transfers between categories during any of the periods.

Prepayments within trade and other receivables are not classified as financial instruments.

Financial liabilities	Financial liabilities at amortised cost	Financial liabilities at FVPL	Financial liabilities at FVOCI	Total
	US$m	*US$m*	*US$m*	*US$m*
30 June 2020				
Trade and other payables	1,195	—	—	1,195
Other non-current payables	711	—	—	711
Borrowings	12,911	—	—	12,911
Derivative financial instruments	—	145	—	145
Total	**14,817**	**145**	**—**	**14,962**
31 December 2019				
Trade and other payables	1,395	—	—	1,395
Other non-current payables	648	—	—	648
Borrowings	12,752	—	—	12,752
Derivative financial instruments	—	102	—	102
Total	**14,795**	**102**	**—**	**14,897**
31 December 2018				
Trade and other payables (revised)(1)	1,456	—	—	1,456
Borrowings	13,006	—	—	13,006
Derivative financial instruments	—	45	—	45
Total (revised)(1)	**14,462**	**45**	**—**	**14,507**
31 December 2017				
Trade and other payables	574	—	—	574
Derivative financial instruments	—	59	—	59
Total	**574**	**59**	**—**	**633**

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(1) The 31 December 2018 comparatives have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further details.

There were no transfers between categories during any of the periods.

Deferred income, social security and other tax liabilities within trade and other payables are not classified as financial instruments.

Financial assets measured at fair value	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total fair value
	US$m	*US$m*	*US$m*	*US$m*
30 June 2020				
Investments in financial assets—debt	—	9	—	9
Embedded derivatives	—	25	—	25
Forward exchange contracts	—	2	—	2
Total	**—**	**36**	**—**	**36**
31 December 2019				
Investments in financial assets—debt	—	4	—	4
Embedded derivatives	—	8	—	8
Forward exchange contracts	—	12	—	12
Total	**—**	**24**	**—**	**24**
31 December 2018				
Investments in financial assets—debt	—	5	—	5
Embedded derivatives	—	34	—	34
Total	**—**	**39**	**—**	**39**
31 December 2017				
Investments in financial assets—debt	—	11	—	11
Embedded derivatives	—	12	—	12
Total	**—**	**23**	**—**	**23**

Financial liabilities measured at fair value	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total fair value
	US$m	*US$m*	*US$m*	*US$m*
30 June 2020				
Derivative instruments—cash flow hedges	—	131	—	131
Embedded derivatives	—	9	—	9
Forward exchange contracts	—	5	—	5
Total	**—**	**145**	**—**	**145**
31 December 2019				
Derivative instruments—cash flow hedges	—	85	—	85
Embedded derivatives	—	16	—	16
Forward exchange contracts	—	1	—	1
Total	**—**	**102**	**—**	**102**
31 December 2018				
Derivative instruments—cash flow hedges	—	40	—	40
Embedded derivatives	—	5	—	5
Total	**—**	**45**	**—**	**45**
31 December 2017				
Embedded derivatives	—	59	—	59
Total	**—**	**59**	**—**	**59**

Refinitiv uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs, which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

For assets and liabilities classified as Level 1, the fair value is based on market price quotations at the reporting date.

For assets and liabilities classified as Level 2, the fair value is calculated using one or more valuation techniques (e.g. the market approach or the income approach) with market observable inputs. The selection of the appropriate valuation techniques may be affected by the availability of the relevant inputs as well as the reliability of the inputs. The inputs may include currency rates, interest rate and forward rate curves and net asset values. The results of the application of the various techniques may not be equally representative of fair value, due to factors such as assumptions made in the valuation.

There have been no transfers between Level 1 and Level 2 during the periods.

When observable market data is not available, Refinitiv uses one or more valuation techniques (e.g. the market approach or the income approach) for which sufficient and reliable data is available. These inputs used in estimating the fair value of Level 3 financial instruments include expected timing and level of future cash flows, timing of settlement, discount rates and net asset values of certain investments. With the exception of Refinitiv's borrowings, management has assessed that the fair value of financial assets and financial liabilities categorised as "Financial assets at amortised cost" and "Financial liabilities at amortised cost" approximate their carrying values. The fair value of Refinitiv's borrowings is disclosed in Note 23.

Hedging activities and derivatives

Refinitiv is exposed to certain risks relating to its ongoing business operations. The primary risks managed by using derivative instruments are foreign currency exchange risk and interest rate risk. Refinitiv recognises all derivatives as assets or liabilities in its combined historical financial information at fair value.

Foreign exchange contracts

Refinitiv uses foreign exchange contracts to manage foreign currency risk on cash flow excluding indebtedness. Specifically, Refinitiv Parent mitigates such exposure by entering into a series of exchange contracts to purchase or sell certain currencies in the future at fixed amounts. As of 30 June 2020, the fair value of these contracts was US$(3) million (31 December 2019: US$11 million), in aggregate. As of 31 December 2018 and 2017, Refinitiv did not have any foreign exchange contracts.

Interest rate risk exposures

To hedge its exposures in expected future cash flows due to the changes in interest rates, Refinitiv enters into interest rate swap derivatives, which swap the US dollar monthly floating rate interest payments into US dollars fixed interest payments. The interest rate swaps, which cover a portion of Refinitiv's debt, were designated as cash flow hedges recorded in the combined balance sheet at their fair value.

As of 30 June 2020, 31 December 2019 and 2018, Refinitiv had US$3,250 million in cash flow hedges that were entered into to hedge forecasted interest payments. Refinitiv paid a fixed rate of interest and received a floating rate of interest for hedges maturing in 2021. Hedge effectiveness is assessed and any ineffectiveness is measured using the cumulative dollar-offset method. Refinitiv recognised US$4 million of expense relating to hedge ineffectiveness in HY2020. The hedges were determined to have been highly effective in FY2019 and FY2018. The fair value of those hedges was US$(131) million as of 30 June 2020 (31 December 2019: US$(85) million, 31 December 2018: US$(40) million). As of 31 December 2017, Refinitiv did not have any interest rate swap derivatives.

Cash flow hedge reserve balance:

	US$m
1 January 2019	**(36)**
Changes in fair value recorded in other comprehensive loss, net of tax	(32)
31 December 2019	**(68)**
Changes in fair value recorded in other comprehensive income, net of tax	(30)
30 June 2020	**(98)**

Embedded derivatives

Refinitiv has embedded foreign currency derivatives primarily in certain revenue contracts where the currency of the contract is different from the functional or local currencies of the parties involved. These derivatives are accounted for as separate instruments and are measured at fair value at the end of the reporting period using forward exchange market rates. Changes in their fair values are recognised in the income statement. For HY2020, HY2019 (unaudited) and FY2019, FY2018 and FY2017, fair value gains/(losses) from embedded derivatives were US$35 million, US$4 million, US$8 million, US$69 million and US$(117) million, respectively.

18. Offsetting financial assets and financial liabilities

Refinitiv is subject to master netting arrangements with certain counterparties. In certain circumstances, netting is permitted only in the event of bankruptcy or default of either party to the agreement, and such amounts are not netted in the combined statement of financial position. This information is summarised in the tables below.

	Gross financial assets	**Gross financial liabilities netted against assets**	**Net financial assets**	**Related financial liabilities not netted**	**Net amount**
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
30 June 2020					
Derivative financial assets	2	-	2	(2)	-
Cash and cash equivalents	1,104	-	1,104	(513)	591
Total	**1,106**	**-**	**1,106**	**(515)**	**591**

	Gross financial liabilities	Gross financial assets netted against liabilities	Net financial liabilities	Related financial assets not netted	Net amount
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
30 June 2020					
Derivative financial liabilities	136	—	136	(2)	134
Unsecured notes and credit facilities	9,258	—	9,258	(513)	8,745
Total	**9,394**	**—**	**9,394**	**(515)**	**8,879**

	Gross financial assets	Gross financial liabilities netted against assets	Net financial assets	Related financial liabilities not netted	Net amount
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
31 December 2019					
Derivative financial assets	12	—	12	(2)	
Cash and cash equivalents	941	—	941	(338)	603
Total	**953**	**—**	**953**	**(340)**	**613**

	Gross financial liabilities	Gross financial assets netted against liabilities	Net financial liabilities	Related financial assets not netted	Net amount
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
31 December 2019					
Derivative financial liabilities	86	—	86	(2)	84
Unsecured notes and credit facilities	9,052	—	9,052	(338)	8,714
Total	**9,138**	**—**	**9,138**	**(340)**	**8,798**

	Gross financial assets	Gross financial liabilities netted against assets	Net financial assets	Related financial liabilities not netted	Net amount
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
31 December 2018					
Cash and cash equivalents	1,034	—	1,034	(328)	706
Total	**1,034**	**—**	**1,034**	**(328)**	**706**

	Gross financial liabilities	Gross financial assets netted against liabilities	Net financial liabilities	Related financial assets not netted	Net amount
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
31 December 2018					
Derivative financial liabilities	40	—	40	—	40
Unsecured notes and credit facilities	9,192	—	9,192	(328)	8,864
Total	**9,232**	**—**	**9,232**	**(328)**	**8,904**

19. Trade and other receivables

	Notes	30 June 2020	31 December 2019	31 December 2018 (revised)[1]	31 December 2017
		US$m	*US$m*	*US$m*	*US$m*
Non-current					
Trade and other receivables		149	154	73	36
Total		**149**	**154**	**73**	**36**
Current					
Trade receivables		670	572	539	537
Less: provision for expected credit losses and sales adjustments on trade receivables		(45)	(26)	(24)	(20)
Trade receivables—net		**625**	**546**	**515**	**517**
Other receivables		208	174	454	25
Trade and other receivables (financial assets)		**833**	**720**	**969**	**542**
Prepayments		144	107	90	48
Total		**977**	**827**	**1,059**	**590**

The carrying amount of Refinitiv's current trade and other receivables are denominated in the following currencies:

	30 June 2020	31 December 2019	31 December 2018 (revised)[1]	31 December 2017
	US$m	*US$m*	*US$m*	*US$m*
US Dollar	582	438	667	320
Euro	61	49	53	25
Sterling	197	179	184	137
Other currencies	137	161	155	108
	977	**827**	**1,059**	**590**

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(1) The 31 December 2018 comparatives have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further details.

Movements in Refinitiv's provision for expected credit losses and sales adjustments on trade receivables (allowance for doubtful accounts and sales adjustments provision prior to the adoption of IFRS 9 in 2018) are as follows:

	30 June 2020	31 December 2019	31 December 2018	31 December 2017
	US$m	*US$m*	*US$m*	*US$m*
Provision for expected credit losses and sales adjustments on trade receivables at the beginning of the period	**26**	**24**	**20**	**24**
Charge during the period	27	12	39	11
Written off during the period	(8)	(10)	(12)	(15)
Elimination on acquisition	—	—	(23)	—
Provision for expected credit losses and sales adjustments on trade receivables at the end of the period	**45**	**26**	**24**	**20**

The provision for expected credit losses represents the estimated uncollectible amounts for customers not having the ability to pay. The provision for sales adjustments represents estimated customer disputes. The provision for sales adjustments balance was US$ 36 million, US$ 19 million, US$ 15 million, and US$ 11 million as of 30 June 2020, 31 December 2019, 31 December 2018, and 31 December 2017, respectively.

The expense relating to expected credit losses is included within the operating expenses in the combined income statement. Revenue in the combined income statement is recorded net of the expense relating to the sales adjustments provision.

Amounts charged to the provision account are written off when there is no expectation of recovering additional cash.

The other classes within trade and other receivables and the other categories of financial assets do not contain impaired assets.

20. Cash and cash equivalents

	30 June	31 December		
	2020	2019	2018	2017
	US$m	*US$m*	*US$m*	*US$m*
Cash at bank and on hand	235	385	455	267
Cash equivalents				
Short-term deposits	10	30	42	2
Money market accounts	994	719	695	112
Total	**1,239**	**1,134**	**1,192**	**381**

Of total cash and cash equivalents, US$560 million, US$462 million, US$412 million and US$354 million are attributable to Tradeweb Markets as of 30 June 2020, 31 December 2019, 31 December 2018, and 31 December 2017, respectively. Additionally, US$123 million, US$174 million, US$156 million and US$111 million as of 30 June 2020, 31 December 2019, 31 December 2018, and 31 December 2017, respectively, were held in subsidiaries that have regulatory restrictions and contractual restrictions or operate in countries where exchange controls and other legal restrictions apply, and were, therefore, not available for general use by Refinitiv.

21. Trade and other payables

	30 June	31 December		
	2020	2019	2018 (revised)(1)	2017
	US$m	*US$m*	*US$m*	*US$m*
Non-current				
Other non-current payables	319	213	60	70
Lease liabilities	403	446	—	—
Total	**722**	**659**	**60**	**70**
Current				
Trade payables	344	358	397	84
Social security and other taxes	48	57	61	49
Other payables	178	93	234	31
Accruals	532	817	825	459
Lease liabilities	141	127	—	—
Deferred income(2)	—	—	—	127
	1,243	**1,452**	**1,517**	**750**
Total	**1,965**	**2,111**	**1,577**	**820**

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(1) The 31 December 2018 comparatives have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further details.

(2) Since adoption of IFRS 15 on 1 January 2018 deferred income is now recognised as "contract liabilities" which are presented in Note 22.

22. Contract liabilities

	30 June 2020	31 December 2019	31 December 2018 (revised)[1]
	US$m	*US$m*	*US$m*
Non-current			
Contract liabilities[2]	8	9	20
	8	**9**	**20**
Current			
Contract liabilities[2]	170	96	119
	170	**96**	**119**
Total	**178**	**105**	**139**

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(1) The 31 December 2018 comparatives have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further details.

(2) Prior to the adoption of IFRS 15 on 1 January 2018, contract liabilities were recognised as "deferred income" and presented in Note 21.

Contract liabilities primarily relate to the consideration received from customers for which services have not yet been rendered. Changes in Refinitiv's contract liabilities balances during the period were as follows:

	Note	30 June 2020	31 December 2019	31 December 2018 (revised)[1]
		US$m	*US$m*	*US$m*
Contract liabilities at the beginning of the period		**105**	**139**	**139**
Revenue recognised in the income statement		(62)	(118)	(214)
Increases due to consideration received (excluding amounts recognised as revenue during the period)		133	84	217
Eliminated on acquisition		—	—	(176)
Contract liabilities on acquisition (Note 28) (revised)		2	—	173
Contract liabilities at the end of the period		**178**	**105**	**139**

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(1) The 31 December 2018 comparatives have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further details.

Refinitiv's contract liabilities are estimated to be recognised within the following periods:

	30 June 2020	31 December 2019	31 December 2018 (revised)[1]
	US$m	*US$m*	*US$m*
Less than one year	170	96	119
More than one year but less than five years	8	9	20
More than five years	—	—	—
Contract liabilities at the end of the period	**178**	**105**	**139**

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(1) The 31 December 2018 comparatives have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further details.

The contract liabilities' tables presented above is required under IFRS 15. In 2018, Refinitiv used the modified retrospective approach to transition to IFRS 15 and therefore no comparative disclosures for 2017 are presented.

23. Borrowings

	30 June 2020	31 December 2019	31 December 2018	31 December 2017
	US$m	*US$m*	*US$m*	*US$m*
Current				
Term loans	338	88	91	—
	338	**88**	**91**	**—**
Non-current				
Term loans	8,507	8,698	8,849	—
Notes	4,066	3,966	4,066	—
	12,573	**12,664**	**12,915**	**—**
Total	**12,911**	**12,752**	**13,006**	**—**

Refinitiv has the following committed bank facilities, secured and unsecured notes:

Type	Expiry Date	Value	Carrying value at 30 June 2020	Interest rate percentage at 30 June 2020
		US$m	*US$m*	
Drawn value of Facilities				
Revolving Credit Facility	Oct 2023	750	250	—
Dollar Term Loan Facility	Oct 2025	6,500	6,140	LIBOR + 325bps
Euro Term Loan Facility	Oct 2025	2,692	2,455	EURIBOR + 325bps
Total committed bank facilities		**9,942**	**8,845**	
Dollar secured notes	May 2026	1,250	1,213	6.25
Euro secured notes	May 2026	983	941	4.50
Dollar unsecured notes	Nov 2026	1,575	1,519	8.25
Euro unsecured notes	Nov 2026	417	393	6.88
Total notes		**4,225**	**4,066**	
Total committed facilities, and notes		**14,167**	**12,911**	

Type	Expiry Date	Value	Carrying value at 31 December 2019	Interest rate percentage at 31 December 2019
		US$m	*US$m*	
Drawn value of Facilities				
Revolving Credit Facility	Oct 2023	750	—	—
Dollar Term Loan Facility	Oct 2025	6,500	6,151	LIBOR + 325bps
Euro Term Loan Facility	Oct 2025	2,692	2,546	EURIBOR + 400bps
Total committed bank facilities		**9,942**	**8,697**	
Dollar secured notes	May 2026	1,250	1,210	6.25
Euro secured notes	May 2026	983	939	4.50
Dollar unsecured notes	Nov 2026	1,575	1,515	8.25
Euro unsecured notes	Nov 2026	417	391	6.88
Total notes		**4,225**	**4,055**	
Total committed facilities, and notes		**14,167**	**12,752**	

Type	Expiry Date	Value	Carrying value at 31 December 2018	Interest rate percentage at 31 December 2018
		US$m	*US$m*	
Drawn value of Facilities				
Revolving Credit Facility	Oct 2023	750	—	—
Dollar Term Loan Facility	Oct 2025	6,500	6,330	LIBOR + 375bps
Euro Term Loan Facility	Oct 2025	2,692	2,610	EURIBOR + 400bps
Total committed bank facilities		**9,942**	**8,940**	
Dollar secured notes	May 2026	1,250	1,205	6.25
Euro secured notes	May 2026	983	953	4.50
Dollar unsecured notes	Nov 2026	1,575	1,511	8.25
Euro unsecured notes	Nov 2026	417	397	6.88
Total notes		**4,225**	**4,066**	
Total committed facilities, and notes		**14,167**	**13,006**	

Current and non-current borrowings

On 1 October 2018, Refinitiv entered into a credit agreement (the "**Credit Agreement**") that governs the following facilities (the "**Senior Secured Credit Facilities**"):

- Dollar Term Loan Facility in an aggregate principal amount of US$6,500 million maturing 1 October 2025 (the "**Dollar Term Loan Facility**");
- Euro Term Loan Facility in an aggregate principal amount of €2,355 million maturing 1 October 2025 (the "**Euro Term Loan Facility**"; together with the Dollar Term Loan Facility, the "**Term Loan Facilities**"); and
- Revolving Credit Facility in an aggregate principal amount of US$750 million maturing 1 October 2023 (the "**Revolving Credit Facility**").

The Revolving Credit Facility includes sub-facilities for letters of credit and for short-term borrowings referred to as swing line borrowings. In addition, the Credit Agreement provides that Refinitiv has the right at any time, subject to customary conditions, to request incremental term loans or incremental revolving credit commitments of up to the greater of US$2,000 million and an amount equal to 80 per cent. of consolidated EBITDA, subject to additional increases upon satisfaction of a certain first lien net leverage test, refinance the loans with debt incurred outside the Credit Agreement and extend the maturity date of the revolving loans and term loans. As at 30 June 2020, Refinitiv had an available borrowing capacity of US$393 million after giving effect to the US$250 million drawdown and US$107 million of outstanding letters of credit.

Borrowings under the Dollar Term Loan Facility bear interest, at the option of Refinitiv, at a per annum rate equal to either (a) a base rate determined by reference to the highest of (1) the administrative agent's prime lending rate, (2) the federal funds effective rate plus 1/2 of 1 per cent. and (3) the LIBO rate for a one-month interest period plus 1.00 per cent. or (b) a LIBO rate determined by reference to the LIBO rate published on the applicable screen page for the interest period relevant to such borrowing, in each case, plus a per annum margin of 3.75 per cent. for LIBO rate loans and 2.75 per cent. for base rate loans. The margin for the Dollar Term Loan Facility is subject to one 25 basis point step-down upon achievement of a certain first lien net leverage ratio.

In December 2019, Refinitiv entered into an Amendment Agreement which provided for the repricing of the Dollar Term Loan Facility with its debt investors, which reduced the per annum margin from 3.75 per cent. to 3.25 per cent. A modification gain of US$128 million was recognised in the combined income statement, and a corresponding amount amended the carrying value of the Dollar Term Loan Facility. Substantially all lenders consented to the repricing and as such no outstanding principal was reduced as part of this transaction. Third party costs of US$7 million incurred by Refinitiv to execute the repricing were deferred and recorded as a reduction of borrowings. As part of the Amendment Agreement, if any further modifications are made or Refinitiv repays or refinances the Dollar Term Loan Facility within six months of the effective date, Refinitiv will incur a fee or penalty premium of 1 per cent. of the principal.

Borrowings under the Euro Term Loan Facility bear interest at a per annum rate equal to the EURIBO rate determined by reference to the European Money Markets Institute EURIBO rate as published on the applicable Reuters screen page for the interest period relevant to such borrowing, plus a per annum margin of 4.00 per cent. The margin for the Euro Term Loan Facility is subject to one 25 basis point step-down upon achievement of a certain first lien net leverage ratio. In no event will the EURIBO rate for the Euro Term Loan Facility be deemed to be less than zero.

In January 2020, Refinitiv entered into an Amendment Agreement which provided for the repricing of the Euro Term Loan Facility with its debt investors, which reduced the per annum margin from 4.00 per cent. to 3.25 per cent. As part of this repricing, an amount of US$802 million was repaid to lenders who did not consent to the repricing and an equivalent amount was borrowed from certain other existing and new lenders. A modification gain of US$88 million was recognised in the combined income statement, and a corresponding amount amended the carrying value of the Euro Term Loan Facility. Third party costs of US$3 million incurred by Refinitiv to execute the repricing were deferred and recorded as a reduction of borrowings. As part of the Amendment Agreement, if any further modifications are made or Refinitiv repays or refinances the Euro Term Loan Facility within six months of the effective date, Refinitiv will incur a fee or penalty premium of 1 per cent. of the principal.

Borrowings under the Revolving Credit Facility will bear interest, at the option of Refinitiv, at a per annum rate equal to either (a) a base rate determined by reference to the highest of (1) the administrative agent's prime lending rate, (2) the federal funds effective rate plus 1/2 of 1 per cent. and (3) the LIBO rate for a one-month interest period plus 1.00 per cent. or (b) a LIBO rate determined by reference to the LIBO rate published on the applicable screen page for the interest period relevant to such borrowing, in each case, plus a per annum margin of 3.00 per cent. for LIBO rate loans and 2.00 per cent. for base rate loans. The margin for the Revolving Credit Facility is subject to two 25 basis point step-downs upon achievement of certain first lien net leverage ratios. In no event will the base rate or LIBO rate for the Revolving Credit Facility be deemed to be less than zero.

In addition to paying interest on outstanding principal under the Senior Secured Credit Facilities, Refinitiv will be required to pay an unused facility fee of 0.50 per cent. per annum to the lenders under the Revolving Credit Facility in respect of the commitments thereunder. The facility fee rate is subject to one 12.5 basis point step-down upon the achievement of a certain first lien net leverage ratio. Refinitiv is also required to pay customary letter of credit fees.

The term loans under each of the Dollar Term Loan Facility and the Euro Term Loan Facility are expected to amortise in equal quarterly instalments in an aggregate annual amount equal to 1.00 per cent. of the original principal amount of such term loans, with the balance being payable on maturity.

The Credit Agreement contains financial covenants to comply with a maximum ratio of first lien net indebtedness to EBITDA. All agreements contain covenants limiting Refinitiv's ability to incur additional indebtedness; to incur liens; merge or consolidate; sell, transfer or dispose of assets; pay dividends; prepay, redeem or repurchase certain subordinated indebtedness; make investments, loans and advances; enter into certain transactions with affiliates; enter into agreements which prohibit its ability to incur liens on assets; and enter into amendments to certain subordinated indebtedness in a manner materially adverse to the lenders. Refinitiv was in compliance with all covenants as at 30 June 2020.

Secured Notes and Unsecured Notes

In October 2018, Refinitiv issued US$1,250 million aggregate principal amount of 6.250 per cent. senior first lien notes due 2026 (the "**Dollar Secured Notes**") and €860 million aggregate principal amount of 4.500 per cent. senior first lien notes due 2026 (the "**Euro Secured Notes**" and, together with the Dollar Secured Notes, the "**Secured Notes**") under an indenture (the "**Secured Indenture**").

In October 2018, Refinitiv also issued US$1,575 million aggregate principal amount of 8.250 per cent. senior notes due 2026 (the "**Dollar Unsecured Notes**") and €365 million aggregate principal amount of 6.875 per cent. senior notes due 2026 (the "**Euro Unsecured Notes**" and, together with the Dollar Unsecured Notes, the "**Unsecured Notes**") under an indenture (the "**Unsecured Indenture**").

The Secured Indenture and the Unsecured Indenture contains covenants that, among other things, limit or restrict Refinitiv's and its restricted subsidiaries' ability to incur additional indebtedness; to incur liens; merge or consolidate; sell, transfer or dispose of assets; pay dividends; prepay, redeem or repurchase certain subordinated indebtedness; make investments, loans and advances; enter into certain transactions with affiliates;

and enter into agreements which prohibit its ability to incur liens on assets. Refinitiv was in compliance with the covenants under the Secured Indenture and the Unsecured Indenture as at 30 June 2020.

The Secured Notes and the Unsecured Notes are general senior obligations, equal in right of payment with any existing and future senior indebtedness of Refinitiv. The Secured Notes are secured on a first-priority basis by the same collateral that secures the Senior Secured Credit Facilities.

Interest on the Secured Notes and the Unsecured Notes is payable semi-annually in arrears on 15 May and 15 November of each year, starting on 15 May 2019. The Secured Notes mature on 15 May 2026 and the Unsecured Notes mature on 15 November 2026.

The fair values of Refinitiv's borrowings are as follows:

	As at 30 June		As at 31 December					
	2020		2019		2018		2017	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
	US$m	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*
Borrowings								
- within 1 year	338	338	88	91	91	87	-	-
- after more than 1 year	12,573	13,172	12,664	13,679	12,915	12,582	-	-
	12,911	**13,510**	**12,752**	**13,770**	**13,006**	**12,669**	**-**	**-**

Borrowings are classified as Level 2 in Refinitiv's hierarchy for determining and disclosing the fair value of financial instruments. The fair values of borrowings are based on discounted cash flows using a rate based on borrowing cost. Floating rate borrowings bear interest at an agreed margin over the appropriate inter-bank reference rate.

24. Analysis of net debt

	As at 30 June		As at 31 December	
	2020	2019	2018	2017
	US$m	*US$m*	*US$m*	*US$m*
Due within 1 year				
Cash and cash equivalents	1,239	1,134	1,192	381
Bank borrowings	(338)	(88)	(91)	—
Derivative financial assets	21	17	—	—
Derivative financial liabilities	(10)	(15)	(4)	(30)
Due after 1 year				
Bank borrowings	(12,573)	(12,664)	(12,915)	—
Derivative financial assets	6	3	34	12
Derivative financial liabilities	(135)	(87)	(41)	(29)
Total net debt	**(11,790)**	**(11,700)**	**(11,825)**	**334**

Reconciliation of net cash flow to movement in net debt

	For the six months ended 30 June 2020	For the years ended 31 December		
		2019	2018	2017
	US$m	*US$m*	*US$m*	*US$m*
Increase/(decrease) in cash in the period	105	(58)	811	34
Additional drawdowns from bank credit facilities	(250)	(8)	(13,472)	—
Arrangement fee	3	6	—	—
Repayment of term loans	46	99	—	—
Change in net debt resulting from cash flows	**(96)**	**39**	**(12,661)**	**34**
Foreign exchange	(2)	78	70	—
Movement on derivative financial assets and liabilities	(36)	(71)	36	(170)
Movement in bank credit facility arrangement fees	—	—	413	—
Amortisation of debt issuance costs	(46)	(52)	—	—
Movement due to debt repricing	88	128	—	—
Movement on reclassification of credit facility arrangement fees	2	3	(17)	—
Net debt at the beginning of the period	(11,700)	(11,825)	334	470
Net debt at the end of the period	**(11,790)**	**(11,700)**	**(11,825)**	**334**

25. Provisions

	Employee-Related	Other	Total
	US$m	*US$m*	*US$m*
31 December 2018 (restated)[1]	**114**	**90**	**204**
Impact of adopting IFRS 16 (Note 2)	—	(27)	(27)
1 January 2019 (restated)	**114**	**63**	**177**
Utilised during the year	(171)	(41)	(212)
Charge in the year	123	69	192
Foreign exchange and other, net	(4)	(5)	(9)
31 December 2019	**62**	**86**	**148**
Utilised during the period	(48)	(17)	(65)
Charge in the period	20	17	37
Foreign exchange and other, net	(1)	(1)	(2)
30 June 2020	**33**	**85**	**118**
Current	62	14	76
Non-current	—	72	72
31 December 2019	**62**	**86**	**148**
Current	33	16	49
Non-current	—	69	69
30 June 2020	**33**	**85**	**118**

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(1) The 31 December 2018 balances have been revised for IFRS 3 fair value adjustments. Refer to Note 28 for further details.

Provisions primarily relate to severance due to restructuring, legal, and asset retirement obligations on certain leased buildings.

26. Net cash flow generated from operations

		For the six months ended 30 June	For the years ended 31 December			
	Notes	2020	2019 (unaudited)	2019	2018	2017
		US$m	*US$m*	*US$m*	*US$m*	*US$m*
(Loss)/profit before tax		**(321)**	**(527)**	**(900)**	**254**	**723**
Adjustments for depreciation, amortisation and impairment:						
Depreciation, amortisation and impairment	11,12	1,062	1,065	2,091	1,155	849
Adjustments for other non-cash items:						
Profit on disposal of investment in subsidiary		-	-	-	(6)	-
Share of income of associates	13	(1)	(1)	(2)	(1)	(2)
Net finance expense	9	368	438	703	187	-
Movement in pensions and provisions		172	23	12	55	(16)
Net foreign exchange differences		18	(2)	(4)	1	(21)
Other		(181)	(65)	120	3	45
Movements in working capital:						
(Increase)/decrease in trade and other receivables		(81)	(194)	49	(194)	(3)
(Decrease)/increase in trade and other payables		(270)	(187)	(312)	308	(183)
Movement in other assets and liabilities relating to operations:						
Movement in derivative assets and liabilities		36	85	71	(25)	170
Cash generated from operations		**802**	**635**	**1,828**	**1,737**	**1,562**
Comprising:						
Ongoing operating activities		562	422	1,402	1,265	1,553
Non-underlying items		240	213	426	472	9

Movement in financial liabilities arising from financing activities:

	As at 1 January 2020	Cash flows	Foreign exchange	Other	As at 30 June 2020
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
Bank borrowings	(12,752)	(201)	(2)	44	(12,911)
Derivative financial instruments	(82)	—	—	(36)	(118)
Lease liabilities	(573)	68	15	(54)	(544)
	(13,407)	(133)	13	(46)	(13,573)

	As at 31 December 2018	Impact of adopting IFRS 16 (note 2)	As at 1 January 2019 (restated)	Cash flows	Foreign exchange	Other	As at 31 December 2019
	US$m	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*	*US$m*
Bank borrowings	(13,006)	—	(13,006)	97	78	79	(12,752)
Derivative financial instruments	(11)	—	(11)	—	—	(71)	(82)
Lease liabilities	—	(553)	(553)	139	(11)	(148)	(573)
	(13,017)	**(553)**	**(13,570)**	**236**	**67**	**(140)**	**(13,407)**

	As at 1 January 2018	Cash flows	Foreign exchange	Other	As at 31 December 2018
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
Bank borrowings	—	(13,472)	70	396	(13,006)
Derivative financial instruments	(47)	—	—	36	(11)
	(47)	**(13,472)**	**70**	**432**	**(13,017)**

	As at 1 January 2017	Cash flows	Foreign exchange	Other	As at 31 December 2017
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
Derivative financial instruments	123	—	—	(170)	(47)
	123	**—**	**—**	**(170)**	**(47)**

27. Commitments and contingencies

Refinitiv has various obligations for materials, supplies, outsourcing, and other services contracted in the ordinary course of business. The future unconditional purchase obligations as of 30 June 2020 are as follows:

	30 June 2020
	US$
2020	291
2021	550
2022	505
2023	439
2024 and thereafter	8,581
Total	**10,366**

The future unconditional purchase obligations as of 31 December 2019 were as follows:

	31 December 2019
	US$
2020	519
2021	411
2022	373
2023	356
2024 and thereafter	8,335
Total	**9,994**

In the normal course of business, Refinitiv may receive legal claims in respect of commercial, employment and other matters. Where a claim is more likely than not to result in an economic outflow of benefits from Refinitiv, a provision is made representing the expected cost of settling such claims.

28. Business combinations

Acquisitions in the six months to 30 June 2020

On 2 March 2020, Refinitiv acquired 100% of Scivantage, a digital wealth management software-as-a-service provider, to expand its capabilities in that area. Cash consideration amounted to US$83 million. The provisional fair value of the net assets acquired was US$29 million, including intangible assets of $31 million and deferred tax liabilities of US$4 million. The fair value of assets acquired will be finalised within 12 months of acquisition. Refinitiv provisionally recognised US$54 million of goodwill which represents synergies and the value of the acquired workforce.

Acquisitions in the year to 31 December 2019

On 23 May 2019, Refinitiv acquired the net assets of Alpha Desk, a multi-asset class and multi-currency OMS platform with flexible workflows, adaptable to the differing needs of individual buy-side traders and asset managers to expand its capabilities in that area. Cash consideration amounted to US$38 million.

Acquisitions in the year to 31 December 2018

On the 2018 Transaction Closing Date, Refinitiv Holdings acquired substantially all of Thomson Reuters Financial & Risk Business for cash consideration of US$16,655 million and Refinitiv Holdings stock valued at US$2,101 million. The acquisition was funded with the proceeds from the Senior Secured Credit Facilities and the Secured Notes and the Unsecured Notes, each of which are further described in Note 23, and proceeds of US$4,088 million from the issuance of preferred equity and equity contributions.

Refinitiv Holdings contributed its investment in the Thomson Reuters Financial & Risk Business to Refinitiv Parent, and this contribution is reflected in "Net transfers from Refinitiv Holdings" in the Combined Statement of Changes in Net Parent Investment.

In the prior year, provisional goodwill of US$9,095 million was recognised and the provisional fair value of net assets acquired was US$11,586 million. Subsequent to FY2018, the purchase price exercise was finalised whereupon cash consideration increased by US$29 million, the fair value of net assets acquired was reduced by US$40 million, with a resultant increase of US$69 million in goodwill.

The impact of these final fair value adjustments has been incorporated with effect from the 2018 Transaction Closing Date and the comparative 31 December 2018 balance sheet and related notes have been revised.

