

# LSEG Supplier Code of Conduct

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## 1. INTRODUCTION

A significant proportion of London Stock Exchange Group's (LSEG) cost base is comprised of expense incurred with third party suppliers. These suppliers provide a range of physical goods and services to us, from everyday commodities to the provision of critical market facing services, IT hardware, networking and software applications, data and professional consulting.

These trusted relationships with our suppliers are an important component in maintaining our unique role at the heart of the world's financial community.

We have a responsibility to ensure that our selection process for suppliers, and oversight of the manner in which they do business, are a positive reflection on both our brand and corporate values and enables us to comply with our external obligations to regulators as well as to our customers.

LSEG plays a vital economic and social role in enabling companies to access capital for growth and development. As such, maintaining integrity and trust in our markets, and across the Group, are at the core of what we do. This Code sets forth the standards and practices we expect our suppliers to uphold, wherever they are in the world.

We are committed to:

- Establishing mutually beneficial relationships with our suppliers and business partners and honouring and enforcing the terms of our contracts.
- Conducting our operations with integrity and in accordance with the principles of fair competition.
- A zero-tolerance approach to bribery. This includes not tolerating the offer or acceptance of any gift, hospitality or other inducement designed to influence unduly a decision.
- A zero-tolerance approach to the facilitation of corporate tax evasion.
- A zero-tolerance approach to modern slavery in any form.
- Acting ethically and with integrity in all our business dealings and relationships - implementing and enforcing appropriate, effective systems and controls to ensure bribery, tax evasion, financial sanctions violations, and modern slavery are not taking place anywhere in our own business or in any of our supply chains.
- Complying with legal and ethical standards across the Group relating to fundamental human rights as described in the International Labour Organisation's International Law on forced labour such as the Abolition of Forced Labour Convention, and the Worst Forms of Child Labour Convention

- Only doing business with organisations that uphold similar corporate and business principles.
- Requiring and supporting our suppliers to comply with this Code. In turn, LSEG expects its suppliers to apply this Code to its own supply chain.

## 2. DEFINITIONS

"LSEG" means London Stock Exchange Group including any affiliate companies or subsidiaries, either partly or wholly owned. As of 29 January 2021, this includes entities that became part of the Group through the acquisition of Refinitiv.

"Supplier" means any individual or third-party organisation (including any of their affiliate companies or subsidiaries or any of their agents or subcontractors) providing services to any LSEG company or their designees.

"Employees" in relation to LSEG means any individual directly or indirectly employed by LSEG, including permanently employed or contracted staff, and any representatives or agents appointed to act on our behalf.

## 3. OUR CODE OF CONDUCT AT GLANCE

This Supplier Code of Conduct directly aligns to the principles of our own Code of Conduct and has several pillars. Each pillar of this Code is supported by action statements and behaviours expected of our suppliers:

1. Environmental management: we expect our suppliers to collaborate with us in the achievement of our environmental goals, to comply with all applicable laws and to strive for best practice.
2. Human and Social Rights: we expect our suppliers to comply with applicable human rights and employment laws and to support the protection of fundamental human rights wherever they operate in the world.

## 4. THE CODE

In line with our own Code of Conduct, we expect our suppliers to commit to:

- Behaving ethically, with integrity and honesty.
- Competing fairly.



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- Working in partnership with our people and our customers and avoiding conflicts of interest and abuses of power.
- Providing commercially competitive high-quality products, services, and value to LSEG, and its customers.
- Treating LSEG employees fairly and with respect.
- Dealing with our business partners, customers, representatives, and other third-party suppliers fairly.
- Managing the relationship with the highest standards of corporate governance and best practice.
- Engaging on an “open book” basis with LSEG, complying with the requirements of our supplier due diligence, on-boarding and review and audit procedures, and openly providing information to support these procedures when requested.

These principles align to specific behaviours and practices required by LSEG suppliers:

- Compliance with all applicable competition, fair-trading, export, anti-bribery, anti-fraud, anti-tax evasion, anti-money laundering, financial sanctions, and human rights laws wherever they do business.
- Refraining from offering bribes or improper gifts, or entertainment for the benefit of LSEG employees, agents, or customers, and having reasonable procedures in place to prevent bribery.
- Refraining from participating in or facilitating corporate tax evasion and having reasonable procedures in place to prevent corporate tax evasion.
- Compliance with all applicable current and future modern slavery and human trafficking laws, regulations and ethical standards wherever they do business.
- Avoiding potential conflicts of interest which could, by association, negatively impact on LSEG, its customers or partners.

