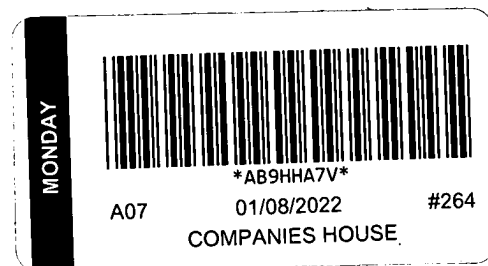


Registration number: 00145516

Refinitiv Limited
Annual Report and Financial Statements
for the Year Ended 31 December 2021



Refinitiv Limited

Contents

Strategic Report	1 to 8
Directors' Report	9 to 15
Independent Auditor's Report to the members of Refinitiv Limited	16 to 19
Profit and Loss Account	20
Statement of Comprehensive Income	21
Statement of Financial Position	22 to 23
Statement of Changes in Equity	24
Notes to the Financial Statements	25 to 58

Refinitiv Limited

Strategic Report for the Year Ended 31 December 2021

The Directors present their strategic report and the audited financial statements for the year ended 31 December 2021.

Definitions

As used in this annual report, “the Group” and “Refinitiv” or “LSEG” refer to London Stock Exchange Group Plc and its subsidiary undertakings, including joint ventures and associates. “The Company” refers to Refinitiv Limited.

Review of the business

The Company is a provider of critical news, information, and analytics, enabling transactions and connecting communities of trading, investment, financial, and corporate professionals.

As part of its financial products, the Company provides a broad range of offerings to financial market professionals. It delivers global content sets, including fundamentals, estimates, and primary and secondary research. The Company also provides customers with tools, venues, and services to enable decision-making. Its flagship financial markets’ desktop offering is Eikon.

As part of its risk products offering, the Company provides solutions to help customers address third-party risk (customer, supplier, and partner), regulatory compliance, corporate governance, operational risk controls. Its risk solutions combine technology with regulatory and risk intelligence to deliver integrated offerings to financial services and multinational institutions for financial crime prevention, anti-bribery, anti-money laundering and anticorruption, know your customer and other due diligence, compliance management, internal audit, and risk management services.

The majority of the Company’s operations are located in the United Kingdom, but the Company also has operations in Continental Europe, Africa, Asia and Latin America.

The Company's key financial performance indicators during the year were as follows:

- The Company’s turnover increased from £1,781 million to £1,789 million. The driver for the increased in revenue was a result of increased services from other Refinitiv Group companies.
- Operating costs have decreased from £1,777 million to £1,768 million. The decrease in operating cost is predominantly due to decrease in the volume of services provided to other Refinitiv Group companies.
- The Profit for the financial year amounted to £11 million (2020: loss of £27 million).
- As at 31 December 2021, the Company has a net asset position of £6,099 million (2020: £6,072 million).

The Company's key non-financial performance indicators during the year were as follows:

- Increase in customer base by 3.16% (2020: 4.17%).
- Maintaining high global customer retention rates for 2021 at 98% (2020: 90%).

Refinitiv Limited

Strategic Report for the Year Ended 31 December 2021 (continued)

Principal risks and uncertainties

(i) Factors which might impact future Group business and operations

As a financial market's infrastructure and data provider, the Company operates in a broad range of equity, fixed income, foreign exchange and derivative markets servicing customers who increasingly seek global products and innovative solutions. If the global economy under performs, or there is reduced activity in our markets, it may lead to lower revenue. The market stimulus and support provided to global economies and financial markets through 2021, due to the Covid-19 pandemic, combined with labour shortages and supply chain disruptions have amplified the risk of inflation to the global economy in the short term. The longer-term impacts on the global economy remain uncertain. Additionally, buoyant but slowing economic data combined with rising inflation has led to the prospect of stagflation with central banks signalling tapering of their quantitative easing programmes and, potentially, interest rate rises at the same time.

Some of the Company's competitors are also aggressively marketing their products as a lower cost alternative and offering price incentives to acquire new business, although many of its customers continue to see the value reflected in the Company's offerings that sometimes results in a higher price. As some of the Company's competitors are able to offer products and services that may be viewed as more cost effective or which may be seen as having greater functionality or performance, the relative value of some of the Company's products or services could be diminished.

Furthermore, recent shifts in the financial services industry, such as a greater emphasis on serving investors' interests and lowering fees, are fundamental changes that will continue. The Group 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.

Cost-cutting, reduced spending or reduced activity by any of its customer segments may decrease demand for, and usage of, some of the Company's products and services. This could adversely affect the Company's financial results by reducing revenues, which could in turn reduce the profitability of some of the Company's products and services. Cost-cutting by customers has also caused the Group to further simplify the Group's organization and take additional steps beyond those that might otherwise be taken to optimize the Group's own cost structure as a means to maintain or improve profitability.

Mitigation

Our income streams benefit from diversification across both a broad global footprint and large customer base, helping mitigate the exposure to localised economic downturns. Furthermore, a significant proportion of income comprises of fee based recurring revenues, limiting the exposure to changes in the global credit cycle. We perform regular analyses to monitor markets and the potential impacts of market price and volume movements on the business. We manage exposures to market risks during the course of normal business. We monitor its exposures to the changes in market prices by tracking key risk indicators while stress testing exercises support the Organisation's understanding of its financial resilience.

Refinitiv Limited

Strategic Report for the Year Ended 31 December 2021 (continued)

Principal risks and uncertainties (continued)

More broadly, geopolitical relations continue to influence global financial markets, particularly western relations with both China and Russia. Whilst well diversified, these global risks could have an adverse impact on the Group's businesses, operations, financial condition and cash flows.

We monitor the potential impact of macro-economic and political events on our operating environment and business model and the Group is an active participant in international and domestic regulatory debates.

(ii) Technology

The Company is highly dependent on the development and operation of its sophisticated technology and advanced information systems and those of its third-party service and outsourcing providers.

Technology failures potentially leading to system outages may impact our customers and the orderly running of our markets, data services and distribution. The integration with LSEG's larger technology footprint and operations, increased reliance on third-party services, continued movement to cloud-based platforms and the shift to hybrid working practices all increase the technology risk. The technology change portfolio exposes the Company to the risk that change is either misaligned with LSEG's strategic objectives or not managed effectively within time, cost and quality criteria and could impact the resilience of its operations and business services. The volume of change is driven by both internal and external factors. Internal factors include a drive for technology innovation, consolidation and operational resilience. External factors include increased industry cloud adoption, the changing regulatory landscape and requirements which necessitate changes to our systems and processes. Design defects, errors, failures or delays associated with new, modified or upgraded technology, products or services could negatively impact the business as well as the financial performance and reputation of the the Company.

Mitigations

The Company continues to invest in the resilience of technology systems and processes that underpin its important business services. The performance and availability of the Company systems are constantly reviewed and monitored to prevent problems arising and where possible, ensure a prompt response to any potential service-impacting incident.

Regular rigorous business impact and operational risk scenario analysis is performed to identify, assess and remediate potential system and governance vulnerabilities. In addition, technology solutions are comprehensively tested by both Refinitiv technology and third-party quality assurance providers as appropriate; functional, non-functional, user-acceptance and other testing is performed across technology environments to ensure products are ready for deployment and have robust business continuity and crisis management plans in place.

The Company actively manages relationships with key strategic technology suppliers to avoid any disruption to service provision. Where possible, the Company has identified alternative suppliers that could be engaged in the event of a third-party failing to deliver on its contractual commitments. Service Level Agreements (SLAs) and ongoing monitoring is in place for key suppliers.

Refinitiv Limited

Strategic Report for the Year Ended 31 December 2021 (continued)

Principal risks and uncertainties (continued)

(iii) Information and cyber security threats

As a Global Financial Markets Infrastructure (FMI) and data provider, Refinitiv is exposed to cyber risk. Significant cyber events continue to be observed in the financial sector and in the broader economy that demonstrate the motivation and sophistication of cyber adversaries and the impact they can have on the victim organisation. Refinitiv is the sum of its networks, users and devices. It consists of an eco-system of trusted vendors and business partners with a workforce that is increasingly dynamic in terms of how, when and where they are authorised to gain access to our technology environment and digital assets. In addition to the direct impact on ourselves, our role as an FMI provider underscores the systemic impact a cyber event would have on the UK financial sector and the global markets that we serve. Cyber risk does not respect and is not bound by organisational perimeters and high profile external cyber events reinforce this inter-connectivity and inter-dependency and highlight the exposure to risks arising outside of a firm's own control environment. We must acknowledge, to remain competitive in this era of digitalisation and open platforms, that cyber risk cannot be eliminated, however, it can be managed to a level of risk that we are prepared to take as a cost of doing business.

Mitigations

We continue to make significant investments in cyber security and have a dedicated Cyber Security function led by our Chief Information Security Officer (CISO) which is focused on protecting and defending LSEG against cyber-attacks. Due to the increasing sophistication of cyber adversaries and the techniques that they use, we proactively collect and evaluate threat intelligence. We recognise that the prevention of cyber attacks may not always be possible and our focus and priority is on remaining resilient to withstand cyber-attacks with minimal disruption to our business. Our approach to cyber security aligns to industry frameworks such as the National Institute of Standards and Technology (NIST) and we will continue to invest and advance our cyber defence, detection and response and recovery capabilities. LSEG operates a three lines of defence framework and we have a dedicated Cyber Risk function within Risk providing independent oversight and challenge. Our Internal Audit function performs independent assurance on our cyber controls.

(iv) Exchange rate fluctuation

The financial statements are expressed in GBP and are, therefore, subject to movements in exchange rates on the translation of the financial information of businesses whose functional currencies are not GBP. The Company receives revenues and incurs expenses in many currencies and is thereby exposed to the impact of fluctuations in various currency rates.

The Company monitors the financial stability of the foreign countries in which it operates. The Company has historically, and may in the future, hedge some of its foreign currency exposure if it believes that it may be material to its financial results.

