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# Thomson Reuters

## 2023 Fourth-Quarter and Full-Year Results

February 8, 2024

# Agenda

- Welcome / Introduction — Gary Bisbee

- Fourth-Quarter & Full-Year 2023 Highlights — Steve Hasker

  Growth and Innovation Updates

- Financial Review — Mike Eastwood

  Fourth-Quarter & Full-Year 2023 Results

  2024 Full-Year Outlook and 2025-2026 Financial Framework

- Q & A

# Special Note

**Special Note Regarding Forward-Looking Statements, Material Assumptions and Material Risks**

This presentation consists of these slides and the associated remarks and comments, which are related and intended to be presented and understood together.

Certain statements in this presentation and discussion are forward-looking, including, but not limited to, statements regarding the company's full-year 2024 outlook and other expectations regarding the future financial and operational performance of the company and its individual business segments, the company's strategic priorities, initiatives and opportunities, the company's expectations regarding the monetization of its investment in LSEG, the company's expectations regarding its liquidity and capital resources, statements regarding the company's completion of repurchase of US$1.0 billion under its normal course issuer bid by Q2 2024, its intention related to future share repurchases and statements regarding the potential impact of the company's recent acquisitions on the financial performance of the company and the application and impact of generative AI in current and future products. While the company believes that it has a reasonable basis for making forward-looking statements in this presentation, they are not a guarantee of future performance or outcomes and there is no assurance that any of the events described in any forward-looking statement will materialize. Forward-looking statements are subject to a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from current expectations. Many of these risks, uncertainties and assumptions are beyond our company's control and the effects of them can be difficult to predict. Some of the factors that could cause actual results to differ materially from current expectations are discussed in our earnings release dated February 8, 2024, the "Risk Factors" section of our annual report and in other materials that we from time to time file with, or furnish to, the Canadian securities regulatory authorities and the U.S. Securities and Exchange Commission.

Our company has provided a business outlook for the purpose of presenting information about current expectations for full-year 2024. This information may not be appropriate for other purposes. You are cautioned not to place undue reliance on forward-looking statements which reflect expectations only as of the date of this presentation. Except as may be required by applicable law, Thomson Reuters disclaims any obligation to update or revise any forward-looking statements.

The company's business outlook is based on information currently available to the company and is based on various external and internal assumptions made by the company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the company believes are appropriate under the circumstances. Please refer to our earnings release dated February 8, 2024 and our third-quarter 2023 MD&A, each of which are available on www.tr.com, for a discussion of material assumptions and material risks related to our business outlook. Material assumptions and material risks related to our business outlook will also be reflected in our 2023 annual report, which the company plans to file in March 2024.

**Non-IFRS Financial Measures**

This presentation contains disclosures of certain non-IFRS financial measures. These measures include adjusted EBITDA (other than at the customer segment level) and the related margin, free cash flow, adjusted earnings, adjusted EPS, effective tax rate on adjusted earnings, accrued capital expenditures expressed as a percentage of revenues, net debt to adjusted EBITDA leverage ratio, return on invested capital (ROIC) selected measures excluding the impact of foreign currency, changes in revenues computed on an organic basis as well as all financial measures for the "Big 3".

Please see our earnings release dated February 8, 2024, which is available on SEDAR+ at www.sedarplus.com and on our website at www.tr.com, for a reconciliation of each of Thomson Reuters' non-IFRS measures to the most directly comparable IFRS financial measure.

# THOMSON REUTERS

## Fourth-Quarter & Full-Year 2023 Highlights

Steve Hasker
President & CEO

# Fourth-Quarter & Full-Year 2023 Highlights

1. **Good 2023 performance met or exceeded outlooks for organic revenue, adjusted EBITDA margin and FCF**
   - Q4 organic revenue growth of 7% and FY organic revenue growth of 6%
     - “Big 3” Business Segments (Legal, Corporates and Tax & Accounting) revenues grew 8% organically in Q4 and 7% for the full year
   - Q4 adjusted EBITDA margin upside largely driven by Reuters AI content licensing agreement

2. **2024 outlook anticipates ~6% organic revenue growth, ~38% adjusted EBITDA margins, and ~$1.8B of FCF**
   - As previously discussed, 2024 outlook incorporates incremental organic and inorganic investments to support future revenue growth acceleration
   - We are introducing a 2025-2026 financial framework calling for 6.5%-8% organic revenue growth and strong margin expansion

3. **Generative AI progress highlights strong year of innovation and product success**
   - Key product successes: launch of Westlaw AI-Assisted Research and CoCounsel Core; product enhancements across the portfolio
   - Robust 2024 product roadmap includes additional AI-enabled launches: Practical Law, Checkpoint, intelligent drafting, and more

4. **Significant progress with capital deployment; robust liquidity and capacity remain**
   - Sold ~56M shares of LSEG in 2023 for gross proceeds of nearly $5.5B
   - Since January 2023, put $2B+ to work in M&A, including SurePrep, Casetext, Pagero, and three strategic bolt-ons
   - Returned $3.1B of capital to shareholders through buybacks and return of capital transaction; grew common dividend 10%

5. **Maintain leadership Positions in Historically Stable & Attractive Markets**
   - Resilient business with ~80% Recurring Revenue, strong cash flow, and significant capital capacity

