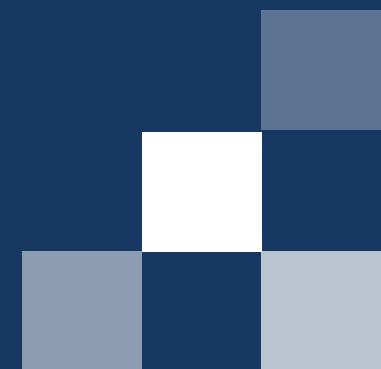


LONDON STOCK EXCHANGE GROUP

MOI Global Wide Moat Investing Summit 2023

Bertie Thomson, CFA



WHO WE ARE

- Brown Advisory is an independent global investment management firm (70% employee-owned).
- We are concentrated, long-term bottom-up investors.
- I have been investing professionally since 2002.
- We are supported by a team of experienced analysts in London and Baltimore.
- The Global Focus strategy is a concentrated (10-15 company) long-only, long duration equity strategy.
- We target companies with mid-teens annualised IRRs and tight probability ranges.
- Keep in touch: bthomson@brownadvisory.com

WE BELIEVE IN

- | | |
|---------------------------|---|
| ▪ Long-term focus | We have held 60% of our holdings since inception |
| ▪ Concentration | We are highly selective with 12 investments currently |
| ▪ Business owner mind-set | We approach investing as business owners and invest alongside our clients* |
| ▪ Free cash flow | Each company has a history of generating durable and improving free cash flow streams |
| ▪ Self-improvement | We use data and analytics in conjunction with a 3rd party consultant to seek to minimise behavioural pitfalls |

WE DO NOT BELIEVE IN

- | | |
|-----------------------------------|--|
| ▪ Volatility as a measure of risk | Volatility is an opportunity and risk is permanent capital destruction |
| ▪ Mirroring the benchmark | We currently invest in 5 of the 11 sectors in the benchmark |
| ▪ Macro-thematic investing | We invest in businesses not macro factors |
| ▪ Opaque business models | No companies that we think have impenetrable accounts or persistent profit-to-cash flow imbalances |
| ▪ Relative valuation | We focus on cash flow and absolute value |
| ▪ Excessive leverage | Leverage that is appropriate to cash flow volatility |

*All investments are voluntary and we do not track the level of investment by Portfolio Manager.
Please see the end of this presentation for important disclosures.

THE GLOBAL FOCUS STRATEGY INVESTMENT SELECTION PROCESS

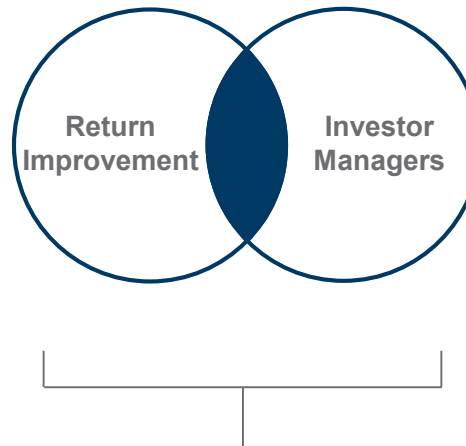
Potential global focus strategy investments have to pass each test

1 DOMINANT BUSINESS MODELS



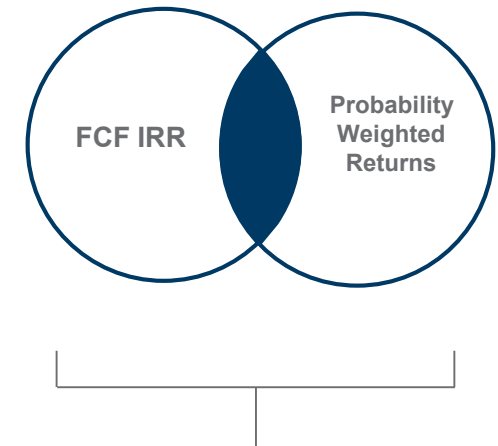
- Market position signifies competitive advantage.
- Interlocking moats provide new entrant protection.
- Willingness to pay enables value capture and inflation protection.

2 RETURN IMPROVEMENT



- $ROIIC > ROIC$.
- Growing Free Cash Flow (FCF) streams.
- Capital intensity in addition to growth and profitability.
- CEOs/CFOs that think like investors.

3 CASH FLOW BASED PAYOFF



- FCF over accounting profits.
- 10 year investment horizon.
- Absolute over relative returns.
- Probability brings likelihood into the equation.

Please see the end of the presentation for important disclosures.

LONDON STOCK EXCHANGE GROUP (LSEG LN)

PRICE: £84, MKT CAP: £46BN.

- London Stock Exchange Group (LSEG) is an integrated financial market infrastructure (FMI) operator.
- The venerable London Stock Exchange generated only 3% of 2022 group revenue.
- The 2021 acquisition of Refinitiv has materially shifted the company's economics to Data and Analytics.
- LSEG operates in duopoly and oligopoly markets with leading positions in data, indices and post-trade protected by a fortress of economic moats.
- We see potential for the company to leverage its Microsoft partnership and monetise its data exhaust to close the growth and profitability gap with peers.
- The existing equity overhang provide opportunity for long-term investors.
- We see 13% base case and 20% realistic bull case 5 year IRRs for LSEG investors.



Source: Brown Advisory and company reports as of 03/31/2023. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. To the extent specific securities are mentioned, they have been selected by the author on an objective basis to illustrate views expressed in the commentary and do not represent all of the securities purchased, sold or recommended for advisory clients. Please see disclosure statements at the end of this presentation for additional information and for a complete list of terms and definitions.

BANKS VS FINANCIAL MARKET INFRASTRUCTURE

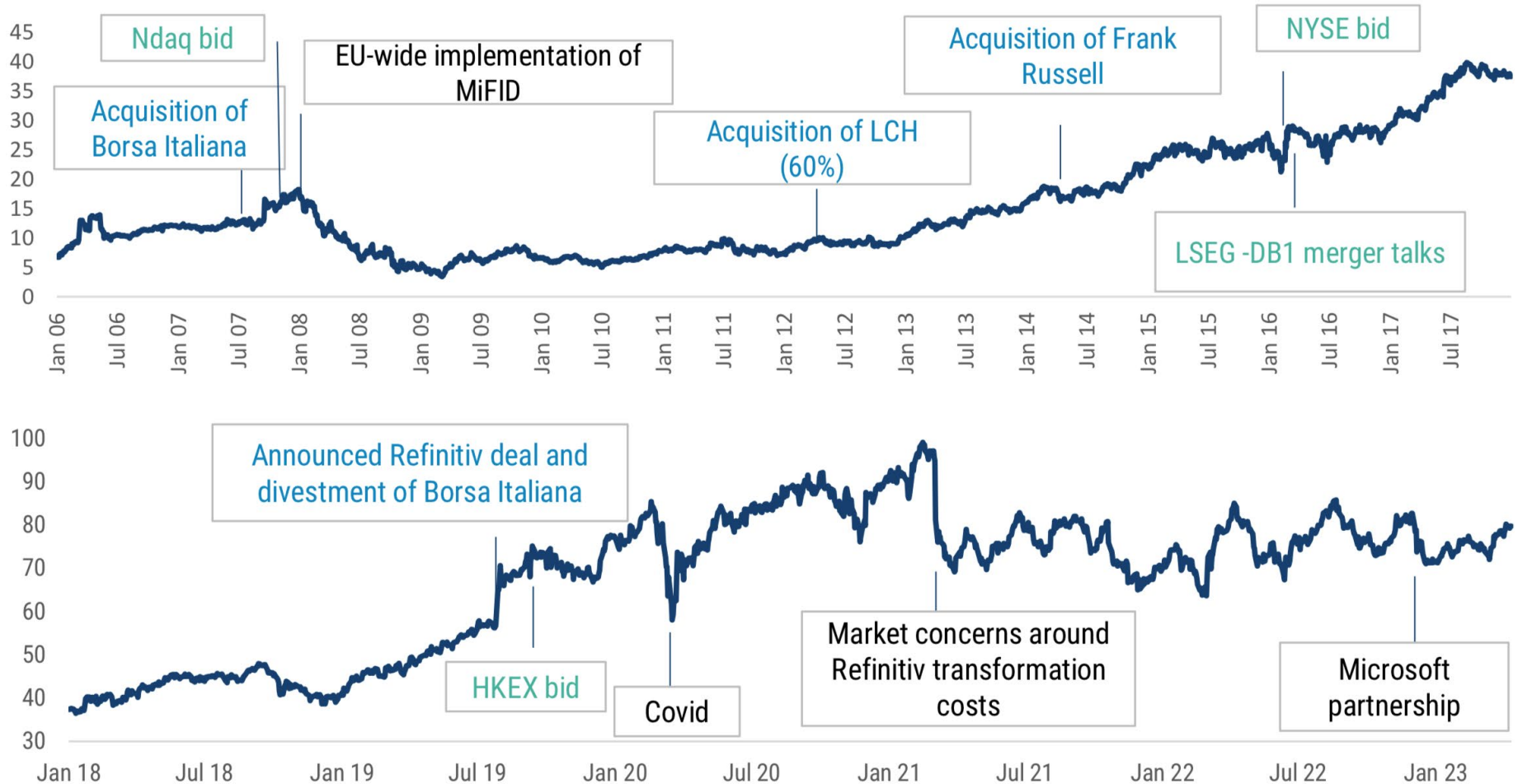
	BANKS	FINANCIAL MARKET INFRASTRUCTURE (FMI)
Dominant Business Models	<ul style="list-style-type: none"> ▪ Differentiated customer outcome is difficult ▪ Dominant business models are rare 	<ul style="list-style-type: none"> ▪ Risk mitigation drives consumer surplus ▪ Natural monopolies enhanced by regulatory capture
Return Improvement	<ul style="list-style-type: none"> ▪ Frequently capped by competition, regulators and central banks 	<ul style="list-style-type: none"> ▪ Significant operating leverage and ROIC potential
>15% Base Case IRR	<ul style="list-style-type: none"> ▪ Possible but wide probabilities 	<ul style="list-style-type: none"> ▪ Possible with structural and cyclical growth

Natural monopolies entrenched by network effects, regulatory capture and switching costs

Source: Company Reports as of 03/31/2023.