The final purchase price allocation is reflected within this combined historical financial information. Details of the final purchase price allocation and changes from the provisional purchase price allocation are as follows:

	Provisional	**Measurement period adjustments**	**Final**
	US$m	*US$m*	*US$m*
Consideration transferred consisted of the following:			
Cash consideration	16,626	29	16,655
Fair value of non-controlling interests	1,954	—	1,954
Fair value of equity issued	2,101	—	2,101
Total consideration transferred	**20,681**	**29**	**20,710**
Consideration acquired consisted of the following:			
Fair value of identifiable assets acquired:			
Property, plant and equipment	511	(30)	481
Other identifiable intangible assets	8,006	—	8,006
Software and contract costs	3,498	3	3,501
Investment in associates	8	—	8
Derivative financial instruments	39	—	39
Investments in financial assets	11	—	11
Retirement benefit asset	337	(1)	336
Other non-current receivables	62	26	88
Trade and other receivables	838	(5)	833
Cash and cash equivalents	461	—	461
Amount attributable to identifiable assets acquired	**13,771**	**(7)**	**13,764**
Fair value of liabilities assumed:			
Trade and other payables	(900)	57	(843)
Contract liabilities	(180)	7	(173)
Current tax	—	(4)	(4)
Provisions	(69)	(11)	(80)
Deferred tax liabilities	(751)	(89)	(840)
Retirement benefit obligations	(156)	—	(156)
Other non-current payables	(129)	7	(122)
Amount attributable to liabilities assumed	**(2,185)**	**(33)**	**(2,218)**
Fair value of net assets acquired	**11,586**	**(40)**	**11,546**
Goodwill	9,095	69	9,164
Total fair value of net assets required	**20,681**	**29**	**20,710**

The purchase price allocation to other identifiable intangible assets acquired was as follows:

	Estimated useful lives	**Amounts**
		US$m
Trade names	15 to 25 years	518
Customer relationships	12 to 15 years	4,100
Databases, content and other	5 to 25 years	3,388
Total other identifiable intangible assets		**8,006**

The fair value of assets acquired and liabilities assumed was determined based on assumptions that reasonable market participants would use in the principal (or most advantageous) market for the asset or liability. The following assumptions, the majority of which include significant unobservable inputs (Level 3), and valuation methodologies were used to determine fair value:

- Internally developed computer software, trade names, databases, and content – The income approach: relief from royalty method was used. Under this method, the value of the asset is a function of (a) the projected revenue attributable to the asset, (b) the expected economic life of the asset, (c) the royalty rate, as a percentage of revenue that would hypothetically be charged by a licensor of the asset to an unrelated licensee, and (d) a discount rate that reflects the level of risk associated with the future income attributable to the asset.
- Customer relationships – The income approach: multi-period excess earnings method was used. Under this method, the economic benefit of the asset is measured indirectly by calculating the income attributable to an asset after contributory asset charges.
- Broker-Dealer Licences – The income approach: with or without method was used. Under this method, fair value is estimated based on income streams, such as cash flows or earnings, discounting to a present value. These discounted cash flows are calculated both with the asset and without the asset. The difference in the cash flows is discounted to the present value to determine the value of the asset.
- Land and buildings – The market approach was used. Third-party databases were utilised to identify listings of recent sales and of comparable properties within pertinent market areas.
- Building improvements, furniture, fixtures, machinery, non-office equipment and purchased computer software – The cost approach was used. Under this method the assets are valued based on the cost to a market participant to acquire a substitute asset of comparable utility, adjusted for obsolescence.
- Computer hardware and office equipment – The market approach was used. Under this method, the Percent of Cost Method was used to establish the ratio of today's used selling price to the new cost at the time of original sale.
- Leasehold interests – The income approach: discounted cash flow method was used. This approach involves comparing the annual lease contract rent over the remaining contractual term to a market rental rate cash flow stream. The difference between the contractual and market based cash flows is then discounted to present value to estimate the fair value of any favourable or unfavourable positions.
- Deferred revenue – The income approach: avoided costs method was used. Avoided costs represent costs that have already been incurred by the seller to generate the revenue and therefore would not burden the acquirer of the liability. A profit margin was applied and the result was then discounted to present value at a risk-adjusted rate.
- Non-controlling interest – The income approach: discounted cash flow method was used. Under this method, fair value is estimated based on income streams, such as cash flows or earnings, discounting to a present value. Lack of control and marketability discounts were also applied to account for the fact that the subject liability represents a non-marketable minority interest in the business.

The amount and timing of future cash flows used in these approaches were based on Refinitiv's most recent financial forecasts as of the Closing Date. In preparing the purchase price allocations, Refinitiv considered a report of a third-party valuation expert. Management is responsible for these internal and third-party valuations and appraisals.

Refinitiv did not make any other acquisitions during the twelve months ended 31 December 2018.

Acquisitions in the year to 31 December 2017

The number of acquisitions completed and the related cash consideration during FY2017 were as follows:

	2017	
	Number of Transactions	Cash Consideration
		US$
Business acquired	3	212
Less: cash acquired	—	(7)
Business acquired, net of cash	**3**	**205**
Deferred and contingent consideration payments	—	—
Investment in business	1	5
	4	**210**
Consideration comprised of:		
Cash consideration	—	182
Non-cash consideration	—	28
	—	**210**

Each business combination has been accounted for using the acquisition method. The results of acquired businesses are included in the combined historical financial information from the dates of acquisition. Details of net assets acquired were as follows:

Net assets acquired

	Year ended 31 December 2017
	US$
Cash and cash equivalents	7
Trade and other receivables	12
Current assets	**19**
Property, plant and equipment	7
Intangible assets	69
Deferred tax assets	31
Total assets	**126**
Trade and other payables	(34)
Current liabilities	**(34)**
Deferred tax liabilities	(4)
Total liabilities	**(38)**
Net assets acquired	**88**
Goodwill	124
Total net assets and goodwill acquired	**212**

A brief description of certain acquisitions completed during FY2017 is as follows:

Date	Company	Description
January 2017	REDI Global Technologies LLC	A provider of a cross-asset trade execution management system for financial professionals

The excess of the purchase price over the net tangible and identifiable intangible assets acquired and assumed liabilities was recorded as goodwill and reflects synergies and the value of the acquired workforce. The majority of goodwill for acquisitions completed in 2017 is not deductible for tax purposes.

Acquisition transactions were completed by acquiring all equity interests or the net assets of the acquired business.

The revenues and operating profit of acquired businesses since the date of acquisition are not material to Refinitiv's results of operations.

29. Transactions with related parties

Refinitiv has entered into significant transactions with Thomson Reuters, a related party.

Prior to the 2018 Transaction Closing Date, Refinitiv was managed and operated in the normal course of business in the same manner as other subsidiaries of Thomson Reuters. Accordingly, certain centralised costs have been allocated to Refinitiv and are reflected as expenses in the income statement. Management considers the allocation methodologies used to be reasonable, such that the allocations appropriately reflect Thomson Reuters' historical expenses attributable to Refinitiv for purposes of this combined historical financial information. However, the expenses reflected in these combined historical financial information may not be indicative of the actual expenses that would have been incurred during the periods presented if Refinitiv had historically operated as a stand-alone independent entity. In addition, the expenses reflected in the combined historical financial information may not be indicative of expenses that Refinitiv will incur in the future.

General corporate overhead allocation and editorial content

Thomson Reuters provides facilities, technology, editorial content and other corporate and administrative services to Refinitiv. Costs of US$1,223 million for FY2018 (FY2017: US$1,666 million) related to these services primarily include corporate overhead, audit fees, legal services, treasury, communications, human resources, tax and accounting, risk management, technology support, transaction processing, and rent, as well as costs associated with editorial content provided by Thomson Reuters which is included in Refinitiv's products. These expenses have been allocated to Refinitiv and have been included in "Cost of sales" and "Operating expenses before depreciation and amortisation" in the combined income statement. For FY2018, US$180 million and US$1,043 million were included in "Cost of sales" and "Operating expenses before depreciation and amortisation", respectively. For FY2017, US$234 million and US$1,432 million were included in "Cost of sales" and "Operating expenses before depreciation and amortisation", respectively. Where direct assignment of costs incurred by Thomson Reuters is not possible or practical, these costs were allocated on a pro-rata basis using revenues, salaries and wages, or headcount.

Cash management and financing

Thomson Reuters periodically sweeps Refinitiv's cash receipts and funds Refinitiv's cash disbursements. As cash is disbursed and received by Thomson Reuters, it is accounted for by Refinitiv through the "Net Parent Investment".

Historically, Refinitiv has received funding from Thomson Reuters for its operating and investing cash needs. Thomson Reuters' debt and the related interest expense are not included in the combined historical financial information, as Refinitiv is not the legal obligor of the debt and Thomson Reuters' borrowings were not directly attributable to Refinitiv's business.

Leasing transactions

One of the Refinitiv's subsidiaries leases the 3 Times Square property and building in New York, New York that is jointly managed and operated by Thomson Reuters and a third party, 3XSQ Associates. The lease provides Refinitiv with approximately 690,000 square feet of office space until 2021 and includes provisions to terminate portions early and various renewal options. For the years ended 31 December 2018 and 2017, Refinitiv's costs under this lease arrangement for rent, taxes, and other expenses were US$30 million and US$40 million, respectively. Amounts payable to 3XSQ Associates as of 31 December 2017 were negligible.

Net Parent Investment

Transactions between Refinitiv and Thomson Reuters and its other businesses were considered to be effectively settled for cash at the time the transaction is recorded. The net effect of the settlement of these transactions has been accounted for through 'Net Parent Investment' in the combined balance sheet and is reflected in the cash flow statement as a financing activity.

Net transfers to Thomson Reuters are included within Net Parent Investment. The components of the net transfers to Thomson Reuters for FY2017 were as follows:

	Year ended 31 December 2017
	US$m
Cash pooling and other general finance activities	(2,674)
Share-based compensation	18
Other non-cash employee benefits	114
Allocation of costs from Thomson Reuters and affiliates	1,666
Non-cash transfer of net assets from Thomson Reuters and affiliates	10
Acquisition, net of cash acquired	182
Income taxes settled through Net Parent Investment	159
Net transfers to Thomson Reuters	**(525)**

In connection with the 2018 Transaction, Refinitiv executed a 30-year agreement with Reuters News, a business of Thomson Reuters, to receive news and editorial content for a minimum amount of US$325 million per year. Refinitiv recorded expense of US$168 million in "Operating expenses" in the combined income statement for HY2020 (HY2019 (unaudited): US$168 million, FY2019: US$337 million, FY2018: US$81 million).

To facilitate the separation of Refinitiv from Thomson Reuters, both parties agreed to provide certain operational services to each other, including technology and administrative services, for a specified multi-year period. Also, Refinitiv and Thomson Reuters extended property leases to each other. Refinitiv recorded the following amounts as expense or contra-expense, as applicable, related to these transactions:

	Provided by Thomson Reuters to Refinitiv:(1)	**Provided by Refinitiv to Thomson Reuters:**(2)	**Provided by Thomson Reuters to Refinitiv:**(1)	**Provided by Refinitiv to Thomson Reuters:**(2)
	For the six months ended 30 June			
	2020	**2020**	**2019 (unaudited)**	**2019 (unaudited)**
	US$m	*US$m*	*US$m*	*US$m*
Transitional services	(6)	11	(17)	35
Properties leased	(16)	1	(18)	19

	Provided by Thomson Reuters to Refinitiv:(1)	**Provided by Refinitiv to Thomson Reuters:**(2)	**Provided by Thomson Reuters to Refinitiv:**(1)	**Provided by Refinitiv to Thomson Reuters:**(2)
	For the years ended 31 December			
	2019	**2019**	**2018**	**2018**
	US$m	*US$m*	*US$m*	*US$m*
Transitional services	(26)	52	(12)	21
Properties leased	(39)	34	(13)	14

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(1) (Expense)

(2) Contra-expense

Of Refinitiv's lease liabilities at 30 June 2020, US$13 million (31 December 2019: US$11 million) related to lease commitments with Thomson Reuters. Thomson Reuters paid US$16 million of rent to Refinitiv, which is included in sublease income for HY2020 (HY2019: US$7 million). Additionally, Refinitiv included US$3 million (31 December 2019: US$9 million; 31 December 2018: US$63 million) of purchase obligations to Thomson Reuters related to certain operational services, including technology and administrative services, in its disclosure of future unconditional purchase obligations (see Note 27). Thomson Reuters has US$5 million (31 December 2019: US$15 million; 31 December 2018: US$113 million) of purchase obligations to Refinitiv for similar operational services.

The combined balance sheet at 30 June 2020 includes a receivable from Thomson Reuters of US$145 million (31 December 2019: US$133 million; 31 December 2018: US$210 million) and a payable to Thomson Reuters of US$172 million (31 December 2019: US$126 million; 31 December 2018: US$293 million) related to all transactions between Refinitiv and Thomson Reuters.

Key management compensation

Compensation for directors of Refinitiv and key personnel who have authority for planning, directing and controlling Refinitiv:

	For the six months ended 30 June		For the years ended 31 December		
	2020	2019 (unaudited)	2019	2018	2017
	US$m	*US$m*	*US$m*	*US$m*	*US$m*
Salaries and other benefits	20	19	25	29	11
Share-based payments	6	6	12	7	4
Total compensation	**26**	**25**	**37**	**36**	**15**

30. Leases

Movements in lease liabilities during the period were as follows:

	US$m
31 December 2018	**-**
Impact of adopting IFRS 16 (Note 2)	553
1 January 2019 (restated)	**553**
Leases terminated early	(45)
New lease contracts	190
Lease interest expense (Note 9)	35
Lease payments	(174)
Foreign exchange	11
Other	3
31 December 2019	**573**
Leases terminated early	(2)
New lease contracts	63
Lease interest expense (Note 9)	18
Lease payments	(86)
Foreign exchange	(15)
Other	(7)
30 June 2020	**544**

Right-of-use assets are disclosed within property, plant and equipment (Note 11).

A number of leases, which although originally for longer than 12 months at inception, ended within 12 months of the date of adoption: these leases have been treated as short-term leases under IFRS 16 and the expense incurred in the period is shown within expenses by nature (Note 6).

The maturity of Refinitiv's lease commitments is disclosed within the risk management note (Note 3). Lease liabilities are included within trade and other payables (Note 21).

The weighted average incremental borrowing rate used by Refinitiv for the calculation of the lease liabilities recognised on adoption of IFRS 16 was 6.5 per cent.

31. Events after the reporting period

Management has evaluated subsequent events through 8 December 2020 for disclosure or recognition in the combined historical financial information of Refinitiv as appropriate.

In October 2020, Refinitiv acquired The Red Flag Group, a leading provider of workflow data, due diligence and ratings solutions, for consideration of US$82 million.

On 6 October 2020, Refinitiv repaid the US$250 million borrowings from its US$750 million Revolving Credit Facility.

On 19 October 2020, Refinitiv entered into an agreement to acquire Giact, a leader in the US in digital identity, payments verification and fraud prevention, for consideration of US$610 million; plus an earn-out payment of up to US$13.5 million, which is payable after the end of 2023. This transaction closed on 8 December 2020 and was partially funded by a drawdown of US$350 million from the Revolving Credit Facility, with the remainder being funded from its existing cash resources. The Revolving Credit Facility drawdown occurred on 7 December 2020.

32. Additional Information

Refinitiv companies

A list of Refinitiv Parent's subsidiaries as at 30 June 2020 is given below including the percentage of each class held and the ownership percentages.

The share ownership percentage records the percentage of each subsidiary's share capital owned within Refinitiv. Where more than one company owns shares in a subsidiary, these interests have been combined. The ultimate economic interest percentage does not show actual share ownership, it records Refinitiv's effective interest in the subsidiary.

Name of subsidiary	Country of incorporation	Registered office address or principal place of business	Type of share held	Share ownership %	Ultimate economic interest %
Alta Limited	Cook Islands	Cook Islands Trust Corporation Limited, First Floor, BCI House, P.O. Box 141, Avarua, Rarotonga, Cook Islands	Ordinary	100	100
ASX Refinitiv Charity Foundation	Australia	Level 6,19 Harris Street, Pyrmont NSW 2009, Australia	Limited by Guarantee	50	0
Avox Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary	100	100
Blaxmill (Eleven) Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary Shares of £1 each	100	100
Blaxmill (Nine) Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary Shares of £1 each	100	100
Blaxmill (Six)	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary	100	100
Blaxmill (Ten) Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary Shares of £1 each	100	100
Blaxmill (Thirteen) Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary Shares of £1 each	100	100
Blaxmill (Thirty-Three) Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary	100	100
Blaxmill (Twelve) Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary Shares of £1 each	100	100
Blaxmill (Twenty-Eight) Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary Shares of £1 each	100	100
Criminal Law Week Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary Shares	100	100
Data Development Services Limited	Cook Islands	Cook Islands Trust Corporation Limited, First Floor, BCI House, P.O. Box 141, Avarua, Rarotonga, Cook Islands	Ordinary	100	100

Name of subsidiary	Country of incorporation	Registered office address or principal place of business	Type of share held	Share ownership %	Ultimate economic interest %
EnergybankLink Pty Ltd	Australia	C/O TMF Corporate Services (Aust) Pty Ltd, Level 16, 201 Elizabeth Street, Sydney NSW 2000, Australia	Ordinary	100	100
Enterprise Risk Management Technology Limited	United Kingdom	Five Canada Square , Canary Wharf, London, E14 5AQ, United Kingdom	Ordinary	100	100
Financial & Risk Organisation Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary	100	100
Financial & Risk Transaction Services Ireland Limited	Ireland	12/13 Exchange Place, I.F.S.C., Dublin 1, D01P8H1, Ireland	Ordinary	100	100
Global World-Check	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary	100	100
Global World-Check Holdings (Nominee) Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary	100	100
Global World-Check Holdings Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary Shares	100	100
Guangzhou Data Development Services Limited	China	No. 1005 of Unit 51, 10th Floor, Little Middle Road, No. 8, Tian He District, Guangzhou, China	Investment Capital	100	100
Infosight Singapore Pte. Ltd.	Singapore	9 Raffles Place, 00 Republic Plaza, 048619, Singapore	Ordinary	100	100
IntegraScreen (Malaysia) Sdn. Bhd.	Malaysia	18-22-A1, Gurney Tower, Persiaran Gurney, Georgetown, 10250 Penang, Malaysia	Ordinary	100	100
IntegraScreen (Panama), Inc.	Panama	The Century Tower, Via Ricardo J. Alfaro y Calle 65, Oeste Piso 10, Local 1005, Panama	Ordinary	100	100
IntegraScreen Limited	Hong Kong	16/F Cityplaza 3, 14 Taikoo Wan Road, Quarry Bay, Hong Kong	Ordinary	100	100
IntegraScreen Spolka Z.o.o.	Poland	40-084 Katowice, Ul. Opolska 22, Poland	Ordinary	100	100
Lipper Asia Limited	Cook Islands	Cook Islands Trust Corporation Limited, First Floor, BCI House, P.O. Box 141, Avarua, Rarotonga, Cook Islands	Ordinary	100	100
Lipper Australia Pty Ltd	Australia	Level 10, 60 Margaret Street, Sydney NSW 2000, Australia	Ordinary	100	100
Lipper Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary Shares of 1p each	100	100
Monitor Services Hong Kong Limited	Cook Islands	Cook Islands Trust Corporation Limited, First Floor, BCI House, P.O. Box 141, Avarua, Rarotonga, Cook Islands	Ordinary	100	100

Name of subsidiary	Country of incorporation	Registered office address or principal place of business	Type of share held	Share ownership %	Ultimate economic interest %
Monitor Trading Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary Shares	100	100
PT Refinitiv Services Indonesia	Indonesia	Wisma Antara, 6th Floor, Jalan Medan Merdeka Selatan, No. 17 Gambir, Jakarta , Pusat, 10110, Indonesia	Ordinary Bearer	100	100
R.M.E. Bahrain Limited S.P.C	Bahrain	Flat 1002, Building 1459, Road 4626 , Block 346, Manama, Bahrain	Ordinary Share	100	100
REDI Technologies Ltd	United Kingdom	Five Canada Square, Canary Wharf, London, E14 5AQ, England	Ordinary	100	100
Refinitiv (Canvas) Holdings 1 Limited	Bermuda	Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda	Common	100	100
Refinitiv (Canvas) Holdings 2 Limited	Bermuda	Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda	Common	100	100
Refinitiv (Canvas) Holdings 3 Limited	Bermuda	Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda	Common	100	100
Refinitiv (Thailand) Limited	Thailand	968 U Chu Liang Building, 34th Floor, Rama 1V Road,, Silom, Bangrak, Bangkok, 10500, Thailand	A Ordinary Shares	100	100
	Thailand		Preference	100	100
Refinitiv Africa UK Parent Limited	Jersey	2nd Floor, Sir Walter Raleigh House, 48-50 Esplanade, St. Helier, JE2 3QB, Jersey	Ordinary	100	100
Refinitiv Asia Pte. Ltd.	Singapore	18 Science Park Drive, 118229, Singapore	Ordinary	100	100
Refinitiv Australia Pty Limited	Australia	C/O TMF Corporate Services (Aust) Pty Ltd, Level 16, 201 Elizabeth Street, Sydney NSW 2000, Australia	Ordinary	100	100
Refinitiv Austria GmbH	Austria	The ICON Vienna, Wiedner Gürtel 13 A/12. OG/1123, 1100, Vienna, Austria	Geschaeftsanteil	100	100
Refinitiv Benchmark Services (UK) Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary	100	100
Refinitiv Brasil Servicos Economicos Limitada.	Brazil	Avenida Doutour Cardoso de Melo, 1855 - 4 e 12 andares, Conj 41 e 122, Vila Olimpia, Sao Paulo - SP, CEP 04548-005, Brazil	Quota	100	100
Refinitiv Canada Holdings Limited	Canada	Bay Adelaide Centre, 333 Bay Street, Suite 400, Toronto ON M5H 2R2, Canada	Unlimited Common	100	100
Refinitiv Costa Rica Sociedad De Responsabilidad Limitada	Costa Rica	San Jose, Santa Ana radial a San Antionio de Belen, Doscientos metros norte de la Cruz Roja de Santa Ana, Edificio Murano, Piso Uno, Oficina 13, Costa Rica	Ordinary	100	100
Refinitiv Cyprus Limited	Cyprus	Neas 'Egkomis, 33, 1st floor, Flat/ Office 208, 'Egkomi, Nicosia, 2409, Cyprus	Ordinary	100	100
Refinitiv Czech Republic s.r.o.	Czech Republic	Na Perstyne 342/1, Staré Mesto, Praha 1, 110 00, Czech Republic	Shares	100	100

Name of subsidiary	Country of incorporation	Registered office address or principal place of business	Type of share held	Share ownership %	Ultimate economic interest %
Refinitiv de Mexico, S.A. de C.V.	Mexico	Torre Esmeralda II. Blvd. Manuel Avila Camacho #36, Floor 19th, Lomas de Chapultepec, Mexico Federal District, 11000, Mexico	Common	100	100
Refinitiv Denmark A/S	Denmark	Vesterbrogade 1 E, 1620, Copenhagen V, Denmark	Registered Shares	100	100
Refinitiv Enformasyon Limited Sirketi	Turkey	Is Kuleleri, Kule 2, Kat 1-2, 4. Levent, Istanbul, 34330, Turkey	Ordinary	100	100
Refinitiv Europe Middle East and Africa (Central Region) Limited	Guernsey	Level 5, Mill Court, La Charroterie, St Peter Port, Guernsey, GY1 1EJ, Guernsey	Ordinary	100	100
Refinitiv Finland OY AB	Finland	Spaces Postitalo, Mannerheiminaukio 1A, Helsinki, 00100, Finland	Ordinary	100	100
Refinitiv France Holdings SARL	France	6/8 Boulevard Haussmann, 75009 Paris, France	Ordinary	100	100
Refinitiv France SAS	France	6/8 Boulevard Haussmann, 75009 Paris, France	Ordinary	100	100
Refinitiv Germany GmbH	Germany	Friedrich-Ebert-Anlage 49, 60327 Frankfurt am Main, Germany	Ordinary	100	100
Refinitiv Germany Holdings GmbH	Germany	Friedrich-Ebert-Anlage 49, 60327 Frankfurt am Main, Germany	Ordinary	100	100
Refinitiv Group Nominees Limited	United Kingdom	Five Canada Square, Canary Wharf, London, E14 5AQ, England	Limited by Guarantee	100 (members are directors)	100
Refinitiv Global Private Limited	India	Level 3, Tower II, Phase II, Raiskaran Tech Park, Andheri Kurla Road, Saki Naka, Andheri (East), Mumbai, 400072, India	Ordinary	100	100
Refinitiv Hellas S.A.	Greece	53 Solonos street, Athens, 10672, Greece	Registered Shares	100	100
Refinitiv Holdings (Thailand) Limited	Thailand	30th floor, U Chu Liang Building, 968 Rama IV, Silom Bangrak, Bangkok, 10500, Thailand	Ordinary	100	100
Refinitiv Holdings (Thailand) Limited	Thailand	30th floor, U Chu Liang Building, 968 Rama IV, Silom Bangrak, Bangkok, 10500, Thailand	Preference	0	0
Refinitiv Hong Kong Limited	Cook Islands	Cook Islands Trust Corporation Limited, First Floor, BCI House, P.O. Box 141, Avarua, Rarotonga, Cook Islands	Ordinary Share	100	100
Refinitiv Hungary Kft.	Hungary	Alkotás utca 53. A torony, 6. emelet, Budapest, 1123, Hungary	Quota	100	100
Refinitiv India Private Limited	India	One Indiabulls Centre, 12th Floor, Tower 1 , 841 Senapati Bapat Marg., Mumbai , Maharashtra, 400013, India	Ordinary	100	100
Refinitiv India Shared Services Private Limited	India	One Indiabulls Centre, 12th Floor, Tower 1 , 841 Senapati Bapat Marg., Mumbai , Maharashtra, 400013, India	Ordinary	100	100

Name of subsidiary	Country of incorporation	Registered office address or principal place of business	Type of share held	Share ownership %	Ultimate economic interest %
Refinitiv India Transaction Services Private Limited	India	One Indiabulls Centre, 12th Floor, Tower 1 , 841 Senapati Bapat Marg., Mumbai , Maharashtra, 400013, India	Equity	100	100
Refinitiv Information Services (China) Co., Ltd.	China	Room 1806-1809, 1811 , 18F, Office Tower E1 of Oriental Plaza , No. 1, East Chang An Avenue, Dong Cheng District, Beijing, 100738, China	Registered Investment	100	100
Refinitiv International Holdings SARL	Switzerland	153 Route de Thonon, 1245 Collonge-Bellerive, Geneva, Switzerland	Part(s) Sociale(s)	100	100
Refinitiv Ireland Limited	Ireland	12/13 Exchange Place, I.F.S.C., Dublin 1, D01P8H1, Ireland	Ordinary Share	100	100
Refinitiv Israel Ltd.	Israel	121-123 Derech Menachem Begin, Azireli Sarona building 30th floor, Tel Aviv, 6701203, Israel	Ordinary	100	100
Refinitiv Italy Holding S.p.A.	Italy	Piazza Armando Diaz, 2, 20123, Milano, Italy	Ordinary	100	100
Refinitiv Italy S.p.A.	Italy	Piazza Armando Diaz, 2, 20123, Milano, Italy	Ordinary	100	100
Refinitiv Japan K.K.	Japan	30/F Akasaka Biz Tower, 5-3-1 Akasaka Minato-ku, Tokyo, 107-6330, Japan	Common	100	100
Refinitiv Korea Limited	Korea, Republic of	9F S Tower, 82 Saemunanro, Jongnogu, 03185, Korea, Republic of	Common Stock	100	100
Refinitiv Latam Trading Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary Shares	100	100
Refinitiv Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary Share	100	100
Refinitiv Malaysia Sdn. Bhd.	Malaysia	Level 6, Menara 1 Dutamas, Solaris Dutamas, No. 1 Jalan Dutamas 1, 50480 Kuala Lumpur, Malaysia	Ordinary	100	100
Refinitiv Middle East FZ-LLC	United Arab Emirates	Premises 501, 5th Floor, Building 01, Dubai, United Arab Emirates	Ordinary	100	100
Refinitiv Netherlands B.V.	Netherlands	Antonio Vivaldistraat 50, 1083 HP, Amsterdam, Netherlands	Ordinary	100	100
Refinitiv Netherlands Finance B.V.	Netherlands	Antonio Vivaldistraat 50, 1083 HP, Amsterdam, Netherlands	Ordinary	100	100
Refinitiv Netherlands Holdings B.V.	Netherlands	Antonio Vivaldistraat 50, 1083 HP, Amsterdam, Netherlands	Ordinary	100	100
Refinitiv Netherlands Overseas Holdings B.V.	Netherlands	Antonio Vivaldistraat 50, 1083 HP, Amsterdam, Netherlands	Ordinary	100	100
Refinitiv New Zealand Limited	New Zealand	C/o The Business Advisory Group Limited, Level 9, 55 Shortland Street, Auckland, 1010, New Zealand	Ordinary	100	100

Name of subsidiary	Country of incorporation	Registered office address or principal place of business	Type of share held	Share ownership %	Ultimate economic interest %
Refinitiv Norge AS	Norway	Dronning Eufemias gate 16, Oslo, 0191, Norway	Ordinary	100	100
Refinitiv Peru SRL	Peru	14-114, WeWork Real 2, Avenida Victor Andrés Belaúnde 147, Via Principal 133, Lima, 15073, Peru	Shares	100	100
Refinitiv Poland Spolka z.o.o.	Poland	Aleja Jana Pawla II 23, 00-854, Warsaw, Poland	Ordinary	100	100
Refinitiv Portugal Unipessoal Lda	Portugal	Avenida da Liberdade, n° 190, 2°, Coraçao de Jesus, 1250 141 Lisboa, Portugal	Quota	100	100
Refinitiv Romania S.R.L.	Romania	Regus Charles de Gaulle, 15th Charles de Gaulle, 3rd Floor, Offices 309-312, 1st District, Bucharest, 011857, Romania	Share Parts	100	100
Refinitiv RUS LLC	Russian Federation	5 Petrovka Street, Berlin Haus, Business Centre, 107031, Moscow, Russian Federation	Common Registered Shares	100	100
Refinitiv SA	Switzerland	153 Route de Thonon, 1245 Collonge-Bellerive, Geneva, Switzerland	Ordinary	100	100
Refinitiv Saudi for Information and Communication Technology	Saudi Arabia	Al Thalatten Commercial Centre, 2nd Floor, Olaya Thalateen, Corner Dhabab Street, PoBox 62422, Riyadh 11585, Saudi Arabia	Ordinary	75	100
Refinitiv Software (Thailand) Limited	Thailand	968 U Chu Liang Building, 23,30th Floor, Rama IV Road,, Silom, Bangrak, Bangkok, 10500, Thailand	Ordinary	100	100
Refinitiv Sweden AB	Sweden	PO Box 1732 , Stockholm, SE 111 87, Sweden	Issued	100	100
Refinitiv Technology (China) Co. Limited	China	2/F, Arca Building, ZhongGuanCun Software Park, 8 DongBeiWang West Road, Haidian District, Beijing, 100193, China	Registered Investment	100	100
Refinitiv Tecnologia em Sistemas Brasil Limitada	Brazil	Av. Doutor Cardoso de Melo, no 1.855, Andar 4, Conj. 42, Vila Olimpia, Sao Paulo, 04548-005, Brazil	Quotas	100	100
Refinitiv Transaction Services Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary Shares	100	100
Refinitiv Transaction Services Malaysia Sdn. Bhd.	Malaysia	12th Floor, Menara Symphony, No. 5 Jalan Semangat, (Seksyen 13, , 46200 Petaling Jaya, Selangor Darulm Ehsan, Malaysia,	Ordinary	100	100
Refinitiv Transaction Services Pte. Ltd.	Singapore	18 Science Park Drive, 118229, Singapore	Ordinary	100	100
Refinitiv TW Holdings Ltd.	Cayman Islands	C/o Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005, Cayman Islands	Ordinary	100	100
Refinitiv UK (Rest of World) Holdings Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary	100	100

Name of subsidiary	Country of incorporation	Registered office address or principal place of business	Type of share held	Share ownership %	Ultimate economic interest %
Refinitiv UK Eastern Europe Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary Shares	100	100
Refinitiv UK Financial Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary	100	100
Refinitiv UK Holding Company Limited	Bermuda	Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda	Common	100	100
Refinitiv UK Parent Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary	100	100
Refinitiv, S.L.	Spain	Paseo de la Castellana 95, 7a, Edificio Torre Europa, 28046, Madrid, Spain	Issued	100	100
Reuters Asia Pacific Limited	Mauritius	Ocorian Corporate Administrators Limited, 6th Floor Tower A, Cyber City, Ebene, 72201, Mauritius	Ordinary	100	100
Reuters Bulgaria EOOD in Liquidation[1]	Bulgaria	2a, Saborna Street, Floor 4, Sredets District, Sofia, 1000, Bulgaria	Ordinary	100	100
Refinitiv UK Holdings Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary	100	100
Refinitiv UK Overseas Holdings Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary	100	100
Telfer Investments Australia Pty Limited	Australia	C/O TMF Corporate Services (Aust) Pty Ltd, Level 16, 201 Elizabeth Street, Sydney NSW 2000, Australia	Ordinary Special	100 100	100 100
Telfer Pty. Limited	Australia	C/O TMF Corporate Services (Aust) Pty Ltd, Level 16, 201 Elizabeth Street, Sydney NSW 2000, Australia	Ordinary Special	100 100	100 100
Tradeweb Commercial Information Consulting (Shanghai) Company Limited	China	Floors 3 & 4, No. 1 Lane, 65 Huanlong Road, Shanghai Free Trade Zone , China	Company Capital Only	100	52.8
Tradeweb EU B.V.	Netherlands	Strawinskylaan 4117 - 4th Floor 1077 ZX Amsterdam Netherlands	Ordinary Shares	100	52.8
Tradeweb Europe Limited	United Kingdom	1 Fore Street Avenue, London, England, EC2Y 9DT, United Kingdom	Ordinary	100	52.8
Tradeweb Japan K.K.	Japan	30F Akasaka, B12 Tower, 5-3-1 Akaska, Minato-Ku, Tokyo, 107-6330, Japan	Ordinary	100	52.8
Zawya Internet Content Provider LLC, Dubai	United Arab Emirates	P.O. Box 41640, Green Tower , District-Deira, Dubai	Ordinary	49	100
Zhi Cheng Worldwide Management Consulting	China	F1, Technology Building, No. 1067 Zhaoshang Road, Shekou Namhai Avenue, Nanshan District , Schenzen , 518067, China	Investment	100	100

Name of subsidiary	Country of incorporation	Registered office address or principal place of business	Type of share held	Share ownership %	Ultimate economic interest %
(Shenzhen) Co., Ltd					
BNX LLC	United States, Delaware	25 Corte Madera Avenue, Suite 100, Mill Valley CA 94941, United States	Membership Interest	100	52.8
BondDesk Group LLC	United States, Delaware	1177 Avenue of the Americas, New York NY 10036, United States	Membership Interest	100	52.8
Dealerweb Inc.	United States, New York	185 Hudson Street, Harborside 5, Suite 2200, Jersey City NJ 07311, United States	Class A Common Stock and Class B Common Stock	100	52.8
DW SEF LLC	United States, Delaware	1177 Avenue of the Americas, New York NY 10036, United States	Limited Liability Company Interest	100	52.8
FX Alliance International, LLC	United States, Delaware	3 Times Square, New York NY 10036, United States	Shares	100	100
FX Alliance, LLC	United States, Delaware	3 Times Square, New York NY 10036, United States	Shares	100	100
IAG US LLC	United States, Delaware	3 Times Square, New York NY 10036, United States	Member Shares	100	100
Lipper Inc.	United States, Colorado	707 17th Street , 22nd floor, Denver CO 80202, United States	Common	100	100
MuniGroup.com, LLC	United States, Delaware	25 Corte Madera Avenue, Suite 100, Mill Valley CA 94941, United States	Member Interest	100	52.8
REDI Global Technologies LLC	United States, New York	3 Times Square, New York NY 10036, United States	Limited Liability Company Interest	100	100
Refinitiv Global Markets Inc.	United States, Delaware	26 Thomson Place, Boston MA 02210, United States	Common	100	100
Refinitiv US Fin Corp.	United States, Delaware	3 Times Square, New York NY 10036, United States	Common	100	100
Refinitiv US Holdings Inc.	United States, Delaware	3 Times Square, New York NY 10036, United States	Common Stock	100	100
Refinitiv US IP Corp.	United States, Delaware	3 Times Square, New York NY 10036, United States	Common Stock	100	100
Refinitiv US LLC	United States, Delaware	3 Times Square, New York NY 10036, United States	Limited Liability Company Interest	100	100
Refinitiv US Organization LLC	United States, Delaware	3 Times Square, New York NY 10036, United States	Common	100	100
Refinitiv US Personal Focus Inc.	United States, Delaware	3 Times Square, New York NY 10036, United States	Common Stock	100	100
Refinitiv US PME LLC	United States, Delaware	3 Times Square, New York NY 10036, United States	Class A Shares	100	100
			Class B Shares	100	100
Refinitiv US SEF LLC	United States, Delaware	3 Times Square, New York NY 10036, United States	Limited Liability Company Interest Shares	100	100
Refinitiv US Services Corp.	United States, Delaware	3 Times Square, New York NY 10036, United States	Common	100	100

Name of subsidiary	Country of incorporation	Registered office address or principal place of business	Type of share held	Share ownership %	Ultimate economic interest %
Refinitiv US Tradeweb LLC	United States, Delaware	3 Times Square, New York NY 10036, United States	Shares	100	51.7
Tech Hackers LLC	United States, Delaware	332 Springfield Avenue, Suite 200, Summit NJ 07901, United States	Membership Interest	100	52.8
TIPS, LLC	United States, Wyoming	332 Springfield Avenue, Suite 200, Summit NJ 07901, United States	Membership Interest	100	52.8
Tradeweb Direct LLC	United States, Delaware	Tradeweb, 1177 Avenue of the Americas, , New York NY 10036, United States	Membership Interest	100	52.8
Tradeweb Global Holding LLC	United States, Delaware	Tradeweb, 1177 Avenue of the Americas, New York NY 10036, United States	Shares	100	52.8
Tradeweb Global LLC	United States, Delaware	Tradeweb, 1177 Avenue of the Americas, New York NY 10036, United States	Shares	100	52.8
Tradeweb IDB Markets, Inc.	United States, Delaware	Tradeweb, 1177 Avenue of the Americas, New York NY 10036, United States	Common	100	52.8
Tradeweb Markets Inc.	United States, Delaware	Tradeweb, 1177 Avenue of the Americas, New York NY 10036, United States	Class A Class B Class C Class D	0 100 0 66.8	51.7
Tradeweb Markets International LLC	United States, Delaware	Tradeweb, 1177 Avenue of the Americas, New York NY 10036, United States	Limited Liability Company Interest	100	52.8
Tradeweb Markets LLC	United States, Delaware	Tradeweb, 1177 Avenue of the Americas, New York NY 10036, United States	Managing Member Interest	100	52.8
TW SEF LLC	United States, Delaware	1177 Avenue of the Americas, New York NY 10036, United States	Limited Liability Company Interest	100	52.8
TWEL Holding LLC	United States, Delaware	Tradeweb, 1177 Avenue of the Americas, New York NY 10036, United States	Limited Liability Company Interest	100	52.8
York Holdings II Limited	Cayman Islands	C/o Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005, Cayman Islands	Ordinary	100	100
York Holdings III Limited	Cayman Islands	C/o Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005, Cayman Islands	Ordinary	100	100
Refinitiv Charities	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Charitable Incorporated Organisation—Member Interest	100	0
TicketAid Limited	United Kingdom	Five Canada Square, Canary Wharf, London, England, E14 5AQ, United Kingdom	Ordinary	100	0

Refinitiv's associate undertakings were:

Associate name	Country of incorporation	Registered office address	Type of share held	Share ownership %	Ultimate economic interest %
Citywire Holdings, Ltd	United Kingdom	87 Vauxhall Walk, London SE11 5HJ, United Kingdom	Ordinary	18.89	18.89

II. Accountants’ report on the audited, combined historical financial information relating to Refinitiv

The Directors and Proposed Directors
London Stock Exchange Group plc (the "**Company**")
10 Paternoster Square
London
United Kingdom
EC4M 7LS

Barclays Bank PLC (the "**Sponsor**")
5 The North Colonnade
London
United Kingdom
E14 4BB

9 December 2020

Dear Ladies and Gentlemen

Refinitiv Parent Limited

We report on the financial information relating to Refinitiv Parent Limited for the 3 years ended 31 December 2019 and for the six months ended 30 June 2020 set out in section B of Part 12 (*Combined Historical Financial Information of Refinitiv*), of this document (the "**Financial Information Table**"). The Financial Information Table has been prepared for inclusion in the prospectus dated 9 December 2020 (the "**Prospectus**") of London Stock Exchange Group plc (the "**Company**") on the basis of the accounting policies set out in note 1 to the Financial Information Table. This report is required by item 18.3.1 of Annex 1 to the Prospectus Regulation and is given for the purpose of complying with that item and for no other purpose.

