

Modern Slavery and Human Trafficking Act Statement 2023

Under the requirements of section 54 (Transparency in Supply Chains) of the Modern Slavery Act 2015, LSEG is required to publish an annual statement setting out the steps we have taken to manage modern slavery risks in our business and supply chains. This statement relates to actions and activities during the financial year 2023 (1 Jan 2023 to 31 December 2023).

This statement was approved by the Board of LSEG plc on 27 February 2024 and was signed by David Schwimmer, CEO, LSEG plc on 27 February 2024.

While not all entities in LSEG are required to publish a statement, we are committed to ensuring all Group entities operate in a consistent and effective way regarding modern slavery and human trafficking risk. This Statement covers all the companies controlled directly by LSEG, including the following companies that are required to publish a statement: London Stock Exchange Group plc, London Stock Exchange plc, LCH Limited, FTSE International Limited, Financial & Risk Organisation Limited, LSEG Business Services Limited, LSEG Employment Services Limited, Refinitiv Limited, Refinitiv Transaction Services Limited, LUH Financing Limited, LSEGA Financing PLC, Refinitiv Transaction Services Pte Limited, Millennium IT Software (Private) Limited, LCH SA, LSEGH Inc., Frank Russell Company, The Yield Book Inc., Financial & Risk Transaction Services Ireland Limited, and Refinitiv Australia Pty Limited.

Refinitiv Australia Pty Limited is required to publish a statement under the Australian Commonwealth Modern Slavery Act 2018.



Content

Human rights 3

Our commitments 3

Organisation structure 3

Supply chain 4

Governance 5

Policies in relation to slavery and human trafficking 5

Due diligence processes 7

Risk assessment and management 7

Measuring and reporting on progress 8

Progress in 2023 9

Training on modern slavery and human trafficking 9

Procedures for identifying and handling breaches and complaints 9

Looking forward 10

Statement approval 10

HUMAN RIGHTS

Human rights are universal and every person around the world deserves to be treated with dignity and have their interests considered equally. We welcome the increased focus of governments around the world on modern slavery and human trafficking. We acknowledge the measures to strengthen reporting requirements under the UK's Modern Slavery Act, including embedding modern slavery risks and human trafficking throughout procurement process, and the introduction of a public registry of modern slavery statements.

As a global business, we especially welcome international coherence and mutual recognition of different reporting requirements and standards, to help mobilise global efforts, such as the UN Guiding Principles on Business and Human Rights.

OUR COMMITMENTS

We regard all forms of modern slavery and human trafficking as a crime and a violation of fundamental human rights. We are committed to implementing and promoting practices which combat modern slavery in all its forms throughout our business and supply chain. We expect the same high standards from all of our contractors, suppliers and other business partners. As part of our contracting processes, we prohibit the use of forced, compulsory, trafficked or child labour or anyone held in slavery or servitude, and we expect that our suppliers will hold their own suppliers to the same high standards. LSEG operates in an industry where the risk of modern slavery and human trafficking is inherently low. However, we operate globally and acknowledge the risks of partnering with a broad spectrum of global suppliers and the possibility of modern slavery occurring deeper in those complex supply chains.

LSEG is a member of United Nations Global Compact (UNGC). As part of our participation, LSEG commits to the UNGC's Ten Principles, which include Principle 4: the elimination of all forms of forced and compulsory labour. Our [Human Rights Statement](#) provides an overview of how we endeavour to meet our responsibilities with respect to human rights, in addition to the principles and requirements within our LSEG Code of Conduct, which apply to all LSEG employees. LSEG adheres to the UN Guiding Principles on Business and Human Rights, together with the International Labour Organization Conventions and Recommendations within our working environment in each location where we operate.

ORGANISATION STRUCTURE

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

LSEG is headquartered in the United Kingdom, with operations in 65 countries across EMEA, North America, Latin America and Asia Pacific. We employ 25,000+ people globally. The breadth of our offering requires our people to have a diverse range of specialism across financial market data, market infrastructure, technology and enabling functions.

SUPPLY CHAIN

LSEG works with 5,000+ Third Parties across the world and approximately 69% of our overall third-party spend is with UK and US suppliers. Our top suppliers are in the following categories: Technology Services and Business Process Outsourcing, Content, Software and Telecoms/Data Centres.

