Deep liquidity. Unique data.

Annual Report and Accounts 2023

TP ICAP Group plc is a world-leading provider of market infrastructure and data-led solutions.

We connect institutional buyers and sellers in the world's financial, energy, and commodities markets. In so doing, we create deep liquidity and unique data, enabling our clients to transact with confidence.

Our capacity to connect builds trust with clients, supports the communities in which we operate, and equips us to anticipate, respond to, and drive change. It's what makes TP ICAP a mainstay in the effective functioning of efficient and liquid wholesale markets, now and in the future.

OUR PURPOSE

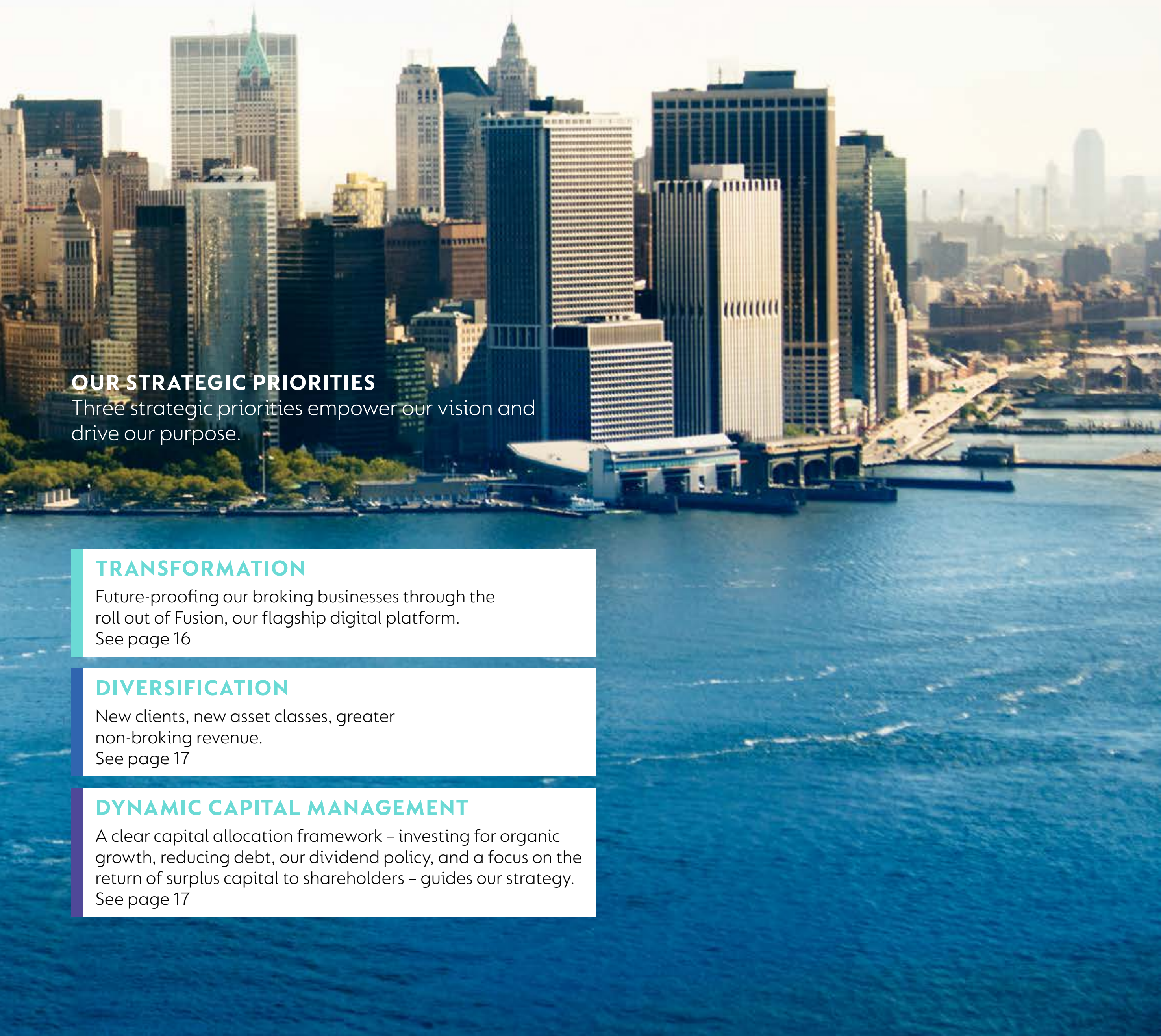
To provide clients with access to global financial, energy and commodities markets, improving price discovery, liquidity, and distribution of data, through responsible and innovative solutions.

OUR VISION

To be the world's most trusted, and innovative, liquidity and data solutions specialist.

OUR MISSION

Through our people and technology, we connect clients to superior liquidity and data solutions.



OUR STRATEGIC PRIORITIES

Three strategic priorities empower our vision and drive our purpose.

TRANSFORMATION

Future-proofing our broking businesses through the roll out of Fusion, our flagship digital platform.
See page 16

DIVERSIFICATION

New clients, new asset classes, greater non-broking revenue.
See page 17

DYNAMIC CAPITAL MANAGEMENT

A clear capital allocation framework – investing for organic growth, reducing debt, our dividend policy, and a focus on the return of surplus capital to shareholders – guides our strategy.
See page 17

2023 highlights

FINANCIAL

Revenue

2023	**2,191**
2022	2,115
2021	1,865

£2,191m

Profit before tax

2023	**96**
2022	113
2021	24

£96m

Operating profit (EBIT)

2023	**128**
2022	163
2021	97

£128m

Basic EPS

2023	**9.5**
2022	13.2
2021	0.7

9.5p

Operating profit (EBIT) margin

2023	**5.8**
2022	7.7
2021	5.2

5.8%

Dividend payment

Dividend policy targets dividend cover of c.2 times on adjusted post-tax earnings (50% pay-out ratio). Typically based on a pay-out range of 30-40% of half-year adjusted post-tax earnings with the balance paid in the final dividend.

£99m

Final dividend

Final dividend of 10.0 pence per share recommended for 2023, and payable to shareholders on 24 May 2024.

10.0p +27%

Total dividend

Total dividend for the year of 14.8 pence per share (2022: 12.4p), an increase of 19%.

14.8p +19%

SUSTAINABILITY

Carbon emissions

Reduced Scope 1 and 2 carbon emissions by 20% from 2022.

-20%

ESG ratings

Improved CDP Climate Change score from C to B-, and MSCI ESG Rating from BBB to A.

MSCI 'A' rated

Contents

TP ICAP at a glance

ABOUT TP ICAP

With a heritage dating back to 1866, TP ICAP is a world-leading provider of market infrastructure and data-led solutions.

Diversified client base:
Banks | Asset Managers | Hedge Funds | Corporates | Trading Houses | Market Makers

Integrated broking protocols:
Voice | Electronic | Hybrid

Coverage across all major asset classes and products:
Rates | FX | Credit | Equities | Oil | Gas | Power | Renewables | Digital Assets

#1

We are the world's:

> #1 Over-the-counter ('OTC') liquidity venue
> #1 Inter-dealer broker
> #1 OTC energy and commodities broker
> #1 Provider of OTC pricing data

28

Countries around the world

5,200

Employees
Including c.2,500 brokers

OUR BUSINESS DIVISIONS

Global Broking

The world's largest inter-dealer broker

> Rates, FX & Money Markets, Equities, and Credit
> Tullett Prebon and ICAP generally #1 or #2 in every product where they do business
> Brands compete to provide diverse liquidity pools and best service to clients
> 40% overall revenue market share[1]

40%

Market share

1 Compared with listed peers, as at half year 2023 results

Liquidnet

A global, tech-led agency execution specialist

> Leading electronic trading network
> Average daily liquidity of US$82 billion
> 1,000+ buy-side clients, collectively managing US$26 trillion in equity assets
> Specialist in Cash Equities dark/block trading
> Growing Listed Derivatives presence
> Deep connectivity into institutional workflows via order/execution management systems

Awards:
2023 European Markets Choice Awards: Best Agency Broker
2023 Waters Rankings: Best Crossing Network Provider
2023 Leaders in Trading: Outstanding Dark Trading Venue

Energy & Commodities

The world's leading OTC energy and commodities broker

> Comprehensive product coverage across all actively traded markets: Financial | Physical | Advisory
> Execution and liquidity delivered through ICAP, Tullett Prebon, and PVM, the world's leading oil broker
> Global coverage
> Our brokers add value across the life cycle of a trade: canvassing the market for expressions of interest, intelligence gathering, negotiations, execution, and post-transaction processing

19

Offices in 11 countries

Parameta Solutions

Specialist data and analytics division

> World-leading provider of unique, neutral OTC pricing data
> 800k+ instruments, leveraging TP ICAP's proprietary trade data, and third-party data
> Growth strategy centred on new product innovation, partnerships, and multi-channel distribution

~900

Clients worldwide

OUR INVESTMENT PROPOSITION

01 Market-leading position, strong dealer connectivity

- Revenue market share of 46% in listed peer group
- Deep connectivity, and long-established relationships, with top tier investment banks and asset managers

02 Deep liquidity. Unique data

- World's largest inter-dealer broker
- Well placed as a private sector liquidity provider
- World-leading provider of unique, neutral OTC pricing data

03 Diversified revenue base, strong geographical presence

- Well-diversified business model: c.65% of revenue generated outside the UK and c.60% USD-denominated
- Growing buy-side connectivity and data franchise drive diversification
- Present in key markets across 28 countries

04 Highly cash generative

- High profit to cash conversion across the business, with an attractive dividend yield for income investors

05 Diversification through new business opportunities

- Track record of creating new scale businesses, such as Parameta Solutions
- Well positioned for growth: Environmentals (e.g. trading of emissions credits), Digital Assets (tokenisation), and Dealer-to-Client trading of credit instruments

06 Major value opportunity

- Parameta Solutions: a substantial data and analytics business with high quality, high margin growth
- 96% subscription-based revenues; 98% client renewal rate
- Expanding through partnerships and new growth opportunities (e.g. benchmarks and indices)

07 Capital discipline

- Investing for organic growth: such as in Fusion, and Parameta Solutions
- Reducing debt: £100m of cash freed up to pay down debt in 2023
- Clear dividend policy: 50% pay-out ratio of adjusted post-tax earnings for full year
- Identify, and return to shareholders, surplus capital – subject to ongoing assessment of balance sheet/investment requirements
- Completed £30m share buyback programme announced in August 2023
- Second £30m share buyback programme announced on 12 March 2024
- Fitch rating: BBB- Stable Outlook

08 ESG credentials

- MSCI Rating: A
- CDP Score: B-
- ICAP Charity Day: £165m raised since 1993
- 40% gender diversity at Group Board level
- 20% reduction in Scope 1 and 2 emissions

Read more
Sustainability
Pages 18 to 29

CHAIR'S STATEMENT

We delivered a good financial performance in 2023, reflecting our focus on contribution, productivity and tight cost control.

"We have a clear strategic framework and are executing our priorities at pace. The provision of deep liquidity and unique data, our core competencies, have never been more important to the efficient functioning of many markets."

Dear fellow shareholder

2023 was a successful year for the Group. Your Board focused particularly on three areas: (a) the strategic development of our major businesses, (b) key areas of oversight and review, and (c) our Board and senior management capability. More detail on the Board's activities can be found on pages 79 and 90.

Group performance

Before dealing with these topics, I will review the main elements of our 2023 performance, including the market backdrop.

We delivered a good financial performance in 2023, reflecting our focus on contribution, productivity and tight cost control. The highlights included: a record Energy & Commodities ('E&C') performance, a continued uptick in Global Broking productivity, freeing up £100m of cash to reduce our outstanding debt, and delivering a £30m buyback programme. We also met, or exceeded, most of our revised 2023 targets. For more detail, see the CEO Review (page 6) and the Financial and Operating Review (page 34).

Market conditions are key for us. Central banks, in response to continued inflationary pressures, engaged in further monetary policy tightening. Interest rates in the UK, for example, rose to 15-year highs. Whilst this environment is a favourable one for our Rates franchise, as we expected, the exceptional volatility-driven volumes seen in 2022, did not recur at the same level this year.

Buoyant energy market conditions, following a challenging 2022, enabled E&C to leverage its market-leading position and deliver record growth in revenue and adjusted EBIT. In contrast, poor stock market conditions resulted in a difficult environment for large block trading, impacting Liquidnet. Against this backdrop, we right-sized the division's cost base. Liquidnet's enhanced operational leverage means it is well placed for when stock market conditions begin to improve for block trading, in particular. Continued growth in demand for scarce OTC data underpinned Parameta Solutions' growth. The business broadened its product offering, in areas such as benchmark administration and indices, through a range of new partnerships – for example, General Index in energy.

We delivered a 3%[1] increase in Group revenue (+4% on a reported currency basis). Group adjusted EBIT[2] (£300m) increased by 8%[1] (2022: £277m[1]) or 9% on a reported currency basis. Group reported EBIT, including a £76m Liquidnet net impairment charge (non-cash), declined by 21%, on a reported currency basis, to £128m (2022: £163m). The impairment in the carrying value of the Liquidnet goodwill and acquired intangible assets principally reflects challenging block market conditions, and an increase in the discount rate used to value the business, in line with higher interest rates.

In accordance with our dividend policy, the Board is recommending a final dividend of 10.0 pence per share to be paid on 24 May 2024, with an ex-dividend date and record date of 11 April 2024, and 12 April 2024, respectively. This brings the total dividend for the year to 14.8 pence per share, 19% ahead of 2022.

Development of key businesses

The Board focused on the strategic development of our key businesses, especially Global Broking and E&C.

Global Broking

Global Broking accounts for 57% of our total revenue (2022: 60%[1]). This year, we concentrated our efforts on driving improved contribution, including broker productivity. The Board again reviewed the rollout of our electronic platform, Fusion. The rollout is progressing well and the current programme is expected to conclude in 2025. Our focus is on client adoption, with a dedicated Fusion sales team in place. Adoption is being measured against a range of internal KPIs: pace of delivery, client usage and return on investment.

Energy & Commodities ('E&C')

We reviewed E&C's strategy, against the backdrop of the major changes the Energy Transition is generating for all of us. The division is well-positioned to capitalise on continued growth in oil and gas, and exploit new opportunities in more nascent markets. They include the trading of voluntary and mandatory carbon credits, battery metals, biofuels etc. The opportunity to monetise data is significant too. Parameta Solutions and E&C are working closely together to realise this opportunity.

1 In constant currency.
2 Refer to page 206 for Appendix – Alternative Performance Measures.

Key review areas
Your Board spent a substantial amount of time on certain key strategic issues. The areas I will focus on are: (a) strategic options for Parameta Solutions, (b) strategy and execution at Liquidnet, and (c) capital management.

Parameta Solutions
Parameta Solutions is a highly valuable asset: the global leader in the provision of OTC data and analytics. The division has high-quality, recurring revenue streams and excellent client retention. A key emphasis for us has been how we optimise Parameta's growth potential, including enhanced value recognition. For example, the consolidation of the various Parameta Solutions companies under a single legal structure[3], will enable us to more easily enter into third-party data partnerships.

Parameta Solutions is a valuable contributor to our future growth, and a key generator of cash and profits. The Board believes that the value of the asset is not being appropriately reflected in the Group's share price. Accordingly, we are exploring options to unlock value for shareholders, which include a potential IPO of a minority stake in Parameta.

Liquidnet
Your Board focused on three areas in relation to Liquidnet. First, the cost management programme. We exceeded our 2023 integration cost synergies target (£30m), ahead of schedule, enhancing our operational leverage and ensuring the business is ready for any market normalisation. Second, overseeing the growth and diversification strategy of the Equities franchise. Third, reviewing the significant opportunity in Liquidnet Credit[4], specifically the rollout of the Dealer-to-Client ('D2C') platform. Pleasingly, the division delivered an adjusted EBIT of £10m for the year (2022: £2m).

In Equities, our focus is on diversifying our offering, by pursuing an 'all weathers' strategy. This means growing the client base, and product capabilities, in algorithmic trading, programme trading, and inter-region trading. In the fourth quarter of the year, Equities revenue grew by 13%[5] (+9% in reported currency): our diversification strategy is beginning to bear fruit.

Developing real scale in our Credit business is important. As a market challenger, we are seeking to generate as much liquidity as possible. Connecting dealers to our platform is key to achieving this. We now have seven sell-side institutions live across the various secondary market protocols on the platform. Building on this momentum, Liquidnet Credit, including the D2C proposition, is now led by Global Broking[4]. This will enable the business to more effectively leverage Global Broking's deep sell-side relationships, and further accelerate connectivity, and therefore, more liquidity.

Dynamic capital management
As previously mentioned, we freed up £100m of cash and completed our first buyback programme. In addition, we successfully refinanced our 2024 maturing debt, with £250m of new issuance, which was five times over-subscribed.

Alongside our clear dividend policy, we are commencing a second buyback programme of £30m. Subject to our balance sheet and investment needs, we are assessing opportunities to free up more cash and pay down more debt, and/or return additional capital to shareholders.

Your senior management and Board
Before discussing matters related to your senior management and Board, I would like to share some observations on the current challenges being faced by the UK stock market. Let me start by noting that London is the world's leading financial centre in many key asset classes such as, for example, FX, OTC derivatives and international bond issuance. But, as we also know, over the last 20 years, London's share of global stock market capitalisation has fallen from 11% to 4%.[6]

A particular concern is the decline in liquidity in the UK stock market, especially the FTSE 250, of which your Company is a constituent member. FTSE 250 liquidity declined in fact, from 0.27% in 2015, to 0.21%[7] in 2023. European liquidity declined over the same period too: Euro STOXX mid-cap liquidity fell from 0.56% to 0.33%[7]. So, the phenomenon extends well beyond the UK. But, the US market has, by contrast, seen liquidity increase; over the same period, Nasdaq small-cap liquidity increased from 0.35% to 0.39%.[7]

The decline in FTSE 250 liquidity is important. We are all familiar with the arguments and the proposed solutions, which have been well publicised. Policymakers need to ensure those reforms have a meaningful, and positive impact on liquidity. As a UK-listed company (and one whose primary function is to source OTC liquidity for its clients), we monitor liquidity in our stock closely, and are increasingly concerned about the quality of the mid-cap traded market in the UK.

3 Subject to regulatory approvals.
4 Liquidnet Credit (both primary and secondary market trading protocols, including Dealer-to-Client ('D2C')) is now reported as part of Global Broking. FY 2023 disclosures are on this basis, with FY 2022 results restated, to ensure a like-for-like comparison year-on-year. £9m of Credit revenue in 2022 have been reclassified from Liquidnet to Global Broking.
5 In constant currency.
6 Measured as a percentage of the MSCI World benchmark 2000-2023; source: Financial Times, February 2023.
7 Based on average daily volumes of the FTSE 250/Euro STOXX mid-cap/Nasdaq small-cap indices, as a percentage of free float, during the period 2015-2023; source: Bloomberg, data as at 31 December 2023.

Capability and diversity
We believe your Board has the appropriate mix of skills and industry experience. At the same time, we recognise the importance of continuing to improve our diversity. In September 2023, we appointed Amy Yip as an Independent Non-executive Director. Following a career spanning more than 45 years in China and Southeast Asia, Amy brings us extensive skills and experience, in asset management, banking, insurance, and regulation. Louise Murray retired from the Board in June 2023; Edmund Ng stepped down in October 2023, concluding his six-year tenure as a valued colleague. I would like to thank them both for their valuable contribution to the development of our Group.

In total, 40% of our Board are female, bringing our composition in line with the targets arising from the FCA's listing rules. We also have at least one woman in a senior board position, following Kath Cates' appointment as a Senior Independent Director in February 2023. Amy's appointment ensures we have at least one Board member from a minority ethnic background.

We are also focused on improving the diversity profile of our senior management. There is still much to do. Work is underway to improve the systems in place to capture and understand our employee demographics, so as to better understand our diversity profile. This year, we launched a new development programme with McKinsey, focused on accelerating the career progression of employees from diverse backgrounds. We made adjustments to our recruitment approach, including improving the careers website and our job descriptions, to attract more diverse applicants.

Conclusion and looking ahead
We have a clear strategic framework and are executing our priorities at pace. The provision of deep liquidity and unique data – our core competencies – have never been more important to the efficient functioning of many markets. We remain focused on delivering sustainable shareholder value, and are well positioned to do so.

Finally, on behalf of the Board, I want to extend our sincere thanks to our colleagues for their hard work and unwavering commitment. I would also like to thank our stakeholders, including our shareholders, for their continued support. I, and the Board, look forward to welcoming shareholders to our AGM in London, on 15 May 2024.

Richard Berliand
Board Chair
12 March 2024

Read more
Stakeholder engagement
Pages 46 to 53

CEO REVIEW

Our ambition is to be the world's most trusted, and innovative, liquidity and data solutions specialist.

To achieve this, we are focused on the delivery of three strategic priorities:

> Transforming our business;
> Diversification; and
> Dynamic capital management.

Introduction

We are a world-leading provider of market infrastructure and data-led solutions. We connect institutional clients to global financial, energy and commodities markets, creating deep liquidity, and unique data, in the process.

Our objective is to deliver sustainable shareholder value. We aim to do so through leveraging our strong franchise, and delivering our strategy, which has three key pillars: transformation, diversification and dynamic capital management. We are making good progress on all fronts. For more detail on the Group's three strategic pillars, refer to the 'Our Strategy' section on page 16.

Now is an opportune time to assess (a) our progress in 2023 and (b) delivery of our key 2023 targets and progress since the Capital Markets Day ('CMD') we held in 2020, when we set out the main elements of our strategy. I will cover both of these topics in detail.

Delivering in 2023

Market developments

The era of easy money is over. Interest rates in the US and UK are at 22 and 15-year highs, respectively. Whilst these conditions were favourable for Global Broking, the exceptional trading volumes in 2022 did not recur at the same level in 2023.

Energy markets were buoyant, following a challenging 2022. ICE Gasoil average volatility reduced from 61% (an historic high) last year to 37% in 2023. The Energy Transition gained momentum as well. The International Energy Agency ('IEA') estimates renewables will provide approximately half of the world's electricity by 2030.[1]

Revenue

£2,191m

Adjusted EBIT

£300m

Reported EBIT

£128m

> We will deliver sustainable shareholder value by delivering our strategy, including growing our businesses, and maximising the value of our strategic assets, accompanied by high levels of cash generation, and dynamic capital management.

Our brokers are active across all these sectors – traditional and renewables – so we are well positioned for the future.

Equity market conditions were challenging. Block trading declined in Europe and the US which are key markets for Liquidnet. According to McLagan data, in Q3 2023 the global commission wallet for equities was at its lowest level in over nine years. In the fourth quarter, however, there were signs of improvement. In November, for example, according to the Bank of America Global Fund Manager's Survey, equities allocations were overweight for the first time since April 2022.

The demand for high quality OTC financial markets data is growing. Global spend on financial market data was $37bn in 2022, and industry players forecast that 2023 growth will exceed historical rates.[2] Other key trends include a growing demand for ESG/energy-related data, independent fair valuations of OTC derivatives, and benchmarks and indices.

Read more
Market Trends
For more detail on market developments see page 14

1 World Energy Outlook, October 2023; International Energy Agency.
2 Burton-Taylor Consulting survey.

Business performance

Growing revenues, market-leading positions, tight cost management

Group revenue was up 3%[3] (+4% in reported currency), building on the 7% increase in 2022 (+13% in reported currency). As expected, total revenue generated by Global Broking[4], our largest division, was flat, following an exceptional 2022. E&C delivered record revenue growth of 18%. Double-digit growth was delivered across the three main asset classes: Oil, Gas, and Power.

Liquidnet revenue declined by 1%. Cash equities revenue decreased by 9% in 2023, but grew 13% in the fourth quarter. This trend continued in 2024. The rest of the division[5] performed well, with revenue up 10%, driven by a strong performance from Relative Value.

Parameta Solutions recorded an 8% increase in revenue. The division's growth rate moved up to 11% in the second half, with good momentum in 2024. Parameta is a high-quality franchise with a compelling business model, characterised by 96% subscription-based revenue and a 98% client renewal rate.

All our divisions are market leaders: Parameta, for example, is the leading provider in the OTC data market. In Liquidnet, we hold the number one position in the EMEA 5x Large-in-Scale market. Our share of this market increased from 34.3% in 2022 to 35.9%.[6] Our US market share (top 5 Agency Alternative Trading System venues), where we are the second largest player, also increased (2022: 23.2%; 2023: 24.0%[7]).

Cost management is another important driver of our performance. We delivered £43m in annualised Liquidnet integration cost synergies, substantially exceeding our target (£30m).

Contribution up, increased profitability

Our Group contribution margin[8] increased to 38.7% (2022: 37.6%[9]). Adjusted EBIT was up 8%, or 9% in reported currency, to £300m (2022: £277m), the highest ever level, and a significant Group milestone. This was driven by a 8% uplift in Global Broking through a greater focus on contribution, and a reduction in average broker headcount. GB revenue per broker was up 5%; broker contribution increased by 12%[10]. Double-digit revenue growth in E&C generated a substantial 45% increase in its adjusted EBIT.

Group adjusted EBIT margin increased to 13.7% (2022: 13.1%). Reported EBIT, including a £76m Liquidnet impairment (non-cash, net of £10m tax relief), was down 21% to £128m (2022: £163m). The impairment in the carrying value of Liquidnet goodwill and acquired intangible assets primarily reflects challenging block equity market conditions, and an increase in the discount rate used to value the business, in line with higher interest rates[11].

Transformation

Fusion on track

Fusion, our electronic platform, provides best in class functionality, and connectivity, via a single portal, to our deep liquidity pools. Clients use Fusion for aggregated liquidity, price discovery, and seamless execution.

The Fusion roll-out is on track: it is now live on 44% of in-scope Global Broking desks. Key desk launches in Rates included Interest Rate Options, ICAP European Government Bonds and ICAP Inflation. In FX, Fusion was implemented in one-month Non-Deliverable Forwards and FX options.

In E&C, we are consolidating Energy Transition products liquidity onto one screen. Fusion is live in the green certificates market, the voluntary carbon market, and the Australian renewables/gas markets. The use of technology in the highly mature OTC Oil market is more nascent. There is client demand, however, for real-time pricing screens. We are expanding our capabilities by partnering with a third party technology company to deliver these screens.

Adoption of Fusion

Our brokers are driving client adoption. Our sales team adopt an agile approach throughout this process. They determine the critical success factors for each desk rollout, including client demand, market maturity, market conditions, and liquidity profile. The pace of client adoption is encouraging. The number of unique client logins for Rates, our largest Global Broking asset class, increased by 24% in 2023, while FX was up 16%.

Clients are increasingly moving away from web-based connectivity. Responding to this feedback, we focused on delivering API connectivity, and other protocol enhancements, to Fusion-enabled desks. API integration and Straight-Through-Processing ('STP') further cements the client relationship, and ensures a seamless rollout of future platform enhancements. In 2023, 43 of our top 50 clients were fully integrated into Fusion via an API connection.

An important element of the process, therefore, is gathering client feedback to better understand future requirements. Other examples include chat-based systems, 'click-to-trade' functionality, workflow automation and data aggregation. Responding to these needs, we purchased a minority stake in ipushpull, a UK fintech firm and our strategic Fusion partner.

Diversification

Our diversification strategy means winning new clients, expanding into different asset classes and geographies, and generating more non-broking revenue.

3 All percentage movements within the CEO review are in constant currency, unless otherwise indicated.
4 Liquidnet Credit (both primary and secondary market trading protocols, including Dealer-to-Client ('D2C')) is now reported as part of Global Broking. FY 2023 disclosures are on this basis, with FY 2022 results restated, to ensure a like-for-like comparison year-on-year. £9m of Credit revenue in 2022 have been reclassified from Liquidnet to Global Broking.
5 Multi-asset (equity derivatives, rates, futures and advisory services) Agency Execution offering, including COEX Partners, MidCap Partners, and Relative Value desks.
6 Source: Bloomberg.
7 Source: Financial Industry Regulatory Authority ('FINRA').
8 Refer to page 206 for Appendix – Alternative Performance Measures.
9 Prior year numbers have been restated to reflect a £32m reclassification of technology costs from front office costs to management & support costs, to better reflect the nature of these costs. The reclassification impacts Liquidnet (£26m), Global Broking (£6m) and Group only.
10 Contribution per broker increased by 7% when excluding Russian provisions in 2022.
11 For more detail, please refer to page 38 of the Financial and Operating Review, and page 164 of the Notes to the Annual Financial Statements.

Energy & Commodities ('E&C')

Well positioned in mature and transitional markets

E&C is the leading OTC broker. We serve a diverse client base, through our multi-brand approach: Tullett Prebon, ICAP and PVM. We are well placed to maximise the expected growth in traditional sectors, like Oil and Gas. Global demand for oil is increasing – the IEA forecasts demand will grow by 6% from 2022 to 2028[12].

There is a substantial opportunity to grow our revenues through an even greater focus on Energy Transition products: renewables, battery metals, carbon credits etc. McKinsey estimates that demand for carbon credits could increase by a factor of 15 or more by 2030. The expected growth in battery metals, to support the electrification of transport, is an exciting opportunity. The IEA has predicted growth could increase by a factor of more than 40 between 2020 and 2040[13]. To capitalise on this opportunity, we are launching a Battery Metals desk, and have recruited one of the most experienced brokers in this sector to lead it.

E&C is working more closely with Parameta Solutions to monetise more of its data, in particular the data being generated through the Energy Transition. Fusion is integral to this accelerated collaboration.

Parameta Solutions: the market leader

Parameta Solutions is the world leader in the provision of OTC data and analytics.

Strategic developments

The consolidation of the various Parameta Solutions companies under a single legal structure will be completed once we have received the necessary regulatory approvals. This new structure enables us to explore options to unlock value, and will also benefit the division commercially, by making it easier to enter into data contracts with third parties, which is a key growth focus.

We are focused on optimal shareholder value creation, including in relation to Parameta Solutions. We believe that the intrinsic value of Parameta is not appropriately reflected in our share price, and are therefore exploring options to unlock value for shareholders, whilst retaining ownership of the asset, which include a potential IPO of a minority stake in the business.

Business developments

The business is expanding its product range, diversifying its client base, and broadening its distribution channels – all exciting growth prospects. A good example is the launch of Liquefied Natural Gas Indices, in collaboration with E&C and General Index, a leading energy and commodities data provider. Parameta already administers nine TP ICAP Interest Rate Swap benchmarks, and recently launched Interest Rate Swap Volatility indices, in partnership with Global Broking. An Historic Risk Free Rates product for successor rates to LIBOR was launched during the year, while the E&C product suite was expanded to include ICAP Australia and PVM US Domestic Crude Oil. Parameta Solutions is leveraging Fusion as a direct distribution channel.

Liquidnet division

Liquidnet is a global, multi-asset, technology-led agency execution specialist, operating across 49 markets. It consists of a cash equities franchise (acquired by the Group in 2021), as well as a multi-asset agency execution offering. A leading buy-side player, Liquidnet provides the group with client and product diversification. We have rightsized the cost base and strengthened our operational leverage. The cash equities franchise is ready for any market normalisation. The division ended the year with an adjusted EBIT of £10m (2022: £2m), driven by the strong performance from the multi-asset offering (Relative Value in particular).

Diversifying cash equities

Liquidnet cash equities is pursuing an 'all weathers' strategy. This means growing its client base, and product capabilities, in algorithmic trading, programme trading, and inter-region trading. We added 100 new clients and grew programme trading revenue by 26%. Of our clients that traded with us in 2022, 93% were retained in 2023. We also enhanced our algorithm offering. For example, we launched Surge Opportunity, which enables clients to identify block trading opportunities through regular alerts. In turn, we marked our entry into the listed derivatives market by launching a pre-trade analytics offering.