# Fourth-Quarter 2023 Consolidated Results

| IFRS Financial Measures *($ millions)* | 2023 | 2022 | Change |
|---|---|---|---|
| Revenues | $1,815 | $1,765 | Up 3% |
| Operating profit | $558 | $631 | Down 11% |
| Diluted earnings per share (EPS) | $1.49 | $0.45 | Up 231% |
| Cash flow from operations | $705 | $676 | Up 4% |

| Non-IFRS Financial Measures *($ millions)* | 2023 | 2022 | Change | Change at Constant Currency | Organic Growth |
|---|---|---|---|---|---|
| Revenues | $1,815 | $1,765 | Up 3% | Up 3% | Up 7% |
| Adjusted EBITDA | $707 | $633 | Up 12% | Up 9% | |
| *Adjusted EBITDA margin* | *38.9%* | *35.9%* | *Up 300 bps* | *Up 210 bps* | |
| Adjusted EPS | $0.98 | $0.75 (1) | Up 31% | Up 28% | |
| Free cash flow | $613 | $526 | Up 16% | | |

(1) Revised to reflect current period presentation.

# Fourth-Quarter 2023
# Revenue Growth by Segment

**Reported revenues up 3% to $1.8 billion**
**Organic revenues up 7%**
**Organic recurring revenues up 7%**

| | Legal Professionals | Corporates | Tax & Accounting Professionals | Reuters News | Global Print |
|---|---|---|---|---|---|
| Reported Revenues | **$0.7B** **-1%** **(+7% organic)** | **$0.4B** **+6%** **(+7% organic)** | **$0.3B** **+6%** **(+10% organic)** | **$0.2B** **+11%** **(+9% organic)** | **$0.2B** **-6%** **(-4% organic)** |

**“Big 3” grew 8% organically (80% total revenues)**

# Full-Year 2023 Consolidated Results

| IFRS Financial Measures *($ millions)* | 2023 | 2022 | Change |
|---|---|---|---|
| Revenues | $6,794 | $6,627 | Up 3% |
| Operating profit | $2,332 | $1,834 | Up 27% |
| Diluted earnings per share (EPS) | $5.80 | $2.75 | Up 111% |
| Cash flow from operations | $2,341 | $1,915 | Up 22% |

| Non-IFRS Financial Measures *($ millions)* | 2023 | 2022 | Change | Change at Constant Currency | Organic Growth |
|---|---|---|---|---|---|
| Revenues | $6,794 | $6,627 | Up 3% | Up 3% | Up 6% |
| Adjusted EBITDA | $2,678 | $2,329 | Up 15% | Up 14% | |
| *Adjusted EBITDA margin* | *39.3%* | *35.1%* | *Up 420 bps* | *Up 380 bps* | |
| Adjusted EPS | $3.51 | $2.62[1] | Up 34% | Up 32% | |
| Free cash flow | $1,871 | $1,340 | Up 40% | | |

(1) Revised to reflect current period presentation.

# Full-Year 2023 Actual Results vs. Updated Guidance

| Total Thomson Reuters | 2023 Outlook 11.01.23 Before Currency | 2023 Results Before Currency | | 2023 Reported |
|---|---|---|---|---|
| Total Revenue Growth | 3.0% - 3.5% | 3.0% | ✓ | 2.5% |
| Organic Revenue Growth (1) | 5.5% - 6.0% | 5.9% | ✓ | 5.9% |
| Adjusted EBITDA Margin (1) | ~ 39% | 39.1% | ✓ | 39.3% |
| Corporate Costs | $110 - $120 million | $114 million | ✓ | $115 million |
| Free Cash Flow (1) (4) | ~ $1.8 billion | $1.9 billion | ✓ | $1.9 billion |
| Accrued Capex as % of Revenue (1) | ~ 8% | 7.8% | ✓ | 7.8% |
| Depreciation & Amortization of Computer Software (2) | $625 - $635 million | $629 million | ✓ | $628 million |
| Interest Expense (P&L) (3) | $170 - $180 million | $164 million | ✓ | $164 million |
| Effective Tax Rate on Adjusted Earnings (1) | ~ 17% | 16.5% | ✓ | 16.5% |

| Big 3 (1) | 2023 Outlook 11.01.23 Before Currency | 2023 Results Before Currency | | 2023 Reported |
|---|---|---|---|---|
| Total Revenue Growth | 3.5% - 4.0% | 3.5% | ✓ | 3.0% |
| Organic Revenue Growth | 6.5% - 7.0% | 7.2% | ✓ | 7.2% |
| Adjusted EBITDA Margin | ~ 44% | 43.6% | ✓ | 43.8% |

*(1) Non-IFRS financial measures. All measures reported for the "Big 3" segments are non-IFRS*
*(2) Includes $72M of Acquired Software Amortization, which is added-back in our definition of adjusted earnings*
*(3) Full-year 2023 interest expense excludes a $12 million benefit from the release of a tax reserve that is removed from adjusted earnings*
*(4) Free cash flow is at actual rates*

# Growth and Innovation Updates

# Product Innovation and AI Leadership driving Growth

THOMSON REUTERS **WESTLAW**™

- AI-Assisted Research: *The biggest change in legal research since we went from book research to online research*
  - AI-Assisted Research in Westlaw Precision enables customers to ask complex research questions in natural language, like speaking to a colleague, and receive responsive answers synthesized from authoritative legal sources with links to supporting law and explanations of its relevance.
  - Fourth quarter Westlaw bookings reach all-time high, rise sharply from H1/23

THOMSON REUTERS **CoCounsel Core**

- 10 task-oriented and generative AI enabled skills that accelerate, streamline and improve the quality of work for litigators and transactional attorneys.