For institutional investors only

LSEG KEY EVENTS AND PRICE DEVELOPMENT



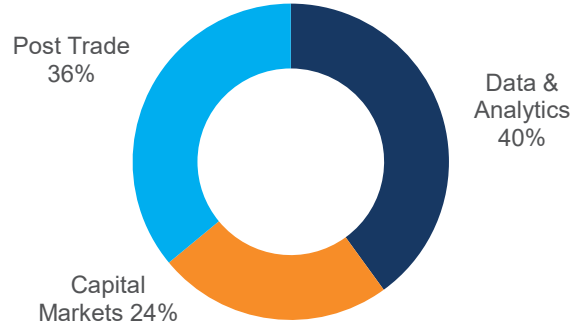
LSEG shares have flatlined after Refinitiv

Source: Jefferies as of 03.31.2023.

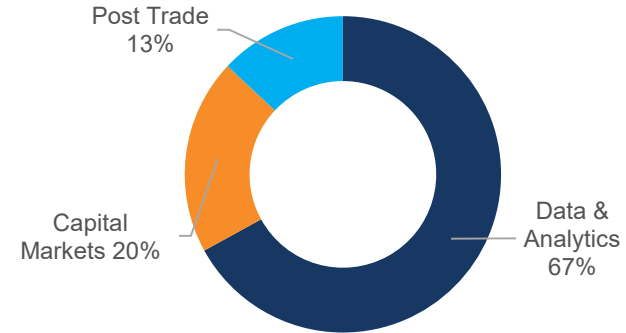
LSEG'S ECONOMICS

AN INTEGRATED FMI BUSINESS

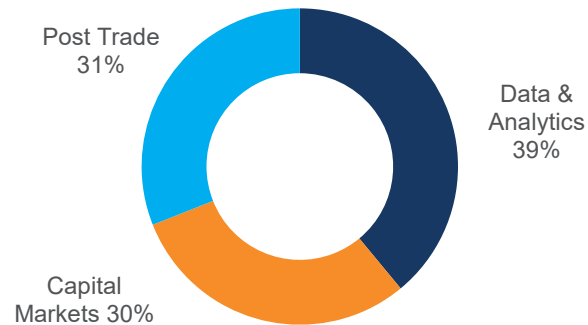
LSEG 2014 REVENUE



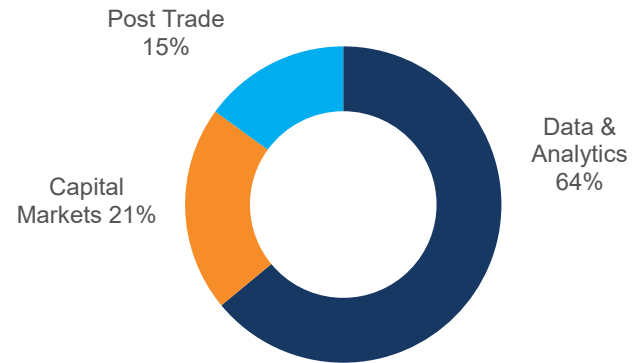
LSEG 2022 REVENUE



LSEG 2014 OPERATING PROFIT



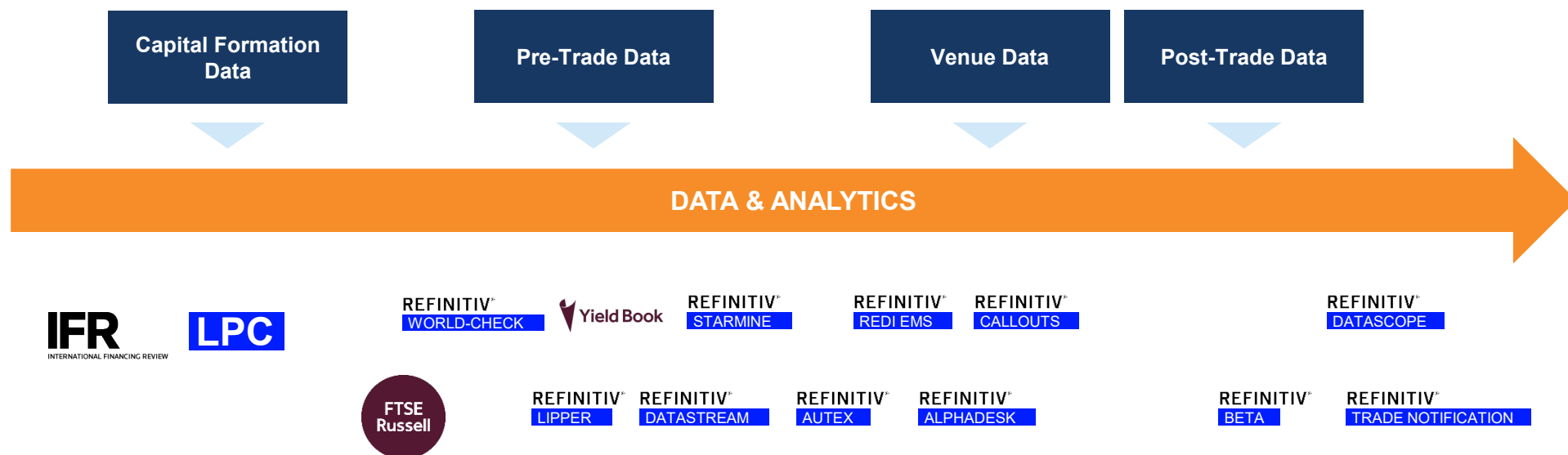
LSEG 2022 OPERATING PROFIT



Source: Company Reports and Brown Advisory Estimates as of 03.31.2023.

THE REFINITIV ACQUISITION

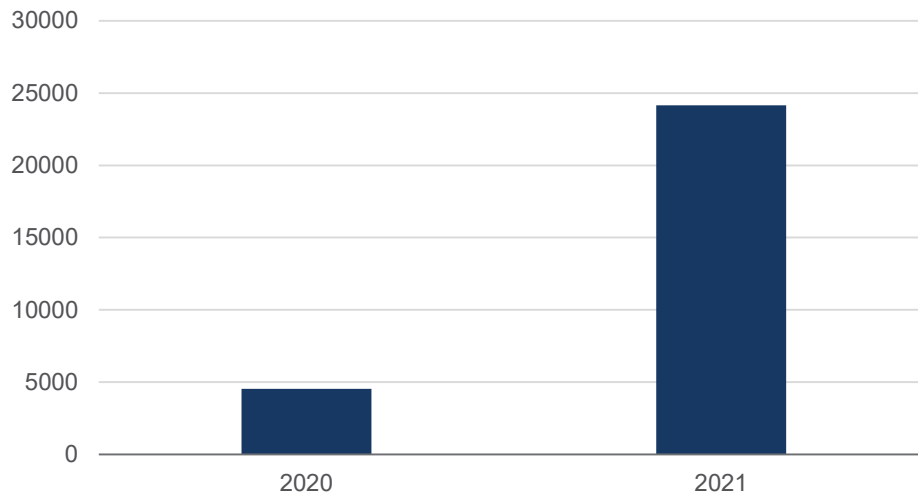
- November 2019 LSEG announced the acquisition of Refinitiv in an all share transaction.
- LSEG paid 12x EBITDA with £225m revenue and £350m cost synergies targeted.
- The \$27bn transaction completed in January 2021 following the divestment of Borsa Italiana.
- The acquisition materially increases LSEG's exposure to data and analytics.
- Initial synergies have been upgraded to £250m - £400m revenue benefits and >£400m cost savings by 2025.
- Selling shareholders, the Blackstone-Thomson Consortium (The Consortium), initially received 37% LSEG equity (204.4m shares) which was subject to a 3 year lock-up.
- We expect LSEG ROIC to expand and the equity overhang to disappear.



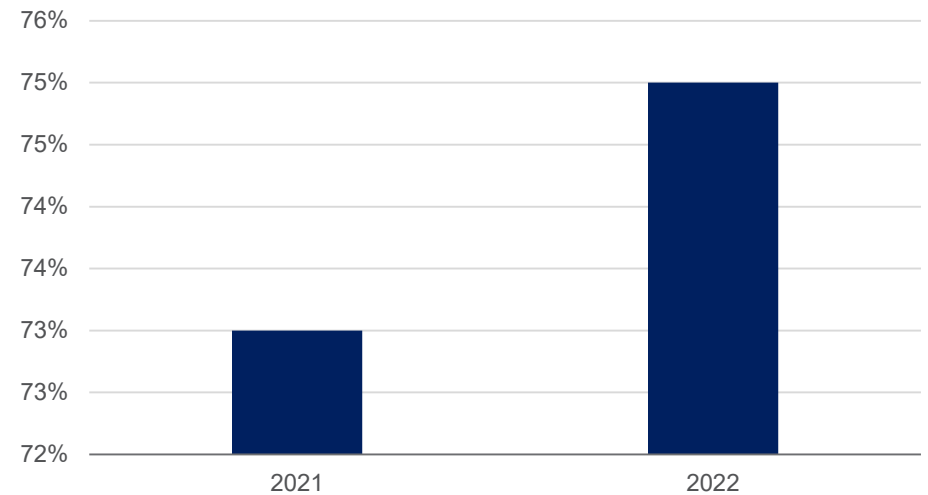
Source: Company Reports as of 03.31.2023.