Refinitiv Limited

Strategic Report for the Year Ended 31 December 2021 (continued)

Principal risks and uncertainties (continued)

(v) Business Continuity

Business continuity is one of the key objectives of the Operational Resilience Strategy. It helps address the ability to prevent, adapt, respond and recover from operational disruptions to minimise the impact on our customers and on the financial stability of capital markets. Whilst we have the processes and controls in place to ensure the continuity of its services and operations, unforeseen events such as physical security and system security threats, epidemic or pandemic, or a major system breakdown, could impact the continuity of the operations, reputation and its financial condition, cause financial detriment both internally and externally to the wider market. The Covid-19 pandemic continued to present many challenges throughout 2021 with the transition to hybrid working presenting new challenges to technology resources and colleagues as they learn to adapt to new working practices.

Mitigation

Our Business Continuity plans were updated throughout 2021 to reflect operating model changes following the integration with LSEG and plans are being migrated to a new platform to ensure consistency across the Group. A Crisis Management plan is in place with new scenarios being developed and tested to ensure the business can respond appropriately should any of the scenarios materialise. The response to the Covid-19 pandemic continued to be driven from our pandemic plan and was governed using our Crisis Management structure. The structure empowered leadership, with support from LSEG resources, to respond to local conditions around vaccinations and the transition to hybrid working.

Section 172 (1) Statement

Section 172 of the Companies Act 2006 requires a director of a Company to act in the way he or she considers, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole. In doing this, section 172 requires a director to have regard, amongst other matters, to the:

- likely consequences of any decisions in the long-term;
- interests of the Company's employees;
- need to foster the Company's business relationships with suppliers, customers and others;
- impact of the Company's operations on the community and environment;
- desirability of the Company maintaining a reputation for high standards of business conduct, and
- need to act fairly between members of the Company.

In discharging our section 172 duties we have regard to the factors set out above and give consideration to those factors when discharging those duties. We also have regard to other factors which we consider relevant to the decision being made. Those factors, for example, include the interests and views of our pension scheme members. We acknowledge that every decision we make will not necessarily result in a positive outcome for all of our stakeholders and we do, however, aim to make sure that our decisions are consistent and predictable. The Board recognises that building strong relationships with our stakeholders will help to deliver the Company's strategy in line with our long-term values and operate the business in a sustainable way.

Refinitiv Limited

Strategic Report for the Year Ended 31 December 2021 (continued)

Section 172 (1) Statement (continued)

As is normal for large companies, the Board delegates authority for day-to-day management of the Company to executives and then engages management in setting, approving and overseeing execution of the business strategy and related policies. During the year we have reviewed financial and operational performance, customer-related matters, legal and pension related matters. We also review other areas over the course of the financial year including matters relating to the Company's offices and branches, acquisitions and divestitures to ensure they are in line with the Company's and the Group's strategy and risk appetite. This is done through the consideration and discussion of reports which are sent in advance of each Board meeting and through presentations to the Board and responses to questions from Directors.

The Company's key stakeholders are its customers, workforce and shareholders. Our suppliers, members of the Company's pension schemes and local communities within which the Company operates are also important stakeholders of the Company. The views of and the impact of the Company's activities on those stakeholders are an important consideration for the Directors when making relevant decisions. While there are cases where the Board itself judges that it should engage directly with certain stakeholder groups or on certain issues, the size and spread of both our stakeholders and the LSEG Group means that sometimes our stakeholder engagement will take place at an operational or Group level. For details on some of the engagement that takes place with the Company's stakeholders at a Group level please refer to the London Stock Exchange Group plc Annual Report for the financial period ended 31 December 2021.

During the period we received information to help us understand the interests and views of the Company's key stakeholders and other relevant factors when making decisions. This information was distributed in a range of different formats including in reports and presentations on our financial and operational performance, and the outcomes of specific pieces of engagement. The information received by the Board included updates on: (i) the harmonisation of pension and benefit arrangements for the Company's workforce and ii) the Group divestiture of certain assets owned by the Company.

As a result of this we have had an overview of engagement with stakeholders and other relevant factors which allows us to understand the nature of the stakeholders' concerns and have regard to them as we comply with our section 172 duty to promote the success of the Company.

We set out below some examples of how we have had regard to the matters set out in section 172(1)(a)-(f) when discharging our section 172 duty and the effect of that on certain decisions taken by us.

1. Harmonisation of Workforce Benefits

Following the acquisition of Refinitiv on 29 January 2021 when the Company became part of the LSEG, a review was undertaken to consider harmonisation of benefits including pensions across the entire Group. The Board was presented with the findings of that review and its recommendations. The Board agreed that it was important to treat all employees fairly and equally as far as possible and therefore, after consultation with the Company's workforce, agreed to close the defined benefit pension scheme and defined contribution scheme and align the pension contributions for all schemes to those of the wider LSEG group. For some UK employees, the new contribution structure meant they received the option of a more favourable contribution rate than they did previously. For others, it meant they received the option of a less favourable contribution rate. The Board was sensitive to these differences, and finding the right balance was an important consideration. Contributions were benchmarked against market best practice to ensure that the offering was appropriate. A consultation process was provided to allow for employees to provide their feedback.

Refinitiv Limited

Strategic Report for the Year Ended 31 December 2021 (continued)

Section 172 (1) Statement (continued)

In making its decision to align with the Group recommendations to harmonise benefits for its workforce, the Directors also considered, amongst other things, the impact on the long-term position of the Company and its reputation as well as feedback from engagement exercises with the workforce and its status as an LSEG subsidiary.

• Shareholder considerations

The Company is a wholly owned subsidiary of London Stock Exchange Group plc and as such operates within LSEG's strategic framework and in accordance with LSEG's policies and procedures, enjoying a constructive working relationship.

• Workforce considerations

Engagement with our workforce primarily took place via the Colleague Forum on UK pension provisions which included employee nominated members. The aim was to hear important feedback from the Company's impacted workforce as a whole which we were then able to consider when coming to our decision to align with the Group's harmonisation plans to implement a consistent, fair, and equitable experience for all employees.

2. M&A Activity

The Company completed several acquisitions and corporate transactions in the year. These were undertaken for strategic reasons to provide a better offering for customers.

The acquisition of Quorate Technology Limited (Quorate) was completed in August 2021. Quorate is a specialist provider of automatic speech processing solutions. It was founded in 2012 as a spin-out from the Centre for Speech Technology Research at The University of Edinburgh. The Board concluded that it supported the Group's strategy by enhancing the Company's automatic speech processing capabilities.

3. Payment Practices

The Company is required to report its supplier payment performance and policies as part of the Small Business, Enterprise and Employment Act 2015. On a half yearly basis, the Board approves the required information which includes: the average time to pay (days), percentage of invoices paid within 30 and 60 days (respectively), invoices paid later than 60 days and invoices not paid within agreed terms.

As part of our desire to foster good relationships with our suppliers, in 2021, further steps were taken to accelerate the payment process and focus was given to ensuring purchase orders are raised and receipted promptly and in compliance with the Group's procurement policy with the result being that average payments remained below standard 30-day terms. The Directors encourage that small and medium sized enterprises should be paid promptly and remain well represented among the Group's suppliers.

This information is published on a government portal every six months and allows current and prospective suppliers to see the Company's payment policy, practice and performance, which could help reduce the administrative and financial burden suppliers face when not paid on time.

Refinitiv Limited

Strategic Report for the Year Ended 31 December 2021 (continued)


Energy and carbon reporting

The Company has not reported on sources of GHG emissions and energy usage as required under The Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 as it is provided as part of the group accounts of LSEG.

Financial risk management

The financial risks of the Company and how they are managed by the directors have been outlined on page 10 and 11 of the Directors' Report.

Approved by the Board on 12 July 2022 and signed on its behalf by:

DocuSigned by:

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Peter Thorn
Director

Refinitiv Limited

Directors' Report for the Year Ended 31 December 2021

The Directors present their annual report and the audited financial statements for the year ended 31 December 2021. The prior year restatement described in note 19 does not impact the results of the Company.

Directors of the Company

The directors of the Company who were in office during the year and up to the signing of the financial statements were as follows:

Justin William Erskine Scott (resigned 30 June 2021)
Timothy David Knowland
Peter Thorn
Darryl Clarke (appointed 30 June 2021)
James Nunn (appointed 1 November 2021)

Directors' indemnities

There are no indemnities in place for the directors. London Stock Exchange Group Plc has a Directors' & Officers' Liability Insurance Policy in place for the Group.

Dividends

The Company has not proposed any dividend during the year and up to the date of signing of financial statements (2020: £Nil).

Future development

The directors do not envisage any changes to the nature of the business in the foreseeable future.

Post balance sheet event

The Company performed a review of events subsequent to the balance sheet date through the date the financial statements were issued and determined that. In March 2022, following consultation with the remaining active (i.e. in service) members of the Reuters Pension Fund Scheme ('RPF'), it was decided to permanently close the scheme to future accrual from 31st August 2022. These members will retain benefits which are payable on retirement. Further, we are unable to estimate the impact as the discussions are ongoing and will have more clarity by end of third quarter.

Refinitiv Limited

Directors' Report for the Year Ended 31 December 2021 (continued)

Branches outside the United Kingdom

The Company has branches as defined in section 1046(3) of the Companies Act 2006 outside the UK.

Jordan	Algeria
Chile	Bolivia
Lebanon	Thailand
Egypt	UAE
Kenya	Sri Lanka
Taiwan	Colombia
Pakistan	
Argentina	
Philippines	
Switzerland	

Financial risk management objectives and policies

The Company's operations expose it to a variety of financial risks. These include the credit risk inherent in a customer base concentrated in the financial community, the liquidity risk associated with recovering the customer debt on a timely basis, and the interest rate cash flow risk. The Company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company by monitoring customer debt levels and the related financial risks to the business.

Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the Company's finance department. The department has a policy and procedures manual that sets out specific guidelines to manage credit and liquidity risks. Interest rate cash flow risk is managed by LSEG.

(i) Price risk

The Company is exposed to price risks as a result of its operations with sales to customers and purchases from suppliers. To manage this risk, the Company enters into a certain number of fixed sales contracts and purchase contracts. The directors review these contracts on a regular basis to ensure the Company is not exposed to excessive price risk. The Company has no exposure to commodity price risk or securities price risk.