Liquidnet Credit

Strategic developments

We made a commercial decision to merge the Group's Credit activities. As a consequence, the Liquidnet Credit business, including the D2C proposition, is now led by Global Broking[14]. This enables the business to more effectively leverage GB's deep sell-side relationships, and accelerate connectivity: key growth drivers.

Business developments

The target addressable market in Credit is substantial, and a major opportunity. Electronification is growing at pace, with electronic investment grade corporate bond trading volumes having doubled in five years, whilst high-yield volumes have almost trebled. Electronic trading accounts for c.40% of the US market and c.55% in Europe[15].

Connecting dealers to the platform is central to growing liquidity. We now have seven sell-side institutions connected across the various secondary market platform protocols, including two major banks connected on our D2C workflow, with a further two added to the pipeline. A unique D2C protocol called 'Targeted Axe' is currently in pilot phase, providing dealers with a targeted way to source buy-side liquidity. We also partnered with bondIT, a leading provider of next-generation investment technology, to integrate their credit analytics into our platform. This enables traders to anticipate market trends, mitigate credit risk, and make more informed decisions faster.

12 Oil 2023, Analysis and forecast to 2028 – IEA June 2023.
13 The Role of Critical Minerals in Clean Energy Transitions, IEA 2021.
14 Liquidnet Credit (both primary and secondary market trading protocols, including Dealer-to-Client ('D2C')) is now reported as part of Global Broking. FY 2023 disclosures are on this basis, with FY 2022 results restated, to ensure a like-for-like comparison year-on-year. £9m of Credit revenue in 2022 have been reclassified from Liquidnet to Global Broking.
15 Financial Times, 26 April 2023.

Dynamic capital management

Dynamic capital management is a key priority. This means reducing our debt, and returning surplus capital to shareholders, subject to our ongoing investment needs and balance sheet requirements.

Reducing debt and leverage

We freed up £100m of cash before the end of 2023, ahead of schedule. Sources of the freed up cash included the remittance of the pension surplus, following the wind down of our Defined Benefit Scheme, and the capital released from the consolidation of US broker-dealer entities.

This cash is being used to reduce debt and other financing obligations, lowering our future net finance costs, and increasing our investment grade headroom. Paydown of debt and other financing obligations to date of £88m includes the outstanding part of our 2024 bond (£37m, paid in January 2024) and Liquidnet deferred consideration (£51m, paid in February 2024). The Group's 2023 leverage ratio[16] is 1.9 times (31 December 2022: 2.0 times). The leverage ratio is expected to reduce further at our HY 2024 results in August.

Clear dividend policy

We are committed to our dividend policy: a 50% pay-out ratio of adjusted post-tax earnings for the year as a whole. The Board is recommending a final dividend per share of 10.0 pence (up 27%). This would bring the total dividend to 14.8 pence per share, up 19% (2022: 12.4 pence per share). The final dividend will be paid to eligible shareholders on 24 May 2024, with an ex-dividend and record date of 11 April 2024 and 12 April 2024, respectively.

Further buyback programme of £30m announced; £30m buyback completed

Starting on 12 March 2024, we commenced a second buyback of £30m. A separate RNS is available on our website at https://tpicap.com/tpicap/regulatory-hub/regulatory-news.

The £30m share buyback programme we announced at our HY 2023 results on 9 August 2023, was completed on 3 January 2024. A total of 16,925,189 shares were bought back at a weighted average share price of 177.25 pence per share. Shares bought back are not included in the share count for earnings per share and dividends per share purposes.

Subject to our balance sheet and investment needs, we are assessing opportunities to free up more cash and pay down more debt, and/or return additional capital to shareholders.

Delivering our Capital Markets Day strategy

At our CMD in 2020, we set out a strategy to deliver two key objectives: (a) future-proof our broking businesses, and (b) grow the Group, diversify, and generate more cash.

Future-proofing our broking businesses

Our starting point back in 2020 was clear. Our broking markets were changing rapidly, driven by regulatory change, greater competition, and technology. We aimed to embrace those changes – and transform Global Broking – through a range of initiatives, including Fusion, our electronic platform.

Global Broking productivity, with Fusion a contributory factor, has grown by 23% since 2021. Desks with Fusion tend to be more productive, and have a higher contribution.

Growing and diversifying

Global Broking and E&C, are market leaders. This was a strong starting point when we launched our CMD strategy. But, it was not enough. We knew it was important to grow our top line, bulk up our non-broking businesses, and generate more cash. I am pleased to say we have done so.

Group revenue has grown on average by 5% a year since 2019.[17] Non-broking revenue, with Parameta Solutions a key driver, has more than doubled: 11% of total revenue then, and 23% now. The quality of that revenue is another point to bear in mind. Parameta's revenue base – up 40% since 2019 – is subscription-based, with high client retention. The Group's cash conversion ratio has improved from 61% in 2019 to 124% in 2023 (2022: 156%).

The acquisition of Liquidnet provided a valuable buy-side diversification opportunity and the potential to grow in Credit, especially D2C. The backdrop has been challenging since the acquisition, however. I would like to acknowledge the support, and constructive feedback, we have had from shareholders since then. The Liquidnet Cash Equities franchise is a stronger business now, with a more developed franchise and better operational leverage.

Delivering our key financial targets, including more cash generation

At our FY 2022 results, we revised our 2023 targets to reflect the impact of the pandemic, and difficult stock market conditions[18] impacting Liquidnet. I am pleased to note that we have met, or exceeded, the majority of these revised targets, with some highlights below.

Highlights:

Global Broking[19]:
> Contribution margin of 39.8% (2023 target: 39% to 40%);
> Adjusted EBIT margin of 17.8% (2023 target: 17% to 19%).

Energy & Commodities:
> Contribution margin of 33.6% (2023 target: 33% to 35%);
> Adjusted EBIT margin of 15.5% (2023 target: 13% to 15%).

Group cash conversion[20]:
> 124% in 2023 (2023 target: c.80%).

Delivering sustainable shareholder value

The discipline underpinning our 2020 CMD strategy is embedded across our Group. So too is a clear approach to delivering sustainable shareholder value by: (a) Investing in key businesses and maximising our strategic assets, and (b) strong cash generation and dynamic capital management.

16 Total debt (excluding finance lease liabilities) divided by adjusted EBITDA, as defined by Rating Agency.
17 Excluding the Liquidnet acquisition, Group revenue grew on average by 2% a year since 2019.
18 Group adjusted EBIT margin target updated from 18% to 14% at FY 2022 results, to reflect pandemic impact, and difficult stock market conditions. All other 2023 CMD targets unchanged, with updated guidance in relation to each target provided at FY 2022 results.
19 For comparison with 2023 CMD targets, Liquidnet Credit is excluded from Global Broking, to ensure a like-for-like basis. The contribution margin also excludes the 2023 reclassification of technology costs (£6m) from front office costs to management & support costs.
20 Defined as free cash flow divided by adjusted earnings attributable to the equity holders of the parent.

Investing in key businesses for growth, maximising the value of strategic assets

We are the number one player in Global Broking, E&C, and OTC data. In Global Broking, our biggest business, we are in the final phase of our Fusion rollout which will be completed by the end of 2025. We will increase the proportion of Fusion-derived revenue with, we believe, a positive impact on productivity and contribution. Fusion is also central to our data ambitions with Parameta Solutions. The more business we transact through Fusion, the more data we monetise.

We will continue to invest in our E&C and Parameta Solutions businesses. As the leading Oil and Gas broker, E&C is ready to leverage the IEA's forecast growth in Oil, mentioned earlier. Energy Transition products, another key area, are anticipated to grow even more. Parameta Solutions is positioned to reap the benefits from the significant increase in Fusion-generated data.

We aim to maximise the value of our strategic assets. That is why we are actively exploring options to unlock value in Parameta Solutions, including a potential IPO of a minority stake of the business.

Strong cash generation and dynamic capital management

We will maintain our high profit to cash conversion. Our diversified model – 65% of revenue is generated outside the UK, 60% is US Dollar denominated – is a key enabler in this respect. That focus on cash generation is coupled with our commitment to returning more cash, where possible, to shareholders, subject to our investment needs and balance sheet requirements. Our clear dividend policy is very much in place.

We will deliver sustainable shareholder value by delivering our strategy, including growing our businesses, and maximising the value of our strategic assets, accompanied by high levels of cash generation, and dynamic capital management. We look to the future with confidence.

Dynamic capital management is a key priority. This means reducing our debt, and returning surplus capital to shareholders, subject to our ongoing investment needs and balance sheet requirements.

Final dividend
pence

10.0p

Total full year dividend
pence

14.8p

Outlook

As ever, our outlook is largely subject to market conditions. Whilst we expect interest rates to decrease during 2024, we believe they will remain elevated versus recent history. This, combined with uncertainty around the pace and quantum of interest rate cuts, elections globally, and ongoing geopolitical events, will continue to drive volatility that is supportive of our Global Broking and E&C businesses, where we anticipate trading volumes to remain solid. Liquidnet and Parameta Solutions showed an improving growth trajectory in the second half of 2023 – providing good momentum into 2024.

The movement in foreign exchange rates, in particular Sterling vs US Dollar (60% of Group revenue/40% of Group costs are US Dollar-denominated) will continue to impact our results – with GBP strengthening having a negative impact, and vice versa.

Against this backdrop, we will stay focused on developing, and growing, strong client franchises; transforming and diversifying the Group; and managing our capital dynamically. Tight cost management will continue to be a core focus. We expect that growth in management & support costs (excluding FX gains or losses), will broadly track the level of average UK inflation expected in 2024. Consequently, we anticipate remaining well placed to deliver sustainable shareholder value over the medium term.

Trading in the first two months of the year has been good. We remain comfortable with current market expectations for full year 2024.

Nicolas Breteau
Executive Director and Chief Executive Officer
12 March 2024

Strategic report

In this section

Read more
Our strategy

We are transforming our business through technology, and by expanding and diversifying our activities and client base.

Page 16

Read more
Sustainability

Our sustainability strategy is formed of three priorities: 'Reporting and Performance Management'; 'Supporting our Clients'; and 'Community Impact'.

Page 18

CONNECTING TRENDS, INSIGHTS AND ACTIONS

Understanding the key market trends that affect our business means we are well positioned to seize opportunities.

TREND 1: ENERGY TRANSITION

Adoption of alternative fuel sources will generate price volatility, drive trading activity, and create new product opportunities.

Worldwide energy demand is expected to continue to rise, with a growing focus on clean and renewable energy. China – the world's largest energy user – appears to be accelerating the switch from coal to cleaner energy solutions. This supports the International Energy Agency's ('IEA')[1] view that there are now strong signals of a true shift away from fossil fuels.

The production of renewable energy technologies – such as solar panels, wind turbines, and electric vehicle ('EV') batteries – relies on the same commodities used to produce traditional power-generating solutions. This is set to drive competition in the commodity market and create imbalances in supply and demand, generating price volatility.

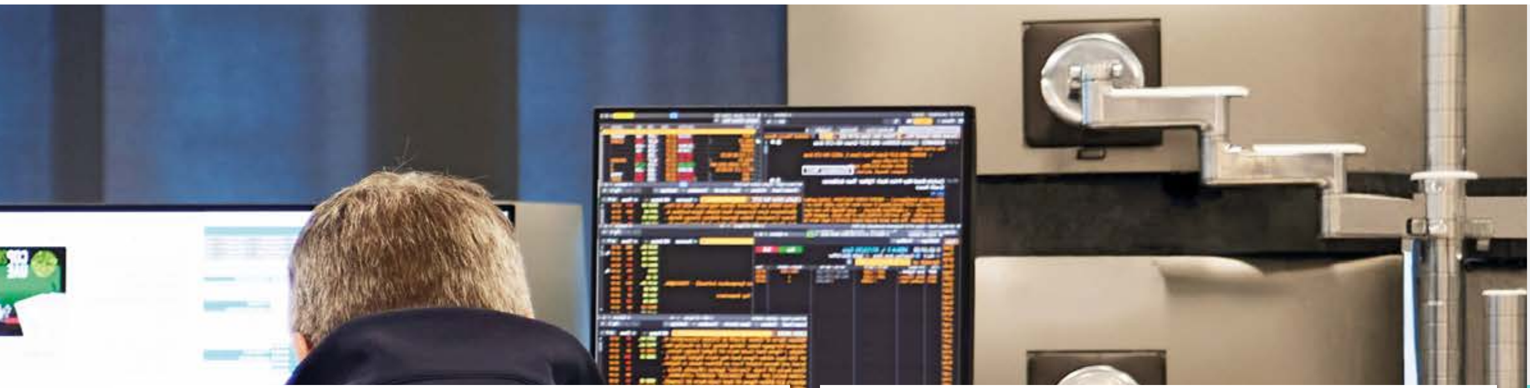
For example, by 2030, there may be critical shortages of dysprosium, a magnetic material used in most electric motors, and lithium, used in EV batteries. McKinsey suggests these shortages could account for 70% and 80% of total demand[2] by 2030, respectively.

What does it mean for TP ICAP?

The energy transition offers exciting opportunities for our Energy & Commodities ('E&C') division to develop new products and new markets that will further diversify, and grow, our revenues and client base. Price volatility is favourable for our business model.

E&C has established broking franchises in all three carbon credit products: voluntary carbon credits, mandated carbon credits (government and regulatory), and renewable energy credits. In 2023, we completed our first Brazilian carbon credit trade, launched Fusion screens in Norway for the green certificates, and expanded our Fusion capability in European voluntary carbon credits. In 2024, we will launch a new battery metals (cobalt and lithium) product desk. E&C is also working more closely with Parameta Solutions to monetise data generated through the energy transition.

1 International Energy Agency, World Energy Outlook 2023
2 McKinsey (How the energy transition could affect material supply chains | McKinsey)
3 Financial Times – European IPOs fall to lowest level since 2009 (ft.com)
4 Financial Times – https://www.ft.com/content/70024181-4f24-45b8-a47e-33233c
5 EY – Global IPO market: Investor appetite shifts from growth to value amid tighter liquidity | EY Ireland
6 Burton Taylor – Financial Market Data/Analysis Global Share & Segment Sizing 2023



TREND 2: REGULATION INFLUENCING LIQUIDITY

Regulatory change is creating structural shifts in trading conditions for key financial markets.

Market liquidity and trading activity continue to be impacted by policymakers around the world.

Brexit has caused the EU and UK financial regulators to pursue their own independent policies. The Financial Times ('FT')[3] has reported that "traders in Europe have increasingly turned to the US to find a counterparty" and that the market share of EU revenues is at its lowest since December 2020. This is a clear indication that liquidity has shifted away from Europe, driving strong market volumes into the US.

In equity markets, EU policymakers are attempting to stave off declining liquidity. The FT[4] reported that only 34 companies were taken public in H1 2023, the lowest level in Europe in 14 years. Conversely, EY[5] has reported a very strong appetite in the US, with a 159% increase in IPO proceeds to October 2023. EU regulators are reviewing capital market regulations related to primary issuances, trading execution, and improving business access to capital to bolster regional interest.

What does it mean for TP ICAP?

We are well diversified geographically with a global presence in 28 countries across multiple asset classes.

Our significant Americas presence equips us to benefit from any improved conditions in US markets, and to mitigate potential challenges in Europe.

Our Fusion digital platform allows clients to trade seamlessly across multiple products and markets, and to change trading strategies to reflect market movements, attracting greater market liquidity.

TREND 3: INCREASING IMPORTANCE OF MARKET DATA

OTC market data continues to play an integral role in increasingly complex financial markets.

The growth in electronic trading and automated trading tools has made data collection more efficient and effective, providing more accurate and richer insight.

Financial analysts Burton Taylor[6] report that demand for market data grew 4.7% in 2022, representing a five-year CAGR of approximately 6%. Demand can largely be attributed to the investment management industry, which accounted for approximately one-third of total market data spend of around USD12.5bn.

Technological advances, such as AI, will continue to drive efficiencies in data processing and analysis, presenting new data opportunities and demand for innovative solutions.

What does it mean for TP ICAP?

As the world's largest inter-dealer broker, TP ICAP facilitates significant trading volumes. Our Parameta Solutions division aggregates these volumes to produce proprietary OTC data and analytics solutions.

Parameta Solutions provides our brokers and clients with access to a comprehensive suite of data to better inform clients' trading decisions, and capital optimisation. The value of the data and analytics produced is demonstrated by the continued growth of the division, which outpaces the broader market data industry.

The continued development of TP ICAP's Fusion platform, which covers multiple asset classes and geographies, will enhance the data available to Parameta Solutions. As additional derivative products are added to Fusion, more high-quality data will be generated, which can then be monetised.

OUR STRATEGIC PILLARS

Transformation.

Diversification.

Dynamic Capital Management.

Read more
Chief Executive Officer's review
Pages 6 to 11

TRANSFORMATION

Future-proofing our broking businesses with Fusion, our flagship digital platform.

Progress and Outlook

Fusion is transforming the way we add value by equipping our brokers to better serve clients across the full life cycle of a transaction.

The platform gives clients access to our aggregated global liquidity, across asset classes and our brands. This means clients execute more business with us, helping to underpin, and grow, our industry-leading market share.

Fusion also provides the real-time data, automated trade processing, and settlement solutions that help clients accelerate trade confirmation, reduce operational risk, and transact with confidence.

The platform also generates, and captures, unique high-quality data that empowers Parameta Solutions to deliver enriched data and analytics solutions.

In 2023, we continued to roll out Fusion in line with our plans. It is now live on 44% of in-scope Global Broking desks, and is on track to be completed by the end of 2025.

Simultaneously, we focused on client adoption of the platform. Measured by the number of unique logins, in Global Broking this was up 24% in Rates and 16% in FX.

Fusion also offers the necessary optionality to drive future growth. The platform is fully cloud enabled and engineered to easily integrate new functionality. This means that we can develop the platform, according to the changing needs of our clients, and developments in market infrastructure. For example, in April we purchased a minority stake in a UK fintech firm called ipushpull. ipushpull functionality is now embedded in Fusion, helping to streamline the delivery of live data, sourced from multiple channels, to our clients.

DIVERSIFICATION

New clients, new asset classes, greater non-broking revenue.

Progress and Outlook

In April 2023, Parameta Solutions became the first inter-dealer broker data provider to be accredited as a benchmark administrator by both the Financial Conduct Authority and the European Securities and Markets Authority. Following accreditation, the division launched several new products, such as an Interest Rate Swap Volatility Index (in partnership with Global Broking). and a LNG Pricing Index (in partnership with third-party specialist General Index). Further benchmark and indices products are well advanced.

Other Parameta Solutions product launches in 2023 addressed clients' needs across trading analytics, the Fundamental Review of the Trading Book ('FRTB'), and surveillance and monitoring. Parameta also advanced its distribution capabilities by beginning data sales directly through TP ICAP's Fusion platform, thereby increasing direct sales.

Liquidnet continued to strengthen its product capabilities for cash equities. In algorithmic trading, new initiatives included Surge Opportunity, which alerts users of sudden market movements. Programme trading revenue grew 26% in the year. Liquidnet also marked its entry into the listed derivatives market by launching a pre-trade analytics offering.

In E&C, 2023 saw TP ICAP complete its first OTC crypto asset derivative trade. Our partnership to build a digital assets marketplace with Flow Traders, Fidelity Digital Assets℠ and Zodia Custody is part of our strategy to diversify the business into non-traditional broking products and expand into the digital assets market.

As a proportion of total Group revenue, non-broking revenue has more than doubled in the last four years, increasing from 11% in 2019 to 23% in 2023.

DYNAMIC CAPITAL MANAGEMENT

Investing for organic growth, reducing debt, a clear dividend policy, and a focus on the return of surplus capital to shareholders, guides our strategy.

Progress and Outlook

In 2022, we announced the target of releasing £100m of cash by the end of 2023. We achieved this target in June 2023, six months ahead of schedule. This cash was used to pay down debt and other financing obligations to reduce our net finance costs and improve our leverage ratios.

In April 2023, we successfully refinanced £250m of senior unsecured bonds – due in January 2024 – and extended the maturity to April 2030. The order book was 200% oversubscribed within just an hour of opening, with significant investor demand and momentum continuing throughout the process. At the close, the issuance was more than five times oversubscribed.

In August 2023 we announced a £30m share buyback programme, which completed in January 2024. A second £30m share buyback programme was announced on 12 March 2024.

We remain committed to our dividend policy to pay out 50% of adjusted post-tax earnings. A final dividend of 10.0 pence, up 27%, will be paid on 24 May 2024 to eligible shareholders.

The Group remains well positioned in balancing our commitment to investing in organic growth opportunities, such as Fusion and Liquidnet Credit, managing our financing and debt obligations, as well as our dividend policy.

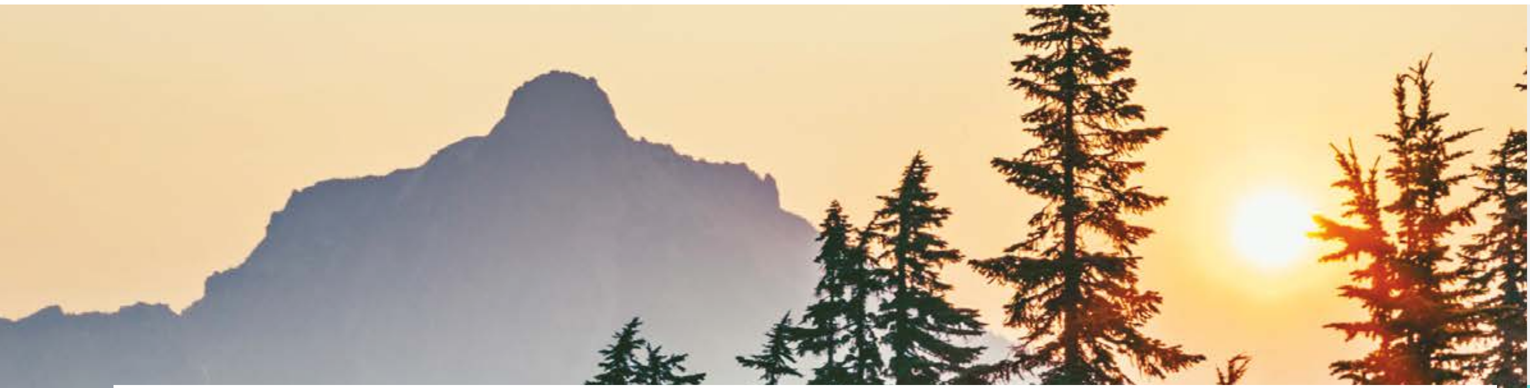
As we continue to manage our capital dynamically and free up cash, we will assess opportunities to return any surplus capital to shareholders.

OUR APPROACH TO SUSTAINABILITY

Our purpose is to provide clients with access to global financial, energy, and commodities markets, improving price discovery, liquidity, and distribution of data, through responsible and innovative solutions.

We deliver our purpose through the products and services that we offer. As a world-leading provider of market infrastructure and data-led solutions, we play a central role in enabling the efficient functioning of wholesale markets, which is essential to economic stability and growth.

We seek to manage our business responsibly to deliver long-term value creation for our stakeholders. This includes building a strong culture that reflects, and promotes, employee diversity and inclusion, fosters good conduct, and enhances risk management.



OUR STRATEGY

Our sustainability strategy aims to address the sustainability challenges and opportunities that are relevant for the Group. It is formed of three priorities:

Strategic priority	Objectives	Our progress
1. ESG Reporting and Performance Management Effective measurement, and reporting, of our ESG performance enables us to identify, assess, and manage our economic, environmental and social impacts.	Data and disclosure Review and improve our ESG-related measurement capabilities to ensure they are fit for purpose and enable the Group to continually improve its ESG delivery.	> Completed a detailed qualitative and quantitative climate scenario analysis to improve our understanding of relevant climate-related risks and opportunities. > See pages 64 to 75 > Enhanced the effectiveness of our environmental data governance and controls. > See page 28 > Migrated to a software-based solution to collect and report our Scope 1, 2 and 3 emissions data. > See page 28 > Improved our CDP score from C to B-. > See page 28 > Improved our MSCI ESG Rating from BBB to A. > See page 28
	Carbon neutrality of operational Scope 1 and 2 emissions Meet our target to be carbon neutral across both Scope 1 and 2 emissions by the end of 2026.	> Our Scope 1 and 2 emissions reduced by 20%, from 2022. > See page 20 > Reported, for the first time, a market-based Scope 2 footprint to reflect the use of renewable energy in our operations. > See page 75
2. Supporting our clients As the world moves from carbon-intensive practices to more sustainable alternatives, we believe the best way we can support this shift is through delivering on our purpose and accompanying our clients on their transition journeys.	Innovative solutions Leverage our core strengths – delivering liquidity and data solutions – to help market participants advance their sustainability goals.	> Parameta Solutions launched its global Liquefied Natural Gas ('LNG') pricing service, in partnership with General Index. LNG is a transition fuel under the EU's sustainable finance taxonomy. > See page 21
	Responsible solutions Advance liquidity and data solutions through a developed governance framework.	> Mandatory ESG scoring approval process for new business initiatives. We screened four initiatives for ESG impacts. > See page 21
3. Community impact We are committed to making a positive economic and social impact on the communities in which we operate around the world. This includes creating a workplace where our employees can thrive.	Positive impact Make a positive economic contribution through the provision of our services, and social impact through colleague fundraising, volunteering, and corporate philanthropy.	> Celebrated ICAP Charity Day's 31st year, raising £5.2m globally. Since 1993, ICAP Charity Day has raised over £165m for good causes. > See pages 26 and 27 > Launched a successful volunteer programme with our UK charity partner, National Numeracy. > See page 25
	Diversity and inclusion A workplace that is inclusive and positive, with meaningful opportunities for our employees to flourish.	> Launched our new Diversity strategy, which aims to drive progress across five strategic pillars. > See pages 22 and 23

ENVIRONMENT

We acknowledge our responsibility to help protect the environment and support the transition to a low-carbon economy. We seek to do so in two main ways:

1. Managing our impacts

Minimise the environmental impact of our operations, especially greenhouse gas ('GHG') emissions. Our target is to be carbon neutral across both Scope 1 and Scope 2 emissions by the end of 2026.

2. Accompanying our clients

Apply our capabilities – connecting clients to liquidity and data solutions – to help our clients advance their transition journeys and meet their sustainability objectives.

Managing our impacts

To deliver our Scope 1 and 2 emissions target, we are focused on two objectives:

1) Organic reductions in Scope 1 and 2 GHG emissions

We are targeting organic reductions in our Scope 1 and 2 emissions, which derive from our leased office premises and data centres, through a programme which began in 2021. A considerable proportion of the emissions savings from the office consolidation plan have been delivered. We expect the principal generator of future savings to come from the continuing consolidation of our data centres, and migration from on premises data centres to the cloud. These savings may be significant – up to potentially a further 15-20% reduction in Scope 1 and 2 emissions over the next two years. The savings will be split between energy efficiencies arising from migrating to the cloud, and emissions being reclassified from Scope 1 and 2 to Scope 3. We will continue to work towards reducing our Scope 1 and 2 emissions as far as possible, before purchasing certified carbon credits to offset any residual emissions.

2) Increasing our use of renewable energy

We lease our office and data centre space. This means we are not in direct control of our utility providers, or energy tariffs. Nevertheless, we are working with our landlords, and other third-party suppliers, to increase the amount of renewable energy that we use.

For the first time, we are reporting a market-based Scope 2 footprint (see page 75), which includes the renewable energy used in our operations. This year, 10% of our total purchased electricity came from renewable sources. In the UK, more than half of the electricity we use is renewable. We will continue to work closely with our landlords and third-party suppliers to increase this percentage over time.

2023 GHG emissions performance

Our total Scope 1 and 2 GHG emissions were 7,624 tCO_2e, a reduction of 20% compared to last year, and 37% compared to our 2021 baseline. This performance was driven by a decrease in fugitive emissions, and the consolidation of several on-premises data centres during the year. A full breakdown of our 2023 GHG emissions is on page 75 of this report.

Waste generation and water consumption

We strive to operate our business in a responsible way, including our consumption of natural resources. We work closely with our office landlords to understand and manage our water use, and to ensure waste is disposed of appropriately. The water and waste data we collect across our office estate varies in availability. As a result, we do not have a complete view of our water consumption, and waste generation and disposal, across our organisation.

We worked with an environmental consultancy to calculate the waste generated by our operations. Our approach used a combination of estimates and actual data from our landlords. In 2023, we generated 6,700 tonnes of waste, which was disposed of across a number of channels, including recycling and waste-to-energy initiatives.

Accompanying our clients

Emissions credits trading is playing an important role in the energy transition. It is an area we are focused on growing. This year, our Energy & Commodities ('E&C') division brokered 1.78 billion CO_2 metric tonne equivalents of emissions credits, and 53 million metric tonnes of voluntary emissions credits.

We are adding new products on a regular basis. This year, Parameta Solutions announced the launch of its global Liquefied Natural Gas ('LNG') pricing index, in partnership with General Index ('GX'), and our E&C division. With GX acting as the independent, regulated benchmark administrator, the indices will be available, for use, for example, for price discovery purposes.

In addition, we engaged KPMG to undertake a strategic review of our E&C division, and the market, as it relates to the energy transition. The objective of the review was to identify potential future growth opportunities. The expected growth in battery metals, to support the electrification of transport, is an exciting opportunity. To capitalise on this, we are launching a Battery Metals desk, having recruited one of the leading brokers in this sector to lead it. In addition, the review identified the opportunity associated with data. Our E&C division is therefore working more closely with Parameta Solutions to monetise more data being generated through the energy transition. Fusion is integral to this accelerated collaboration.

Incorporating ESG factors into new business initiative approvals

We have embedded ESG considerations into the evaluation, and approval process, for new business initiatives. They are reviewed and scored through the Change Management Framework ('CMF') process.

The ESG questions in our scoring approach focus on emissions, gender representation, and asset class. The outcome is an ESG score that is considered as part of the overall approval process. Our Director of Sustainability is responsible for overseeing and applying the ESG scoring framework. During the year, four new business initiatives were deemed to be relevant for ESG scoring. None posed a significant ESG risk, or opportunity, for the business.

SOCIAL

Our people
Attracting, developing, and retaining a talented, engaged group of colleagues is central to our success. We work to develop an inclusive and positive culture, creating meaningful opportunities for our employees to flourish.

Our corporate values
Our Triple-A Values:

Culture and engagement
Our annual employee engagement survey ran in June, with a 68% participation rate and an overall engagement score of 67% (2022: 67%). The results show that our employees understand our strategy, and the role they play in delivering it. Our engagement action plan is focused on making our processes more efficient and continuing to explore new ways to recognise our people's achievements.

Employee-led networks, regular town halls, and global pulse surveys also provided colleagues with opportunities to voice their views. This engagement provides senior leaders with valuable insights to inform decision-making.

Diversity and inclusion
Earlier this year, we launched a new Diversity and Inclusion ('D&I') strategy focused on five priorities:

> Embedding inclusive leadership;
> Bringing inclusion to life;
> Improving systems and structures;
> Accelerating progress; and
> Raising our external profile.

Our Accord Employee Networks play an important role in making the Group a diverse and inclusive workplace by bringing the voices of our colleagues to life. Run by colleagues, for colleagues, the networks connect and support them on a variety of topics including gender, health and wellbeing, LGBTQ+, multicultural, and veterans.