## 4.1 Environmental Management

LSEG has an important role to play in the just transition to a net zero economy. For our own operations, we will achieve this through robust targets, cross-business engagement, and a clear action plan to transform our operations. We expect our suppliers to collaborate with us in the achievement of our environmental goals, respond to challenges posed by climate change and work toward protecting the environment.

As a part of this commitment, **all LSEG Suppliers must**, without limitation:

- **Comply with all applicable environmental laws, regulations, and standards.** This includes but is not

limited to, compliance with industry best practice standards for the sourcing of products.

- **Reduce negative environmental impacts.** Suppliers must take action to reduce operational environmental impacts. For example, suppliers should take steps to conserve energy, water, and other natural resources, continuously improving efficiency and reducing resource consumption, and using energy from renewable sources when it is available.

LSEG has set science-based targets approved by the Science Based Targets Initiative (SBTi). The Group has committed to reducing its greenhouse gas emissions (GHG) by 50% by 2030, and reach net zero by 2040. We have also committed to engage all key suppliers, so that suppliers responsible for 67% of our emissions from purchased goods and services have set science-based targets by 2026.

In line with this target, **any suppliers who are identified in scope for LSEG’s supplier target** must also comply with the following:

- **Have a publicly available environmental statement, policy, or commitment.** Suppliers are to maintain environmental policies, objectives, or targets.
- **Set own 1.5°C aligned climate targets:** suppliers must set a near-term public target to help limit global temperature rise to 1.5°.
- **Measure and report progress.** Suppliers must disclose complete, consistent, and accurate scope 1 and 2 GHG emissions data. If necessary LSEG can provide a template for completion. If requested by LSEG, suppliers must provide plans to reduce GHG emissions in alignment with LSEG’s requirements. The timing of supplier conformance to this requirement may be determined by LSEG standards and requirements as outlined in their contract.

## 4.2 Human and Social Rights

LSEG supports the protection of human rights around the world and is guided by fundamental principles such as those in the United Nations Universal Declaration of Human Rights and the International Labour Organisation (ILO) Core Conventions. This support is reflected in our policies and actions in the countries in which we do business. LSEG seeks to support human rights throughout our supply chain by encouraging behaviours and practices that are consistent with these principles.

We welcome relationships with our suppliers as opportunities to improve and evolve practices and behaviours with respect to Human Rights, Modern Slavery and Human Trafficking.



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We expect our suppliers to support the following principles in their own organisations and supply chains:

- **Corporate commitment** to compliance with all applicable current and future labour, human and social rights laws, regulations, and standards including the publication of a statement on Slavery and Human Trafficking if required (as required under s54 of the Modern Slavery Act 2015).
- **Forced labour:** We must under no circumstances use, or in any way benefit from, forced labour in our supply chain. We therefore expect our suppliers to take sufficient and reasonable steps to ensure LSEG is not indirectly benefitting from, or contributing to, modern slavery or human trafficking in its supply chain. The use of forced labour, whether in the form of indentured labour, bonded labour, or prison labour by LSEG's suppliers is prohibited. Also prohibited is the support for any form of human trafficking of involuntary labour through threat, force, fraudulent claims, or other coercion.
- **Provision of a safe, healthy work environment:** complying with all relevant health and safety laws and providing a working environment, for employees and visitors, that minimises health and safety risks.
- **Freely chosen labour:** ensuring that all work is completed voluntarily. Employees, contractors, and agents of the organisation are not forced, bonded, indentured or subject to threat or involuntary labour. They must also be free to terminate their employment with reasonable notice.
- **A commitment to anti-slavery:** Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.
  - We are committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery and human trafficking throughout our supply chains, consistent with our disclosure obligations under the UK Modern Slavery Act 2015 and the Commonwealth Modern Slavery Act 2018. We expect the same high standards from all our contractors, suppliers and other business partners.
  - As part of our contracting process, we strive to ensure against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, and we expect that our suppliers will apply the same high standards to their own organisation and supply chain.
  - We expect our suppliers to take sufficient and reasonable steps to prohibit practices that are well known to contribute to the risk or proliferation of modern slavery such as charging workers recruitment fees or effectively paying for the opportunity for employment; retaining worker's

identity documentation such as passports; requiring workers to lodge deposits or bonds; and contract substitution (where the contract with the employer does not match the contract the worker signed with the agent in the home country).