## Legal and Risk Professionals

THOMSON REUTERS **WESTLAW**

New Research Topics
- 23 new research topics added to Westlaw Precision during the year

**Microsoft 365 Copilot Plugin**

Microsoft Integration
- A contract drafting solution, powered by our legal products and content, and customers' own content, delivered in Word and integrated with Microsoft 365 Copilot.

THOMSON REUTERS **CLEAR**

Global Beneficial Ownership
- Improved GBO search results including reference reports, relationship data beyond first-degree and current and past trade relationships

## Tax & Accounting Professionals

THOMSON REUTERS **UltraTax**

Best in Class
- Maintained industry leading e-file acceptance rates and was first to market with many individual 1040/1041 forms

THOMSON REUTERS **Dominio (Brazil)**

Award Winner
- Dominio in ATP LatAm received first place as the Outstanding Accounting System in Brazil

THOMSON REUTERS **Audit Suite**

Single-Audit
- Checkpoint Engage Single-Audit was awarded top new 2023 audit product by Accounting Today

## Corporates Tax and Trade Professionals

THOMSON REUTERS **ONESOURCE Indirect Tax**

Wider Coverage
- Expanded industry specific content coverage in Retail, Oil & Gas and LATAM markets. Determination Anywhere market traction and key partnerships

THOMSON REUTERS **ONESOURCE Global Trade**

User Interface Enhancements
- UI performance gains and improved customer experience translated in an overall 5X performance increase across the entire application

# Strengthened Portfolio Through Successful Execution of M&A Strategy

Since January 2023, we have completed six strategic acquisitions and divested a majority stake in Elite, leaving a stronger, more strategically aligned portfolio with better growth prospects

| | Closed Date | Primary Segment | Description | Purchase Price |
|---|---|---|---|---|
| SurePrep Part of Thomson Reuters | January 3rd, 2023 | Tax & Accounting Professionals | Leading provider of AI-driven tax workflow automation solutions | $500M |
| casetext | August 17th, 2023 | Legal Professionals | Leading provider of AI tools through CoCounsel, a Gen AI powered legal AI assistant | $650M |
| PAGERO | Majority Ownership as of: January 17th, 2024 | Corporates | Leading provider of e-invoicing solutions through a global, automated and secure network | ~ $800M |

| | | | | |
|---|---|---|---|---|
| imagen | July 14th, 2023 | Reuters | Cloud-native digital media asset management platform | ~ $105M Combined |
| WESTLAW JAPAN | November 1st, 2023 | Legal | Leading provider of comprehensive legal information services in Japan | |
| THE INSURER Insurance Insight Intelligence | January 16th, 2024 | Reuters | Subscription-based editorial content for the global P&C and specialty (re)insurance industry | |

# Pagero Acquisition: Strong Strategic Fit and Growth Accretive

Pagero offers a **comprehensive suite of global e-invoicing and indirect tax solutions** that **ensure compliance and provide workflow automation benefits** for customers

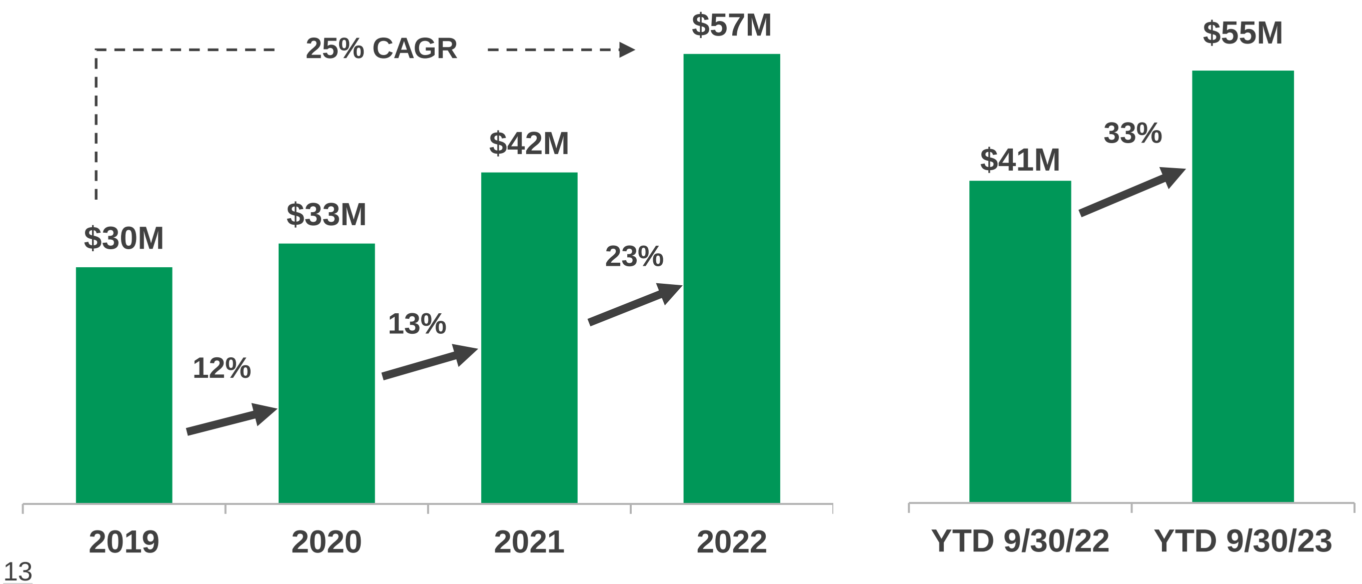
Through a single, modern and **open technology platform**, Pagero **links customers, suppliers, and institutions**, allowing for the **automated, compliant, and secure digital exchange of business documents** such as orders, invoices, and others.