We run an annual calendar of awareness raising activities to mark the events that are important to colleagues. For example, our Multicultural Network in London hosted its annual 'Insight Day' event for Black and Asian students from the Cardiff Metropolitan University. In Asia Pacific, we joined forced with the charity Tender to host a session for parents and carers of young people, as part of our programme of activity marking Mental Health Awareness month. Our London Women's Network hosted an event with the charity Refuge, to learn more about their Tech Abuse Service, which received funding through ICAP Charity Day. The Pride Network in London held a celebration event showcasing LGBT+ talent. We also work intersectionally. Our Americas networks joined forces to host an event at the New York Stock Exchange focused on the importance of diversity within the broking community.

We do not currently collect disability data from our colleagues, beyond discussions for adjustments. However, we plan to begin collecting this information from 2024. We are also launching a Disability employee network in 2024. We work hard to continue to employ people who acquire a disability, either through role adjustments or change of roles. This year, we signed up to the Working with Cancer Pledge, reinforcing our commitment to ensuring those managing a disability or long-term medical condition, or caring for someone who is, can focus on their journey without worrying about work.

Our targets and performance
In 2021, we set a target to increase the female representation of our non-broking employee base from 34% to 38% by the end of 2025. At the end of 2023, female representation within this group is 35%.

This year, we set a new target to increase ethnic minority representation in our senior management population from 13.3% to 15% by the end of 2027. This target has been established following the Parker Review recommendations.

We are introducing career framework guides for all parts of the organisation, with clear and transparent competencies to support development conversations and career mapping. Within our new talent process, we are also introducing talent mapping and boards, within which we have embedded diversity monitoring into this process to mitigate bias.

Progress this year

- > Developed a self-ID data capture system, which will launch in early 2024. This will enable us to better understand colleague representation and identify areas where there are barriers to colleagues thriving, as well as where our work is having a positive impact.
- > Launched region-specific plans to focus on the relevant actions to advance the D&I strategy execution for each location and business unit.
- > Began to raise our profile as an employer of choice. In November, we sponsored a category at the European Diversity Awards.
- > Established a Global Inclusion Council ('GIC'), which meets quarterly to oversee our progress against priorities. Chaired by Philip Price, the senior sponsor and Group General Counsel, the GIC comprises senior leaders from across our business divisions and support functions.
- > Piloted an inclusion objective for all Senior Leaders. This will expand to all staff in 2024.

Human Rights and Modern Slavery

We support the UN Guiding Principles for Human Rights. We are committed to taking steps to combat the risk of any form of modern slavery occurring in our business or supply chain.

More online
Read our Modern Slavery statement on our website:

https://tpicap.com/tpicap/responsibility/our-commitments/modern-slavery-and-human-trafficking-statement

Developing Diverse Leaders of Tomorrow

We have partnered with McKinsey's Connected Leadership programme to help accelerate the career progression of Black, Asian and Hispanic colleagues. The programme provides skills development and networking opportunities to relevant employees, to support their progress and realise their potential. The programme aims to support our target to increase ethnic minority representation at senior manager level.

Employee diversity and inclusion

Gender representation by category

Category	Current reporting year (2023) Female		Male		Not disclosed		Comparison reporting year (2022)[1] Female		Male		Not disclosed	
Executive Management	3	(16%)	16	(84%)			4	(20%)	16	(80%)		
Non-executive Management	30	(26%)	86	(74%)			42	(26%)	122	(74%)		
Professionals	232	(24%)	747	(76%)			197	(21%)	717	(78%)	3	(1%)
All other employees	1,081	(26%)	3,092	(73%)	9	(1%)	1,045	(25%)	3,092	(75%)	12	(1%)

US-only employee racial/ethnic group[2]

Category	Current reporting year (2023) Asian	Black or African American	Hispanic or Latino	White	Other	Not disclosed	Comparison reporting year (2022)[1] Asian	Black or African American	Hispanic or Latino	White	Other	Not disclosed
Executive Management	1 (33%)			2 (67%)			1 (33%)			2 (67%)		
Non-executive Management	1 (4%)			24 (92%)	1 (4%)		3 (8%)		1 (3%)	30 (81%)	1 (3%)	2 (5%)
Professionals	31 (10%)	8 (3%)	10 (4%)	195 (65%)	4 (1%)	50 (17%)	30 (10%)	10 (3%)	10 (3%)	201 (70%)	4 (1%)	38 (13%)
All other employees	107 (9%)	40 (3%)	102 (8%)	755 (61%)	19 (2%)	215 (17%)	121 (9%)	37 (3%)	94 (7%)	769 (61%)	22 (2%)	231 (18%)

Employee turnover and new hires

	Current reporting year (2023) Female		Male		Not disclosed		Comparison reporting year (2022)[1] Female		Male		Not disclosed	
Turnover by gender	260	(28%)	648	(71%)	7	(1%)	318	(29%)	750	(68%)	42	(3%)
New hires by gender	320	(33%)	656	(66%)	8	(1%)	329	(33%)	637	(64%)	29	(3%)

	Current reporting year (2023) <30	30-50	50+	Not disclosed	Comparison reporting year (2022)[1] <30	30-50	50+	Not disclosed
Turnover by age group	275 (30%)	455 (50%)	170 (18%)	15 (2%)	286 (26%)	573 (51%)	207 (19%)	44 (4%)
New hires by age group	468 (48%)	395 (40%)	107 (11%)	14 (1%)	410 (41%)	450 (45%)	98 (10%)	37 (4%)

	Current reporting year (2023) APAC		EMEA		Americas		Comparison reporting year (2022) APAC		EMEA		Americas	
Turnover by region	219	(24%)	421	(46%)	275	(30%)	269	(24%)	548	(50%)	293	(26%)
New hires by region	259	(26%)	492	(50%)	233	(24%)	247	(25%)	523	(52%)	225	(23%)

Share of employment contracts

Employee contract by gender

	Current reporting year (2023) Female		Male		Not disclosed		Comparison reporting year (2022)[1] Female		Male		Non disclosed	
Permanent	1,304	(25%)	3,874	(74%)	9	(1%)	1,248	(24%)	3,890	(75%)	13	(1%)
Temporary	42	(39%)	67	(61%)			40	(40%)	57	(58%)	2	(2%)

Employment type by gender

	Current reporting year (2023) Female		Male		Not disclosed		Comparison reporting year (2022)[1] Female		Male		Not disclosed	
Full-time	1,299	(22%)	3,909	(74%)	9	(1%)	1,237	(24%)	3,917	(75%)	15	(1%)
Part-time	47	(59%)	32	(41%)			51	(63%)	30	(37%)		

Employee contract by region

	Current reporting year (2023) APAC		EMEA		Americas		Comparison reporting year (2022)[1] APAC		EMEA		Americas	
Permanent	1,131	(22%)	2,505	(48%)	1,551	(30%)	1,103	(21%)	2,463	(48%)	1,585	(31%)
Temporary	31	(28%)	64	(59%)	14	(13%)	19	(19%)	58	(59%)	22	(22%)

> Employee data includes permanent, temporary, and fixed-term contract ('FTC') employees of the Group and its subsidiaries. It excludes contingent workers that may need to access a TP ICAP location or system for a specific purpose on a short-term basis.
> The data represents headcount and not full-time equivalent ('FTE').

1 This year we have added a new reporting category 'not disclosed' to improve the transparency of our reporting. This required a restatement of 2022 headcount data for comparability.
2 We collect ethnicity/racial demographic data for US-based employees to meet the reporting requirements set out by the US Equal Employment Opportunities Commission.

Our external communities

Economic impact

We operate in 28 countries with more than 60 offices. The Group generated £2.2 billion revenue in 2023 and paid £646 million to tax authorities (2022: £542 million). This comprised corporation tax, premises taxes, employer's social security payments, income taxes, withholding tax, social security paid on behalf of employees in the UK and the US (the main jurisdictions in which we operate), and VAT/sales taxes borne and collected. The Group also makes tax payments to the authorities in other tax jurisdictions in which it operates.

As our people are our main resource, we paid £1.4 billion in annual compensation and benefits. General and administrative expenses paid to our supply chain amounted to £511 million. Taken together, the direct and indirect economic impact generated by the Group are significant. We also play a critical role in helping the global capital markets function well. This enables our clients to serve their clients effectively, whether that is to help start or build a business, buy a property, or invest in a pension.

Social impact

Through ICAP Charity Day (see pages 26 and 27), employee volunteer initiatives and Group-wide social mobility partnerships, we work to make a positive social impact.

Championing social mobility with National Numeracy

Numeracy is one of life's crucial building blocks, and an important driver of social mobility. Since 2018, we have had a significant partnership with the UK charity National Numeracy. We funded the development of a range of tools, and resources, to help people develop their numeracy skills.

This year, we launched a volunteer programme with National Numeracy to recruit and train numeracy champions to deliver number-focused assemblies and classroom sessions in primary schools. The sessions aim to inspire young people, and to demonstrate how maths and numbers are used in the real world. Since the programme launched in September, seven volunteers have visited eight UK primary schools, delivering sessions to around 1,360 young people.

In addition, throughout the year we supported the sixth annual National Numeracy Day, and the fourth annual Number Confidence Week, of which we are a founding partner.

National Numeracy Day

More than 800,000 people took part in the 2023 National Numeracy Day campaign – the biggest response so far, and an 80% increase from last year. This number included over 100,000 people taking part in the National Numeracy Challenge, a free online tool which offers over 300 everyday maths questions, tutorials, and multimedia resources to help adults improve their numeracy skills.

Number Confidence Week

The fourth annual Number Confidence Week, held in November, reached more people than ever before. This year's campaign was themed around how number confidence can play a key role in social mobility. More than 50,000 people engaged with the National Numeracy Challenge and free online number confidence resources were downloaded more than 2,000 times.

National Numeracy Leadership Council

We are a founding member of the National Numeracy Leadership Council, where we are represented by Philip Price, Executive Director and Group General Counsel. The Council works with businesses and organisations across the UK to address numeracy challenges and work in partnership to implement solutions.

More online
Read the National Numeracy Day and Number Confidence Week impact reports here:

https://www.nationalnumeracy.org.uk/news/our-impact-number-confidence-week-2023

Inspiring young people

Michael Ball, a Settlements Operations Manager, delivered a numeracy assembly to Holy Child Primary School in Belfast, Northern Ireland. Michael said: "Maths was never really my strong point at school, but I am now in a job where I work with numbers every day and really enjoy it. I had a brilliant time working with the young people, and they seemed to enjoy it too." Kathleen Lavery, numeracy co-ordinator at the school added: "Michael showed a real love of maths and an understanding of the struggles some children might have. The children were engaged, and interacted with the session well." Following the feedback from Holy Child Primary School, Michael was named National Numeracy's volunteer of the month.

In addition, throughout the year we supported the sixth annual National Numeracy Day, and the fourth annual Number Confidence Week, of which we are a founding partner.

CHARITY DAY 2023

ICAP Charity Day

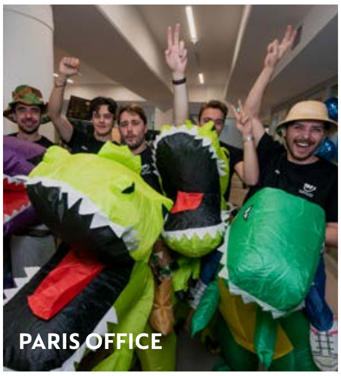
On Thursday 7 December, ICAP held its 31st annual global Charity Day.

Since 1993, ICAP Charity Day has raised money for charities around the world, with 100% of one day's revenue being donated to a variety of causes.

This year, the day began with a video message from His Royal Highness the Prince of Wales, in his role as patron of The Passage, one of our UK-based charity partners. As ever, stars from film, TV, music and sport joined our brokers to close deals with clients. The event raised £5.2 million, which will benefit around 100 different charitable organisations worldwide. This brings the total amount raised to more than £165 million since the first ICAP Charity Day.

KEVIN BACON
Supporting SixDegrees

£5.2m
raised globally



PARIS OFFICE

SHANOLA HAPTON
Supporting Art of Elysium

BANGKOK OFFICE

JEREMY RENNER
Supporting RennerVation Foundation


ALEX LAM
Supporting Hong Kong Cancer Fund


GILLIAN ANDERSON
Supporting The Felix Project


CEREBRAL PALSY ALLIANCE
Australia


JAIME WINSTONE & RAY WINSTONE
Supporting Prostate Cancer UK

Supported around 100 charities worldwide


JOAN COLLINS
Supporting The Prince's Trust & Shooting Star Children's Hospice

HONG KONG OFFICE


SOLS FOUNDATION
Malaysia

£165m
since the first ICAP Charity Day in 1993


PENNY LANCASTER & ROD STEWART
Supporting The Prince's Trust


ALZHEIMER'S RESEARCH UK

GOVERNANCE

ESG reporting and performance management

Effective measurement, and reporting, of our ESG performance enables us to identify, assess, and actively manage our economic, environmental, and social impacts. This year, we:

> Completed a detailed qualitative and quantitative climate scenario analysis, to improve our understanding of the relevant climate-related risks and opportunities. See pages 64 to 75 for further detail.
> Reviewed the governance in place to support the collection and reporting of environment data – specifically our Scope 1, 2 and 3 emissions.
> Implemented a data governance manual that establishes the roles and responsibilities of those involved with producing these data sets.
> Moved to a software-based solution for calculating and reporting our carbon emissions.

MSCI Rating

The Group was awarded an 'A' rating by MSCI, one of the world's leading ESG ratings agencies. This marks a significant improvement from the previous BBB score. The rating reflects the steps we have taken to improve the quality of our ESG reporting and overall delivery.

CDP Disclosure

We completed the CDP Climate Change Questionnaire to secure authoritative external benchmarking. A CDP score provides a snapshot of a company's disclosure and environmental performance. In 2023, CDP awarded TP ICAP a 'B-' score, an improvement from 'C' in 2022. The increase in score reflects the improvements we have made to our climate change governance and risk management processes.

ESG Governance

Board-level oversight and engagement

Tracy Clarke is the Non-executive Director responsible for ESG engagement. Tracy works closely with the Group's management team to ensure the Board has oversight of our business strategy from an ESG perspective. For more details, see the Governance Report from page 76 onwards. Our governance arrangements under the TCFD framework are set out on pages 64 to 75.

Senior management

Each of our three Executive Directors – the Group CEO, Group General Counsel, and Group CFO – had ESG-related objectives as part of their 2023 Strategic Objectives, as agreed by the Remuneration Committee. These were assessed as part of annual performance reviews. See the scorecard in the remuneration section on pages 120 to 122 for details.

The Group General Counsel has responsibility for leading the delivery of the Group's overall ESG programme and updating the Board on ESG matters. The Group CFO has responsibility for delivering the Group's climate change reporting, supported on a day-to-day basis by the Group Director for Corporate Affairs.

Business ethics

We are committed to the highest standards of integrity from all colleagues. The standards of behaviour are set out in our **Code of Conduct**. This is complemented by a range of policies and resources, including the TP ICAP Employee Handbook, Regional Compliance manuals, Malus and Clawback Policy, Whistleblowing Policy, and Supplier Code of Conduct.

Our **Whistleblowing Policy** and procedures ensure that any concerns are handled fairly and effectively. They encourage and expect employees to speak out if they have legitimate concerns about wrongdoings. The policy sets out how to raise a concern and how reports are investigated. It also provides assurances relating to confidentiality. Our whistleblowing hotline is independently managed and available 24/7. It is open to colleagues, suppliers and other third parties. The Audit Committee oversees the operation and effectiveness of the Group's whistleblowing system and controls. See the Audit Committee report on page 104 for more detail.

All colleagues completed a programme of **mandatory training** to enhance professional integrity and safeguard against breaches. Modules include Preventing Market Abuse, Anti-Bribery & Corruption, Anti-Money Laundering, and Cyber Security. The training was tailored to reflect both role and region. In total, the average number of training hours per employee in 2023 was 6.2, up from 4.8 in 2022. Colleagues are also required to attest they have read and understood their relevant region's Compliance Manual and the Group Code of Conduct. Completion is tracked and contributes to colleagues' annual performance review process.

To help maintain a strong **conduct culture**, our leaders communicate regularly on the importance of good behaviours. In addition, the firm's Triple A Values emphasise the importance of Accountability in the workplace. This focuses on building trust by being accountable to ourselves, our colleagues, our clients, and broader stakeholders.

This year, we launched a new **Supplier Code of Conduct**, which sets out the minimum standards of business conduct we expect from our suppliers. The Code covers topics including workforce and human rights, health and safety, diversity, and environmental sustainability.

More online
Read our Supplier Code of Conduct on our website:

https://tpicap.com/tpicap/responsibility/our-commitments/procurement-and-modern-slavery

Systemic risk management
We manage our risk profile through our Enterprise Risk Management Framework ('ERMF') and deliver the risk management strategy through a range of actions. They include clear communication of risk-related expectations and responsibilities from senior leadership, and remuneration structures that drive the right behaviours. For more details, please see pages 72 and 73 of the TCFD section and pages 106 to 109 of the Risk Committee report.

Promoting transparent and efficient capital markets
We sit at the centre of the world's financial, energy and commodity markets. We play a central role in connecting clients to liquidity and data solutions. This enables wholesale markets to function effectively and efficiently, notably in times of market stress. In 2023, there were no recorded halts because of any public release of information and there were no pauses related to volatility.

Managing business continuity and technology risks
Our Business Continuity Management focuses on ensuring the safety of our staff and systems, minimising business disruption, and managing crises effectively.

Our crisis management teams are organised on a global and regional level. All events are escalated in accordance with the Group's Event Rating and Escalation Scale, as stated in the Group's Enterprise Risk Management Framework. Global and Regional Change Advisory Boards have oversight of technology updates. IT incidents are tracked and managed based on the severity of the incident against an application and IT Services tiering scale.

This year we experienced no IT, Business Continuity, data, or cyber security breaches that caused significant market disruption or had a material adverse effect on our business.

Tax and other social payments
The Group has published a Group Tax Strategy, available on our website. This strategy explains that we are committed to complying with tax laws in a responsible manner and to open and constructive relationships with tax authorities wherever we operate. The Group's tax risk appetite is low.

Political contributions
Nil. It is the Company's policy not to make cash contributions to any political party. However, within the normal activities of the Group, there may be occasions when an activity might fall within the broader definition of 'political expenditure'. Therefore, the Company has sought to obtain shareholder authority to make limited donations at each AGM.

More online
Read our Group Tax Strategy published on our website:

https://tpicap.com/tpicap/responsibility/our-commitments/group-tax-strategy

DELIVERING SUSTAINABLE OUTCOMES

OUR DRIVERS

Our Purpose
To provide clients with access to global financial, energy, and commodities markets, improving price discovery, liquidity, and distribution of data, through responsible and innovative solutions.

Our Vision
To be the world's most trusted, and innovative, liquidity and data solutions specialist.

Our Mission
Through our people and technology, we connect clients to superior liquidity and data solutions.

OUR ASSETS

Our Resources

Scale
World's largest inter-dealer broker, energy and commodities broker, and provider of OTC market data. Global footprint, with operations across 28 countries. Coverage across all major asset classes and products

Brands
Five trusted brands: Tullett Prebon, ICAP, PVM, Liquidnet, Parameta Solutions

Client Base
Enduring relationships with world-leading institutions, spanning buy-side and sell-side

Low-risk Operating Model
No proprietary trading/market-making: brokers act solely as intermediaries between client transactions

Technology & Innovation
Client-led investment in innovative technology: Fusion connects clients across every major asset class, across the full life cycle of a trade

People & Culture
Talented global workforce, with a purpose-driven culture, led by our Triple-A values: Accountability, Authenticity, Adaptability

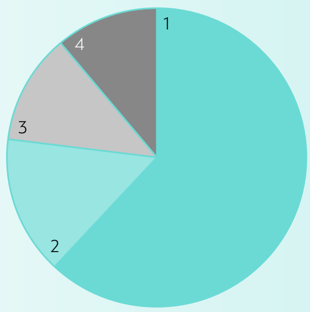
Cash & Capital
Highly cash generative with a clear capital allocation framework: investment, reducing debt, defined dividend policy, and shareholder return of surplus capital, as appropriate

WHAT WE DO

Our Operations

We generate revenue by providing broking and agency execution services (92% of Group revenue), and by selling data-led solutions (8% of Group revenue).

We carry out broking and agency execution according to three models: Name Passing[1], Matched Principle[2], and Executing Broker[3]. The majority of our revenue (c.60%) is denominated in US Dollars.



1 USD	62%
2 EUR	15%
3 GBP	12%
4 Other	11%

Read more
Financial and operating review
Page 34

Our Market

Understanding the key market trends that affect our business means we are well positioned to seize opportunities.

Read more
Market trends
Page 14

OUR STRATEGY

Our Priorities

We are transforming our Group to future-proof our core broking proposition through technology. We are also diversifying through new clients, new asset classes, and greater non-broking revenue.

Read more
Our strategy
Page 16

TRANSFORMATION

DIVERSIFICATION

DYNAMIC CAPITAL MANAGEMENT

Risk Management

Effective risk management is essential to the financial strength and resilience of the Group and for delivering its business strategy.

Read more
Principal risks and uncertainties
Page 55

Sustainability

Our approach to managing our business responsibly, including building a diverse and inclusive culture, to deliver long-term value for our stakeholders.

Read more
Our approach to sustainability
Page 18

1 Where the Group identifies and introduces buyers and sellers who then complete the transaction between themselves at mutually acceptable terms.
2 Where the Group is the counterparty to both the buyer and seller of a matching trade (we hedge every client trade with an equal transaction), and maintain client anonymity.
3 Where the Group executes transactions on certain regulated exchanges in respect of client buy or sell orders, and then 'gives-up' the trade to the relevant client.

THE OUTCOMES AND IMPACT

Our Stakeholders

Our stakeholders are integral to the success of the Company, and we are committed to creating sustainable value and mutually beneficial outcomes.

Read more
Stakeholder engagement
Page 46

Clients
Through our people and technology, provide superior liquidity and unique data solutions.

Example: Fusion rollout, 44% of in-scope desks now live.

People
Attracting, nurturing, retaining and rewarding employees by making TP ICAP a great place to work.

Example: Employee engagement score of 67% (2021: 60%).

Investors
Long-term value creation and sustainable returns.

Example: £30m buyback completed; Second £30m buyback announced; Final dividend up 27%.

Regulators
Strong governance and oversight; building trust through regular, open dialogue.

Example: Constructive dialogue on the Group's regulatory capital position during ICARA review.

Suppliers
Working with suppliers to build sustained partnerships.

Example: Understanding ESG credentials through supplier engagement.

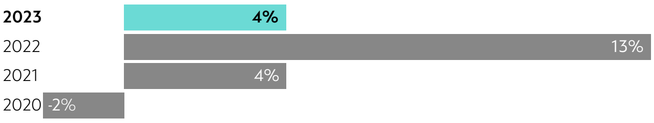
Communities
Making a positive impact through colleague fundraising and volunteering.

Example: £5.2m raised for 2023 ICAP Charity Day.

KEY PERFORMANCE INDICATORS

Our KPIs are Alternative Performance Measures as defined by European Securities and Markets Authority ('ESMA'). We provide these to offer additional insights into the Group's financial results.

Revenue growth
Reported (%)



KPI definition
Revenue growth is defined as the annual growth of total reported revenues. Group revenues are shown on page 35.

Comment
Our core revenue growth is driven by transactional volumes that reflect wider market conditions. The Group delivered a good financial performance, against a backdrop of macro and geopolitical-driven volatility. Group revenues increased 4% year-on-year on a reported basis (+3% on a constant currency basis).

Contribution[1]
Reported (£m)

KPI definition
Contribution is calculated as revenue less broker compensation and other front office costs. It also includes the revenue of Parameta Solutions less direct costs.

Comment
Contribution is another measure of business profitability, captured at the divisional level. It provides an indication of business division financials before management support costs. Group contribution improved by 7% increasing from £795m in 2022 to £848m in 2023.

Adjusted operating profit (EBIT) margin[2]
Reported (%)

KPI definition
Adjusted operating profit margin is calculated by dividing adjusted operating profit by revenue for the period. A reconciliation of adjusted operating profit to statutory operating profit is shown on page 160.

Comment
Adjusted operating profit margin is a measure of business profitability and is principally driven by revenue, broker and support staff compensation and other administrative expenses. The adjusted operating profit margin for 2023 increased by 0.7 percentage points relative to 2022.

Adjusted earnings per share ('EPS')
Reported (p)

KPI definition
Adjusted earnings per share is calculated by dividing the adjusted profit after tax by the basic weighted average number of shares in issue. See adjusted EPS section on page 207.

Comment
Over the long term, growth in shareholder value and returns are linked to growth in adjusted EPS, which measures the adjusted profitability of the Group after tax and interest costs.

1 Prior year numbers have been restated to reflect a £32m reclassification of technology costs from front office costs to management & support costs, to better reflect the nature of these costs. The reclassification impacts Liquidnet, Global Broking and Group only.
2 Refer to page 40 of the Operating and Financial Review for comparison of performance with 2023 targets.

FINANCIAL AND OPERATING REVIEW

"We delivered a strong financial performance, higher revenues from diversified sources and continued cost discipline in a tough environment."

All percentage movements quoted in the analysis of financial results that follows are in reported currency, unless otherwise stated. Reported currency refers to prior year comparatives translated using prior year foreign exchange rates.

Introduction

The Group delivered a good financial performance: revenue increased 4% to £2,191m (3% ahead in constant currency), building on the 13% growth in 2022.

In line with our expectations, following a strong performance in 2022, revenue in our largest division, Global Broking, was unchanged. Energy & Commodities delivered record revenue growth of 18%, benefitting from improved market conditions. This included double-digit growth across all the key asset classes (Oil, Power and Gas).

Liquidnet revenue (excluding Credit, now reported as part of our Credit asset class in Global Broking) declined marginally. Cash Equities revenue was 8% down, but outperformed the activity in large block market volumes – Liquidnet's key market segment. We grew our market share in the US and EMEA regions, underlining the strength of our franchise. Cash Equities revenue increased by 9% in the fourth quarter, and this positive momentum has continued so far in 2024.

Parameta Solutions, a world leader in the provision of OTC data and analytics, grew its revenue by 8% and continues to benefit from the delivery of multi-channel distribution and diversification of its client base.

Our focus on cost management (annualised Liquidnet integration cost synergies of £43m), and broker productivity (average revenue per broker +10%), increased our Group contribution margin to 38.7% (2022: 37.6%). We delivered a record adjusted EBIT of £300m (2022: £275m), up 9%, with EBIT margin increasing to 13.7% from 13.0%, despite a £11m foreign currency loss arising from the retranslation of the Group's monetary assets and liabilities (2022: £14m gain).

The Group incurred significant items of £153m post-tax in reported earnings (2022: £91m) with the year-on-year increase driven by the £76m (net of tax) in 2023 impairment of goodwill and acquired intangibles assets in Liquidnet. The impairment reflects the particularly challenging equity markets seen over the last two years, as well as an increase in the discount rate. Significant items excluding the impairment and income and costs associated with legal and regulatory matters, were lower than our previous guidance of £85m (pre-tax). Group's reported EBIT was £128m (2022: £163m).

At our Capital Markets Day in 2020, we set out our strategy to transform, grow, and diversify the Group. At the same time, we set out a range of 2023 targets which we adjusted last year to principally reflect the challenging market conditions for Liquidnet Equities, and the impact of the pandemic. We have exceeded the updated guidance for most of these targets.

Dynamic capital management is an important strategic priority for us. We freed up our targeted £100m of cash, which is being used to reduce Group debt. Our leverage ratio[1] is now 1.9 times, and is expected to reduce further, when we report our half year 2024 results in August. We delivered strong cash generation, with a cash conversion ratio of 124% (2022: 156%). We announced a second share buyback programme of £30m, following the completion of the initial £30m programme in January 2024. Finally, in line with our dividend policy, the Board is recommending a final 2023 dividend of 10.0 pence per share, representing a full year 2023 dividend of 14.8 pence per share, up 19.4%.

1. Total debt (excluding finance lease liabilities) dividend by adjusted EBITDA as defined by Rating Agency.

Robin Stewart
Executive Director and Chief Financial Officer
12 March 2024

Key financial and performance metrics

	2023 £m	2022 Reported[2] £m	2022 Constant Currency[2] £m	Reported change	Constant Currency Change
Revenue	**2,191**	2,115	2,119	4%	3%
Reported					
– EBIT	**128**	163	165	(21%)	(22%)
– EBIT margin	**5.8%**	7.7%	7.8%	(1.9%)	(2.0%)
Adjusted					
– Contribution	**848**	795	797	7%	6%
– Contribution margin	**38.7%**	37.6%	37.6%	1.1%	1.1%
– EBITDA	**373**	357	359	4%	4%
– EBIT	**300**	275	277	9%	8%
– EBIT margin	**13.7%**	13.0%	13.1%	0.7%	0.6%
Average					
– Broker headcount[1]	**2,556**	2,680	2,680	(5%)	(5%)
– Revenue per broker[1] (£'000)	**716**	652	653	10%	10%
– Contribution per broker[1] (£'000)	**268**	230	230	17%	17%
Period end					
– Broker headcount[1]	**2,523**	2,613	2,613	(3%)	(3%)
– Total headcount	**5,179**	5,161	5,161	–	–

1 Revenue per broker and contribution per broker are calculated as external revenue and contribution of Global Broking, Energy & Commodities and Liquidnet (excluding the Acquired Liquidnet platform) divided by the average broker headcount for the year. 2022 broker headcount restated to include Liquidnet Credit platform to reflect the Credit platform merger with Global Broking.

2 Prior year numbers have been restated to reflect £32m reclassification of technology costs from front office costs to management & support costs to better reflect the nature and management of these costs.

Income statement

Whilst not a substitute for IFRS, management believe adjusted figures provide relevant information to better understand the underlying business performance. These adjusted measures, and other alternative performance measures ('APMs'), are also used by management for planning and to measure the Group's performance.

2023	Adjusted £m	Significant items £m	Reported £m
Revenue	**2,191**	–	**2,191**
Employment, compensation and benefits	(1,354)	(6)	(1,360)
General and administrative expenses	(478)	(33)	(511)
Depreciation and impairment of PPE and ROUA	(45)	(11)	(56)
Amortisation and impairment of intangible assets	(28)	(130)	(158)
Operating expenses	**(1,905)**	**(180)**	**(2,085)**
Other operating income	14	8	22
EBIT	**300**	**(172)**	**128**
Net finance expense	(29)	(3)	(32)
Profit before tax	**271**	**(175)**	**96**
Tax	(67)	27	(40)
Share of net profit of associates and joint ventures	25	(5)	20
Non-controlling interests	(2)	–	(2)
Attributable Earnings	**227**	**(153)**	**74**
Basic average number of shares (millions)	777.7		777.7
Basic EPS (pence per share)	29.2p		9.5p
Diluted average number of shares (millions)	794.2		794.2
Diluted EPS (pence per share)	28.6p		9.3p

2022	Adjusted £m	Significant items £m	Reported £m
Revenue	**2,115**	–	**2,115**
Employment, compensation and benefits	(1,296)	(24)	(1,320)
General and administrative expenses	(474)	(32)	(506)
Depreciation and impairment of PPE and ROUA	(49)	(9)	(58)
Amortisation and impairment of intangible assets	(33)	(65)	(98)
Operating expenses	**(1,852)**	**(130)**	**(1,982)**
Other operating income	12	18	30
EBIT	**275**	**(112)**	**163**
Net finance expense	(49)	(1)	(50)
Profit before tax	**226**	**(113)**	**113**
Tax	(58)	22	(36)
Share of net profit of associates and joint ventures	29	–	29
Non-controlling interests	(3)	–	(3)
Attributable Earnings	**194**	**(91)**	**103**
Basic average number of shares (millions)	779.1		779.1
Basic EPS (pence per share)	24.9p		13.2p
Diluted average number of shares (millions)	790.6		790.6
Diluted EPS (pence per share)	24.5p		13.0p

All percentage movements quoted in the analysis of financial results that follows are in constant currency, unless otherwise stated. Constant currency refers to prior year comparatives being retranslated at current year foreign exchange rates to support comparison on an underlying basis.