- **Avoidance of child labour:** Child labour should not be used. Many countries have a minimum age for employment for work and those requirements should be respected, and employment should not be allowed before the age for completing compulsory education.
- **Compliance with all applicable wage and working hour laws:** people must not be required to work more than the maximum work week hours established by local law, including overtime, except in extraordinary business circumstances and with the prior consent of the individual. Employees must be compensated appropriately in line with prevailing market conditions or at least the minimum wage required by applicable laws and regulations and provided all required benefits. They must be compensated at a minimum in line with local laws for overtime hours worked. LSEG is a Living Wage accredited employer in the UK and encourages everyone we do business with to consider implementing the Living Wage. The Living Wage is calculated according to what workers need in a particular place to afford a decent standard of living and may be higher than the minimum wage required by law.
- **Allow freedom of association:** respecting the rights of workers in relation to freedom of association. Where the right of freedom of association and collective bargaining is restricted under law, the supplier will not hinder the development of alternative means for informing/ consulting with employees.
- **Protect the privacy of personal information:** compliance with applicable privacy laws as well as securing LSEG data against unauthorised access or use.
- **Treat people with dignity:** protect human rights as described in the United Nations Universal Declaration of Human Rights. We expect our suppliers to not tolerate physical violence and threats, corporal punishment, mental coercion, verbal abuse, or sexual harassment.
- **Grievance mechanisms and whistleblowing:** we expect our suppliers to have sufficient and reasonable provisions for staff grievance and whistleblowing mechanisms, so their workers have a confidential and safe process for raising any concerns.
- **Communication to concerned staff:** we expect suppliers to take reasonable steps to ensure that any staff or other third-party resources or subcontractors used by the supplier in delivery of goods and services to LSEG are made aware of this Code and are compliant with it.

LSEG also recognises the importance of its suppliers as strategic partners and stakeholders affected by our business operations. LSEG is a signatory of the UK Prompt Payment



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Code, which encourages and promotes best practice between organisations and their suppliers.

### 4.3 Diversity and Inclusion

LSEG values diversity as a foundational element of innovation. We recruit, employ, promote, and reward employees solely on the basis of the abilities, competencies experience and qualifications, required for the role and seek to attract, retain and motivate people from many backgrounds and perspectives.

We will never tolerate bias, discrimination, intimidation, or harassment of our people. We expect our suppliers to share and support us in this commitment to diversity and inclusion, and ask our suppliers to commit to the following in their relationship with LSEG and also within their own organisations and supply chains:

- **Avoidance of discrimination:** including, but not limited to, discrimination based on race, religion, age, gender, gender identity or expression, sexual orientation, nationality, social or ethnic origin, marital status, pregnancy, disability, HIV status, political affiliation, union membership or any other status or characteristic that is not related to the individual's ability or performance or the inherent requirements of the job. Promote a workplace free from harassment, victimisation or any other form of inappropriate behaviour or abuse on any grounds.
- **Actively demonstrate a commitment to workplace inclusion:** documenting a Diversity and Inclusion approach, which at a minimum should include commitments to identify, measure and improve a culture of inclusion for their organisation, wherever they operate in the world.
- **Inclusive supply chain management:** drive active management of downstream supply chains as part of the supplier's commitment to inclusion and diversity, such that the principles of inclusion and accessibility are required throughout their own supply chain. Where possible, work with diverse businesses and ensure inclusive sourcing activities and decisions are made with regard to downstream supplier selection.

## 5. VIOLATION OF OUR SUPPLIER CODE OF CONDUCT

LSEG's role at the heart of the world's financial community puts us in a unique and privileged position for promoting sustainability and corporate responsibility. Our goal is to drive excellence in these areas throughout our own organisation, and to support and influence positively the development of these areas in our supply chain.

Integrity and trust are at the core of what we do. We strive only to do business with suppliers who share our commitment.

This Code outlines our expectations for suppliers we do business with; we are committed to supporting our suppliers in this respect, including working together to improve the supplier's ability to meet these expectations.

Failure to comply with these standards, or with applicable laws, and regulation may result in termination as an LSEG supplier, where this right has been contractually agreed in advance by both parties, and referral of the matter to local authorities.

If you have questions about our Supplier Code of Conduct, or wish to report a violation, please contact [procurement@lseg.com](mailto:procurement@lseg.com). Any concerns will be reviewed in the strictest confidence consistent with applicable law.



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