We have not audited or reviewed the financial information for the six months ended 30 June 2019 which has been included for comparative purposes only, and accordingly we do not express an opinion thereon.

Responsibilities

The Directors and Proposed Directors of the Company are responsible for preparing the Financial Information Table in accordance with the basis of preparation set out in note 1 to the Financial Information Table.

It is our responsibility to form an opinion as to whether the Financial Information Table gives a true and fair view, for the purposes of the Prospectus and to report our opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under item 5.3.2R(2)(f) of the Prospectus Regulation Rules to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 1.3 of Annex 1 to the Prospectus Regulation, consenting to the inclusion of this report in the Prospectus.

PricewaterhouseCoopers LLP, 1 Embankment Place, London, WC2N 6RH
T: +44 (0) 2075 835 000, F: +44 (0) 2072 124 652, www.pwc.co.uk

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to Refinitiv Parent Limited's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the Financial Information Table gives, for the purposes of the Prospectus dated 9 December 2020, a true and fair view of the state of affairs of Refinitiv Parent Limited as at the dates stated and of its profits and losses, cash flows and changes in equity for the periods then ended in accordance with the basis of preparation set out in note 1 to the Financial Information Table.

Declaration

For the purposes of Prospectus Regulation Rules 5.3.2R(2)(f) we are responsible for this report as part of the Prospectus and we declare that to the best of our knowledge, the information contained in this report is in accordance with the facts and makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex 1 to the Prospectus Regulation.

Yours faithfully

PricewaterhouseCoopers LLP
Chartered Accountants

PART 13

UNAUDITED PRO FORMA FINANCIAL INFORMATION FOR THE COMBINED BUSINESS

Section A Unaudited pro forma financial information

The unaudited pro forma statement of net assets, pro forma income statement, pro forma statement of recurring income and pro forma segmental income breakdown (together the "**Unaudited Pro Forma Financial Information**") of the Combined Business set out below has been prepared in accordance with Annex 20 of the Prospectus Regulation Rules and on the basis of the notes set out below. The Unaudited Pro Forma Financial Information is presented in pounds sterling, the proposed reporting currency of LSEG plc. The Unaudited Pro Forma Financial Information has been prepared on the basis of the consolidated financial statements of LSEG plc (including in respect of the Borsa Italiana Group) and Refinitiv Parent for the six month period ended 30 June 2020 and the financial year ended 31 December 2019.

The unaudited pro forma income statements have been prepared to illustrate the effect on the earnings of LSEG plc as if the Transaction and the Borsa Italiana Divestment had taken place on: (i) 1 January 2020; and (ii) 1 January 2019.

The unaudited pro forma statements of net assets have been prepared to illustrate the effect on the net assets of LSEG plc as if the Transaction and the Borsa Italiana Divestment had taken place on: (i) 30 June 2020; and (ii) 31 December 2019.

The unaudited pro forma statements of recurring income have been prepared to illustrate the effect on the recurring income of LSEG plc as if the Transaction and the Borsa Italiana Divestment had taken place on: (i) 1 January 2020; and (ii) 1 January 2019. The pro forma segmental income breakdown has been prepared to illustrate the effect on the segmental income of LSEG plc as if the Transaction and the Borsa Italiana Divestment had taken place on: (i) 1 January 2020; and (ii) 1 January 2019.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and does not, therefore, represent LSEG or the Combined Business' actual financial position or results.

The Unaudited Pro Forma Financial Information has been prepared in a manner consistent with the accounting policies to be adopted by LSEG plc in preparing its next audited consolidated financial statements.

The Unaudited Pro Forma Financial Information does not constitute financial statements within the meaning of Section 434 of the Companies Act. The Unaudited Pro Forma Financial Information does not purport to represent what LSEG or the Combined Business' financial position and results of operations actually would have been if the acquisition or the Borsa Italiana Divestment had been completed on the dates indicated, nor does it purport to represent the results of operations for any future period or the financial condition of LSEG plc, Refinitiv Parent or the Combined Business at any future date. LSEG Shareholders should read the whole of this document and not rely on the summarised financial information contained in this Part 13 (*Unaudited Pro Forma Financial Information for the Combined Business*) of this document. KPMG LLP's report on the Unaudited Pro Forma Financial Information is set out in Section B (*Accountant's Report on the Unaudited Pro Forma Financial Information for the Combined Business*) of this Part 13 (*Unaudited Pro Forma Financial Information for the Combined Business*) of this document.

Unaudited Pro Forma Income Statement for six months ended 30 June 2020

			Pro forma Adjustments related to Refinitiv acquisition				Pro forma Adjustments related to Borsa Italiana Divestment			
(£ million)	**LSEG plc six months ended 30 June 2020 (Note 1)**	**Refinitiv six months ended 30 June 2020 (Note 2)**	**Transaction costs (Note 7)**	**Tax benefits of transaction costs (Note 8)**	**Pro forma Combined Business six months ended 30 June 2020**	**Exclude: Borsa Italiana Group six months ended 30 June 2020 (Note 3)**	**Profit on disposal (Note 5)**	**Transaction Costs (Note 7)**	**Tax benefits of transaction costs (Note 8)**	**Pro forma Combined Business (exc. Borsa Italiana) six months ended 30 June 2020**
Total income	**1,235**	**2,554**	—	—	**3,789**	**(208)**	—	—	—	**3,581**
Cost of sales	(121)	(385)	—	—	(506)	8	—	—	—	(498)
Gross profit	**1,114**	**2,169**	—	—	**3,283**	**(200)**	—	—	—	**3,084**
Expenses										
Operating expenses before depreciation, amortisation impairments and non-underlying items	(438)	(1,100)	—	—	(1,538)	68	—	—	—	(1,470)
Income from equity investments	—	—	—	—	—	—	—	—	—	—
Share of loss/ profit after tax of associates	(2)	1	—	—	(1)	—	—	—	—	(1)
Earnings before interest, tax, depreciation amortisation, impairment and non-underlying items	**674**	**1,070**	—	—	**1,744**	**(132)**	—	—	—	**1,613**
Non-underlying operating expenses (Note 9)	(88)	(190)	(287)	—	(565)	—	2,457	(27)	—	1,865
Earnings before interest, tax, depreciation amortisation and impairment	**586**	**879**	**(287)**	—	**1,179**	**(132)**	**2,457**	**(27)**	—	**3,477**
Depreciation, amortisation and impairment	(195)	(842)	—	—	(1,037)	32	—	—	—	(1,005)
Operating profit	**391**	**37**	**(287)**		**142**	**(100)**	**2,457**	**(27)**	—	**2,472**
Net interest expense	(29)	(292)	(477)	—	(798)	—	—	—	—	(798)
Income taxes	(101)	(29)	—	91	(39)	30	—	—	5	(4)
Profit from continuing operations	**261**	**(283)**	**(764)**	**91**	**(695)**	**(70)**	**2,457**	**(27)**	**5**	**1,671**
Profit attributable to non-controlling interests	35	34	—	—	69	(2)	—	—	—	67
Profit attributable to equity holders	226	(317)	(764)	91	(765)	(68)	2,457	(27)	5	1,603
Profit from continuing operations	**261**	**(283)**	**(764)**	**91**	**(695)**	**(70)**	**2,457**	**(27)**	**5**	**1,671**
Operating profit	**391**	**37**	**(287)**	—	**142**	**(100)**	2,457	(27)	—	2,472
Add back:										
Amortisation and impairment of purchased intangibles and goodwill (Note 10)	96	565	—	—	661	(18)	—	—	—	643
Non-underlying operating expenses (Note 9)	88	190	287	—	565	—	(2,457)	27	—	(1,865)
Underlying operating profit	**575**	**792**	—	—	**1,367**	**(117)**	—	—	—	**1,250**
Profit attributable to equity holders	**226**	**(317)**	**(764)**	**91**	**(765)**	**(68)**	**2,457**	**(27)**	**5**	**1,603**
Amortisation and impairment of purchased intangibles and goodwill (Note 10)	96	565	—	—	661	(18)	—	—	—	643
Non-underlying operating expenses (Note 9)	93	171	764	—	1,029	1	(2,457)	27	—	(1,400)
Tax impact of adjustments	(23)	(160)	—	(91)	(274)	5		—	(5)	(274)
Underlying profit from continuing operations	**392**	**258**	—	—	**650**	**(79)**		—	—	**571**
Basic EPS (Note 6)	64.6p				(138.0)p					289.1p
AEPS (Note 6)	112.0p				117.3p					103.1p
Dividends										
Final paid	49.9p									
Interim	23.3p									
Total	**73.2p**									

Unaudited Pro Forma Income Statement for year ended 31 December 2019

			Pro forma Adjustments related to Refinitiv acquisition				Pro forma Adjustments related to Borsa Italiana Divestment			
(£ million)	LSEG plc year ended 31 December 2019 (Note 1)	Refinitiv year ended 31 December 2019 (Note 2)	Transaction costs (Note 7)	Tax benefits of transaction costs (Note 8)	Pro forma Combined Business year ended 31 December 2019	Exclude: Borsa Italiana Group year ended 31 December 2019 (Note 3)	Profit on disposal (Note 5)	Transaction Costs (Note 7)	Tax benefits of transaction costs (Note 8)	Pro forma Combined Business (exc. Borsa Italiana) year ended 31 December 2019
Total income	**2,314**	**4,894**	—	—	**7,208**	**(395)**	—	—	—	**6,813**
Cost of sales	(210)	(749)	—	—	**(959)**	17	—	—	—	(942)
Gross profit	**2,104**	**4,146**	—	—	**6,250**	**(378)**	—	—	—	**5,872**
Expenses										
Operating expenses before depreciation, amortisation impairments and non-underlying items	(839)	(2,330)	—	—	(3,169)	132	—	—	—	(3,038)
Income from equity investments	7	—	—	—	7	—	—	—	—	7
Share of loss/ profit after tax of associates	(7)	2	—		(5)	1	—	—	—	(5)
Earnings before interest, tax, depreciation amortisation, impairment and non-underlying items	**1,265**	**1,818**	—	—	**3,083**	**(246)**	—	—	—	**2,836**
Non-underlying operating expenses (Note 9)	(132)	(334)	(279)	—	(744)	4	2,301	(27)	—	1,534
Earnings before interest, tax, depreciation amortisation and impairment	**1,133**	**1,484**	**(279)**	—	**2,338**	**(242)**	**2,301**	**(27)**	—	**4,370**
Depreciation, amortisation and impairment	(395)	(1,637)	—	—	(2,032)	65	—	—	—	(1,968)
Operating profit	**738**	**(153)**	**(279)**	—	**306**	**(177)**	**2,301**	**(27)**	—	**2,402**
Net interest expense	(87)	(550)	(461)	—	(1,098)	1	—	—	—	(1,097)
Income taxes	(186)	125	—	88	27	53	—	—	5	85
Profit from continuing operations	**465**	**(579)**	**(739)**	**88**	**(765)**	**(123)**	**2,301**	**(27)**	**5**	**1,389**
Profit attributable to non-controlling interests	48	54	—		102	(3)	—	—		99
Profit attributable to equity holders	417	(633)	(739)	88	(868)	(120)	2,301	(27)	5	1,290
Profit from continuing operations	**465**	**(579)**	**(739)**	**88**	**(766)**	**(123)**	**2,301**	**(27)**	**5**	**1,389**
Operating profit	**738**	**(153)**	**(279)**	—	**306**	(177)	2,301	(27)	—	2,402
Add back:										
Amortisation and impairment of purchased intangibles and goodwill (Note 10)	195	1,121	—	—	1,316	(35)	(2,301)	—	—	(1,020)
Non-underlying income and operating expenses (Note 9)	132	334	279	—	744	(4)	(2,301)	27	—	(1,534)
Underlying operating profit	**1,065**	**1,302**	—	—	**2,367**	**(217)**	—	—	—	**2,150**
Profit attributable to equity holders	**417**	**(633)**	**(739)**	**88**	**(868)**	**(120)**	**2,301**	**(27)**	**5**	**1,290**
Non-underlying amortisation and impairment of purchased intangibles and goodwill (Note 10)	195	1,121	—	—	1,316	(35)	—	—	—	1,281
Non-underlying operating expenses (Note 9)	137	298	739	—	1,174	(1)	(2,301)	27	—	(1,100)
Tax impact of adjustments	(50)	(316)	—	(88)	(453)	8	—	—	(5)	(450)
Underlying profit from continuing operations	**699**	**470**	—	—	**1,169**	**(149)**	—	—	—	**1,020**
Basic EPS (Note 6)	119.5p				(156.9)p					233.2p
AEPS (Note 6)	200.3p				211.2p					184.4p
Dividends										
interim paid	20.1p									
Final proposed	49.9p									
Total	**70.0p**									

Unaudited Pro Forma Net Assets Statement as at 30 June 2020

			Pro forma Adjustments related to Refinitiv acquisition						Pro forma Adjustments related to Borsa Italiana Divestment			
(£ million)	LSEG plc as at 30 June 2020 (Note 1)	Refinitiv as at 30 June 2020 (Note 2)	Elimination of purchased intangibles and goodwill (Note 4)	Estimated excess of purchase consideration over net assets acquired (Note 4)	Transaction costs (Note 7)	Tax benefits of transaction costs (Note 8)	Pro forma Combined Business as at 30 June 2020	Exclude: Borsa Italiana Group as at 30 June 2020 (Note 3)	Purchase consideration(Note 5)	Transaction costs (Note 7)	Tax benefits of transaction costs (Note 8)	Pro forma Combined Business (exc. Borsa Italiana) as at 30 June 2020
Assets												
Non-current assets												
Property, plant and equipment	273	752	—	—	—	—	1,025	(38)	—	—	—	987
Intangible assets	4,604	14,822	(12,527)	24,655	—	—	31,554	(1,237)	—	—	—	30,317
Investments in associates	28	11	—	—	—	—	39	(2)	—	—	—	37
Deferred tax assets	43	506	—	—	—	—	549	(5)	—	—	—	544
Derivative financial instruments	—	5	—	—	—	—	5	—	—	—	—	5
Investment in financial assets	326	7	—	—	—	—	333	(67)	—	—	—	266
Contract assets	—	—	—	—	—	—	—	—	—	—	—	—
Retirement benefit asset	91	532	—	—	—	—	623	—	—	—	—	623
Other non-current assets	18	121	—	—	—	—	139	(0)	—	—	—	139
	5,383	**16,756**	**(12,527)**	**24,655**	**—**	**—**	**34,267**	**(1,349)**	**—**	**—**	**—**	**32,918**
Current assets												
Trade and other receivables	593	794	—	—	—	—	1,387	(92)	—	—	—	1,295
Contract assets	8	17	—	—	—	—	25	—	—	—	—	25
Clearing member financial assets	819,877	—	—	—	—	—	819,877	(137,553)	—	—	—	682,324
Clearing member cash and cash equivalents	85,234	—	—	—	—	—	85,234	(10,278)	—	—	—	74,956
Clearing member business assets	905,111	—	—	—	—	—	905,111	(147,830)	—	—	—	757,281
Investment in financial assets	64	—	—	—	—	—	64	(64)	—	—	—	—
Current tax	84	27	—	—	—	—	111	(1)	—	—	—	110
Cash and cash equivalents	1,641	1,007	—	—	—	—	2,648	(186)	3,954	—	—	6,415
	907,501	1,845	—	—	—	—	909,346	(148,174)	3,954	—	—	765,126
Total assets	**912,884**	**18,602**	**(12,527)**	**24,655**	**—**	**—**	**943,614**	**(149,523)**	**3,954**	**—**	**—**	**798,044**
Liabilities												
Current liabilities												
Trade and other payables	487	1,010	—	—	764	—	2,261	(68)	—	27	—	2,221
Clearing member business liabilities	905,034	—	—	—	—	—	905,034	(147,800)	—	—	—	757,234
Derivative financial instruments	—	8	—	—	—	—	8	—	—			8
Current tax	20	108	—	—	—	(91)	38	(12)	—	—	(5)	21
Borrowings	474	275	—	—	—	—	749	—	—			749
Contract liabilities	265	138	—	—	—	—	403	(11)	—	—	—	392
Provisions	12	40	—	—	—	—	52	(2)	—	—	—	50
	906,292	1,579	—	—	764	(91)	908,545	(147,891)	—	27	(5)	760,675
Non-current liabilities									—			
Borrowings	1,663	10,221	—	—	—	—	11,884	—	—	—	—	11,884
Derivative financial instruments	80	110	—	—	—	—	190	—	—	—	—	190
Contract liabilities	89	7	—	—	—	—	96	(9)	—	—	—	86
Deferred tax liabilities	454	250	—	—	—	—	704	(97)	—	—	—	607
Retirement benefit obligation	17	118	—	—	—	—	135	(8)	—			127
Other non-current liabilities	143	587	—	—	—	—	730	(21)	—	—	—	709
Provisions	13	56	—	—	—	—	69	—	—			69
	2,459	11,347	—	—	—	—	13,806	(135)	—	—	—	13,671
Total liabilities	908,751	12,927	—	—	764	(91)	922,351	(148,026)	—	27	(5)	774,347
Net assets	**4,133**	**5,675**	**(12,527)**	**24,655**	**(764)**	**91**	**21,263**	**(1,497)**	**3,954**	**(27)**	**5**	**23,698**

Unaudited Pro Forma Net Assets Statement as at 31 December 2019

			Pro forma Adjustments related to Refinitiv acquisition						Pro forma Adjustments related to Borsa Italiana Divestment			
(£ million)	LSEG plc as at 31 December 2019 (Note 1)	Refinitiv as at 31 December 2019 (Note 2)	Elimination of purchased intangibles and goodwill (Note 4)	Estimated excess of purchase consideration over net assets acquired (Note 4)	Transaction costs (Note 7)	Tax benefits of transaction costs (Note 8)	Pro forma Combined Group as at 31 December 2019	Exclude: Borsa Italiana Group as at 31 December 2019 (Note 3)	Purchase consideration (Note 5)	Transaction costs (Note 7)	Tax benefits of transaction costs (Note 8)	Pro forma Combined Business (exc. Borsa Italiana) as at 31 December 2019
Assets												
Non-current assets												
Property, plant and equipment	288	776	—	—	—	—	1,064	(38)	—	—	—	1,026
Intangible assets	4,421	14,377	(12,080)	24,479	—	—	31,197	(1,178)	—	—	—	30,018
Investments in associates	28	9	—	—	—	—	37	(1)	—	—	—	36
Deferred tax assets	49	255	—	—	—	—	304	0	—	—	—	304
Derivative financial instruments	—	2	—	—	—	—	2	—	—	—	—	2
Investment in financial assets	266	3	—	—	—	—	269	(25)	—	—	—	244
Contract assets	—	—	—	—	—	—	—	—	—	—	—	—
Retirement benefit asset	66	387	—	—	—	—	453	—	—	—	—	453
Other non-current assets	19	117	—	—	—	—	136	(1)	—	—	—	135
	5,137	**15,927**	**(12,080)**	**24,479**	—	—	**33,463**	**(1,244)**	—	—	—	**32,219**
Current assets												
Trade and other receivables	566	631	—	—	—	—	1,197	(61)	—	—	—	1,135
Contract assets	2	13	—	—	—	—	15	—	—	—	—	15
Clearing member financial assets	729,094	—	—	—	—	—	729,094	(139,891)	—	—	—	589,203
Clearing member cash and cash equivalents	67,118	—	—	—	—	—	67,118	(9,219)	—	—	—	57,899
Clearing member business assets	796,212	—	—	—	—	—	796,212	(149,111)	—	—	—	647,101
Investment in financial assets	81	—	—	—	—	—	81	(81)	—	—	—	—
Current tax	160	21	—	—	—	—	181	(1)	—	—	—	180
Cash and cash equivalents	1,493	865	—	—	—	—	2,358	(183)	3,694			5,868
	798,514	1,529	—	—	—	—	800,043	(149,437)	3,694	—	—	654,300
Total assets	**803,651**	**17,455**	**(12,080)**	**24,479**	—	—	**833,505**	**(150,681)**	**3,694**	—	—	**686,519**
Liabilities												
Current liabilities												
Trade and other payables	620	1,107	—	—	740	—	2,467	(61)	—	27	—	2,432
Clearing member business liabilities	796,102	—	—	—	—	—	796,102	(149,081)	—	—	—	647,021
Derivative financial instruments	1	11	—	—	—	—	12	—	—		—	12
Current tax	127	105	—	—	—	(88)	145	(1)	—	—	(5)	138
Borrowings	512	67	—	—	—	—	579	—	—	—	—	579
Contract liabilities	157	73	—	—	—	—	230	(6)	—	—	—	224
Provisions	19	58	—	—	77	(3)	—	—	—	74		
	797,538	1,422	—	—	740	(88)	799,612	(149,153)	—	27	(5)	650,481
Non-current liabilities												
Borrowings	1,573	9,655	—	—	—	—	11,228	—	—	—	—	11,228
Derivative financial instruments	39	66	—	—	—	—	105	—	—	—	—	105
Contract liabilities	88	7	—	—	—	—	95	(9)	—	—	—	86
Deferred tax liabilities	432	245	—	—	—	—	677	(91)	—	—	—	586
Retirement benefit obligation	17	99	—	—	—	—	116	(9)	—	—	—	107
Other non-current liabilities	150	502	—	—	—	—	652	(25)	—	—	—	628
Provisions	13	55	—	—	—	—	68	—	—	—	—	68
	2,312	10,629	—	—	—	—	12,941	(134)	—	0	0	12,807
Total liabilities	799,850	12,051	—	—	740	(88)	812,553	(149,287)	—	27	(5)	663,288
Net assets	**3,801**	**5,404**	**(12,080)**	**24,479**	**(740)**	**88**	**20,952**	**(1,394)**	**3,694**	**(27)**	**5**	**23,231**

Notes:

1. LSEG plc financial information for the six months ended 30 June 2020 and the financial year ended 31 December 2019

The IFRS information for LSEG plc has been extracted from the audited consolidated financial statements of LSEG plc for the financial year ended 31 December 2019 and from the unaudited consolidated financial statements for the six months ended 30 June 2020, which have been prepared in accordance with IFRS as adopted by the EU, and are incorporated by reference into this document.

2. Refinitiv Parent financial information for the six months ended 30 June 2020 and the financial year ended 31 December 2019

The IFRS information for Refinitiv Parent has been extracted from the audited combined financial statements of Refinitiv Parent for the financial year ended 31 December 2019 and for the six months ended 30 June 2020, which have been prepared in accordance with IFRS as adopted by the EU and LSEG plc's accounting policies, and are set out in Section B (Combined Historical Financial Information of Refinitiv) of Part 12 (*Historical Financial Information of the Combined Business*) of this document.

An average rate of exchange of US$1.28 to £1 and US$1.26 to £1, and a period end spot rate of US$1.31 to £1 and US$1.23 to £1, have been used to convert the financial information of Refinitiv Parent into pounds sterling for the financial year ended 31 December 2019, and the six months ended 30 June 2020, respectively.

3. Borsa Italiana Group financial information for the six months ended 30 June 2020 and the financial year ended 31 December 2019

The IFRS information for the Borsa Italiana Group has been extracted from the audited consolidated financial statements of LSEG plc for the financial year ended 31 December 2019 and from the unaudited consolidated financial statements for the six months ended 30 June 2020, which have been prepared in accordance with IFRS as adopted by the EU, and are incorporated by reference into this document.

An average rate of exchange of €1.14 to £1 and €1.14 to £1, and a period end spot rate of €1.17 to £1 and €1.09 to £1, have been used to convert the financial information of the Borsa Italiana Group into pounds sterling for the financial year ended 31 December 2019 and period ended 30 June 2020 respectively.

4. Estimated excess of purchase consideration over net assets acquired

Estimated purchase consideration and related excess of purchase consideration over book value of net assets acquired are as follows:

Pro forma adjustments

	Jun-20 *£m*	**Dec-19** *£m*
Estimated Purchase Consideration(i)	17,803	17,803
Less: Refinitiv Parent book value of net assets acquired	(5,675)	(5,404)
Add back: Refinitiv Parent purchased goodwill and intangibles(ii)	12,527	12,080
Excess of purchase consideration over book value of net assets acquired(iii)	24,479	24,655

(i) Estimated purchase consideration is £17.8 billion (US$23.8 billion). The consideration is calculated as 204,225,968 LSEG Ordinary Shares at a closing price of 8,716.00 pence on 7 December 2020, being the Latest Practicable Date, accounting for a small amount of known agreed leakage in respect of the Refinitiv group.

(ii) For the purposes of the pro forma analysis, acquisition goodwill and intangible assets (excluding software and contract costs) of Refinitiv Parent of £12.1 billion (US$15.8 billion) and £12.6 billion (US$15.4 billion) at 31 December 2019 and 30 June 2020 respectively have been added back to the book value of net assets acquired. These balances will then be re-evaluated alongside the acquisition goodwill and intangible assets of Refinitiv Parent as part of the Combined Business' consolidated accounts. The £12.1 billion (US$15.8 billion) at 31 December 2019 consists of goodwill of £7.0 billion (US$9.1 billion) and £5.1 billion (US$6.7 billion) of definite life customer relationship, brand and intellectual property intangibles. The £12.6 billion (US$15.4 billion) at 30 June 2020 consists of goodwill of £7.5 billion (US$9.2 billion) and £5.1 billion (US$6.2 billion) of definite life customer relationship, brand and intellectual property intangibles.

(iii) The gross difference of £24.7 billion (US$32.1 billion) and £24.5 billion (US$30.3 billion) at 31 December 2019 and 30 June 2020 respectively between the book value of net assets acquired and the estimated consideration has, therefore, been presented as a single value in goodwill. Following Completion, the assets and liabilities of Refinitiv Parent will be subject to fair value restatement.

5. Profit on disposal of Borsa Italiana

The estimated proceeds for the divestment of the Borsa Italiana Group and the associated profit on disposal are as follows:

Pro forma adjustments

	Jun-20 *£m*	Dec-19 *£m*
Estimated Disposal proceeds[(i)]	3,954	3,694
Less: Borsa Italiana book value of net assets disposed	(1,497)	(1,394)
Profit on disposal	**2,457**	**2,301**

(i) Estimated disposal proceeds of €4,325 million translated at the period end spot rates of €1.17 to £1 and €1.09 to £1 for the financial year ended 31 December 2019 and the period ended 30 June 2020, respectively.

6. Pro forma earnings per share

Estimated pro forma basic and adjusted earnings per share are as follows:

Basic and diluted pro forma earnings per share

Six months ended 30 June 2020

	Pro Forma Combined Group (incl. Borsa Italiana)		Pro Forma Combined Group (excl. Borsa Italiana)	
	Earnings per share	Adjusted earnings per share(i)	Earnings per share	Adjusted earnings per share(i)
Numerator:				
Pro forma profit for the financial year (m)	(765)	650	1,603	571
Denominator:				
LSEG plc weighted-average ordinary shares (m)	350	350	350	350
Shares to be issued of LSEG plc (m)(ii)	204	204	204	204
Basic pro forma weighted-average ordinary shares (m)	**554**	**554**	**554**	**554**
Effect of diluted share options and awards (m)	4	4	4	4
Diluted pro forma weighted-average ordinary shares (m)	**558**	**558**	**558**	**558**
Basic pro forma earnings per share (pence)	**(138.0)**	**117.3**	**289.1**	**103.1**
Diluted pro forma earnings per share (pence)	**(137.0)**	**116.5**	**287.0**	**102.3**

Year ended 31 December 2019

	Pro Forma Combined Group (incl. Borsa Italiana)		Pro Forma Combined Group (excl. Borsa Italiana)	
	Earnings per share	Adjusted earnings per share[i]	Earnings per share	Adjusted earnings per share[i]
Numerator:				
Pro forma profit for the financial year (m)	(868)	1,169	1,290	1,020
Denominator:				
LSEG plc weighted-average ordinary shares (m)	349	349	349	349
Shares to be issued of LSEG plc (m)[ii]	204	204	204	204
Basic pro forma weighted-average ordinary shares (m)	**553**	**553**	**553**	**553**
Effect of diluted share options and awards (m)	4	4	4	4
Diluted pro forma weighted-average ordinary shares (m)	**557**	**557**	**557**	**557**
Basic pro forma earnings per share (pence)	**(156.9)**	**211.2**	**233.3**	**184.4**
Diluted pro forma earnings per share (pence)	**(155.8)**	**209.7**	**231.5**	**183.0**

(i) Non-underlying pro forma adjustments for the year ended 31 December 2019 include: (a) £282 million related to LSEG plc, extracted from LSEG plc's Annual Report and Accounts for the financial year ended 31 December 2019; (b) £1,103 million (US$1,455 million) related to Refinitiv Parent, extracted from Note 8 to the historical financial information in relation to Refinitiv Parent set out in Section B (Combined Historical Financial Information of Refinitiv) of Part 12 (*Historical Financial Information of the Combined Business*) of this document, converted at an exchange rate of US$1.28 to £1; (c) transaction costs net of tax of £652 million in relation to the Transaction; (d) £,2301 million profit on the €4,325 million divestment of the Borsa Italiana Group, converted at an exchange rate of €1.14 to £1; and (e) transaction costs net of tax of £22 million in relation to the Borsa Italiana Divestment. Non-underlying pro forma adjustments for the six months ended 30 June 2020 include: (a) £166 million related to LSEG plc, extracted from LSEG plc's Interim Report for the six months ended 30 June 2020; (b) £576 million (US$750 million) related to Refinitiv Parent, extracted from Note 8 to the historical financial information in relation to Refinitiv Parent set out in Section B (Combined Historical Financial Information of Refinitiv) of Part 12 (*Historical Financial Information of the Combined Business*) of this document, converted at an exchange rate of US$1.26 to £1; (c) transaction costs net of tax of £674 million in relation to the transaction; (d) £2,457 million profit on the €4,325 million divestment of Borsa Italiana, converted at an exchange rate of €1.14 to £1; and (e) transaction costs net of tax of £22 million in relation to the Borsa Italiana Divestment.

(ii) Consideration is anticipated to be in the form of 204,225,968 LSEG Shares, taking into account a small amount of known and agreed leakage with respect to the Refinitiv group (and subject to: (i) the option for LSEG to settle up to US$2.5 billion of the consideration in cash, in which case the number of Consideration Shares issued will reduce accordingly; and (ii) any further adjustments for leakage).

7. Transaction costs

The Combined Business expects to incur £358 million of transaction related costs and £477 million of financing related costs in relation to the Transaction that do not qualify to be capitalised as part of the estimated purchase consideration. The Combined Business has incurred £79 million and £71 million of transaction related costs in the financial year ended 31 December 2019 and the six months ended 30 June 2020, respectively and £17 million of financing related costs in the financial year ended 31 December 2019. Therefore, a total transaction cost adjustment of £739 million and £764 million has been made to include these expenses incurred because the pro forma income statement has been prepared for the financial year ended 31 December 2019 and the six months ended 30 June 2020 as if the Transaction had completed on 1 January 2019 and on 1 January 2020, respectively. These expenses are non-underlying in nature and are not expected to have a continuing impact on the consolidated results.

LSEG plc expects to incur £27 million of transaction related costs in relation to the Borsa Italiana Divestment that do not qualify to be capitalised as part of the estimated purchase consideration. None of these items were recorded as expenses in LSEG plc's income statement to 30 June 2020. Therefore, an adjustment of £27 million has been made to include these expenses incurred because the pro forma income statement has been prepared for the financial year ended 31 December 2019 and the six months ended 30 June 2020 as if the Transaction had completed on 1 January 2019 and 1 June 2020, respectively. These expenses are non-underlying in nature and are not expected to have a continuing impact on the consolidated results.

The transaction costs incurred in relation to the Transaction and the Borsa Italiana Divestment are non-recurring in nature.

8. Estimated tax benefits of Transaction costs

The estimated tax benefits of the above adjustments in relation to the Transaction are £88 million and £91 million for the financial year ended 31 December 2019 and the six months ended 30 June 2020 respectively. The estimates reflect the 2019 corporation tax rates of LSEG plc and Refinitiv Parent in tax jurisdictions in which the pro forma adjustments were assumed to occur (in the UK, 19 per cent., and in the US, 26.5 per cent.).

The estimated tax benefits of the above adjustments in relation to the Borsa Italiana Divestment are £5 million for the financial year ended 31 December 2019 and the six months ended 30 June 2020. The estimates reflect the 2019 corporation tax rate of LSEG plc in tax jurisdictions in which the pro forma adjustments were assumed to occur (in the UK, 19 per cent.).

9. Non-underlying items

LSEG plc

Continuing non-underlying operating expenses (excluding depreciation, amortisation and impairment) of £132 million and £88 million for the financial year ended 31 December 2019 and the six months ended 30 June 2020 respectively have been extracted without material adjustment from the income statement of LSEG plc.

Refinitiv Parent

Continuing non-underlying operating expenses (excluding depreciation, amortisation and impairment) of £334 million and £190 million for the financial year ended 31 December 2019 and the six months ended 30 June 2020 respectively have been extracted without material adjustment from Note 8 to the historical financial information in relation to Refinitiv Parent included in Section B (Combined Historical Financial Information of Refinitiv) of Part 12 (*Historical Financial Information of the Combined Business*) of this document, converted at an exchange rate of US$1.28 to £1 and US$1.26 to £1 for the financial year ended 31 December 2019 and the six months ended 30 June 2020 respectively.

10. Amortisation and depreciation

LSEG plc

Continuing amortisation and depreciation of £200 million and £99 million for the financial year ended 31 December 2019 and the six months ended 30 June 2020 respectively has been extracted without material adjustment from the income statement of LSEG plc.

Refinitiv Parent

Continuing amortisation and depreciation of £516 million and £277 million for the financial year ended 31 December 2019 and the six months ended 30 June 2020 respectively has been extracted without material adjustment from Note 8 to the historical financial information in relation to Refinitiv Parent included in Section B (Combined Historical Financial Information of Refinitiv) of Part 12 (*Historical Financial Information of the Combined Business*) of this document, converted at an exchange rate of US$1.28 to £1 and US$1.26 to £1 for the financial year ended 31 December 2019 and the six months ended 30 June 2020 respectively.

11. Other Adjustments

Besides the costs relating to the Transaction, the pro forma income statement and the pro forma statement of net assets do not reflect any profit-related costs, which can be realised with the Transaction.

No adjustments have been made to reflect the results of the operations of LSEG plc or Refinitiv Parent since 30 June 2020, or other changes of their financial situation during that period.