Period Nov 2022 – Oct 2023

% of third-party spend which is UK and US suppliers

Entities	% of spend
United Kingdom	37%
United States	32%
Other	31%

% Spend and number of tier 1 suppliers by our top 10 sourcing location

Entities	No. of suppliers	% of tier 1 spend
United Kingdom	46	58%
United States	37	33%
France	18	2%
Hong Kong	13	1.4%
Japan	13	1.3%
Singapore	15	1.2%
India	12	1.2%
Germany	13	0.7%
Poland	10	0.6%
China	7	0.5%

Procurement Category by % of spend

Procurement Category	% of spend
Technology Services & Business Process Outsourcing	22%
Content- 3rd Party External Spend	17%
Software	11%
Telecoms / Data Centre	8%
Content Acquisition	8%
Others	44%

GOVERNANCE

The LSEG Board has ultimate oversight and approval of the organisation's sustainability strategy, including its management of human rights. The Executive Committee is responsible for setting the Group's sustainability ambition and strategy, including its management of human rights, monitoring progress and approving sustainability reporting, and is chaired by the Group CEO. The Sustainability Committee is a sub-committee of the Executive Committee, responsible for providing direction and oversight of the Group's overall sustainability strategy and programmes, including our approach on human rights. The Committee incorporates strategic input from the Executive Committee, to which the Committee reports. It oversees and helps coordinate the work undertaken across the Group to ensure the Group's Sustainability objectives are achieved. It is chaired by the Group Chief Risk Officer. Our Chief People Officer has executive accountability for respect for human rights in our workforce, while the Chief Operating Officer Has executive accountability for human rights in our supply chain.

POLICIES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING

The LSEG policies support our approach to protecting human rights and managing the risks of modern slavery in our business and supply chain. These policies are all available to employees via the Group intranet.

1) *Sustainability Policy & Human Rights Statement*

The Sustainability Policy, approved by the LSEG Board, includes anti-slavery within its overarching commitments and is supported by a Human Rights Statement, both of which are available on lseg.com.

2) *Employee Code of Conduct*

LSEG's Code of Conduct is approved by the LSEG Board and applies to all employee and contractors. It expects all employees and contractors to act in accordance with our commitment to avoid modern slavery in our organisation and business dealings. All employees, and other in-scope individuals, are required to complete mandatory training each year which reinforces the requirement to comply with the Code of Conduct at all times. During the recruitment period all prospective employees and contractors are vetted to ensure they are suitable for employment or engagement, to protect the company from risk to security and systems, and to meet regulatory requirements.

3) *Equity, Diversity & Inclusion Policy*

This policy sets out our approach to equity, diversity and inclusion (EDI). The policy outlines our commitment to creating a culture of belonging and a workplace that is fair and inclusive, free from discrimination and harassment. It emphasises our commitment to equitable employment opportunities through hiring, compensation, training and development.

4) *Fair Pay and Living Wage*

We are committed to ensuring that our people are paid fairly. We regularly review our compensation framework and work with external consultants to ensure our approach is fair and equitable. By regularly reviewing and updating, we ensure we are continuing to monitor for changes driven by factors such as economic change and increase in demand for certain skills. LSEG is an accredited Living Wage Foundation employer in the UK. Suppliers that provide services via onsite staff are required to adhere to the Living Wage.

5) Financial Crime Policy

The Group has a very low risk appetite to financial crime as it undermines the rule of law, democratic processes and the wellbeing and human rights of citizens and distorts free trade and competition. Our Financial Crime Policy and supporting processes sets out requirements to minimise financial crime, which encompasses, but may not be limited to, money laundering, terrorist financing, breach of international trade sanctions, bribery and corruption, fraud and false accounting, insider trading, market abuse, tax evasion, theft or misuse of confidential information or other malpractice.

6) Anti-bribery and corruption

LSEG's policy on anti-bribery and corruption applies globally and is aligned with the UK Bribery Act and the US Foreign Corrupt Practices Act. This policy makes clear the specific responsibilities of all our colleagues, partners, agents, suppliers and customers.