Revenue by division

Total Group revenue in 2023 of £2,191m was 3% higher than the prior year (+4% in reported currency). Global Broking revenue was broadly in line, with the performance underpinned by another strong year for Rates and growth in FX and Money Markets. Energy & Commodities revenue increased by 18% supported by improved market activity across Oil, Power and Gas. Supply disruptions caused by the war in Ukraine receded and European gas prices returned to more normal levels, leading to an increase in trading activity. In Liquidnet revenue was down 1% due to challenging equity market conditions, particularly during H1 2023. However, an improvement in equity markets in Q4 saw Cash Equities revenue rise 13%, providing good momentum for 2024. The rest of the Liquidnet division delivered strong growth (+12%), driven by the Relative Value desks. Parameta Solutions revenue was up 8% as it continued to benefit from growing demand for high quality financial markets data. Growth accelerated to 11% in H2 2023.

By Business Division	2023 £m	2022 (restated reported currency) £m	2022 (restated constant currency) £m	Reported currency change	Constant currency change
Rates	566	567	567	–	–
FX & Money Markets	312	302	302	3%	3%
Equities	237	246	246	(4%)	(4%)
Credit[2]	121	125	125	(3%)	(3%)
Inter-division revenue[1]	22	22	22	–	–
Global Broking[3]	**1,258**	**1,262**	**1,262**	–	–
Energy & Commodities	455	384	386	18%	18%
Inter-division revenue[1]	3	3	3	–	–
Energy & Commodities	**458**	**387**	**389**	**18%**	**18%**
Liquidnet[2]	**315**	**316**	**318**	–	**(1%)**
Data & Analytics	185	175	175	6%	6%
Inter – division revenue[1]	4	–	–	n/a	n/a
Parameta Solutions[3]	**189**	**175**	**175**	**8%**	**8%**
Inter-division eliminations[1]	(29)	(25)	(25)	(16%)	(16%)
Total Revenue	**2,191**	**2,115**	**2,119**	**4%**	**3%**

1 Inter-division revenue has been recognised in Global Broking and Energy & Commodities to reflect the value of proprietary data provided to the Parameta Solutions division. The Global Broking and Energy & Commodities inter-division revenue and Parameta Solutions inter-division costs are eliminated upon the consolidation of the Group's financial results.
2 Liquidnet Credit revenue of £11m is now reported as part of Global Broking. 2023 disclosures are on this basis, with 2022 results restated, to ensure a like-for-like comparison year-on-year. £9m of Credit revenue in 2022 has been reclassified from Liquidnet to Global Broking.
3 Parameta Solutions desks transferred into Global Broking reflecting the change in focus of business activities. 2022 Revenue for Global Broking increased by £2m, Parameta Solutions reduced by £2m.

Operating expenses

The table below sets out operating expenses, divided principally between front office costs and management and support costs. Front office costs tend to have a large variable component and are directly linked to the output of our brokers. The largest element of this is broker compensation as well as other front office costs, which include travel and entertainment, telecommunications and information services, clearing and settlement fees as well as other direct costs. The remaining cost base represents the management and support costs of the Group.

	2023 £m	2022 (restated[1] reported currency) £m	2022 (restated[1] constant currency) £m	Reported Currency Change	Constant Currency Change
Front office costs					
– Global Broking	761	798	799	(5%)	(5%)
– Energy & Commodities	304	263	264	16%	15%
– Liquidnet	207	197	197	5%	5%
– Parameta Solutions	71	62	62	15%	15%
Total front office costs[2]	**1,343**	**1,320**	**1,322**	**2%**	**2%**
Management and support costs					
– Employment costs	319	297	297	7%	7%
– Technology and related costs	93	93	93	–	–
– Premises and related costs	29	28	28	4%	4%
– Depreciation and amortisation	73	82	82	(11%)	(11%)
– Other administrative costs	37	46	46	(20%)	(20%)
Total management and support costs	**551**	**546**	**546**	**1%**	**1%**
– FX (gains)/losses	11	(14)	(14)	n/a	n/a
Total management & support costs (incl. FX losses/(gains)	**562**	**532**	**532**	**6%**	**6%**
Total adjusted operating costs	**1,905**	**1,852**	**1,854**	**3%**	**3%**
Significant items	180	130	128	38%	41%
Total operating expenses	**2,085**	**1,982**	**1,982**	**5%**	**5%**

1 Prior year numbers have been restated to reflect £32m reclassification of technology costs from front office costs to management & support costs to better reflect the nature of these costs. The reclassification impacts Liquidnet, Global Broking and the Group.
2 Includes all front office costs, including broker compensation, sales commission, travel and entertainment, telecommunications, information services, clearing and settlement fees as well as other direct costs.

Total front office costs of £1,343m increased by 2% on reported and constant currency basis compared with 2022, in line with increase in revenue. In 2022 there was a £21m P&L charge, net of recoveries relating to Russian exposures. Excluding this charge, the front office costs increased by 3%, Total management & support costs (excluding FX (gains)/losses) of £551m remained broadly in line compared with the previous period. The FX impact from the retranslation of monetary assets and liabilities reversed from a £14m gain in 2022, to an £11m loss in 2023. We maintained tight cost discipline and the impact of ongoing inflationary pressures and continuing investment in Liquidnet Credit was largely offset by the delivery of further cost savings, which has strengthened our operating leverage. We have now delivered £43m of annualised Liquidnet integration cost synergies, exceeding our target of £30m.

Total operating expenses of £2,085m, increased by 5% compared with 2022. During 2023, we incurred total strategic IT investment spend amounting to £26m (2022: £22m) comprising £7m of operating expenses and £19m of capital expenditure. (2022: £8m operating expenses and £14m capital expenditure).

Capital and liquidity management

Capital management

The Group achieved its target of freeing up c.£100m of cash, six months ahead of schedule. It is being used to reduce Group debt, thereby reducing our future net finance costs, and increasing our investment grade headroom.

In April 2023, we issued £250m Sterling Notes maturing in 2030 under the Group's Euro Medium Term Note ('EMTN') programme. The proceeds were used to repay £210m of the outstanding Sterling Notes, in 2023 and the balance at maturity, in January 2024.

Free cash flow generation was strong at £281m (2022: £302m), representing a 124% cash conversion (free cash flow divided by adjusted attributable earnings).

We announced a share buyback programme of up to £30m in August 2023 which was executed during the second half of 2023 and completed in the first week of January 2024. We have announced a second buyback of £30m. The Board remains committed to identifying and returning any potential surplus capital to shareholders, subject to the ongoing assessment of our balance sheet and investment requirements.

Liquidity management

The Group extended the £350m syndicated Revolving Credit Facility ('RCF') for a further year to May 2026. In January 2024 the Yen10bn RCF with a Japanese strategic partner has also been extended to February 2026.

Significant items

Items that distort comparisons due to their size, nature or frequency, are excluded in order to provide additional understanding, comparability and predictability of the underlying trends of the business, to arrive at adjusted operating and profit measures.

Significant items are categorised as below:

Restructuring and related costs

Restructuring and related costs arise from initiatives to reduce the ongoing cost base and improve efficiency to enable the delivery of our strategic priorities. These initiatives are significant in size and nature to warrant exclusion from adjusted measures. Costs for other smaller scale restructuring are retained within both reported and adjusted results.

Disposals, acquisitions and investments in new businesses

Costs, and any related income, related to disposals, acquisitions and investments in new business are transaction dependent and can vary significantly year-on-year, depending on the size and complexity of each transaction. Amortisation of purchased and developed software is contained in both the reported and adjusted results as these are considered to be core to supporting the operations of the business.

Impairment

The Group conducts its goodwill and intangible asset impairment test annually in September, or more frequently if indicators of impairment exist. Impairment assessments are performed by comparing the carrying amount of a cash generating unit ('CGU'), to its recoverable amount. Judgement is involved in estimating the future cash flows of the cash-generating units and the rates used to discount these cash flows.

Legal and regulatory matters

Costs, and recoveries, related to certain legal and regulatory cases are treated as significant items due to their size and nature. Management considers these cases separately due to the judgements and estimation involved, the costs and recoveries of which could vary significantly year-on-year.

The table below shows the significant items in 2023 vs 2022, of which around 85% of the total 2023 costs are non-cash.

	2023 Gross Expense £m	2023 Tax Relief £m	2023 Net Amount £m	2022 Gross Expense £m	2022 Tax Relief £m	2022 Net Amount £m
Restructuring & related costs						
– Property rationalisation[1]	15	(3)	12	16	(3)	13
– Liquidnet integration	9	(2)	7	9	(1)	8
– Group cost saving programme	–	–	–	21	(3)	18
– Business restructuring[2]	2	–	2	2	–	2
– Remeasurement of employee group income protection ('GIP') provision	–	–	–	(7)	1	(6)
Subtotal	**26**	**(5)**	**21**	**41**	**(6)**	**35**
Disposals, acquisitions and investment in new business						
– Amortisation of intangible assets arising on consolidation	44	(11)	33	45	(10)	35
– Liquidnet acquisition related[3]	10	(2)	8	(15)	(6)	(21)
– Foreign exchange losses	(2)	1	(1)	5	–	5
– Adjustment to deferred consideration[4]	(3)	–	(3)	8	–	8
– Strategic project costs	–	–	–	3	–	3
Subtotal	**49**	**(12)**	**37**	**46**	**(16)**	**30**
Impairment[5]						
– Liquidnet goodwill	47	–	47	–	–	–
– Liquidnet customer relationships	39	(10)	29	20	–	20
Subtotal	**86**	**(10)**	**76**	**20**	–	**20**
Legal & regulatory matters[6] – Subtotal	**11**	**–**	**11**	**5**	**–**	**5**
Total pre-financing cost	**172**	**(27)**	**145**	**112**	**(22)**	**90**
– Financing interest expense on Vendor Loan Notes, amortisation of discount on deferred consideration and GIP provision	3	–	3	1	–	1
Total post-financing cost	**175**	**(27)**	**148**	**113**	**(22)**	**91**
Associate impairment[7]	5	–	5	–	–	–
Total	**180**	**(27)**	**153**	**113**	**(22)**	**91**

1 £12m Property rationalisation costs include costs relating to exiting Liquidnet's Hong Kong and New York office.
2 £2m of Business restructuring costs include the ongoing work to simplify the Group's legal entity structure and free up capital.
3 £8m of Liquidnet acquisition related costs relating to settling commercial and regulatory matters arising from the Liquidnet acquisition.
4 £(3)m adjustment to deferred consideration includes the reduction of deferred consideration on the Liquidnet earnout in the light of lower performance in the equities business.
5 £76m recognised impairment of the carrying values of goodwill and acquired customer relationships in Liquidnet as a result of prolonged adverse changes in equity market conditions, and an increase in the discount rate that is applied to cash flow projections.
6 £11m Legal & regulatory matters includes costs related to proceedings issued by the Frankfurt and Cologne Prosecutors, civil claims relating to 'cum-ex', the defence of LIBOR actions and settlement, costs related to the Company bringing a warranty claim against NEX Group and costs related to ongoing regulatory investigations.
7 £5m relates to the impairment of the Group's carrying value of an associate company on disposal – Corretaje e Informacion Monetaria Y de Divisas SA ('CIMD').

Net finance expense

The adjusted net finance expense of £29m (reported net finance expense £32m), is comprised of £46m interest expense and £14m of net interest on finance leases, offset by £31m interest income. The net finance expense is £20m lower compared with £49m in 2022. This is mainly due to:

> £26m increase in interest income following concerted effort to maximise the interest rate yield on increasing cash balances;
> £7m increase in interest expense from 2030 Sterling Notes refinanced at higher rate (7.875%) compared with the 2024 Sterling Notes repaid (5.25%); and
> £1m decrease in net financing leasing costs.

Tax

The effective rate of tax on adjusted profit before tax is 24.7% (2022: 25.7%). The effective rate of tax on reported profit before tax is 41.7% (2022: 31.9%).

Basic EPS

The average number of shares used for the 2023 Basic EPS calculation is 777.7m (2022: 779.1m). This reflects the 788.7m shares in issue as at 31 December 2022, less the 8.8m shares held in trust as at 31 December 2022, adjusted for the time-apportioned movements in shares during 2023. Time-apportioned movements during the year were an increase of 0.5m in respect of own shares held in trust and a decrease of 2.7m in respect of treasury shares acquired through the share buyback.

The TP ICAP plc Employee Benefit Trust has waived its rights to dividends.

The reported Basic EPS for 2023 was 9.5p (2022: 13.2p) and adjusted Basic EPS for 2023 was 29.2p (2022: 24.9p).

Dividend

The Board is recommending a final dividend for 2023 of 10.0p, which, when added to the interim dividend of 4.8p, results in a total dividend for the year of 14.8p, an increase of 19% from the previous year. This aligns to the Group's dividend policy which targets a dividend cover of approximately two times on adjusted post-tax earnings. The dividend distribution during the year is typically based on a pay-out range of 30-40% of H1 adjusted post-tax earnings with the balance paid in the final dividend. The final dividend will be paid on 24 May 2024 to shareholders on the register at close of business on 12 April 2024. The ex-dividend date will be 11 April 2024.

The Company offers a Dividend Reinvestment Plan ('DRIP'), where dividends can be reinvested in further TP ICAP Group plc shares. The DRIP election cut-off date will be 02 May 2024.

Targets for 2023 and Guidance for 2024

At the Capital Markets Day ('CMD') in December 2020 we set out financial targets for the end of 2023 and subsequently updated guidance to reflect the impact of the pandemic and the challenging equity market conditions for the Liquidnet platform. As we often highlight, it is difficult to predict future levels of market activity, given the highly uncertain macro and geopolitical outlook.

We have met most of our guidance.

	Total Group	GB[1]	E&C	PS	LN[1]
Contribution Margin					
Latest guidance		39% to 40%	33% to 35%	>50%	c.30%
2023 Reported		**39.8%**	**33.6%**	**49.2%**	**22.4%**
Adjusted EBIT Margin					
Latest guidance	c.14%	17% to 19%	13% to 15%	>45%	
2023 Reported	**13.7%**	**17.8%**	**15.5%**	**40.7%**	
Cash Conversion					
Latest guidance	c.80%				
2023 Reported	**124%**				

1 For comparison with 2023 latest guidance, Liquidnet Credit is excluded from Global Broking, to ensure a like-for-like basis. The contribution margin also excludes the 2023 reclassification of technology costs (£6m) from front office costs into management & support costs for Global Broking and (£26m) for Liquidnet.

Our guidance for 2024 is as follows:

> Significant items in 2024 are expected to be c.£65m (pre-tax), excluding potential income and costs associated with legal and regulatory matters;
> Group net finance expense of c.£25m;
> Management & support costs (excluding FX gains or losses) are expected to grow in line with inflation; and
> Dividend cover of c.2 times adjusted post-tax earnings.

Performance by Primary Operating Segment (divisional basis)

The Group presents below the results of its business by Primary Operating Segment with a focus on revenue and APMs used to measure and assess performance.

2023	GB[3,4] £m	E&C £m	LN[4] £m	PS[3] £m	Corp/ Elim £m	Total £m
Revenue:						
– External	1,236	455	315	185	–	2,191
– Inter-division[1]	22	3	–	4	(29)	–
	1,258	**458**	**315**	**189**	**(29)**	**2,191**
Total front office costs:						
– External	(761)	(304)	(207)	(71)	–	(1,343)
– Inter-division[1]	(4)	–	–	(25)	29	–
	(765)	**(304)**	**(207)**	**(96)**	**29**	**(1,343)**
Contribution	**493**	**154**	**108**	**93**	–	**848**
Contribution margin	*39.2%*	*33.6%*	*34.3%*	*49.2%*	–	*38.7%*
Net management and support costs:						
– Management and support costs	(259)	(75)	(87)	(14)	(54)	(489)
– Other operating income	3	1	–	–	10	14
Adjusted EBITDA	**237**	**80**	**21**	**79**	**(44)**	**373**
Adjusted EBITDA margin	*18.8%*	*17.5%*	*6.7%*	*41.8%*	*n/a*	*17.0%*
– Depreciation and amortisation	(31)	(9)	(11)	(2)	(20)	(73)
Adjusted EBIT	**206**	**71**	**10**	**77**	**(64)**	**300**
Adjusted EBIT margin	*16.4%*	*15.5%*	*3.2%*	*40.7%*	*n/a*	*13.7%*
Average broker headcount	1,815	599	142			2,556
Average sales headcount	–	–	107			107
Revenue per broker (£'000)[2]	681	759	972			716
Contribution per broker (£'000)[2]	272	257	262			268

2022 (reported currency)	GB[3,4,5] £m	E&C £m	LN[4,5] £m	PS[3] £m	Corp/ Elim £m	Total[5] £m
Revenue:						
– External	1,240	384	316	175	–	2,115
– Inter-division[1]	22	3	–	–	(25)	–
	1,262	**387**	**316**	**175**	**(25)**	**2,115**
Total front office costs:						
– External	(798)	(263)	(197)	(62)	–	(1,320)
– Inter-division[1]	–	–	–	(25)	25	–
	(798)	**(263)**	**(197)**	**(87)**	**25**	**(1,320)**
Contribution	**464**	**124**	**119**	**88**	–	**795**
Contribution margin	*36.8%*	*32.0%*	*37.7%*	*50.3%*	–	*37.6%*
Net management and support costs:						
– Management and support costs	(242)	(65)	(93)	(7)	(43)	(450)
– Other operating income	2	–	–	–	10	12
Adjusted EBITDA[3]	**224**	**59**	**26**	**81**	**(33)**	**357**
Adjusted EBITDA margin	*17.7%*	*15.2%*	*8.2%*	*46.3%*	*n/a*	*16.9%*
– Depreciation and amortisation	(36)	(10)	(25)	(2)	(9)	(82)
Adjusted EBIT[3]	**188**	**49**	**1**	**79**	**(42)**	**275**
Adjusted EBIT margin	*14.9%*	*12.7%*	*0.3%*	*45.1%*	*n/a*	*13.0%*
Average broker headcount	1,908	632	139			2,680
Average sales headcount	–	–	119			119
Revenue per broker (£'000)[2]	650	607	894			652
Contribution per broker (£'000)[2]	243	196	200			230

Strategic report

2022 (constant currency)	GB[3,4,5] £m	E&C £m	LN[4,5] £m	PS[3] £m	Corp/ Elim £m	Total[5] £m
Revenue:						
– External	1,240	386	318	175	–	2,119
– Inter-division[1]	22	3	–	–	(25)	–
	1,262	**389**	**318**	**175**	**(25)**	**2,119**
Total front office costs:						
– External	(799)	(264)	(197)	(62)	–	(1,322)
– Inter-division[1]	–	–	–	(25)	25	–
	(799)	**(264)**	**(197)**	**(87)**	**25**	**(1,322)**
Contribution	**463**	**125**	**121**	**88**	–	**797**
Contribution margin	*36.7%*	*32.1%*	*38.1%*	*50.3%*	–	*37.6%*
Net management and support costs:						
– Management and support costs	(240)	(66)	(94)	(7)	(43)	(450)
– Other operating income	2	–	–	–	10	12
Adjusted EBITDA	**225**	**59**	**27**	**81**	**(33)**	**359**
Adjusted EBITDA margin	*17.8%*	*15.2%*	*8.5%*	*46.3%*	*n/a*	*16.9%*
– Depreciation and amortisation	(35)	(10)	(25)	(2)	(10)	(82)
Adjusted EBIT	**190**	**49**	**2**	**79**	**(43)**	**277**
Adjusted EBIT margin	*15.1%*	*12.6%*	*0.6%*	*45.1%*	*n/a*	*13.1%*
Average broker headcount	1,908	632	139			2,680
Average sales headcount	–	–	119			119
Revenue per broker (£'000)[2]	650	610	895			653
Contribution per broker (£'000)	243	198	199			230

GB = Global Broking; E&C = Energy & Commodities; LN = Liquidnet; PS = Parameta Solutions; Corp/Elim = Corporate Centre, eliminations and other unallocated costs.

1 Inter-division charges have been made by Global Broking and Energy & Commodities to reflect the value of proprietary data provided to the Parameta Solutions division. The Global Broking inter-division revenue and Parameta Solutions inter-division costs are eliminated upon the consolidation of the Group's financial results.
2 Revenue per broker and contribution per broker are calculated as external revenue and contribution of Global Broking, Energy & Commodities and Liquidnet (excluding the acquired Liquidnet platform) divided by the average brokers for the year. The Group revenue and contribution per broker excludes revenue and contribution from Parameta Solutions and Liquidnet Division.
3 Parameta Solutions desks transferred into Global Broking reflecting the change in focus of business activities. 2022 Revenue for Global Broking increased by £2m, Parameta Solutions reduced by £2m. Front Office costs for Global Broking increased by £1m, Parameta Solutions reduced by £1m.
4 Liquidnet Credit is now reported as part of Global Broking. 2023 disclosures are on this basis, with 2022 results restated, to ensure a like-for-like comparison year-on-year. 2022 Revenue for Global Broking increased by £9m, Liquidnet reduced by £9m. Front Office costs for Global Broking increased by £17m, Liquidnet reduced by £17m.
5 Prior year numbers have been restated to reflect £32m reclassification of technology costs from front office costs to management & support costs to better reflect the nature of these costs. The reclassification impacts Liquidnet, Global Broking and the Group.

Global Broking[1]

Global Broking revenue of £1,258m (which represents 57% of total Group revenue) was broadly in line with the strong prior period that saw 7% increase compared with 2021 (in line in reported currency). Interest rates and market volatility remained high supporting macro trading activity in Rates and FX & Money Markets.

Revenue in Rates (comprising 45% of Global Broking revenue and 26% of total Group revenue) was in line with 2022, as market volatility remained high. FX & Money Markets revenue increased by 3% driven by strong growth in emerging markets, while we saw declines in Equities and Credit of 4% and 3% respectively. In 2023, Liquidnet Credit was merged with Global Broking to form a new, Group-wide, Credit offering. This new arrangement will enable us to leverage our deep sell-side relationships and deepen and accelerate connectivity as well as drive efficiencies through a shared support infrastructure. 2023 revenue from Liquidnet Credit was £11m (2022: £9m).

Revenue per broker increased by 5%, reflecting the delivery of the same year-on-year revenue with 5% fewer brokers. Contribution per broker increased by 12%, or by 7% when excluding the P&L charge related to Russian exposures in 2022.

Front office costs were 4% lower, due to the non-recurrence of the £20m P&L charge relating to Russian exposures in 2022 and lower average broker headcount. The contribution margin increased to 39.2% compared with 36.7% in the prior period.

Management and support costs (including depreciation and amortisation and net of other operating income) of £287m increased by 5% due to increased investment in the roll out of Fusion, our electronic platform. Adjusted EBIT was £206m, with a margin of 16.4% (2022: £190m, 15.1% in constant currency, £188m and 14.9% in reported currency).

Energy & Commodities (‘E&C’)

E&C revenue of £458m in 2023, representing 21% of total Group Revenue, was 18% higher, benefitting from buoyant market conditions. Double-digit growth was delivered across the key asset classes: Oil, Power and Gas. Trading volumes increased in European gas and power as the impact of the supply disruptions caused by the war in Ukraine were mitigated and prices returned to more normal levels. ICE oil market volumes were up 19% and gas market volumes up 16%, as the overall macro environment led to price volatility and increased trading.

Revenue per broker increased by 24% and contribution per broker increased by 30%.

Front office costs which are variable with revenue, were 15% higher at £304m. Contribution margin increased to 33.6% (2022: 32.1%).

Management and support costs (including depreciation and amortisation and net of other operating income) of £83m increased by 9% due to higher direct management costs and the adjusted EBIT was £71m, up 45% on the prior year with a margin of 15.5% (2022: £49m, 12.6% in constant currency and 12.7% in reported currency).

Liquidnet[1]

Liquidnet’s revenue of £315m, which represents 14% of total Group revenue was 1% lower in constant currency compared with 2022 (in line with reported) with strong performance in the Relative Value businesses offset by continued challenges in Equities.

Liquidnet Equities continued to experience challenging market conditions particularly in the first half of 2023. We took further action on our cost base and have now delivered £43m of annualised integration synergies (vs our £30m target), and strengthened our operational leverage significantly. In the US, block market volumes by the top five Agency Alternative Trading System (‘ATS’) venues were down 13% compared with 2022 however, Liquidnet’s market share increased from 23.2% to 24.0%. In Europe, 5x Large in Scale transactions (‘LIS’) volumes were down 15% in 2023 compared with 2022. In this challenging environment, Liquidnet’s market share increased in 2023 to 35.9% compared with 34.3% in Q4 2022. Liquidnet showed an improving growth trajectory in the second half of 2023 as investor expectations for a reduction in global interest rates brought about a higher allocation of funds flow into Equities, and an increase in institutional block activity as a result. Cash equities revenue grew 13% in the fourth quarter of 2023.

The Relative Value businesses performed well as a result of the US regional banking crisis in Q1 2023, and rising interest rates throughout the year.

Front office costs of £207m were 5% higher. This resulted in a contribution margin of 34.3% (2022: 38.1%).

Management and support costs (including depreciation and amortisation and net of other operating income) of £98m reduced by 18% mainly from cost management actions and the adjusted EBIT increased to £10m, at 3.2% margin (2022: £2m, 0.6% in constant currency and £1m, 0.3% in reported currency).

Parameta Solutions[2]

Revenue of £189m, which represents 9% of total Group revenue, was 8% higher compared with 2022. Revenue in the second half was 11% higher compared with the prior period, providing positive momentum for the year ahead. Subscription-based recurring revenue represents over 96% of total revenue.

Parameta Solutions continues to benefit from the successful delivery of its strategy focussed on product development, multi-channel distribution and further diversification of its client base. Thirty new clients were onboarded in 2023, 80% of which were non-sell-side clients including buy-side, corporates, professionals’ services and energy & commodities firms. In addition, we launched two benchmark indices focused on interest rate swap volatility and the global Liquefied Natural Gas market.

Management and support costs (including depreciation and amortisation and net of other operating income) of £16m increased by £7m from 2022 and the adjusted EBIT was £77m, with a margin of 40.7% (2022: £79m, 45.1% in reported & constant currency).

1 Liquidnet Credit is now reported as part of Global Broking. 2023 disclosures are on this basis, with 2022 results restated, to ensure a like-for-like comparison year-on-year. £9m of Credit revenue in 2022 have been reclassified from Liquidnet to Global Broking.

2 Parameta Solutions desks transferred into Global Broking reflecting the change in focus of business activities. 2022 Revenue for Global Broking increased by £2m, Parameta Solutions reduced by £2m. Front Office costs for Global Broking increased by £1m, Parameta Solutions reduced by £1m.

Cash flow

The table below shows the changes in cash and debt for the year ending 31 December 2023 and 31 December 2022.

£m	2023 £m	2022 £m
EBIT reported	**128**	**163**
Depreciation, amortisation and other non-cash items	226	178
Disposal of property, plant and equipment	–	12
Movement in working capital		
– changes in net Matched Principal balances	(20)	27
– change in other working capital balances	104	62
Income taxes paid		
– periodic tax paid	(57)	(51)
– accelerated tax paid	(32)	–
Net interest and loan facility fees paid	(33)	(48)
Capital expenditure	(55)	(53)
Dividends received from associates and joint ventures	22	15
Dividends paid to non-controlling interests	(2)	(3)
Free cash flow	**281**	**302**
Receipt UK pension surplus, net of pension tax payment	30	–
Purchase of financial assets	(19)	(50)
Net other investing activities	7	(9)
Dividend paid to TP ICAP shareholders	(99)	(78)
Share buyback	(29)	–
Net borrowings	39	(47)
Payment of lease liabilities	(29)	(29)
Other financing activities	(10)	(6)
Total other investing and financing activities	**(110)**	**(219)**
Change in cash	**171**	**83**
Foreign exchange movements	(40)	38
Cash at the beginning of the year	888	767
Cash at the end of the year	**1,019**	**888**

The Group's net cash balance of £1,019m, increased by £131m in the year.

Free cash flow is presented to show a more sustainable view of cash generation and to enable the conversion of adjusted earnings into cash to be better understood. This measure reflects the cash and working capital efficiency of the Group's operations, and aligns tax with underlying items and interest received with the operations of the group.

Free cash flow of £281m (2022: £302m) represents 124% conversion of adjusted attributable earnings into cash (2022: 156%). This includes temporary cash outflow of £20m on changes in Matched Principal balances (2022: £27m inflow) that arose on delayed settlement of trades and accelerated tax paid of £32m (2022: £nil) from the UK tax relief, that is expected to reverse in 2024 and 2025. Adjusting for these 2 items gives a free cash flow of £333m (2022: £275m) and a conversion of adjusted attributable earnings into cash of 147% (2022: 142%) caused principally by the cash inflow on working capital of £104m (2022: £62m) from a significant improvement in collection of trade receivables.

Total other investing and financing activities includes the net receipt of UK pension surplus being, the gross amount of £46m less the 35% tax levied of £16m, following the wind-up of the defined benefit pension schemes, a £29m outflow from the £30m share buyback programme announced in August 2023, a £99m outflow from increased dividend paid in 2023 and a £39m net cash inflow from the refinancing of the 2024 Sterling Notes.

The strengthening of GBP, particularly against the USD, resulted in a foreign exchange loss of £40m (2022: gain of £38m).

Debt finance

The composition of the Group's outstanding debt is summarised below.

	At 31 December 2023 £m	At 31 December 2022 £m
5.25% £247m Sterling Notes January 2024[1]	37	253
5.25% £250m Sterling Notes May 2026[1]	250	250
2.625% £250m Sterling Notes November 2028[1]	249	248
7.875% £250m Sterling Notes April 2030[1]	251	–
Subtotal	**787**	**751**
Loan from related party (RCF with Totan)[2]	–	–
Revolving credit facility drawn – banks[2]	–	–
3.2% Liquidnet Vendor Loan Notes	40	43
Overdrafts	10	–
Debt (used as part of net (funds)/debt)	**837**	**794**
Lease liabilities	251	279
Total debt	**1,088**	**1,073**

1 Sterling Notes are reported at their par value net of discount and unamortised issue costs and including interest accrued at the reporting date.
2 £350m committed revolving facility ('RCF') and Yen10bn committed facility with The Tokyo Tanshi Co., Ltd were undrawn as at 31 December 2023.

The Group's gross debt, excluding lease liabilities, temporarily increased to £837m compared with 31 December 2022. In April 2023, the Group issued a £250m Sterling Note maturing in April 2030, the proceeds of which were used to repay £210m of the January 2024 Sterling Notes. The residual proceeds of the new issue are held as cash and the remaining £37m of the outstanding 2024 Notes were repaid at maturity in January 2024.

The Group's £350m main bank revolving credit facility, maturing in May 2026 and Yen10bn Totan facility, maturing in February 2026 were undrawn as at 31 December.

Exchange rates

The income statements and balance sheets of the Group's businesses whose functional currencies are not GBP are translated into GBP at average and period end exchange rates respectively. The most significant exchange rates for the Group are the USD and the Euro. The Group's current policy is not to enter into formal hedges of income statement or balance sheet translation exposures. Average and Period End exchange rates used in the preparation of the financial statements are shown below.

Foreign exchange translation has had a mixed impact on the Group's P&L in 2023. The average USD:GBP rate for the year is unchanged compared with 2022 and hence had a minimal impact to the Group's revenue and costs. Approximately 60% of revenue and 40% of costs are in USD. The overall strengthening of GBP over the 12-month period has generated a significant foreign exchange loss of £11m at the end of the year compared with a £14m gain in 2022, on the retranslation of monetary assets and liabilities at the year end.