- Following the appointment of David Schwimmer (2018) LSEG has experienced a cultural revolution.
- Nearly all the senior leadership team have been replaced – only Dan Maguire (Post-Trade) pre-dates Schwimmer.
- We believe that Refinitiv was mismanaged with limited financial oversight.
- LSEG’s human capital has expanded with Refinitiv and employee engagement is one of the core KPIs.
- Sales teams have been refocused with 9 core solutions replacing 240 individual products in Data and Analytics.

LSEG AVERAGE NUMBER OF EMPLOYEES



LSEG EMPLOYEE ENGAGEMENT



LSEG is effectively a new financial market infrastructure business

Source: Company Reports as of 03.31.2023.

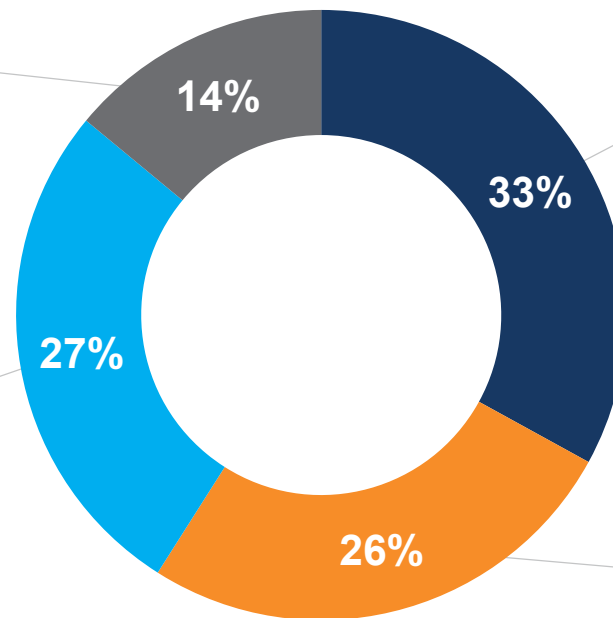
LSEG DATA & ANALYTICS ECONOMICS (67% LSEG REVENUE)

OTHER DATA & ANALYTICS

- Wealth Solutions and Customer and Third Party Risk Solutions.
- Wealth Solutions provides data and analytics for wealth management using similar IP.
- Customer and Third Party Risk Solutions provides data and analytics for risk mitigation.
- Key risk product is World Check.

INVESTMENT SOLUTIONS

- FTSE-Russell indices and analytics.
- Customers are asset owners, managers and banks.
- 40k customers and \$18trn AUM benchmarked.
- FTSE-Russell competes with MSCI and S&P.



TRADING AND BANKING

- The human-data interface.
- Desktop workflow solutions for banks, asset managers and other market participants.
- 30k customers and 250k users.
- Eikon and Workspace are key products.
- Bloomberg, Factset, Capital IQ (S&P) are main competitors.

ENTERPRISE DATA SOLUTIONS

- Wholesale data provision.
- Real time data and PRS (pricing & reference services).
- Clients are all financial market participants – banks, brokers, asset managers, custodians.
- 1.2k real time and 3k PRS data customers.
- Bloomberg is the main competitor.

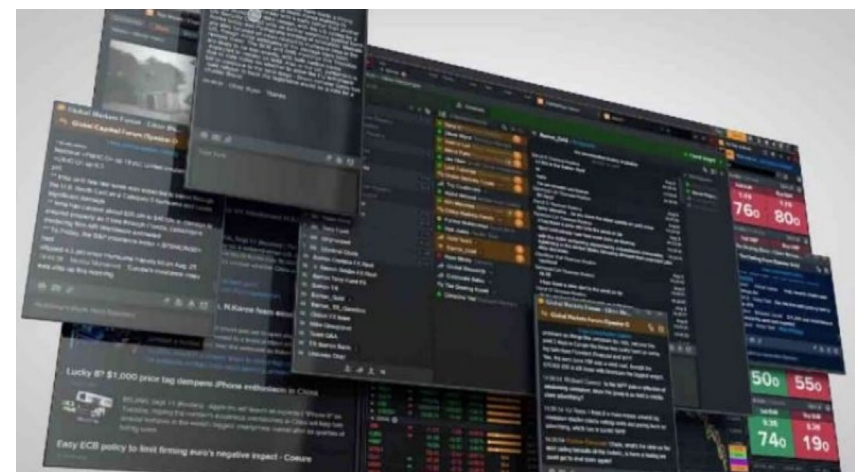
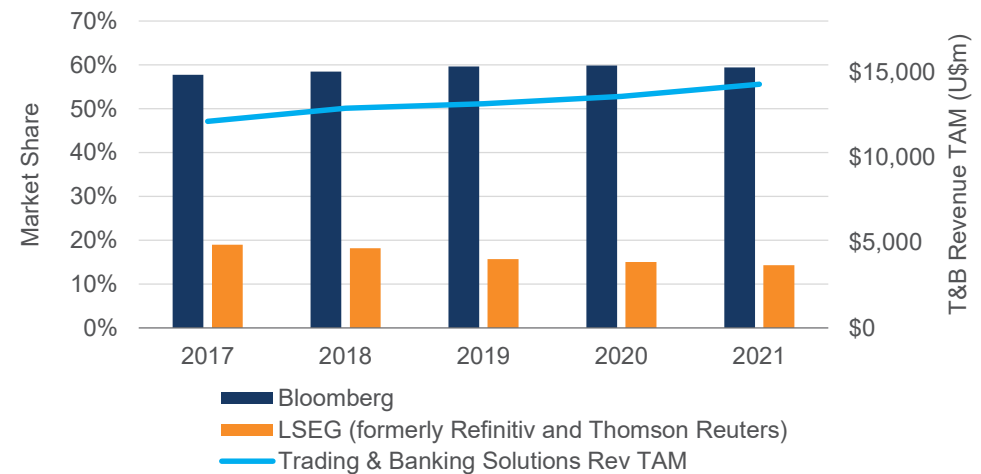
Three Data and Analytics Business Units Account for 57% LSEG revenue

TRADING AND BANKING (22% LSEG 2022 REVENUE)

SHARE DONOR TO VALUE CREATOR

- Trading and Banking is the home of LSEG's human-data interface businesses.
- At acquisition the company had 12% share of a single digit growth market.
- The company serve 30k customers with 250k users.
- Most investors know Refinitiv's Eikon Premium product which accounts for c.35% of Trading and Banking revenue.
- Thomson Reuters/Refinitiv has lost market share to Bloomberg historically.
- LSEG is repositioning Trading and Banking with a new sales effort and new cloud-based modular product Workspace.
- The business unit has been restructured with 50% sales and 67% of total staff being replaced.
- We expect a closer customer focus, facilitated by Microsoft and Workspace, to drive sustained growth.

TRADING AND BANKING MARKET SHARE



Source: Company Reports & Redburn as of 03.31.2023.

THE LSEG-MICROSOFT STRATEGIC PARTNERSHIP

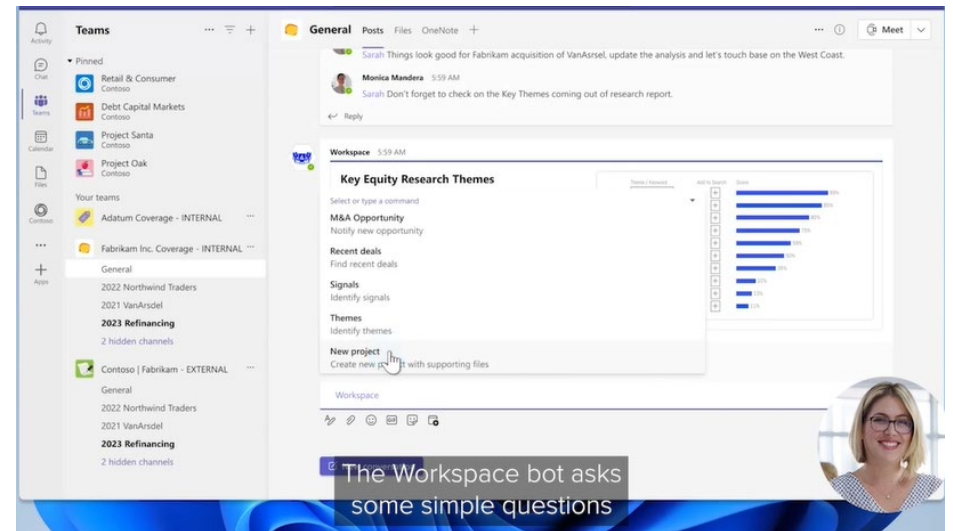
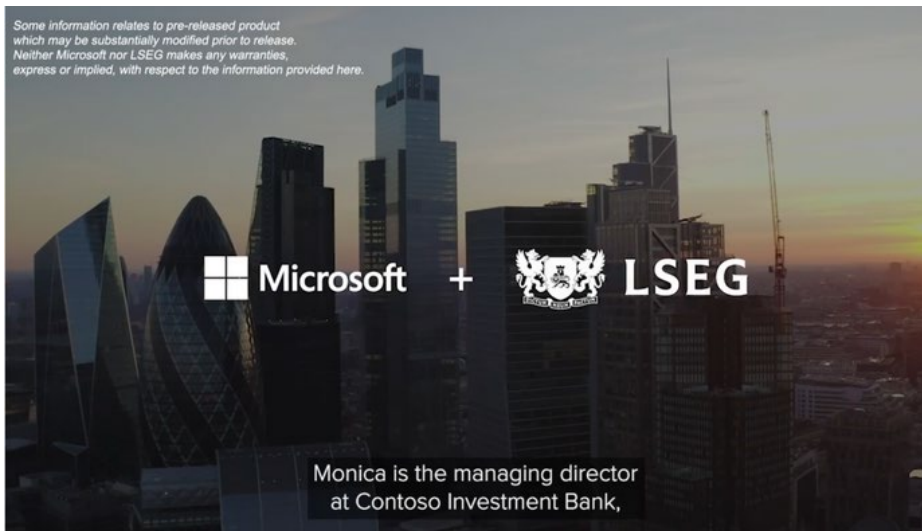
- December 2022 LSEG announced a 10 year strategic partnership with Microsoft.
- LSEG have committed to £2.3bn of minimum cloud spending and Microsoft bought 4% of LSEG equity.
- Microsoft VP of Cloud and AI Scott Guthrie has joined the LSEG board.
- The partnership is expected to increase revenue '*meaningfully*' from 2025.