12. Other Pro forma information

Recurring income for six months ended 30 June 2020

(£ million)	LSEG plc six months ended 30 June 2020[(i)]	Refinitiv Parent six months ended 30 June 2020[(ii)]	Pro forma Combined Business (exc. Borsa Italiana) six months ended 30 June 2020	Borsa Italiana six months ended 30 June 2020	Pro Forma Combined Group (exc. Borsa Italiana) six months ended 30 June 2020
Recurring income	429	1,908	2,337	(19)	2,317
Transactional income (exc recoveries)	806	481	1,287	(189)	1,099
Total income (exc recoveries)	**1,235**	**2,389**	**3,624**	(208)	3,416
Recoveries	—	165	165	—	165
Total income	**1,235**	**2,554**	**3,789**	**(208)**	**3,581**
Percentage recurring (exc recoveries) (per cent.)	**35**	**80**	**64**	**9**	**68**

Recurring income for year ended 31 December 2019

(£ million)	LSEG plc year ended 31 December 2019[(i)]	Refinitiv Parent year ended 31 December 2019[(ii)]	Pro forma Combined Business (inc. Borsa Italiana) year ended 31 December 2019	Borsa Italiana year ended 31 December 2019	Pro Forma Combined Group (exc. Borsa Italiana) year ended 31 December 2019
Recurring income	839	3,731	4,570	(36)	4,534
Transactional income (exc recoveries)	1,475	835	2,310	(359)	1,952
Total income (exc recoveries)	**2,314**	**4,566**	**6,880**	**(395)**	**6,486**
Recoveries	—	328	328	—	328
Total income	**2,314**	**4,894**	**7,208**	**(395)**	**6,813**
Percentage recurring (exc recoveries) (per cent.)	**36**	**82**	**66**	**9**	**70**

(i) LSEG plc recurring income is based on the Information Services division income extracted from Note 5 to LSEG plc's audited Annual Report and Accounts for the financial year ended 31 December 2019 and the unaudited Interim Report for the six month period ended 30 June 2020. On 1 January 2020, the Group realigned its segmental reporting to reflect management structure changes so that all Post Trade Services are now combined in one operating segment. The new operating segment includes the previous segments of LCH Group and the Post Trade businesses in Italy, Monte Titoli and CC&G, as well as the results of UnaVista, which were previously included in the Information Services division. The pro forma recurring income excludes LSEG's Regulatory News Service (RNS) income, a leading provider of regulatory disclosure services to UK listed and AIM companies. RNS income has been realigned from the Data and Analytics Division operating segment to the Capital Market operating segment after Completion of the Transaction to reflect indicative management structure changes post completion of the Transaction.

(ii) Refinitiv Parent recurring income is extracted from Note 5 to the audited historical financial information in relation to Refinitiv Parent included in Section B (Combined Historical Financial Information of Refinitiv) of Part 12 (*Historical Financial Information of the Combined Business*) of this document, converted into pounds sterling using an exchange rate of US$1.28 to £1 and US$1.28 to £1 for the financial year ended 31 December 2019 and the six month period ended 30 June 2020.

(iii) Borsa Italiana Group recurring income is extracted from the audited consolidated financial statements of LSEG plc for the financial year ended 31 December 2019 and from the unaudited consolidated financial statements for the six months ended 30 June 2020, which have been prepared in accordance with IFRS as adopted by the EU, and are incorporated by reference into this document. An average rate of exchange of €1.14 to £1 and €1.14 to £1 for the year ended 31 December 2019 and the six months ended 30 June 2020 respectively.

13. Segmental income breakdown

The following table is intended to provide information on the income performance of the Combined Business by segment for the six months ended 30 June 2020 and the financial year ended 31 December 2019, as LSEG plc may have reported on such performance had Refinitiv been part of LSEG during the relevant period and taking into account the Borsa Italiana Divestment, and as the Combined Business may report on such segments in future. As integration planning in respect of the Transaction progresses, the breakdown of any future, Combined Business, segmental income disclosure may be subject to change.

Six months ended 30 June 2020

	LSEG plc[(i)] (£m)	Refinitiv Parent[(ii)] (£m)	Pro forma Combined Business (£m)	Pro forma Percentage of total income (per cent.)	Borsa Italiana[(iii)]	Pro forma Combined Business (exc. Borsa Italiana)	Pro forma Percentage of total income (per cent.)
Data and Analytics							
Trading	9	841	850	—	—	850	—
Enterprise Data	82	525	607	—	(19)	588	—
Investment solutions	338	193	531	—	—	531	—
Wealth	—	257	257	—	—	257	—
Risk	—	137	137	—	—	137	—
Recoveries	—	165	165	—	—	165	—
Total Data and Analytics income	**429**	**2,118**	**2,547**	**67**	**(19)**	**2,528**	**71**
Capital Markets							
Primary Markets	72	—	72	—	(14)	58	—
Secondary markets—Equities	91	—	91	—	(39)	52	—
Secondary Markets—FX	—	105	105	—	—	105	—
Secondary Markets—Fixed income, Derivatives and Other	92	331	423	—	(55)	368	—
Total Capital Markets Income	**255**	**436**	**691**	**18**	**(108)**	**582**	**16**
Post Trade Services							
Post Trade Services LCH	293	—	293	—	—	293	—
Post Trade Services Italy	53	—	53	—	(53)	—	—
Unavista	26	—	26	—	—	26	—
Total Post Trade Income (exc. NTI)	**372**	—	**372**	—	**(53)**	**319**	—
NTI—LCH	149	—	149	—	—	149	—
NTI—Post Trade Services Italy	27	—	27	—	(27)	—	—
Total Post Trade Services Income	**548**	**—**	**548**	**15**	**(80)**	**469**	**13**
Other revenue	2	—	2	—	(1)	1	—
Other income	1	—	1	—	—	1	—
Total Income	**1,235**	**2,554**	**3,789**	**100**	**(208)**	**3,581**	**100**

Year ended 2019

	LSEG plc[(i)] (£m)	Refinitiv Parent[(ii)] (£m)	Pro forma Combined Business (£m)	Pro forma Percentage of total income (per cent.)	Borsa Italiana[(iii)]	Pro forma Combined Group (exc. Borsa Italiana)	Pro forma Percentage of total income (per cent.)
Data and Analytics							
Trading	18	1,680	1,698	—	—	1,698	—
Enterprise Data	157	1,013	1,170	—	(36)	1,134	—
Investment solutions	664	382	1,046	—	—	1,046	—
Wealth	—	461	461	—	—	461	—
Risk	—	266	266	—	—	266	—
Recoveries	—	328	328	—	—	328	—
Total Data and Analytics Income	**839**	**4,130**	**4,969**	**69**	**(36)**	**4,933**	**72**
Capital Markets							
Primary Markets	166	—	166	—	(27)	139	—
Secondary markets—Equities	152	—	152	—	(65)	87	—
Secondary Markets—FX	—	201	201	—	—	201	—
Secondary Markets—Fixed income, Derivatives and Other	190	563	753	—	(111)	641	—
Total Capital Markets Income	**508**	**764**	**1,272**	**18**	**(203)**	**1,069**	**16**
Post Trade Services							
Post Trade Services LCH	550	—	550	—	—	550	—
Post Trade Services Italy	103	—	103	—	(103)	—	—
Unavista	47	—	47	—	—	47	—
Total Post Trade Services Income (exc. NTI	**700**	—	**700**	—	**(103)**	**597**	—
NTI—LCH	206	—	206	—	—	206	—
NTI—Post Trade Services Italy	49	—	49	—	(49)	—	—
Total Post Trade Services Income	**955**	—	**955**	**13**	**(152)**	**803**	**12**
Other revenue	9	—	9	—	(4)	5	—
Other Income	3	—	3	—	—	3	—
Total Income	**2,314**	**4,894**	**7,208**	**100**	**(395)**	**6,813**	**100**

(i) LSEG plc income figures were extracted from LSEG plc's Annual Report and Accounts for the financial year ended 31 December 2019 and the Interim Report for the six months ended 30 June 2020. On 1 January 2020, the Group realigned its segmental reporting to reflect management structure changes so that all Post Trade Services are now combined in one operating segment. The new operating segment includes the previous segments of LCH Group and the Post Trade businesses in Italy, Monte Titoli and CC&G, as well as the results of UnaVista, which were previously included in the Information Services division. Regulatory News Service (RNS) income, a leading provider of regulatory disclosure services to UK listed and AIM companies, has been moved from the Data and Analytics division operating segment to the Capital Market—Primary Markets operating segment. Technology income figures for the financial year ended 31 December 2019 and the Interim Report for the six months ended 30 June 2020 have been included within the Capital Market—Secondary Markets—Fixed income, Derivatives and Other operating segment. Real time data income figures have been included in Enterprise Data. FTSE Russell income figures and other LSEG Information Services income figures have been included in Investment Solutions. Mergent income figures have been included in Trading. The numbers are unaudited but reconcile to the total audited income of LSEG plc.

(ii) Figures for Refinitiv Parent were extracted from the additional segmental income information in relation to Refinitiv included in paragraph 3 (*Summary information on Refinitiv*) of Part 5 (*Information on the Transaction*) of this document. The numbers are unaudited but reconcile to the total audited income of Refinitiv Parent. An average rate of exchange of US$1.28 to £1 and US$1.26 to £1 has been used to convert this information into pounds sterling for the financial year ended 30 December 2019 and the six month period ended 30 June 2020 respectively.

(iii) Figures for the Borsa Italiana Group were extracted from LSEG plc's Annual Report and Accounts for the financial year ended 31 December 2019 and the Interim Report for the six months ended 30 June 2020. The numbers are unaudited but reconcile to the total audited income of the Borsa Italiana Group. An average rate of exchange of €1.14 to £1 and €1.14 to £1, and a period end spot rate of €1.17 to £1 and €1.09 to £1, have been used to convert the financial information of the Borsa Italiana Group into pounds sterling for the financial year ended 31 December 2019 and the period ended 30 June 2020 respectively. Segmental income figures for the Borsa Italiana Group have been presented on the same basis as LSEG plc.

Section B Accountant's Report on the Unaudited Pro Forma Financial Information for the Combined Business

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The Directors and Proposed Directors
London Stock Exchange Group plc
10 Paternoster Square
London
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9 December 2020

Ladies and Gentlemen

London Stock Exchange Group plc

We report on the pro forma financial information (the 'Pro forma financial information') set out in Section A of Part 13 (Unaudited pro forma financial information for the Combined Business) of the prospectus dated 9 December 2020. This report is required by Section 3 of Annex 20 of the Commission Delegated Regulation (EU) 2019/980 (the 'PR Regulation') and is given for the purpose of complying with that section and for no other purpose.

Opinion

In our opinion:

- the Pro forma financial information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of London Stock Exchange Group plc.

Responsibilities

It is the responsibility of the Directors and the Proposed Directors of London Stock Exchange Group plc to prepare the Pro forma financial information in accordance with Annex 20 of the PR Regulation.

It is our responsibility to form an opinion, as required by Section 3 of Annex 20 of the PR Regulation, as to the proper compilation of the Pro forma financial information and to report that opinion to you.

Save for any responsibility arising under Prospectus Rule 5.3.2R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Item 1.3 of Annex 1 of the PR Regulation, consenting to its inclusion in the prospectus.

Basis of Preparation

The pro forma financial information has been prepared on the basis described for illustrative purposes only, to provide information about how the acquisition of Refinitiv Parent Limited and issue of ordinary shares of London Stock Exchange Group plc might have affected the financial information presented on the basis of the accounting policies adopted by London Stock Exchange Group plc in preparing the financial statements for the period ended 31 December 2019.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom (the 'FRC'). We are independent, and have fulfilled our other ethical responsibilities, in accordance with the relevant ethical requirements of the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the Directors of London Stock Exchange Group plc.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of London Stock Exchange Group plc.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R (2)(f) we are responsible for this report as part of the prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that the report makes no omission likely to affect its import. This declaration is included in the prospectus in compliance with Item 1.2 of Annex 1 of the PR Regulation.

Yours faithfully

KPMG LLP

PART 14
ADDITIONAL INFORMATION

1. Responsibility

LSEG plc, the Directors (whose names are set out on page 39) and the Proposed Directors (whose names are set out on page 39) accept responsibility for the information contained in this document. To the best of the knowledge of LSEG plc, the Directors and the Proposed Directors, the information contained in this document is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

2. Information about LSEG plc

2.1 LSEG plc was incorporated and registered in England and Wales on 18 February 2005 under the Companies Act 1985 as a private company limited by shares with registered number 5369106, with the name Milescreen Limited. On 16 November 2005, it changed its name to London Stock Exchange Group Limited. On 7 December 2005, it re-registered as a public limited company pursuant to section 43 of the Companies Act 1985 and changed its name to London Stock Exchange Group plc. LSEG plc's legal entity identifier ("**LEI**") is GB00B0SWJX34.

2.2 The registered and head office of LSEG plc is 10 Paternoster Square, London EC4M 7LS. LSEG plc's main telephone number is 0207 797 1000.

2.3 The principal legislation under which LSEG plc operates, and the LSEG Shares have been created, is the Companies Act.

3. Information about LSEG plc's share capital

3.1 *Share Capital as at the Latest Practicable Date*

As at the Latest Practicable Date, LSEG plc had 351,563,499 LSEG Ordinary Shares in issue with a nominal value of $6^{79}/_{86}$ pence each (excluding shares held in treasury), representing approximately 100 per cent. of the total issued share capital of LSEG plc at that time. As at the Latest Practicable Date, LSEG plc had 0 treasury shares in issue with a nominal value of $6^{79}/_{86}$ pence each.

3.2 *Share capital history*

(i) As at 1 January 2017, being the first day covered by the historical financial information in relation to LSEG plc which is incorporated by reference as described in Part 15 (*Documentation incorporated by reference*) of this document, LSEG plc's issued share capital consisted of: (a) 350,306,374 LSEG Ordinary Shares with a nominal value of $6^{79}/_{86}$ pence each (excluding shares held in treasury); and (b) 0 LSEG Ordinary Shares with a nominal value of $6^{79}/_{86}$ pence each held in treasury.

(ii) The following table shows the changes in the share capital of the Company which occurred between 1 January 2017 and the Latest Practicable Date:

Effective Date	Issued Share Capital	Share Allotment	Treasury	Total Voting Rights
4 November 2020	351,563,499	116,377	0	351,563,499
26 March 2020	351,447,122	775,000	929,418	350,517,704
27 November 2019	350,672,122	601	932,533	349,739,589
8 August 2019	350,671,521	19,498	932,533	349,738,988
7 June 2019	350,652,023	47,921	949,747	349,702,276
7 December 2018	350,604,102	3,108	2,434,685	348,169,417
20 September 2018	350,600,994	13,695	2,442,861	348,158,133
8 August 2018	350,587,299	55,960	2,467,269	348,120,030
15 November 2017	350,531,339	9,468	3,794,585	346,736,754
16 October 2017	350,521,871	26,826	3,800,083	346,721,788
7 September 2017	350,495,045	36,594	3,147,584	347,347,461
24 August 2017	350,458,451	4,685	2,966,346	347,492,105
28 June 2017	350,453,766	10,984	2,734,677	347,719,089
27 April 2017	350,442,782	6,880	0	350,442,782
23 March 2017	350,435,902	31,375	0	350,435,902
10 March 2017	350,404,527	98,153	0	350,404,527

(iii) Other than these issues of LSEG Ordinary Shares, there have been no changes to the issued share capital of LSEG plc between 1 January 2017 and the Latest Practicable Date.

3.3 *Share capital at Admission, and the PIK Redemption Date*

(i) The issued share capital of LSEG plc on Admission is expected to consist of up to 531,213,724 LSEG Shares (based on the issued share capital of LSEG plc as at the Latest Practicable Date and assuming a maximum of 40,102 further LSEG Shares are issued pursuant to the exercise of certain SAYE options under the LSEG International Sharesave Scheme 2008 after the Latest Practicable Date, and further assuming 179,610,123 Consideration Shares will be issued at the time of Admission) comprising LSEG Ordinary Shares with a nominal value of $6^{79}/_{86}$ pence each and Limited-voting Ordinary Shares with a nominal value of $6^{79}/_{86}$ pence each (subject to: (i) the option for LSEG plc to settle up to US$2.5 billion of the consideration in cash, in which case the number of Consideration Shares issued will reduce accordingly (with a resulting decrease in the issued share capital of LSEG plc on Admission); and (ii) any further adjustments for leakage). This figure takes into account a small amount of known and agreed leakage in respect of the Refinitiv group.

(ii) The issued share capital of LSEG plc on the PIK Redemption Date is expected to consist of up to 555,829,569 LSEG Shares (based on the issued share capital of LSEG plc as at the Latest Practicable Date and assuming a maximum of 40,102 further LSEG Shares are issued pursuant to the exercise of certain SAYE options under the LSEG International Sharesave Scheme 2008 after the Latest Practicable Date, and further assuming 179,610,123 Consideration Shares will be issued at the time of Admission and 24,615,845 Consideration Shares will be issued on the PIK Redemption Date), comprising LSEG Ordinary Shares with a nominal value of $6^{79}/_{86}$ pence each and Limited-voting Ordinary Shares with a nominal value of $6^{79}/_{86}$ pence each. As above, this number is subject to: (i) the option for LSEG plc to settle up to US$2.5 billion of the consideration in cash, in which case the number of Consideration Shares issued will reduce accordingly; and (ii) any further adjustments for leakage. This figure takes into account a small amount of known and agreed leakage in respect of the Refinitiv group.

3.4 *Impact of the Transaction on existing LSEG Shareholders and their interests in LSEG Shares*

The following table sets out indicative details of the impact of the Transaction on existing LSEG Shareholders and their interests in LSEG Shares as at Admission and the PIK Redemption Date, assuming that the relevant LSEG Shareholder holds 3,515,635 LSEG Ordinary Shares at each such time (such number of shares representing 1 per cent. of the issued share capital of LSEG plc as at the Latest Practicable Date, excluding LSEG plc shares held in treasury).

	As at the Latest Practicable Date		**As at Admission(1)(2)(3)(4)(5)(6)**			**As at the PIK Redemption Date(1)(2)(3)(4)(5)(6)**		
	LSEG Ordinary Shares held	**Percentage of LSEG Ordinary Shares held(1)**	**Percentage of LSEG Shares held**	**Percentage economic interest in LSEG plc**	**Percentage voting interest in LSEG plc**	**Percentage of LSEG Shares held**	**Percentage economic interest in LSEG plc**	**Percentage voting interest in LSEG plc**
LSEG Shareholder	3,515,635	1	0.66	0.66	0.75	0.63	0.63	0.71

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(1) Calculations exclude LSEG plc treasury shares

(2) Figures subject to any additional LSEG Shares being issued between the Latest Practicable Date, Admission and the PIK Redemption Date, other than the issue of the Consideration Shares

(3) Figures subject to any adjustments to the number of Completion Consideration Shares as a result of LSEG plc electing to settle any of the consideration in respect of the Transaction in cash

(4) Figures subject to any adjustments to the number of Completion Consideration Shares as a result of any leakage in the period prior to Completion

(5) Figures subject to any LSEG Shares being sold pursuant to the Lock-up Provisions

(6) Figures are indicative only and are based on an assumed 1 per cent. interest in LSEG Ordinary Shares. LSEG Shareholders' interests in LSEG Ordinary Shares as at Admission and the PIK Redemption Date may differ from the interests set out in this table

3.5 *Impact of the Transaction on LSEG plc's significant shareholders and their interests in LSEG Shares*

As at the Latest Practicable Date, LSEG plc had been notified of the interests in LSEG Ordinary Shares set out in the second and third columns below, which are notifiable in accordance with sections 791 to 828 of the Companies Act and the Disclosure Guidance and Transparency Rules of the FCA. The indicative interests in LSEG Shares of such persons, the Refinitiv Sellers and ConsortiumCo as at Admission and the PIK Redemption Date are also set out below.

	As at the Latest Practicable Date		As at Admission(1)(2)(3)(4)(5)(6)(7)			As at the PIK Redemption Date(1)(2)(3)(4)(5)(6)(7)		
Name	**LSEG Ordinary Shares held**	**Percentage of LSEG Ordinary Shares held(1)**	**Percentage of LSEG Shares held**	**Percentage economic interest in LSEG plc**	**Percentage voting interest in LSEG plc**	**Percentage of LSEG Shares held**	**Percentage economic interest in LSEG plc**	**Percentage voting interest in LSEG plc**
Qatar Investment Authority	28,080,219	7.99	5.29	5.29	5.97	5.05	5.05	5.67
Lindsell Train Limited	17,507,698	4.98	3.30	3.30	3.72	3.15	3.15	3.54
The Capital Group Companies	23,702,950	6.74	4.46	4.46	5.04	4.26	4.26	4.79
BlackRock, Inc	23,963,192	6.82	4.51	4.51	5.09	4.31	4.31	4.84
York Holdings II Limited	0	0	24.07	24.07	18.00	23.00	23.00	17.11
York Holdings III Limited	0	0	9.74	9.74	7.29	9.31	9.31	6.92
ConsortiumCo	0	0	0.00	0.00	0.00	4.43	4.43	4.97
Total	93,254,059	26.53	51.37	51.37	45.10	53.52	53.52	47.83

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(1) Calculations exclude LSEG plc treasury shares

(2) Figures subject to any additional LSEG Shares being issued between the Latest Practicable Date, Admission and the PIK Redemption Date other than the issue of the Consideration Shares

(3) Figures assume that the number of LSEG Ordinary Shares held by the relevant person will not change between the Latest Practicable Date, Admission and the PIK Redemption Date, other than in respect of the issue of the Consideration Shares to the Refinitiv Sellers and ConsortiumCo

(4) Figures subject to any adjustments to the number of Completion Consideration Shares as a result of LSEG plc electing to settle any of the consideration in respect of the Transaction in cash

(5) Figures subject to any adjustments to the number of Completion Consideration Shares as a result of any leakage in the period prior to Completion and the allocation of such leakage

(6) Figures subject to any LSEG Shares being sold pursuant to exceptions to the Lock-up Provisions

(7) Figures are indicative only and such persons' interests in LSEG Shares as at Admission and the PIK Redemption Date may differ from the interests set out in this table

As at the Latest Practicable Date, LSEG plc was not aware of any person or persons who directly or indirectly, jointly or severally, exercise or are entitled to exercise control over LSEG plc, nor is it aware of any arrangement the operation of which may at a subsequent date result in a change of control of LSEG plc.

4. LSEG plc's Articles

A summary of the articles of association of LSEG plc (the "**Articles**") is set out below. A complete copy of the Articles can be accessed on LSEG plc's website at www.lseg.com/investor-relations/financial-reports-and-key-documents/ma-documents/acquisition-refinitiv and in the records of Companies House in the United Kingdom.

4.1 *Objects*

The Articles do not set out specific details concerning LSEG plc's objects. LSEG plc is not restricted by its Articles. Accordingly, pursuant to section 31 of the Companies Act, LSEG plc's objects are unrestricted.

4.2 *Respective rights of different classes of shares*

Without prejudice to any rights attached to any existing shares, LSEG plc may issue shares with such rights or restrictions as determined by either LSEG plc by ordinary resolution or, subject to and in default of such determination, its Directors. LSEG plc may also issue shares which are, or are liable to be, redeemed at the option of LSEG plc or the holder.

4.3 *Voting rights*

In accordance with the Articles, voting at a general meeting of LSEG plc may be carried out by way of show of hands or a poll. Pursuant to the Articles, a poll can be requested by: (i) the chairman of the meeting; (ii) not less than five members present in person or represented by a proxy and entitled to vote; (iii) members present in person or represented by a proxy and jointly representing not less than 10 per cent. of the total voting rights (excluding the rights attaching to any shares held as treasury shares); or (iv) members present in person or represented by a proxy and holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than 10 per cent. of the share capital of LSEG plc (excluding any such shares held as treasury shares). If the vote is on a show of hands, each nominee has one vote irrespective of the number of shareholders represented by him or her. If a nominee is instructed by different shareholders to vote in different ways, such nominee will vote both for and against a proposed resolution. It is expected that votes at a general meeting of LSEG plc will be exercised by poll.

At a general meeting, subject to any special rights or restrictions attached to any class of shares (such as the Limited-voting Ordinary Shares): (i) on a show of hands, every member present in person and every duly appointed proxy present shall have one vote; (ii) on a show of hands, a proxy has one vote for and one vote against the resolution, if the proxy has been duly appointed by more than one member entitled to vote on the resolution, and the proxy has been instructed: (a) by one or more of those members to vote for the resolution and by one or more other of those members to vote against it; or (b) by one or more of those members to vote either for or against the resolution and by one or more other of those members to use his discretion as to how to vote; and (iii) on a poll, every member present in person or by proxy has one vote for every share held by him or her.

A proxy shall not be entitled to vote on a show of hands or on a poll where the member appointing the proxy would not have been entitled to vote on the resolution had he or she been present in person.

Unless the Directors resolve otherwise, no member shall be entitled to vote either personally or by proxy or to exercise any other right in relation to general meetings if any call or other sum due from him or her to LSEG plc in respect of that share remains unpaid.

4.4 *Dividends*

LSEG plc may, by ordinary resolution, declare final dividends to be paid to LSEG Shareholders. However, no dividend shall be declared unless it has been recommended by the Directors and does not exceed the amount recommended by the Directors.

If the Directors believe that the profits of LSEG plc justify such payment, LSEG plc may pay dividends on any class of share where the dividend is payable on fixed dates. LSEG plc may also pay interim dividends on shares of any class in amounts and on dates and periods as the Directors think fit. Provided the Directors act in good faith, they shall not incur any liability to the holders of any shares for any loss such holders may suffer by the payment of dividends on any other class of shares having rights ranking equally with or behind those shares.

Any dividends for certificated shares that remain unclaimed (for example because the dividends letter could not be delivered or because the dividends cheque was not cashed) may be invested or otherwise applied for the benefit of LSEG plc until they are claimed. Any dividend unclaimed for 12 years from the date on which it was declared or became due for payment shall be forfeited and shall revert to LSEG plc.

The Directors may, if authorised by ordinary resolution, offer to ordinary shareholders the right to elect to receive, in lieu of a dividend, an allotment of new ordinary shares, credited as fully paid.

4.5 *Variation of rights*

Whenever the share capital of LSEG plc is divided into different classes of shares, the special rights attached to any class may be varied or abrogated either with the written consent of the holders of three-quarters in nominal value of the issued shares of the class (excluding shares held as treasury shares) or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of the class (but not otherwise), and may be so varied or abrogated either while LSEG plc is a going concern or during or in contemplation of a winding-up.

The special rights attached to any class of shares will not, unless otherwise expressly provided by the terms of issue, be deemed to be varied by: (i) the creation or issue of further shares ranking, as regards participation in the profits or assets of LSEG plc, in some or all respects equally with them but in no respect in priority to them; or (ii) the purchase or redemption by LSEG plc of any of its own shares.

4.6 *Transfer of shares*

LSEG plc can issue certificated and uncertificated shares. If certificated shares have been issued, transfers may be effected in writing in any usual or common form or in any other form acceptable to the Directors. The instrument of transfer shall be signed by or on behalf of the transferor and, if any of the shares are not fully-paid shares, by or on behalf of the transferee.

The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the register of members of LSEG plc in respect of those shares.

Transfers of uncertificated shares may be effected by means of a relevant system (i.e., CREST) unless the CREST Regulations provide otherwise.

The Directors may decline to register any transfer of a certificated share, unless: (i) the instrument of transfer is in respect of only one class of share; (ii) the instrument of transfer is lodged at the transfer office, duly stamped if required and accompanied by the relevant share certificate(s) or other evidence reasonably required by the Directors to show the transferor's right to make the transfer or, if the instrument of transfer is executed by some other person on the transferor's behalf, the authority of that person to do so; and (iii) the certificated share is fully paid up.

The Directors may refuse to register an allotment or transfer of shares if the allotment or transfer is made in favour of more than four persons jointly.

4.7 *Restrictions where the obligation to provide information following service of a notice is not complied with*

If any person appearing to be interested in shares (within the meaning of Part 22 of the Companies Act) has been duly served with a notice under section 793 of the Companies Act (which confers upon public companies the power to require information as to interests in its voting shares) and is in default for a period of 14 days in supplying to LSEG plc the information required by that notice: (i) the holder of the relevant shares shall not be entitled to attend or vote (in person or by proxy) at any shareholders' meeting, unless the Directors otherwise determine; and (ii) the Directors may in their absolute discretion, where those shares represent 0.25 per cent. or more of the issued shares of a relevant class, by written notice to the holder, direct that: (a) any dividend or part of a dividend (including shares issued in lieu of a dividend) or other money which would otherwise be payable on the shares will be retained by LSEG plc without any liability for interest and the shareholder will not be entitled to elect to receive shares in lieu of a dividend; and/or (b) (with various exceptions set out in the Articles) transfers of the shares will not be registered.

4.8 *Forfeiture and lien*

If an LSEG Shareholder fails to pay in full any sum which is due in respect of a share on or before the due date for payment, then, following notice by the Directors requiring payment of the unpaid amount with any accrued interest and any expenses incurred by LSEG plc by reason of such non-payment, such share may be forfeited by a resolution of the Directors to that effect (including all dividends declared in respect of the forfeited share and not actually paid before the forfeiture).

An LSEG Shareholder whose shares have been forfeited will cease to be a member in respect of the shares, but will remain liable to pay LSEG plc all monies which at the date of forfeiture were presently payable, together with interest. The Directors may in their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal, or waive payment in whole or part.

LSEG plc shall have a lien on every share (not being a fully paid-up share) that is not fully paid for all monies called or payable at a fixed time in respect of such share. LSEG plc's lien over a share takes priority over the rights of any third-party and extends to any dividends or other sums payable by LSEG plc in respect of that share. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt from such a lien, either wholly or partially.

A share forfeited or surrendered shall become the property of LSEG plc and may be sold, re-allotted or otherwise disposed of to any person (including the person who was, before such forfeiture or surrender, the holder of that share or entitled to it) on such terms and in such manner as the Directors think fit. LSEG plc may deliver an enforcement notice in respect of any share if a sum in respect of which a lien exists is due and has not been paid. LSEG plc may sell any share in respect of which an enforcement notice, delivered in accordance with the Articles, has been given if such notice has not been complied with. The proceeds of sale shall first be applied towards payment of the amount in respect of the lien to the extent that amount was due on the date of the enforcement notice, and then on surrender of the share certificate for cancellation, to the person entitled to the shares immediately prior to the sale.

5. Rights attaching to the Limited-voting Ordinary Shares

Pursuant to the terms of the Stock Purchase Agreement, at Completion LSEG plc will issue Limited-voting Ordinary Shares to the Refinitiv Sellers. Except as set out below, the Limited-voting Ordinary Shares shall rank *pari passu* with the LSEG Ordinary Shares in all respects and no action shall be taken by LSEG plc in relation generally to, or offer made by LSEG plc to the holders generally of, the LSEG Ordinary Shares unless the same action is taken in relation generally to, or the same offer is made to the holders generally of, the Limited-voting Ordinary Shares. The rights and restrictions attaching to the

Limited-voting Ordinary Shares are set out in full in the Allotment Resolution, a copy of which can be accessed on LSEG plc's website at www.lseg.com/investor-relations/financial-reports-and-key-documents/ma-documents/acquisition-refinitiv and in the records of Companies House in the United Kingdom.

5.1 *Income*

On a distribution of profits, whether by cash dividend, dividend in specie, scrip dividend, capitalisation issue or otherwise (but excluding a distribution of profits on a purchase by LSEG plc of any LSEG Ordinary Shares pursuant to Chapter 4 of Part 18 of the Companies Act, other than any purchase by LSEG plc of its own equity shares pursuant to LR12.4.2(R) of the Listing Rules), the Limited-voting Ordinary Shares shall rank *pari passu* with the rights to distributions of profits attaching to the LSEG Ordinary Shares.

5.2 *Capital*

On a return of capital, whether on a winding-up or otherwise (but excluding a return of capital on a purchase by LSEG plc of any LSEG Ordinary Shares pursuant to Chapter 4 of Part 18 of the Companies Act, other than any purchase by LSEG plc of its own equity shares pursuant to LR12.4.2(R) of the Listing Rules), the Limited-voting Ordinary Shares shall rank *pari passu* with the rights to the assets of LSEG plc attaching to the LSEG Ordinary Shares.

5.3 *Voting at general meetings*

A holder of Limited-voting Ordinary Shares shall be entitled to receive notice of, and to attend and speak at, any general meeting of LSEG plc, and (other than in relation to those resolutions referred to in the first sentence of LR9.2.21(R) of the Listing Rules, where the vote must be decided by a resolution of the holders only of LSEG Ordinary Shares): (i) on a vote on a resolution on a show of hands shall have one vote; and (ii) on a vote on a resolution on a poll shall have one-tenth of a vote for every Limited-voting Ordinary Share of which it is the holder with the total number of votes exercisable by the holder rounded down to the nearest whole number (except where the holder holds fewer than ten Limited-voting Ordinary Shares, in which case the number of votes exercisable by the holder shall be rounded up to one vote).

5.4 *Conversion*

At any time, a holder of Limited-voting Ordinary Shares (a "**Limited-voting Ordinary Shareholder**") shall be entitled to require LSEG plc to convert some or all of the Limited-voting Ordinary Shares held by such Limited-voting Ordinary Shareholder into LSEG Ordinary Shares, on a one for one basis, so long as such conversion does not (in the reasonable opinion of the Board) result in: (i) the Limited-voting Ordinary Shareholder or any other person acting in concert with it being required to make a mandatory offer for LSEG plc under Rule 9 of the City Code; or (ii) the number of LSEG Ordinary Shares in which the Limited-voting Ordinary Shareholder and any persons acting in concert with it (other than any Company Director Concert Party) are interested, exceeding: (a) 29 per cent.; or (b) if and for so long as the Takeover Panel confirms that no Company Director Concert Party is acting in concert with the Limited-voting Ordinary Shareholder (or any other person acting in concert with the Limited-voting Ordinary Shareholder), 29.9 per cent. For these purposes, the "**Company Director Concert Party**" means any Director (and the close relatives of any such Director), other than any Director nominated for appointment as a Director pursuant to the Relationship Agreement.

5.5 *General*

The Limited-voting Ordinary Shareholder shall specify in the conversion notice served on LSEG plc whether it wishes to hold the LSEG Ordinary Shares arising on conversion of the Limited-voting Ordinary Shares in certificated form or in uncertificated form through CREST.

Where the LSEG Ordinary Shares are to be held in certificated form, within 10 Business Days after the conversion of any Limited-voting Ordinary Shares into LSEG Ordinary Shares, LSEG plc shall forward to the relevant Limited-voting Ordinary Shareholder, at the Limited-voting Ordinary Shareholder's own risk, free of charge, a definitive certificate for the appropriate number of fully paid up LSEG Ordinary Shares and (if the Limited-voting Ordinary Shares are held in certificated from) a new certificate for any unconverted Limited-voting Ordinary Shares comprised in the certificate surrendered by the Limited-voting Ordinary Shareholder.

Where the LSEG Ordinary Shares are to be held in uncertificated form, LSEG plc will ensure that the appropriate number of LSEG Ordinary Shares are delivered, within 10 Business Days of the conversion of the Limited-voting Ordinary Shares, to the CREST account specified by the Limited-voting Ordinary Shareholder.

LSEG shall use reasonable endeavours to procure that the LSEG Ordinary Shares arising on conversion of the Limited-voting Ordinary Shares are, as soon as reasonably possible, admitted to the Official List and to trading on the Main Market.

No admission to listing or admission to trading shall be sought for the Limited-voting Ordinary Shares whilst they remain Limited-voting Ordinary Shares.

6. Approval of the Transaction and the issue of the Consideration Shares

At the general meeting of LSEG plc held on 26 November 2019 (the "**LSEG General Meeting**"), LSEG Shareholders approved the following ordinary resolutions:

(a) the Transaction Resolution, which proposed that: (i) the Transaction be approved; and (ii) the Directors be authorised to take all steps as may be necessary, expedient or desirable to implement the Transaction; and

(b) the Allotment Resolution, which was conditional on the Transaction Resolution being passed and proposed that the Directors be given authority to allot LSEG Shares up to an aggregate nominal amount of £15 million in connection with the Transaction.

7. Mandatory bids and compulsory acquisition rules relating to the ordinary shares

7.1 The City Code is issued and administered by the Takeover Panel. On Admission, the Combined Business will be subject to the City Code and therefore LSEG Shareholders will be entitled to the protections afforded by the City Code. Other than as provided by the City Code and Chapter 28 of the Act, there are no rules or provisions relating to mandatory bids and/or squeeze out and sell out rules relating to the Company.