Average	2023	2022
US Dollar	**$1.24**	$1.24
Euro	**€1.15**	€1.18

Period End	2023	2022
US Dollar	**$1.27**	$1.19
Euro	**€1.15**	€1.16

Pensions

The defined benefit pension scheme (the Scheme) in the UK completed wind-up in H2 2023. Following the settlement of the Scheme's liabilities, the Trustee distributed the cash surplus in the Scheme to the Group of £30m, representing £46m of remaining Scheme assets less applicable taxes at 35% amounting to £16m.

Regulatory capital

Group level regulation falls under the Jersey Financial Services Commission. The FCA is the lead regulator of the Group's EMEA businesses, which are sub-consolidated under a UK holding Company, for which the consolidated capital adequacy requirements under the Investment Firms Prudential Regime ('IFPR') apply. This sub-group maintains an appropriate excess of financial resources.

Many of the Group's broking entities are regulated on a 'solo' basis and are obliged to meet the regulatory capital requirements imposed by the local regulator of the jurisdiction in which they operate. The Group maintains an appropriate excess of financial resources in such entities.

Climate change considerations

This year, we have completed a detailed qualitative, and quantitative, climate scenario analysis to deepen our understanding of how climate-related issues could affect the Group and its finances. The analysis concludes that the Group is not expected to be materially financially impacted by climate change over the timeframes and climate scenarios considered. We are committed to the ongoing assessment and management of climate risks and opportunities. As part of this work, we incorporate climate change considerations into our financial planning processes to monitor the impacts of climate-related issues on our financial performance and position.

DELIVERING VALUE FOR OUR STAKEHOLDERS

The Board is committed to actively engaging with its stakeholders to ensure their interests are considered in Board discussions and decision.

Details of how the Board has engaged with its key stakeholders and considered their interests in Board discussions and decision-making, can be found on this page. Our stakeholders are an essential part of our business model, and additional detail on how our stakeholders are involved in delivering sustainable outcomes is on pages 30 and 31.

Our stakeholders

The Nominations & Governance Committee reviewed and considered TP ICAP's stakeholders during the year and determined that the Company's key stakeholder groups remain employees, shareholders, clients, regulators and suppliers. The Board tailors its engagement approach for each key stakeholder group to foster effective and mutually beneficial relationships and maintain a reputation for high standards of business conduct and governance. Further details on these and the main methods we use to engage with them are set out on pages 48 to 53.

In addition, communities and climate-related matters are considered key areas of importance by the Board. Tracy Clarke, the Non-executive Director for ESG Engagement, helps ensure that the Board is having the right conversations and considers the environmental and societal impact of its decisions alongside other key stakeholders. Read more on this, and our wider approach to sustainability, in the Sustainability chapter from page 18.

Our stakeholders are integral to the success of the Company, and we are committed to creating sustainable value and shared outcomes.

Consequences of decisions in the long-term

The Board recognises the importance of considering the likely consequences of its decisions in the long-term, and has demonstrated this as part of its deliberation of the Group's strategy and business model as set out on pages 16 and 17 and 30 and 31. The Board held regular strategic sessions during 2023, including a full day session in May, to consider the long-term strategic direction of the Group. As a part of these strategic discussions, the Board considered the market and industry trends, and the potential impacts on stakeholders. The Board's key strategic priorities and areas are summarised on pages 30 and 31 and detailed throughout this stakeholder engagement section.

Impact on our communities

The Board recognises the Group's responsibility to be a good corporate citizen, which contributes positively to the communities in which we operate and the wider environment. We have multiple initiatives in place to support these aims. Read more on our communities in the Sustainability chapter from page 18.

UK Companies Act 2006 requirements

TP ICAP Group plc is a Jersey registered company, and therefore its Directors are not subject to UK Companies Act 2006 requirements. This includes section 172(1) and sections 414CA and 414CB of the UK Companies Act 2006.

Section 172(1) statement (including principal decisions and engagement with stakeholders)

The Board of Directors confirms that during the year ended 31 December 2023 it has acted in a way that it believes promotes the long-term success of the Company for the benefit of its members as a whole, recognising that a broad range of stakeholders are material to the long-term success of the business, whilst having due regard to the matters set out in section 172(1) of the UK Companies Act 2006.

Details of how this has been achieved and the ways in which the Board has engaged with our identified stakeholders, the outcomes of this engagement, and the consideration of stakeholder interests in strategic decisions promoting the long-term sustainable success of the Company, are set out on pages 48 to 53 and integrated throughout the Governance report. A similar statement will be reported in the statutory accounts for each of our active UK subsidiaries subject to UK Companies Act 2006 requirements for the year ended 31 December 2023.

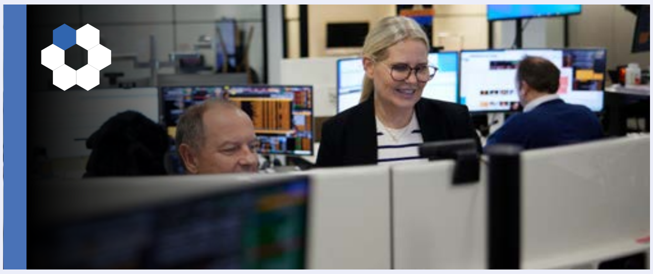
Sections 414CA and 414CB requirements

Similarly, on this basis, we have not included a Non-Financial and Sustainability Information ('NFSI') Statement, or a response to the Climate-related Financial Disclosures ('CRFD'), in this Annual Report and Accounts. As a UK-listed Company, we respond to the FCA Listing Rule LR 9.8.6R(8) on climate-related disclosure on pages 64 to 75 of this report.

Need to act fairly between shareholders

The support of our shareholders underpins the Group achieving long-term success and attaining our goals and objectives. We are therefore committed to proactive engagement with our shareholders. The Board is mindful that it is important to act fairly between shareholders and consider a variety of needs, and that shareholders are increasingly interested in the mechanics of decision-making not just the decision itself. TP ICAP is therefore committed to providing shareholders with reliable, timely and transparent information.

EMPLOYEES



67%
Employee engagement score in 2023

Why?

Our employees are crucial to maintaining the ongoing success and progression of the Group. The Board recognises that operational excellence and market success can only be achieved through a strong and dedicated workforce, underpinned by an effective corporate culture. It is therefore committed to ensuring that the opinions and concerns of employees are heard, respected, and valued, and that employees are given the resources to develop and grow as people and professionals. We are committed to TP ICAP being a place where all employees can build careers, belong and succeed, and where people are engaged and would recommend TP ICAP as a place to work.

How?

> We continued to work hard in 2023 to boost employee engagement, ensure employees feel heard and that their feedback creates action by the Group.

> We engage with our employees and receive feedback through our Workforce Engagement Programme, town hall meetings, employee surveys, appraisals, exit surveys, Group-wide communications, and the TP ICAP Accord initiative, which covers our employee networks across the Group.

> We launched the Group's new 'Triple-A' corporate values of Accountability, Adaptability and Authenticity in 2022. These values are integral to the long-term success of the business. The Directors are committed to promoting a culture which embodies the highest possible standards. Reviewing and discussing the output of the 2023 culture survey was a key focus for senior management, who agreed a number of actions to address the points raised.

> We continue to review and update our employee policies to offer an attractive working environment for our employees. This includes the continuation of agile working, which allows certain roles to have the option of working from home. This helps TP ICAP remain competitive in attracting and retaining talent, whilst also providing employees with more flexibility.

> We are focused on developing our employees and offer access to learning opportunities. The Group continues to run virtual training events globally covering a wide range of business skills, hosted by expert training partners. Moving to virtual sessions has broadened the reach and connected colleagues to initiatives with which they may not normally interact. We also introduced our management and leadership development programmes across the Group with in-person training across all three regions for our management cadre.

> We operate share plans offering eligible employees the opportunity to become shareholders, either by taking part in tax efficient saving schemes (country dependent), or as part of our remuneration strategy, to increase share ownership and to align our employees interests with that of the wider Group.

> The Board regularly receives people updates from the CEO, and Group Head of Human Resources, at the Board, and Nominations & Governance Committee. Other matters considered in their decision-making included progress on conduct and culture initiatives, progress against D&I targets, and other employee compensation considerations.

Highlights

> Three Non-Executives Directors (Mark Hemsley, Michael Heaney, and Amy Yip) are appointed as Workforce Engagement Directors for the EMEA, Americas, and Asia Pacific Regions respectively. They meet with colleagues in their respective regions and work with management to gain insight into the views of employees, including insights from the Workforce Engagement Programme. Their responsibilities include championing the employee voice in the Boardroom, providing insight into region-specific issues for employees, and strengthening the link between the Board and employees.

> During 2023 we enhanced how we engage with employees on the financial performance of the Company, introducing video interviews with the CEO and key division heads, developing a programme of Group, regional, and divisional all-employee town halls and sending emails following the release of the Company's full-year and half-year results.

> Direct engagement with employees during the year included meeting colleagues from the business through office visits and as a part of Board presentations. The Board ran one of its meetings in our New York office to give the Board the opportunity to engage directly with many of our employees and to hear from them about the issues that matter to them.

> Following employee feedback we reviewed our benefits offering across the Group to provide a more consistent offering with greater focus on the areas that truly mattered to employees and their families, including physical and mental wellbeing.

> TP ICAP Accord networks ran a full schedule of meetings in 2023 in relation to the businesses and wellness and mental health, raising awareness of the networks and providing direct engagement and educational opportunities to the employees. In Q4 2023 we ran an external event at the New York Stock Exchange hosting a panel discussion, and in London we sponsored an award at the European Diversity Awards.

> We increased our focus on early careers to attract the next generation into TP ICAP and ran a successful intern programme globally in the summer of 2023. In our Belfast office, the Early Careers Programme continued to provide a focused programme to support the first five years of an employee's career, creating opportunities for progression, promotion and pay awards.

> Feedback and insights from the engagement mechanisms were regularly discussed at Board and were considered as part of the Board and its Committees' decision-making.

Key priorities for 2024

> Monitor and review the effectiveness of the employee engagement mechanisms across the Group.

> Enhance Board oversight of the corporate culture to ensure that the views of employees are integrated into the work and decision-making of the Board and the strategy of the business, while supporting our employees' wellbeing.

> Continuing to improve communication with employees with a view to increase collaboration between the Board and senior management.

SHAREHOLDERS

20.5%

2023 total shareholder returns

Why?

Shareholders promote the sustainable long-term growth and success of the Group, from which they ultimately benefit as members. Regular engagement with shareholders is key to ensuring that the Group's policies, practices, and strategic direction continue to meet the expectations of the shareholders. It also provides shareholders with a platform to raise their aspirations for Group, particularly in relation to ESG, climate-related activities, and Director remuneration.

How?

> The Board maintained its focus on ESG matters and TP ICAP's sustainability strategy (including TCFD reporting), taking into account engagement during the year from shareholders on ESG-related topics.
> The Board Chair, Group CEO, and Group CFO collectively met with shareholders representing at least 52% of the Company's issued share capital during the year, including six of the Company's top ten shareholders.
> In total, management and/or Investor Relations held over 70 investor meetings during the year. These took place over a range of mediums: management attended three investor conferences and presented at six sales desk briefings.
> Management, including divisional CEOs, also held an investor dinner, which included a mix of large and small holders, as well as non-holders. Overall, engagement was constructive, with investors keen to understand the impact of market conditions on the business and progress on our strategic priorities.

Highlights

> All resolutions recommended by the Board for approval at the 2023 AGM were approved, with 88% or more of votes cast for each proposal.
> During 2023 shareholders generated attractive returns on their investment, through share price appreciation, as well as a 2023 interim dividend of 4.8p per share and a final dividend for 2023 of 10.0p per share.
> We announced a well-received £30m share buyback at the interim results in August 2023, which was completed in January 2024.
> In terms of Total Shareholder Return ('TSR'), TP ICAP outperformed the UK mid-cap market in 2023, measured against the FTSE 250. TP ICAP's TSR was 20.5%, outperforming the 6.4% TSR of the FTSE 250.

Key priorities for 2024

> Continue to engage with our shareholders regularly, utilising technology as appropriate to maximise the engagement. The Board considers that engagement with, and participation from, our shareholders is of key importance to the success of the business and in achieving our aim of creating long-term and sustainable shareholder value. Engagement in 2024 will include the Director's Remuneration Policy ahead of its presentation to the 2025 AGM for approval.
> Explore further opportunities to free up more cash and pay down more debt, and/or return additional capital to shareholders.
> Our primary performance focus is to seek to manage our business responsibly to remain well placed to deliver long-term value creation for our shareholders.

CLIENTS

Why?

Clients are fundamental to our business and represent our most significant business relationships. The Executive Directors and management undertake frequent client engagement. This feedback is considered as part of the Group's strategy setting and long-term decision-making.

Our clients include banks, hedge funds, asset managers, corporates, trading houses and market makers. We serve these clients through our stable of market-leading brands. We cover every major asset class and offer a range of trade protocols, from voice, to hybrid, to pure electronic.

How?

> Our relationships and engagement with our clients are fundamental to the success of the business. Regular and effective dialogue with our clients enables the Board to understand their needs and how satisfied they are with us as a supplier and business partner.

> The Board is updated regularly on client engagement by the Group Chief Executive Officer ('CEO') as part of his Board presentation, and through cyclical presentations from the businesses, functions and regions.

> During the year, the CEO and senior executives attended meetings with major clients engaging on the most important drivers of our clients' businesses and provided feedback to the Board on these meetings. Regular discussions with our largest clients ensure we stay aligned with their evolving priorities and needs.

> The Client Relationship Management ('CRM') team provide holistic coverage of the Group's most important clients, both at strategic and tactical levels, to broaden and institutionalise relationships and identify opportunities for TP ICAP to serve our clients more comprehensively. Client reports and accounts receivable analyses are periodically included in the Board agenda.

> We operate an initiative leveraging existing client relationships and a combined approach from our businesses and CRM, pricing and accounts receivable teams to provide improved senior level commercial engagement with our largest clients.

> The Group also takes a proactive approach when communicating with our clients on important matters such as our key business change and market structure updates.

Highlights

> Over 500 senior and strategic client meetings took place across EMEA, the Americas and APAC during 2023, with as many as possible happening in-person. We are continuing this momentum for 2024 with client's senior key decision-makers.

> Representatives from key clients in our Global Broking and Liquidnet divisions attended the Board strategy day in May 2023 to provide first hand valuable insight to the Board.

> The Board's considerations of the output from client engagement and dialogue throughout the year has helped the Board to stay informed about clients' concerns, understand significant changes in their businesses, predict future trends and re-align the Group's longer-term strategy accordingly. This has been valuable insight for the Board's broader decision-making process.

> We have continued to support several of our largest clients in improving their surveillance processes, including providing trader access, controls, governance, and the status of legal documents.

> This year a particular focus was paid to accounts receivable and the rollout of Fusion technology across our Global Broking and Energy & Commodities divisions, and client adoption of Fusion.

> Having an understanding of the impact of external economic factors on our clients was also a key consideration for the Board in their decision-making, which enabled the Board to readjust its immediate strategy and provide effective oversight of operational performance.

> During 2023 TP ICAP continued to demonstrate that our offering to clients was market-leading across the Group.

Key priorities for 2024

> Continue providing a market-leading offering to our clients whilst simultaneously adapting to their evolving priorities.

> To be the provider of choice, delivering on our product, service and performance goals.

> Continue supporting our clients in achieving their sustainability aims and improving their processes, such as surveillance.

REGULATORS

Why?

The Group has operations across the globe and the products and services offered by the firm, and certain companies, are subject to the requirements of several different regulators. Our products and services are regulated by various global regulators including the Autorité des marchés financiers ('AMF'), Commodity Futures Trading Commission ('CFTC'), De Nederlandsche Bank ('DNB'), European Securities and Markets Authority ('ESMA'), Financial Conduct Authority ('FCA'), Hong Kong Monetary Authority ('HKMA'), Jersey Financial Services Commission ('JFSC'), Monetary Authority of Singapore ('MAS') and National Futures Association ('NFA').

The Group has open and collaborative communication with all regional regulators; it understands that effective communication with the regulators and full compliance with regulation amounts to real and tangible benefits for the Group.

How?

> We are committed to promoting integrity and high standards of business conduct across the employee workforce.
> As an inter-dealer broker, the Group recognises that it is has a particular obligation to identify and prevent market abuse by its employees and other wider stakeholders. The Board drives the corporate culture of the Group by determining the values of the business and leading through positive example. It also ensures that the policies and processes in place promote high standards of business conduct throughout the Group.
> We engage with regulators and other key government agencies, including the FCA and AMF, through sector consultation and round table exercises to better understand their priorities and needs and to ensure we embody good governance and oversight across the Group.
> The Board and its Committees are kept informed of upcoming relevant regulatory changes through updates presented by the Group General Counsel, and Group Company Secretary.
> In addition to engagement with regulators, we share our experience and expertise through engagement with various trade bodies to help raise standards and approaches across the sector and respond to relevant government consultations, including the 2023 consultation on the UK Corporate Governance Code.

Highlights

> The Board and its Committees regularly take the views of our lead regulators into consideration during deliberations on the Group's risk and internal control framework, culture and conduct initiatives, as well as in the future design of pay and compensation structures, including share plans.
> Feedback from regulators during the year was a key consideration in Board discussions and decision-making around how TP ICAP continues to provide a comprehensive suite of services and products to European clients post-Brexit.
> During the year the Remuneration Committee also considered the engagement with the FCA and revised governance arrangements in relation to the Group's ongoing compliance with the Investment Firms Prudential Regime, as it applies to MiFID investment firms capturing certain TP ICAP subsidiaries.
> We continuously build on engagement within the Group on regulatory matters, for example through compulsory annual training on the Senior Managers and Certification Regime.

Key priorities for 2024

> Continue meeting our legal and regulatory obligations across all jurisdictions in which the Group operates.
> Strengthen our relationship and maintain open and active dialogue with our regulators and other key government agencies.

SUPPLIERS & BUSINESS PARTNERS

Why?

Our suppliers and business partners are vital in ensuring that the Group continues to operate effectively on a day-to-day basis. They provide business critical infrastructure services and certain outsourced operations across a wide spectrum of sectors including IT, telecommunications, market data and clearing and settlements. We foster strong sustainable partnerships with our suppliers and business partners based upon principles of integrity and best business practice, particularly with suppliers who provide business critical infrastructure services to the Group.

How?

> The Board considers that engagement with our key infrastructure suppliers is important for monitoring the Group's performance, managing risk and driving value.
> To ensure oversight, the Board receives periodic updates from the Group Chief Operating Officer, and Head of Procurement on the status of supplier engagement and, at times, on specific large value contract negotiations or renewals.
> This includes a status update on supply chain, sustainability and ESG (including climate-related), expenditure information, issues and risks, and any strategic initiatives in progress.
> The Board has considered the risk of modern slavery in our supply chain, annually reviewing and approving the Modern Slavery and Human Trafficking Statement.
> The Board also periodically receives updates on UK Payment Practices reporting.

Highlights

> We have continued to engage with our suppliers, particularly in light of the ongoing global macro uncertainty, to help them identify risks and create a plan to ensure that they can meet our demand.
> This engagement has assisted us and our suppliers in maintaining business as usual as much as possible during the COVID-19 pandemic, through the development of the Russia and Ukraine situation, and ongoing geopolitical events.
> During the year the Board and its Committees received metrics on suppliers through presentations from the Head of Procurement, and on sustainability and ESG reporting, which were considered as a part of the Board's broader decision-making.
> We adopted and communicated a new Supplier Code of Conduct, to better promote a sustainable business strategy and high standards of business conduct and engage our vendors on key ESG issues and disclosures, including their emissions reporting.
> We have expanded our supplier engagement on environmental issues to gain a better understanding of a larger proportion of our supplier base's credentials.
> We have also continued to focus on consolidating and engaging with our supplier base to better monitor performance, manage risk, and drive value. This has included changing to a risk-based approach on how we monitor our supplier's in relation to modern slavery.

Key priorities for 2024

> Continue to build and sustain long-lasting mutually beneficial relationships throughout our supply chain.
> Expand our engagement to pursue a better quality ESG-related reporting with the entirety of our supply chain.

COMMUNITIES

Why?

The Board is cognisant of the Group's responsibility to make a positive contribution to local communities and understand how ESG issues, including climate change, are relevant to the business. It is committed to striving to operate in a sustainable and responsible way, while delivering value for stakeholders.

How?

- We seek to make a positive impact through colleague fundraising (such as ICAP Charity Day), employee volunteering, and Group-wide social mobility partnerships.
- The Board actively encourages, supports and monitors progress on these initiatives that it believes will have a positive impact on local communities.
- During 2023, the Board continued to focus on the Group's overarching sustainability strategy.
- The Group has made commitments that contribute to moving towards an environmentally-sustainable future. The Board has deliberated on how to meet best practice among the FTSE 350 companies on sustainability issues. The Group sustainability strategy is outlined on page 19.
- We believe that a strong ESG performance is a critical factor in helping us achieve sustainable growth. We are committed to operating responsibly and integrating ESG considerations into our day-to-day decision-making to mitigate risks and create shared value for all our partners including our employees, shareholders, clients, suppliers, and communities.
- The Board holds oversight responsibility, drives progress and is regularly updated on sustainability and ESG (including climate-related) matters throughout the year.
- As a part of the updates, the Board discusses and monitors progress made against the actions and targets set and challenges the Executive team accordingly.

Highlights

- MSCI ESG rating improved from BBB to A.
- CDP Climate Change Score improved from C to B-.
- We partnered with the charity National Numeracy for the sixth consecutive year, aiming to empower people from all backgrounds to build their numeracy skills and confidence. The initiative is championed by our Group General Counsel and Executive Director, and aims to increase awareness and engagement from the financial services industry.
- Management championed and participated in the 31st ICAP Charity Day, which raised £5.2m for good causes globally.
- Sustainability and ESG matters were discussed at the majority of scheduled Board and Audit Committee meetings during 2023. More detail on our approach can be found in our Sustainability chapter from page 18, Governance report on pages 76 to 133 and in the Audit Committee report on pages 100 to 105.
- The Board and Remuneration Committee agreed that, similar to 2022, the Executive Directors' 2023 objectives would include ESG-related objectives to demonstrate the Group's commitment, and ensure alignment with our shareholder's responsible investing priorities. More detail can be found in the Directors' Remuneration Report on pages 110 to 129.
- Continued to focus on expanding the Group's climate-related financial disclosure, and improving greenhouse gas ('GHG') data quality. See pages 73 and 132 respectively.

Key priorities for 2024

- Further enhance our ESG reporting and performance management.
- Continue to support our clients on their transition journeys to a low-carbon economy.

Viability statement and going concern

Viability statement

The Board of Directors has assessed the prospects for, and viability of, the Group over a three-year period to the end of December 2026.

We believe that a three-year time horizon remains the most appropriate timeframe over which the Directors should assess the long-term viability of the Group. This is on the basis that it has a sufficient degree of certainty in the context of the current position of the Group and the assessment of its principal risks, and it matches the business planning cycle. This time horizon is broadly in-line with the weighted average maturity of our debt facilities comprised of revolving credit facilities and corporate bond portfolios.

The assessment has been made taking into account the following:

> The Assessment of the Group's Principal Risks, including those that would threaten the Group's business model, future performance, solvency and liquidity. These risks are also discussed in the risk management report on pages 55 to 63;
> The Group Internal Audit Opinion that contains an assessment of the effectiveness of the Group's risk management and internal control systems;
> The Going Concern Review that assesses whether the Group has access to sufficient liquidity to meet all of its external obligations and operate its business, for a period of at least 12 months from the date of the Annual Report;
> The Group Review of Capital and Liquidity Adequacy ('GRCLA') that assesses the capital and liquidity position of the Group on a consolidated basis, in both base and stressed conditions;
> The Review of Internal Capital Adequacy and Risk Assessment ('ICARA') process undertaken by the UK regulated entities; and
> The assessment of the Group's external credit rating by Fitch Ratings.

The Directors consider that they have undertaken a robust assessment of the prospects of the Group and its principal risks over a three-year period, and, on the basis of that assessment, have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over at least the period of assessment.

In arriving at this conclusion, the Directors have made the following assumptions:

> The Group maintains access to liquidity through the Group's £350m Bank revolving credit facility and ¥10bn (c.£56m) Totan revolving credit facility (see Note 26 on page 177);
> The Group does not experience any material change in its capital or liquidity requirements;
> The Group takes appropriate actions to maintain continuity of operations in the EU following the UK's departure from the EU and to mitigate the potential adverse effects arising from Brexit, including the potential fragmentation of liquidity and consequential reduction in trading volumes;
> The Group is not materially impacted from litigation and regulatory investigations in a negative way; and
> The 5.25% £250m Sterling Notes maturing in May 2026 will be repaid from a combination of existing cash resources, credit facilities and/or new bond issuance under the Group's existing EMTN programme.

Going concern

The Group has sufficient financial resources both in the regions and at the corporate centre to meet the Group's ongoing obligations.

The Directors have assessed the outlook of the Group for at least 12 months from date of approval of the financial statements by considering medium-term projections as well as stress tests and mitigation plans. The stress tests include material revenue reductions, significant one-off losses, losing the Group's investment grade status resulting in increased finance costs and slow-down in collection of trade debtors. Under these tests we continue to have sufficient liquidity and are compliant with all covenants after taking mitigating actions such as reducing costs, suspending dividends and delaying investments.

After making enquiries, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Annual Report and Accounts continue to be prepared on the going concern basis.

Principal risks and uncertainties

Risk Management
Effective risk management is essential to the financial strength and resilience of the Group and for delivering its business strategy. This section provides a summary of how risk is managed by the Group through its Enterprise Risk Management Framework ('ERMF') and describes the Group's principal risks.

Enterprise Risk Management Framework
The purpose of the ERMF is to enable the Group to understand the risks to which it is exposed and to manage these risks in line with its stated risk appetite. The ERMF achieves this objective through a number of mutually reinforcing components, which include the operation of a robust risk management and governance structure based on the three lines-of-defence model, the fostering of an appropriate risk management culture and a range of risk management processes to enable the Group to identify, assess and manage its risks effectively.

Organisational Structure
The ERMF is operated through a three lines of defence ('3LOD') model whereby risk management, risk oversight and risk assurance roles are undertaken by separate and independent functions, with all 3LOD overseen by the Group's governance committee structure (including Risk, Audit and Remuneration Committees).

The Board has overall responsibility for the management of risk within the Group which includes:

> Defining the nature and extent of the risks it is willing to take in achieving its business objectives through formal risk appetite statements;
> Ensuring that the Group has an appropriate and effective risk management and internal control framework; and
> Monitoring the Group's risk profile against the Group's defined risk appetite.

The Group's risk governance structure oversees the implementation and operation of the ERMF across the Group and primarily comprises the following committees:

> Board Risk Committee;
> Group Risk and Compliance Committee; and
> Regional Risk and Compliance Committees in EMEA, Americas and Asia Pacific.

First line of defence
Risk management within the business
The first line of defence comprises the management of the business units and support functions.

The first line of defence has primary responsibility for ensuring that the business operates within risk appetite on a day-to-day basis.

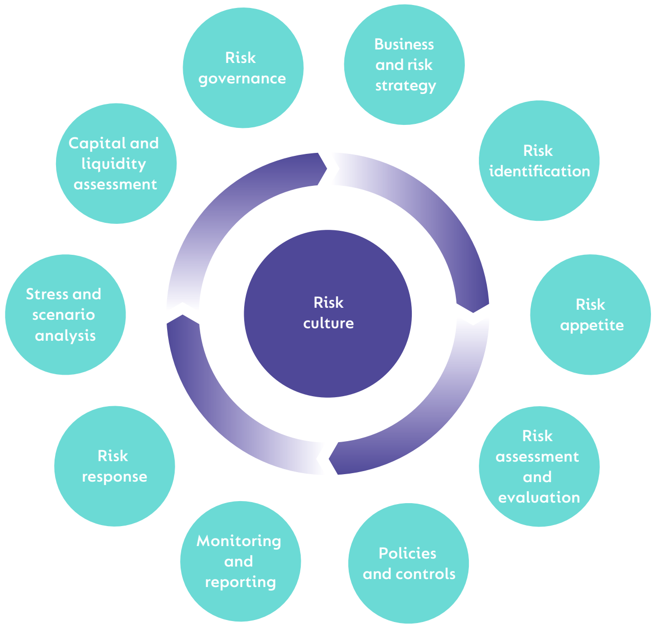
Second line of defence
Risk oversight and challenge
The second line of defence comprises the Compliance and Risk functions, which are separate from operational management. The Compliance function is responsible for overseeing the Group's compliance with regulatory requirements in all of the jurisdictions in which the Group operates.

The Risk function is responsible for overseeing and challenging the business, support and control functions in their identification, assessment and management of the risks to which they are exposed, and for assisting the Board (and its various Committees) in discharging its overall risk oversight responsibilities.

Third line of defence
Independent assurance
Internal Audit provides independent assurance on the design and operational effectiveness of the Group's risk management framework.

A. Risk Culture
The Group recognises that in order for the ERMF to be operated effectively, it must be underpinned by an appropriate risk culture.

The Group seeks to foster the desired risk management values and behaviours through a number of components including the setting of an appropriate 'tone-from-the-top', ensuring clear risk management accountabilities for all employees, the provision of risk training, consideration of risk-related behaviours in the performance management process, and by ensuring that staff are able to raise risk management concerns through the Group's Whistleblowing framework.



Strategic report

B. Risk Strategy
The Board adopts an annual Risk Strategy which identifies the core risk management objectives and focus areas that must be addressed for the Group to deliver its Business Strategy.

The Risk Strategy constitutes the guiding principles by which all of the Group's risk management activity is undertaken.

C. Risk Identification
The Group reviews its risk profile on an ongoing basis to ensure that it identifies all material risks arising from the day-to-day operation of its business and the implementation of its business strategy, as well as any emerging risks facing the Group. These risks are recorded in the Group's Risk Register, with each risk allocated to a designated senior manager Risk Lead who has overall responsibility for ensuring it is managed effectively.

A formal review of the Group's risk profile is undertaken on a quarterly basis as part of the Group's Risk Committee review cycle. In addition, the Group seeks to identify changes to the risk profile on a dynamic basis through the various risk management processes and structures operated under the ERMF. This includes assessing the risk profile of new business initiatives and analysing risk events.

D. Risk Appetite
The Board articulate the overall level of risk the Group is willing to accept for the various risks it faces within its Risk Appetite Statements.

The Risk Appetite Statements set the parameters within which the Group must manage its risk profile, and so provides the context for all of the Group's risk management activity. This includes defining the Group's overall loss tolerance and its targeted level of prudential adequacy.

The Risk Appetite Statements are cascaded and operationalised throughout the Group through a framework of risk appetite implementation metrics which provide the operational parameters the business must operate within on a day-to-day basis.

E. Systems and Controls
Definition of Requirements
The Group maintains Risk Management Standards ('RMS') which articulate the key systems and controls which must be implemented to manage each of its material risks within risk appetite. This includes the minimum requirements in relation to policies, controls and training.

Implementation
The Group assesses adherence to these requirements through an annual control and policy attestation process that provides its management and governance forums with a comprehensive assessment of the status of the Group's risk management environment.

F. Issue Management Process
The Group operates a formal issue management process across the 3LOD to address any issues which could materially impact the Group's risk profile. The issue management process includes a formal risk acceptance process where it is not practical or desirable to address an issue at the point identified.

All actions and deferrals are subject to a formal approval process which is calibrated to reflect the severity of the issue.