(ii) Credit risk

The Company is exposed to concentrations of credit risk. Trade debtors are concentrated in the financial community. The maximum exposure to credit risk at 31 December 2021 was as follows: trade debtors £58m (2020: £51m), amounts owed by Group undertakings £1,952m (2020: £2,033m) and cash held at bank and in hand £26m (2020: £15m).

The Company attempts to minimize credit exposure to various instruments as follows:

- Cash investments are placed with high-quality financial institutions with limited exposure to any one institution. At 31 December 2021, nearly all cash and cash equivalents were held by institutions that were rated at least AA;
- Credit limits minimise exposure to any one customer;
- The Company's principal financial assets are trade receivables, intercompany receivables and cash.

Refinitiv Limited

Directors' Report for the Year Ended 31 December 2021 (continued)

(iii) Liquidity risk

The Company's customer profile is such that late payments and defaults may reduce the funds available for operations and planned expansions. The Company manages this risk by engaging external collection agencies.

(iv) Cash flow risk

The Company's interest rate risk arises from interest-bearing assets. Short-term investments and amounts owed by Group undertakings subject to variable rates expose the Company to cash flow interest rate risk, which is the risk that future cash flows will fluctuate because of changes in market interest rates. To minimise this exposure, the majority of the Company's amounts owed by Group undertakings have been interest free since 30 April 2008. There is only one loan which is interest bearing taken from the group companies

(v) Currency risk

The Company's financial statements are expressed in GBP, but some portion of its business is conducted in other currencies. Changes in the exchange rates for such currencies into GBP can increase or decrease revenues, operating profit, net earnings and the carrying values of assets and liabilities.

Employment of disabled persons

During the year the Company has given full and fair consideration to applications for employment from disabled persons having regard to their particular aptitudes and abilities. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged.

Employee involvement

During the year the Company had maintained and developed arrangements aimed at providing employees systematically with information on matters of concern to them as employees, consulting them or their representatives on a regular basis so that their view may be taken into account in making decisions which are likely to affect their interests, encouraging their involvement in the Company's performance and achieving a common awareness on the part of all employees of the financial and economic factors affecting the performance of their employing company.

This has been achieved by methods such as the issue of employee reports, internal communications and by regular meetings between managers and the representatives of such employees. It is the Company's policy to implement methods of communication and discussion, and giving of information, which will achieve the objective of well-informed staff committed to making the Company profitable and successful. The Company also conducts employee engagement surveys (GLINT) regularly to gather feedback from all the employees with the actionable engagement insights to have more focused, meaningful conversations with the employee that ultimately leads to improved individual and business performance.

Refinitiv Limited

Directors' Report for the Year Ended 31 December 2021 (continued)

Going concern

The Directors have considered the ongoing impact of COVID-19 on the Company in the preparation of these financial statements. The Directors have reviewed the Company's performance and critical accounting estimates and judgements for the Company. 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 the Company remains confident about its long-term future performance but remains vigilant in monitoring day to day changes as the global situation evolves. Staff and customer safety remain the paramount concerns of the Company and the Company has adapted successfully to the new ways of working.

Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Charitable donations

During the year the Company made charitable donations of £0.8m (2020: £1m).

Energy and carbon reporting

The Company has not reported on sources of GHG emissions and energy usage as required under The Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 as it has been disclosed as part of the group accounts of LSEG.

Corporate Governance Code

The Board is responsible for the long-term sustainable success of the Company and generating value for its shareholders. The Board does this by supporting and providing constructive challenges to executive management to ensure that the Company operates to high governance standards.

During the financial period, the Company did not adopt a formal corporate governance code on the basis that the Group has established well-defined organisational and operational structures. These structures include clearly defined roles, responsibilities and reporting lines to ensure that appropriate spans of control operate throughout the Group. The Directors consider such structures work well for the Company and the Group. The Company's ultimate parent, London Stock Exchange Group plc has complied with the principles of the UK Corporate Governance Code 2018 and for further information please refer to the Governance section of the London Stock Exchange Group plc Annual report for the financial period ended 31 December 2021.

The Company is a trading subsidiary of the Group and provides Refinitiv products and services to customers in the United Kingdom, continental Europe, Africa, Asia and Latin America. Its governance structure is therefore influenced by the Group's governance arrangements.

Refinitiv Limited

Directors' Report for the Year Ended 31 December 2021 (continued)

Corporate Governance Code (continued)

Group Governance Structure

The Group operates through a matrix structure designed to optimise resource allocation and organisational capacity. The Company's Board has delegated the day-to-day running of the business to the Group's Management which is headed by the Group Chief Executive Officer, and he is supported in this role by the Group Executive Committee, which he chairs. Each Executive Committee member is responsible for one of the Group's operating divisions or a major area of strategic importance. The Executive Committee meets regularly to review business and financial performance, risk exposure and other key matters. The Executive Committee has also established two sub-committees dealing with Finance and Risk matters; Financial, Investment & Capital Committee (FICC) and the Executive Risk Committee (ERC).

Board composition, roles, responsibilities and appointments

During 2021, the Company's Board was made up of four senior LSEG executives from legal, finance and real estate teams. Appointments to the Board are made in accordance with the Group's Subsidiary Governance Committee which considers the experience, knowledge, role and location of the candidate within the Group before recommending any appointments for approval by the Board.

Upon appointment the Directors attend an induction session which provides them with the requisite knowledge required in respect of the Company's business activities and so that they are also able to address their responsibilities as a director under the Companies Act 2006.

The Company's Board meets regularly and considers a wide range of matters including company performance, acquisitions, disposals, stakeholder matters, as well as international matters.

The Company's Articles of Association set out the obligations on the Company's directors to disclose potential conflicts of interest to the other directors, as well as the actions which may be taken to mitigate such conflicts as they arise.

Strategy

The Company's strategy is to support the Group's purpose, vision and values as approved by London Stock Exchange Group plc. by marketing, selling and supplying the Group's Refinitiv products and solutions. For further information concerning the Group's purpose, vision and values please refer to London Stock Exchange Group plc Annual report for the financial period ended 31 December 2021.

Refinitiv Limited

Directors' Report for the Year Ended 31 December 2021 (continued)

Corporate Governance Code (continued)

Risk

During the year, the Directors were informed about the key risks and issues facing the Refinitiv business, however the Company operated under the Group's Enterprise Risk Management Framework (the ERMF) which sets out the Group's approach to risk management and its appetite for taking risks.

The ERMF manages risk throughout the full Risk Lifecycle. It is in place to support the ongoing and systemic identification, evaluation, management, monitoring and reporting of the significant risks faced and the mitigating controls in place against them. This process is supported by robust risk governance, designed to give a coherent view of risk across the full Group.

Further information is available in the London Stock Exchange Group plc annual report for the financial period ended 31 December 2021.

Remuneration

- During the financial period the Company operated under the Group's remuneration policies.
- The Group's Global Reward Framework aims to help unify and drive the organisation and is based on the following principles:
 - Transparent, fair and consistent;
 - Inclusive;
 - Competitive; and
 - Performance and merit based.

The Remuneration Committee of London Stock Exchange Group plc board oversaw the remuneration policies of the Group during the year and further information is available in its annual report.

Statement of directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law).

Under Company Law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

Refinitiv Limited

Directors' Report for the Year Ended 31 December 2021 (continued)

Statement of directors' responsibilities (Continued)

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are also responsible for safeguarding the assets of the group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Disclosure of information to the auditor

In the case of each Director in office at the date the Directors Report is approved:

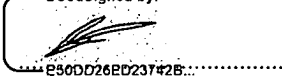
- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Following the Company's sole shareholder's approval of an ordinary resolution, Ernst & Young LLP, the Group auditor, were appointed as auditor in place of Deloitte LLP effective from 3 November 2021.

This confirmation is given and should be interpreted in accordance with provisions of s418 of the Companies Act 2006.

Approved by the board of directors on 12 July 2022 and signed on its behalf by:

DocuSigned by:



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Peter Thorn
Director

Refinitiv Limited

Independent Auditor's Report to the members of Refinitiv Limited

Opinion

We have audited the financial statements of Refinitiv Limited ("the Company") for the year ended 31 December 2021 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 28, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining an understanding of the directors' use of the going concern basis of preparation. This included reviewing their going concern assessment and associated underlying forecasts and assumptions and performing inquiries of management and those charged with governance;
- Assessing the appropriateness of key assumptions made in the Company's forecasts, by comparing them to historical performance and challenging the achievability of budgeted growth. In assessing the reasonableness of these key assumptions, we considered the trading environment, principal risks and appropriate mitigating factors;
- Testing the clerical accuracy of the going concern model including the data used in reverse stress testing;
- Evaluating the reasonableness of forecasts by benchmarking the stress testing scenario assumptions against external data;
- Evaluating the level of liquidity of the Company to support ongoing requirements for a period of 12 months from the date of signing the financial statements; and
- Assessing the appropriateness of the going concern disclosures by evaluating the consistency with the going concern assessment and for compliance with the relevant reporting requirements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of twelve months from when the financial statements are authorised for issue.

Refinitiv Limited

Independent Auditor's Report to the members of Refinitiv Limited (continued)

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 14 and 15, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Refinitiv Limited

Independent Auditor's Report to the members of Refinitiv Limited (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are the reporting framework (FRS 102 and the Companies Act 2006) and the tax legislation (governed by HM Revenue and Customs).
- We understood how the Company is complying with those frameworks by making enquiries of those charged with governance. We corroborated our enquiries through review of board meeting minutes and correspondence with relevant authorities.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved enquiries of executive management and those responsible for legal and compliance matters for their awareness of any non-compliance with laws and regulations, inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees; inquiring about the Company's methods of enforcing and monitoring compliance with such policies; reviewing board minutes and by seeking representation from those charged with governance.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the impact of improper revenue recognition, impairment of goodwill and impairment of investments in subsidiaries due to management override of controls. We considered the controls that the Company has established to address risks identified by the Company, or that otherwise seek to prevent, deter or detect fraud. This included assessing the impact of remote working due to COVID-19. Our procedures involved journal entry testing by specific risk criteria, with a focus on manual top side financial statement adjustments and journals indicating large or unusual transactions based on our understanding of the business. We tested a sample of revenue transactions to supporting documentation. We tested management's impairment indicator assessment and performed quantitative analysis of the relative ownership of net assets compared to the carrying value of the investment and goodwill.