We see the relationship as expanding LSEG's moats and creating value by:

1. Integrating Refinitiv's offering with Microsoft products Teams and Office.
2. Providing further data manipulation for the information exhaust through AI.
3. Developing LSEG open access model through Power BI.
4. Adding cost base flexibility.

The Microsoft partnership has the potential to redress the competitive balance

THE LSEG-MICROSOFT STRATEGIC PARTNERSHIP

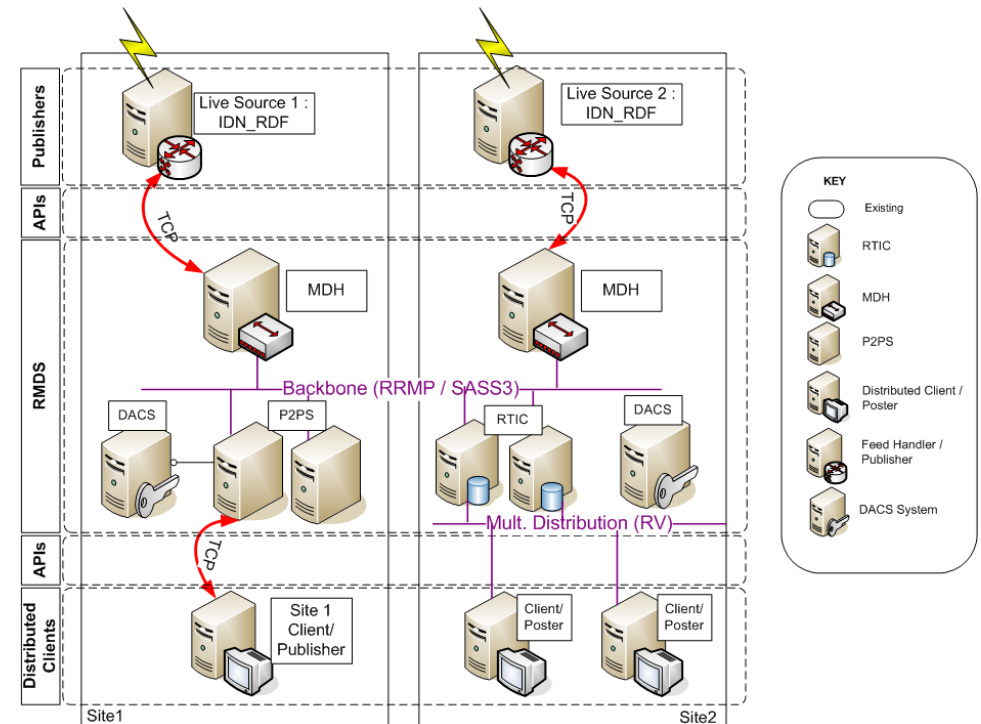


The Microsoft partnership has the potential to expand LSEG's data moats

<https://www.lseg.com/en/investor-relations/financial-results/2022-preliminary-results>

- Enterprise Data Solutions is LSEG’s wholesale data business acquired from Refinitiv.
- LSEG is the leading continuous real time data feed (CRTD) provider, through Elektron Real Time, and top 3 in reference data.
- Data is pulled from 150k sources, 500 real time market venues and 80m securities and instruments.
- Our understanding is that Refinitiv data is viewed as the highest quality financial data in the market
- Switching costs are further reinforced by the Reuters Market Data System (RMDS) protocol.
- Competitive advantage was highlighted in Bloomberg’s aborted price war in 2020.
- We expect regulation to be a tailwind for growth.

THE REUTERS MARKET DATA SYSTEM PROTOCOL



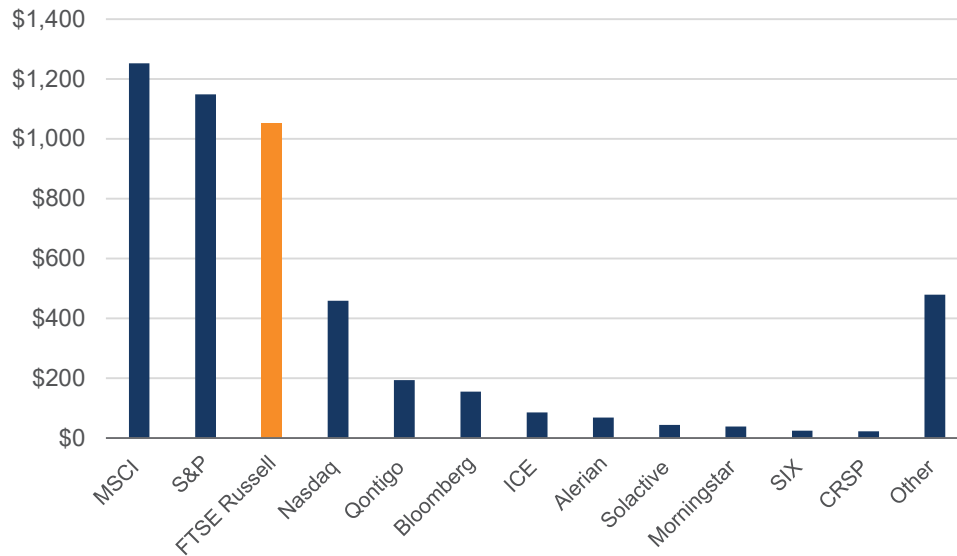
‘Reuters are under the floorboards with real time data – we have the best data’.

Dean Berry

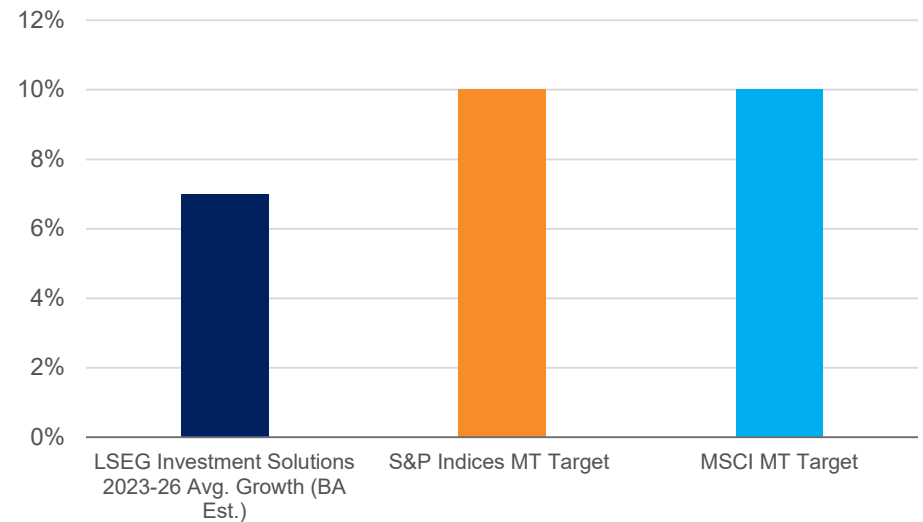
INVESTMENT SOLUTIONS (17% LSEG 2022 REVENUE)

- Investment Solutions is centred around LSEG’s top 3 index business FTSE-Russell.
- FTSE Russell has a broader offering than peers with expertise in multi-asset and ESG indices.
- The business should benefit from passive asset growth (\$1.1trn ETF AUM) and fixed income indices.
- We expect Investment Solutions to be one major source of Refinitiv revenue synergy with data being used in new index products.
- We see management’s targeted high single digit growth rate as achievable and scope for the business to grow in-line with peers.

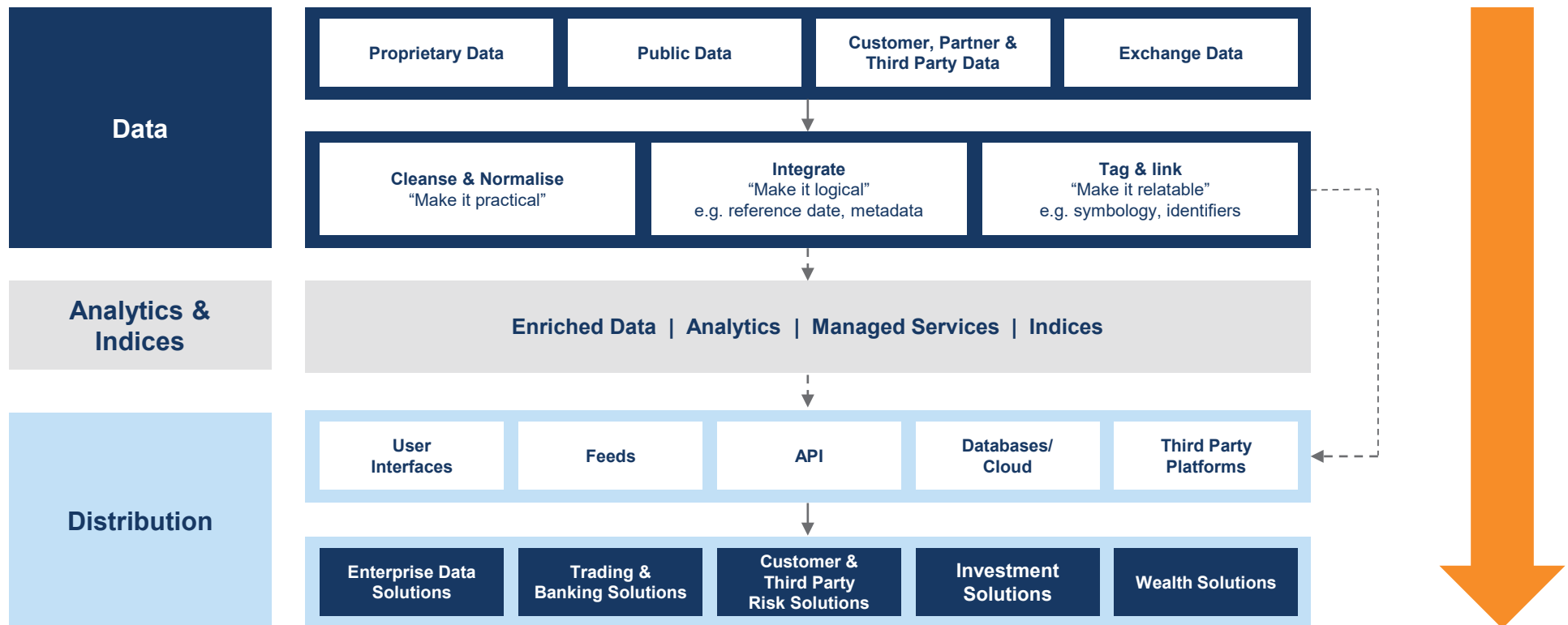
INDEX PROVIDER REVENUE (\$M)