G. Risk Event Management Process
The Group has a defined process for the escalation, notification and logging of all risk events to ensure that they can be addressed and analysed appropriately. This includes the conducting of detailed root-cause analysis for significant events.

H. Risk Assessment and Monitoring
The Group assesses and monitors its risk profile on an ongoing basis to ensure that it is operating within risk appetite and to identify any remedial action required to maintain or return the Group to within risk appetite.

This monitoring is undertaken through:

> An annual Risk Self-Assessment process;
> The quarterly Risk Committee review process; and
> Ongoing operational monitoring by the 1LOD and 2LOD.

Any breach of risk appetite parameters or other significant issue identified through the monitoring activity must be escalated to the appropriate level of management and governance.

I. Risk Assurance
Internal Audit, Risk and Compliance undertake independent and targeted reviews of selected areas of the Group's business and operations to provide Management and Governance Committees with additional insights and assurance in relation to specific aspects of the Group's risk profile, and highlight areas requiring remediation.

The scope of the assurance activity is approved by the Group's Risk and Audit Committees.

J. Prudential Assessments

The Group periodically assesses its capital and liquidity adequacy by reference to the targeted confidence level adopted in the Risk Appetite Statements (and applicable regulatory requirements).

The Group assesses its stressed risk profile through a formal stress testing programme which covers all material risk types. This programme includes reverse stress testing which aims to assist the Group to identify and mitigate potential causes of business failure.

Risk Strategy

The Board is responsible for setting the Group's Risk Strategy which identifies the core risk management objectives that must be met for the Group to deliver its Business Strategy and, as such, provides the overarching context for all of the Group's risk management activity. The Group has defined the following risk objectives within its current Risk Strategy:

Category	Risk objective
Financial position	To maintain a robust financial position in both normal and stressed conditions, to be achieved by maintaining profitability, ensuring capital and liquidity resources are sustained at levels that reflect the Group's risk profile, and maintaining access to capital markets.
Operational effectiveness and resilience	To ensure that operational processes and infrastructure operate effectively and with an appropriate degree of resilience.
Regulatory standing	To maintain good standing with all its regulators and to ensure reasonable and proportionate compliance with all applicable laws and regulations to which the Group is subject.
Reputation	To maintain the Group's reputation as an unbiased intermediary in the financial markets, with market integrity being at the heart of its business.
Business strategy	To adopt and execute a well-defined business plan which ensures the continued viability and growth of the Group's business, and to ensure that the Group does not undertake any activity which could undermine its ability to meet its strategic goals.

Principal risks

The Board has conducted a robust assessment of the principal risks facing the Group, defined for the purposes of this Annual Report as those risks that could cause material harm to: the Group's clients; the markets it operates in; and the Group's business model, future performance, solvency, liquidity or reputation.

The Board has considered a wide range of information as part of this assessment, including reports provided by the Group Risk function and senior management, as well as the key findings from the Group's various risk identification and assessment processes described below.

The Group records all its identified risks within its Risk Register and periodically assesses the risk profile of each risk against the target residual risk profile defined in the Group's risk appetite framework.

The Group formally reviews and assesses its risk profile on a quarterly basis as part of the Group's Risk Committee governance cycle. In addition to the formal reviews noted above, the Group monitors its risk profile against risk appetite on an ongoing basis as part of its day-to-day business management and will update its risk framework outside of the formal review and assessment cycle where required to reflect any material changes to risk profile. This includes any changes to risk profile identified through the Group's change management framework.

The Group also undertakes stress testing and scenario analyses to model its potential risk exposure at the more extreme 'stressed loss' levels of severity. The Group also conducts reverse stress tests to identify those risk scenarios that could threaten the viability of the Group and to evaluate its ability to withstand or recover from such scenarios.

Finally, the Group also reviews its emerging risk profile as part of the risk identification and assessment process. An emerging risk, for these purposes, is defined as any new type of risk that may pose a material threat to the Group in the future, and which the Group should monitor so that it is in a position to actively manage the risk if, and when, it becomes a more immediate threat to the Group. Each emerging risk is recorded in the Group's Emerging Risk Register, along with an assessment of its potential impact and an estimate of the timeframe within which it is likely to materialise.

The Board has considered the findings of all of the above assessment types in identifying its principal risks which are set out in the table overleaf. The table includes an assessment of the impact of each risk by reference to the potential impact that each risk could have on the Group's business model, future performance, solvency, liquidity or reputation. It should be noted that the stated impact for each risk is: (a) the potential impact in stressed conditions, net of any risk mitigation adopted by the Group, as opposed to the 'expected' impact at higher levels of probability; and (b) is assessed over the medium term (defined as a three-year period).

Rating	Risk Impact
1	A risk that could fundamentally threaten the Group's business model, future performance, solvency, liquidity or reputation
2	A risk that could significantly impact the Group's business model, future performance, solvency, liquidity or reputation
3	A risk that could materially impact the Group's business model, future performance, solvency, liquidity or reputation

1 STRATEGIC AND BUSINESS RISK

Risk	Impact rating	Impact Description	Mitigation	Key risk indicator	Change in risk exposure since 2022
Adverse change to regulatory framework The risk of a fundamental change to the regulatory framework which has a material adverse impact on the Group's business model and/or undermines the Group's ability to deliver its strategy.	1	> Reduction in broking activity > Reduced earnings and profitability > Increases in regulatory capital requirements	> Horizon scanning for regulatory developments. > Involvement in consultation and rule setting processes.	> Status of regulatory change initiatives	No change
Deterioration in the commercial environment The risk that due to adverse macroeconomic conditions or geopolitical developments, market activity is suppressed leading to reduced trading volumes. The Group's business continued to operate in challenging geopolitical conditions.	1	> Reduction in broking activity > Pressure on brokerage rates > Reduced earnings and profitability > Goodwill write-off	> Defined business strategy that seeks to maintain client, geographical and product diversification. > Stress test process (which includes reverse stress tests) to assess the Group's ability to absorb significant reductions in business performance and any changes to business model or risk mitigations required.	> Trade volumes > Revenues by region > Operating profit > Stress test results	Increase
Failure to respond to client demand or competitor activity The risk that the Group fails to respond to evolving customer requirements, including the demand for enhanced electronic broking solutions for certain asset classes. This includes the failure to implement the Group's strategy in relation to Fusion, Parameta Solutions and Liquidnet	2	> Loss of market share > Pressure on brokerage rates > Reduced earnings and profitability > Goodwill write-off	> Defined business strategy that seeks to maintain client, geographical and product diversification, and that seeks to anticipate and respond to its clients' evolving requirements. > Proactive engagement with clients through customer relationship management process. > Periodic horizon-scanning and competitor analysis to identify any required change to strategic objectives or implementation plan.	> Performance against strategy implementation plans > Market share percentage > Results of client engagement surveys	No change

① STRATEGIC AND BUSINESS RISK

Risk	Impact rating	Impact Description	Mitigation	Key risk indicator	Change in risk exposure since 2022
Failure to address climate risk The risk that the Group: > Fails to respond to structural changes to the market arising from physical or transition risk drivers; > Fails to address any long-term impact on the Group's infrastructure, third-party infrastructure or key vendors arising from physical or transition risk impacts; and > Incurs reputational damage due to a failure to meet stakeholder expectations in relation to climate risk management, leading to key stakeholders (such as investors, clients or suppliers) being unwilling to deal with the Group.	3	> Loss of market share > Damage to reputation > Increased volatility in share price > Reduced ability to access capital markets	> Consideration of climate risk drivers in financial planning and risk assessments.	> Trade volumes > Revenues > Operating profit > Performance against financial targets	No change

Strategic report

2 OPERATIONAL RISK

Risk	Impact rating	Impact Description	Mitigation	Key risk indicator	Change in risk exposure since 2022
Cyber Security and data protection The risk that the Group fails to adequately protect itself against cyber-attack or to adequately secure the data it holds, resulting in potential financial loss (including through cyber-enabled fraud), a loss of operability, or the potential loss of critical business or client data. The threat of cybercrime is elevated compared to 2022 following cyber security events impacting the Group in 2023, namely ICBC outage, ION outage and BCD data breach.	1	> Loss of revenue > Theft of assets > Payment of damages/ compensation > Remediation costs > Regulatory sanctions > Damage to reputation	> Ongoing monitoring and assessment of the cyber-threat landscape. > Appropriate framework of systems and controls to prevent, identify and contain cyber threats. > Regular testing of the Group's cyber security utilising specialist third parties.	> Cyber Security events/losses > Results of vulnerability testing > Actual or attempted security breaches > Data loss events	Increase
Infrastructure The Group is heavily reliant on the effective and resilient operation of a range of infrastructure components, including: > A complex IT architecture; > A range of office locations; and > Key third-party suppliers and market infrastructure providers. A failure of the Group's infrastructure could result in a material loss of business. This includes the potential impact of physical and transition climate risk drivers on the Group's key infrastructure.	2	> Financial loss > Damage to the Group's reputation as a reliable market intermediary	> Framework of systems and controls to minimise the risk of operational failure. > Incident and Crisis Management Framework. > Business continuity plans and capability.	> System outages > Stress test results	No change
Legal, Compliance and Conduct risk The Group operates in a highly regulated environment and is subject to the legal and regulatory frameworks of numerous jurisdictions. Failure to comply with applicable legal and regulatory requirements could result in enforcement action being taken against the Group, including the incurring of significant fines.	2	> Regulatory and legal enforcement action including censure, fines or loss of operating licence > Severe damage to reputation	> Independent Compliance function to oversee compliance with regulatory obligations. > Compliance monitoring and surveillance activity. > Compliance training programme to ensure that staff are aware of the regulatory requirements. > Adoption of compliance culture to engender high standards of employee conduct. > Conduct Management and Governance Framework to address employee misconduct.	> Internal Compliance policy breaches > Employee conduct metrics > Regulatory breaches	No change

❷ OPERATIONAL RISK

Risk	Impact rating	Impact Description	Mitigation	Key risk indicator	Change in risk exposure since 2022
Broking process The Group is exposed to operational risk at every stage of the broking process, from the execution and arrangement of transactions (with the associated risk of loss arising through closing out error positions or compensating clients) through to the clearing, settlement and invoicing of transactions.	3	> Financial loss > Damage to the Group's reputation as a reliable market intermediary	> On-desk supervision of broking activity. > Issuing of trade recaps and confirmations. > Order and position limits on electronic order books. > Ongoing monitoring to identify potential error trades, and any clearing or settlement issues.	> Risk events > Settlement issues > Margin calls	No change
Human capital The Group operates in a highly competitive recruitment market, heightened by the industry's increased flexible working expectations, and is exposed to the risk of losing key front office, support or control staff who are essential to the effective operation of the business.	3	> Increased staff turnover impacting the Group's ability to operate a profitable and resilient business	> Fixed-term front office contracts with staggered renewal dates. > Performance management process linked to remuneration. > Flexible working arrangements.	> Staff turnover rates > Loss of key personnel	No change

Strategic report

③ FINANCIAL RISK

Risk	Impact rating	Impact Description	Mitigation	Key risk indicator	Change in risk exposure since 2022
Liquidity risk The Group is exposed to potential margin calls from clearing houses and correspondent clearers. The Group also faces liquidity risk through its requirement to fund matched principal trades which fail to settle on settlement date. Liquidity risk is elevated compared to 2022 following the move to self-clearing of US government bonds in response to the ICBC outage.	2	> Reduction in the Group's liquidity resources which could, in extreme cases, impact the Group's cash-flow	> Margin call and trade funding profile monitored against defined limits. > Group maintains liquidity resources in each operating centre to provide immediate access to funds. > Committed £350m revolving credit facility ('RCF'). > Diversification of funding sources. > Overdraft facilities provided by primary settlement institutions.	> Margin call profile > Settlement fail – funding requirements > Unplanned intra-Group funding calls > RCF draw-down	Increase
Counterparty credit risk The risk that the Group incurs loss as a result of a counterparty default, whether due to insolvency, sanctions or for any other reason. Counterparty exposure principally arises in relation to outstanding brokerage receivables, cash balances or any unsettled matched principal trades (with the associated replacement cost exposure) held against a counterparty.	2	> Financial loss which could, in extreme cases, impact the Group's solvency and liquidity	> Counterparty exposures managed against credit thresholds that are calibrated to reflect counterparty creditworthiness. > Exposure monitoring and reporting by independent credit risk function.	> Portfolio exposure > Client exposure > Aged debt	No change
FX exposure The risk that the Group suffers loss as a result of a movement in FX rates, whether through transaction risk or translation risk.	3	> Financial loss which could, in extreme cases, impact the Group's solvency and liquidity	> Ongoing monitoring of Group's FX positions.	> FX translation exposure > FX transaction exposure	No change

❹ EMERGING RISKS

Risk	Impact rating	Impact Description	Mitigation	Key risk indicator	Change in risk exposure since 2022
Technology expertise The financial markets in which the Group operates will become increasingly based on complex technology and the use of sophisticated data and analytics (e.g. artificial intelligence). The Group's ability to retain its position as a leading market infrastructure provider will be dependent on its ability to develop and implement a technology strategy which keeps pace with technological enhancements and to attract the required data scientists and technology specialists in an increasingly competitive recruitment market.	2	> Reduction in broking activity > Reduced earnings and profitability	> Ongoing review of the Group's strategy in the context of broader market developments and assessment of the IT expertise and resourcing required to deliver it.	5-10 years	No change
Deglobalisation The risk that the global economy becomes increasingly fragmented (as per the UK's departure from the EU) resulting in increasing divergence in regulatory regimes, fragmentation of liquidity in the financial markets and potential supply chain disruption.	3	> Reduction in broking activity > Reduced earnings and profitability	> Ongoing horizon scanning to identify potential changes to the geopolitical landscape and associated changes to the regulatory frameworks governing financial markets.	< 5 years	No change

Strategic report

Task Force on Climate-related Financial Disclosures

Statement of Compliance

TP ICAP is committed to continued adoption of, and alignment with, the recommendations of the Task Force on Climate-related Financial Disclosures ('TCFD'). This year, we have carried out a detailed qualitative, and quantitative, climate scenario analysis to improve our understanding of the potential impacts of climate-related risks and opportunities on the Group. The analysis concludes that while climate change is relevant to TP ICAP, its impacts are not considered to be significant under the timeframes and climate scenarios used in the assessment. As such, this year the Group has sought to include details on the approach and analysis to evidence the conclusion, but otherwise is reporting proportionately against the TCFD recommendations and recommended disclosures.

In compliance with the Financial Conduct Authority ('FCA') Listing Rule LR 9.8.6R(8) on climate-related disclosure, we believe the information contained within this report to be consistent with the TCFD recommendations and recommended disclosures, considering aspects of Strategy, and Metrics and Targets, are subject to a materiality assessment. Specifically, we have not provided detail on how climate is considered in business decision-making and planning processes (Strategy C) or disclosed performance against TCFD's cross-industry climate-related categories (Metrics and Targets A). All relevant information is included in this Annual Report.

Disclosure index

Recommendation	Relevant information disclosed	Disclosure location
Governance a) Board oversight b) Management's role	> Responsibility for climate change identification, assessment, and management across the Group	65 and 66
	> Examples of discussions and decisions made relating to climate change	65 and 66
	> Description of how climate features in business processes as relevant, given the potential reputational implications of climate change	65 and 66
Strategy a) Climate-related risks and opportunities b) The impact of climate-related risks and opportunities c) The resilience of the organisation's strategy	> Overview of approach to climate scenario analysis	66
	> Identified climate risks and opportunities	68 and 69
	> Progress on climate transition planning and resilience response	71
	> Resilience assessment of potential financial impact across climate scenarios, including 1.5°C	71
Risk Management a) Identifying and assessing climate-related risks b) Managing climate-related risks c) Integration into overall risk management	> Process to identify, assess, and manage climate risks and opportunities	72 and 73
	> Overview of how climate is incorporated in Group-wide risk management framework	73
Metrics and Targets a) Climate metrics b) Greenhouse gas ('GHG') emissions c) Climate targets	> Overview of environmental metrics used as a proxy for climate risk exposure, given that no risks or opportunities are assessed as financially material for the Group	73
	> Climate commitments to drive the reduction in emissions over time	20, 74

Governance

The Board's oversight of climate-related risks and opportunities

Board responsibilities

The Board has overall responsibility for climate-related risks and opportunities. These responsibilities are set out in the Terms of Reference for the Board, and its Committees. In 2022, we established a Climate Change Planning Framework to ensure that the Board and its Committees could execute their climate change responsibilities. This year, the Board considered our response to climate change, and current and emerging climate-related regulation, as part of the framework.

Board oversight

Board-level	Climate change-related responsibilities	Number of meetings in 2023	Decisions and discussion
Board	Overall responsibility for climate-related risks and opportunities; oversight of the Group's response to climate change and associated commitments.	3 reviews, with a further 3 separate high-level updates	> Reviewed the Group's plan and approach to undertaking detailed qualitative and quantitative climate scenarios analysis. The findings of the external analysis – the identified risks and opportunities and their potential impacts – were presented to the Board. > Reviewed the progress made towards meeting the Group's climate-related reporting requirements. > Discussion on the Group's emissions reduction plan for Scope 1 and 2 greenhouse gas ('GHG') emissions, and progress towards our carbon neutral target. > Reviewed and approved the Group's 2023 TCFD disclosure.
Audit Committee	The Audit Committee's climate-related responsibilities focus on the Group's adherence to the UK regulations, emerging regulatory requirements in other jurisdictions, and the quality of our climate change data.	3	> Reviewed an update on the TCFD preparedness and deliverables plan for the Group. > Discussed an early estimate of the Group's 2023 Scope 1 and 2 emissions; approved the approach to emissions reduction. > Reviewed actions, and recommendations, to improve environmental data quality.
Risk Committee	The Risk Committee's climate-related responsibilities centre around reviewing climate-related risks and the Group's risk management framework on a regular basis. They focused on the climate-related risks and opportunities that have been identified, including the potential financial and strategic impact to the Group, as a result of the in-depth qualitative and quantitative climate scenario analysis work.	2	> Discussed the ESG work plan for the year, including actions to address climate-related reporting requirements. > Updated on the Group's mitigation plans for the 'Climate Risk Regulatory Compliance', included in the Group's risk taxonomy. > Reviewed an update on the outcome of the climate scenario analysis, including how the identified risks were integrated into the Group Enterprise Risk Management Framework ('ERMF') and risk taxonomy.

Management	Climate change-related responsibilities	Number of updates in 2023	Decisions and discussion
Executive Committee	The Committee's primary duty is to oversee, monitor and review the Group's climate change strategy and execution, including the embedding of the TCFD deliverables across the Company.	5	> Reviewed, discussed, and contributed to papers prepared for the Board and its sub-committees. > A summary of each ESG Forum meeting was discussed by the Executive Committee.
ESG Forum	Responsible for the Group's environment, social and governance impact. This includes overseeing climate-related risks and opportunities to support strategic decision-making; implementing policies, delivery, communications, and disclosures.	6	> Reviewed the Group's 2023 workplan, including climate scenario analysis and the Climate Change Planning Framework. > Received regular progress updates on climate scenario analysis. > Reviewed the Group's mid-year Scope 1 and 2 GHG emissions and progress towards the Group's carbon neutrality goal.
TCFD Working Group	Responsible for steering TCFD-related activity across the Group, and ensuring the Group's TCFD disclosure is compliant with the framework's recommendations.	6	> Agreed the Group's 2023 TCFD implementation plan, including the completion of detailed qualitative and quantitative climate scenario analysis. > Discussed periodic outcomes from the climate scenario analysis work, as the project progressed. > Ensured climate change considerations were included in the financial planning process, and discussed the potential impacts.

Climate change considerations are included in the annual budget process, which is overseen by the Board. Divisional Chief Financial Officers ('CFOs') report any climate-related financial impact to the Group CFO as part of the annual budget process. For the 2023 budget period, we judged there was no material climate change-related financial impact on our business. We expect the same to be the case for the 2024 budget period.

Management's role in assessing and managing climate-related risks and opportunities

The management team has a significant role in assessing and managing climate-related risks and opportunities. These responsibilities, and the related discussions and decisions are set out on the table on page 65. All parts of the organisation are aligned to the Company's response to climate change and are complying with the UK regulatory requirements.

ESG Governance Structure

TP ICAP Group plc Board
Has oversight on business strategy from an ESG perspective.

Group Executive Committee
Leads the delivery of the Group's overall ESG programme and updates the Board on ESG matters.

Group ESG Forum
Provides oversight and advice in relation to ESG strategy, policies, documentation, implementation, communications, and disclosures.

TCFD Working Group
Drives the actions needed to embed the TCFD framework within our business.

Strategy

The climate-related risks and opportunities identified over the short, medium, and long term

Our approach

Building on the high-level analysis completed in 2022, the Group conducted a detailed climate scenario analysis exercise to fully assess the climate-related risks and opportunities relevant to our business over the short, medium, and long term. We used a range of climate scenarios, operational geographies, business divisions and time horizons. Climate scenarios have inherent limitations; we have noted the relevant limitations where applicable below.

Our approach to materiality is centred around qualitative and quantitative factors. Our process to determine materiality considers both a) climate trends i.e. how physical and transitional climate issues will manifest in the future, and b) our own business perspective, i.e. how these issues could affect our Company across regions and business divisions. The materiality of the identified risks and opportunities were assessed by our TCFD Working Group as part of the climate scenario analysis process.

Process we adopted

An independent sustainability consultancy, SLR, supported us with this work. Building on last year's high-level assessment, we applied both qualitative and quantitative factors. We examined the potential climate-related risks and opportunities within all of our business divisions in greater detail. In particular, we reviewed the potential impact on our Energy & Commodities ('E&C') division; this is an area where climate-related risks and opportunities are more prevalent.

The qualitative element included desk-based research, interviews with staff, and workshops with the TCFD Working Group and additional senior executives. More than 35 internal stakeholders, including from each business division and support function, were included in this engagement. The outcome was a longlist of potential climate-related risks and opportunities, including the main ones identified in 2022. To consolidate the longlist, we screened for relevance against our defined timeframes and significance to the business. The risks and opportunities were collated into their TCFD-aligned typology groups: transition risks, physical risks, etc.

We held workshops with our TCFD Working Group, and other key stakeholders including senior executives, to assess the potential impacts of the climate risks and opportunities on our business. Through workshop discussion and input from SLR, we ranked these risks and opportunities, accounting for any instances where one of our main geographic locations or a business division could be specifically impacted.

We reviewed our priority risks and opportunities to understand their suitability for quantification. A subset of two risks and one opportunity were identified using a range of factors. These are explained further on page 70.

Scenarios used in our analysis

For transition risks, we used Paris-aligned (1.5°C), middle-of the road (2°C) and high-warming (2.6°C) scenarios. For physical risks, our analysis used middle-of-the-road (2°C+) and high (4°C+) warming scenarios. We understand the physical impacts from climate change are more likely to occur in these scenarios.

	Paris-aligned	Middle-of-the-road	High warming
Description	Ambitious early action increases risks associated with low carbon transition but limits the effects of global warming.	Delayed, or late and sudden action resulting in transition-related shocks to society alongside higher impacts from physical risks.	Limited action results in significant warming, and more severe impacts from physical risks.
Temperature	1.4-1.6°C	1.4-2.7°C	2.6-4°C+
Scenario source/ model	> Network for Greening the Financial System ('NGFS')'s Orderly Transition including Net Zero 2050 & Below 2°C > International Energy Agency ('IEA') Net-Zero 2050 ('NZE') > Intergovernmental Panel Climate Change ('IPCC')'s SSP1-2.6	> NGFS's Disorderly Transition including Delayed Transition & Divergent Net Zero > IEA Announced Pledges ('APS') > IPCC's SSP2-4.5	> NGFS's Hot House World scenario including Current Policies & Nationally Determined Contribution ('NDC')s > IEA Stated Policies ('STEPS') (2022 issue) > IPCC's SSP5-8.5

Timeframe

As a broking business, we need to remain agile and responsive to markets that are influenced by a range of unpredictable external factors. This affects our ability to plan to traditional long-term timeframes. The time periods we use in our planning processes are therefore in shorter time increments, and anchored in the near term in particular.

We operate according to a short-term timeframe of 0-3 years, the main element being a detailed one-year budget planning cycle. We also use a 0-3-year timeframe for assessing risks, as set out on page 57 of this report. This is the longest-term timeframe that we use in our business planning. It reflects our role as a broker whose activities are market driven.

The high-level climate scenario analysis undertaken in 2022 used short and medium-term timeframes of 0-3 and 3-5 years, respectively. The medium-term timeframe was defined specifically for climate scenario analysis; the business does not have a medium-term timeframe that could be used for this purpose. At that time, we committed to defining a long-term timeframe this year for our detailed climate scenario analysis. We have now defined the long-term timeframe as 5+ years to 2035. This enables us to consider the potential impacts of climate change over the longer term, while balancing inherent uncertainties within climate scenarios as they look further into the future. Our analysis focuses on five-year increments within this timeframe (i.e. 2025, 2030 and 2035) and the intermediate points within. This follows the same approach as the IEA scenarios used in the analysis, where data progresses in five-year steps. The short and medium-term timeframes remain unchanged from 2022.

For the physical risks assessment, i.e. those risks that could impact on physical assets, such as data centres, our long-term assessment timeframe extends to 2050. This timeframe differs to the long-term timeframe we use for transition risks, because there is more information available on physical climate data, and these potential impacts become more prevalent over time.

Qualitative climate scenario analysis

Our qualitative climate scenario analysis confirmed that our business is more predisposed to transition risks and opportunities than physical climate risks. This aligns with the outcome of last year's high-level assessment. Our exposure to physical risks from climate change is low. We lease our office and data centre estate, where the risks are principally owned and managed by landlords. Furthermore, as a broker, we do not lend money or make investments in property or other physical assets.

The assessment established whether any geographic or sectoral nuances existed between our identified risks and opportunities. All the identified risks and opportunities apply to the Group globally, following the global footprint of our operations and client base. The assessment noted some sectoral nuances, as expected, with our E&C business division being the most relevant. Within these asset classes, we looked closely at fossil fuels (including coal), renewables, and the metals and minerals relevant to the low-carbon transition.

Classification	Description of risk and impact	Climate scenario analysis	Plans to monitor and manage risk
Risks			
TCFD taxonomy: Transition market risk **Division:** Most relevant to E&C **Geography:** All regions	1. Limited penetration of new asset classes relevant to the low-carbon transition > To achieve global climate goals, an uptick in low-carbon markets is expected. There could also be an emergence of new solution providers. > There is a potential for new platforms around voluntary carbon trading, or circular and renewable solutions. > If we fail to respond in line with market shifts, we may experience a decrease in market share.	We are well-positioned to respond to new market developments due to strong client relationships, and the wealth of data it holds. Most likely to manifest in the medium-long term in transition scenarios, particularly if there is sudden policy action. Our potential exposure is most relevant to E&C which is brokering across these asset classes, but may affect other divisions that interact with these markets, such as Parameta Solutions.	> Maintain business agility to respond to client needs. > Monitor trends and engage with clients to understand changing interests in asset classes.
TCFD taxonomy: Transition market risk **Division:** Most relevant to E&C **Geography:** All regions	2. Uncertainty in low-carbon market developments > A low-carbon transition requires changes to the energy mix to achieve GHG emission reductions. It will also increase demands on minerals and metals to develop low-carbon technologies. > Insufficient and/or sudden implementation of policy can make it difficult to predict how demand across different energy and commodity asset classes might change. > Sunk costs or opportunity costs if the Group does not take advantage of new markets, or it overcommits to a particular market.	We are seeking opportunities for new environmental and low-carbon asset classes. Most likely to manifest under a delayed or sudden transition scenario in the medium-to-long term, where market signals are unclear. Any potential exposure is most relevant to E&C which is brokering across these asset classes.	> Continue engagement across key trading functions, particularly E&C, to stay up-to-date with market trends and speed of change.
TCFD taxonomy: Transition market risk **Division:** E&C only **Geography:** All regions	3. Fossil fuel market declines in low-carbon transition > As economies continue towards the energy transition, the prevalence of fossil fuels (e.g. coal, oil, gas) will be superseded by renewable alternatives. > As client demand for fossil fuel diminishes, the Group will see a reduction in associated revenues from these asset classes.	Whilst fossil fuel demand is expected to decline under ambitious and middle-of-the road transition scenarios, it is set to increase in the business-as-usual high warming scenario. Oil is recognised as a critical transition energy and as such this risk is only likely to manifest in the longer term. However, our E&C division has an established market presence across fossil fuels and alternatives, and is well positioned to align its resources with market demand. This risk is only relevant for our E&C division which brokers fossil fuels.	> Monitor climate policy announcements to track expected changes in market demand. > Seek new market opportunities in the low-carbon transition, to replace all the main energy sources declining in fossil fuel consumption.
TCFD taxonomy: Transition reputation risk **Division:** Group-wide **Geography:** All regions	4. Reputational risk from connection with fossil fuels > There is increasing expectation and scrutiny on organisations for the use of, or involvement with, fossil fuels. > If the Group does not keep apace of climate decarbonisation trends, brokerage of fossil fuels could lead to reputational harm. > Reputational backlash from investors may affect share price and access to capital.	We are aware of increasing scrutiny from wider stakeholders which may become more relevant in an ambitious climate transition scenario. This risk is mostly relevant for our E&C division which brokers fossil fuels, but the potential impact could be Group-wide.	> Support the low-carbon transition by seeking opportunities to develop low-carbon solutions and maintain a commitment to minimising GHG emissions. > Engage with clients to understand their decarbonisation plans over the long-term, to assist with our strategic planning.

Classification	Description of risk and impact	Climate scenario analysis	Plans to monitor and manage risk
Risks			
TCFD taxonomy: Transition policy risk **Division:** Group-wide **Geography:** All regions	5. Increase in climate disclosure requirements > Regulators and investors are demanding greater transparency on ESG and climate disclosures (e.g. transition plans, materiality etc.). > Responding to current and emerging reporting obligations requires resources to meet compliance requirements, or risks facing fines and further reputational damage.	The Group, and some of its subsidiaries, are already subject to a range of climate-related compliance obligations. New mandates are already emerging which we must respond to. It is possible that further requirements or higher expectations will emerge over time, especially in a low-carbon transition, that will require further resources.	> Continue to monitor climate-related legislation and applicability to the Group and its subsidiaries. > Respond to reporting obligations in a streamlined manner, identifying synergies across mandates to ensure compliant responses with efficient allocation of resources.
TCFD taxonomy: Physical acute risk **Division:** Group-wide **Geography:** All regions	6. Increase in extreme weather leading to damage to assets > Gradual changes to climate and extreme weather events are expected to increase in the future. > Costs to replace damaged equipment, or increased costs as a result of higher insurance premiums, if claims are made to replace damaged assets.	While the business has a global footprint, the Group has limited direct exposure to physical climate risks. We operate from a relatively small, leased, office portfolio. The Group has no material exposure to other physical assets (i.e. no vehicle fleet, no manufacturing facilities, etc.) This risk is most likely to manifest in the long term, under a higher warming scenario. Despite the minimal exposure to physical risks, the potential impacts could affect the Group across divisions and geographies.	> Embed climate-related risks into business continuity plans. > Ensure new data centre premises meet our current high-resilience standards.