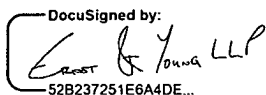
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Refinitiv Limited

Independent Auditor's Report to the members of Refinitiv Limited (continued)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Hitesh Patel (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
13-Jul-2022

Refinitiv Limited

Profit and Loss Account for the Year Ended 31 December 2021

	Note	2021 £ m	As Restated 2020 £ m
Revenue	4	1,789	1,781
Operating costs		(1,768)	(1,777)
Other gain/(loss)	5	<u>(7)</u>	<u>(11)</u>
Operating profit/(loss)		14	(7)
Net finance income/(costs)	6	<u>2</u>	<u>(2)</u>
Profit/(loss) before taxation	7	16	(9)
Tax on Profit/(loss)	11	<u>(5)</u>	<u>(18)</u>
Profit/(loss) for the financial year		<u><u>11</u></u>	<u><u>(27)</u></u>

The above results were derived from continuing operations.

The notes on pages 25 to 58 form an integral part of these financial statements.

Refinitiv Limited

Statement of Comprehensive Income for the Year Ended 31 December 2021

	2021 £ m	As Restated 2020 £ m
Profit/(loss) for the year	<u>11</u>	<u>(27)</u>
Other comprehensive income/(expense) for the year		
Actuarial gain recognised in the pension schemes	95	321
Foreign currency translation (loss)/gains	1	(1)
Movement on account of return on plan assets in the pension schemes	(45)	(314)
Movement in deferred tax relating to pension assets	<u>(35)</u>	<u>(9)</u>
Total other comprehensive income for the year	<u>16</u>	<u>(3)</u>
Total comprehensive income/(expense) for the year	<u><u>27</u></u>	<u><u>(30)</u></u>

The notes on pages 25 to 58 form an integral part of these financial statements.

Refinitiv Limited

(Registration number: 00145516)

Statement of Financial Position as at 31 December 2021

	Note	2021 £ m	As Restated 2020 £ m
Fixed assets			
Tangible assets	12	61	76
Intangible assets	13	178	209
Investments in subsidiaries	14	4,357	4,315
Amounts owed by fellow group undertakings	15	1,384	1,676
Debtors: amounts falling due after more than one year	16	4	6
		<u>5,984</u>	<u>6,282</u>
Current assets			
Debtors	16	667	463
Current Tax	16	186	2
Cash at bank and in hand	18	26	15
Other current assets	17	9	1
		<u>888</u>	<u>481</u>
Creditors: Amounts falling due within one year	19	(772)	(645)
Current Tax Liability	19	<u>(10)</u>	<u>(32)</u>
Net current assets/(liabilities)		<u>106</u>	<u>(196)</u>
Total assets less current liabilities		6,090	6,086
Creditors: Amounts falling due after more than one year	20	(337)	(336)
Deferred Tax	20	(69)	(33)
Provisions for liabilities	22	<u>(11)</u>	<u>(14)</u>
Net assets excluding pension asset		5,673	5,703
Net pension asset	21	<u>426</u>	<u>369</u>
Net assets		<u>6,099</u>	<u>6,072</u>
Capital and reserves			
Called-up share capital	23	1	1
Share premium account	23	212	212
Capital contribution	23	37	37
Foreign currency translation reserve	23	13	12
Retained earnings	23	<u>5,836</u>	<u>5,810</u>
Total shareholders' funds		<u>6,099</u>	<u>6,072</u>

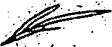
The notes on pages 25 to 58 form an integral part of these financial statements.

Refinitiv Limited

(Registration number: 00145516)

Statement of Financial Position as at 31 December 2021 (continued)

The financial statements on pages 20 to 58 were approved and authorised by the Board of Directors on 12 July 2022 and signed on its behalf by:

DocuSigned by:

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Peter Thorn
Director

The notes on pages 25 to 58 form an integral part of these financial statements.

Refinitiv Limited

Statement of Changes in Equity for the Year Ended 31 December 2021

	Called-up Share capital £ m	Share premium account £ m	Capital contribution £ m	Foreign currency translation reserve £ m	Retained earnings £ m	Total £ m
At 1 January 2021	1	212	37	12	5,810	6,072
Profit for the year	-	-	-	-	11	11
Other comprehensive expense	-	-	-	1	15	16
Total comprehensive expense	-	-	-	1	26	27
At 31 December 2021	1	212	37	13	5,836	6,099

	Called-up Share capital £ m	Share premium account £ m	Capital contribution £ m	Foreign currency translation reserve £ m	As Restated Retained earnings £ m	As Restated Total £ m
At 1 January 2020	1	212	25	13	5,854	6,105
Loss for the year	-	-	-	-	(27)	(27)
Other comprehensive income/(expense)	-	-	-	(1)	(2)	(3)
Total comprehensive income/(expense)	-	-	-	(1)	(29)	(30)
Other retained earning movements	-	-	-	-	(15)	(15)
Capital contribution made during the year	-	-	12	-	-	12
At 31 December 2020	1	212	37	12	5,810	6,072

The notes on pages 25 to 58 form an integral part of these financial statements.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

1 General information

Refinitiv Limited is a private company limited by share capital incorporated in United Kingdom under the Companies Act 2006 and is registered in England and Wales.

The address of its registered office is:

Five Canada Square
Canary Wharf
London
England
E14 5AQ
United Kingdom

The Company is a provider of critical news, information, and analytics, enabling transactions and connecting communities of trading, investment, financial, and corporate professionals.

As part of its financial products the Company provides a broad range of offerings, to financial market professionals. It delivers global content sets, including fundamentals, estimates, and primary and secondary research. The Company also provides customers with tools, venues, and services to enable decision-making. Its flagship financial markets' desktop offering is Eikon.

As part of its risk products offering the Company provides solutions to help customers address third-party risk (customer, supplier, and partner), regulatory compliance, corporate governance and operational risk controls. Its risk solutions combine technology with regulatory and risk intelligence to deliver integrated offerings to financial services and multinational institutions for financial crime prevention, anti-bribery, anti-money laundering and anti-corruption, know your customer and other due diligence, compliance management, internal audit, and risk management services.

The financial statements are prepared in GBP (£) as the majority of the Company's transactions are undertaken in GBP (£).

As used in this annual report, "the Group" and "Refinitiv" or "LSEG" refer to London Stock Exchange Group PLC and its subsidiary undertakings, including joint ventures and associates. "The Company" refers to Refinitiv Limited.

2 Statement of compliance

The financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

3 Accounting policies

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by certain financial assets and liabilities measured at fair value through profit or loss.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in "Critical accounting estimates and judgements" section below.

Exemptions for qualifying entities under FRS 102

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of the Company's parent undertaking, LSEG. Copies of LSEG financial statements can be found on the Company's website (www.lseg.com) under the Investor relations section.

These financial statements are the Company's separate financial statements.

Basis of preparation

Summary of disclosure exemptions

In these financial statements, the Company has applied the exemptions available under FRS 102 in respect of the following disclosures :-

- Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment properties;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- Disclosures in respect of the compensation of key management personnel; and
- Disclosures in respect of financial instruments.

Exemption from preparing group financial statements

The financial statements contain information about the Company as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken advantage of the exemption under Section 401 of the Companies Act 2006, from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of London Stock Exchange Group plc which are prepared in accordance with IFRS GAAP.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Going concern

The Directors have considered the ongoing impact of COVID-19 on the Company in the preparation of these financial statements. The Directors have reviewed Company's performance and critical accounting estimates and judgements for the Company. 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 the Company remains confident about its long-term future performance but remains vigilant in monitoring day to day changes as the global situation evolves. Staff and customer safety remain the paramount concerns of the Company and the Company has adapted successfully to the new ways of working.

Accordingly, they continue to adopt the going concern basis in preparing the financial statement.

Revenue recognition

The Company derives its revenue from selling information, software, and services. Revenues are recognized when control of the Company's products or services is transferred to customers, in an amount that reflects the consideration to which the Company expects to be entitled. Such consideration is net of discounts, value-added taxes and other sales taxes. Where the Company acts as a principal, turnover is gross. Where the Company acts as an agent, turnover is recognised net.

Subscription revenue

Subscription revenue, which represents a majority of our 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 Refinitiv Data Platform. 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. Subscription revenue is generally recognized on a rateable basis over the contract term as this is the time period that the customer can use and benefit from the service. Subscription revenues also include fees from software maintenance arrangements that are recognized over the maintenance period. Arrangements are generally billed annually or quarterly in advance.

Outright revenue

Revenue from contracts for the outright sale of system-based product solutions, which include the sale of fully developed software licenses, is recognised at the time of client acceptance. Short-term contracts are accounted for on a completed contract basis. Long-term contracts are accounted for in accordance with the contractual terms either on a percentage of completion basis or on a time and materials as incurred basis.

Maintenance and support revenue

Revenue from associated maintenance and support services is recognised rateably over the term of the maintenance contract. Where contracts allow the Company to recharge costs from communications suppliers and exchanges onwards to subscribers, this income is recognised as revenue.

Usage revenue

Transaction products usage revenue is accounted for on a trade date basis.

Revenue is only recognised when all significant conditions attaching to its receipt have been satisfied.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Licensed data revenue

In addition, the Company licenses data, limiting the use of the data to a predetermined contract term period. Revenue is recognised pro-rata over the term of the contract when the service is provided.

Inter-company revenue

Revenue also includes revenue receivable from Group undertakings, which is recognised as incurred. Revenue includes service fees charged to group entities for services provided.

Deferred revenue

Subscription revenue due in advance of the delivery of services or publications is included in deferred revenue, and as services are rendered or publications are sent to subscribers the proportionate share is taken to the Profit and Loss Account.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

Current tax

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Statement of Financial Position date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Tax

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Statement of Financial Position date and are expected to apply when the related deferred tax asset is realised, or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Tangible fixed assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Accounting policies (continued)

Depreciation

The Company makes estimates and assumptions concerning the estimated useful life. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Company uses straight-line method for calculation of depreciation.