The company's Smart Business Network links its 90,000 customers with over 14 million connected companies, providing emerging **"network" effects** as it continues to scale.

## Key Facts

- Headquartered in Gothenburg, Sweden
- 30+ offices in 20+ countries
- 850 employees
- ~90k customers, and 14M companies in network

## Revenue and Organic Revenue Growth (1) (2)




## Financial Highlights (3)

- Annual Recurring Revenue (ARR) – $71M
- 25% revenue CAGR (2020-2022)
- 87% recurring revenue
- Strong retention – 1.8% churn, 122% NRR
- Strong profitability in "established" markets

**Notes:**
1. Revenue in USD based on the USD/SEK exchange rate of 10.45 as of January 17, 2024.
2. Organic revenue growth rates based on Pagero's financial reporting.
3. Financial Highlights data from Pagero's Q3/23 earnings report, unless otherwise noted.

# Financial Review
# Fourth-Quarter & Full-Year 2023 Results
# 2024 Outlook and 2025-2026 Framework

## Mike Eastwood
## Chief Financial Officer

# Fourth-Quarter & Full-Year 2023
# Legal, Corporates, Tax & Accounting Professionals Revenues

| ($ millions) | Fourth Quarter | | | | | Full Year | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | **2023** | **2022** | **Total** | **Constant Currency** | **Organic** | **2023** | **2022** | **Total** | **Constant Currency** | **Organic** |
| Legal Professionals | 700 | 704 | -1% | -1% | +7% | 2,807 | 2,803 | - | - | +6% |
| Corporates | 402 | 379 | +6% | +5% | +7% | 1,620 | 1,536 | +5% | +5% | +7% |
| Tax & Accounting Professionals | 344 | 326 | +6% | +9% | +10% | 1,058 | 986 | +7% | +9% | +10% |
| **Big 3 Revenues** | 1,446 | 1,409 | +3% | +3% | +8% | 5,485 | 5,325 | +3% | +4% | +7% |

# Fourth-Quarter & Full-Year 2023 Consolidated Revenues

| ($ millions) | Fourth Quarter | | | | | Full Year | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenues | 2023 | 2022 | Total | Constant Currency | Organic | 2023 | 2022 | Total | Constant Currency | Organic |
| Legal Professionals | 700 | 704 | -1% | -1% | +7% | 2,807 | 2,803 | - | - | +6% |
| Corporates | 402 | 379 | +6% | +5% | +7% | 1,620 | 1,536 | +5% | +5% | +7% |
| Tax & Accounting Professionals | 344 | 326 | +6% | +9% | +10% | 1,058 | 986 | +7% | +9% | +10% |
| Big 3 Revenues | 1,446 | 1,409 | +3% | +3% | +8% | 5,485 | 5,325 | +3% | +4% | +7% |
| Reuters News | 220 | 198 | +11% | +10% | +9% | 769 | 733 | +5% | +5% | +4% |
| Global Print | 154 | 162 | -6% | -5% | -4% | 562 | 592 | -5% | -4% | -3% |
| Eliminations / Rounding | (5) | (4) | | | | (22) | (23) | | | |
| Total Revenues | 1,815 | 1,765 | +3% | +3% | +7% | 6,794 | 6,627 | +3% | +3% | +6% |

# Fourth-Quarter & Full-Year 2023
# Consolidated Adjusted EBITDA

| ($ millions) | Fourth Quarter | | | | Full Year | | | |
|---|---|---|---|---|---|---|---|---|
| Adjusted EBITDA | 2023 | 2022 | Total | Constant Currency | 2023 | 2022 | Total | Constant Currency |
| Legal Professionals | 298 | 294 | +1% | -2% | 1,299 | 1,227 | +6% | +5% |
| *Margin* | *42.5%* | *41.7%* | | | *46.2%* | *43.8%* | | |
| Corporates | 138 | 135 | +3% | +1% | 619 | 578 | +7% | +7% |
| *Margin* | *34.5%* | *35.7%* | | | *38.1%* | *37.6%* | | |
| Tax & Accounting Professionals | 188 | 189 | -1% | +1% | 490 | 451 | +8% | +10% |
| *Margin* | *54.6%* | *58.1%* | | | *45.8%* | *45.8%* | | |
| **Big 3 Adjusted EBITDA** | 624 | 618 | +1% | - | 2,408 | 2,256 | +7% | +6% |
| *Margin* | *43.1%* | *43.9%* | | | *43.8%* | *42.4%* | | |
| Reuters News | 61 | 40 | +56% | +52% | 172 | 154 | +12% | +5% |
| *Margin* | *27.9%* | *19.8%* | | | *22.4%* | *21.0%* | | |
| Global Print | 55 | 59 | -5% | -8% | 213 | 212 | +1% | - |
| *Margin* | *36.4%* | *36.1%* | | | *38.0%* | *35.7%* | | |
| Corporate Costs (including Change Program) | (33) | (84) | | | (115) | (293) | | |
| **Total Adjusted EBITDA** | 707 | 633 | +12% | +9% | 2,678 | 2,329 | +15% | +14% |
| *Margin* | *38.9%* | *35.9%* | | | *39.3%* | *35.1%* | | |