Classification	Description of opportunity and impact	Climate scenario analysis	Plans to monitor and seize the opportunity
Opportunities			
TCFD taxonomy: Transition products opportunity **Division:** E&C only **Geography:** All regions	1. Increase in demand for brokerage of low-carbon commodities > The transition to a low emissions economy will require enormous investment in technologies supporting renewable energy infrastructure and battery storage, for example. > Higher demand for the commodities required for these technologies, or the energy sources themselves, may result in higher revenues if transaction volumes and values increase.	There is already demand for these commodities and other environmental asset classes. It is expected this will only grow in the medium to long term, and would be most significant in transition scenarios where demand for low-carbon solutions is higher. This opportunity is most relevant to E&C which brokers these commodities.	> Leverage existing client relationships to identify opportunities to broker low-carbon solutions. > Monitor trends and engage with clients to understand changing interests in asset classes.
TCFD taxonomy: Transition products opportunity **Division:** Parameta Solutions **Geography:** All regions	2. Increase in demand for data associated with low-carbon solutions > Low-carbon and environmental asset classes are expected to become more prominent in a low-carbon transition. > Demand for data on these asset classes will grow in importance in a similar way, alongside indices and benchmarks. > Higher demand for data, indices and benchmarks is expected to drive increased revenue for Parameta Solutions.	We are already responding to increased demand, e.g. our recently launched Global Liquefied Natural Gas ('LNG') Pricing Service. The increase in demand for this data is already apparent and is expected to increase over time. This is relevant to Parameta Solutions which is delivering data, analysis and indices.	> Proactively monitor market developments to expand position a major over-the-counter broker.

Strategic report

Quantitative climate scenario analysis

We reviewed our priority risks and opportunities to understand their suitability for quantification. A subset of two risks and one opportunity were identified using a range of factors, including feedback from SLR, internal data availability, and the ability of the relevant climate scenarios to support quantification. The climate impacts selected for quantification included:

> The potential changes to revenues derived from Energy and Commodities' brokerage as demand for the key asset classes (oil, power, coal, etc.) increases, or decreases, through the energy transition.
> The potential future costs associated with damage to assets from climate change events which could increase in severity, or frequency, in the future.

Change in demand (risk and opportunity)

The climate scenarios used in our analysis were sourced from the IEA, including ambitious (1.5°C), middle-of-the-road (2°C) and high warming (2.6°C+) climate scenarios. The IEA STEPS 2022 scenario (2.6°C+) is recognised as the 'business as usual' scenario, or the scenario closest to the world's current emissions trajectory. The potential changes in demand for different energy sources, and the commodities relevant to the low-carbon transition, vary between scenarios.

The asset classes included in the IEA scenarios broadly align with those brokered by E&C. The energy, metals and minerals included within the analysis are oil, power (electricity) and natural gas; these three asset classes represent the majority of E&C revenue. The analysis includes coal, which generates a very small portion of total E&C revenue. We also assessed the potential changes in demand for nickel, cobalt, steel, lithium and copper. We do not currently broker across all these asset classes, although the Group is set to launch a new battery metals desk in 2024. They have been included in the assessment to demonstrate how new markets might emerge over time, and under different climate scenarios.

We are asset light; we lease our office premises and do not own or operate a vehicle fleet. We are not an investment bank or a lender with a loan book. Our primary business is brokerage, where volatility is a key driver of revenue generation. As we have progressed through this process, it has become clear that modelling the effects of volatility – particularly volatility caused by climate change – is difficult to do reliably. Following SLR's advice, our modelling uses a revenue-to-demand change ratio of 1:1 to test the impact of the scenarios on this risk and opportunity. This assumes that as demand for a particular energy source or commodity changes, the revenue increases or decreases at an equal rate.

We have selected IEA scenarios based on their relevance to this risk and opportunity. The IEA clearly state that their scenarios are not predictions or forecasts, with each scenario built on a different set of underlying assumptions. SLR believe that we have taken the best possible approach to this analysis based on the data and tools available at this time.

To assess the potential financial impacts, we overlayed changes in demand by asset class with associated 2022 revenues, across the relevant climate scenarios and time horizons. Across all scenarios. total energy demand, and demand for energy and relevant commodities, is expected to change.

In an ambitious climate scenario (1.5°C) the changes to potential energy demand, and demand on each energy source, are at their most pronounced. While demand for fossil fuels decreases, there is significant growth in demand for power (electricity), and for the metals and minerals widely used in low-carbon technologies, such as lithium. Under a middle-of-the-road scenario (2°C), while demand trends move in the same direction as the ambitious scenario, the changes are less significant. In the business-as-usual scenario, demand for oil, gas, and power increases, with oil demand beginning to decline after 2030. However, by 2035, there is still a net increase in oil demand compared to 2022. The analysis also shows increased demand for metals and minerals.

The analysis concluded that the net impact on brokerage revenues is expected to increase modestly in each of the climate scenarios considered, indicating that the opportunity may be greater than the risk.

Physical Risks

In 2022, the Group carried out a risk exposure assessment to understand the potential physical climate-related risks to our office and data centre estate. Most of our sites have low overall exposure to physical climate hazards, even under a high emissions future. The 2023 qualitative climate scenario analysis also confirmed that our exposure to physical climate risks is low. Nevertheless, we included physical risk in our quantitative assessment to give a balanced analysis of the different types of climate-related impacts.

Data centres are a critical part of our operational infrastructure. Ensuring our data centres are resilient to risks, including those arising from climate change, is an important part of our business continuity plans. Our quantitative physical risk analysis looked at ten of our data centres across Asia Pacific, Europe, and the Americas. They are the Group's primary data centres in each region.

We used data from Climate Insights by CLIMsystems – a consultancy which is part of SLR and specialises in assessing the impacts of changes to climates. The Climate Insights tool provides access to the latest climate data showing potential future changes for a range of climate variables at asset-specific locations.

Our physical risk impact assessment modelled the potential impact of asset damage to our primary data centres, driven by a range of climate variables, categorised as follows:

> Water stress: monthly mean precipitation.
> Wildfire: Keetch-Byram Drought Index ('KBDI') fire risk.
> Heat stress: monthly mean temperature, monthly relative humidity, air heatwave delays, cooling degree days, maximum temperature days higher 35°C.
> Storms: heating degree days, extreme wind speed, extreme precipitation.
> Floods: mean sea level rise, extreme water level, riverine flood depth.

The analysis focused on the potential future change in climate variables based on global climate models ('GCMs') of the coupled model intercomparison project ('CMIP6') for the periods from 2024 to 2050 with a five-year step under the selected scenarios of SSP2-4.5 and SSP5-8.5. Climate data was provided to SLR/CLIMsystems, which was then correlated to our insured asset values, to provide an annual assessment of the potential value at risk ('VaR') experienced from repair costs for asset damage.

The Group has strong mitigants in place to protect its data centre assets from damage, or from financial losses arising from damage to assets. Taking these measures into account, the analysis concluded that the residual risk to the Group was negligible across all climate scenarios and time horizons.

The impact of climate-related risks and opportunities on our businesses, strategy, and financial planning

The qualitative and quantitative analysis confirms that the Group is not expected to be significantly impacted by climate-related risks. The analysis indicated that we may stand to benefit from climate-related opportunities, given the potential for growth in asset classes relevant to the transition. But, given the range of permutations, and the various assumptions and estimates used in the analysis, we believe this assessment provides a potential sense of direction rather than any definitive, material, opportunity. Maintaining an agile approach across energy, commodity, and capital markets, is central to the resilience of our business. This positions the Group well to mitigate risk and capitalise on opportunities.

The output of the quantitative climate scenario analysis was used to assess the sensitivities on potential impacts to the financial forecasts used in goodwill impairment assessments, and the valuation of the relevant cash generating units ('CGUs'). The assessment concludes that in an ambitious climate scenario, aligning with 1.5°C warming, the potential impacts are not significant or deemed financially material.

Turning to our financial performance, the results of the qualitative and quantitative climate scenario analysis exercise did not indicate a material financial impact to the Group under any of the climate scenarios or timeframes used.

We recognise that climate-related risks are non-diversifiable risks, impacting businesses regardless of their size or sector, and that exposure could change and evolve over time. We are committed to the ongoing assessment of the potential impacts of climate-related risks and opportunities to our business, both through the Enterprise Risk Management Framework ('ERMF'), and with periodic quantitative analysis in line with stakeholder expectations.

We have used the results of the climate change assessments undertaken in the last two years to ensure that any relevant climate-related risks and opportunities are integrated into our ERMF and Risk Taxonomy, and are actively managed. Additionally, we have strengthened our understanding of the exposure of our largest suppliers to climate change (see page 74).

Prioritisation and transition plans

We prioritise our climate-related risks and opportunities through the system of working groups described on page 66 of this report. This year, we have developed our approach to the assessment of climate-related risks and opportunities through the detailed qualitative and quantitative climate scenario analysis, which included a thorough identification and prioritisation exercise (see page 66).

Our approach to transitioning to a low-carbon economy centres around our carbon neutral ambition, and the steps we are taking to reduce the GHG emissions from our operations. The Sustainability section of this report (pages 18 to 29) includes the first iteration of a transition plan. We note the new reporting framework issued by the UK Government's Transition Plan Taskforce, and we are working towards developing and publishing a detailed transition plan in due course.

The resilience of our strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

We use scenario analysis to inform our understanding of the resilience of our strategy in uncertain climate futures. On pages 66 to 71 we set out the approach we have taken to qualitative and quantitative scenario analysis this year, including the scenario sets used. The tables on page 68 and 69 include a description of our plans to monitor and manage each identified priority climate-related risk and opportunity.

We are not immune from risks stemming from climate change. We generate income through broking. It is key therefore that the Group correctly recognises which elements of the business will grow or decline as clients, the economy and governments adapt to the transition to a low-carbon economy. We keep this under review and will continue to return to it as part of our ongoing commitment to assessing and managing the impact of climate change on our business.

Risk Management

Processes for identifying and assessing climate-related risks

Climate-related risks are identified, assessed, and managed within the overall scope of our Group-wide Enterprise Risk Management Framework ('ERMF').

The ERMF risk assessment process includes:

> A review of the risks recorded in the Group's Risk Register;
> A review of the risk appetite framework and risk management requirements, as these relate to climate risks; and
> An assessment of the Group's current climate risk profile relative to risk appetite.

The Risk function used the output of the detailed qualitative and quantitative climate scenario analysis to inform the risk assessment process as laid out in the ERMF. The results of the analysis were used in risk assessment discussions with risk leads across the business, to understand whether the identified climate-related risks had any direct or indirect impacts to our existing risks. These discussions confirmed that applying climate-related risk considerations to our existing risks has not materially changed the assessment of their risk profile in the short and medium term. We do not foresee any probable climate change-related risk consideration crystallising in the next 12 months that will materially affect our business.

However, in line with the results of our detailed climate scenario analysis, the Group has identified climate-related risks that could lead to a change in risk profile over the longer term. These include potential transition risk impacts to the Group, and more specifically to the E&C division. We will keep these risks under close review. Climate-related risk remains part of the Group's risk taxonomy, which contains the Group's actively managed risks. This ensures the requisite level of visibility for management and governance, as well as external stakeholders.

The Board articulates the overall level of risk the Group is willing to accept for the various risks it faces within its Risk Appetite Statement, including climate-related risks. This includes defining the Group's overall loss tolerance and its targeted level of prudential adequacy. The Risk Appetite Statements are cascaded and operationalised throughout the Group via a framework of risk appetite implementation metrics.

Through the ERMF, the Group principally assesses its risk profile, through the above processes, over a timeframe of the next 12 months. It also seeks to identify any potential changes to its risk profile over the short and medium term. Given that our core business is broking and therefore market-led, the ERMF does not use a long-term timeframe for risk assessment purposes. However, outside of the ERMF, we defined a long-term timeframe of 5+ years, to 2035, to assess climate-related risks. This timeframe is used solely for climate scenario analysis purposes, and is not used in the ERMF.

In 2024, we will continue to identify, assess, and manage our climate risk profile through our ERMF. The Group will also continue to embed the Climate Change Planning Framework and integrate climate considerations into BAU management processes and systems.

Process for managing climate-related risks

We manage climate-related risks by incorporating them into our ERMF. This process includes:

> Logging how the risk has been recorded in the Group's Risk Register – i.e., by amending an existing risk type or defining a new risk;
> Detailing how the risk has been incorporated within the Group's Risk Appetite Framework;
> Outlining key mitigants or controls adopted to manage the risk; and
> Making a high-level assessment of the risk profile for each relevant risk.

Climate-related risks are reflected in the following risk definitions:

> Business Continuity and Crisis Management Risk includes the risk that the Group fails to address appropriately physical or transition climate risk impacts on the Group, or third-party infrastructure and business continuity providers.
> Credit Risk includes the risk that a counterparty defaults due to the direct or indirect impact of physical or transition climate risk.
> Strategy Design and Implementation Risk includes the risk that the Group:
  — Fails to respond effectively to the impact of physical or transition climate risk on client demand;
  — Fails to address any long-term loss of operability, due to the impact of physical or transition climate risk impacts on the Group, its employees, third-party infrastructure providers or other key suppliers which fundamentally undermines the Group's ability to operate its business models; or
  — Incurs reputational damage caused by a failure to meet stakeholder expectations in relation to ESG strategy and performance (including climate change), leading to key stakeholders being unwilling to deal with the Group (including investors, clients, suppliers and employees).

In addition, the ERMF also includes a specific climate-related risk entitled Climate Risk Regulatory Compliance. This is defined as the risk that the Group fails to comply with current or emerging climate-related regulatory requirements in any of the jurisdictions in which we operate, with potential sanctions for non-compliance including fines, public censure, and associated damage to the Group's reputation. We include "Failure to address climate risk" as a principal risk (see page 59), recognising the potential reputational implications that could result from not meeting stakeholder's expectations in this area.

As part of the ERMF, the Group operates a formal issue management process across the three lines of defence to manage any issues which could materially impact the Group's risk profile. The risk identification process involves identifying a designated senior manager as 'risk lead' for all material risks who has overall responsibility for overseeing the management of that risk across the Group. In determining the appropriate response, the Group will prioritise its remediation activity according to the potential impact of each relevant risk.

How climate-related risks are identified, assessed, managed, and integrated into the organisation's overall risk management

We manage climate-related risks within the scope of our overall existing ERMF. Please see page 55 for more details.

Metrics and Targets

The metrics used to assess climate-related risks and opportunities in line with our strategy and risk management process

We considered the TCFD's cross-industry climate-related metric categories to establish the relevant and proportionate metrics for our reporting. Due to the increased stakeholder interest in climate change, and in particular measurement and management of Scope 1, 2 and 3 emissions, we consider these metrics to be relevant for this disclosure. We also use E&C revenues by asset class as an internal metric for risk and opportunity monitoring. We will keep these metrics under review as we further develop our response to the identified risks and opportunities.

We follow the GHG Protocol in calculating and, where necessary, extrapolating our emissions. We report our corporate emissions under the operational control method. We therefore account for 100% of the GHG emissions where we have operational control. This includes the Group and its subsidiaries.

Building emissions and business travel data was collected as part of SECR compliance covering 1 January 2023 – 31 December 2023. This data covered building energy use, refrigerant use, business travel and waste.

Purchased Goods & Services emissions and global train travel emissions were calculated using the environmentally extended input-output ('EEI/O') table method based on emissions per GBP spend. We measure, and report, our emissions for Scope 1, 2 and five of the 15 Scope 3 GHG emission categories. We do not report on 10 out of the 15 Scope 3 GHG categories because they are either not material, or not relevant, to our business. The services we provide – for example, trade execution and advisory – do not generate their own emission streams. Therefore, emissions from Downstream and Upstream Distribution and Transportation, and Processing, Use or End-of-Life Treatment of Sold Products are not relevant. Our business does not operate on a franchise model, and, as a broker, we do not lend money or make investments. As a result, we do not disclose any emissions in either the Franchises or Investments Scope 3 sub-categories.

Scope 1, Scope 2, and Scope 3 GHG emissions

Our total emissions equalled 57,723 tCO_2e. This equates to a 1% reduction compared to the previous year. Notably, we reduced our Scope 1 and Scope 2 emissions by 20% year-on-year. 67% of our total emissions stem from Scope 3 Purchased Good & Services.

We took steps to improve our environment data collection and management processes. We migrated our environment data, including all aspects across Scopes 1, 2 and 3, waste and water consumption, to a software-based platform which enables us to track consumption and emissions at regular intervals. This new approach has improved our engagement with landlords and other service providers, and our ability to detect and rectify variances in consumption.

Other metrics

We have assessed our sensitivity to carbon pricing to understand the relevance and applicability of potential carbon costs directly and indirectly on the Group. This assessment considered the current and potential changes to carbon pricing mechanisms, and any potential impact on the Group. The Group is asset light and does not conduct emissions-intensive business operations. We are not subject to a carbon tax and given our small emission profile, and we do not expect to be subject to a tax in the future. Incremental increases in the cost of procured goods and services are also not expected to be material. Based on this assessment, we conclude that the Group is not sensitive to carbon pricing.

Performance-related metrics are included in the Company's remuneration approach for Executive Directors for the execution of key deliverables, regulatory or otherwise, in relation to climate change. Their bonus is determined 70% based on financial performance and 30% based on performance against a scorecard of non-financial objectives. The attainment of certain ESG targets is assessed as part of the non-financial element of the bonus.

Targets used to manage climate-related risks and opportunities, and performance against these targets

Scope 1 and 2 – Target and roadmap

To help meet the net zero ambition set by the UK government, our absolute emissions target is to be carbon neutral across both Scope 1 and Scope 2 emissions by the end of 2026.

On Scope 1 and 2, we continue to make progress with emissions reducing 20% in the year. This performance has been driven by our ongoing office and data centre consolidation programme, which is a core element of our emissions reduction strategy (see page 20 for further detail). Our focus between now and the end of 2026 is to a) continue with our office and data centre consolidation, and b) implement actions to promote energy efficiency, including working with our landlords.

Scope 3

Emissions from Purchased Goods & Services, or our supply chain, remain the most material element of our carbon footprint. We recognise the importance of deepening our understanding of the sources of these emissions, and working with our suppliers to reduce them.

Building on the progress made last year to incorporate actual emissions from our supply chain in our footprint, this year we have increased our supplier engagement from 30 to 50 of our largest suppliers by spend. This represents around 65% of our total supplier spend for 2023. The balance of our annual spend is spread across a long tail of smaller suppliers.

We have engaged these core suppliers by issuing questionnaires to gather their relevant data and action plans for addressing their emissions. 32% of the suppliers we contacted responded. Where actual emissions were provided, these were included within our Scope 3 Purchased Goods & Services reporting for 2023. The remaining emissions in this category were calculated using a spend-based methodology.

Our core suppliers are at different stages of their reporting journeys, and we have not engaged the entirety of our supply chain. We will continue to engage with them to, a) pursue a better-quality Scope 3 emissions footprint and, b) develop a deeper understanding of their plans to address their emissions. We note, however, that nine of our top ten suppliers have published commitments to be net zero by 2050. Against this backdrop, we have no plans to set a Scope 3 emissions reduction target at this time, and will continue to engage with our key suppliers about their net zero plans.

Carbon emissions

	Total		Global		AMER		APAC		EMEA	
	2023	2022[1]	**2023**	2022	**2023**	2022[1]	**2023**	2022	**2023**	2022[1]
Scope 1 t/CO_2e	**1,442**	2,026								
Of which from Fuel Consumption	**1,288**	1,535			**1,074**	1,215	**–**	–	**214**	320
Of which from Fugitive Emissions	**155**	492			**83**	–	**–**	–	**72**	492
Scope 2 (location-based) t/CO_2e – Purchased Electricity, Heat or Steam	**6,182**	7,512[1]			**3,176**	3,800	**1,922**	1,921	**1,085**	1,791
Scope 2 (market-based) t/CO_2e – Purchased Electricity, Heat or Steam	**5,998**	–			**3,147**	–	**1,935**	–	**916**	–
Scope 3 t/CO_2e	**50,099**	48,561								
Of which Purchased Goods & Services (incl. Capital Goods)	**38,583**	38,549	**38,583**	38,549	**–**	–	**–**	–	**–**	–
Of which Fuel & Energy	**2,258**	2,819			**1,278**	1,676	**578**	472	**388**	671
Of which Waste Disposal	**2,052[2]**	89			**1,190**	34	**523**	16	**340**	39
Of which Business Travel	**3,344**	2,146	**63**	–	**796**	639	**992**	557	**1,492**	950
Of which Employee Commuting	**3,876**	4,959			**1,518**	2,648	**1109**	1,188	**1,247**	1,123
Total t/CO_2e	**57,723**	58,099[1]	**38,646**	38,548.9	**9,115**	10,012	**5,124**	4,154	**4,838**	5,386

1 We have restated our 2022 Scope 1 and 2 emissions following the provision of better quality data for the reporting period after year end.
2 This year we have changed our methodology for calculating emissions from waste disposal. We have used data from the Global Real Estate and Sustainability Benchmark ('GRESB') for mid-offices to estimate emissions where actual data was not available. This approach aligns with current best practice.

An independent third party has calculated the above greenhouse gas emissions estimates to cover all material sources of emissions for which the Group is responsible. The methodology used was that of the 'Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (revised edition, 2015)'. Responsibility for emissions sources was determined using the operational approach. All emission sources required under the 'Companies, Partnerships and Groups (Accounts and non-financial reporting) Regulations 2016' are included.

Energy consumption ('SECR')

	Current reporting year 1 January 2023–31 December 2023		Comparison reporting year 1 January 2022–31 December 2022[1]	
	UK	**Global (excluding UK)**	UK	Global (excluding UK)
Energy consumption used to calculate Scope 1 emissions (kWh)	**1,110,505**	**5,983,697**	1,625,960	6,781,895
Energy consumption used to calculate Scope 2 emissions (kWh)	**4,010,312**	**15,205,266**	7,035,901	15,957,151
Energy consumption used to calculate Scope 3 emissions (kWh)	**5,744,540**	**6,756,708**	2,614,954	5,969,685
Total energy consumption based on the above (kWh)	**10,865,358**	**27,945,671**	11,276,814	28,708,730
Intensity ratio: tCO_2e (gross Scope 1,2,+3) per employee	**2.06**		2.24	

1 We have restated our 2022 Scope 1 and 2 emissions following the provision of better quality data for the reporting period after year end.

The above table and supporting narrative on page 20 summarise the Streamlined Energy and Carbon Reporting ('SECR') disclosure in line with the requirements for a quoted company, as per The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. The disclosure also extends beyond the scope of a quoted company and includes emissions and energy consumption from business travel via air and taxi (Scope 3).

Governance report

In this section

Read more
Leadership

The Board is collectively responsible for effective oversight of the Group and the long-term sustainable success of its business.

Pages 84 to 89

Read more
Succession planning

We regularly review the Board's skills, experience and competencies and consider succession plans with reflection on diversity in the broadest sense.

Pages 95 to 96

OUR GOVERNANCE FRAMEWORK

The Board

Has principal responsibility for promoting the long-term sustainable success of the Company, generating value for its shareholders and contributing to wider society.

Key responsibilities

- Provides strategic leadership.
- Determines the Group's purpose, values and strategy and ensures these are aligned with the culture.
- Ensures the necessary resources are in place to meet Company objectives and measure performance against them.
- Ensures that controls and risk management systems are rigorous and effective throughout the organisation.
- Determines the Group's risk appetite and nature and extent of the principal risks and considers other matters escalated from the Board's Risk Committee.
- Determines what matters are reserved for the decision of the Board.

Nominations & Governance
Responsible for reviewing the balance of skills, knowledge, experience and diversity of the Board and UK Regulated Entities' ('UKREs') boards, making recommendations for Board, Committee and UKRE Non-executive Director appointments and monitoring succession plans. Also has responsibility for reviewing and making recommendations on matters of corporate governance.

Read more
Page 94

Remuneration
Responsible for developing, maintaining and recommending to the Board formal and transparent policies on remuneration for the Company's employees, including the Directors' Remuneration Policy. Makes recommendations to the Board on the remuneration packages of the Executive Directors and other members of senior management, in compliance with policy.

Read more
Page 110

Risk
Reviews and makes recommendations to the Board on the Group's risk appetite, risk principles and policies so the risks are reasonable and appropriate for the Group and can be managed and controlled within the limits of the Group's resources and within appetite. This includes oversight in respect of climate-related risks in accordance with TCFD requirements. Ensures adherence to risk principles and thresholds.

Read more
Page 106

Audit
Ensures the governance and integrity of financial reporting and disclosures, and reviews the controls in place. Oversees the internal audit function and the relationship with the external auditors, including monitoring independence. Also reviews the effectiveness of internal controls in the Group and maintains oversight of the Group's TCFD deliverables plan.

Read more
Page 100

Group Executive
Responsible for defining and refining strategic proposals and reviewing the success of implementation of Group strategy, overseeing performance against the strategy and budget on a business line and regional basis, promoting cultural development, and establishing and monitoring ESG strategy for the Group. Reviews and recommends governance proposals and monitors the implementation and progress of risk and culture activities. Also makes recommendations to the Board and Legal Entities in accordance with the authority levels delegated by the Board.

Group Operating Committee
Responsible for exercising oversight of the performance of support functions, overseeing significant Group projects and initiatives, monitoring operational risk within the support functions, reviewing, approving and prioritising potential change initiatives, exercising oversight of budget and cost in support functions and approving and reviewing support function policies.

Group Risk and Compliance Committee
Responsible for providing executive oversight of the Group's enterprise risk management framework and monitoring conduct and compliance within the Group. Communicates with and makes recommendations to the Group Executive Committee, Risk Committee and Audit Committee as appropriate.

Group Strategy Committee
Responsible for developing proposals on the Group's future strategy for consideration by the Group Executive Committee, 'horizon scanning' for emerging opportunities and threats, and considering potential impacts of changes in the Group's operating environment and competitive positioning.

OUR BOARD MANAGEMENT IN NUMBERS

Gender

Current reporting year (2023)	Male	Female	Not Disclosed
Board	6 (60%)	4 (40%)	0 (0%)
Executive management[1]	16 (80%)	4 (20%)	0 (0%)

1 Includes Company Secretary in compliance with the definition of executive management set out in FCA Listing Rule 9.8.6 (10).

Board tenure

	Number
0 to 3 years	3
3 to 6 years	7
6+ years	0

Diversity

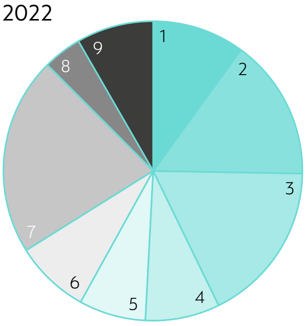
Current reporting year (2023)	Number of Board members	Percentage of the Board	Number of senior positions on the Board	Number in Executive management	Percentage of Executive management
White British or other White (including minority-white groups)	9	90%	9	13	65%
Mixed/Multiple Ethnic Groups	0	0%	0	0	0%
Asian/Asian British	1	10%	1	1	5%
Black/African/Caribbean/Black British	0	0%	0	0	0%
Other ethnic groups, including Arab	0	0%	0	2	10%
Not specified/prefer not to say	0	0%	0	4	20%

For further reporting on employee diversity and inclusion please see page 24, and additional information on the Company's Listing Rule 9.8.6(9) and 14.3.33 disclosures see page 130.

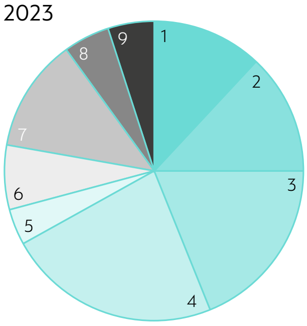
KEY BOARD ACTIVITIES

How the Board spent its time during the year in scheduled meetings

2022



2023



	2022	**2023**
1 Routine matters including unminuted discussion	10%	**12%**
2 CEO updates	15%	**13%**
3 CFO updates including dividend, tax matters and investor relations	17%	**19%**
4 Business/Management presentations and updates including operations and technology	8%	**23%**
5 Risk management and audit including Brexit	7%	**4%**
6 Legal and Compliance	8%	**7%**
7 Strategy including corporate transactions	21%	**12%**
8 Corporate governance and policies	4%	**5%**
9 Employees, ESG, culture and stakeholders	8%	**5%**

The Board's activities

In addition to the eight scheduled meetings, numerous off-cycle Board meetings and briefings were held in 2023 at which the Board discussed, among other matters, the Group's results, corporate strategy, Fusion and other projects. The Board also held a strategy day in May and visited the New York office at Vesey Street in October 2023.

Over the course of the year, the Non-executive Directors conducted unminuted discussions at the end of the scheduled Board meetings and held occasional meetings without the Executive Directors present to facilitate full and frank discussion.

2023 Board attendance at scheduled meetings

Director	Meetings attended[1]
Richard Berliand	8/8
Nicolas Breteau	8/8
Kath Cates	8/8
Tracy Clarke	8/8
Angela Crawford-Ingle	8/8
Michael Heaney	8/8
Mark Hemsley	8/8
Louise Murray[2]	4/4
Edmund Ng[3]	7/7
Philip Price	8/8
Robin Stewart	8/8
Amy Yip[4]	2/3

1 Annual scheduled meetings only.
2 Louise Murray stepped down from the Board with effect from 30 June 2023.
3 Edmund Ng stepped down from the Board with effect from 31 October 2023.
4 Amy Yip was appointed to the Board with effect from 1 September 2023. Amy was unable to attend one Board meeting due to a prior arranged commitment.

COMPLIANCE WITH THE UK CORPORATE GOVERNANCE CODE

As a UK listed company, the Company is subject to the UK Corporate Governance Code 2018 (the 'Code'). The Board reviewed the Principles and Provisions of the Code and its compliance with the Code throughout 2023. Following this review, the Board is pleased to confirm that the Company has applied the Code Principles and complied in full with the Provisions for the financial year ended 31 December 2023. The Code can be found on the Financial Reporting Council ('FRC') website, www.frc.org.uk. Further information on our compliance with the Code and how the Code Principles have been applied by reference to each Provision is set out in the index on these pages.

Index of Code Disclosures

Board leadership and Company purpose

The Company should be led by an effective and entrepreneurial Board that establishes the Company's purpose, values and strategy, while ensuring that its responsibilities to its shareholders and stakeholders, including the workforce, are considered and met.

Provision	Further information	Page
1	Strategic report	12
	Risks	55
	Sustainability	18
	Governance	76
2	Culture	83
	Board activities	79
	Workforce remuneration	112 and 117
3	Shareholder engagement	49
4	Significant votes against	111
5	Stakeholder engagement	46
	Workforce engagement	48
6	Whistleblowing	28 and 104
7	Managing conflicts of interest	98
8	Board meetings	89

Division of responsibilities

The Board, led by the Board Chair who is responsible for its effectiveness, should be comprised of Non-executive and Executive Directors who hold a diverse set of skills, experience and backgrounds. They each receive a comprehensive induction, have sufficient time to meet their Board responsibilities, and receive support from the Group Company Secretary, all of which enable them to carry out their duties effectively.

Provision	Further information	Page
9	Division of responsibilities	88
	The Chair biography	84
10	Independence of Directors	98
11	Board composition	95
12	Senior Independent Director	88
13	Non-executive Directors	88
14	Role of the Board	88
	Division of responsibilities	88
15	Director biographies and external appointments	84 to 87
16	Group Company Secretary	88

Composition, succession and evaluation

Companies should have an effective succession plan in place for both the Board and for members of senior management. This should take into consideration the skills, experience and knowledge needed for maximum effectiveness. The Board, and the Directors individually, should be evaluated yearly. Annual evaluation of the Board should consider its composition, diversity and its effectiveness. Individual evaluations should demonstrate whether each Director continues to contribute effectively.

Provision	Further information	Page
17	Nominations & Governance Committee – Membership and report	94
18	Election and re-election of Directors	98
19	Director biographies	84 to 87
20	Board member recruitment	95
21 and 22	Board evaluation	91
23	Report of the Nominations & Governance Committee	94

Audit, risk and internal control

The Board is responsible for determining the nature and extent of the principal risks the Company is willing to take in achieving its strategic objectives, and oversees the risk management and internal control systems in place with the support of the Audit and Risk Committees. The Board is also responsible for the establishment of policies which ensure the independence and effectiveness of both internal and external audit functions.