Asset class	Estimated Useful Lives
Freehold land	Not depreciated
Buildings	50 years
Leasehold property	Over term of lease
Office equipment and motor vehicles	5 to 7 years
Computer equipment	2 to 5 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in 'other operating (losses)/gains'.

Intangible assets

Intangible assets, such as licensing agreements, acquired from third parties are capitalised and amortised over the period during which the Company is entitled to use and derive economic benefit from the asset.

The Company also capitalises software development costs associated with products which meet the requirements of FRS 102. Capitalised expenditures relating to computer software development projects are deemed to begin their useful economic life upon completion of the project. Software development costs include the following:

- external direct costs of materials and services consumed in developing or obtaining internal-use computer software,
- payroll and payroll-related costs for employees who are directly associated with the computer software project,
- upgrades and enhancements to the extent that they result in additional functionality.

Costs incurred in the initial development of a software product prior to the establishment of commercial feasibility are written off as research costs. Once the commercial feasibility of a software product has been established, development costs are capitalised to the extent to which the product is expected to yield economic benefits.

Goodwill

Goodwill represents the excess of the cost of the investment in acquired business over values attributed to underlying net tangible assets and publishing rights.

Goodwill is amortised over the expected useful economic life of 10 years.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Research and development

Costs incurred in the initial development of a software product prior to the establishment of commercial feasibility are written off as research costs. Once the commercial feasibility of a software product has been established, development costs are capitalised to the extent to which the product is expected to yield economic benefits.

Development costs have been capitalised in accordance with FRS 102 section 18 Intangible Assets other than Goodwill and are therefore not treated, for dividend purposes, as a realised loss.

Amortisation

Amortisation is charged to the Profit and Loss Account on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Asset class	Estimated useful Lives
Computer software	3 to 5 years
Customer relationships	3 to 20 years
Trade name	3 to 20 years
Databases and content	3 to 20 years
Goodwill	10 years

The intangible assets acquired as part of a business combination are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line based on the timing of projected cash flows of the contracts over their estimated useful life.

Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Financial instruments (Continued)

Debt instruments which meet the conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) Investments

Investments in non-derivative instruments that are equity of the issuer (where shares are publicly traded, or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

(iii) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Impairment of assets

Assets other than those measured at fair value, are assessed for indicators of impairment at each statement of financial position date. If there is objective evidence of impairment, the impairment loss is recognised in profit or loss as described below:

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Non-Financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit). An asset is impaired when there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the assets has been reduced. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use.

An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter, any excess is recognised in profit or loss.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimates of the amount that would be received for the asset if it was sold at the reporting date.

The impairment loss is recognised in profit or loss.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Company's obligation.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Intercompany loans

These include loans to and from holding companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs. Loans to group companies are classified as loans and receivables.

Operating and finance leases

The Company as lessee

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

The Company as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Employee benefits

The Company provides a range of benefits to employees, including annual bonus arrangements, defined benefit pension plan and defined contribution pension plans.

i. Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

ii. Annual bonus plan

The Company operates an annual bonus plan for employees. An expense is recognised in the profit and loss account when the Company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

ii. Defined contribution pension plans

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

iv. Multi-employer pension plan

The Company is a member of a multi-employer plan. Where it is not possible for the Company to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

Where the plan is in deficit and where the Company has agreed, with the plan, to participate in a deficit funding arrangement the Company recognises a liability for this obligation. The amount recognised is the net present value of the contributions payable under the agreement that relate to the deficit. This amount is expensed in profit or loss. The unwinding of the discount is recognised as a finance cost.

v. Defined benefit pension obligation

The Company 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 is recognised in finance expense and interest income is recognised as finance income. They are calculated by applying the discount rate to the net defined benefit liability or asset at the start of each annual reporting period. The discount rate is based on market interest rates of high-quality, fixed-rate debt securities adjusted to reflect the duration of expected future cash outflows for pension benefit payments.

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.

Please refer to note 26 for details regarding a voluntary change in accounting policy relating to the net defined benefit asset surpluses which the Company adopted in the current year.

Significant accounting judgements

In terms of the current accounting standards, the Company judges that it can expect any remaining pension surplus to be refunded in full to the Company on the winding up of the schemes. It therefore continues to recognise these retirement benefit assets on the balance sheet in full.

The calculation of the defined benefit obligations is performed by a qualified actuary using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from what actually happens in the future. These include the determination of the discount rate, future employment and compensation levels, average years employed, average life spans, and payment elections. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. When the calculation results in a benefit to the Company, the recognised asset is limited to the present value of benefits available in the form of any future refunds from the plan or reductions in future contributions and takes into account the adverse effect of any minimum funding requirements.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Retirement Benefit Scheme's

Substantially all of the employees participate in defined benefit or defined contribution future benefit schemes. The most significant defined benefit schemes are:

- the Reuters Pension Fund (RPF)
- the Supplementary Pension Scheme (SPS)

Pension risks

The principal risk to which the defined benefit schemes expose the entity arises from an increase in pension liabilities.

The pension liabilities could increase in the following circumstances:

- if increases in the plan liabilities are not accompanied by corresponding increases in the scheme assets
- if investment returns are lower than assumed
- if inflation is higher than expected, increasing liabilities through indexing of pension payments
- members live longer than expected, increasing the length of time for which pensions are paid

An increase in pension liabilities could lead to an increase in the pension deficit or a reduction in any surplus. Defined benefit schemes are normally revalued by actuaries every three years. Where any material funding gap is identified by this process, the Trustees will agree a schedule of contributions with the sponsor company. Such contributions would have a financial impact on the entity.

Foreign currency transactions and balances

The Company's functional and presentation currency is the pound sterling (GBP or £). Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss Account, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Embedded derivatives

An embedded derivative is a feature within a contract where the cash flows associated with that feature behave in a similar fashion to a stand-alone derivative. The Company has embedded foreign currency derivatives in certain revenue and purchase 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 recognized within "Operating cost" in the Profit and Loss Account.

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Investments

The Company holds investments in subsidiary undertakings. These are recognised as fixed asset investments and are stated at cost less any impairment. As at 31 December 2021, the investments of the Company in subsidiary undertakings totalled £4,357m (2020: £4,315m). The consideration of whether an impairment in its investments requires judgement over whether a trigger for impairment exists, considering the following factors:

- Whether significant changes with an adverse effect on the subsidiaries have taken place during the period, or will take place in the near future, in the technological, market, economic or legal environment and market in which the subsidiaries operate;
- Whether evidence is available from internal reporting that indicates that the economic performance of subsidiaries is, or will be, worse than expected;
- Whether the carrying amount of the net assets of the subsidiary is less than the Company's investments carrying value in that subsidiary; and
- Whether the dividend from the subsidiaries exceeds the total comprehensive income of the specific subsidiary in the period the dividend is declared.

As a result of the assessment performed, management concluded that there are no impairment indicators on Company's investments in the underlying subsidiaries as at 31 December 2021.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Critical Accounting Estimates and Judgements

Critical accounting judgements

Management have not identified any critical judgements in applying the Company's accounting policies.

Key sources of estimation uncertainty

Goodwill

The useful economic life for goodwill has been estimated at 10 years, which is based on management's best estimate as to the period in which the benefits of the goodwill to be utilised over. The actual period over which the goodwill can be amortised over may be different from this period.

Impairment assessment of subsidiary investments

The impairment assessment of subsidiary investments requires an estimation over the future performance of the subsidiary in determining whether there is an impairment trigger. The actual performance of the subsidiary may be different to that which is estimated - refer to Note 13 for further information.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Critical Accounting Estimates and Judgements (Continued)

Provision for uncertain tax liabilities

The Company has made a provision for corporation tax payments that are currently in negotiation with tax authorities in multiple jurisdictions relating to transfer pricing between 2010 to 2018. The provision as at the balance sheet date was £47m (2020 restated: £54m) and is recorded within current tax payable. The uncertain tax provision has a range of possible outcomes due to the likelihood of the Company successfully defending its position against the claims made, and represents management's best estimate of the amount that will be settled with the tax authorities. Due to this estimation uncertainty, the final outcome of the amounts paid may materially differ from the amount that has been provided.

4 Revenue

The analysis of the company's turnover for the year by region and class of business is as follows:

	2021 £ m	2020 £ m
Europe, Middle East and Africa	1,520	1,547
Asia	239	193
The Americas	30	41
	<u>1,789</u>	<u>1,781</u>

	2021 £ m	2020 £ m
Subscription Revenue	771	812
Outright Revenue	29	14
Intercompany Revenue	908	926
Other (ED, passthrough, other provision)	81	29
	<u>1,789</u>	<u>1,781</u>

5 Other Gain/(Losses)

The analysis of the company's other losses for the year is as follows:

	2021 £ m	2020 £ m
Investment impairment	-	(10)
Impairment of Intangible Assets upon Acquisition	(7)	(1)
	<u>(7)</u>	<u>(11)</u>

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

6 Net finance income/(costs)

	2021 £ m	As restated 2020 £ m
Interest payable/(receivable) and similar charges	2	8
Net pension finance cost	(4)	(6)
	<u>(2)</u>	<u>2</u>

Interest payable and similar charges represent interest payable on loans from group undertakings £2m in 2021 (2020: £8m).

Net pension finance costs represent the net impact of interest costs and expected returns on assets associated with defined benefit pension schemes (see note 21).

7 Profit/(loss) before taxation

Arrived at after charging

	2021 £ m	2020 £ m
Employee benefits expense	321	338
Depreciation expense	31	37
Amortisation expense	58	66
Foreign exchange losses	5	13
Operating lease expense - property	26	36

Depreciation/amortisation expenses are included in operating costs.

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2021 £ m	2020 £ m
Wages and salaries	271	271
Social security costs	28	31
Pension costs	20	30
Long term incentive expenses	2	6
	<u>321</u>	<u>338</u>

The average number of persons employed in the United Kingdom by the Company (including directors), analysed by category is as follows:

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

	2021 No.	2020 No.
Production	408	410
Administration and support	962	1,027
Research and development	336	351
Sales, marketing and distribution	333	350
Editorial	93	91
	<u>2,132</u>	<u>2,229</u>

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2021 £ '000	2020 £ '000
Aggregate emoluments	968	428
Pension contributions	72	125
Aggregate amount receivable under long term incentive scheme	73	45
	<u>1,113</u>	<u>598</u>

Out of five directors in the Company, remuneration for three directors have been paid by Refinitiv Limited itself and the remaining two directors have been paid by other Group Company.