LSEG IS REVENUE GROWTH VS PEERS



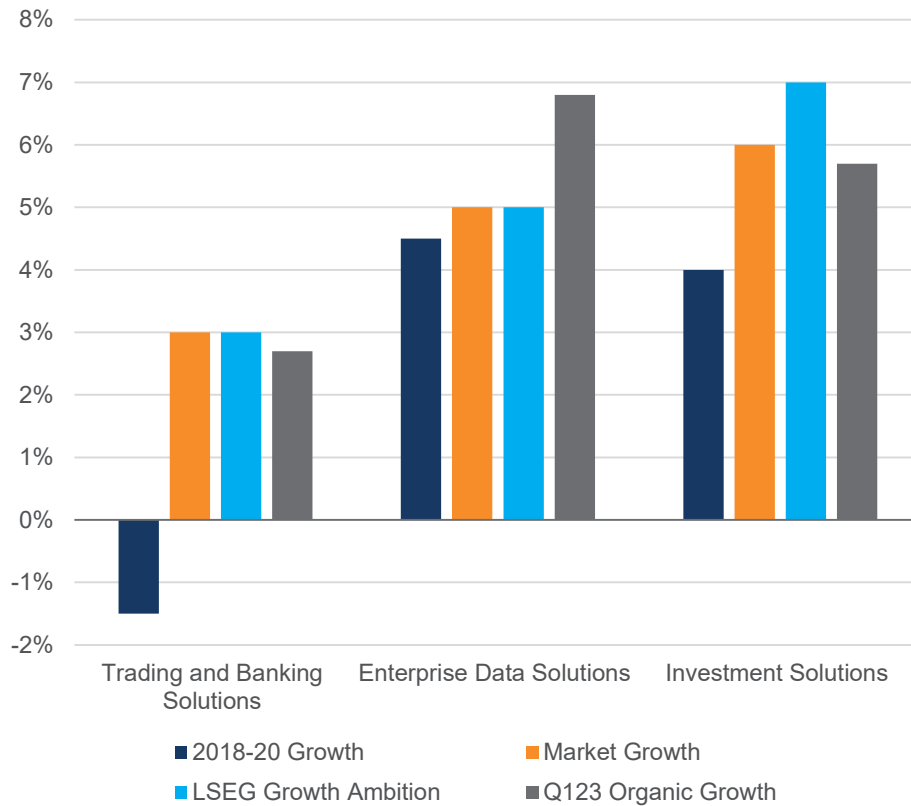
Source: Company Reports & Jefferies as of 03.31.2023.



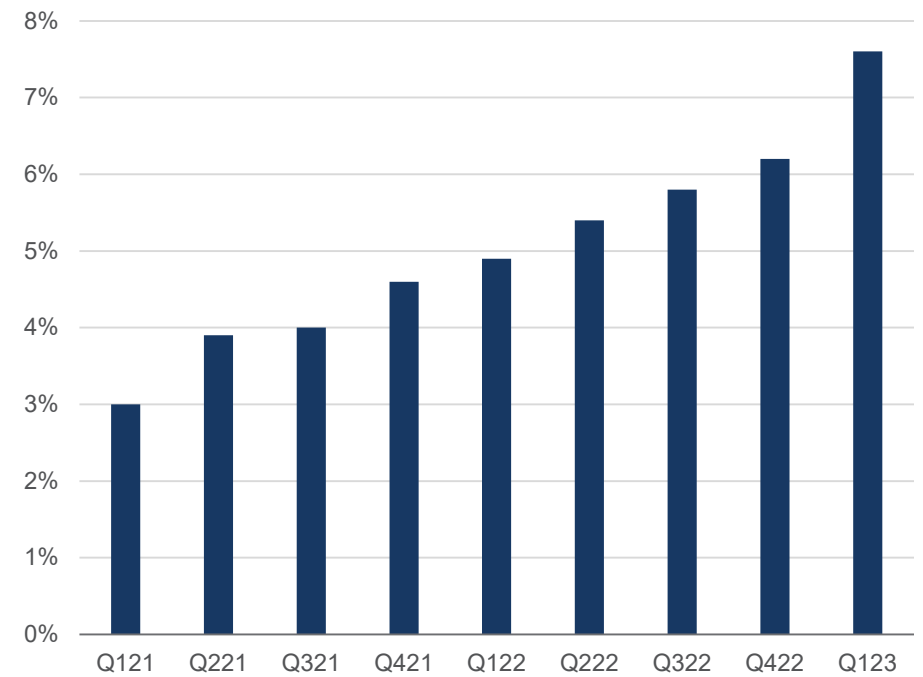
- LSEG combines proprietary and third party data with analytics in multiple products .
- Enterprise Data, Trading and Banking and Investment Solutions account for 86% of Data and Analytics and 57% of group revenue (2022).
- 97% of Data and Analytics revenue is sticky and recurring.
- The upstream-downstream nature of Data and Analytics means the business unit can be viewed as one entity.

Source: Company Reports as of 03.31.2023.

LSEG DATA AND ANALYTICS GROWTH (%)



DATA & ANALYTICS ANNUAL SUBSCRIPTION VALUE GROWTH (%)

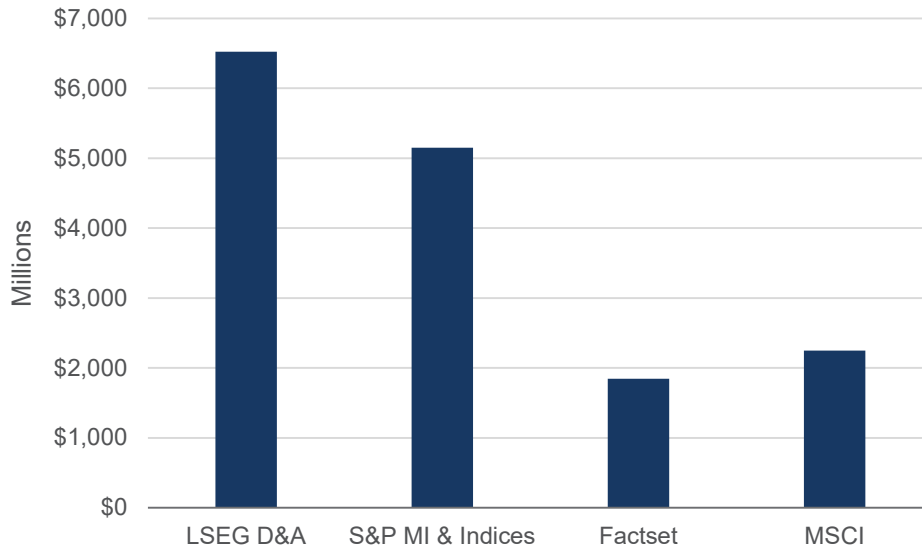


'We bought a fixer-upper.'

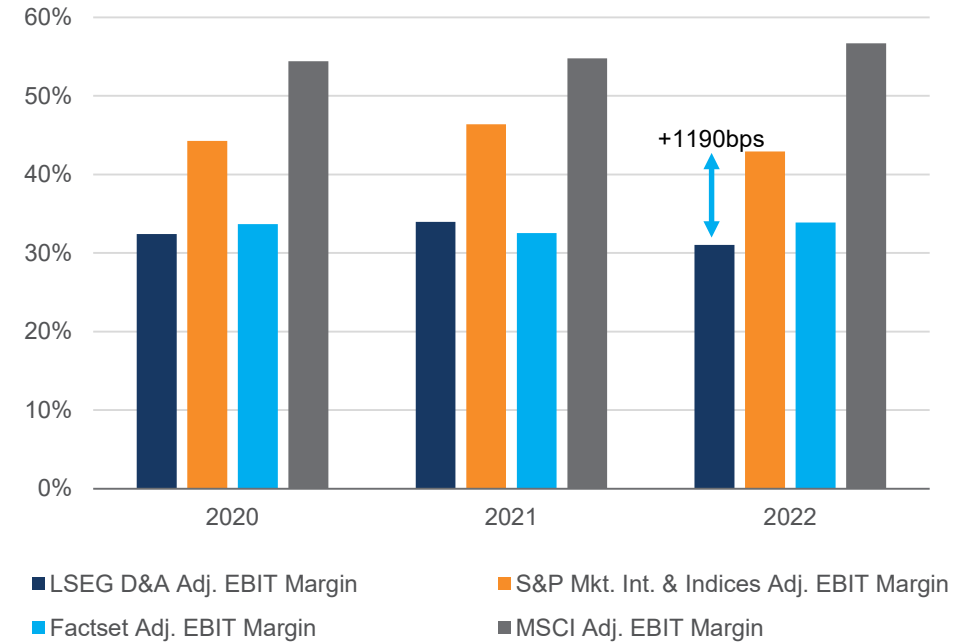
David Schwimmer

Source: Company Reports as of 03.31.2023.