7) Procurement Policy

LSEG's Procurement Policy sets out the principles that must be followed when procuring goods and services for the Group and for managing third party supplier relationships on an on-going basis. All dealings with third party suppliers must adhere to our standards of business conduct, ethics and sustainability. The Policy requires risk assessment of suppliers with appropriate due diligence, including modern slavery risk, before they can become a supplier to LSEG. The Policy applies in all geographies where LSEG operates. The Policy has been approved by the Board of LSEG plc and is sponsored by a member of the LSEG Executive Committee.

8) Supplier Code of Conduct

LSEG's Supplier Code of Conduct outlines LSEG's expectation of suppliers to ensure adherence to our standards. The Code requires suppliers to comply with all applicable laws across topics such as labour and the environment and requires suppliers to avoid slavery in their own supply chains. New suppliers must commit to comply with the Code during procurement due diligence and is a non-negotiable provision in our standard contract templates and requirements.

DUE DILIGENCE PROCESSES

Third Party Due Diligence

LSEG conducts thorough due diligence on suppliers taking into account the size of spend and the location of the supplier. This includes an Inherent Risk Questionnaire which assesses the risk of engaging with the third party. We deem higher risk to be associated with the following categories and manage the risk accordingly:

- LSEG Spend with Third Party: Higher spend
- Location of Third Party: Supplier based in non-OECD Country

For those identified as high-risk or high-threshold services, LSEG engages in extensive due diligence, which includes a focus on human rights. Questions include those to understand risk of forced, bonded, prison and child labour, wage and working hour laws, and safe working conditions. Any identified issues are logged and tracked until they are either remediated or accepted within LSEG's risk tolerance.

Suppliers are also monitored throughout the year via LSEG's [World-Check RiskIntelligence](#) database (World-Check). Specialist research analysts across the globe collate information from reliable and reputable sources. WorldCheck also assesses publicly available information to identify association with key words that could raise concern. Where this is the case, we investigate and address appropriately.

Supplier Selection & Sourcing

We have embedded specific modern slavery questions within our initial questionnaires and scorecards, such as RFPs to get early insight into our potential supply chain risk and consider the information when making sourcing decisions. This captures our supplier's approach to modern slavery risk at the earliest opportunity when building a relationship. It provides oversight and alignment on modern slavery and human trafficking with our suppliers as we engage with them on our outlook and expectations of our supply chain.

Supplier Code of Conduct & Contracts

LSEG's zero-tolerance risk appetite around human rights is explicitly referenced within our Supplier Code of Conduct; compliance with the Code is agreed with new suppliers during procurement due diligence, and a non-negotiable provision in our standard contract templates and requirements. Our Supplier Code of Conduct requires that suppliers pay wages in line with prevailing market conditions or at least the minimum wage required by applicable laws and regulations and without unauthorised deductions. Furthermore, our contracts with suppliers that involve employees working on LSEG premises in the UK including temporary and contract workers includes a clause mandating the payment of the Living Wage or London Living Wage as applicable. These requirements are included within our contracts with suppliers.

RISK ASSESSMENT AND MANAGEMENT

Assessing Modern Slavery Risks in our Business

Given the nature of our operations and the profile of our workforce, we consider the risk of modern slavery occurring in our direct operations to be low. For example, our workforce is predominantly made up of employees who work in

professional, office-based roles which decreases the risk of modern slavery. However, we are committed to respecting and promoting human rights of all our employees and contractors through our people and recruitment policies and practices.

Assessing Modern Slavery Risks in our Supply Chain

The financial services industry is typically considered to have a low-risk supply chain for modern slavery. As a global financial markets infrastructure and data provider, the majority of our third parties are within technology, business process outsourcing, content and software. However, like most corporations, we engage cleaning staff, security staff and catering staff which could be at a risk of human rights issues given the nature of the services provided.

MEASURING AND REPORTING ON PROGRESS

In line with our Group Sustainability Policy, we take a zero-tolerance approach to issues such as modern slavery and human trafficking. Accordingly, we have an overall objective of zero instances of modern slavery in our operations and supply chain. Throughout 2023 there have been no speak up reports, whistleblowing complaints, breaches, incidents or concerns regarding modern slavery and human trafficking raised through any of the channels available across the Group.