# Adjusted Earnings Per Share (EPS)

| ($ millions except per share amounts & share count) | Fourth Quarter | | | Full Year | | |
|---|---|---|---|---|---|---|
| | 2023 | Change | % Change | 2023 | Change | % Change |
| **Adjusted EBITDA** | **$707** | **$74** | | **$2,678** | **$349** | |
| Depreciation & Amortization of Computer Software | ($164) | ($3) | | ($628) | ($3) | |
| Add back: Acquired Software Amortization | $24 | $12 | | $72 | $33 | |
| Interest Expense (1) | ($31) | $20 | | ($164) | $32 | |
| Income Tax | ($89) | ($19) | | ($324) | ($50) | |
| Dividend declared on preference shares | ($1) | - | | ($5) | ($2) | |
| **Adjusted Earnings** | **$446** | **$84** | | **$1,629** | **$359** | |
| **Adjusted EPS** | **$0.98** | **$0.23** | **+31%** | **$3.51** | **$0.89** | **+34%** |
| *Foreign Currency Impact* | *$0.02* | | | *$0.04* | | |
| *Diluted Weighted Average Common Shares* | *455.2M* | | | *464.0M* | | |

*(1) Full-year 2023 interest expense excludes a $12 million benefit from the release of a tax reserve that is removed from adjusted earnings*

# Consolidated Free Cash Flow

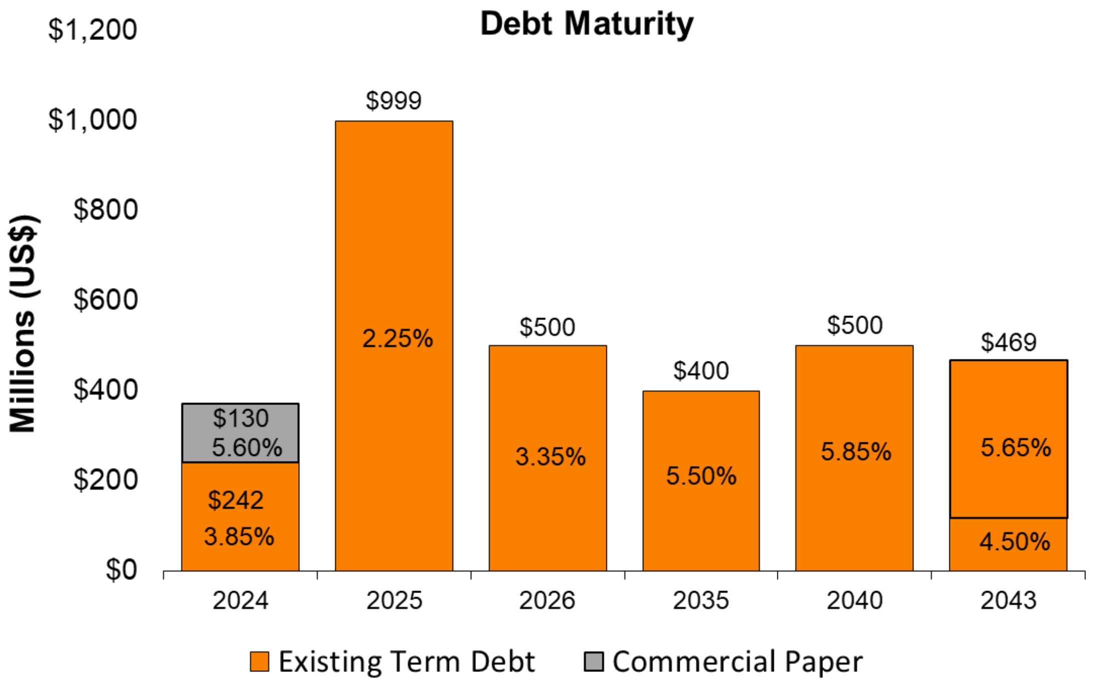
| ($ millions) | Fourth Quarter | | | Full Year | | |
|---|---|---|---|---|---|---|
| | 2023 | 2022 | Change | 2023 | 2022 | Change |
| **Comparable Free Cash Flow (Continuing Operations)** | **$633** | **$576** | **$57** | **$1,947** | **$1,731** | **$216** |
| Other Items (Change Program Costs) | ($10) | ($49) | $39 | ($90) | ($324) | $234 |
| **Free Cash Flow (Continuing Operations)** | **$623** | **$527** | **$96** | **$1,857** | **$1,407** | **$450** |
| Free Cash Flow – Discontinued Operations | ($10) | ($1) | ($9) | $14 | ($67) | $81 |
| **Free Cash Flow** | **$613** | **$526** | **$87** | **$1,871** | **$1,340** | **$531** |