LSEG 2022 D&A REVENUE VS PEERS



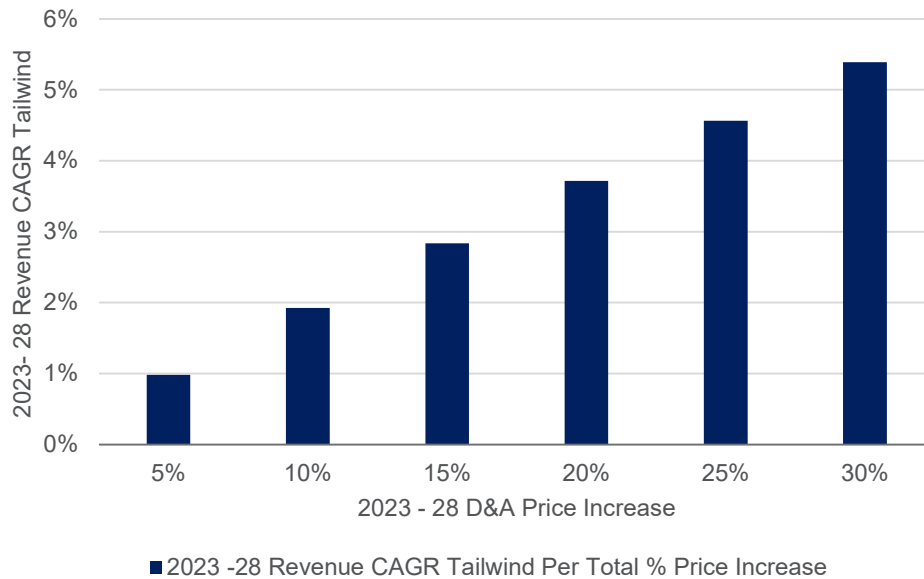
LSEG D&A ADJ EBIT MARGINS VS PEERS



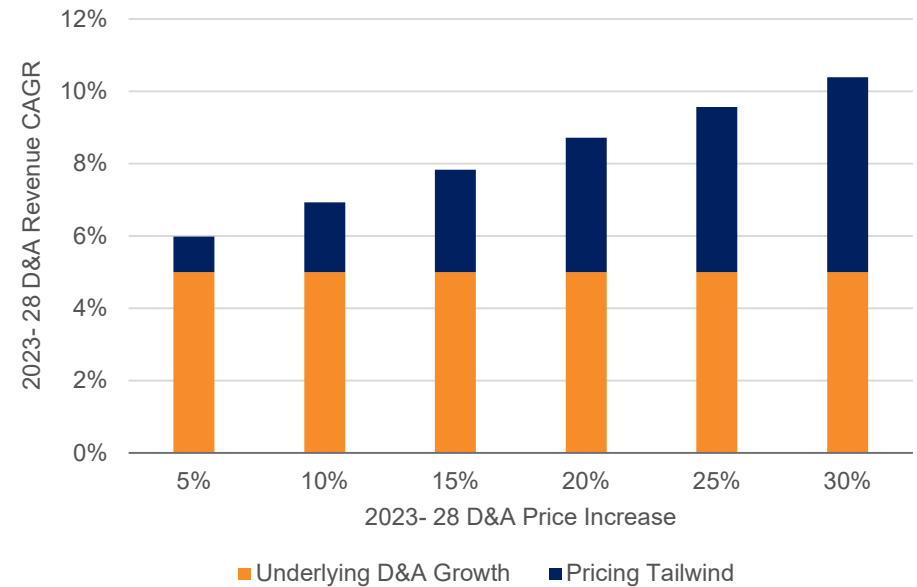
- We believe that LSEG’s Data and Analytics business is currently underearning.
- In 2022 there was 1190bps margin difference between S&P MI & Indices and LSEG Data and Analytics.
- Closing the margin gap to S&P would equate to c.800bps improvement at LSEG group.
- We see scope for LSEG to continue to grow ASV and close the D&A margin gap with peers.

Source: Company Reports & BA Estimates as of 03.31.2023.

2023-2028 D&A REVENUE CAGR TAILWIND PER TOTAL % PRICE INCREASE



2023 - 2028 D&A REVENUE GROWTH CAGR POTENTIAL



- We understand that LSEG’s Data and Analytics products are currently priced at a 10-30% discount to peers.
- Closing the pricing gap can accelerate growth and margins.
- We expect the company to upgrade their 4-6% growth ambition for Data and Analytics at the investor day in November.

‘There is a price gap in the market and we’re confident we can begin to close it’.

David Schwimmer

Source: Company Reports & BA Estimates as of 03.31.2023.

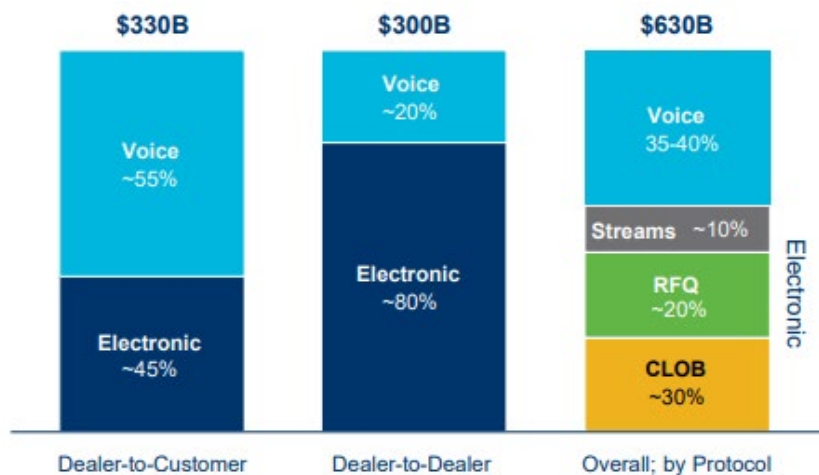
Capital Markets (20% LSEG Revenue)

- LSEG operates trading venues that provide liquidity in numerous asset classes.
- Major venues include Tradeweb in fixed income (13% LSEG revenue), Fxall and Matching in FX (4% LSEG revenue) and London Stock Exchange in equities (3% LSEG revenue).
- Electronification should continue to be a major growth driver for Tradeweb (51% economic interest) in fixed income and Fxall and Matching in FX.
- We see high single digit medium-term growth as achievable for capital markets.

Post Trade (13% LSEG Revenue)

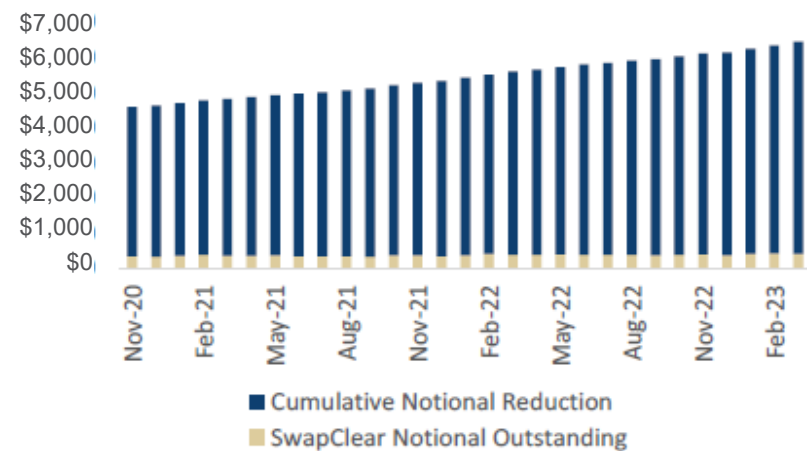
- LSEG owns multi-national clearing house LCH Group (82.6% economic interest).
- LCH's services extend to multiple asset classes with particular strength in OTC derivatives - >90% of interest rate swaps are cleared on SwapClear.
- Participants receive substantial capital benefits from compression and margin optimisation services at LCH.
- Post trade has been benefitted regulatory tailwinds.
- We expect high single digit medium-term growth at Post Trade.

THE TRADEWEB US TREASURY ELECTRONIFICATION OPPORTUNITY



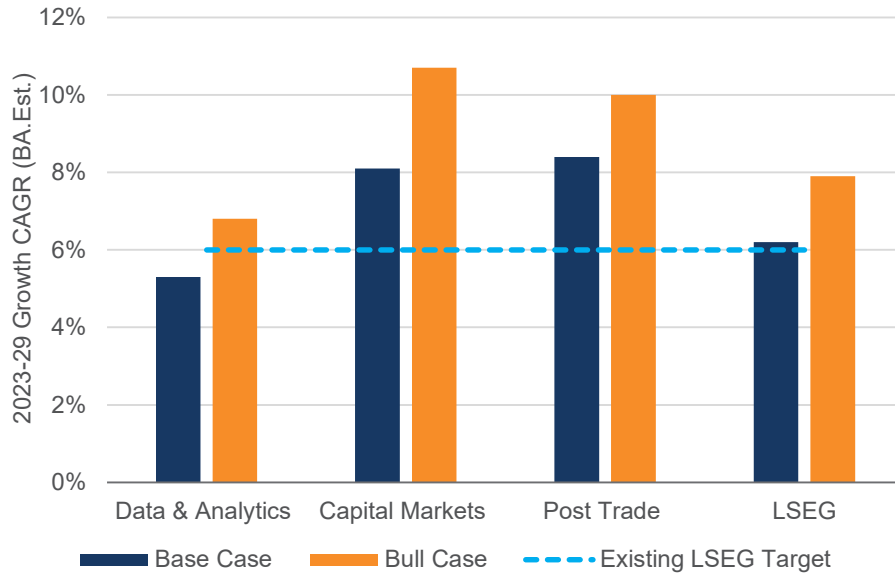
Source: Company Reports as of 03.31.2023.