During the year the number of directors who were receiving benefits and share incentives were as follows:

	2021 No.	2020 No.
Accruing benefits under defined benefit pension scheme	<u>2</u>	<u>2</u>

In respect of the highest paid director:

	2021 £ '000	2020 £ '000
Remuneration	461	309
Benefits under long-term incentive schemes	26	45
Defined benefit accrued pension	<u>35</u>	<u>90</u>

10 Auditor's remuneration

The auditor's remuneration in relation to the audit of the financial statements is £392,757 (2020: £381,080).

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

11 Tax on Profit/Loss

Tax charged in the profit and loss account

	2021 £ m	2020 £ m
Current tax		
UK corporation tax on loss for the year	1	19
Adjustment in respect of previous periods	-	(2)
Foreign tax suffered in previous periods	-	(2)
Foreign tax suffered during the year	1	10
Total current income tax	<u>2</u>	<u>25</u>
Deferred taxation		
Origination and reversal of timing differences	10	(2)
Adjustment in respect of previous periods	-	(2)
Effect of tax rate change on opening balance	(7)	(3)
Total deferred tax	<u>3</u>	<u>(7)</u>
Tax charge on Profit/(loss)	<u><u>5</u></u>	<u><u>18</u></u>

The income statement tax charge for the year is equal to the standard rate of corporation tax in the UK of 19% (2020: 19%).

The differences are reconciled below:

	2021 £ m	2020 £ m
Profit/(loss) before tax	<u>16</u>	<u>(9)</u>
Corporation tax at standard rate of 19% (2020: 19%)	3	(3)
Adjustments to tax charge in respect of prior years	-	(6)
Income not subject to tax	(2)	(2)
Expenses not deductible	12	16
Provision for uncertain tax positions	-	17
Effects of overseas tax rates	9	10
Remeasurement of deferred tax for changes	(7)	(3)
Overseas provision for uncertain tax positions	(8)	1
Deferred tax expense (credit) from unrecognised tax loss or credit	(3)	-
Deferred tax expense (credit) from unrecognised temporary difference from a prior period	1	-
Group relief surrendered/(claimed)	<u>-</u>	<u>(12)</u>
Total tax charge	<u><u>5</u></u>	<u><u>18</u></u>

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

11 Tax on Profit/Loss (continued)

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021, and the UK deferred tax asset/liability as at 31 December 2021 has been calculated based on this rate.

Deferred tax

Deferred tax liability:

	2021 £ m	As restated 2020 £ m
Liability at start of year	33	33
Adjustment in respect of previous periods	-	(3)
Deferred tax charge to profit and loss account for the period	3	(4)
Deferred tax movement in OCI for the period	35	9
Movement arising from the transfer of trade	(2)	-
R&D expenditure credits impact	-	(2)
Deferred tax liability at the end of the year	69	33

	2021 £ m	As restated 2020 £ m
Fixed assets	(31)	(28)
Temporary differences trading	(3)	(1)
Defined benefit pension	106	64
R&D expenditure	(3)	(2)
	69	33

Unrecognised deferred tax asset disclosure

Refinitiv Limited has an unrecognised deferred tax asset of £4m (2020: £3m) in respect of capital losses brought forward of £17m (2020: £17m).

As a result of the pension restatement, the deferred tax balance as of 31 December 2020 has moved from a deferred tax asset of £29m to a deferred tax liability of £(33m).

	2021 £ m	As restated 2020 £ m
Current tax asset		
Corporation tax	(186)	32
Overscas tax	10	(2)
	(176)	30

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

11 Tax on Profit/Loss (continued)

Current tax liabilities of £16m related to interest and penalties on uncertain tax provisions have been reclassified from current tax liabilities to other creditors.

12 Tangible assets

	Freehold land and building £ m	Leasehold Property £ m	Office equipment and motor vehicle £ m	Asset under construction £ m	Computer equipment £ m	Total £ m
Cost						
At 1 January 2021	6	40	53	4	360	463
Additions	-	-	-	15	-	15
Transfers	-	3	1	(14)	10	-
Disposals	-	-	(2)	(1)	(16)	(19)
At 31 December 2021	<u>6</u>	<u>43</u>	<u>52</u>	<u>4</u>	<u>354</u>	<u>459</u>
Depreciation						
At 1 January 2021	6	33	25	-	323	387
Charge for the year	-	1	7	-	24	32
Disposals	-	-	(2)	-	(16)	(18)
Foreign exchange movements	-	-	(1)	-	(2)	(3)
At 31 December 2021	<u>6</u>	<u>34</u>	<u>29</u>	<u>-</u>	<u>329</u>	<u>398</u>
Carrying amount						
At 31 December 2021	<u>-</u>	<u>9</u>	<u>23</u>	<u>4</u>	<u>25</u>	<u>61</u>
At 31 December 2020	<u>-</u>	<u>7</u>	<u>28</u>	<u>4</u>	<u>37</u>	<u>76</u>

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

13 Intangible assets

	Goodwill £ m	Other intangible assets £ m	Total £ m
Cost			
At 1 January 2021	477	381	858
Additions	-	28	28
Disposals	(31)	(325)	(356)
Foreign exchange movements	-	1	1
At 31 December 2021	<u>446</u>	<u>85</u>	<u>531</u>
Amortisation			
At 1 January 2021	307	342	649
Amortisation charge	24	33	57
Disposals	(32)	(321)	(353)
At 31 December 2021	<u>299</u>	<u>54</u>	<u>353</u>
Carrying amount			
At 31 December 2021	<u>147</u>	<u>31</u>	<u>178</u>
At 31 December 2020	<u>170</u>	<u>39</u>	<u>209</u>

Other intangibles consist of customer relationships £3m (2020: £5m), publishing right £0 (2020: £2m), database contents £0 (2020: £22m) and others £28m (2020: £10m).

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

14 Investments in subsidiaries

Cost	£ m
At 1 January 2021	4,315
Additions	42
At 31 December 2021	4,357
Carrying amount	
At 31 December 2021	4,357
At 31 December 2020	4,315

An impairment review was carried out in the year for those investments that were considered to have a potential trigger. The directors have assessed the recoverable amount of these investments, having taken into consideration a range of assumptions. The Directors are of the opinion that the value of the Company's investments are not less than the carrying value at which it is stated in the Statement of Financial Position as at 31 December 2021. In 2021, investments of £27m has been made in Refinitiv Transaction Services Pte Ltd as fresh capital injections and £15m in acquisition of Quorate Technology Limited.

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Name of subsidiary	Principal activity	Class of share	Country of incorporation, registered addresses and principal place of business	Proportion of voting rights and shares held 2021	2020
Subsidiary undertakings					
Criminal Law Week Limited	Dormant	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100%	100%
Lipper Limited*	Trading Company	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100%	100%
Monitor Limited*	Trading	Dormant Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100%	100%
Refinitiv Transaction Services Limited*	Trading Company	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100%	100%
Refinitiv UK Financial Limited*	Dormant	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100%	100%
Refinitiv UK Eastern Europe Ltd*	Trading Company	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100%	100%

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Name of subsidiary	Principal activity	Class of share	Country of incorporation, registered addresses and principal place of business	Proportion of voting rights and shares held
Refinitiv Latam Trading Limited*	Dormant	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100% 100%
Refinitiv Benchmark Services (UK) Limited*	Trading Company	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100% 100%
Refinitiv de Mexico S.A. de C.V.*	Trading Company	Common shares	Torre Esmeralda II, Blvd. Manuel Avila Camacho #36, Floor 19th, Lomas de Chapultepec, Mexico Federal District, 11000, Mexico	100% 100%
Refinitiv UK Overseas Holdings Limited *	Holding Company	Shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100% 100%
Blaxmill Limited	(Eleven) Dormant	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100% 100%
Blaxmill (Nine) Limited	Dormant	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100% 100%
Blaxmill (Ten) Limited	Dormant	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100% 100%
Blaxmill Limited	(Thirteen) Dormant	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100% 100%
Blaxmill Limited	(Thirty-Three) Dormant	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100% 100%
Blaxmill Limited	(Twelve) Dormant	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100% 100%
Blaxmill Limited	(Twenty-Eight) Dormant	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100% 100%
Monitor Services Hong Kong Limited	Trading Company	Ordinary shares	First Floor, BCI House, Avarua, Rarotonga, Cook Islands	100% 100%
Refinitiv (Canvas) Holdings 3 Limited	Dormant	Ordinary B shares	Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda	100% 100%
Refinitiv Limited***	(Thailand) Trading Company	A Ordinary shares	34th floor, UChu Liang Building, 968 Rama IV, Silom Bangrak, Bangkok, 10500, Thailand	91% 91%

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Name of subsidiary		Principal activity	Class of share	Country of incorporation, registered addresses and principal place of business	Proportion of voting rights and shares held	
Refinitiv (Thailand) Limited	Software	Trading Company	Ordinary shares	968 U Chu Liang Building, 23, 30th Floor Rama IV Road, Silom Bangrak, Bangkok, 10500, Thailand	100%	100%
Refinitiv (Thailand) Limited**	Holdings	Holding Company	Ordinary shares	30 th Floor, U Chu Liang Building, 968 Rama IV, Silom Bangrak, Bangkok, 10500 Thailand	91%	91%
Global Holdings Limited*	World-Check	Holding Company	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100%	100%
Global World-Check		Holding Company	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100%	100%
Global Holdings (Nominee) Ltd	World-Check	Trading Company	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100%	100%
IntegraScreen z.o.o.	Spolka	Trading Company	Ordinary shares	40-084 Katowice, Ul. Opolska 22, Poland	100%	100%
IntegraScreen Inc.	(Panama)	Trading Company	Ordinary shares	The Century Tower, Via Ricardo J. Alfaro y Calle 65, Oeste Piso 10, Local 1005, Panama	100%	100%
IntegraScreen Limited		Trading Company	Ordinary shares	16/F Cityplaza 3, 14 Taikoo Wan Road, Quarry Bay, Hong Kong	100%	100%
Zhi Cheng Management Consulting (Shenzhen) Co., Ltd	Worldwide	Trading Company	Capital contribution	Room 312-04, New Times Square, No 1 Taizi Road, Shuiwan Community, Zhao Shang Street, Nanshan District, Shenzhe, China	100%	100%
Financial & Risk Transaction Services Ireland Limited*		Trading Company	Ordinary shares	12/13 Exchange Place, I.F.S.C. Dublin 1, D01P8H1, Ireland	100%	100%
Refinitiv Peru SRL*		Trading Company	Shares	14-114 We Work Real 2, Avenida Victor Andres Belaunde 147, Via Principal 133, Lima, 15073, Peru	100%	100%
REDI Technologies Ltd*		Trading Company	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100%	100%
Refinitiv Services Pte. Ltd*	Transaction	Trading Company	Ordinary shares	18 Science Park Drive, 118229, Singapore	100%	100%
Refinitiv Tecnologia em Sistemas Brasil Limitada		Trading Company	Quota	Av. Doutor Cardoso de Melo, no 1.855, Andar 4, Conj. 42, Vila Olimpia, Sao Paulo, 04548-005, Brazil	100%	100%