# Capital Structure and Allocation Updates

# Significant Financial Capacity - Ready to Put to Work

- **Capital structure and liquidity position remain strong:**
  - Capital capacity expected to grow to ~$8B by 2026, following completion of current $1B NCIB and ~$800M Pagero acquisition
  - Expected to provide significant organic and inorganic growth opportunities; continue to assess acquisition candidates
- **Current Net Debt / Adjusted EBITDA Ratio of 0.8x (12/31/23) vs. 2.5x Target** (0.7x calculated under credit facility vs. maximum of 4.5x)
- **Next debt maturity of $242M in Sept 2024**

- **Debt Outstanding @ 12/31/23 = $3.1B**
- **CP Outstanding @ 12/31/23 = $0.1B**
- **Cash on Balance Sheet @ 12/31/23 = $1.3B**
- **Credit Revolver @ 12/31/23 = ~ $2.0B (undrawn)**
- **Avg. Interest Cost for Term Debt = 4.1%**
- **Avg. Term Debt Maturity Remaining = ~ 8.0 years**



# London Stock Exchange Group Stake – 16.0M Shares Remain

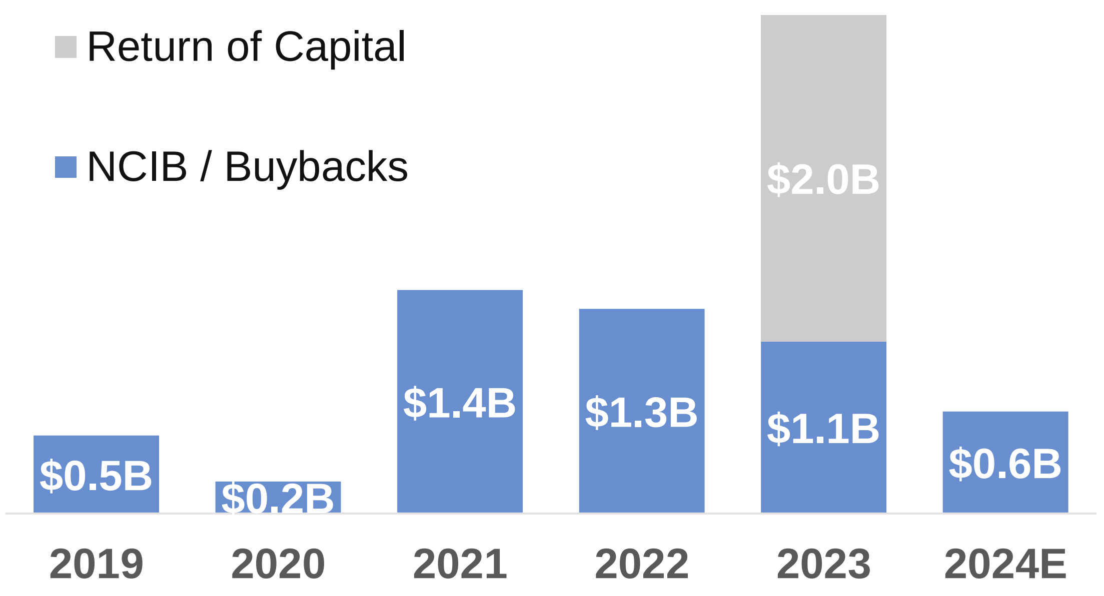
- Thomson Reuters sold approximately 56M shares in 2023, primarily via 4 large transactions - a private sale to Microsoft in January and 3 open market block trades (March, May, September)
- Of the remaining 16.0M shares, 2.6M shares could be sold through Call Options, with ~6.1M and ~7.3M more eligible for sale in 2024 and 2025, respectively

- 10.5M sold to Microsoft
- 13.6M sold in March offering
- 15.3M sold in May offering
- 15.0M sold in September offering
- 0.9M exercised options
- 0.8M sold as part of LSEG share buyback program

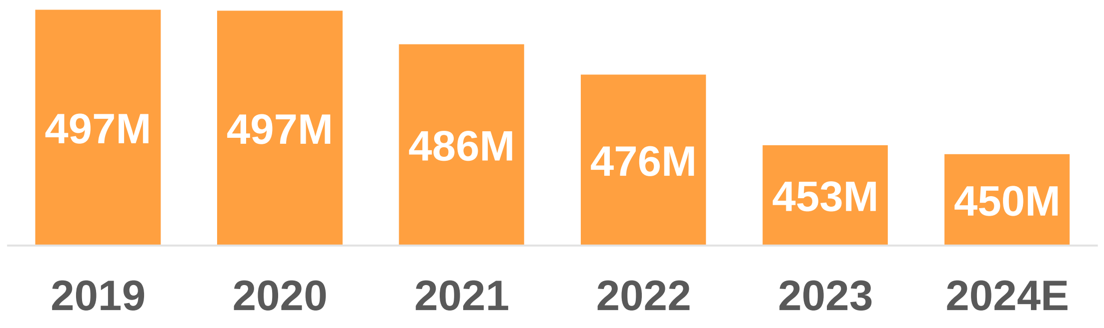
# Balanced Capital Allocation: Buybacks/Return of Capital

Returned $6.5 billion to shareholders over the past 5 years; Anticipate completion of existing $1.0B NCIB in Q2
Since 2020, share repurchases/return of capital have reduced share count by ~10%