SWAPCLEAR NOTIONAL OUTSTANDING REDUCTION

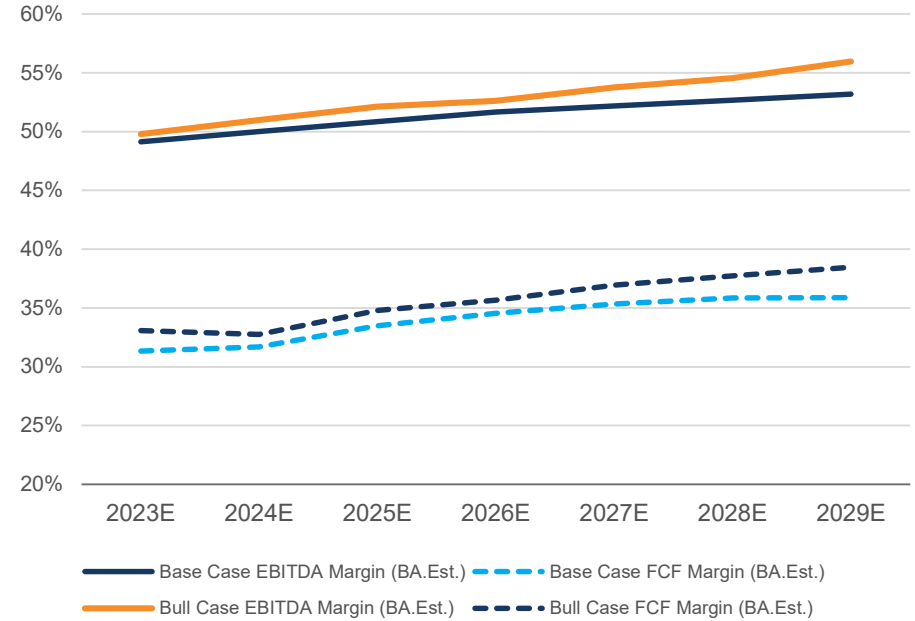


Source: LCH, Jefferies as of 03.31.2023.

2023-29 GROWTH CAGR (BA. EST.)

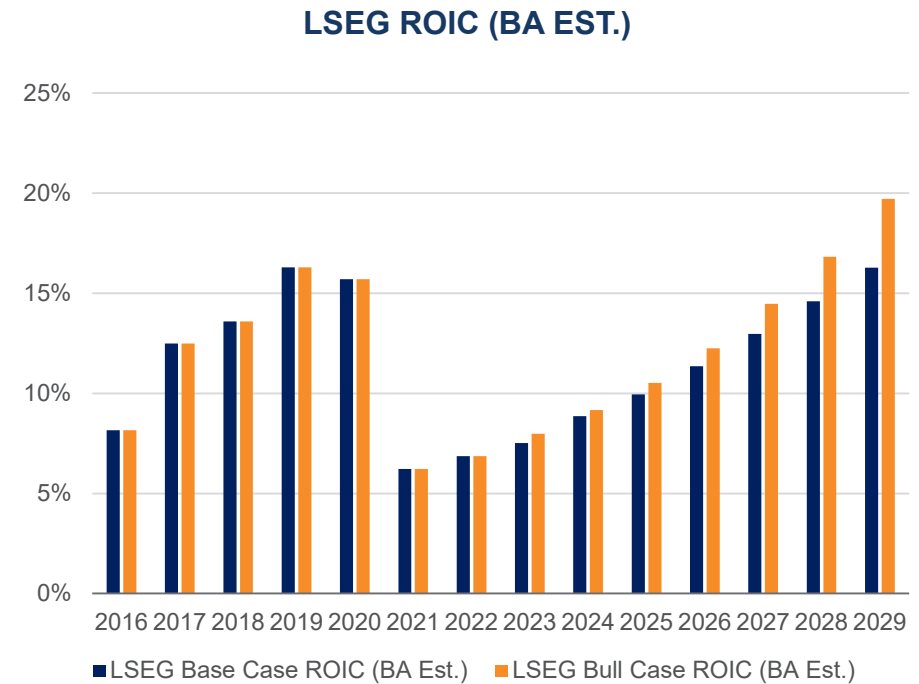
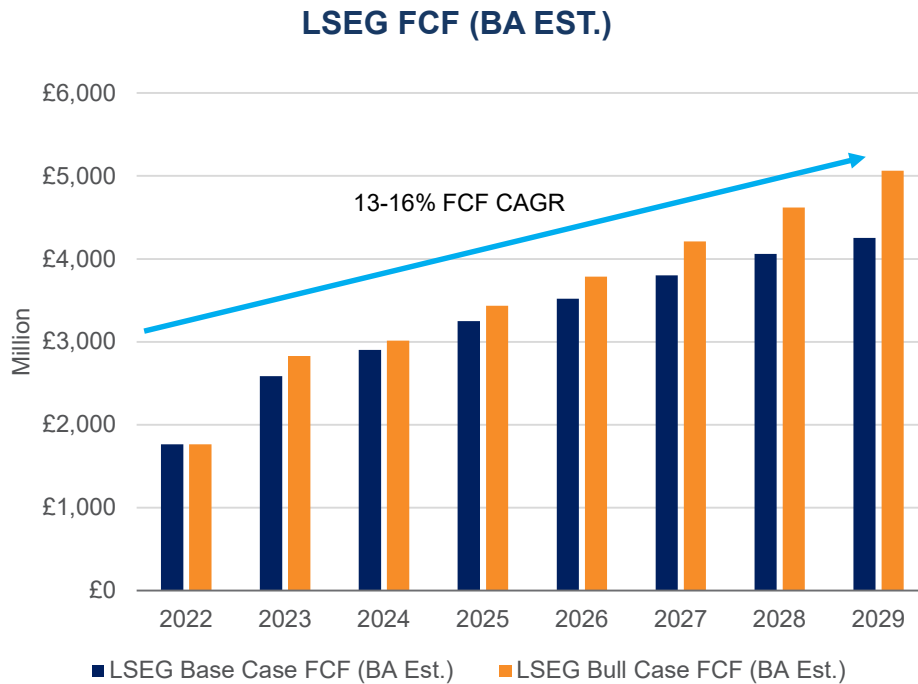


LSEG PROFITABILITY (BA. EST.)



- There is potential for higher long-term growth at LSEG following the Refinitiv acquisition.
- Natural margin progression could be accelerated by pricing.
- We expect the company to increase its long-term growth and margin expectations at the Investor Day in November.
- We view our bull case as being achievable.

Source: Company Reports and Brown Advisory Estimates as of 03.31.2023.

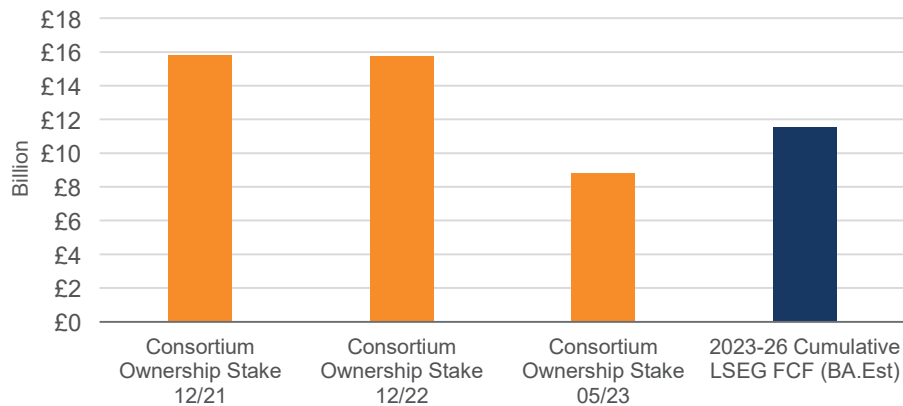


- We see our bull case estimates as achievable driving a 20% 5 year IRR for LSEG investors.

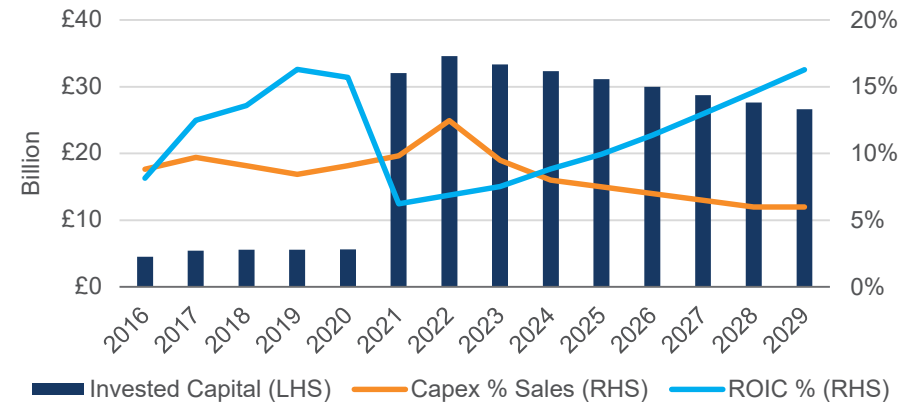
Growth + operating leverage = FCF growth + ROIC expansion

Source: Company Reports and Brown Advisory Estimates as of 03.31.2023.