7.2 Mandatory bids

Rule 9 of the City Code provides that, except with the consent of the Takeover Panel, when: (i) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons acting in concert with that person are interested) carry 30 per cent. or more of the voting rights of a company; or (ii) any person, together with persons acting in concert with that person, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with such person, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested, then, in either case, that person, together with the persons acting in concert with him, is normally required to extend offers in cash, at the highest price paid by him (or any persons acting in concert with him) for shares in the Company within the preceding 12 months, to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights.

7.3 Squeeze-out

Under the Companies Act, if a "takeover offer" (as defined in section 974 of the Companies Act) is made for the LSEG Shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90 per cent. in value of the shares to which the takeover offer relates (the "**Takeover Offer Shares**") and not less than 90 per cent. of the voting rights attached to the Takeover Offer Shares within three months of the last day on which its offer can be accepted, it could acquire compulsorily the remaining 10 per cent. It would do so by sending a notice to outstanding shareholders telling them that it will acquire compulsorily their Takeover Offer Shares and then, six weeks later, it would execute a transfer of the outstanding Takeover Offer Shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding shareholders. The consideration offered to the shareholders whose Takeover Offer Shares are acquired compulsorily under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

7.4 Sell-out

The Companies Act also gives minority shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the LSEG Shares and at any time before the end of the period within which the offer could be accepted the offeror held or had agreed to acquire not less than 90 per cent. of the LSEG Shares to which the offer relates, any holder of LSEG Shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those LSEG Shares. The offeror is required to give any shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of the minority shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a shareholder exercises his or her rights, the offeror is bound to acquire those Shares on the terms of the offer or on such other terms as may be agreed.

8. Service contracts and letters of appointment of the Directors and Proposed Directors

The LSEG Executive Directors

The LSEG Executive Directors have entered into service agreements with LSEG as summarised below:

David Schwimmer

Mr Schwimmer is employed by LSEG Employment Services Limited under the terms of a service agreement dated 12 April 2018 and was appointed with effect from 1 August 2018. The service agreement may be terminated by Mr Schwimmer or LSEG Employment Services Limited on not less than 12 months' written notice. Alternatively, LSEG Employment Services Limited may terminate the contract by payment in lieu of notice of a sum equal to 12 months' salary and the cost to LSEG Employment Services Limited of the pension, insurance and flexible benefits described below (but excluding without limitation the cost of bonus and share incentives). Any payment in lieu of notice will be paid in 12 monthly instalments from the date of termination, unless this would result in a less favourable treatment for Mr Schwimmer under US tax laws. If Mr Schwimmer commences alternative employment, is appointed as a Non-Executive Director or provides services pursuant to a consultancy agreement within 12 months after leaving LSEG, the payment in lieu of notice instalments will be reduced by one-twelfth of the annual remuneration earned from the alternative employment, directorship or consultancy. Mr Schwimmer's annual salary is £800,000.

Mr Schwimmer receives benefits in kind, principally private medical, income protection and life assurance. Mr Schwimmer participates in a flexible benefits plan whereby he receives an allowance of £15,000 per annum from which he can purchase additional benefits or receive the benefits allowance as a cash payment. This flexible benefit is not used to calculate bonus payments or pension contributions. Mr Schwimmer has elected to be paid a cash allowance equal to 10 per cent. of basic annual salary in lieu of participation in the LSEG Personal Pension Plan. This allowance will be paid in arrears in 12 monthly instalments.

Each year Mr Schwimmer is entitled to tax preparation and filing assistance in the US and the UK. LSEG Employment Services Limited will meet the reasonable costs up to £30,000 of repatriating Mr Schwimmer and his family's effects and their flights back to the US if his employment is terminated, other than for cause or by reason of his resignation. For the first five years of his employment, LSEG Employment Services Limited will pay Mr Schwimmer a pre-tax allowance of up to £50,000 per annum to be used for flights between London and the US for Mr Schwimmer or his dependants.

During the first three years of Mr Schwimmer's employment, he will also receive a pre-tax housing allowance of up to £150,000 per annum towards rental accommodation.

Mr Schwimmer is eligible to participate in the LSEG plc annual bonus plan. Cash bonus awards are approved by the LSEG plc Remuneration Committee and are based on annual financial targets, delivery of strategic objectives and individual performance. Mr Schwimmer is eligible to participate in the LSEG Deferred Bonus Plan, the LSEG LTIP (2014) and the LSEG Save As You Earn Scheme.

Anna Manz

Ms Manz is employed by LSEG Employment Services Limited under the terms of a service agreement dated 24 June 2020 and was appointed with effect from 21 November 2020. The service agreement may be terminated by Ms Manz or LSEG Employment Services Limited on not less than 12 months' written notice. Alternatively, LSEG Employment Services Limited may terminate the contract by payment in lieu of notice of a sum equal to 12 months' salary and the cost to LSEG Employment Services Limited of the pension, insurance and flexible benefits described below (but excluding without limitation the cost of bonus and share incentives). Any payment in lieu of notice will be paid in 12 monthly instalments from the date of termination. If Ms Manz commences alternative employment, is appointed as a Non-Executive Director or provides services pursuant to a consultancy agreement within 12 months after leaving LSEG, the payment in lieu of notice instalments will be reduced by one-twelfth of the annual remuneration earned from the alternative employment, directorship or consultancy. Ms Manz's annual salary is £650,000.

Ms Manz receives benefits in kind, principally private medical, income protection and life assurance. Ms Manz participates in a flexible benefits plan whereby she receives an allowance of £15,000 per annum from which she can purchase additional benefits or receive the benefits allowance as a cash payment. This flexible benefit is not used to calculate bonus payments or pension contributions. Ms Manz is entitled to a contribution of 10 per cent. of salary into the LSEG Personal Pension Plan. Alternatively, she may elect to be paid a cash allowance equal to 10 per cent. of basic annual salary in lieu of participation in the LSEG Personal Pension Plan, payable in arrears in 12 monthly instalments.

Ms Manz is eligible to participate in the LSEG plc annual bonus plan. Cash bonus awards are approved by the LSEG plc Remuneration Committee and are based on annual financial targets, delivery of strategic objectives and individual performance. Ms Manz is eligible to participate in the LSEG Deferred Bonus Plan 2014, the LSEG LTIP (2014) and the LSEG Save As You Earn Scheme. Ms Manz has also received awards under the LSEG Restricted Share Award Plan (2018) to compensate for remuneration forfeited from Johnson Matthey.

The Chairman and the other LSEG Non-Executive Directors

The Chairman and the other LSEG Non-Executive Directors have entered into letters of appointment with LSEG as summarised below:

Don Robert (*Chairman*)

Mr Robert is appointed under a letter of appointment with London Stock Exchange Group plc dated 14 December 2018, under which he receives an annual fee of £525,000 for his role as Chairman. His appointment may be terminated by either party on six months' written notice with no other right to additional compensation on termination.

LSEG Non-Executive Directors

The LSEG Non-Executive Directors (apart from the Senior Independent Director) are each engaged under a letter of appointment with LSEG plc, under which they receive an annual basic fee of £80,000, plus £30,000 for certain LSEG Non-Executive Directors if they act as Chair of a Board committee. The Senior Independent Director is engaged under a letter of appointment with LSEG plc, under which he receives an annual basic fee of £150,000. The Non-Executive Directors also receive a travel allowance of £4,000 per intercontinental trip, reflecting the global nature of the company's business and the additional time commitment required for travel. The Group Chair is not eligible for this allowance as he receives an all-inclusive fee for his role. The annual basic fees that were paid prior to 1 January 2020 are described on page 120 of LSEG plc's Annual Report and Accounts for the financial year ended 31 December 2019.

Save as described above, the LSEG Non-Executive Directors have no contractual right to compensation on termination of their appointments.

The Proposed Directors

The Proposed Directors have entered into letters of appointment with LSEG which will become effective on Completion and Admission, as summarised below:

The Proposed Directors will each be engaged under a letter of appointment with LSEG plc, under which they will not be entitled to a fee or other remuneration.

The Proposed Directors have no contractual right to compensation on termination of their appointments.

Other service contracts

Save as disclosed above, there are no service contracts between any Director or Proposed Director and any member of the Combined Business and no such contract has been entered into or amended within the six months preceding the date of this document. There are also no service contracts between any person who has resigned as a Director in the period between the LSEG General Meeting and the publication of this document, and no such contract has been entered into or amended within the six months preceding the date of this document.

Benefits upon termination of employment

Save as disclosed in this Part 14 (*Additional Information*) of this document, none of the members of the administrative, management, or supervisory bodies' service contracts with members of the Combined Business provide for benefits upon termination of employment.

9. LSEG Key Manager and Proposed LSEG Key Managers employment arrangements

9.1 The LSEG Key Managers participate (and the Proposed LSEG Key Managers will participate) in LSEG's annual bonus arrangements. The annual bonus focuses on financial targets, strategic initiatives and personal contribution. 50% of any annual bonus is subject to mandatory deferral into shares under the LSEG Deferred Bonus Plan 2014, normally for a period of three years. The LSEG Key Managers are (and the Proposed LSEG Key Managers will be) eligible to participate in the LSEG LTIP 2014. Details of the LSEG LTIP (2014) and other LSEG Share Plans are set out in paragraph 15.3 of this Part 14 (*Additional Information*). David Craig and Debra Walton are participants in the MIP established by Refinitiv Holdings, as described under the paragraph headed "*Management incentive plan for Refinitiv's management team*" in Part 6 (*Summary of the Key Transaction Terms*) of this document, which will continue to operate for a period post-Completion until all awards have vested.

10. Directors' interests in LSEG plc securities

10.1 The interests in LSEG Shares of the Directors (and their connected persons within the meaning of Section 252 of the Companies Act) as at the Latest Practicable Date were, and such interests will be as at Admission and the PIK Redemption Date, as follows:

	As at the Latest Practicable Date(2)(3)		As at As at Admission (2)(3)(4)(5)(6)(7)(8)(9)			As at the PIK Redemption Date(2)(3)(4)(5)(6)(7)(8)(9)		
Director(1)	**LSEG Ordinary Shares held**	**Percentage of LSEG Shares held**	**Percentage of LSEG Shares held**	**Percentage economic interest in LSEG plc**	**Percentage voting interest in LSEG plc**	**Percentage of LSEG Shares held**	**Percentage economic interest in LSEG plc**	**Percentage voting interest in LSEG plc**
Don Robert	10,000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
David Schwimmer	—	—	—	—	—	—	—	—
Anna Manz	—	—	—	—	—	—	—	—
Jacques Aigrain	1,400	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dominic Blakemore	—	—	—	—	—	—	—	—
Professor Kathleen DeRose	700	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cressida Hogg CBE	—	—	—	—	—	—	—	—
Stephen O'Connor	550	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dr. Val Rahmani	1,429	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	14,079	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(1) The interests of the Directors in LSEG Shares set out in this table have been aggregated with the interests of their connected persons

(2) Excluding Directors' interests in LSEG Ordinary Shares held under options and awards pursuant to the LSEG Share Plans, which are set out in paragraph 10.2 below

(3) Calculations exclude LSEG plc treasury shares

(4) Figures assume that other than the issue of the Consideration Shares, no other LSEG Shares will be issued between the Latest Practicable Date, Admission and the PIK Redemption Date

(5) Figures assume that the number of LSEG Ordinary Shares held by the relevant Director and his or her connected persons will not change between the Latest Practicable Date, Admission and the PIK Redemption Date

(6) Figures assume that there are no adjustments to the number of Completion Consideration Shares as a result of LSEG plc electing to settle any of the consideration in respect of the Transaction in cash

(7) Figures assume that there are no adjustments to the number of Completion Consideration Shares as a result of any leakage in the period prior to Completion

(8) Figures assume that no LSEG Shares are sold pursuant to exceptions to the Lock-up Provisions

(9) Figures are indicative only and Directors' and their connected persons' interests in LSEG Shares as at Admission and the PIK Redemption Date may differ from the interests set out in this table

10.2 As at the Latest Practicable Date, the Directors held the following outstanding options and awards over LSEG Ordinary Shares under the LSEG Share Plans:

Name	Share Plan	Grant Date	Price at Grant (£)	Exercise price per LSEG Ordinary Share (£)	LSEG Ordinary Shares in respect of which options granted
David Schwimmer	LSEG LTIP (2014)	8 August 2018	45.39	—	51,222
	LSEG LTIP (2014)	22 March 2019	46.42	—	50,086
	LSEG Deferred Bonus Plan 2014	22 March 2019	46.42	—	5,945
	LSEG LTIP (2014)	22 April 2020	73.50	—	32,653
	LSEG Deferred Bonus Plan 2014	16 March 2020	67.94	—	9,640
	LSEG SAYE Option Scheme	28 April 2020	—	56.00	321
Anna Manz	LSEG Restricted Share Award Plan (2018)	24 November 2020	78.84	—	3,762
	LSEG LTIP (2014)	24 November 2020	78.84	—	11,719
Total					**149,867**

10.3 As at the Latest Practicable Date, no options or awards over LSEG Ordinary Shares had been issued to the Directors under the LSEG Share Plans in respect of the Transaction. The Transaction will not result in the acceleration of any options or awards over LSEG Ordinary Shares held by the Directors, or held by any other participant in the LSEG Share Plans.

11. Proposed Directors' interests in LSEG plc securities

11.1 As at the Latest Practicable Date the Proposed Directors (together with their connected persons within the meaning of Section 252 of the Companies Act) had, and as at Admission the Proposed Directors will have, no interests in LSEG Shares.

11.2 As at the Latest Practicable Date the Proposed Directors had, and as at Admission the Proposed Directors will have, no outstanding options and awards over LSEG Ordinary Shares under the LSEG Share Plans.

11.3 As at the Latest Practicable Date, no options or awards over LSEG Ordinary Shares had been issued to the Proposed Directors under the LSEG Share Plans in respect of the Transaction.

12. LSEG Key Managers' interests in LSEG plc securities

12.1 The interests in LSEG Shares of the LSEG Key Managers (and their connected persons within the meaning of Section 252 of the Companies Act) as at the Latest Practicable Date were, and such interests will be as at Admission and the PIK Redemption Date, as follows:

	As at the Latest Practicable Date[(2)(3)]		As at Admission[(2)(3)(4)(5)(6)(7)(8)(9)]			As at the PIK Redemption Date[(2)(3)(4)(5)(6)(7)(8)(9)]		
LSEG Key Managers[(1)]	**LSEG Ordinary Shares held**	**Percentage of LSEG Shares held**	**Percentage of LSEG Shares held**	**Percentage economic interest in LSEG plc**	**Percentage voting interest in LSEG plc**	**Percentage of LSEG Shares held**	**Percentage economic interest in LSEG plc**	**Percentage voting interest in LSEG plc**
Diane Côté	55,057	0.02	0.01	0.01	0.01	0.01	0.01	0.01
Catherine Johnson	30,970	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Tim Jones	3,765	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Daniel Maguire	15,252	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Anthony McCarthy	2,666	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Murray Roos	—	—	—	—	—	—	—	—
Waqas Samad	14,451	0.00	0.00	0.00	0.00	0.00	0.00	0.00
David Shalders	—	—	—	—	—	—	—	—
Brigitte Trafford	—	—	—	—	—	—	—	—
Total	122,161	0.03	0.02	0.02	0.03	0.02	0.02	0.02

(1) The interests of the LSEG Key Managers in LSEG Shares set out in this table have been aggregated with the interests of their respective connected persons

(2) Excluding LSEG Key Managers' interests in LSEG Ordinary Shares held under options and awards pursuant to the LSEG Share Plans, which are set out in paragraph 12.2 below

(3) Calculations exclude LSEG plc treasury shares

(4) Figures assume that other than the issue of the Consideration Shares, no other LSEG Shares will be issued between the Latest Practicable Date, Admission and the PIK Redemption Date

(5) Figures assume that the number of LSEG Ordinary Shares held by the relevant LSEG Key Manager and his or her connected persons will not change between the Latest Practicable Date, Admission and the PIK Redemption Date

(6) Figures assume that there are no adjustments to the number of Completion Consideration Shares as a result of LSEG plc electing to settle any of the consideration in respect of the Transaction in cash

(7) Figures assume that there are no adjustments to the number of Completion Consideration Shares as a result of any leakage in the period prior to Completion

(8) Figures assume that no LSEG Shares are sold pursuant to exceptions to the Lock-up Provisions

(9) Figures are indicative only and LSEG Key Managers' and their connected persons' interests in LSEG Shares as at the PIK Redemption Date may differ from the interests set out in this table

12.2 As at the Latest Practicable Date, the LSEG Key Managers held the following outstanding options and awards over LSEG Ordinary Shares under the LSEG Share Plans:

Name	**Share Plan**	**Grant Date**	**Price at Grant (£)**	**Exercise price per Share (£)**	**Shares in respect of which options granted**
Diane Côté	LSEG LTIP (2014)	3 Apr 2017	31.71	—	15,767
	LSEG LTIP (2014)	10 April 2017	32.36	—	10,352
	LSEG LTIP (2014)	26 April 2018	42.73	—	11,701
	LSEG LTIP (2014)	26 April 2018	42.73	—	7,839
	LSEG LTIP (2014)	22 March 2019	46.42	—	15,725
	LSEG Deferred Bonus Plan 2014	22 March 2019	46.42	—	3,931
	LSEG Deferred Bonus Plan 2014	16 March 2020	67.94	—	3,503
	LSEG LTIP (2014)	22 April 2020	73.50	—	9,931
Catherine Johnson	LSEG LTIP (2014)	3 April 2017	31.71	—	15,767
	LSEG LTIP (2014)	10 April 2017	32.36	—	10,043
	LSEG LTIP (2014)	26 April 2018	42.73	—	12,286
	LSEG LTIP (2014)	26 April 2018	42.73	—	8,190
	LSEG LTIP (2014)	22 March 2019	46.42	—	16,372
	LSEG Deferred Bonus Plan 2014	22 March 2019	46.42	—	4,093
	LSEG Deferred Bonus Plan 2014	16 March 2020	67.94	—	4,938
	LSEG LTIP (2014)	22 April 2020	73.50	—	16,326
Tim Jones	LSEG LTIP (2014)	26 April 2018	42.73	—	9,946
	LSEG LTIP (2014)	26 April 2018	42.73	—	6,435
	LSEG SAYE Option Scheme	1 June 2018	—	34.37	523
	LSEG LTIP (2014)	22 March 2019	46.42	—	12,925
	LSEG Deferred Bonus Plan 2014	22 March 2019	46.42	—	3,231
	LSEG Deferred Bonus Plan 2014	16 March 2020	67.94	—	3,576
	LSEG LTIP (2014)	22 April 2020	73.50	—	14,081
Daniel Maguire	LSEG SAYE Option Scheme	3 October 2017	—	31.11	578
	LCH Group LTIP	26 April 2018	42.73	—	14,919
	LSEG LTIP (2014)	26 April 2018	42.73	—	9,946
	LCH Group LTIP	22 March 2019	46.42	—	15,672
	LSEG LTIP (2014)	22 March 2019	46.42	—	7,836
	LSEG Deferred Bonus Plan 2014	22 March 2019	46.42	—	4,200
	LSEG Deferred Bonus Plan 2014	16 March 2020	67.94	—	2,722
	LSEG LTIP (2014)	22 April 2020	73.50	—	20,408
Anthony McCarthy	LSEG LTIP (2014)	22 April 2020	73.50	—	17,346
Murray Roos	LSEG LTIP (2014)	22 April 2020	73.50		28,571
	LSEG Restricted Share Award Plan (2018)	22 April 2020	73.50		24,081
	LSEG SAYE Option Scheme	28 April 2020	—	56.00	321
Waqas Samad	LSEG LTIP (2014)	26 April 2018	42.73	—	10,238
	LSEG LTIP (2014)	26 April 2018	42.73	—	8,190
	LSEG LTIP (2014)	22 March 2019	46.42	—	18,311
	LSEG Deferred Bonus Plan 2014	22 March 2019	46.42	—	1,130
	LSEG Deferred Bonus Plan 2014	16 March 2020	67.94	—	4,754
	LSEG LTIP (2014)	22 April 2020	73.50	—	17,346
David Shalders	LSEG LTIP (2014)	28 November 2019	70.26	—	14,232
	LSEG Deferred Bonus Plan 2014	16 March 2020	67.94	—	735
	LSEG LTIP (2014)	22 April 2020	73.50	—	13,605
	LSEG SAYE Option Scheme	28 April 2020	—	56.00	321
Brigitte Trafford	—	—	—	—	—
Total					401,014

12.3 As at the Latest Practicable Date, no options or awards over LSEG Ordinary Shares had been issued to the LSEG Key Managers under the LSEG Share Plans in respect of the Transaction. The Transaction will not result in the acceleration of any options or awards over LSEG Ordinary Shares held by the LSEG Key Managers, or held by any other participant in the LSEG Share Plans.

13. Proposed LSEG Key Managers' interests in LSEG plc securities

As at the Latest Practicable Date, no options or awards over LSEG Ordinary Shares had been issued to the Proposed LSEG Key Managers under the LSEG Share Plans in respect of the Transaction.

14. Directors' and LSEG Key Managers' past remuneration

14.1 In addition to the options and awards disclosed in paragraph 10.2 of this Part 14 (*Additional Information*) of this document, the amount of remuneration paid (including any contingent or deferred compensation) and benefits in kind granted to the Directors for services in all capacities to LSEG (including subsidiaries of LSEG plc where applicable) by any person for the financial year ended 31 December 2019, was as follows:

Name	Position	Annual Salary / Fees (£'000)	Annual Bonus (£'000)	Other benefits (£'000)(1)	LTIP (£'000)	Total (£'000)
Don Robert	Chairman	375	—	46	—	421
David Schwimmer	Chief Executive Officer	775	1,310	371	—	2,456
Anna Manz(2)	Chief Financial Officer	—	—	—	—	—
Jacques Aigrain	Non-Executive Director	110	—	6	—	116
Dominic Blakemore(3)	Non-Executive Director	—	—	—	—	—
Professor Kathleen DeRose	Non-Executive Director	76	—	38	—	113
Cressida Hogg CBE	Non-Executive Director	61	—	—	—	61
Stephen O'Connor	Senior Independent Director	105	—	—	—	105
Dr. Val Rahmani	Non-Executive Director	75	—	48	—	123

(1) For a description of other benefits received by the Directors, please refer to the Directors' Remuneration Report on pages 98 to 128 of the Annual Report and Accounts of LSEG plc for the financial year ended 31 December 2019

(2) Not employed as Chief Financial Officer in 2019

(3) Anna Manz and Dominic Blakemore were not LSEG Non-Executive Directors in 2019

14.2 In addition to the options and awards disclosed in paragraph 12.2 of this Part 14 (*Additional Information*) of this document, the aggregate remuneration (including any contingent or deferred compensation) and benefits in kind paid or granted to the LSEG Key Managers by LSEG plc and its subsidiaries during the financial year ended 31 December 2019 for services in all capacities was £12,741,426. LSEG plc is not required to, and does not otherwise disclose publicly, remuneration for the LSEG Key Managers on an individual basis.

14.3 *Combined Business Pension Schemes*

LSEG

For information regarding the LSEG Share Plans, see note 18 to LSEG plc's financial statements for the financial year ended 31 December 2019, which have been incorporated by reference herein as described in Part 15 (*Documentation incorporated by reference*).

Refinitiv

Refinitiv operates two defined benefit pension schemes in the UK, the Reuters Pension Fund ("**RPF**") and the Reuters Supplementary Pension Scheme ("**SPS**"), which are both open to future accrual. The defined benefit obligations are calculated using the projected unit credit method with assumptions determined by Refinitiv with advice from an independent qualified actuary.

As at 30 June 2020, the realisable value of the assets was US$3,433 million in respect of the RPF and US$409 million in respect of the SPS, which was sufficient to cover more than 100 per cent. of the value of benefits that had accrued to members measured on a continuing basis. Total contributions paid in FY2019 amounted to US$22 million in respect of the RPF and US$6 million in respect of the SPS (compared to US $108 million in FY2018 in respect of the RPF and US$85 million in respect of the SPS) with US$17 million of contributions paid to the RPF and US$4 million of contributions paid to the SPS, in HY2020.

The Group's defined benefit pension liability, which is assessed using assumptions determined by Refinitiv with advice from an independent qualified actuary is based on key assumptions including return on plan assets, discount rates, mortality rates, inflation and future salary and pension costs.

Refinitiv sponsors various defined contribution savings plans that provide for matching contributions. Total expense related to defined contribution plans for HY2020 was US$33 million (HY2019 (unaudited): US$33 million; FY2019: US$62 million; FY2018: US$46 million; FY2017: US$39 million), which approximates the cash outlays related to the plans.

For further detail, please see note 16 (*Retirement benefit obligations*) of Section B (*Combined Historical Financial Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*) of this document.

The total amount set aside or accrued by LSEG plc and the other members of the Combined Business to provide for the pension, retirement or similar benefits of the Directors, Proposed Directors, LSEG Key Managers and the Proposed LSEG Key Managers is £94,275.

15. Employees of the Combined Business

15.1 *LSEG*

See Section B (*Additional information on LSEG's business, operations and the Regulatory and Legal Frameworks in which LSEG operates*) of Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*) under the heading "*Employees*" for details of the number of employees of LSEG for the financial years ended 31 December 2019, 31 December 2018 and 31 December 2017.

15.2 *Refinitiv*

See Section D (*Additional Information on Refinitiv's Business, Operations and the Regulatory and Legal Frameworks in which Refinitiv Operates*) of Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*) under the heading "*Employees*" for details of the average number of employees of Refinitiv for the financial years ended 31 December 2019, 31 December 2018 and 31 December 2017.

15.3 *Principal terms of the Combined Business' employee share plans*

LSEG plc currently operates several employee share plans which provide for the grant of awards or options over its shares to LSEG employees (the "**LSEG Share Plans**"). For information regarding the LSEG Share Plans, see note 33 to LSEG plc's financial statements for the financial year ended 31 December 2019, which have been incorporated by reference herein as described in Part 15 (*Documentation incorporated by reference*). The LSEG Share Plans will be the employee share plans of the Combined Business from Completion.

16. Significant subsidiaries of the Combined Business

16.1 *Significant subsidiaries and principal investments of LSEG plc*

Name	Domicile	Equity interest (direct/indirect) as at the Latest Practicable Date (per cent.)
Banque Centrale de Compensation	France	88.9
Beyond Ratings	France	97.3
Bit Market Services S.p.A.	Italy	99.99
Bondclear Limited	England and Wales	100
Borsa Italiana S.p.A.	Italy	99.99(1)
Cassa Di Compensazione e Garanzia S.p.A.	Italy	100(1)
CommodityClear Limited	England and Wales	100
Elite Americas LLC	United States of America	100(1)
ELITE Club Deal Limited	England and Wales	100(1)
ELITE SIM S.p.A.	Italy	100(1)
ELITE S.p.A.	Italy	74.99(1)
Equityclear Limited	England and Wales	100
EuroMTS Limited	England and Wales	100(1)
Forex Clear Limited	England and Wales	100
Frank Russell Company	United States of America	100

Name	Domicile	Equity interest (direct/indirect) as at the Latest Practicable Date (per cent.)
FTSE (Australia) Limited	England and Wales	100
FTSE (Beijing) Consulting Limited	China	100
FTSE (Japan) Limited	England and Wales	100
FTSE Americas, Inc.	United States of America	100
FTSE China Index Ltd.	Hong Kong	100
FTSE Fixed Income LLC	United States of America	100
FTSE Global Debt Capital Markets Limited	England and Wales	100
FTSE Global Debt Capital Markets, Inc	Canada	100
FTSE International (France) Limited	England and Wales	100
FTSE International (Hong Kong) Limited	Hong Kong	100
FTSE International (Italy) Limited	England and Wales	100
FTSE International (MEA) Limited	United Arab Emirates	100
FTSE International Brasil Representacoes LTDA	Brazil	100
FTSE International Limited	England and Wales	100
FTSE Italy S.p.A.	Italy	100
FTSE International Taiwan Limited	Taiwan	100
FTSE Mexico Sociedad de Responsabilidad Limitada de Capital Variable	Mexico	100
Gatelab Limited	England and Wales	100
Gatelab S.r.l	Italy	100
globeSettle s.a.r.l	Luxembourg	100
International Commodities Clearing House Limited	England and Wales	82.6
Intrinsic Research systems Inc.	United States	100
LCH Group Holdings Limited	England and Wales	82.6
LCH Limited	England and Wales	100
LCH.Clearnet LLC	United States of America	100
LCH.Clearnet Group Holding Limited	England and Wales	100
LCH Pensions Limited	England and Wales	100
London Stock Exchange (C) Limited	England and Wales	100
London Stock Exchange Connectivity Solutions LP	England and Wales	100
London Stock Exchange Group (Services) Limited	England and Wales	100
London Stock Exchange Group Holdings (Italy) Limited	England and Wales	100
London Stock Exchange Group Holdings (R) Limited	England and Wales	100
London Stock Exchange Group Holdings Italia S.p.A	Italy	100(1)
London Stock Exchange Group Holdings Limited	England and Wales	100
London Stock Exchange LEI Limited	England and Wales	100
London Stock Exchange plc.	England and Wales	100
London Stock Exchange Reg Holdings Limited	England and Wales	100
LSEG (F) Limited	England and Wales	100
LSEG F1 Limited	England and Wales	100
LSEG F2 Limited	England and Wales	100
LSEG HK Financing Limited	Hong Kong	100
LSEG (M) Financing Limited	England and Wales	100
LSEG Business Services Colombo (Private) Limited	Sri Lanka	100
LSEG Business Services Limited	England and Wales	100
LSEG (ELT) Limited	England and Wales	100
LSEG Business Services RM S.R.L.	Romania	100
LSEG Employment Services Limited	England and Wales	100
LSEG Information Services (US), Inc.	United States	100
LSEG Ireland Limited	Ireland	100
LSEG Ireland 2 Limited	Ireland	100
LSEG Ireland 3 Limited	Ireland	100
LSEG LuxCo 1 S.a.r.l	Luxembourg	100
LSEG LuxCo 2 S.a.r.l	Luxembourg	100
LSEG Malaysia Sdn. Bhd.	Malaysia	100
LSEG Pension Trustees Limited	England and Wales	100

Name	**Domicile**	**Equity interest (direct/indirect) as at the Latest Practicable Date (per cent.)**
LSEG Technology Limited	England and Wales	100
LSEG US Holdco Inc.	United States of America	100
LSEGA Inc.	United States	100
LSEGA Jersey Limited	Jersey	100
LSEGA Limited	England and Wales	100
LSEGA 2 Limited	England and Wales	100
LSEGH (I) LLC	United States	100
LSEGH (Luxembourg) Limited	England and Wales	100
LSEGH US PT, Inc.	United States of America	100
LSEGH, Inc.	United States of America	100
Marché de Titres France	France	100
M-CCP Holdings, Inc.	United States of America	100
M-CCP Parent, Inc.	United States of America	100
Mergent Japan K.K.	Japan	100
Mergent, Inc.	United States of America	100
Millennium Information Technologies (India) (Private) Limited	India	100
Millennium IT (USA) Inc.	United States of America	100
Millennium IT Services (Private) Limited	Sri Lanka	100
Millennium IT Software (Canada) Inc.	Canada	100
Millennium IT Software (Private) Limited	Sri Lanka	100
Monte Titoli S.p.A.	Italy	98.80(1)
MTS Markets International, Inc.	United States of America	100
MTS S.p.A.	Italy	62.53(1)
MTSNext Limited	England and Wales	100
Repoclear Limited	England and Wales	100
SSC Global Business Services Limited	England and Wales	100
Stock Exchange (Holdings) Limited (The)	England and Wales	100
SwapAgent Limited	England and Wales	100
Swapclear Limited	England and Wales	100
The London Clearing House Limited	England and Wales	100
The London Produce Clearing House Limited (The)	England and Wales	100
The London Stock Exchange Retirement Plan Trustee Company Limited	England and Wales	100
The Yield Book Inc.	United States of America	100
Turquoise Global Holdings Europe B.V.	Netherlands	100
Turquoise Global Holdings Limited	England and Wales	51.36
Turquoise Global Holdings US, Inc.	United States of America	100
UnaVista Limited	England and Wales	100
UnaVista TRADEcho B.V.	Netherlands	100
Yield Book Software BRE LLC	United States	100
Yield Book Tangible Property BRE LLC	United States	100

Notes:

(1) Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment, of which these entities will form a part.

LSEG plc had no principal investments other than those described in this paragraph 16.1.

16.2 *Significant subsidiaries and principal investments of Refinitiv*

Name	**Domicile**	**Equity interest (direct/indirect) as at the Latest Practicable Date (per cent.)**
BNX LLC	United States of America	85.1(1)
BondDesk Group LLC	United States of America	85.1(1)

Name	Domicile	Equity interest (direct/indirect) as at the Latest Practicable Date (per cent.)
Dealerweb Inc.	United States of America	85.1(1)
DW SEF LLC	United States of America	85.1(1)
Refinitiv India Shared Services Private Limited	India	100
Refinitiv India Private Limited	India	100
Financial & Risk Organisation Limited	England and Wales	100
Financial & Risk Transaction Services Ireland Limited	Ireland	100
FX Alliance International, LLC	United States of America	100
FX Alliance, LLC	United States of America	100
Global World-Check	England and Wales	100
Global World-Check Holdings (Nominee) Limited	England and Wales	100
Global World-Check Holdings Limited	England and Wales	100
Guangzhou Data Development Services Limited	China	100
IAG US LLC	United States of America	100
IntegraScreen (Malaysia) Sdn Bhd.	Malaysia	100
IntegraScreen (Panama) Inc.	Panama	100
IntegraScreen Limited	Hong Kong	100
IntegraScreen Spolka Z.o.o	Poland	100
Lipper Asia Limited	Cook Islands	100
Lipper Australia Pty Ltd	Australia	100
Lipper Inc.	United States of America	100
Lipper Limited	England and Wales	100
MuniGroup.com, LLC	United States of America	85.1(1)
PT Refinitiv Services Indonesia	Indonesia	100
R.M.E Bahrain Limited S.P.C.	Bahrain	100
REDI Global Technologies LLC	United States of America	100
REDI Technologies Ltd	England and Wales	100
Refinitiv Africa UK Parent Limited	Jersey	100
Refinitiv Austria GmbH	Austria	100
Refinitiv Benchmark Services (UK) Limited	England and Wales	100
Refinitiv Finland Oy AB	Finland	100
Refinitiv Middle East FZ-LLC	Dubai	100
Refinitiv Sweden AB	Sweden	100
Refinitiv Transaction Services Malaysia Sdn. Bhd.	Malaysia	100
Refinitiv US LLC	United States of America	100
Refinitiv US SEF LLC	United States of America	100
Refinitiv (Thailand) Limited	Thailand	52(2)
Refinitiv Holdings (Thailand) Limited)	Thailand	49(2)
Refinitiv Asia Pte Ltd.	Singapore	100
Refinitiv Australia Pty Ltd.	Australia	100
Refinitiv Brasil Servicos Economicos Limitada	Brazil	100
Refinitiv Canada Holdings Limited	Canada	100
Refinitiv (Canvas) Holdings 1 Limited	Bermuda	100
Refinitiv (Canvas) Holdings 2 Limited	Bermuda	100
Refinitiv (Canvas) Holdings 3 Limited	Bermuda	100
Refinitiv Costa Rica Sociedad De Responsabilidad Limitada	Costa Rica	100
Refinitiv Cyprus Limited	Cyprus	100
Refinitiv Czech Republic s.r.o.	Czech Rep.	100
Refinitiv Denmark A/S	Denmark	100
Refinitiv de Mexico S.A. de C.V.	Mexico	100
Refinitiv Enformasyon Limited Sirketi	Turkey	100
Refinitiv France Holdings SARL	France	100
Refinitiv France SAS	France	100
Refinitiv Global Markets Inc.	United States of America	100
Refinitiv Germany GmbH	Germany	100
Refinitiv Germany Holdings GmbH	Germany	100
Refinitiv Hellas S.A.	Greece	100

Name	Domicile	Equity interest (direct/indirect) as at the Latest Practicable Date (per cent.)
Refinitiv Hong Kong Limited	Cook Islands	100
Refinitiv Hungary Kft.	Hungary	100
Refinitiv International Holdings SARL	Switzerland	100
Refinitiv Ireland Ltd	Ireland	100
Refinitiv Israel Limited	Israel	100
Refinitiv Italy Holding S.p.A.	Italy	100
Refinitiv Italy S.p.A.	Italy	100
Refinitiv Japan K.K.	Japan	100
Refinitiv Korea Limited	Korea	100
Refinitiv Limited	England and Wales	100
Refinitiv Malaysia Sdn. Bhd.	Malaysia	100
Refinitiv Netherlands B.V.	Netherlands	100
Refinitiv Netherlands Finance B.V.	Netherlands	100
Refinitiv Netherlands Holdings B.V.	Netherlands	100
Refinitiv Netherlands Overseas Holdings B.V.	Netherlands	100
Refinitiv New Zealand Limited	New Zealand	100
Refinitiv Norge AS	Norway	100
Refinitiv Parent Limited	Cayman Islands	100
Refinitiv Peru SRL	Peru	100
Refinitiv Poland Spolka z o.o.	Poland	100
Refinitiv Portugal Unipessoal Lda	Portugal	100
Refinitiv Romania S.R.L	Romania	100
Refinitiv S.A.	Switzerland	100
Refinitiv S.L.	Spain	100
Refinitiv Software (Thailand) Limited	Thailand	100
Refinitiv Tecnologia em Sistemas Brasil Limitada	Brazil	100
Refinitiv Technology (China) Co. Limited	China	100
Refinitiv Transaction Services Limited	England and Wales	100
Refinitiv Transactions Services Pte. Ltd.	Singapore	100
Refinitiv TW Holdings Ltd.	Cayman Islands	100
Refinitiv UK (Rest of World) Holdings Limited	England and Wales	100
Refinitiv UK Eastern Europe Limited	England and Wales	100
Refinitiv UK Financial Limited	England and Wales	100
Refinitiv UK Holding Company Limited	Bermuda	100
Refinitiv UK Holdings Limited	England and Wales	100
Refinitiv UK Overseas Holdings Ltd.	England and Wales	100
Refinitiv UK Parent Limited	England and Wales	100
Refinitiv US Fin Corp.	United States of America	100
Refinitiv US Holdings Inc.	United States of America	100
Refinitiv US IP Corp.	United States of America	100
Refinitiv US Organization LLC	United States of America	100
Refinitiv US Personal Focus Inc.	United States of America	100
Refinitiv US PME LLC	United States of America	100
Refinitiv US Services Corp.	United States of America	100
Refinitiv US Tradeweb LLC	United States of America	85.1(1)
Refinitiv Saudi for Information and Communication Technology	Saudi Arabia	75
Tech Hackers LLC	United States of America	85.1(1)
Refinitiv Information Services (China) Co., Ltd.	China	100
Refinitiv India Transaction Services Private Limited	India	100
The Red Flag Group (Australia) Pty Limited	Australia	100
The Red Flag Group (BVI) Limited	British Virgin Islands	100
The Red Flag Group (France) SAS	France	100
The Red Flag Group (HK) Limited	Hong Kong	100
The Red Flag Group (Malaysia) Sdn Bhd.	Malaysia	100
The Red Flag Group (Netherlands) BV	Netherlands	100

Name	Domicile	Equity interest (direct/indirect) as at the Latest Practicable Date (per cent.)
The Red Flag Group (Philippines) Inc.	Philippines	100
The Red Flag Group (Poland) Sp. Z o.o	Poland	100
The Red Flag Group (Shanghai) Limited	China	100
The Red Flag Group (Spain) SL	Spain	100
The Red Flag Group (Switzerland) AG	Switzerland	100
The Red Flag Group (UK) Limited	United Kingdom	100
The Red Flag Group FZ-LLC	United Arab Emirates	100
The Red Flag Group Inc.	United States	100
The Red Flag Group International (Panama) S.A.	Panama	100
The Red Flag Group Limited	Hong Kong	100
The Red Flag Group Products (HK) Limited	Hong Kong	100
The Red Flag Group Pte Limited	Singapore	100
TIPS, LLC	United States of America	85.1(1)
Tradeweb Commercial Information Consulting (Shanghai) Company Limited	China	85.1(1)
Tradeweb Direct LLC	United States of America	85.1(1)
Tradeweb EU B.V.	Netherlands	85.1(1)
Tradeweb Europe Limited	England and Wales	85.1(1)
Tradeweb Global Holding LLC	United States of America	85.1(1)
Tradeweb Global LLC	United States of America	85.1(1)
Tradeweb IDB Markets, Inc.	United States of America	85.1(1)
Tradeweb Japan K.K.	Japan	85.1(1)
TradeWeb LLC	United States of America	85.1(1)
Tradeweb Markets Inc.	United States of America	85.1(1)
Tradeweb Markets International LLC	United States of America	85.1(1)
Tradeweb Markets LLC	United States of America	85.1(1)
TW SEF LLC	United States of America	85.1(1)

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(1) With regard to Tradeweb Markets Inc. and its subsidiaries, this column shows the percentage voting rights held by Refinitiv. The economic interest held by Refinitiv is approximately 52.73 per cent. in respect of Tradeweb Markets LLC and its subsidiaries and approximately 51.6 per cent. in respect of Tradeweb Markets Inc..