## Annual Share Buyback / Return of Capital



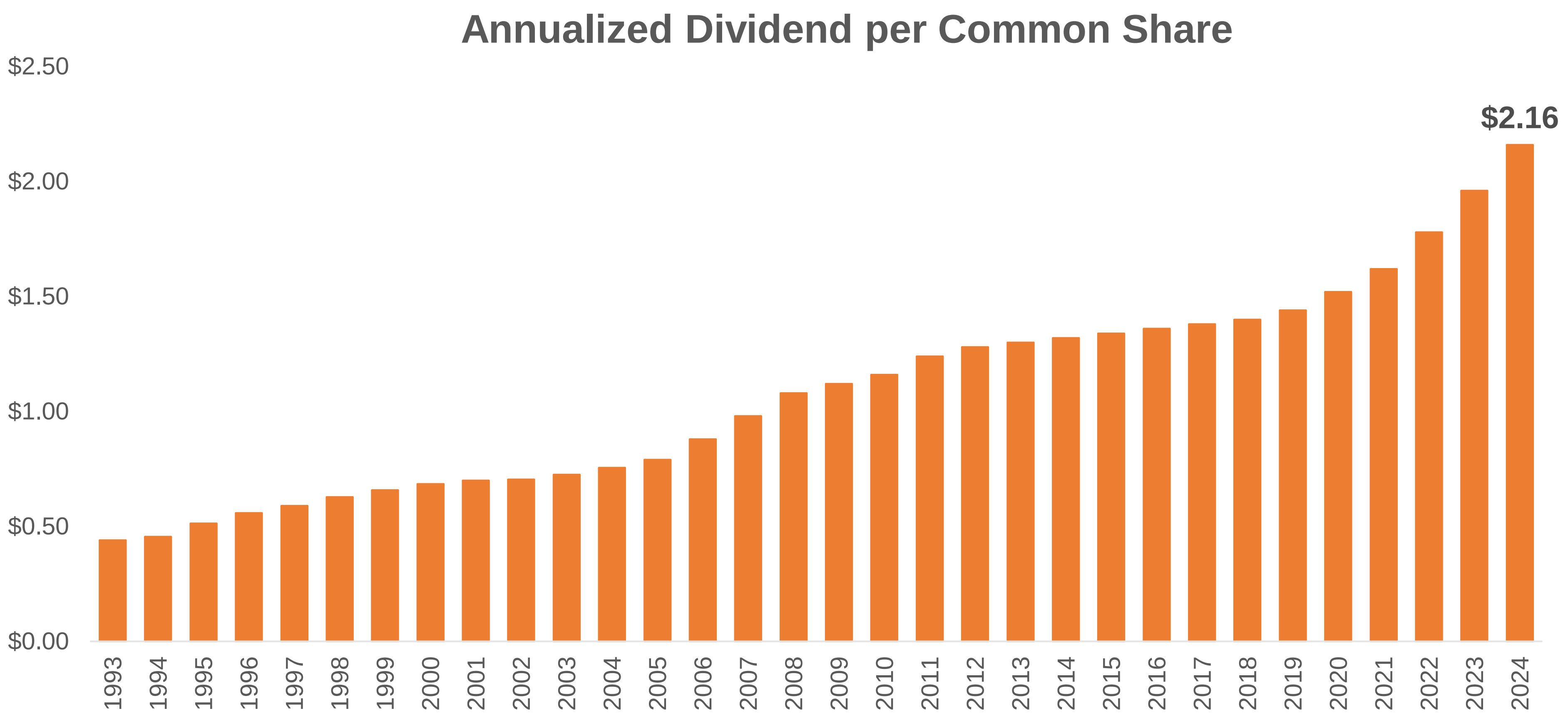

## Share Count (Period End)



# Balanced Capital Allocation: Long History of Dividend Growth

31 Consecutive Years of Annual Dividend Increases

2024 Annualized Dividend Rises $0.20 to $2.16, a Third Consecutive 10% Increase



# 2024 Outlook
# 2025-2026 Financial Framework

# 2024 Outlook

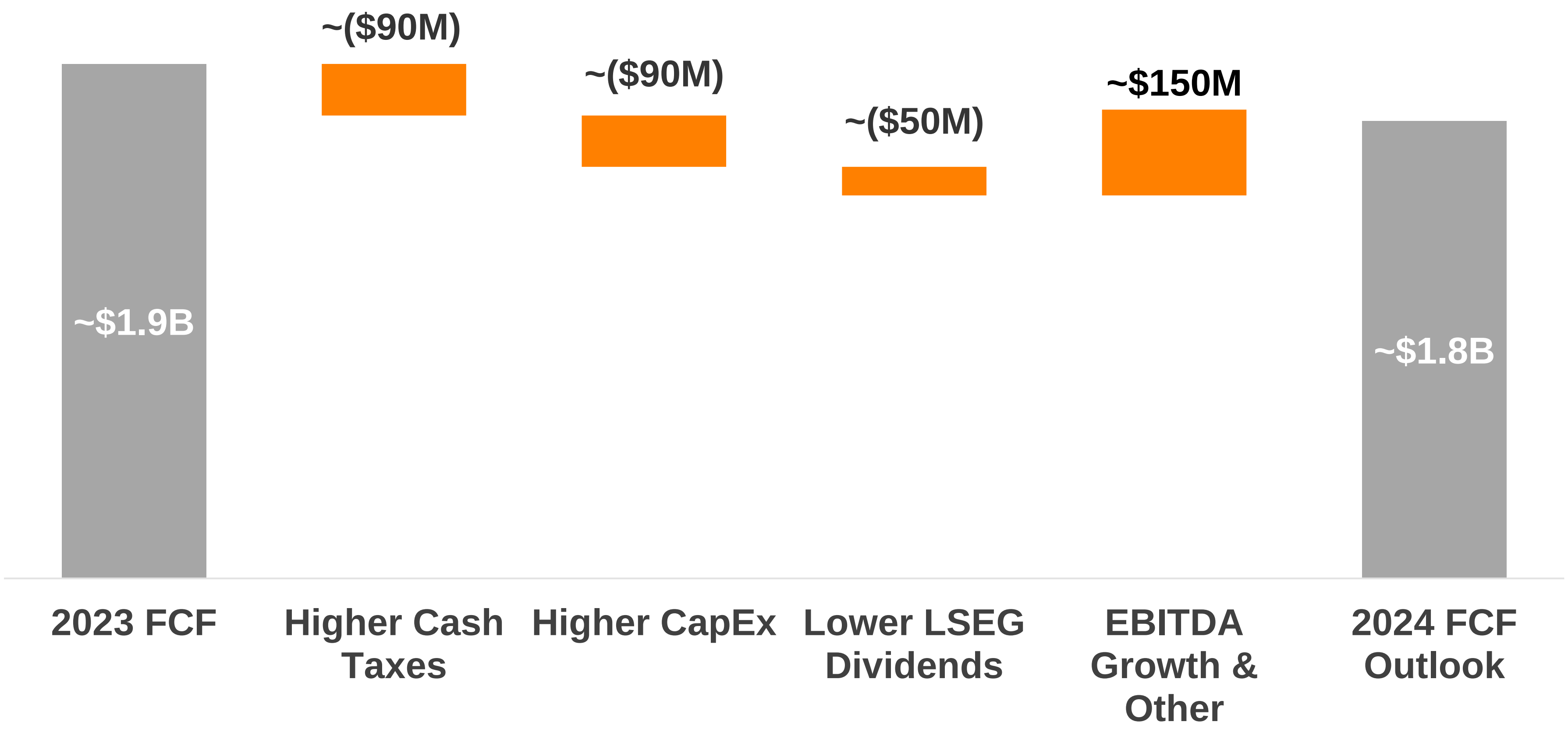
| Total Thomson Reuters | FY 2023 Reported | FY 2024 Outlook 2/8/24 |
|---|---|---|
| Total Revenue Growth | 3% | ~ 6.5% |
| Organic Revenue Growth (1) | 6% | ~ 6% |
| Adjusted EBITDA Margin (1) | 39.3% | ~ 38% |
| Corporate Costs | $115 million | $120 - $130 million |
| Free Cash Flow (1) | $1.9 billion | ~ $1.8 billion |
| Accrued Capex as % of Revenue (1) | 7.8% | ~ 8.5% |
| Depreciation & Amortization of computer software (2) | $628 million | $730 - $750 million |
| Interest Expense (P&L) (3) | $164 million | $150 - $170 million |
| Effective Tax Rate on Adjusted Earnings (1) | 16.5% | ~ 18% |

| Big 3 (1) | FY 2023 Reported | FY 2024 Outlook 2/8/24 |
|---|---|---|
| Total Revenue Growth | 3% | ~ 8% |
| Organic Revenue Growth | 7% | ~ 7.5% |
| Adjusted EBITDA Margin | 43.8% | ~ 43% |

*(1) Non-IFRS financial measures. All measures reported for the "Big 3" segments are non-IFRS*
*(2) Includes Acquired Software Amortization, which is added-back in our definition of adjusted earnings, $72M for 2023 and ~$135M for 2024*