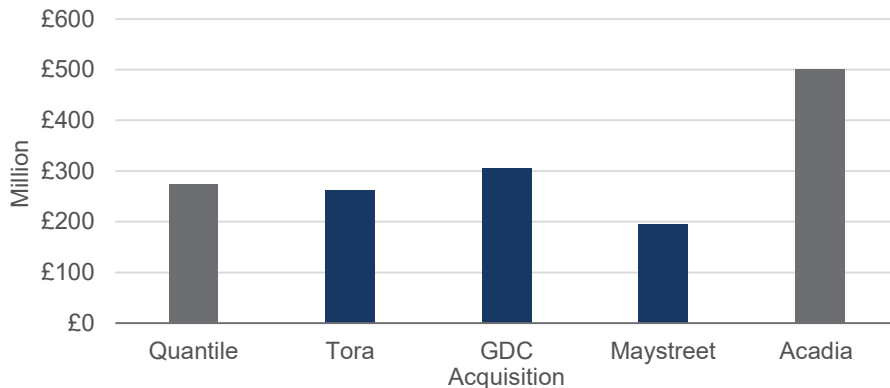
CONSORTIUM OWNERSHIP VS LSEG FREE CASH FLOW



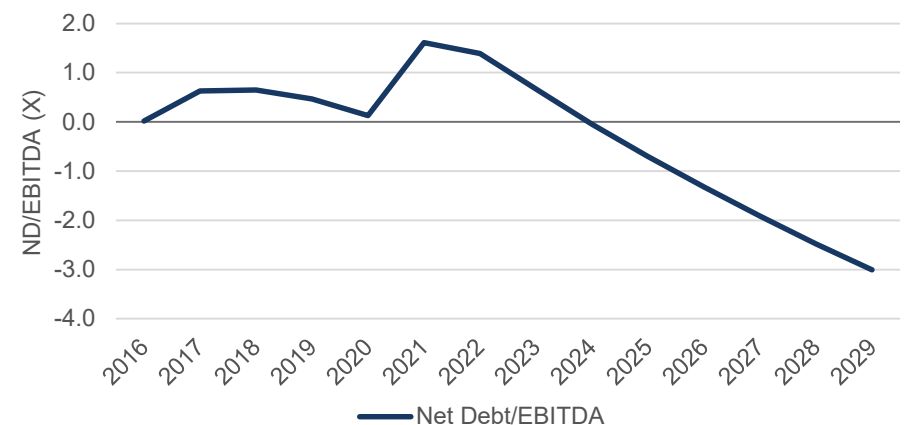
LSEG CAPITAL ALLOCATION



POST REFINITIV LSEG ACQUISITIONS



LSEG LEVERAGE



- We look to exploit temporal advantages for our partners.
- We expect the Consortium to keep liquidating its LSEG position.
- LSEG is highly cash generative with scope for further buybacks and bolt-on M&A.

Source: Company Reports and Brown Advisory Estimates as of 03.31.2023.

■ For institutional investors only

RISKS TO THE LSEG INVESTMENT CASE

WHAT COULD IMPACT PROBABILITIES.

Upside Risks

- Increased financial regulation that facilitates technological change.
- Accelerated benefits of the Microsoft partnership.
- Pricing to capture growing consumer surplus.
- Workspace usurping Bloomberg.
- Sustained periods of higher volatility benefit Capital Markets.

Downside Risks

- Refinitiv rehabilitation failure.
- Reversal of financial regulation including cessation of EU-UK equivalence.
- Data breach in Data and Analytics.
- Credit Suisse-esque customer consolidation.
- Electronification channel shift slowdown in capital markets.
- Clearinghouse failure.
- Overzealous M&A – including minority buy-ins.



How LSEG passes our three tests

1 DOMINANT BUSINESS MODELS



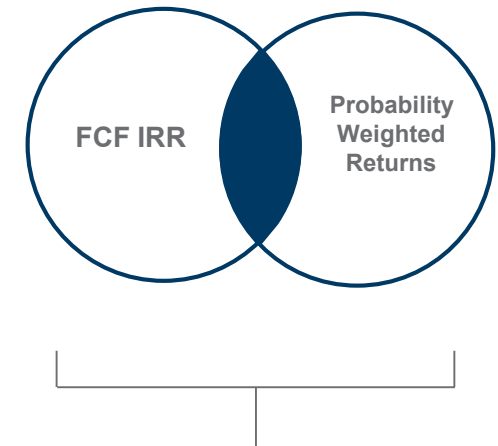
- LSEG is an integrated FMI market leader.
- Scale, intangible value (regulatory capture/IP), network effects and switching costs reinforce competitive advantage.
- We expect moat expansion following the Refinitiv acquisition and Microsoft strategic partnership.
- Willingness to pay, facilitated by risk-mitigation, should increase with ongoing investment.

2 RETURN IMPROVEMENT



- We expect ROIC and margins to expand 2023-2029.
- We see 13-16% FCF CAGR 2023-2029.
- There is scope for further value-added capital deployment.

3 CASH FLOW BASED PAYOFF



- We see 13% base case and 20% 5 year realistic bull case IRR for LSEG investors.
- Given the business model we see a tight range of probabilities around the different scenarios.

Please see the end of the presentation for important disclosures.

DISCLOSURES

FOR INSTITUTIONAL INVESTORS ONLY

Past performance is not a guarantee of future performance and you may not get back the amount invested.

The views expressed are those of the author and Brown Advisory as of the date referenced and are subject to change at any time based on market or other conditions. These views are not intended to be and should not be relied upon as investment advice and are not intended to be a forecast of future events or a guarantee of future results. The information provided in this material is not intended to be and should not be considered to be a recommendation or suggestion to engage in or refrain from a particular course of action or to make or hold a particular investment or pursue a particular investment strategy, including whether or not to buy, sell, or hold any of the securities mentioned. It should not be assumed that investments in such securities have been or will be profitable. To the extent specific securities are mentioned, they have been selected by the author on an objective basis to illustrate views expressed in the commentary and do not represent all of the securities purchased, sold or recommended for advisory clients. The information contained herein has been prepared from sources believed reliable but is not guaranteed by us as to its timeliness or accuracy, and is not a complete summary or statement of all available data. This piece is intended solely for our clients and prospective clients, is for informational purposes only, and is not individually tailored for or directed to any particular client or prospective client.

As of March 31, 2023, Brown Advisory had approximately \$130.7 billion in client assets for the following entities: Brown Advisory LLC, Brown Investment Advisory & Trust Company, Brown Advisory Securities LLC, Brown Advisory Ltd., Brown Advisory Trust Company of Delaware, LLC Brown Advisory Investment Solutions Group LLC, NextGen Venture Partners LLC and Signature Financial Management, Inc. Total strategy assets include accounts that are excluded from the composite. These assets include (1) single strategy assets of balanced accounts, (2) accounts that do not meet the composite minimum market value requirement and (3) accounts with restrictive guidelines.

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FTSE Russell® calculates a series of net-of-tax total return indexes where withholding tax is deducted at either the maximum rate (the rate that applies if a non-resident investor is unable to take advantage of any double taxation treaties), or the rates that apply in the presence of applicable double taxation treaties. The latter depend on the type of investors as well as on their tax residence. FTSE Russell® currently calculates standard net-of-tax indexes for two such investor types: a US Regulated Investment Company (RIC) and a UK pension fund. **The FTSE All-World Developed Index** is a market-capitalization weighted index representing the performance of large and mid cap companies in Developed markets. The index is derived from the FTSE Global Equity Index Series (GEIS), which covers 98% of the world's investable market capitalization. FTSE® is a trade mark of LSEG and is used by FTSE under licence.

The **MSCI World Index** captures large and mid cap representation across 23 Developed Markets (DM) countries. With 1,632 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. All MSCI indexes and products are trademarks and service marks of MSCI or its subsidiaries.

An investor cannot invest directly into an index.

All financial statistics and ratios are calculated using information from Factset as of the report date unless otherwise noted. FactSet® is a registered trademark of FactSet Research Systems, Inc. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and Standard & Poor's. "Global Industry Classification Standard (GICS), "GICS" and "GICS Direct" are service marks of Standard & Poor's and MSCI. "GICS" is a trademark of MSCI and Standard & Poor's. Bloomberg is a trademark and service mark of Bloomberg Finance L.P., a Delaware limited partnership, or its subsidiaries. Any other trademarks or service marks are property of their respective owners.

ROIC is a measure of determining a company's financial performance. It is calculated as NOPAT/IC; where NOPAT (net operating profit after tax) is $(EBIT + \text{Operating Leases Due 1-Yr}) \times (1 - \text{Cash Tax Rate})$ and IC (invested capital) is $\text{Total Debt} + \text{Total Equity} + \text{Total Unfunded Pension} + (\text{Operating Leases Due 1-Yr} \times 8) - \text{Excess Cash}$. ROIC calculations presented use LFY (last fiscal year) and exclude financial services.

ROIIC is calculated by dividing a company's constant rate incremental operating income (plus depreciation and amortization) by the constant rate-weighted average-adjusted investment capital. The ratio is expressed as a percentage.

FCF yield is a measure of financial performance calculated as operating cash flow minus capital expenditures. FCF yield calculations presented use LFY and exclude financial services.

Free cash flow (FCF) represents the cash a company generates after cash outflows to support operations and maintain its capital assets. Unlike earnings or net income, free cash flow is a measure of profitability that excludes the non-cash expenses of the income statement and includes spending on equipment and assets as well as changes in working capital.

Enterprise Value to Free Cash Flow (FCF/EV) compares the total valuation of the company with its ability to generate cashflow. It is the inverse of the Free Cash Flow Yield.

Market Capitalization refers to the aggregate value of a company's publicly-traded stock. Statistics are calculated as follows: **Weighted Average**: the average of each holding's market cap, weighted by its relative position size in the portfolio (in such a weighting scheme, larger positions have a greater influence on the calculation); **Weighted Median**: the value at which half the portfolio's market capitalization weight falls above and half falls below; **Maximum and Minimum**: the market caps of the largest and smallest companies, respectively, in the portfolio.

Alpha is a measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a portfolio and compares its risk-adjusted performance to a benchmark index.

The internal rate of return (IRR) is a measure of an investment's rate of return. The internal rate of return is a discount rate that makes the net present value (NPV) of all cash flows from a particular project equal to zero. It is also called the discounted cash flow rate of return.