In 2023, we enhanced our processes, and we are committed to continually refining our identification and assessment methods resulting in an improved prevention and remediation of any identified cases. We are continually evolving our Third-Party Risk Management and Supplier Relationship Management functions to play a key role in building a stronger partnership with our suppliers. Our ambition is to continue to be a leader in this space through facilitating open dialogues with suppliers on the criticality of managing modern slavery and human trafficking that aligns with our risk culture. Tracking and reporting a broader set of key human rights metrics will be a focus of our efforts in 2024.

Human Rights Metrics

Suppliers who have signed our Supplier Code of Conduct (or equivalent)	100%
Suppliers who have contractual clauses related to human rights requirements	100%
Speak up reports, whistleblowing complaints, breach, incidents or concerns regarding modern slavery and human trafficking raised	0

PROGRESS IN 2023

- **Enhanced our Third-Party Risk Management (TPRM) process** – this included the roll out of an updated Inherent Risk and Due Diligence Questionnaire. This enhanced process helps identify, assess, and manage risks associated with third party relationships, including human rights and modern slavery risks, and improves our overall risk management. High Risk Third Parties are required to provide evidence of their policies and processes to manage human rights risks in their operations and own supply chains.
- **Enhanced media screening to identify, track and monitor allegations of modern slavery and other human rights violations by key suppliers** - we have increased the scope of key words used in screening to ensure we have a wider coverage and therefore oversight of human rights concerns within our supply chain.
- **Tailored training delivered to identified groups** – we launched tailored training via a new learning portal for key employees, including Group Procurement and other professionals. The training, further outlined below, covers human rights and modern slavery risk management in global supply chains.

TRAINING ON MODERN SLAVERY AND HUMAN TRAFFICKING

Training on modern slavery and human rights has been provided to targeted employees at LSEG through our dedicated sustainability learning platform. Identified employees are assigned specific learning depending on their role and exposure to key sustainability issues. For Group Procurement, the topics covered include human rights and modern slavery risk assessment, management, and legislation. The full learning catalogue of 350+ videos on wider sustainability and human rights topics is also accessible to support personal development. This is complemented by tailored training for relevant teams in how to complete risk assessments and due diligence. All LSEG employees are required to complete training annually on the LSEG Code of Conduct, which includes anti-slavery commitments.

PROCEDURES FOR IDENTIFYING AND HANDLING BREACHES AND COMPLAINTS

We are committed to providing an open environment in which stakeholders feel comfortable raising concerns about adherence to our Code of Conduct, Supplier Code of Conduct or any relevant laws and regulations or unethical practice. LSEG's 'Speak Up' Policy sets out how LSEG colleagues, contractors and other third parties can raise concerns confidentially and anonymously while offering individuals protection from retaliation such as demotion or the withholding of promotion, reduction of wages, discrimination, victimisation, harassment or unjustifiable disciplinary proceedings.

Concerns can be raised via the confidential 24-hour hotline or online portal which is managed independently from LSEG. All concerns are treated in confidence, independently reviewed, fully investigated and, where appropriate, actions are taken to address any concerns raised.

If the person raising a concern has a complaint regarding its handling, that person can raise this with the Speak Up team, Chief Internal Auditor, or the Whistleblowing Champion who is the Chair of the Audit Committee. All whistleblowing reports are reviewed by the Board Audit Committee.

LOOKING FORWARD

In 2024, we will continue to develop and improve our approach to respecting human rights and preventing modern slavery. Some of our planned activity for 2024 includes:

- We will be participating in the UN Global Compact's Business & Human Rights Accelerator which is a six-month programme that brings together companies across industries and regions to move from commitment to action on human rights and labour rights; this will help us to advance our human rights approach.
- Progressing work on identifying and reviewing the most salient human rights issues for LSEG, enhancing our mapping of the potential impact in our operations and supply chain.
- Enhance the measurement and reporting of a broader set of human rights and modern slavery metrics.
- Continue to enhance third-party risk management, through risk identification, assessment, mitigation, controls, and ongoing monitoring.
- Promote and extend our training programme to continue to grow awareness on modern slavery and human rights risks within LSEG.

STATEMENT APPROVAL

This Statement has been considered and approved by the LSEG Board and is signed by the CEO of LSEG plc.



David Schwimmer
Chief Executive Officer
London Stock Exchange Group PLC
27 February 2024