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Name of subsidiary	Principal activity	Class of share	Country of incorporation, registered addresses and principal place of business	Proportion of voting rights and shares held	
Refinitiv Transaction Services Malaysia Sdn. Bhd	Trading Company	Ordinary shares	12th Floor, Menara Symphony, No. 5 Jalan Semangat, (Jalan Professor Khoo Kay Kim), Seksyen 13, Petaling	100%	100%
Refinitiv Overseas Holdings BV	Netherlands Holding Company	Ordinary shares	Antonio Vivaldistraat 50, 1083 HP, Amsterdam, Netherlands	100%	100%
Refinitiv (Canvas) Holdings 2 Limited	Dormant Company	Common shares	Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda	100%	100%
Refinitiv Finance BV	Netherlands Holding Company	Ordinary shares	Antonio Vivaldistraat 50, 1083 HP, Amsterdam, Netherlands	100%	100%
Refinitiv Czech Republic s.r.o.	Trading Company	Shares	Na Perstýně, 342/1, Staré Město Praha, 111000, Czech Republic	100%	100%
Refinitiv Israel Limited	Trading Company	Ordinary shares	121-123, Derech Menachem, Begin Azrieli Sarona Building - 30 Fl Tel Aviv, 6701203, Israel	100%	100%
Blaxmill (Six)	Dormant	Ordinary shares	Five Canada Square, Canary Wharf, London, England, E14 5AQ	100%	100%
Telfer Pty Limited	Holding Company	Ordinary shares	c/o TMF Corporate Services (Aust) Pty Limited, Suite 1, Level 11, 66 Goulburn Street, Sydney NSW 2000	80.94%	80.94%
Telfer Investments Australia Pty Limited	Holding Company	Ordinary shares	c/o TMF Corporate Services (Aust) Pty Limited, Suite 1, Level 11, 66 Goulburn Street, Sydney NSW 2000	80.94%	80.94%
Alta Limited	Holding Company	Ordinary shares	Cook Islands Trust Corporation Limited, First Floor BCI House, P.O. Box 141 Avarua Rarotonga, Cook Islands	68.58%	68.58%
Avox Limited*	Dormant	Ordinary shares	Five Canada Square Canary Wharf London E14 5AQ	100%	100%
Refinitiv Technology Information Service (China) Group Co., Limited	Financial Information Group	Dormant Investment Interest	Room 1811, 18F, Office Tower E1 of Oriental Plaza, No.1, Dongcheng District, Beijing	100%	100%
LSEG Foundation (previously called Refinitiv Charities)	Charity	No shares – Charitable Incorporated Organisation	5 Canada Square, Canary Wharf, London E14 5AQ	100%	100%
TicketAid Limited	Trading	Ordinary Shares	5 Canada Square, Canary Wharf, London E14 5AQ	100%	100%

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Name of subsidiary	Principal activity	Class of share	Country of incorporation, registered addresses and principal place of business	Proportion of voting rights and shares held
Quorate Technology Limited	Direct Investment	Ordinary Shares	8th Floor, Appleton Tower, 11 Crichton Street, Edinburgh, EH8 9LE, Scotland	100% 0%

* indicates direct investment of the Company.

** Refinitiv Holdings (Thailand) Limited ownership of shares 49% and voting rights 91%.

*** Refinitiv (Thailand) Limited ownership of shares 52% and voting rights 91%.

15 Amounts owed by fellow group undertakings

	2021 £ m	2020 £ m
Amount owed by fellow group undertakings	1,384	1,676
	<u>1,384</u>	<u>1,676</u>

16 Debtors

	Note	2021 £ m	As restated 2020 £ m
Amounts falling due within one year			
Trade debtors		58	51
Amounts owed by fellow group undertakings		569	357
Prepayments and accrued income		33	42
Other debtors		7	13
		<u>667</u>	<u>463</u>
Current Tax	11	186	2
Amounts falling due after more than one year			
Debtors: amounts falling due after more than one year		4	6
		<u>857</u>	<u>471</u>

Amounts owed by fellow group undertakings are unsecured, non-interest bearing and repayable on demand.

17 Current asset investments

Unlisted investments

Investments having a net book value of £9m (31 December 2020: £1m) are unlisted investments. The market value of such investments is not readily available in the open market.

18 Cash and cash equivalents

	2021 £ m	2020 £ m
Cash at bank	26	15

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

19 Creditors: amounts falling due within one year

	Note	2021 £ m	As restated 2020 £ m
Trade creditors		54	51
Amounts due to fellow group undertakings		499	407
Other creditors		22	23
Accruals and deferred income		171	148
Other taxation and social security		26	16
		<u>772</u>	<u>645</u>
Current tax liability	11	<u>10</u>	<u>32</u>

In the prior year, an amount of £305m related to an amount owed to fellow group undertakings had been incorrectly classified as a current liability. This has been reclassified as a non current liability by restating comparatives, since repayment is scheduled in 2023.

In the prior year, an amount of £16m relating to interest and penalty liabilities on uncertain tax provisions had been incorrectly classified as current tax liabilities. This has been reclassified to other liabilities by restating comparatives.

For the aforementioned reclassifications, please refer to Note 26 for further details.

All other amounts due to fellow group undertakings are unsecured, non-interest bearing and repayable on demand.

20 Creditors: amounts falling due after more than one year

	2021 £ m	As restated 2020 £ m
Accruals and deferred income	27	31
Amount owed to fellow group undertakings	309	305
Other non-current financial liabilities	1	-
	<u>337</u>	<u>336</u>
Deferred tax liabilities	<u>69</u>	<u>33</u>

In the prior year, an amount of £305m related to an amount owed to fellow group undertakings had been incorrectly classified as a current liability. This has been reclassified as a non current liability by restating comparatives, since repayment is scheduled in 2023. Refer to Note 26 for further details.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

21 Pension and other schemes

Defined contribution pension scheme

The Company participates in a number of Group defined contribution pension schemes operated by the Group. The pension schemes are of the defined contribution type and their assets are held in a separate trustee-administered fund. The cost of contributing to the funds is charged to the Profit and Loss Account as it is incurred.

The total defined contribution pension cost for the Company is £15m (2020: £12m).

Defined Benefit Pension Scheme

Reuters Pension Fund, Reuters Supplementary Pension scheme, Unfunded Arrangements and Refinitiv Overseas Pension Plan

The Company participates in several Group defined benefit pension schemes, operated by the Group.

The Trustee's funding objective is to hold assets which are at least equal to the technical provisions (i.e. to meet the statutory funding objective).

The allocation of the liability to each participating entity has been performed by Willis Towers Watson, as independent consulting actuaries, and is based on the number of employees that each entity has as members of the plan. An actuarial valuation of the pension scheme is performed on a roll-forward basis using the projected unit basis which was carried out as at 31 December 2021 by Willis Towers Watson.

The dates of the most recent comprehensive actuarial valuations of the Reuters Pension Fund and Reuters Supplementary Pension Scheme were carried out as at 31 December 2019.

The plans are closed for new participants.

Contributions payable to the pension scheme at the end of the year are £10m (2020 - £21m).

The expected contributions to the plan for the next reporting period are £9m (2020 - £10m).

During the year, the Company has recognized a curtailment due to termination of 11 and 19 employees in respect of Reuters Pension Fund and Guernsey Plan of £1m and £0.4 million (Reuters Pension Fund 2020 - £1m).

Defined benefit pension schemes (Continued)

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	2021 %	2020 %
Discount rate	1.88	1.32
Future salary increases	3.90	3.45
Future pension increases	3.27	2.90
Inflation	3.37	2.85

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Post retirement mortality assumptions

	2021 Years	As restated 2020 Years
Current UK pensioners at retirement age - male	23.00	23.00
Current UK pensioners at retirement age - female	25.00	25.00
Future UK pensioners at retirement age - male	24.00	24.00
Future UK pensioners at retirement age - female	26.00	26.00
<ul style="list-style-type: none"> • Retiring at reporting date at age 65 [M/F]" is the life expectancy of someone age 65 at the reporting date. • Retiring at reporting date +25 years at age 65 [M/F]" is the life expectancy of someone age 65 (currently age 40 at the reporting date). 		

Analysis of assets

The major categories of scheme assets are as follows:

	2021 £ m	2020 £ m
Cash	50	69
Equities	156	139
Corporate bonds	567	582
Government bonds	1,136	1,095
Insurance	43	47
Multi-Asset	289	620
Others	830	603
	<u>3,071</u>	<u>3,155</u>

Reconciliation of scheme assets and liabilities to assets and liabilities recognized

The amounts recognised in the statement of financial position are as follows:

	2021 £ m	2020 £ m
Fair value of scheme assets	3,071	3,155
Present value of scheme liabilities	<u>(2,645)</u>	<u>(2,786)</u>
	<u>426</u>	<u>369</u>

Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

	2021 £ m	2020 £ m
Present value at start of year	3,155	2,860
Interest income	35	49
Return on plan assets	(45)	322
Employer contributions	10	21
Contributions by scheme participants	1	1
Benefits paid	(85)	(97)
Currency loss/gain	-	(1)
	<u>3,071</u>	<u>3,155</u>

Return on scheme assets

	2021 £ m	2020 £ m
Return on scheme assets	<u>(45)</u>	<u>322</u>

The pension scheme has not invested in any of the Company's own financial instruments or in properties or other assets used by the Company.