(2) The percentage shown is the total equity interest (both direct and indirect).

Refinitiv had no principal investments other than those described in this paragraph 16.2.

17. Material contracts of the Combined Business

17.1 *LSEG material contracts*

The following is a summary of each material contract (other than contracts entered into in the ordinary course of business) to which LSEG plc or any member of LSEG is a party, for the two years immediately preceding the publication of this document, and each other contract (not being a contract entered into in the ordinary course of business) entered into by LSEG plc or any member of LSEG which contains any provisions under which LSEG plc or any member of LSEG has an obligation or entitlement which is material to LSEG as at the date of this document:

17.1.1 *LSEG Sponsor Agreement*

On or around the date of this document, LSEG plc and Barclays entered into a sponsor's agreement pursuant to which Barclays has agreed, subject to certain conditions, to act as LSEG plc's sponsor in relation to the Transaction and Admission (the "**LSEG Sponsor Agreement**"). LSEG plc is providing Barclays with: (i) certain undertakings which will require it to either consult with or obtain the prior consent of Barclays before taking certain actions; and (ii) certain warranties in relation to LSEG and Refinitiv. In addition, LSEG plc is providing Barclays with certain indemnities which are customary for an agreement of this nature. The liability of LSEG plc under the LSEG Sponsor Agreement is unlimited by both time and amount. Pursuant to the terms of the LSEG Sponsor Agreement, Barclays may terminate the LSEG Sponsor Agreement on the occurrence of certain customary events including a material breach of the LSEG Sponsor Agreement or a material misstatement in or omission from this Prospectus.

LSEG plc has agreed to bear all of Barclays' fees, costs, charges and expenses of, or which are incidental to the Transaction, including without limitation, the fees and expenses of its professional advisers, the costs of preparation, printing and distribution of this document and all other documents in connection with the Transaction; and any CREST charges and the fees of the FCA and the London Stock Exchange.

17.1.2 *Other material contracts relating to the Transaction*

For details in respect of other material contracts entered into, or to be entered into, by LSEG plc and/or members of LSEG in relation to the Transaction, being the Stock Purchase Agreement, the Stock Purchase Agreement Support Agreement, the Relationship Agreement, the Relationship Agreement Support Agreement, the 2019 Bridge Facilities, the Borsa Italiana Share Purchase Agreement and Separation Framework Agreement, please refer to Part 6 (*Summary of the Key Transaction Terms*) of this document.

17.1.3 *Sale and purchase agreement relating to the sale of Russell Investments*

On 8 October 2015, Frank Russell Company ("**Russell**"), Emerald Acquisition Limited ("**Emerald**"), an acquisition vehicle of funds controlled by TA Associates and Reverence Capital Partners, and LSEG plc entered into a stock and asset purchase agreement (the "**Russell SAPA**") providing for the sale of Russell's asset management business ("**Russell Investments**") to TA Associates and Reverence Capital Partners for gross proceeds of US$1,150 million in cash, subject to customary closing adjustments and the satisfaction or waiver of a number of customary conditions (including regulatory and other required approvals). LSEG plc is a party to the Russell SAPA in its capacity as the parent company of Russell, in respect of certain specified provisions only. Certain funds controlled by TA Associates and Reverence Capital Partners separately provided limited guarantees of certain of Emerald's obligations under the Russell SAPA. The Russell SAPA is governed by the laws of New York State.

The transaction closed on 3 December 2014. The base purchase price in respect of the sale of Russell Investments was US$1,150 million which was subject to certain customary adjustments at and following closing. US$1,000 million was agreed to be paid in cash on closing, with the balance of US$150 million paid annually in four equal cash instalments, starting from 31 December 2017. US$37.5 million remains outstanding under the Russell SAPA.

17.1.4 *The 2015 Revolving Credit Facility*

On 9 November 2015 LSEG plc entered into a £600 million revolving facility agreement with The Bank of Tokyo-Mitsubishi UFJ, Ltd, Abbey National Treasury Services plc, Barclays Bank plc, China Construction Bank Corporation London Branch, HSBC Bank plc, Royal Bank of Canada, The Royal Bank of Scotland plc and Wells Fargo Bank, National Association, London Branch, for a term of five years plus a series of two consecutive one year extensions available at the lenders' option upon LSEG plc's request (the "**2015 Revolving Credit Facility**"). Both of these extensions have been granted subsequent to entry into the 2015 Revolving Credit Facility. The 2015 Revolving Credit Facility is available for general corporate purposes. The 2015 Revolving Credit Facility is partially drawn and has a floating rate of interest based on an interest rate margin of 0.45 per cent. per annum over LIBOR/EURIBOR. The 2015 Revolving Credit Facility is unsecured but is guaranteed by LSEG plc. LSEGH (Luxembourg) Limited and London Stock Exchange Group Holdings (Italy) Limited are additional borrowers under the 2015 Revolving Credit Facility and there is a mechanism to introduce further additional borrowers. The 2015 Revolving Credit Facility is documented on terms which are customary for companies with a public listing and an investment grade credit rating.

17.1.5 *The 2017 Revolving Credit Facility*

On 11 December 2017 LSEG plc entered into an additional £600 million revolving facility agreement with The Bank of Tokyo-Mitsubishi UFJ, Ltd, National Westminster Bank plc, Santander UK plc, Barclays Bank plc, Bank of China Limited, London Branch, HSBC Bank plc, Royal Bank of Canada and Wells Fargo Bank, National Association, London Branch, for a term of five years plus a series of two consecutive one year extensions available at the lenders' option upon LSEG plc's request (the

"**2017 Revolving Credit Facility**"). Both of these extensions have been granted subsequent to entry into the 2017 Revolving Credit Facility. The 2017 Revolving Credit Facility is available for general corporate purposes. The 2017 Revolving Credit Facility is partially drawn and has a floating rate of interest which is subject to LSEG plc's credit ratings with an initial interest rate margin of 0.30 per cent. per annum over LIBOR/EURIBOR at signing. The 2017 Revolving Credit Facility is unsecured but is guaranteed by LSEG plc. LSEGH (Luxembourg) Limited and London Stock Exchange Group Holdings (Italy) Limited are additional borrowers under the 2017 Revolving Credit Facility and there a mechanism to introduce further additional borrowers. The 2017 Revolving Credit Facility is documented on terms consistent with the 2015 Revolving Credit Facility, and on terms which are customary for companies with a public listing and an investment grade credit rating.

17.1.6 *The CC&G Credit Facility Agreements*

Certain credit facility agreements are provided by commercial banks specifically to CC&G as CCP to the Italian markets (the "**CC&G Credit Facility Agreements**"). The CC&G Credit Facility Agreements are to support CC&G's liquidity requirements and are also available to meet certain needs that may arise in the case of certain events, such as the management of participant insolvency or to meet CC&G obligations to CSDs and international CSDs.

The facilities provided under the CC&G Credit Facility Agreements are provided by Intesa San Paolo, BNL, Banca di Brescia—UBI S.p.A., Unicredit, Mediobanca, Cariparma, and Banca Popolare di Spoleto. The CC&G Credit Facility Agreements comprise an aggregate of approximately EUR420 million of bi-lateral commitments, with the majority requiring a pledge of government securities as eligible collateral to allow drawdown. The facilities provided under the CC&G Credit Facility Agreements are rarely called upon.

Please refer to paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) in Part 5 (*Information on the Transaction*) of this document for further details in relation to the Borsa Italiana Divestment, of which CC&G will form a part.

17.1.7 *The 2021 Notes*

On 2 November 2012, LSEG plc issued £300 million sterling denominated 4.75 per cent. notes due 2 November 2021 under its Euro Medium Term Note Programme (the "**2021 Notes**"). The 2021 Notes were issued on the following terms:

(i) interest on the 2021 Notes is payable semi-annually in arrears at the rate of 4.75 per cent. each year on the face value of the 2021 Notes for a period of nine years from their date of issue;

(ii) the 2021 Notes are admitted to trading on the London Stock Exchange's regulated market and through the London Stock Exchange's order book for retail bonds and listed on the Official List with effect from 2 November 2012;

(iii) unless previously repaid or purchased and cancelled by LSEG plc, the 2021 Notes will mature on 2 November 2021 and will be repayable by LSEG plc at their face value;

(iv) the 2021 Notes may also be repaid early in a number of circumstances and for a number of reasons, including (but not limited to):

    (a) if LSEG plc is obliged to pay additional amounts in respect of the 2021 Notes pursuant to their terms as a result of a change in, or in the application or official interpretation of, UK tax law, the 2021 Notes may be repaid early (in whole but not in part) at the option of LSEG plc at the face value of the 2021 Notes together with accrued interest;

    (b) in the event that LSEG plc defaults on its obligations under the 2021 Notes or in certain other circumstances described as 'events of default' in the terms and conditions of the 2021 Notes, the 2021 Notes may become due and repayable (in whole but not in part). The amount due will be the face value of the 2021 Notes together with accrued interest; and

    (c) if, during the life of the 2021 Notes, another company were to take over, or otherwise assume control of, LSEG plc or if London Stock Exchange were to be taken over or have control assumed by a company other than LSEG plc and either change of control had a negative impact on the credit ratings assigned to the 2021 Notes (for example, if such credit ratings were lowered to certain levels or withdrawn) or meant that LSEG plc could not obtain a rating for the 2021 Notes in a pre-defined period, then a holder of 2021 Notes would have the option to require LSEG plc to repay early or to purchase the 2021 Notes of that holder at their face value together with accrued interest;

(v) the 2021 Notes are direct, unconditional, unsubordinated and (subject to the provisions therein) unsecured obligations of LSEG plc and rank and will rank *pari passu* without any preference among themselves and (save for certain obligations required to be preferred by law) equally in right of payment with LSEG plc's existing and future unsecured (save as mentioned above) and unsubordinated obligations but in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights;

(vi) the net proceeds from the issue were available to be used by LSEG plc in order to refinance its indebtedness and for LSEG plc's general corporate purposes; and

(vii) the terms and conditions applicable to the 2021 Notes also contain, *inter alia*, a negative pledge.

The 2021 Notes are governed by English law.

17.1.8 *The 2024 Notes*

On 19 September 2017, LSEG plc issued EUR500 million Euro denominated 0.875 per cent. senior notes due 19 September 2024 under its Euro Medium Term Note Programme (the "**2024 Notes**"). The 2024 Notes were issued on the following terms:

(i) interest on the 2024 Notes is payable annually in arrears at the rate of 0.875 per cent. each year on the face value of the 2024 Notes for a period of seven years from their date of issue;

(ii) the 2024 Notes are admitted to trading on the London Stock Exchange's regulated market and listed on the Official List with effect from 19 September 2017;

(iii) unless previously repaid or purchased and cancelled by LSEG plc, the 2024 Notes will mature on 19 September 2024 and will be repayable by LSEG plc at their face value;

(iv) the 2024 Notes may also be repaid early in a number of circumstances and for a number of reasons, including (but not limited to):

    (a) if LSEG plc is obliged to pay additional amounts in respect of the 2024 Notes pursuant to their terms as a result of a change in, or in the application or official interpretation of, UK tax law, the 2024 Notes may be repaid early (in whole but not in part) at the option of LSEG plc at the face value of the 2024 Notes together with accrued interest;

    (b) in the event that LSEG plc defaults on its obligations under the 2024 Notes or in certain other circumstances described as 'events of default' in the terms and conditions of the 2024 Notes, the 2024 Notes may become due and repayable (in whole but not in part). The amount due will be the face value of the 2024 Notes together with accrued interest; and

    (c) if, during the life of the 2024 Notes, another company were to take over, or otherwise assume control of, LSEG plc or if London Stock Exchange were to be taken over or have control assumed by a company other than LSEG plc and either change of control had a negative impact on the credit ratings assigned to the 2024 Notes (for example, if such credit ratings were lowered to certain levels or withdrawn) or meant that LSEG plc could not obtain a rating for the 2024 Notes in a pre-defined period, then a holder of 2024 Notes would have the option to require LSEG plc to repay early or to purchase the 2024 Notes of that holder at their face value together with accrued interest;

(v) the 2024 Notes are direct, unconditional, unsubordinated and (subject to the provisions therein) unsecured obligations of LSEG plc and rank and will rank pari passu without any preference among themselves and (save for certain obligations required to be preferred by law) equally in right of payment with LSEG plc's existing and future unsecured (save as mentioned above) and unsubordinated obligations but in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights;

(vi) the net proceeds from the issue were available to be used by LSEG plc in order to refinance its indebtedness and for LSEG plc's general corporate purposes; and

(vii) the terms and conditions applicable to the 2024 Notes also contain, inter alia, a negative pledge.

The 2024 Notes are governed by English law.

17.1.9 *The 2029 Notes*

On 19 September 2017, LSEG plc issued EUR500 million euro denominated 1.750 per cent. senior notes due 19 September 2029 under its Euro Medium Term Note Programme (the "**2029 Notes**"). The 2029 Notes were issued on the following terms:

(i) interest on the 2029 Notes is payable annually in arrears at the rate of 1.750 per cent. each year on the face value of the 2029 Notes for a period of 12 years from their date of issue;

(ii) the 2029 Notes are admitted to trading on the London Stock Exchange's regulated market and listed on the Official List of the FCA with effect from 19 September 2017;

(iii) unless previously repaid or purchased and cancelled by LSEG plc, the 2029 Notes will mature on 19 September 2029 and will be repayable by LSEG plc at their face value;

(iv) the 2029 Notes may also be repaid early in a number of circumstances and for a number of reasons, including (but not limited to):

  (a) if LSEG plc is obliged to pay additional amounts in respect of the 2029 Notes pursuant to their terms as a result of a change in, or in the application or official interpretation of, UK tax law, the 2029 Notes may be repaid early (in whole but not in part) at the option of LSEG plc at the face value of the 2029 Notes together with accrued interest;

  (b) in the event that LSEG plc defaults on its obligations under the 2029 Notes or in certain other circumstances described as 'events of default' in the terms and conditions of the 2029 Notes, the 2029 Notes may become due and repayable (in whole but not in part). The amount due will be the face value of the 2029 Notes together with accrued interest; and

  (c) if, during the life of the 2029 Notes, another company were to take over, or otherwise assume control of, LSEG plc or if London Stock Exchange were to be taken over or have control assumed by a company other than LSEG plc and either change of control had a negative impact on the credit ratings assigned to the 2029 Notes (for example, if such credit ratings were lowered to certain levels or withdrawn) or meant that LSEG plc could not obtain a rating for the 2029 Notes in a pre-defined period, then a holder of 2029 Notes would have the option to require LSEG plc to repay early or to purchase the 2029 Notes of that holder at their face value together with accrued interest;

(v) the 2029 Notes are direct, unconditional, unsubordinated and (subject to the provisions therein) unsecured obligations of LSEG plc and rank and will rank pari passu without any preference among themselves and (save for certain obligations required to be preferred by law) equally in right of payment with LSEG plc's existing and future unsecured (save as mentioned above) and unsubordinated obligations but in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights;

(vi) the net proceeds from the issue were available to be used by LSEG plc in order to refinance its indebtedness and for LSEG plc's general corporate purposes; and

(vii) the terms and conditions applicable to the 2029 Notes also contain, inter alia, a negative pledge.

The 2029 Notes are governed by English law.

17.1.10 *The 2027 Notes*

On 6 December 2018, LSEG plc issued EUR500 million Euro denominated 1.750 per cent. senior notes due 6 December 2027 under its Euro Medium Term Note Programme (the "**2027 Notes**"). The 2027 Notes were issued on the following terms:

(i) interest on the 2027 Notes is payable annually in arrears at the rate of 1.750 per cent. each year on the face value of the 2027 Notes for a period of nine years from their date of issue;

(ii) the 2027 Notes are admitted to trading on the London Stock Exchange's regulated market and listed on the Official List with effect from 6 December 2018;

(iii) unless previously repaid or purchased and cancelled by LSEG plc, the 2027 Notes will mature on 6 December 2027 and will be repayable by LSEG plc at their face value;

(iv) the 2027 Notes may also be repaid early in a number of circumstances and for a number of reasons, including (but not limited to):

  (a) if LSEG plc is obliged to pay additional amounts in respect of the 2027 Notes pursuant to their terms as a result of a change in, or in the application or official interpretation of, UK tax law, the 2027 Notes may be repaid early (in whole but not in part) at the option of LSEG plc at the face value of the 2027 Notes together with accrued interest;

  (b) in the event that LSEG plc defaults on its obligations under the 2027 Notes or in certain other circumstances described as 'events of default' in the terms and conditions of the 2027 Notes, the 2027 Notes may become due and repayable (in whole but not in part). The amount due will be the face value of the 2027 Notes together with accrued interest; and

  (c) if, during the life of the 2027 Notes, another company were to take over, or otherwise assume control of, LSEG plc or if London Stock Exchange were to be taken over or have control assumed by a company other than LSEG plc and either change of control had a negative impact on the credit ratings assigned to the 2027 Notes (for example, if such credit ratings were lowered to certain levels or withdrawn) or meant that LSEG plc could not obtain a rating for the 2027 Notes in a pre-defined period, then a holder of 2027 Notes would have the option to require LSEG plc to repay early or to purchase the 2027 Notes of that holder at their face value together with accrued interest;

(v) the 2027 Notes are direct, unconditional, unsubordinated and (subject to the provisions therein) unsecured obligations of LSEG plc and rank and will rank pari passu without any preference among themselves and (save for certain obligations required to be preferred by law) equally in right of payment with LSEG plc's existing and future unsecured and unsubordinated obligations but in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights;

(vi) the net proceeds from the issue were available to be used by LSEG plc in order to refinance its indebtedness and for LSEG plc's general corporate purposes; and

(vii) the terms and conditions applicable to the 2027 Notes also contain, inter alia, a negative pledge.

The 2027 Notes are governed by English law.

17.1.11 *Euro Commercial Paper Programme*

On 15 December 2017, LSEG plc established a £1,000 million Euro Commercial Paper Programme (the "**ECP Programme**"). The ECP Programme permits the issuance by LSEG plc of commercial paper ("**CP Notes**"), subject to the following terms:

(i) CP Notes may be issued in Euros, Sterling, US$, Japanese Yen or any other currency customarily used in the commercial paper markets;

(ii) the maximum amount of time a CP Note can be outstanding is 363 days;

(iii) the CP Notes shall not be listed on any stock exchange;

(iv) the CP Notes may be issued either at a discount (without interest), or may be interest bearing, such interest being either: (a) fixed; or (b) floating by reference to a reference rate; and

(v) the CP Notes are direct, unconditional, unsubordinated and (subject to the provisions therein) unsecured obligations of LSEG plc and rank and will rank *pari passu* without any preference among themselves and (save for certain obligations required to be preferred by law) equally in right of payment with LSEG plc's existing and future unsecured (save as mentioned above) and unsubordinated obligations but in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

As at the Latest Practicable Date, LSEG plc has approximately EUR 189 million of CP Notes outstanding under the ECP Programme.

17.2 ***Refinitiv material contracts***

The following is a summary of each material contract (other than contracts entered into in the ordinary course of business) to which Refinitiv Parent or any member of Refinitiv is a party, for the two years immediately preceding the publication of this document, and each other contract (not being a contract entered into in the ordinary course of business) entered into by Refinitiv Parent or any member of Refinitiv which contains provisions under which Refinitiv Parent or any member of Refinitiv has an obligation or entitlement which is material to Refinitiv as at the date of this document:

17.2.1 *Acquisition of Giact*

On 19 October 2020, Refinitiv US Holdings Inc. (which is referred to throughout this paragraph as "**RUSHI**"), Epic Merger Sub LLC ("**Merger Sub**"), Giact and Tritium Partners, LLC solely in its capacity as member representative, entered into an agreement pursuant to which Refinitiv agreed to acquire Giact (the "**Giact Merger Agreement**"). Giact is a leader in the US in digital identity, payments verification and fraud prevention. The transaction closed on 8 December 2020 (the "**Giact Closing Date**"). Pursuant to the Giact Merger Agreement, Merger Sub merged with and into Giact with Giact surviving the merger as an indirect wholly-owned subsidiary of RUSHI (the "**Giact Merger**"). The Giact Merger Agreement is governed by Delaware law.

The purchase price under the Giact Merger Agreement is $610,000,000; plus an earn-out payment of up to $13,500,000, which is payable after the end of 2023.

The Giact Merger Agreement contains customary post-closing purchase price adjustment provisions based on the amount of cash, indebtedness, working capital and transaction expenses as of the open of business on the Giact Closing Date.

Giact gave customary representations and warranties under the Giact Merger Agreement regarding its organisation, qualification, authority, conflicts, consents, capitalisation, and other business matters including but not limited to, financial statements, undisclosed liabilities, absence of certain changes, material contracts, customers and suppliers, title to and condition of assets and intellectual property.

The representations and warranties in the Giact Merger Agreement did not survive the closing of the Giact Merger (subject to claims for common law fraud), and no post-closing indemnities were given by either party. RUSHI has procured representation and warranty insurance in connection with the execution of the Giact Merger Agreement and policies for such representation and warranty insurance were issued on the Giact Closing Date.

The transaction documentation also contained certain non-compete and non-solicitation covenants from the founders of Giact.

17.2.2 *Credit Agreement*

On 1 October 2018, Refinitiv Parent, Refinitiv US Holdings, Inc. (which is referred to throughout this paragraph as the "**Borrower**") and certain subsidiaries of Refinitiv Parent, entered into a credit agreement with Bank of America, N.A., as administrative agent, collateral agent, swing line lender and L/C issuer (the "**Credit Agreement**") to govern: (i) a senior secured US dollar denominated term loan agreement in an aggregate principal amount of US$6,500 million (the "**Dollar Loan Facility**"); (ii) a senior secured Euro denominated term loan facility in an aggregate principal amount of the Euro equivalent of EUR2,355 million (the "**Euro Loan Facility**"); and (iii) a senior secured revolving credit facility in an aggregate principal amount of US$750 million, which in turn includes sub-facilities for letters of credit and short-term borrowings (the "**Revolving Credit Facility**" and together with the Dollar Loan Facility and the Euro Loan Facility, the "**Facilities**").

Borrowings under the Dollar Loan Facility and the Revolving Credit Facility bear interest, at the Borrower's option, at a rate per annum equal to an applicable margin over either: (i) a base rate determined by reference to the higher of; (a) the "Prime Rate" in the US as published in The Wall Street Journal; (b) the federal funds effective rate plus 1/2 of 1 per cent.; and (c) LIBOR for a one month interest period plus 1 per cent.; or (ii) determined by reference to the applicable page for LIBOR for the interest period relevant to such borrowing, in each case subject, in the case of the Revolving Credit Facility, to a 0 per cent. interest rate floor. Borrowings under the Euro Loan Facility bear interest at a rate per annum equal to an applicable margin over the European Money Markets Institute EURIBO Rate as published by Thomson Reuters for the interest period relevant to such borrowing.

The loans under each of the Dollar Loan Facility and the Euro Loan Facility are repaid in equal quarterly instalments in an aggregate annual amount equal to 1 per cent. of the original principal amount of such loans, with the balance being payable on 1 October 2025. The Revolving Credit Facility matures on 1 October 2023.

All obligations under the Facilities are guaranteed by the Borrower (with respect to hedge agreements and cash management arrangements not entered into by the Borrower) and each indirect or indirect material wholly owned US restricted subsidiary of the Borrower (the "**Subsidiary Guarantors**"). Additionally, all obligations under the Credit Agreement and certain hedge agreements and cash management arrangements provided by any lender party to the Facilities are secured by means of: (i) a first-priority pledge of all the equity interests of the Borrower, each wholly owned material restricted subsidiary of the Borrower that is directly held by the Borrower and each wholly owned material restricted subsidiary that is directly held by the Borrower or any Subsidiary Guarantor (other than voting equity interests in any first tier foreign subsidiary representing more than 65 per cent. of the voting power of all outstanding equity interests in such foreign subsidiary); (ii) a first-priority security interests in substantially all tangible and intangible personal property of the Borrower and the Subsidiary Guarantors; and (iii) a first-priority mortgage on fee-owned real property of the Borrower and the Subsidiary Guarantors in excess of a specified value.

17.2.3 *Indentures*

On 1 October 2018, (the "**Indentures Issue Date**"), Refinitiv US Holdings Inc. (which is referred to throughout this paragraph as the "**Issuer**") entered into: (i) the indenture (the "**Secured Indenture**"), by and among Refinitiv Parent, the subsidiaries of the Issuer and the Refinitiv parties thereto (the "**Indentures Subsidiary Guarantors**" and, together with the Issuer, the "**Indentures Guarantors**"), and Deutsche Bank Trust Company Americas, as trustee, US paying agent, US transfer agent and registrar, and Deutsche Bank AG, London Branch, as a Euro paying agent and Euro transfer agent, governing the US$1,250 million aggregate principal amount of 6.25 per cent. senior first lien notes due 2026 (the "**Dollar Secured Notes**") and the €860 million aggregate principal amount of 4.5 per cent. senior first lien notes due 2026 (the "**Euro Secured Notes**" and, together with the Dollar Secured Notes, the "**Secured Notes**") issued by the Issuer; and (ii) the indenture (the "**Unsecured Indenture**" and, together with the Secured Indenture, the "**Indentures**"), by and among the Issuer, the Indentures Guarantors and Deutsche Bank Trust Company Americas, as trustee, governing the US$1,575 million aggregate principal amount of 8.25 per cent. senior notes due 2026 (the "**Dollar Unsecured Notes**") and the €365 million aggregate principal amount of 6.875 per cent. senior notes due 2026 (the "**Euro Unsecured Notes**" and, together with the Dollar Unsecured Notes, the "**Unsecured Notes**") issued by the Issuer.

The Secured Notes and the related guarantees are secured on a *pari passu* basis with the obligations under the Credit Agreement, by perfected first-priority security interests in the same assets and property that constitute the collateral that secures the obligations under such Credit Agreement. The Unsecured Notes and the related guarantees are unsecured.

The Secured Notes mature on 15 May 2026 and the Unsecured Notes mature on 15 November 2026.

The Issuer is required to pay interest semi-annually in arrears on each series of notes on 15 May and 15 November of each year.

The Issuer may redeem the notes in whole or part at any time. If a redemption takes place before 15 November 2021, the redemption price will be calculated using a formula designed to provide bondholders with a "make-whole" premium calculated as set forth in the applicable Indenture.

Until 15 November 2021, the Issuer may also redeem, on one or more occasions, at a price equal to: (i) in the case of the Dollar Secured Notes, 106.25 per cent.; (ii) in the case of the Euro Secured Notes, 104.5 per cent.; (iii) in the case of the Dollar Unsecured Notes, 108.25 per cent.; and (iv) in the case of the Euro Unsecured Notes, 106.875 per cent., in each case plus accrued and unpaid interest, up to 40 per cent. of the aggregate principal amount of the applicable series of notes (including any additional notes of such series), from an amount not to exceed the net cash proceeds of one or more equity offerings or a contribution to Refinitiv Parent's common equity capital made with the net cash proceeds of one or more equity offerings; provided that at least 50 per cent. of the applicable series of notes originally issued under the applicable Indenture on the Indentures Issue Date must remain outstanding after giving effect to such redemption (unless all notes of such series are redeemed concurrently). Each such redemption must occur within 180 days of the date of closing of the applicable equity offering.

Beginning on 15 November 2021, the Issuer may redeem: (i) the Dollar Secured Notes at a redemption price of 103.125 per cent., reducing to 101.563 per cent. on 15 November 2022, and reducing to 100 per cent. on 15 November 2023; (ii) the Euro Secured Notes at a redemption price of 102.25 per cent., reducing to 101.125 per cent. on 15 November 2022, and reducing to 100 per cent. on 15 November 2023; (iii) the Dollar Unsecured Notes at a redemption price of 104.125 per cent., reducing to 102.063 per cent. on 15 November 2022, and reducing to 100 per cent. on 15 November 2023; and (iv) the Euro Unsecured Notes at a redemption price of 103.438 per cent., reducing to 101.719 per cent. on 15 November 2022 and reducing to 100 per cent. on 15 November 2023, plus, in each case, accrued and unpaid interest.

The Issuer will be required to offer to repurchase the notes at a purchase price of 101 per cent., plus accrued and unpaid interest, if a change of control trigger event occurs. The Indentures contain covenants that limit the ability of Refinitiv and its restricted subsidiaries to: (i) incur or guarantee additional indebtedness or issue disqualified stock or certain preferred stock; (ii) pay dividends and make other distributions or repurchase stock; (iii) make certain investments; (iv) create or incur certain liens; (v) transfer or sell certain assets; (vi) enter into restrictions affecting the ability of certain restricted subsidiaries to make distributions, loans or advances or transfer assets to the Issuer or the Indentures Guarantors; (vii) enter into certain transactions with affiliates; (viii)designate restricted subsidiaries as unrestricted subsidiaries; and (ix) merge, consolidate or transfer or sell all or substantially all of the Issuer's or the Indentures Guarantors' assets.

These covenants are subject to a number of important limitations and exceptions. Most of these covenants will not apply to Refinitiv Parent and its restricted subsidiaries during any period in which the notes are rated investment grade by either Moody's Investors Service, Inc. or S&P Global Ratings.

The notes and the Indentures are governed by the laws of the State of New York.

17.2.4 *Thomson Reuters News Agreement*

On the 2018 Transaction Closing Date, Reuters News and certain Refinitiv subsidiaries entered into an agreement whereby Reuters News agreed to provide Refinitiv, for a 30-year term, with the various categories of general news and financial content that Reuters News provided to the Thomson Reuters Financial & Risk Business prior to the 2018 Transaction Closing Date. In consideration for the provision of such content, Refinitiv agreed to pay Reuters News US$325 million per year, increasing annually to adjust for inflation as well as to reflect any mutually agreed upon additions, enhancements or revisions of the content that Reuters provides. Refinitiv has exclusivity in all distribution channels over the categories of financial content that Reuters provided on an exclusive basis to the Thomson Reuters Financial & Risk Business prior to the 2018 Transaction Closing Date (e.g., certain economic, company, market and commodity news alerts, real time economic data and financial polls, among other data). However, Reuters News has the right to publish small amounts of the above exclusive financial content that is of significant general news interest. Refinitiv also has a non-exclusive licence to distribute categories of financial content that were provided to it on a non-exclusive basis (e.g., certain politics, economic, company, market and commodity news, other than alerts and real time data), provided that this news is combined with other financial content and subject to certain customer restrictions. Reuters News has certain restrictions on licensing such non-exclusive content to financial firms or Refinitiv's competitors.

The agreement establishes a partnership council to address disputes and review quality metrics and industry developments, among other issues. The partnership council is comprised of two senior business executives of each party and meets in full at least twice a year (and once a quarter with one member from each party). Each party also designates a relationship manager to manage the agreement on an ongoing basis and to meet at least quarterly during the term.

The agreement has no express provision allowing for termination in the event of a party's breach. If the content licensed by Reuters News falls below certain quality standards, Reuters News has agreed to increase investment to address the issue. The parties have agreed to attempt to resolve all disputes amicably, and if this fails, can bring an action (including a claim for specific performance or injunctive relief) in the New York courts.

17.2.5 *Trademark Licence Agreements*

On the 2018 Transaction Closing Date, Thomson Reuters and certain Refinitiv subsidiaries entered into two trademark licence agreements (one covering the US and one covering the rest of the world) by virtue of which Refinitiv has, for a period of 30 years, a worldwide, paid-up: (i) exclusive licence to use the "Reuters" mark, subject to certain branding restrictions to differentiate such use from the use of "Reuters" by Reuters News, on the products and services offered by Refinitiv at the 2018 Transaction

Closing Date (and any extensions that have substantially the same purpose); and (ii) non-exclusive licence to use "Reuters" as a corporate name to market and sell a broader class of financial products. The licence terminates automatically upon termination of the Thomson Reuters News Agreement. The licence includes the right to use "Reuters" in domain names and in social and mobile media, and does not cover hardware or products in the legal, tax and accounting fields.

17.2.6 *Transitional Services Agreement*

On the 2018 Transaction Closing Date, Refinitiv Holdings and Thomson Reuters entered into a transitional services agreement by virtue of which both parties provide each other with various specified services on a transitional basis, consisting of services that the various Thomson Reuters business lines provided to each other before the 2018 Transaction Closing Date. Service fees generally represent each party's anticipated cost of providing the services, subject to certain exceptions and extension periods. Services provided under the transitional services agreement include, among other things, services related to the use of real property, the provision and use of information technology infrastructure, employee benefits matters and programs and finance function support. The services terms for the vast majority of the services provided under the transitional services agreement are expected to expire by the end of 2020.