*(3) Full-year 2023 interest expense excludes a $12 million benefit from the release of a tax reserve that is removed from adjusted earnings*

# Updated 2024 Outlook, Continued

Higher cash taxes and M&A-related capital spending along with lower LSEG dividends will weigh on 2024 free cash flow



# 2025-2026 Financial Framework

| | 2023A | 2024E | Medium Term Targets (2025-2026) |
|---|---|---|---|
| Organic Growth<br>• Total TR<br>• Big 3 Segments | 6%<br>7% | ~ 6%<br>~ 7.5% | 6.5% - 8.0%<br>8.0% - 9.0% |
| Adj. EBITDA Margin | 39.3% | ~ 38% | 75 bps expansion in ‘25;<br>50+ bps expansion in ‘26 |
| Capital Intensity (CapEx as % of Revenue) | 7.8% | ~ 8.5% | ~ 8.0% |
| Free Cash Flow | $1.9B | ~ $1.8B | $2.0 - 2.1B (2026) |

# Investor Day – Proposed Capital Strategy Metrics for 2024 - 2026

| | 2020 Year End | 2023 Year End | Medium Term Targets |
|---|---|---|---|
| Net Debt Leverage | 1.1x | 0.8x | 2.5x |
| Dividend Payout Ratio | 55% | 47% | 50% - 60% |
| Capital Return Commitment (1) | 70% | 215% (2) | 75%+ |
| Return on Invested Capital | 10.6% | 15.8% | 2x WACC |

(1) Defined as dividend payments plus share repurchases and/or returns of capital as a percentage of free cash flow.
(2) For 2023, the ratio was boosted by the $2B Return of Capital transaction, which was in addition to $1.1B of share buybacks and $0.9B of dividends.

# Q&A