Scheme liabilities

Changes in the defined benefit obligation are as follows:

	2021 £ m	2020 £ m
Present value at start of year	2,786	2,508
Current service cost (including administrative costs)	14	15
Actuarial loss	(97)	315
Interest cost	31	43
Benefits paid (including administrative costs)	(86)	(98)
Contributions by scheme participants	-	1
Currency gain	-	(1)
Past service cost	(1)	(1)
Others	(2)	4
	<u>2,645</u>	<u>2,786</u>

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Reimbursement rights

A reconciliation of reimbursement rights is as follows:

	2021 £ m	As restated 2020 £ m
Amounts recognised in operating profit		
Current service cost	9	11
Past service cost - Amendments and curtailments	(1)	(1)
Administration cost	4	4
Others	(4)	4
	<u>8</u>	<u>18</u>
Amounts recognised in finance income or costs		
Interest cost	(4)	(6)
	<u>4</u>	<u>12</u>

22 Provisions for liabilities

	Legal/Compliance £ m	Property £ m	Severance £ m	Other provisions £ m	Total £ m
At 1 January 2021	-	2	9	3	14
Increase in existing provisions	-	-	18	2	20
Utilised during the year	-	-	(21)	(2)	(23)
At 31 December 2021	<u>2</u>	<u>2</u>	<u>6</u>	<u>3</u>	<u>11</u>

Legal and Compliance provisions are obligations of the Company subject to all applicable federal and state laws, rules and regulations and to such approvals by any regulatory or governmental agency and the Company as may be required to settle future liabilities.

Property provisions reflect the Company's contractual liability at the Statement of Financial Position date for residual lease commitments under ongoing lease agreements and will be utilised over the remaining lease period. Provisions also include lease retirement obligations, which arise when the Company agrees to restore a leased property to a specified condition at the completion of the lease period.

Severance provision is utilized at the time for employee termination and it has been substantially utilised in 2021.

Other provisions represent foreign tax provisions, and the expected cost of settling disputes arising from contractual arrangements with employees, third-party suppliers and individuals. They are expected to be substantially utilised in 2022.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

23 Share capital and reserves

Allotted, called-up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	502,800	502,800	502,800	502,800

All allotted share capital and called-up share capital have been paid.

Share premium

The share premium reserve represents the premium arising on the issue of equity shares, net of issue expenses.

Capital contribution

The capital contribution reserve represents contributions made to the equity capital of the Company but not in exchange for shares issued. This relates to the one-off settlement of the TTC pension plan fund obligations in 2018 when the Company separated from its previous owners, and also relates to ongoing settlements of pre-2018 corporate tax liabilities post separation from its previous owners.

Foreign currency translation reserve

Foreign currency translation reserve is a translated reserve for branch balances having functional currency other than GBP for presentation purpose.

Retained earnings

The retained earnings reserve represents cumulative profit and losses, net of dividends paid.

24 Contingencies, commitments and guarantees

Operating leases

The total of future minimum lease payments is as follows:

	2021 £ m	2020 £ m
Not later than one year	34	21
Later than one year and not later than five years	100	60
Later than five years	29	26
	163	107

Unconditional purchase obligations

The Company has various obligations for materials, supplies, outsourcing and other services contracted in the ordinary course of business. The future unconditional purchase obligations are as follows:

	2021 £ m
2022	33
2023	20
2024 and later period	13
	66

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Contingent Liability

HM Revenue & Customs ("HMRC") issued a notice of assessment in February 2022 under the Diverted Profits Tax ("DPT") regime for the 2017 taxation year for approximately £41m against the Company, a former U.K. affiliate of Thomson Reuters Corporation ("Thomson Reuters"), for various matters. These are subject to indemnity arrangements, under which Thomson Reuters is required to pay any additional taxes arising out of this assessment, to a fellow entity within the London Stock Exchange Group. The Company made this payment to HMRC in March 2022. Pursuant to those arrangements, as Thomson Reuters does not believe the Company fell within the scope of the DPT regime, Thomson Reuters has stated its intention to defend its position through all available administrative and judicial remedies. Having sought legal advice, the Company's position is that there is a less than probable likelihood of economic outflow for the major part of this, and therefore the provision recorded in the accounts includes a materially lower estimate of the potential exposure in relation to the 2017 period.

25 Related party transactions

Transactions with Directors

(i) Loan to Directors:

Loan outstanding with the directors as at 31 December 2021 was Nil (2020: £26,287) along with interest of Nil (2020: £ 1,105)

(ii) Credit transactions with Directors:

There are no goods and services supplied to any Director, and no balance outstanding during the year.

(iii) Security for loans:

There are no loans that were guaranteed on behalf of the Director to enable them to carry out his duties following his appointment to the Board.

(iv) Other related party transactions

There are no key management personnel other than the Directors.

Amounts owed by/to related parties at the reporting date are as mentioned below. These amounts all relate to trading balances.

Amounts owed by and to related parties at the reporting date are as mentioned below.

	Receivables £ m	Payables £ m
Outstanding as at 31 December 2021	-	-
Outstanding as at 31 December 2020		
Reuters News & Media Limited	1	3
Thomson Reuters (Professional) UK Ltd	1	1
Other associates	1	1
	<u>3</u>	<u>5</u>

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

	Expenses £ m	Income £ m
Transactions during the year 2021		
Reuters News & Media Limited	1	-
Blaxmill Limited	1	-
	<u>2</u>	<u>-</u>
Transactions during the year 2020		
Thomson Reuters (Professional) UK Ltd	-	4
Reuters News & Media Limited	1	-
Blaxmill Limited	5	-
Other associates	1	1
	<u>7</u>	<u>5</u>

26 Prior year restatement

a) Voluntary change in accounting policy

The voluntary change in accounting policy pertains to de-recognition of the asset ceiling within the defined benefit pension plan which was previously applied on the plan asset surpluses. This has resulted in a restatement in the financial statements of the Company.

The change in policy relates to the definition of the criteria to recover the surplus, in the absence of specific guidance in FRS 102. The criteria has now been aligned to LSEG and this resulted in the recognition of the surplus as per the below against other comprehensive income. Restated numbers are being provided to allow users to see prior year impact of de-recognition of asset ceiling.

	2020 (PY as stated) £ m	2020 (PY as restated) £ m
Profit and Loss Account		
Net pension finance cost	(7)	(2)
Profit before tax	(14)	(9)
Tax on profit	(18)	(18)
Profit after tax	(32)	(27)

In the current year, the impact of the voluntary change in accounting policy has increased Net Finance Income by £4m.

	2020 (PY as stated) £ m	2020 (PY as restated) £ m
Other Comprehensive Income		
Movement in deferred tax relating to pension assets	-	(9)
Change in asset ceiling excluding interest income	(9)	-
Total Comprehensive expenses for the year	(35)	(30)

In the current year, the impact of the voluntary change in accounting policy has increased net actuarial gain recognised in the pension schemes by £102m and increased the comprehensive expense on movement in deferred tax relating to pensions by £48m.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

	2020 (PY as stated) £ m	2020 (PY as restated) £ m
Statement of Financial Position		
Deferred tax	29	(33)
Net Pension Asset	41	368
Retained earnings	5,545	5,810
Current Tax asset	2	2
Net Assets	5,805	6,072

In the current year, the impact of the voluntary change in accounting policy has increased the Net Pension Asset by £432m and increased Retained Earnings by £326m. It has also increased the deferred tax liability by £48m.

The impact, in aggregate, for periods before 1 January 2020 was an increase in pension assets of £312m and a corresponding increase of £312m in retained earnings.

b) Restatement of prior period error (reclassification of the following balances):

(i) Amounts due to fellow group undertakings

The Company had incorrectly classified certain amounts, as set out in the table below, owed to Group undertakings falling due within one year as current liability. That amount didn't meet current liabilities criteria under FRS 102. This error has been corrected by restating comparatives as illustrated below.

	2020 (PY as stated) £ m	Impact of restatement £ m	2020 (PY as restated) £ m
<u>Amount owed to group undertakings</u>			
Current Liabilities	982	(305)	677
Non-Current Liabilities	31	305	336
Total	<u>1,013</u>	<u>-</u>	<u>1,013</u>

(ii) Interest and penalty liabilities on uncertain tax provisions

	2020 (PY as stated) £ m	Impact of restatement £ m	2020 (PY as restated) £ m
<u>Interest and penalties on uncertain tax provisions reclassification</u>			
Other Creditors	7	16	23
Current Tax Liability	48	(16)	32
Total	<u>55</u>	<u>-</u>	<u>55</u>

Interest and penalty liabilities on uncertain tax provisions as at £16m as of 31 December 2020 was incorrectly classified as current tax liability. This has been corrected by reclassifying it from current tax liabilities to other creditors.

Refinitiv Limited

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

27 Parent and ultimate parent undertaking

As at 31 December 2021, the Company's immediate parent is Refinitiv UK Holdings Limited. The ultimate parent company and the parent that headed the largest and smallest group of entities for which consolidated financial statements were prepared was London Stock Exchange Group plc (LSEG plc), a company incorporated in England and Wales. 100 % of the issued share capital of the Company was beneficially owned by LSEG plc.

A copy of the London Stock Exchange Group plc consolidated financial statements can be obtained from London Stock Exchange Group plc, 10 Paternoster Square, London EC4M 7LS.

28 Post balance sheet events

The Company performed a review of events subsequent to the balance sheet date through the date the financial statements were issued and determined that. In March 2022, following consultation with the remaining active (i.e. in service) members of the Reuters Pension Fund Scheme ('RPF'), it was decided to permanently close the scheme to future accrual from 31st August 2022. These members will retain benefits which are payable on retirement. Further, we are unable to estimate the impact as the discussions are ongoing and will have more clarity by the end of third quarter.