17.2.7 *Tradeweb Stockholders Agreement*

On 8 April 2019, Refinitiv Parent and Refinitiv US PME LLC (as stockholders) ("**Tradeweb's Refinitiv Stockholders**") and Tradeweb (as the company) entered into a stockholders agreement (the "**Tradeweb Stockholders Agreement**") pursuant to which Tradeweb agreed to nominate a number of individuals designated by Tradeweb's Refinitiv Stockholders for election as Tradeweb's directors at any meeting of Tradeweb's shareholders such that the number of directors so designated by Tradeweb's Refinitiv Stockholders serving as directors of Tradeweb will be equal to: (i) if Tradeweb's Refinitiv Stockholders and their affiliates together continue to hold at least 50 per cent. of the combined voting power of Tradeweb's outstanding common stock as of the record date for such meeting, the total number of directors comprising Tradeweb's entire board of directors; (ii) if Tradeweb's Refinitiv Stockholders and their affiliates together continue to hold at least 40 per cent. (but less than 50 per cent.) of the combined voting power of Tradeweb's outstanding common stock as of the record date for such meeting, the lowest whole number that is greater than 40 per cent. of the total number of directors comprising Tradeweb's board of directors; (iii) if Tradeweb's Refinitiv Stockholders and their affiliates together continue to beneficially own at least 30 per cent. (but less than 40 per cent.) of the combined voting power of Tradeweb's outstanding common stock as of the record date for such meeting, the lowest whole number that is greater than 30 per cent. of the total number of directors comprising Tradeweb's board of directors; (iv) if Tradeweb's Refinitiv Stockholders and their affiliates together continue to hold at least 20 per cent. (but less than 30 per cent.) of the combined voting power of Tradeweb's outstanding common stock as of the record date for such meeting, the lowest whole number that is greater than 20 per cent. of the total number of directors comprising Tradeweb's board of directors; and (v) if the Tradeweb's Refinitiv Stockholders and their affiliates together continue to hold at least 10 per cent. (but less than 20 per cent.) of the combined voting power of Tradeweb's outstanding common stock as of the record date for such meeting, the lowest whole number (such number always being equal to or greater than one) that is greater than 10 per cent. of the total number of directors comprising Tradeweb's board of directors. In the case of a vacancy on the Tradeweb board created by the removal, resignation or otherwise of a director designated by Tradeweb's Refinitiv Stockholders, the Tradeweb Stockholders Agreement, to the extent Tradeweb's Refinitiv Stockholders continue to be entitled to nominate such director, will require Tradeweb to nominate an individual designated by Tradeweb's Refinitiv Stockholders for election to fill the vacancy.

In addition, for so long as the Tradeweb Stockholders Agreement remains in effect, Tradeweb's directors nominated by Tradeweb's Refinitiv Stockholders may be removed only with the consent of Tradeweb's Refinitiv Stockholders.

17.2.8 *Tradeweb Registration Rights Agreement*

On 8 April 2019, Tradeweb, Tradeweb's Refinitiv Stockholders and the affiliates of certain banks holding an ownership interest in Tradeweb ("**Tradeweb's Bank Stockholders**") entered into a registration rights agreement ("**Tradeweb Registration Rights Agreement**") pursuant to which Tradeweb granted Tradeweb's Refinitiv Stockholders, Tradeweb's Bank Stockholders, their affiliates and certain of their transferees ("**Tradeweb's Stockholders**") the right, under certain circumstances and subject to the terms of certain lock-up agreements and other restrictions, to require Tradeweb to register under the Securities Act their Tradeweb shares of Class A common stock. After registration pursuant to this right, these shares of Class A common stock will become freely tradable without restriction under the Securities Act.

(i) *Demand Rights*

From time to time after 1 October 2019 (i.e., 180 days after the pricing date of Tradeweb's initial public offering), Tradeweb's Refinitiv Stockholders may request that Tradeweb registers all or a portion of their Tradeweb registrable shares for sale under the Securities Act, including, when eligible, pursuant to a shelf registration statement (provided, in all cases, the aggregate number of registrable shares that are requested to be included in any such registration equals at least US$100 million). In addition, from time to time when a shelf registration statement is effective, Tradeweb's Refinitiv Stockholders may request that Tradeweb facilitate a shelf takedown of all or a portion of their Tradeweb registrable shares (provided the aggregate number of registrable shares that are requested to be included in any such takedown equals at least US$100 million). The foregoing demand rights are subject to a number of exceptions and limitations. In addition, Tradeweb will not be required to effect the registration as requested by any of Tradeweb's Refinitiv Stockholders, if in the good faith judgment of Tradeweb's board of directors, such registration would materially interfere with certain existing or potential material transactions or events involving Tradeweb and should be delayed or is reasonably likely to require premature disclosure of information that could have a material adverse effect on it. These demand rights are also subject to cutbacks, priorities and other limitations.

(ii) *Piggyback Registration Rights*

In addition, if at any time Tradeweb registers any shares of its Class A common stock (other than pursuant to registrations on Form S-4 or Form S-8), the holders of registrable shares are entitled to include, subject to certain exceptions and limitations, all or a portion of their registrable shares in the registration. The foregoing rights, with respect to Tradeweb's Bank Stockholders, will fall away when Tradeweb's Bank Stockholders own a number of shares of Tradeweb's common stock, in the aggregate, that is less than 10 per cent. of the total number of shares of Tradeweb's common stock then outstanding, provided, that, with respect to each Tradeweb Bank Stockholder on an individual basis, in no event shall such Tradeweb Bank Stockholder, together with any other holder that is an affiliate of such Tradeweb Bank Stockholder, cease to be entitled to piggyback rights if such Tradeweb Bank Stockholder, together with any such affiliate, owns a number of shares of Tradeweb's common stock, in the aggregate, that is more than 2 per cent. of the total number of shares of common stock then outstanding.

In the event that any registration in which the holders of registrable shares participate pursuant to the Tradeweb Registration Rights Agreement is an underwritten public offering, the number of registrable shares to be included may, in specified circumstances, be limited.

(iii) *Transfer Restrictions*

Without Tradeweb's prior written consent, Tradeweb's Stockholders are not permitted to transfer any registrable shares they beneficially own as of the closing of Tradeweb's initial public offering (the "**Initial Tradeweb Shares**"), including pursuant to Tradeweb Registration Rights Agreement, except: (i) with respect to 50 per cent. of such holder's Initial Tradeweb Shares, after 1 October 2019; (ii) with respect to the remainder of such holder's Initial Tradeweb Shares, after 4 April 2020 (i.e., 365 days after the pricing date of Tradeweb's initial public offering); (iii) to certain permitted transferees; and (iv) in certain other limited circumstances.

17.2.9 *Tradeweb Tax Receivable Agreement*

In connection with a series of reorganisation transactions in 2019 in the context of the Tradeweb IPO, Tradeweb entered into a tax receivable agreement (the "**Tax Receivable Agreement**") with, among others, Tradeweb Markets and certain owners of Tradeweb Markets that continued to own interests in Tradeweb Markets following the Tradeweb IPO ("**LLC Interests**"), including Refinitiv US PME LLC (the "**LLC Owners**").

The Tax Receivable Agreement provides for the payment by Tradeweb to an LLC Owner of 50% of the amount of U.S. federal, state and local income or franchise tax savings, if any, that Tradeweb realises (or in certain circumstances is deemed to realise) as a result of: (i) increases in the tax basis of Tradeweb Markets LLC's assets resulting from (a) the purchase of LLC Interests from the relevant LLC Owner, including with the net proceeds from the Tradeweb IPO, the follow-on offerings by Tradeweb in October 2019 and April 2020 and any future offering by Tradeweb or (b) redemptions or exchanges of LLC Interests by the relevant LLC Owner for shares of Class A common stock or Class B common stock of Tradeweb or for cash, as applicable, and (ii) certain other tax benefits related to Tradeweb making payments under the Tax Receivable Agreement. Payments under the Tax Receivable Agreement are made annually based on the actual tax savings realised by Tradeweb in its previous tax year.

As of 31 December 2019, Tradeweb's liability under the Tax Receivable Agreement was US$240.8 million (as disclosed in Tradeweb's Form 10-Q filed with the SEC on 29 October 2020 for the period ended 30 September 2020 (the "**TW 10-Q**") and prepared in accordance with US GAAP), primarily due to the purchase of LLC Interests by Tradeweb using the net proceeds of the Tradeweb IPO and a follow-on offering in October 2019, as well as additional exchanges of LLC Interests by LLC Owners. During 2020, the liability increased to US$373 million (as disclosed in the TW 10-Q and prepared in accordance with US GAAP), primarily due to a follow-on offering in April 2020 and additional exchanges of LLC Interests by certain LLC Owners. Substantially all payments due under the Tax Receivable Agreement are payable over the fifteen years following the purchase of LLC Interests from LLC Owners or redemptions or exchanges by LLC Owners of their LLC Interests.

Tradeweb accounts for the income tax effects resulting from taxable redemptions or exchanges of LLC Interests by the LLC Owners for shares of Class A common stock or Class B common stock or cash, as the case may be, and purchases by Tradeweb of LLC Interests from the LLC Owners by recognising an increase in deferred tax assets, based on enacted tax rates at the date of each redemption or exchange, as the case may be. Further, Tradeweb evaluates the likelihood that it will realise the benefit represented by the deferred tax asset, and, to the extent that Tradeweb estimates that it is more likely than not that it will not realise the benefit, it reduces the carrying amount of the deferred tax asset with a valuation allowance.

There is no maximum term for the Tax Receivable Agreement. However, the Tax Receivable Agreement may be terminated by Tradeweb pursuant to an early termination procedure that requires it to pay the LLC Owners an amount equal to the estimated present value of the remaining payments under the agreement (calculated based on certain assumptions, including regarding tax rates and utilisation of the certain tax basis adjustments).

17.2.10 *Master Services Agreement*

On 1 October 2018, Refinitiv Parent and Thomson Reuters entered into the Master Services Agreement pursuant to which each party agreed to provide each other, on a transitional basis, with services and specified content consistent with the services and content that the various Thomson Reuters business lines provided to each other prior to the 2018 Transaction with the purpose of facilitating the smooth implementation of the 2018 Transaction. Some of the services and content sets provided by Thomson Reuters to Refinitiv are Newsroom Compliance Complete content as well as Westlaw, Practical Law, Onesource, Checkpoint, and Thomson Reuters Regulatory Intelligence and Compliance Complete products. Some of the services and products provided by Refinitiv to Thomson Reuters are Eikon, certain loan pricing content, Lipper data, capital markets and advisory private equity content, global historical banking content and the World-Check product. In each case such services are provided in accordance with the scope of use, term and other provisions agreed in the Master Services Agreement. The initial term of the provision of most of these services under the Master Services Agreement is three years.

18. Litigation

18.1 *LSEG litigation*

Except as set out below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which LSEG plc is aware), during the previous twelve months which may have, or have had in the recent past, significant effects on LSEG's financial position or profitability. The LCH Group has had correspondence and discussions with the joint special administrators of MFG (the "**Administrators**") in relation to default management exercises that took place prior to LCH's acquisition by LSEG. The Administrators made an application to the English High

Court seeking an Order to compel disclosure of certain documents and information which was rejected by the English High Court. Separately, proceedings were filed in the Paris Commercial Court by the Administrators seeking to assess any losses suffered by MFG in connection with the close-out of MFG's positions at the time of its default and to establish the extent (and quantum) of LCH SA's liability for such losses. These claims were rejected by the Paris Commercial Court in a judgment dated 5 May 2016 on the basis that the proceedings were in any event time-barred under LCH SA's rule book. The Administrators appealed the decision. The appeal was heard by the Paris Court of Appeal in October 2018. The appeal judgment was handed down on 19 December 2018 and the Paris Court of Appeal ruled in favour of LCH SA, confirming the first instance decision and rejecting the appeal. The Administrators have appealed the decision to the French Supreme Court and filed their brief in support of their appeal on 30 September 2019. The Administrators have requested the appointment of a judicial expert to determine, inter alia, the assessment of MFG's alleged damages, but pending the outcome of such determination, the Administrators have asserted that MFG suffered a loss of EUR132.6 million, which corresponds to the difference between the Bloomberg prices as at the date of the default and the prices obtained by LCH SA as a consequence of the liquidation of MFG's portfolio. LCH SA expects that the appeal will be heard in the next six to 12 months. LCH SA is not aware of any basis for a successful claim and firmly rejects any allegations of potential liability.

18.2 ***Refinitiv litigation***

Except as set out below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which LSEG plc is aware), during the previous twelve months which may have, or have had in the recent past, significant effects on Refinitiv's financial position or profitability.

18.2.1 *Omnesys Matter*

Omnesys NEST, a sell-side order management system, was acquired in 2013 as part of the acquisition of Omnesys Technologies Pvt Ltd ("**OTPL**") by Refinitiv's predecessor company. OTPL had a continuing licensing agreement with Omnesys Technologies Inc ("**OTI**") to license OTI's middleware for the Omnesys NEST platform.

On 23 June 2019, OTI purported to terminate the licensing agreement with effect from 31 July 2019, alleging that the usage reports provided to OTI over the preceding six years were not certified as required by the licensing agreement and omitted to include certain details. On 15 July 2019, Refinitiv filed a lawsuit in New York State Supreme Court in Rockland County seeking an injunction to prevent OTI from terminating the operation of the middleware for Omnesys NEST and causing disruption to Refinitiv's customers. The New York State Supreme Court issued a temporary restraining order on 16 July 2019 in favour of Refinitiv ensuring that the ongoing relationship is maintained and that the continuity of ongoing service to customers is not disturbed. The Court extended that temporary restraining order on 15 August 2019, so that it remains in place pending the Court's decision on Refinitiv's motion for a preliminary injunction.

On 8 September 2019, OTI filed an amended answer, and asserted counterclaims against Refinitiv. On 30 September 2019, Refinitiv filed a partial motion to dismiss OTI's counterclaims.

On 4 May 2020, the Court granted Refinitiv's partial motion to dismiss. OTI filed a second amended answer on 7 May 2020 which again seeks damages in the amount of $250 million. Additionally, the Court granted Refinitiv's motion for a preliminary injunction on 12 May 2020, thereby extending Refinitiv's protection under the operative agreement with OTI during the pendency of the litigation. Refinitiv was ordered to post a $100,000 undertaking.

Following the Court's decision on the motion for a preliminary injunction and the motion to dismiss, the litigation has proceeded to the discovery phase of the litigation. The parties agreed to an interim discovery schedule, which was ordered by the Court on 17 June 2020. Following a pre-trial conference on 3 December 2020 discovery continues and a control date of 5 March 2021 has been set to report back to the court on the status of discovery.

OTI seeks US$250 million in claim damages either as consequential damages or for supposed underpayment for sales made not by Refinitiv but for sales by Refinitiv's customers to their customers. Refinitiv moved to dismiss the claim for consequential damages as these are specifically precluded by the relevant agreement. Refinitiv considers that the alternative underpayment theory is without legal or factual basis as Refinitiv's applicable revenues from the sales to its customers in the relevant period is substantially less than US$10 million.

Refinitiv will continue to defend the interests of its customers. Refinitiv will engage as and when necessary and appropriate with authorities and regulators regarding actions taken by OTI that could interfere with customers' access rights. As detailed in its motion to dismiss, Refinitiv has strong defences to the counterclaim asserted by OTI and shall continue to vigorously defend its interests with regard to this claim.

18.2.2 *Tradeweb Treasuries Matter*

In December 2015, more than 40 substantially similar putative class action complaints filed by individual investors, pension funds, retirement funds, insurance companies, municipalities, hedge funds and banks were consolidated in the US District Court for the Southern District of New York under the caption *In re Treasuries Securities Auction Antitrust Litigation, No. 1:15-md-2673* (*S.D.N.Y.*) (*PGG*). In November 2017, the plaintiffs in these consolidated actions filed a consolidated amended complaint in which they allege: (i) an "Auction Conspiracy" among primary dealers of US Treasury securities in auctions for treasury securities and in the "when-issued" and secondary markets for such securities and other derivative financial products; and (ii) a "Boycott Conspiracy" among certain primary dealers and Tradeweb Markets, Tradeweb IDB Markets, Inc. and Dealerweb Inc. (which will be jointly referred to throughout this paragraph as the "**Tradeweb Parties**"). The plaintiffs purport to represent two putative classes: an "Auction Class" consisting of all persons who purchased treasuries in an auction, transacted in treasuries with a dealer defendant or through an exchange from 1 January 2007 through 8 June 2015, and a "Boycott Class" consisting of all persons who transacted in treasury securities in the secondary market with a dealer defendant from 15 November 2013 to the present. The consolidated amended complaint alleges that the Tradeweb Parties participated in the alleged "Boycott Conspiracy" through which certain primary dealers are alleged to have boycotted trading platforms permitting "all-to-all" trading of treasury securities. The complaint asserts claims against the Tradeweb Parties under Section 1 of the Sherman Antitrust Act and for unjust enrichment under state law and seeks to permanently enjoin the Tradeweb Parties and the dealer defendants from maintaining the alleged "Boycott Conspiracy" and an award of treble damages, costs and expenses. The defendants filed motions to dismiss in February 2018, including a separate motion to dismiss filed by the Tradeweb Parties. The motions to dismiss are pending. At this stage, LSEG is unable to estimate or quantify the potential damages in relation to this matter. Tradeweb has stated that it intends to continue to vigorously defend its interests with regard to this claim.

18.2.3 *Tradeweb Interest Rate Swaps Matter*

In November 2015, Public School Teachers' Pension and Retirement Fund of Chicago, on behalf of itself and a putative class of other similar purchasers of interest rate swaps, filed a lawsuit in the US District Court for the Southern District of New York against Tradeweb Markets, ICAP Capital Markets LLC and several investment banks and their affiliates (the "**Dealer Defendants**"), captioned *Public School Teachers' Pension and Retirement Fund of Chicago v. Bank of America Corporation, Case No. 15-cv-09219* (*S.D.N.Y.*). Additional plaintiffs, including Tera Group Inc. and Javelin Capital Markets LLC, filed lawsuits and, ultimately, the cases were consolidated under the caption *In re Interest Rate Swaps Antitrust Litigation, No. 1:16-md-2704*. The plaintiffs allege that defendants conspired to forestall the emergence of exchange style trading for interest rate swaps and seek treble damages and declaratory and injunctive relief under federal antitrust laws with respect to Tradeweb Markets. Plaintiffs allege that Tradeweb agreed with the Dealer Defendants to shutter its plans to launch an exchange-like trading platform for interest rate swaps in furtherance of the conspiracy and provided a forum where the Dealer Defendants carried out their alleged collusion. Tradeweb Markets and certain other entities were dismissed from the lawsuit in July 2017, following the court's order and opinion on defendants' motions to dismiss. In May 2018, the court denied plaintiffs' request for leave to amend their complaint to reinstate Tradeweb Markets as a defendant, but granted leave to amend to include additional allegations. In October 2018, plaintiffs filed a motion seeking leave to file a proposed fourth amended complaint. They did not seek to name Tradeweb Markets as a defendant but instead purported to reserve all rights with respect to Tradeweb Markets. While Tradeweb Markets is not a party to the litigation, it was actively engaged in third-party discovery and responded to the parties' data and document requests. Additionally, in June 2018, the plaintiffs notified the court that they are likely to move for entry of judgment of the dismissed claims. At this stage, LSEG is unable to estimate or quantify the potential damages in relation to this matter, given in particular that Tradeweb has been dismissed as a defendant from this matter. Tradeweb has stated that it intends to continue to vigorously defend its interests with regard to any claims against it that arise from this litigation.

19. Related party transactions

19.1 The related party transactions that were entered into by LSEG plc during the financial years ended 31 December 2019, 31 December 2018 and 31 December 2017 are described in the Annual Report and Accounts of LSEG plc for the financial years ended 31 December 2019, 31 December 2018 and 31 December 2017 respectively, each of which is incorporated into this document by reference, as further described in Part 15 (*Documentation incorporated by reference*) of this document.

19.2 The related party transactions entered into by LSEG plc between 31 December 2019 and the Latest Practicable Date are described in the shareholder circular and notice of general meeting published on 14 October 2020 in relation to the Borsa Italiana Divestment, which is incorporated into this document by reference, as further described in Part 15 (*Documentation incorporated by reference*) of this document. Please refer to the paragraph entitled, “The Borsa Italiana Divestment” in Part 6 (Summary of the Key Transaction Terms) of this document for full details of the Borsa Italiana Divestment.

19.3 Except as disclosed above, there were no other new related party transactions entered into by LSEG plc between 31 December 2019 and the Latest Practicable Date that were material to LSEG.

19.4 The related party transactions that were entered into by Refinitiv during the six months ended 30 June 2020 and the financial years ended 31 December 2019, 31 December 2018 and 31 December 2017 are described in the Combined Historical Financial Information Relating to Refinitiv for the Six Months Ended 30 June 2020 and the Financial Years Ended 31 December 2017, 31 December 2018 and 31 December 2019, as set out in Section B (*Combined Historical Financial Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*). There were no new related party transactions entered into by Refinitiv between 30 June 2020 and the Latest Practicable Date that were material to Refinitiv.

20. No significant change

20.1 There has been no significant change in the financial position or financial performance of LSEG since 30 June 2020, being the date to which LSEG plc’s last interim accounts were prepared.

20.2 There has been no significant change in the financial position or financial performance of Refinitiv since 30 June 2020, being the date to which Refinitiv Parent’s last interim accounts were prepared.

21. Combined Business working capital statement

LSEG plc is of the opinion that, taking into account the cash resources and bank facilities available to the Combined Business, the Combined Business has sufficient working capital for its present requirements, that is, for at least 12 months following the date of publication of this document.

22. Miscellaneous

The total costs, charges and expenses payable by the Combined Business in connection with the Transaction and Admission are estimated to be approximately £835 million. This is comprised of financial advisory, legal/anti-trust, accounting, admission and other transaction costs of £358 million and financing related costs of £477 million.

23. Sources and bases of selected financial information

23.1 All references to LSEG Ordinary Shares are to LSEG plc ordinary shares of $6^{79}/_{86}$ pence each.

23.2 All references to Limited-voting Ordinary Shares are to LSEG plc limited-voting ordinary shares of $6^{79}/_{86}$ pence each, which are proposed to be issued to the Refinitiv Sellers on Completion as consideration for the Transaction.

23.3 All references to LSEG Shares are to LSEG Ordinary Shares and, following Completion, LSEG Ordinary Shares and Limited-voting Ordinary Shares.

23.4 As at the Latest Practicable Date, there were:

23.4.1 351,563,499 LSEG Ordinary Shares in issue (excluding treasury shares);

23.4.2 0 LSEG Ordinary Shares held in treasury;

23.4.3 2,726,124 LSEG Ordinary Shares that have been awarded under long-term incentive plans. Awards vest (and options become exercisable at no cost) under these plans subject to certain conditions;

23.4.4 623,325 outstanding share options that have been granted by LSEG plc in respect of LSEG Ordinary Shares under the sharesave plans with a weighted average exercise price of £41.47 (including up to 40,102 further LSEG Shares that may be issued pursuant to the exercise of certain SAYE options under the LSEG International Sharesave Scheme 2008 after the Latest Practicable Date but before Admission);

23.4.5 379,624 outstanding share options that have been granted by LSEG plc in respect of LSEG Ordinary Shares under other share option plans, of which the majority are nil cost except 1,676 with a weighted average exercise price of £8.94. Options become exercisable under these plans subject to certain conditions; and

23.4.6 516,302 LSEG Ordinary Shares held by LSEG plc's Employee Benefit Trust.

As at the Latest Practicable Date this implies 354,995,845 LSEG Ordinary Shares outstanding on a fully diluted basis.

23.5 Subject to and conditional on Completion occurring, and subject to any adjustments as a result of (i) any further leakage in the period prior to Completion; or (ii) LSEG plc electing to make a cash substitution (whereby LSEG plc has the option to settle up to US$2.5 billion of the consideration in cash, in which case the number of Consideration Shares issued will reduce accordingly), and as a result of a small amount of known and agreed leakage with respect to the Refinitiv group, LSEG plc is currently expected to issue 179,610,123 LSEG Shares to the Refinitiv Sellers on Completion. In addition, one month after Completion, LSEG plc will issue a further 24,615,845 LSEG Ordinary Shares to ConsortiumCo.

23.6 Should the Transaction proceed to Completion and assuming (i) there are no more than 355,010,159 LSEG Ordinary Shares outstanding on a fully diluted basis immediately preceding Completion (assuming a maximum of 40,102 further LSEG Shares are issued pursuant to the exercise of certain SAYE options under the LSEG International Sharesave Scheme 2008 after the Latest Practicable Date (which are not reflected in the Latest Practicable Date shares outstanding figure above)), (ii) there are no further adjustments to the number of Consideration Shares as a result of any leakage in the period prior to Completion or LSEG electing to make a cash substitution, this implies up to 534,620,282 LSEG Shares outstanding on a fully diluted basis at Completion and 559,236,127 LSEG Shares outstanding on a fully diluted basis as at the PIK Redemption Date.

23.7 Unless otherwise stated, all prices quoted for LSEG Ordinary Shares have been derived from the Official List of the London Stock Exchange and represent closing middle market prices on the relevant date.

23.8 Where amounts are shown in both US$ and sterling in this document, unless otherwise stated an exchange rate of 1.3378 has been used, which was derived from data provided by Eikon as at 4.30 p.m. London time on the Latest Practicable Date.

23.9 Certain figures included in this document have been subject to rounding adjustments.

24. Consents

24.1 PwC has given and not withdrawn its written consent to the inclusion in this document of its accountant's report on the audited, combined historical financial information relating to Refinitiv set out in Section B (*Combined Historical Financial Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*) in the form and context in which it is included and has authorised the contents of the part of this document which comprise its report for the purpose of 5.3.2R(2)(f) of the Prospectus Regulation Rules.

24.2 KPMG has given and not withdrawn its written consent to the inclusion in this document of its report on the unaudited pro forma financial information set out in Section B (*Accountant's Report on the Unaudited Pro Forma Financial Information for the Combined Business*) in Part 13 (*Unaudited Pro Forma Financial Information for the Combined Business*) in the form and context in which it is included and has authorised the contents of the part of this document which comprise its report for the purpose of 5.3.2.R(2)(f) of the Prospectus Regulation Rules.

24.3 Goldman Sachs has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which they appear.

24.4 Morgan Stanley has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which they appear.

24.5 Robey Warshaw has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which they appear.

24.6 Barclays has given and not withdrawn its written consent to the issue of this document with the inclusion of references to its name in the form and context in which they appear.

24.7 RBC Capital Markets has given and not withdrawn its written consent to the issue of this document with the inclusion of references to its name in the form and context in which they appear.

25. Documents available for inspection

Copies of the following documents will be available for inspection during usual business hours on any Business Day, free of charge, at LSEG plc's registered address at 10 Paternoster Square, London EC4M 7LS for a period beginning on the date of this document until Completion or termination of the Transaction in accordance with its terms. **Inspection of these documents may only take place in accordance with measures imposed by the UK Government in connection with the Covid-19 pandemic.** LSEG Shareholders are therefore encouraged to inspect the documents electronically via the link on LSEG's corporate website at www.lseg.com/investor-relations/financial-reports-and-key-documents/ma-documents/acquisition-refinitiv:

- this Prospectus;
- complete copies of each of the documents incorporated by reference into this document pursuant to Part 15 (*Documentation incorporated by reference*) of this document;
- copies of the written consents from KPMG, PwC, Goldman Sachs, Morgan Stanley, Robey Warshaw, Barclays and RBC Capital Markets, referred to in paragraph 24 of this Part 14 (*Additional Information*) of this document;
- the accountant's report on the audited, combined historical financial information in relation to Refinitiv set out in Section B (*Combined Historical Financial Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*) of this document;
- the accountant's report on the unaudited pro forma financial information for the Combined Business set out in Section B (*Accountant's Report on the Unaudited Pro Forma Financial Information for the Combined Business*) of Part 13 (*Unaudited Pro Forma Financial Information for the Combined Business*); and
- the Articles.

PART 15
DOCUMENTATION INCORPORATED BY REFERENCE

Parts of other documents which have been previously published and filed with the FCA are incorporated by reference in, and form part of, this Prospectus. The following documentation, which was sent to LSEG Shareholders and/or is available as described below, contains information that is relevant to the Transaction. The following list is intended to enable investors to easily identify specific items of information which have been incorporated by reference into this document.

Reference document	Information incorporated by reference	Page number in reference document
LSEG plc's unaudited trading statement for the three month period ended 30 September 2020	Q3 Revenue Summary	5
	Key performance indicators	8
	Total Income—Quarterly	11
LSEG plc's unaudited Accounts for the six month period ended 30 June 2020	Condensed consolidated income statement	13
	Condensed consolidated statement of comprehensive income	14
	Condensed consolidated balance sheet	15
	Condensed consolidated cash flow statement	16
	Condensed consolidated statement of changes in equity	17
	Notes to the interim condensed consolidated financial statements	18
	Independent review report	45
LSEG plc's Annual Report and Accounts for the financial year ended 31 December 2019	Independent auditors' report	134
	Consolidated income statement	143
	Consolidated statement of comprehensive income	144
	Balance sheets	145
	Cash flow statements	147
	Statements of changes in equity	148
	Notes to the financial statements	150
LSEG plc's Annual Report and Accounts for the financial year ended 31 December 2018	Independent auditors' report	106
	Consolidated income statement	115
	Consolidated statement of comprehensive income	116
	Balance sheets	117
	Cash flow statements	119
	Statements of changes in equity	120
	Notes to the financial statements	122
LSEG plc's Annual Report and Accounts for the financial year ended 31 December 2017	Independent auditors' report	100
	Consolidated income statement	109
	Consolidated statement of comprehensive income	110
	Balance sheets	111
	Cash flow statements	112
	Statements of changes in equity	113
	Notes to the financial statements	115
Circular to Shareholders and Notice of General Meeting relating to the proposed divestment of London Stock Exchange Group Holdings Italia S.p.A. to Euronext N.V., published 14 October 2020	Letter from the Chairman of LSEG plc	11
	Summary of the key transaction terms	19
	Additional information	26
	Definitions	29

These documents are available free of charge on LSEG's website at www.lseg.com/investor-relations/financial-reports-and-key-documents/ma-documents/acquisition-refinitiv. You may request a hard copy of this document and/or any information incorporated into this document by reference to another source by contacting LSEG plc's registrar, Equiniti, at Aspect House, Spencer Road, Lancing Business Park, Lancing, West Sussex, BN99 6DA, or between 8.30 a.m. and 5.30 p.m. (London time), Monday to Friday (excluding English and Welsh public holidays), on 0371 384 2544 from within the UK, or on +44 (0) 121 415 7047 if calling from outside the UK (calls from outside the UK will be charged at the applicable international rate), with your full name and the full address to which the hard copy may be sent (calls may be recorded and monitored for training and security purposes). You may also request that all future documents, announcements and information to be sent to you in relation to the Transaction should be in hard copy form. Please note that calls may be monitored or recorded and Equiniti cannot provide legal, tax or financial advice or advice on the merits of the Transaction.

Any statement contained in a document which is deemed to be incorporated by reference into this document shall be deemed to be modified or superseded for the purpose of this document to the extent that a statement contained in this document (or in a later document which is incorporated by reference into this document) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this document.

Where the documents listed above in this Part 15 (*Documentation incorporated by reference*) make reference to other documents, such other documents are not incorporated into and do not form part of this document. Parts of the document incorporated by reference which are not set out above are either not relevant or are covered elsewhere in this document. Save as expressly referred to herein, neither the content of LSEG's website, nor the content of any website accessible from hyperlinks on LSEG's website, is incorporated into, or forms part of, this Prospectus.

PART 16
DEFINITIONS AND GLOSSARY

The following definitions apply throughout this document, unless the context requires otherwise.

2015 Revolving Credit Facility	as defined in paragraph 17.1.4 (The 2015 Revolving Credit Facility) of Part 14 (Additional Information) of this document
2017 Revolving Credit Facility	as defined in paragraph 17.1.5 (*The 2017 Revolving Credit Facility*) of Part 14 (*Additional Information*) of this document
2018 Transaction	as defined in the paragraph headed "*Summary information on Refinitiv*" in Part 5 (*Information on the Transaction*) of this document
2018 Transaction Closing Date	1 October 2018, being the date on which the 2018 Transaction closed
2019 Bridge Facilities	as defined in the paragraph headed "*Summary of the terms of the Transaction*" in Part 5 (*Information on the Transaction*) of this document
2021 Notes	as defined in paragraph 17.1.7 (*The 2021 Notes*) of Part 14 (*Additional Information*) of this document
2024 Notes	as defined in paragraph 17.1.8 (*The 2024 Notes*) of Part 14 (*Additional Information*) of this document
2027 Notes	as defined in paragraph 17.1.10 (*The 2027 Notes*) of Part 14 (*Additional Information*) of this document
2029 Notes	as defined in paragraph 17.1.9 (*The 2029 Notes*) of Part 14 (*Additional Information*) of this document
Administrators	as defined in paragraph 18.1 (*LSEG litigation*) of Part 14 (*Additional Information*) of this document
Admission	as defined in the paragraph headed "*Summary of the terms of the Transaction*" in Part 5 (*Information on the Transaction*) of this document
Admission Resolution	as defined in section C.1.4 of the Summary
AI	artificial intelligence
AIM	the Alternative Investment Market of the London Stock Exchange
Allotment Resolution	Resolution 2 set out in the Notice of General Meeting
Alternative Transaction	as defined in the paragraph headed "*Non-solicit and exclusive dealings*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Announcement	the RNS announcement in respect of the Transaction made by LSEG plc on 1 August 2019
Annuity Policy	as defined in the paragraph headed "*Retirement benefit obligations*" in Part 12 (*Historical Financial Information of the Combined Business*) of this document
Antitrust Condition	as defined in the paragraph entitled "*Conditions*" under the heading "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Antitrust and Regulatory Condition	as defined in the paragraph headed "*The Stock Purchase Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Articles	the articles of association of LSEG plc

ATSs	alternative trading systems
AUM	assets under management
Banks	Goldman Sachs International, Morgan Stanley & Co. International plc, Robey Warshaw LLP, RBC Europe and Barclays Bank plc
Barclays	Barclays Bank plc, acting through its Investment Bank
Benchmark Regulation	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014
Blackstone	(i) for the purposes of the phrase "investment funds affiliated with Blackstone", Blackstone Management Partners; and (ii) for the purposes of the rest of this document, collectively, Blackstone Family Investment Partnership (Cayman) VII ESC LP and BCP York Upper Aggregator (Cayman) LP
Blackstone Consortium	has the meaning given in Part 5 (*Information on the Transaction*) of this document
Blackstone Management Partners	Blackstone Management Partners L.L.C.
Board	the board of Directors of LSEG plc as at the date of this document or, where the context so requires, the Directors of LSEG plc from time to time
Borsa Italiana	Borsa Italiana S.p.A., a company incorporated in Italy
Borsa Italiana Buyer	Euronext N.V.
Borsa Italiana Buyer Antitrust and FI Conditions	as defined in the paragraph headed "*Conditions*" under the heading "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Borsa Italiana Buyer Conditions	as defined in the paragraph headed "*Conditions*" under the heading "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Borsa Italiana Buyer Facilities Agreement	as defined in the paragraph headed "*Borsa Italiana Buyer Debt Financing*" under the heading "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Borsa Italiana Buyer Financial Regulatory Approvals Condition	as defined in the paragraph headed "*Conditions*" under the heading "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Borsa Italiana Buyer Shareholder Approval Condition	as defined in the paragraph headed "*Conditions*" under the heading "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Borsa Italiana Divestment	the divestment by London Stock Exchange Group Holdings Italy Limited to Euronext N.V. of London Stock Exchange Group Holdings Italia S.p.A.
Borsa Italiana Group	as defined in paragraph 9 (*Regulatory and merger control approvals and the Borsa Italiana Divestment*) of Part 5 (*Information on the Transaction*) of this document
Borsa Italiana Seller	London Stock Exchange Group Holdings Italy Limited
Borsa Italiana Seller Fundamental Warranties	as defined in the paragraph headed "*Warranties*" under the heading "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document

Borsa Italiana Seller Regulatory Approval Condition	as defined in the paragraph headed "*Conditions*" under the heading "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Borsa Italiana Share Purchase Agreement	as defined in the paragraph headed "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Borsa Italiana Tax Covenant	as defined in the paragraph headed "*Taxation*" under the heading "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Borsa Italiana Transitional Services	as defined in the paragraph headed "*Provision of transitional services*" under the heading "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Borrower	Refinitiv US Holdings, Inc.
Brexit	the departure of the United Kingdom from the EU
BRRD	Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council
BSL	LSEG Business Services Limited, a company incorporated in England and Wales
Business Day	a day (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for normal business in London and New York
CAGR	compound annual growth rate
California Consumer Privacy Act	the California Consumer Privacy Act of 2018
California Privacy Rights Act	the California Privacy Rights Act of 2020
Capital Markets	as defined in the paragraph headed "*Business Overview*" in Section A (*History and Current Business Overview of LSEG*) of Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*) of this document
CC&G	Cassa di Compensazione e Garanzia S.P.A., a company incorporated in Italy
CC&G Credit Facility Agreements	as defined in paragraph 17.1.6 (*The CC&G Credit Facility Agreements*) of Part 14 (*Additional Information*) of this document
CCP	a central clearing counterparty that intermediates, and therefore takes the risk, of the obligations of transactions between its clearing members (or other CCPs through interoperability arrangements) under the transactions entered into by those clearing members (or by their clearing customers) that are cleared through it
CEA	the US Commodity Exchange Act 1936
certificated or certificated form	shares not recorded on the relevant register of members as being in uncertificated form by virtue of the CREST Regulations
CFIUS	the Committee on Foreign Investment in the US and each member agency thereof acting in such capacity

CFTC	the Commodity Futures Trading Commission of the US
CFTC Order	CFTC Order—as defined in the paragraph headed "*Regulatory and Legal Environment in the US*" in Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*) of this document
CGU	cash generating unit
CJEU	Court of Justice of the European Union
City Code	the UK City Code on Takeovers and Mergers as from time to time interpreted and amended by the Panel
Clarient	Clarient Global LLC, a global KYC and client reference data platform of Thomson Reuters
CMU	Capital Markets Union
CODM	chief operating decision maker
Combined Business	LSEG and Refinitiv on and following Completion
Combined Business' IP Assets	as defined in Part 1 (*Risk Factors*) of this document
Commission's Proposal	as defined in the paragraph headed "*Risks related to tax*" in Part 1 (*Risk Factors*) of this document
Companies Act	the UK Companies Act 2006, as amended from time to time
Company	LSEG plc
Company Director Concert Party	as defined in the paragraph headed "*Rights attaching to the Limited-voting Ordinary Shares*" in Part 14 (*Additional Information*) of this document
Completion	completion of the Transaction
Completion Consideration Shares	as defined in the paragraph headed "*Consideration*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Completion Consideration Ordinary Shares	as defined in the paragraph headed "*Consideration*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Completion Restructuring Steps	as defined in the paragraph headed "*The Stock Purchase Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Completion Steps	as defined in the paragraph headed "*The Stock Purchase Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Conditions	the conditions in the Stock Purchase Agreement as described in the paragraph headed "*The Stock Purchase Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document, and "Condition" shall mean any one of them
Confidentiality Agreement	the confidentiality agreement entered into between LSEG plc and Refinitiv Limited dated 21 March 2019
Consideration Shares	the LSEG Shares to be issued: (i) to the Refinitiv Sellers on Completion; and (ii) to ConsortiumCo on the PIK Redemption Date, provided that where such term is used in connection with the Lock-up Provisions, it shall exclude 5,781,285 LSEG Ordinary Shares which shall be free to be sold at any time after the PIK Redemption Date
CONSOB	Commissione Nazionale per le Società e la Borsa, being the Italian Companies and Exchange Commission

ConsortiumCo	BCP York Holdings (Delaware) LP, a limited partnership owned by the Blackstone Consortium
Covid-19	SARS-CoV-2 and its associated disease
CP Notes	as defined in paragraph 17.1.11 of Part 14 (*Additional Information*) of this document
CPPIB	CPP Investment Board (USRE III) Inc.
CRD IV	Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC and Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012
CRD V	Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holdingcompanies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures and Regulation (EU) 2019/876 of theEuropean Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for ownfunds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reportingand disclosure requirements, and Regulation (EU) No 648/2012
Credit Agreement	as defined in paragraph 17.2.2 (*Credit Agreement*) of Part 14 (Additional Information) of this document.
CREST	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in such Regulations) in accordance with which securities may be held and transferred in uncertificated form
CREST Regulations	the EU Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time
CSD	a central securities depositary
CSDR	the EU Central Securities Depository Regulation, being Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012
CSMAD	Directive 2014/57/EU of the European Parliament and of the Council of 16 April 2014 on criminal sanctions for market abuse (Market Abuse Directive)
CurveGlobal	Curve Global Limited, a company incorporated in England and Wales
DCM	a designated contract market
DCO	a derivatives clearing organisation
Dealer Defendants	as defined in paragraph 18.2.3 (*Tradeweb Interest Rate Swaps Matter*) of Part 14 (*Additional Information*) of this document

Deferred Issue Shares	has the meaning given in the paragraph headed "*Summary of the terms of the Transaction*" in Part 5 (*Information on the Transaction*) of this document
De-Listing	as defined in the paragraph headed "*Risks related to LSEG Ordinary Shares*" in Part 1 (*Risk Factors*) of this document
Directors	the directors of LSEG plc as at the date of this document or, where the context so requires, the directors of LSEG plc from time to time
Disclosure Guidance and Transparency Rules	The Disclosure Guidance and Transparency Rules of the FCA
Disposal	any offer of, sale of, contract to sell, grant or sale of options over, purchase of any option or contract to sell, transfer of, charge or pledge or encumbrance over, allotment or issue of, grant of any right or warrant to purchase or otherwise transfer, lending or disposal of or other monetisation of any Securities or any interest in Securities or the entry into of any swap or other agreement that grants, transfers, or entitles any person to, or may in the future grant, transfer, or entitle any person to, in whole or in part, any of the economic consequences of ownership of Securities, whether any such transaction described above is to be settled by delivery of such Securities, in cash or otherwise or any other disposal or agreement to dispose of any Securities, any interest in Securities, any rights attaching to Securities or the economic consequences of ownership of Securities, or any announcement or other publication of the intention to do, or any agreement or arrangement to do, any of the foregoing (provided that Disposal shall not include the transfer of third-party limited partner interests in any fund, vehicle or similar entity of the Blackstone private equity business, except where a third-party would as a result of the Disposal hold a see-through economic interest in Refinitiv Holdings of more than 5 per cent.)
Dodd-Frank	the US Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010
Dollar Secured Notes	as defined in paragraph 17.2.3 (*Indentures*) of Part 14 (*Additional Information*) of this document
Dollar Term Loan Facility	as defined in the paragraph headed "*Factors Affecting Comparability of Financial Statements*" in Section B (*Operating and Financial Review of Refinitiv*) of Part 10 (*Operating and Financial Review of the Combined Business*) of this document
Dollar Unsecured Notes	as defined in paragraph 17.2.3 (*Indentures*) of Part 14 (*Additional Information*) of this document
DORA	Digital Operational Resilience Act
EBIT	adjusted earnings before interest and tax
EBITDA	earnings before interest, tax, depreciation and amortisation
EC	the European Commission, being the executive branch of the EU
ECB	European Central Bank
EC Borsa Italiana Buyer Condition	as defined in under the paragraph headed "*Conditions*" under the heading "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
ECOFIN	the Economic and Financial Affairs Council of the European Union, as defined in the paragraph headed "*Risks related to tax*" in Part 1 (*Risk Factors*) of this document

ECP Programme	as defined in paragraph 17.1.11 of Part 14 (*Additional Information*) of this document
EDD	enhanced due diligence
EEA	EU Member States from time to time, together with Norway, Iceland and Liechtenstein
ELT	the executive leadership team of Refinitiv
Emerald	Emerald Acquisition Limited, a company incorporated in England and Wales
EMIR	Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories
EMS	execution management system
Equiniti	Equiniti Limited, a company incorporated in England and Wales, LSEG plc's registrar and part of the Equiniti group of companies
ERM	the enterprise risk management framework of Refinitiv
ERMF	the enterprise risk management framework of LSEG
ESG	environmental, social and governance
ESMA	the European Securities and Markets Authority
ETC	exchange traded commodity
ETF	an exchange traded fund
EU	the European Union
EU BMR	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014
EU Member States	the member states of the EU from time to time
EURIBOR	the European Interbank Offer Rate
Euro Term Loan Facility	as defined in the paragraph headed "*Factors Affecting Comparability of Financial Statements*" in Section B (*Operating and Financial Review of Refinitiv*) of Part 10 (*Operating and Financial Review of the Combined Business*) of this document
Euro Secured Notes	as defined in paragraph 17.2.3 (*Indentures*) of Part 14 (*Additional Information*) of this document
Euro Unsecured Notes	as defined in paragraph 17.2.3 (*Indentures*) of Part 14 (*Additional Information*) of this document
Euroclear	Euroclear UK & Ireland Limited, a company incorporated in England and Wales
EuroMTS	EuroMTS Limited, a company incorporated in England and Wales
Euronext	Euronext NV, a company incorporated in the Netherlands
Euronext Derivatives	commodity derivatives eligible for clearing on LCH's CommodityClear exchange
Eurozone	the Member States of the EU, from time to time, that have adopted the Euro as their currency
FBOT	the US Commodity Futures Trading Commission's Foreign Boards of Trade

FCA	the UK Financial Conduct Authority
FCA Handbook	The FCA's handbook of rules and guidance
FCM	futures commission merchants
Fidelity	Fidelity Global Brokerage Group, Inc., Fidelity Brokerage Services, LLC, and National Financial Services, LLC
FINRA	the US Financial Industry Regulatory Authority
Fintech	financial technology
FMI	financial markets infrastructure
Fourth Anniversary	as defined in the paragraph headed "*The Relationship Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
FRC	UK Financial Reporting Council
FRTSIL	Financial & Risk Transaction Services Ireland Limited, a company incorporated in Ireland
FSMA	the UK Financial Services and Markets Act 2000, as amended
FSOC	Financial Stability Oversight Council of the US Department of the Treasury
FTEs	full time equivalent
FTSE	Financial Times Stock Exchange
FTT	financial transaction tax
FVOCI	fair value through other comprehensive income statement
FVPL	fair value through profit and loss
FX	foreign exchange
GDPR	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)
Giact	Giact Systems, LLC
Giact Closing Date	as defined in paragraph 17.2.1 (*Acquisition of Giact*) of Part 14 (*Additional Information*) of this document
Giact Merger.	as defined in paragraph 17.2.1 (*Acquisition of Giact*) of Part 14 (*Additional Information*) of this document
Giact Merger Agreement	as defined in paragraph 17.2.1 (*Acquisition of Giact*) of Part 14 (*Additional Information*) of this document
GIC	Suzuka Investment Pte Ltd
Goldman Sachs	Goldman Sachs International
GSA	Group Strategic Accounts
HMRC	Her Majesty's Revenue & Customs in the UK
holder	in the context of holding securities, including through CREST, a registered holder (including any person(s) entitled to such securities by transmission)
HSR Act	the US Hart–Scott–Rodino Antitrust Improvements Act of 1976
IASB	International Accounting Standards Board

IBs	introducing brokers
IDCFP	IDC Financial Publishing, Inc.
IDEM	the Italian Derivatives Market
IFCA	the Italian Financial Consolidated Act (*Testo unico delle disposizioni in materia di intermediazione finanziaria*)
IFR	as defined in the paragraph headed "*Regulatory and Legal Environment in the US*", in Section B (*Additional information on LSEG's business, operations and the Regulatory and Legal Frameworks in which LSEG operates*) Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*) of this document
IFRIC	IFRS Interpretations Committee
IFRS	International Financial Reporting Standards, as adopted by the EU
IFRS 9	IFRS 9, 'Financial instruments' on classification and measurement and amendments regarding general hedge accounting
IFRS 15	IFRS 15, 'Revenue from contracts with customers'
IMO	as defined in the paragraph headed "Integration" in Part 5 (*Information on the Transaction*) of this document
Indentures	as defined in paragraph 17.2.3 (*Indentures*) of Part 14 (*Additional Information*) of this document
Indentures Guarantors	as defined in paragraph 17.2.3 (*Indentures*) of Part 14 (*Additional Information*) of this document
Indentures Issue Date	1 October 2018, being the date on which the Indentures were issued
Indentures Subsidiary Guarantors	as defined in paragraph 17.2.3 (*Indentures*) of Part 14 (*Additional Information*) of this document
Indirect Shareholders	as defined in the paragraph headed "*The Stock Purchase Agreement Support Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Information Services	Information Services—as defined in the paragraph headed "*Business Overview*" in Section A (*History and Current Business Overview of LSEG*) of Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*) of this document
Initial Tradeweb Shares	as defined in paragraph 17.2.8 (*Tradeweb Registration Rights Agreement*) of Part 14 (*Additional Information*) of this document
Integration Committee	as defined in the paragraph headed "*Integration Committee*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Investor Group	as defined in the paragraph headed "*Factors Affecting Comparability of Financial Statements*" in Section B (*Operating and Financial Review of Refinitiv*) of Part 10 (*Operating and Financial Review of the Combined Business*) of this document
IOB	the International Order Book operated by the London Stock Exchange
IOSCO	the International Organisation of Securities Commissions
IOSCO Principles	the principles of the securities regulation set out in the International Organisation of Securities Commissions' Objectives and Principles of Securities Regulation

IP	intellectual property
ISE Group	US Exchange Holdings, Inc., a company incorporated in New York, together with its direct and indirect subsidiaries
ISIN	international securities identification number
Issuer	as defined in the paragraph headed "*Material contracts of the Combined Business*" in Part 14 (*Additional Information*) of this document
IT	information technology
KPMG	KPMG LLP, a limited liability partnership registered with the registrar for England and Wales
KYC	know your customer screening
Large UK Plans	as defined in the paragraph headed "*Retirement benefit obligations*" in Part 12 (*Historical Financial Information of the Combined Business*) of this document
Latest Practicable Date	close of business on 7 December 2020
LCH	LCH Group Holdings Limited, a company incorporated in England and Wales
LCH Group	LCH and its direct and indirect subsidiaries
LCH Limited	LCH.Clearnet Limited, a company incorporated in England and Wales
LCH SA	LCH.Clearnet SA (*Banque Centrale de Compensation SA*), a company incorporated in France
LEI	legal entity identifier
LIBOR	the London interbank offer rate
Limited-voting Ordinary Shareholder	a holder of Limited-voting Ordinary Shares
Limited-voting Ordinary Shares	the limited voting ordinary shares of $6\frac{79}{86}$ pence each in the capital of LSEG plc, proposed to be issued in respect of the Transaction, the rights attaching to which are summarised in paragraph 5 (*Rights attaching to the Limited-voting Ordinary Shares*) of Part 14 (*Additional Information*) of this document
Listing Rules	the rules and regulations made by the FCA in its capacity as the competent authority under the Financial Services and Markets Act 2000, and contained in the FCA's publication of the same name
LLC Owners	as defined in paragraph 14 (*Non-controlling interests*) in Section B (*Combined Historical Financial Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*)
Lock-up Provisions	as defined in the paragraph headed "*The Relationship Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
London Stock Exchange	London Stock Exchange plc, a company incorporated in England and Wales
Long Stop Date	31 May 2021
LSEG	LSEG plc and its subsidiaries and subsidiary undertakings
LSEG Board Committees	as defined in the paragraph headed "*Board Structure*" in Part 9 (*Directors, LSEG Key Managers and Corporate Governance*) of this document

LSEG Executive Committee	the executive committee of LSEG, currently comprising the LSEG Executive Directors and the LSEG Key Managers
LSEG Executive Directors	the executive directors of LSEG plc as at the date of this document, being David Schwimmer and Anna Manz
LSEG General Meeting	the general meeting of the LSEG Shareholders held on 26 November 2019 in connection with the Transaction at which the Resolutions were duly passed
LSEG Italia	London Stock Exchange Group Holdings Italia S.p.A.
LSEG Key Managers	those persons listed in Section A of Part 9 (*Directors, LSEG Key Managers and Corporate Governance*) of this document
LSEG LTIP (2014)	the LSEG Long-Term Incentive Plan 2014
LSEG MAE Warranty	as defined in the paragraph headed "*The Stock Purchase Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
LSEG Non-Executive Directors	the Non-Executive Directors of LSEG plc as at the date of this document, being Don Robert, Jacques Aigrain, Dominic Blakemore, Kathleen DeRose, Cressida Hogg, Val Rahmani and Stephen O'Connor
LSEG Ordinary Shares	the voting ordinary shares of $6\frac{79}{86}$ pence each in the capital of LSEG plc
LSEG plc	London Stock Exchange Group plc, a public limited company incorporated in England and Wales with registered number 5369106, whose shares are admitted to the premium listing segment of the Official List and traded on the Main Market
LSEG Share Plans	the LSEG LTIP (2014), the LSEG Deferred Bonus Plan 2014, the LSEG plc SAYE Option Scheme 2011, the LSEG International Sharesave Plan 2008, the LSEG International Sharesave Plan 2018, the LSEG plc Performance Aligned Restricted Share Plan 2010, the LSEG Restricted Share Award Plan 2008, the LSEG Restricted Share Plan 2018, the LSEG International Share Incentive Plan 2018 and any other share incentive plan or arrangement operated by LSEG
LSEG Shareholder Approval	as defined in the paragraph headed "*Summary of the terms of the Transaction*" in Part 5 (*Information on the Transaction*) of this document
LSEG Shareholder Approval Condition	as defined in the paragraph headed "*Conditions*" under the heading "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
LSEG Shareholders	the registered holders of LSEG Shares from time to time
LSEG Shares	the LSEG Ordinary Shares, and, following Completion, the LSEG Ordinary Shares and the Limited-voting Ordinary Shares
LSEG Sponsor Agreement	as defined in paragraph 17.1.1 (*LSEG Sponsor Agreement*) of Part 14 (*Additional Information*) of this document
Main Market	The London Stock Exchange's Main Market for Listed Securities
MAR	the Market Abuse Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC
MarketAxess	MarketAxess Holdings Inc., a company incorporated in the US

Master Services Agreement	contract described in paragraph 17.2.10 (*Master Services Agreement*) of Part 14 (*Additional Information*) of this document
Maximum Voting Threshold	as defined in the paragraph headed "*Summary of the terms of the Transaction*" in Part 5 (*Information on the Transaction*) of this document
Member States	Member states of the EU
Merger Sub	as defined in paragraph 17.2.1 (*Acquisition of Giact*) of Part 14 (*Additional Information*) of this document
MFG	MF Global UK Ltd, a company incorporated in England and Wales
MiFID	Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC
MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU
MiFIR	Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012
Millennium Exchange	LSEG's multi-asset class trading platform, deployed for the UK, Italian and Turquoise equities markets
MillenniumIT	Millennium Information Technologies (Private) Limited, a company incorporated in Sri Lanka
MIP	Refinitiv Holdings' management incentive plan as defined in Part 6 (*Summary of the Key Transaction Terms*) of this document
MIV	the electronic market for investment vehicles for highly-specialised investment entities operated by Borsa Italiana
MLDIV	Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (the fourth money laundering directive)
MLDV	Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU (the fifth money laundering directive)
MMD	Municipal Market Data
MoE Condition	as defined in the paragraph headed "*Conditions*" under the heading "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Monte Titoli	Monte Titoli S.p.A., a company incorporated in Italy
Morgan Stanley	Morgan Stanley & Co International plc, a company incorporated in England and Wales

MOT	Mercato Obbligazionario Telematico, LSEG's Italian retail bond trading platform
MTA	Mercato Telematico Azionario, Borsa Italiana's electronic markets on which shares, convertible bonds, warrants and option rights are traded
MTF	multilateral trading facility
MTS	Società per il Mercato dei Titoli di Stato S.p.A., a company incorporated in Italy
NCA	national competent authority
NDF	non-deliverable forward
NDOs	Non-Deliverable Options, as defined in Section C (History *and Current Business Overview of Refinitiv*) of Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*) of this document
NFA	the National Futures Association, a self-regulatory organisation for the US derivatives industry
Nomination Committee	the nomination committee of LSEG plc
Notes	as defined in the paragraph headed "*Factors Affecting Comparability of Financial Statements*" in Section B (*Operating and Financial Review of Refinitiv*) of Part 10 (*Operating and Financial Review of the Combined Business*) of this document
Notice of General Meeting	means the notice of the LSEG General Meeting dated 6 November 2019
Official List	the official list maintained by the FCA
OMS	order management systems
ORB	order book for retail bonds
Orderly Marketing Provisions	as defined in the paragraph headed "*The Relationship Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
OTC	over-the-counter
OTI	Omnesys Technologies Inc, a company incorporated in New York
OTF	organised trading facilities
OTPL	Omnesys Technologies Private Ltd, a company incorporated in India
Panel	the UK Panel on Takeovers and Mergers
Paris Agreement	the agreement within the United Nations Framework Convention on Climate Change, dealing with greenhouse-gas-emissions mitigation, adaptation, and finance, dated 4 November 2016
Permitted Adjournment	as defined in the paragraph headed "*The Stock Purchase Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Permitted Disposal	as defined in the paragraph headed "*The Relationship Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
PFIC	passive foreign investment company
PIK Preferred Stock	as defined in the paragraph headed "*Factors Affecting Comparability of Financial Statements*" in Section B (*Operating*

	and Financial Review of Refinitiv) of Part 10 (*Operating and Financial Review of the Combined Business*) of this document
PIK Redemption Date	as defined in the paragraph headed "*Summary of the terms of the Transaction*" in Part 5 (*Information on the Transaction*) of this document
Post Trade	as defined in the paragraph headed "*Business Overview*" in Section A (*History and Current Business Overview of LSEG*) of Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*) of this document
PR Regulation	Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004
Pre-Completion Restructuring Steps	as defined in the paragraph headed "*The Stock Purchase Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Pre-Termination Notice	as defined in the paragraph headed "*The Stock Purchase Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Prior Transaction Agreement	as defined in the paragraph headed "*The Stock Purchase Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Proposed Directors	as defined in the paragraph headed "*Management and governance*" in Part 5 (*Information on the Transaction*) of this document
Proposed LSEG Key Managers	as defined in the paragraph headed "*The Directors*" in Part 9 (*Directors, LSEG Key Managers and Corporate Governance*) of this document
Prospectus	this prospectus
Prospectus Regulation	Regulation (EU) 2017/1129
Prospectus Regulation Rules	the prospectus regulation rules made by the FCA under PART VI of the FSMA (as set out in the FCA Handbook), as amended from time to time
PRSU	performance-based restricted share units
PwC	PricewaterhouseCoopers LLP, a limited liability partnership registered with the registrar for England and Wales
QIBs	qualified institutional buyers as defined in the exemption from the registration requirements of the US Securities Act provided in Rule 144A under the US Securities Act
R&W Policies	as defined in the paragraph headed "*The Stock Purchase Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
RBC Capital Markets	RBC Europe Limited, Trading as RBC Capital Markets, a company incorporated in England and Wales
RBSL	Refinitiv Benchmark Services (UK) Limited, a company incorporated in England and Wales
Refinitiv	Refinitiv Parent and its subsidiaries and subsidiary undertakings

Refinitiv Board	the board of directors of Refinitiv Parent as at the date of this document or, where the context so requires, the board of directors of Refinitiv Parent from time to time
Refinitiv Director	means a non-executive director of LSEG plc appointed to the Board after having been nominated for appointment to the Board by Refinitiv Holdings in accordance with the terms of the Relationship Agreement
Refinitiv Holdings	Refinitiv Holdings Limited, a company incorporated in the Cayman Islands (provided that the name of such entity is expected to change on or prior to Completion)
Refinitiv MAE Warranty	as defined in the paragraph headed "*The Stock Purchase Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Refinitiv Parent	Refinitiv Parent Limited, a company incorporated in the Cayman Islands
Refinitiv Sellers	as defined in the paragraph headed "*Summary of the terms of the Transaction*" in Part 5 (*Information on the Transaction*) of this document
Refinitiv Shareholders	as defined in the paragraph headed "*Introduction*" in Part 5 (*Information on the Transaction*) of this document
Refinitiv Warranties	as defined in the paragraph headed "*The Stock Purchase Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Regulation SBSR	the US Regulation on the Reporting and Dissemination of Security-Based Swaps Information and Transaction Data to SBS repositories, which came into effect on 11 October 2016
Regulatory Information Service	any of the services authorised by the FCA from time to time for the purpose of disseminating regulatory announcements
Relationship Agreement	the agreement which LSEG plc, Refinitiv Holdings, the Refinitiv Sellers and ConsortiumCo will enter into at Completion to regulate their relationship on and after Completion
Relationship Agreement Support Agreement	the agreement which LSEG plc, Blackstone Management Partners, Blackstone, Thomson Reuters, CPPIB and GIC, among others, will enter into at Completion to regulate the relationship between LSEG and such parties on and after Completion
Relevant Period	as defined in the paragraph headed "*The Relationship Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Relevant Resolution	as defined in the paragraph headed "*The Relationship Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Relevant Shareholder Arrangements	certain agreements and arrangements between any of Thomson Reuters, Blackstone, CPPIB and GIC, and ConsortiumCo, among others, in relation to their respective investments in Refinitiv Holdings and/or ConsortiumCo
Remedies	(i) any sale, divestiture or disposal of assets, properties or businesses of LSEG or Refinitiv or any interest therein; or (ii) any actions that would limit LSEG or Refinitiv's freedom of action with respect to, or its ability to retain, any assets, properties, businesses, of LSEG or Refinitiv or any interest therein.
Reporting Accountant(s)	each of KPMG and PwC

Required Assignments	as defined in the paragraph headed "*The Stock Purchase Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Resolutions	the Transaction Resolution and the Allotment Resolution
Reuters News	Reuters News & Media Limited, a company incorporated in England and Wales
Reverse Takeover	a reverse takeover under chapters 5 and 10 of the Listing Rules
Revolving Credit Facility	as defined in paragraph 17.2.2 (*Credit Agreement*) of Part 14 (*Additional Information*) of this document
RGM	as defined in the paragraph headed "*Regulatory and Legal Environment in the US*", in Section D (*Additional Information on Refinitiv's Business, Operations and the Regulatory and Legal Frameworks in which Refinitiv Operates*) Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*) of this document
RNS	Regulatory News Service
Robey Warshaw	Robey Warshaw LLP, a limited liability partnership registered with the registrar for England and Wales
ROPP	the Refinitiv Overseas Pension Plan (formerly, Thomson Reuters' (Overseas) Pension Plan)
RPF	the Reuters Pension Fund
RSU	restricted stock unit
Rule 144 A	Rule 144A of the US Securities Act
RUSHI	as defined in paragraph 17.2.1 (*Acquisition of Giact*) of Part 14 (*Additional Information*) of this document
Russell	the Frank Russell Company, acquired by LSEG in 2014
Russell Investments	the asset management business of Russell, sold by LSEG in 2016
Russell SAPA	as defined in paragraph 17.1.3 (*Sale and purchase agreement relating to the sale of Russell Investments*) of Part 14 (*Additional Information*) of this document
SBS	security-based swaps
SCCs	standard contractual clauses
Schrems II	Data Protection Commissioner v Facebook Ireland and Maximillian Schrems (Case C-311/18) EU:C:2020:559
SD	a swap dealer
SDR	a registered swap data repository
SEC	the US Securities and Exchange Commission
SEF	swap execution facility
Second Anniversary	as defined in the paragraph headed "*The Relationship Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Secured Indenture	as defined in the paragraph headed "*Material contracts of the Combined Business*" in Part 14 (*Additional Information*) of this document
Secured Notes	as defined in paragraph 17.2.3 (*Indentures*) of Part 14 (*Additional Information*) of this document

Securities	any shares or rights to subscribe for (or convert securities into) shares (including any options or awards convertible into or exercisable or exchangeable for shares) or other equity securities of: (i) with respect to the Relationship Agreement, LSEG plc; and (ii) with respect to the Relationship Agreement Support Agreement, ConsortiumCo, Refinitiv Holdings, the Refinitiv Sellers and certain entities which have an equity interest, directly or indirectly, in those entities;
SeDeX	Borsa Italiana's electronic regulated market for securitised derivatives
SEDOL	LSEG's global, multi-asset class reference data service
SEDOL codes	SEDOL's unique identification codes for global equity, derivatives and fixed income securities
SEDOL Masterfile	LSEG's expanding securities identification services
SEF	a swap execution facility
Senior Secured Credit Facilities	as defined in the paragraph headed "*Factors Affecting Comparability of Financial Statements*" in Section B (*Operating and Financial Review of Refinitiv*) of Part 10 (*Operating and Financial Review of the Combined Business*) of this document
Separation Framework Agreement	as defined in the paragraph headed "*Separation Framework Agreement*" under the heading "*The Borsa Italiana Divestment*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Separation Transactions	as defined in paragraph headed *"Separation from Thomson Reuters and operating as a standalone company"* in Section B (*Operating and Financial Review of Refinitiv*) of Part 10 (*Operating and Financial Review of the Combined Business*) of this document
Share Trading Obligation	the obligation set out in Article 23 of MiFIR, applicable to EU investment firms, to ensure the trades the firm undertakes in shares admitted to trading on a regulated market or traded on a trading venue shall take place on a regulated market, MTF or systematic internaliser, or a third-country trading venue assessed as equivalent, unless certain limited circumstances apply
Shareholder Helpline	0371 384 2544 (from within the UK) or +44 (0) 121 415 7407 (from outside the UK)
SME	small or medium sized enterprise
Sponsor	Barclays Bank plc, acting through its Investment Bank
Sponsors	as defined in the paragraph headed "*Factors Affecting Comparability of Financial Statements*" in Section B (*Operating and Financial Review of Refinitiv*) of Part 10 (*Operating and Financial Review of the Combined Business*) of this document
SPPI	solely payments of principal and interest
SPS	the Reuters Supplementary Pension Scheme
SRB	Single Resolution Board, the central resolution authority within the Banking Union of the EU
SRM II Regulation	Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 806/2014 as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms

SRM	the Single Resolution Mechanism, being the Single Resolution Board together with the National Resolution Authorities of participating EU Member States from time to time
SSM	the Single Supervisory Mechanism of the Eurozone, established pursuant to Regulation (EU) No 468/2014 of the European Central Bank of 16 April 2014 establishing the framework for cooperation within the Single Supervisory Mechanism between the European Central Bank and national competent authorities and with national designated authorities (the SSM framework regulation)
SSP	standalone selling price
Standstill Provisions	as defined in the paragraph headed "*The Relationship Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Stock Purchase Agreement	the stock purchase agreement entered into between LSEG plc and Refinitiv Holdings on 1 August 2019, amended on 23 August 2019, and amended and restated on 4 November 2019
Stock Purchase Agreement Support Agreement	the agreement entered into between LSEG plc, and, among others, Blackstone Management Partners, Blackstone, ConsortiumCo, Thomson Reuters, CPPIB and GIC, on 1 August 2019 and amended and restated on 4 November 2019
subsidiary	has the meaning given in section 1159 of the Companies Act
Subsidiary Guarantors	as defined in paragraph 17.2.2 (*Credit Agreement*) of Part 14 (*Additional Information*) of this document
subsidiary undertaking	has the meaning given in section 1162 of the Companies Act
T2S	TARGET2-Securities, the ECB's centralised platform for securities settlement.
Takeover Offer Shares	as defined in the paragraph headed "*Mandatory bids and compulsory acquisition rules relating to the ordinary shares*" in Part 14 (*Additional Information*) of this document
Target Cost Savings	as defined in the paragraph headed "*Summary information on Refinitiv*" in Part 5 (*Information on the Transaction*) of this document
Tax Indemnity Agreement	as defined in the paragraph headed "*The Stock Purchase Agreement Support Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Technology Services	as defined in the paragraph headed "*LSEG Business Divisions*" in Part 7 (*Information on the Combined Business*) of this document
Term Loan Facilities	the Euro Term Loan Facility and the Dollar Term Loan Facility
Tier 2 CCPs	as defined in the paragraph headed "*Regulatory and Legal Environment*" in Part 8 (*Information on the LSEG and Refinitiv Businesses, Operations and the Legal and Regulatory Frameworks in which they Operate*) of this document
Third Anniversary	as defined in the paragraph headed "*The Relationship Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Thomson Reuters	Thomson Reuters Corporation, a company incorporated in Canada
Thomson Reuters Financial & Risk Business	as defined in the paragraph headed "*Summary information on Refinitiv*" in Part 5 (*Information on the Transaction*) of this document

Thomson Reuters News Agreement . . .	the agreement described in paragraph 17.2.4 (*Thomson Reuters News Agreement*) of Part 14 (*Additional Information*) of this document
Thomson Reuters Trust Principles	the Thomson Reuters Trust Principles available at www.ThomsonReuters.com/en/about-us/trust-principles.html and any successor or replacement principles that the Thomson Reuters Founders Share Company Ltd. requires to be upheld from time to time
Trademark Licence Agreements	the agreements under which Thomson Reuters granted Refinitiv licences to permit using the "Reuters" mark, subject to applicable limitations
Tradeweb	Tradeweb Markets Inc., an FX trading platform of Refinitiv
Tradeweb Group	Tradeweb Markets Inc. and its subsidiaries
Tradeweb Inc.	as defined in paragraph 14 (*Non-controlling interests*) in Section B (*Combined Historical Financial Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*)
Tradeweb IPO	as defined in paragraph 14 (*Non-controlling interests*) in Section B (*Combined Historical Financial Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*)
Tradeweb Markets	Tradeweb Markets LLC, a wholly owned subsidiary of Tradeweb
Tradeweb Parties	as defined in the paragraph headed "*Litigation*" in Part 14 (*Additional Information*) of this document
Tradeweb Registration Rights Agreement	as defined in paragraph 17.2.8 (*Tradeweb Registration Rights Agreement*) of Part 14 (*Additional Information*) of this document
Tradeweb Stockholders Agreement . . .	as defined in paragraph 17.2.7 (*Tradeweb Stockholders Agreement*) of Part 14 (*Additional Information*) of this document
Tradeweb's Bank Stockholders	as defined in paragraph 17.2.8 (*Tradeweb Registration Rights Agreement*) of Part 14 (*Additional Information*) of this document
Tradeweb's Refinitiv Stockholders	as defined in paragraph 17.2.7 (*Tradeweb Stockholders Agreement*) of Part 14 (*Additional Information*) of this document
Tradeweb's Stockholders	as defined in paragraph 17.2.8 (*Tradeweb Registration Rights Agreement*) of Part 14 (*Additional Information*) of this document
Transaction	the acquisition by LSEG of Refinitiv to form the Combined Business
Transaction Resolution	Resolution 1 set out in the Notice of General Meeting
Trustees	as defined in paragraph 16 (*Retirement benefit obligations*) in Section B (*Combined Historical Financial Information of Refinitiv*) of Part 12 (*Historical Financial Information of the Combined Business*)
Turquoise	Turquoise Global Holdings Limited, a company incorporated in England and Wales
TW 10-Q	as defined in paragraph 17.2.9 (*Tax Receivable Agreement*) of Part 14 (*Additional Information*) of this document
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
UK Corporate Governance Code	the UK Corporate Governance Code published on 16 July 2018 and administered by the FRC, as may be amended from time to time
UMRs	the Uncleared Margin Rules established pursuant to Regulation (EU) No 648/2012 of the European Parliament and of the Council

	of 4 July 2012 on OTC derivatives, central counterparties and trade repositories
Unaudited Pro Forma Financial Information	the unaudited pro forma statement of net assets and pro forma income statement of the Combined Business included in Part 13 (*Unaudited Pro Forma Financial Information for the Combined Business*) of this document
uncertificated or in uncertificated form	shares recorded on the relevant register of members as being held in uncertificated form and title to which may, by virtue of the CREST Regulations, be transferred by means of CREST
Unsecured Indenture	as defined in paragraph 17.2.3 (*Indentures*) of Part 14 (*Additional Information*) of this document
Unsecured Notes	as defined in paragraph 17.2.3 (*Indentures*) of Part 14 (*Additional Information*) of this document
US	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
US DoJ	the US Department of Justice Antitrust Division
US Exchange Act	the US Securities Exchange Act of 1934
US GAAP	Generally Accepted Accounting Principles adopted by the SEC
US Holders	LSEG Shareholders that are subject to US federal income tax with respect to their LSEG Shares
US Investment Advisers Act	the US Investment Advisers Act of 1940
US Securities Act	US Securities Act of 1933
Voting Commitment Exceptions	as defined in the paragraph headed "*Risks related to LSEG Ordinary Shares*" in Part 1 (*Risk Factors*) of this document
Voting Commitment Period	as defined in the paragraph headed "*The Relationship Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
Voting Commitment Provisions	as defined in the paragraph headed "*The Relationship Agreement*" in Part 6 (*Summary of the Key Transaction Terms*) of this document
VWAP	volume weighted average price

All times referred to are London time unless otherwise stated.

All references to "**GBP**", "**pence**", "**sterling**", "**£**" or "**p**" are to the lawful currency of the United Kingdom.

All references to "**EUR**", "**Euro**" or "**€**" are to the single currency established for members of the European Economic and Monetary Union from 1 January 1999.

All references to "**US dollar**", "**USD**", "**USD**", "**$**", "**US$**" or "**cents**", are to the lawful currency of the US.

All references to statutory provisions or laws or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.

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