Provision	Further information	Page
24	Audit Committee – Composition and report	100
25	Key responsibilities of the Audit Committee	102
26	Audit Committee Report	100
27	Fair, balanced and understandable assessment	102
28	Principal risks and uncertainties	55
29	Risk Committee – Risk management and internal control	106 105
30	Going concern	54
31	Viability statement	54

Remuneration

Executive Directors' remuneration has been designed to promote the long-term sustainable success of the Company. No Executive Director is involved in deciding their own remuneration.

Provision	Further information	Page
32	Remuneration Committee – Composition and report	110 to 113
33	Remuneration Policy	115
34	Non-executive Director remuneration	127
35	Advice provided to the Remuneration Committee	129
36	Shareholding requirements – Remuneration Policy statement	125
37 and 38	Remuneration Policy	115
39	Executive Directors' service agreements and loss of office entitlements	98
40 and 41	Report of the Remuneration Committee	110

The UK Corporate Governance Code 2024

On 22 January 2024, following a consultation process which the Group responded to, the FRC has advised some minimal changes to the Code (the '2024 Code') and these will apply to financial years beginning on or after the 1 January 2025. The Board will consider the appropriate response to these changes, including the 'Audit Committees and External Audit: Minimum Standard' in the Group's 2025 Annual Report.

Promoting the success of the Company

TP ICAP Group plc is a Jersey registered company and therefore its Directors are not subject to the UK Companies Act 2006 requirements, in particular s172(1) duties. Nevertheless the Board promotes the success of the Company for the benefit of our members as a whole, recognising that a broad range of stakeholders are material to the long-term success of the business. Details of how the Board has engaged with its key stakeholders and considered their interests in Board discussions and in decision-making are explained on pages 46 to 53.

Board Chair's governance letter

Dear fellow shareholder,
On behalf of the Board, I am pleased to present the Corporate Governance Report for the year ended 31 December 2023.

Our commitment to good corporate governance

Throughout 2023, the main Board and its Committees have ensured effective corporate governance arrangements remain in place in order to support the continued success of the Group and create long-term sustainable value for our shareholders and wider stakeholders. The Board understands that good governance allows for stronger decision-making, improved mechanisms for internal controls and risk mitigation, an enhanced focus on compliance, and a strong focus on environmental and social matters. Good governance also includes effective oversight of the Board, which is crucial in ensuring that the Board has the right balance of knowledge and skills to achieve the Group's strategic priorities, as well as to respond to any opportunities or challenges presented to the Group.

Compliance with the Code

Each year we review our governance framework with reference to the 2018 UK Corporate Governance Code (the 'Code'), and a statement of compliance with the Code is set out on pages 80 and 81.

The Board will consider the appropriate response to 2024 Code in the Group's 2025 Annual Report.

Board meetings and activity

In 2023, the Board considered several key areas covering strategy formulation, implementation and monitoring, technology, workforce development, operational expertise, financial performance, corporate governance, ESG and stakeholder engagement. Further detail on the key items discussed and time spent by the Board on these and other matters is set out in the Corporate governance report on pages 79 and 90.

Board Composition

The structure, size and composition of the Board and its Committees, is kept under constant review. As part of this review on 24 July 2023, I was pleased to be able to announce the appointment of Amy Yip to the Board as an Independent Non-executive Director and APAC Workforce Engagement Director with effect from 1 September 2023. Further details about Amy's appointment and induction can be found on page 95.

The Nominations & Governance Committee oversees the refreshment of the Board and its Committees and, in assisting and advising the Board, the Committee seeks to maintain an appropriate balance of skills, knowledge, independence, experience, time commitment and diversity of the Board, whilst taking into account the Group's strategic priorities, its challenges and opportunities, all relevant corporate governance standards, and associated guidance on Board composition.

Board and Committee effectiveness

As Chair, my principal objective is to develop and lead an effective Board for the benefit of our shareholders and wider stakeholders. The Board undertakes a review of its effectiveness each year and appoints an independent external adviser every third year, as recommended by the Code. During 2023, an internal review was carried out by the Group Company Secretary. I am pleased to report that the Board and its Committees were considered to be effective. Further details of the review and its outputs can be found on pages 91 to 93 of this report.

Stakeholder engagement

In fulfilling its duty to promote the success of the Company for the benefit of its shareholders and wider stakeholders, the Board continues to engage with our stakeholders whilst having regard to their interests and to the impacts and consequences of Board decisions. Further detail on stakeholder engagement can be found on pages 46 to 53 of the Strategic Report where we have provided an equivalent to a s172(1) UK Companies Act 2006 statement, albeit there is currently no such reporting requirement under the Companies (Jersey) Law 1991.

There has also been continued engagement in 2023 with our employees. During the year the Board received briefings from the Workforce Engagement Non-executive Directors on their findings from the workforce meetings held and the subsequent actions agreed and being implemented by the Regional CEOs. Our Non-executive Directors attended workforce engagement meetings in person and via teleconference in Australia, Japan, New York, and London.

Purpose, culture and values

The Board recognises the importance of its role in setting the tone of the Group's culture aligning it with our purpose, vision, mission and strategy, and embedding it throughout the Group. The Board aims to foster an open and collaborative culture based on our mission and purpose supporting decisions that are best for our shareholders, whilst having regard to the interests of our other stakeholders. Further details of about our purpose, vision and mission can be found in the Sustainability chapter on pages 18 to 29.

In 2022 following feedback from employee engagement forums, workshops and town-halls, the core values of the Group were refreshed and our new Triple A values (Accountable, Adaptable and Authentic) were launched. Work has continued into 2023 to further embed the new values into the daily lives of our employees.

A sustainable business

Beyond corporate governance, the Board acknowledges its other key responsibilities, in particular as they relate to ESG matters. Much progress has been made on these matters over the last year. Of particular note was the improved MCSI rating (BBB to A), which validated the hard work that the Group had undertaken with respect to ESG. Further information on the Group's approach to ESG matters can be found in our Sustainability chapter on pages 18 to 29.

Annual General Meeting

Our 2024 AGM will be held on 15 May 2024 at 2.15pm BST. Full details including the resolutions to be proposed to our shareholders can be found in the Notice of AGM which will be made available on our corporate website.

The outcome of the resolutions put to the AGM will be published on the London Stock Exchange's and the Company's website once the AGM has concluded.

Richard Berliand
Board Chair
12 March 2024

Our Directors bring diversity of skills, knowledge, experience and outlook which we believe creates greater value, leads to better decision-making and promotes the long-term sustainable success of the Company.

A Audit Committee
N Nominations & Governance Committee
R Remuneration Committee
Ri Risk Committee
Chair
Member
W Workforce Engagement Director
E ESG Engagement Director

External appointments: all listed and regulated external appointments are disclosed.

Skills, knowledge, experience

	Score	%
Banking	26	87%
Trading/Broking	26	87%
Accounting	19	63%
Operational	20	67%
Digital & Technology	15	50%
Regulatory	27	90%
Risk Management	25	83%
Audit	20	67%
Strategy	25	83%
Corporate Governance	26	87%
Corporate Transactions	23	70%
Remuneration Policy & Practices	22	73%
Sustainability & ESG (including climate change)	16	53%

Note: The 'Score' of skills, knowledge, experience held by each Director is assessed utilising a 0-3 rating (0: None | 1: Can Navigate | 2: Competent | 3: Expert) on an individual basis, providing a maximum score of 30 per item.

Richard Berliand
Board Chair

Appointed
19 March 2019 and Chair with effect from 15 May 2019

Committee appointments
N R

Board skills and experience
Richard combines a detailed understanding of the financial services industry and its challenges and opportunities with a diverse range of senior board leadership experience, having held roles as Senior Independent Director and Deputy Chair at other listed financial institutions. Through his broad business experience and previous external roles Richard brings extensive external insight, a deep understanding of relevant issues and the strong corporate governance expertise required to lead an effective Board and develop its strategy. He also brings considerable experience of engagement with key stakeholders of the business.

Career
Richard had a 23-year career at J.P. Morgan where he served most recently as Managing Director leading the global cash equities and prime services businesses. He was previously a member of the board of directors of Rothesay Life plc and a member of Deutsche Börse AG's Supervisory Board.

External appointments
Senior Independent Director and member of the Remuneration, Nomination and Audit & Risk Committees of Man Group plc. Chair of Saranac Partners Limited.

Kath Cates
Senior Independent Director
Risk Committee Chair

Appointed
1 February 2021

Committee appointments
A N Ri

Board skills and experience
Kath brings to the Board a wealth of experience in global financial services with over 25 years in executive roles based in Hong Kong, London, Singapore and Zurich. Her responsibilities spanned risk, legal and compliance, operations, IT, brand, HR and strategy. More recently as a Non-executive Kath has gained broad experience on the main boards of a number of companies, chairing Board committees and acting as Senior Independent Director. Kath is a current member of Chapter Zero and was appointed our Senior Independent Director in March 2023.

Career
Kath was previously Global COO, Wholesale Banking for Standard Chartered Bank plc. Prior to that Kath spent over 20 years at UBS in a variety of senior roles including Global Head of Compliance. Kath was previously a Non-executive Director and Chair of the Risk Committee of Brewin Dolphin Holdings plc, and a Non-executive Director and Remuneration Committee Chair of RSA Insurance Group plc.

External appointments
Non-executive Director, Remuneration Committee chair, and member of the Audit and Nomination Committees of United Utilities Group plc. Independent Non-executive Director of two regulated subsidiaries, and also Audit Committee chair of one, in the Columbia Threadneedle Group. Chair of the Board of Brown Shipley & Co Limited.

Nicolas Breteau
Executive Director and
Chief Executive Officer

Appointed
10 July 2018

Committee appointments
None

Board skills and experience
Nicolas' extensive experience across the global broking industry complements his in-depth knowledge of the Group's operations and markets, and enables him to lead the business and be a key contributor to the Board. Nicolas continues to lead the implementation and development of the Board's strategy and identifies new opportunities for the continued future growth of the business. He maintains a productive dialogue with institutional investors and other key stakeholders of the business.

Career
Nicolas has held senior managerial roles at MATIF (later Euronext), FIMAT (part of Société Générale Group) and most recently prior to joining TP ICAP, as Chief Executive of Newedge Group. Before his current appointment, he was CEO of TP ICAP's largest business, Global Broking. Nicolas has also held directorship roles in Europe, Asia and the Americas at the Futures and Options Association (UK), Futures Industry Association (USA), Citic/Newedge (China) and Altura (Spain).

External appointments
None

Robin Stewart
Executive Director and
Chief Financial Officer

Appointed
10 July 2018

Committee appointments
None

Board skills and experience
Robin brings to the Board financial expertise coupled with strong leadership skills developed both within TP ICAP and the wider industry over more than 20 years. His comprehensive knowledge of the financial position of the Group enables him to make a strong contribution to the Board and when engaging with investors and other stakeholders. He helps to drive the operational performance of the business and provides valuable expertise in financial risk management.

Career
Robin started his career at Arthur Andersen and after that he spent 13 years at Dresdner Kleinwort where he was director and deputy head of tax. He joined the Group originally as Head of Tax in 2003 and has since held the roles of Head of Group Finance and Tax, Group Financial Controller and Deputy Chief Financial Officer.

External appointments
None

Philip Price
Executive Director and
Group General Counsel

Appointed
3 September 2018

Committee appointments
None

Board skills and experience
Philip has over 35 years' experience gained in senior executive roles in the corporate and financial services sector. His knowledge and expertise enables him to bring a valuable perspective to the Board's consideration of risk, governance, legal and compliance issues and he is able to provide the Board with insight as to the dynamic and complex regulatory environment in which TP ICAP operates. Having spent his career variously in London, Europe and Asia, Philip also brings an understanding and insight into a number of the Group's key operating markets.

Career
Prior to joining the Group as Group General Counsel and Global Head of Compliance in 2015, Philip held senior executive roles in UK listed companies, investment banks and the alternative investment sector. Philip is admitted as a Solicitor of the Senior Courts of England & Wales.

External appointments
None

Tracy Clarke
Independent Non-executive Director
Remuneration Committee Chair

Appointed
1 January 2021

Committee appointments
N R E

Board skills and experience
Tracy brings to the Board considerable international banking and financial services experience spanning 35 years, most recently serving as a Director of Standard Chartered Bank U.K. for seven years. Her non-executive appointments including as Remuneration Committee Chair, previously for eaga plc and Sky plc and currently for Haleon plc and Starling Bank, demonstrate her suitability to chair the Remuneration Committee. Tracy also has relevant experience in the area of ESG, having previously been responsible for Corporate Affairs and Sustainability at Standard Chartered and being a current member of Chapter Zero, which is valuable in her role as ESG Engagement Director.

Career
As well as having been Director of Standard Chartered Bank U.K. from January 2013 until 31 December 2020, Tracy served as Non-executive Director of Standard Chartered First Bank in Korea, Zodia Holdings Limited and Zodia Custody Ltd. She has also chaired the boards of Standard Chartered Bank AG and Standard Chartered Yatirim Bankasi Turk A.S. She was also Non-executive Director of Inmarsat plc, China Britain Business Council and TheCityUK.

External appointments
Senior Independent Director and Remuneration Committee Chair of Starling Bank Limited. Non-executive Director and Remuneration Committee Chair of Haleon plc.

Angela Crawford-Ingle
Independent Non-executive Director
Audit Committee Chair

Appointed
16 March 2020

Committee appointments
A N Ri

Board skills and experience
Angela brings substantial experience to the Board, both from her executive career, as well as from her other Non-executive Director roles in financial services. She is a Fellow of the Institute of Chartered Accountants in England and Wales and delivers scrutiny and oversight to the Board from her extensive experience of audit of multinational and listed companies.

Career
Angela, a chartered accountant, was a Partner specialising in financial services at PricewaterhouseCoopers for 20 years, during which time she led the Insurance and Investment Management Division. She has previously served in Non-executive Director roles at Beazley plc, Swinton Group Limited, Openwork Holdings, and River and Mercantile Group plc.

External appointments
Council Member and Chair of the Audit Committee of Lloyds of London Limited. Independent Non-executive Director and Chair of the Audit Committee for both MUFG Securities EMEA plc and the London branch of MUFG Bank Ltd.

Michael Heaney
Independent Non-executive Director

Appointed
15 January 2018

Committee appointments
N R Ri W

Board skills and experience
Michael brings to the Board significant knowledge of financial markets, both in the USA and the UK, as well as expertise in international financial management from his long career in financial services. His prior experience of operations and risk management at senior level was invaluable in his role as interim Chair of the Risk Committee. Michael was also our Senior Independent Director from May 2021 to March 2023. As Workforce Engagement Director, his perspective ensures that he understands and brings the views of employees in the Americas region to Board discussions.

Career
During a distinguished career, Michael served as Global Co-Head of the Fixed Income Sales and Trading Division for 28 years at Morgan Stanley, both in New York and London. He was also a member of Morgan Stanley's Operating, Management and Risk Management Committees. Until recently Michael served as a Non-executive Director of Legal & General, Investment Management Americas, and Chairman of the US Securities and Exchange Commission Fixed Income Market Structure Advisory Committee.

External appointments
Chairman of Deutsche Bank USA and Deutsche Bank Trust Company Americas.

Mark Hemsley
Independent Non-executive Director

Appointed
16 March 2020

Committee appointments
N Ri W

Board skills and experience
Mark draws on his extensive experience of capital markets and exchanges from his executive career in the industry. His knowledge of large-scale technology infrastructure, operations and oversight of operational transformation in several international exchanges and trading platforms is invaluable to the Board. As Workforce Engagement Director for EMEA, Mark's engagement with colleagues brings the perspectives of EMEA employees to Board discussions.

Career
Mark was President of Cboe Europe until his retirement in early 2020. Prior to that he was Chief Executive Officer at Bats Global Markets in Europe, Managing Director, Market Solutions at LIFFE and Managing Director Global Technology at Deutsche Bank GCI. Mark was also a board member of EuroCCP NV and was a member of the ESMA Securities and Markets Stakeholder Group and Securities and Markets Consultative Working Group.

External appointments
None

Amy Yip
Independent Non-executive Director

Appointed
1 September 2023

Committee appointments
A N R W

Board skills and experience
Amy has a deep understanding, extensive skills and experience in asset management, banking, insurance, and regulation following a career spanning more than 45 years with global players in China and South-east Asia. She was formerly a member of the Supervisory Board of Deutsche Börse AG, Temenos Group AG, Fidelity Funds, and an Executive Director of Reserves Management at the Hong Kong Monetary Authority. Amy continues to act as an advisor to Vita Green, Hong Kong. Since 2011 Amy has been a founding partner of RAYS Capital Partners, a SFC registered Hong Kong based investment management company specialising in Asian capital markets.

Career
From 2006 to 2010, Amy was Chief Executive Officer of DBS Bank (Hong Kong) Limited, Head of its wealth management group and previously Chair of DBS asset management. Prior to that, Amy held various senior positions at the Hong Kong Monetary Authority, Rothschild Asset Management and Citibank Private Bank. In Amy's early career she worked for a number of leading global financial institutions including the Morgan Guaranty Trust Company of New York.

External appointments
Independent Non-executive Director and Audit Committee member of Prudential plc. Non-executive Director and Asia Advisory Board member of EFG International AG (including its subsidiary, EFG Bank AG). Non-executive Director of AIG Insurance Hong Kong Limited. Founding partner of RAYS Capital Partners Limited.

Corporate governance report

The role of the Board and its Committees

The Board is collectively responsible for the effective oversight of the Company and the long-term success of its business. The formal Schedule of Matters Reserved for the Board describes the role and responsibilities of the Board in full and is subject to annual review.

The Board delegates some of its responsibilities to the Audit, Nominations & Governance, Risk, and Remuneration Committees, through agreed Terms of Reference which are subject to annual review. The responsibilities of each Committee are described in the governance framework on page 78 and in the relevant Committee reports.

Responsibilities are also delegated by the Board to the Disclosure Committee through agreed Terms of Reference which are subject to annual review. The Disclosure Committee is responsible for considering on an ongoing basis, in accordance with legal and regulatory obligations and the Group Disclosure Policy, whether any recent developments in the Group's business are such that a disclosure obligation has, or may, arise and makes recommendations to the Board as appropriate.

The Group has a matrix management structure. The Board also delegates responsibility for the day-to-day operational management of the Company to the Chief Executive Officer, who is supported by the Group Executive Committee ('ExCo'), the Group Operating Committee ('GOC'), the Group Risk and Compliance Committee ('GRCC') and the Group Strategy Committee ('GSC'). The ExCo is chaired by the Chief Executive Officer, the GOC is chaired by the Group Chief Operating Officer, the GRCC is chaired by the Group General Counsel and the GSC is chaired by the Group Head of Strategy. The Committee responsibilities are described in the governance framework on page 78.

The Group's Chief Operating Decision Maker ('CODM') is the ExCo which operates as a general executive management committee under the direct authority of the Board. The ExCo members regularly review operating activity on a number of bases, including by business division and by legal ownership which is structured geographically based on the region of incorporation for TP ICAP's legacy entities plus Liquidnet. This business division view is now considered to represent the more appropriate view for the purposes of Group resource allocation and assessment of the nature and financial effects of the business activities in which the Group engages, and is consistent with the information reviewed by the CODM. In order to support local regulatory compliance, each regional Sub-group has its own independent governance structure including CEOs, board members and Sub-Group regional Risk and Compliance Committees with separate autonomy of decision-making and the ability to challenge the implementation of Group level strategy and initiatives within its region. In the EMEA Sub-Group, in particular, there are also independent Non-executive Directors on the regional Board of directors that further strengthens the independence and judgement of the governance framework.

Group Governance Manual and policies

The Group's governance framework, approved by the Board, sets out the decision-making and reporting lines across the Group and authority levels delegated by the Board to certain Committees, individual Directors and senior management. This is documented in the Group Governance Manual, which sets out the governance framework in relation to the Group's central and Sub-Group governance structures, as described above and shown on page 78. Within the framework there is emphasis on the maintenance of regulatory deconsolidation and the separation of mind and management between the Group and each Sub-Group.

The Group Governance Manual documents the operation and governance of the Group's UK regulated entities within the EMEA Sub-Group, taking into consideration governance and regulatory developments, including the Senior Managers and Certification Regime. The Group Governance Manual and appended documentation, which includes the Group's responsibilities with respect to the Task Force on Climate-rated Financial Disclosures ('TCFD') is subject to annual review and was revised in 2023 to better reflect the way the Group's governance is operated.

The Company has clearly defined policies, processes, procedures and controls which are subject to continuous review in order to meet the requirements of the business, the regulatory environment and the market. Ultimate decision-making on matters affecting a legal entity is reserved for that legal entity board.

Division of responsibilities

The roles of the Board Chair, Chief Executive Officer and Senior Independent Non-executive Director are separate and a formal statement of division of responsibilities has been adopted by the Board.

Board Chair: Independent on appointment and leads the Board by facilitating the effective contribution of all Directors and ensuring high standards of corporate governance. Chairs the Board meetings, sets the Board agendas and promotes effective relationships between the Executive Directors and Non-executive Directors.

Senior Independent Director: Discusses with shareholders any concerns they have been unable to resolve through the normal channels of Chair, Chief Executive Officer or Chief Financial Officer, or for which such contact is inappropriate. Provides a sounding board for the Chair and is available to act as an intermediary for other Directors when necessary. Responsible for reviewing the effectiveness of the Chair.

Chief Executive Officer: Accountable to, and reports to, the Board. Responsible for developing and implementing the strategy, setting the cultural tone throughout the organisation and providing coherent executive leadership in running the Group's operations and activities.

Executive Directors: Support the Chief Executive Officer in developing and implementing the Group strategy and leading the Company, which is consistent with its purpose, culture and values. Provide specialist knowledge and experience to the Board.

Non-executive Directors: Independent of management, assist in developing and approving the strategy. Provide independent advice and constructive challenge to management, bring relevant experience and knowledge and serve on the Board Committees. Support the Chair by ensuring effective governance across the Group and reviewing the performance of the Executive Directors.

Group Company Secretary: Advises the Board on matters of corporate governance and ensures that the correct Board procedures are followed. All members of the Board and Committees have access to the services and support of the Group Company Secretary.

More online
The Division of Responsibilities

Available on the Company's website:
https://tpicap.com/tpicap/investors/corporate-governance

Board meetings

The Board has a schedule of eight meetings a year to discuss the Group's ordinary course of business in accordance with a detailed annual forward agenda developed by the Chair and the Group Company Secretary, and agreed by the Board. Every effort is made to arrange Board meetings so all Directors can attend. Additional meetings are arranged on an ad hoc basis as required and while every effort is made to arrange that all Board members are able to attend these additional meetings, that is not always possible as they are often at relatively short notice. All Board and Board Committee meetings are minuted. These summarise the principal points discussed during an item's deliberation and record any unresolved concerns and actions arising from the discussion.

In addition to the eight scheduled meetings (six full agenda meetings and two shorter CEO and CFO Report focused meetings) there were three further ad hoc meetings held at short notice during 2023. In most cases all eligible Board members were able to attend these additional meetings. In all cases each Non-executive Director held offline briefings with the Board Chair or Senior Independent Director in relation to the subject matter.

Keeping the Board informed

The Board and its Committees are provided with appropriate and timely information. For scheduled meetings, agendas are drafted based on the previously agreed forward agenda schedule and are then reviewed to replace or include supplemental items to reflect current business priorities as determined by the Chief Executive Officer and the other Executive Directors. Additionally, the Chair of the Board or the Chairs of each of the Committees have sessions, in person, by video-conference or exchange of email, with the Group Company Secretary and relevant function heads to review the agendas for scheduled meetings.

Wherever possible, agenda items for consideration are accompanied by written reports and supporting papers. Oral updates are permitted where matters are progressing at a pace to ensure the Directors have the most current information available. Board and Committee papers are circulated sufficiently in advance of meetings to enable Directors to review them.

The Group has a comprehensive system for financial reporting on the Group's financial position and prospects, which is subject to rigorous review by both internal and external audit. Budgets, regular forecasts and monthly management accounts including KPIs, income statements, balance sheets and cash flows are prepared, and the Board reviews consolidated reports of these.

The Group Company Secretary and Group General Counsel are responsible for ensuring the Board stays up to date with key changes in legislation which may affect the Company. There are also procedures in place for the Board to take independent professional advice at the Company's expense, should the need arise.

The Board continually monitors the quality of the information it receives to ensure it is clear, comprehensive, and helps the Board to carry out its duties.

Governance case studies

Non-executive Director Induction

Stakeholder consideration: employees, regulators, clients, shareholders

On appointment, new Directors are provided with a bespoke and extensive induction programme to fit with their individual experiences and needs. Our induction programmes are structured around one-to-one briefings with other Board members and senior management, with specialised advisor meetings as appropriate. Topics covered include but are not limited to: purpose and values; culture and leadership; governance and stakeholder management; Directors' legal and regulatory duties; recovery and resolution planning; anti-money laundering and anti-bribery; technical and business briefings; and strategy. Relevant briefing materials are circulated in advance and new Board members are encouraged to seek updates on any topics on which they would like further information. The structure of the programmes are designed to support good information flows within the Board and its Committees and are reinforced by the annual training programme for all Board members.

During 2023, we welcomed two new Non-executive Directors to the Group: Amy Yip was appointed to the Board, and Joanna Meager was appointed to the EMEA Sub-Group HoldCo and the UK Regulated Entities' boards. The induction programme for each was tailored to the specific needs of each board and reflective of the different requirements of the roles. In her role as APAC Workforce Engagement Director, Amy's induction will also include visits to APAC offices. Similarly, Joanna's induction featured demonstrations of key products and software, including Fusion. Not only do role-specific induction activities support directors in meeting their statutory duties, it also gives them a comprehensive introduction to the business and its strategic priorities. New Board members are encouraged to provide feedback on their induction, to enable continued improvement and refinement of induction programmes and additional Director training.

Board engagement in New York

Stakeholder consideration: employees

In October 2023, we were pleased that the Board was able to visit the Group's New York City office at Vesey Street. The three-day visit had a comprehensive itinerary, which allowed the Board to gain invaluable insight into the day-to-day operations in the United States and the diverse range of employees who work there.

The Board and its Committees conducted its scheduled October meetings, and the agendas for the Audit and Risk Committees and Board meetings had Americas focussed sessions. As part of its engagement outside of these meetings, the Board participated in floor walks to meet members of different broker desks and business areas, held lunches with the members of the Americas Accord Networks, and attended networking events, which allowed the Board time to meet with those individuals regarded as future leaders of the Group.

Key agenda items discussed by the Board

Some of the key strategic priorities and areas discussed and reviewed by the Board in 2023 are shown below:

Strategic and operational priorities	Key activities and discussions
Strategy formulation, implementation and monitoring	> Regular Chief Executive Officer's reports and dashboards > Reports from the Americas region > Presentations from the business including Energy & Commodities, Parameta Solutions, and Liquidnet > Post-Brexit planning and implementation > Dedicated strategy sessions > Brand strategy and architecture, including purpose statement review
Build and sustain technology expertise	> Presentations on technology projects > Deep dive on hub architecture
Develop our people	> Culture and conduct initiatives > Diversity and inclusion > Employee wellbeing and working environment, including new values > Employee share plans > Employee development and engagement > Gender pay gap review > Whistleblowing updates, in conjunction with the Audit Committee
Enhance operational expertise	> Presentation on operations, including updates on business continuity planning > Internal and external communications strategy
Financial performance, including results, capital and liquidity	> Regular Chief Financial Officer's reports including financial performance > Three-year financial plan updates > Financial strategy > Approval of the 2023 Group Budget and discussion of the 2024 Budget setting process > Approval of the 2022 year-end results, Annual Report and Accounts, AGM circular and dividends > Review of Dividend Policy > Group review of capital and liquidity adequacy > Approval of interim results and review of trading statements > Viability statement and going concern > Analysis on local capital allocations and usage > EMTN Programme > Group insurance renewal
Corporate governance and risk, including regulatory outcomes	> Reports of the activities of the Audit, Remuneration, Risk, and Nominations & Governance Committees > Risk strategy, risk assurance plan and risk appetite statements > Regular legal and compliance reports > Presentations from the Chief Risk Officer, including on reinforcing a good risk culture > Conflicts of interest > Corporate governance matters, including approval of the renewal of the Chairs three-year term, Group Governance Manual, Matters Reserved for the Board, Division of Responsibilities, Schedule of Delegations and Group Expenditure Control Policy > Corporate governance updates and Code compliance > Board and Committee evaluation > Board and Committee Terms of Reference reviews > Review of Securities Code > Review of Modern Slavery Statement > External audit tender process
ESG, including stakeholder engagement	> The sustainability strategy, KPIs and reports > Shareholder engagement and feedback > Investor relations reports and shareholder analysis > Review of the Charitable Giving Policy > Climate change and environmental sustainability, including carbon neutral commitment > Engagement with the FCA and other regulators > Supplier engagement > TCFD > Review of ESG data controls and governance

BOARD EVALUATION AND PERFORMANCE

The Board undertakes an external evaluation every three years, the most recent having taken place in 2022. During 2023 the Nominations & Governance Committee oversaw an internal Board and Committee evaluation process facilitated by the Group Company Secretary.

The 2023 internal Board and Committees evaluation process is illustrated in the following diagram.

Evaluation process

1. The Board agreed to carry out an internally facilitated questionnaire based Board and Committee evaluation. The questionnaire was designed by the Group Company Secretary, taking into account the FRC's guidance on Board Effectiveness, with input from the Chairs of the Board and Committees. The questionnaire included both qualitative and quantitative questions and additional focus on the performance of each Committee.

2. In December 2023 the questionnaire was circulated to all Directors for completion and returned to the Group Company Secretary for collation. A report with non-attributed scoring and comments was prepared (the 'Report').

3. Once completed, the Report's findings and proposed actions were initially discussed with the Board Chair and presented to the Board also on a non-attributable basis. The Report was discussed at the January 2024 Board meeting and an action plan was agreed.

4. Each Board Committee considered the evaluation outcomes relevant to the Committee at meetings in March 2023.

Progress against 2022 actions

The outcome of the 2022 Board evaluation exercise, which was externally facilitated, was reported in detail in last year's Annual Report. The main action points arising from that exercise, and actions taken in respect of each, are set out in the table below.

2022 evaluation recommendations	Progress made during the year
Continue to improve Executive Director and Senior Manager succession and talent development plans	> Succession planning was considered by the Nominations & Governance Committee at least twice during 2023 and the Board also took part in a dedicated Board dinner, which focused on succession planning of senior management. > Succession plans for each of the Executive Directors were developed and discussed at the Committee. More detailed succession plans for Senior Management continued to be developed. > During 2023 a number of talent development initiatives were established as part of the Group's D&I five strategic priorities.
Enhance and expand the Group's Director induction processes and annual training programme	> During 2023 bespoke Director induction programmes were established and delivered to our two new independent Non-executive Directors. > Work continues to enhance and extend the bespoke training programme for the Board and its Committee members, including executive directors across the Group and a number of key training sessions have been held to help drive further understanding of the Group's operations and regulatory considerations.
Continue to refine Board and Committee papers	> Subject to continuous refinement the standard paper templates were updated and made available on the Group's intranet. > Presenters were provided with guidance on how best to present their paper to the Board and its Committees and feedback was provided following presentations to create a virtuous feedback loop. > Guidance was provided to a number of key paper authors and this will be developed further in 2024.

Board and Committee effectiveness results

The conclusion of the 2023 internal evaluation process was that the Board and its Committees operated effectively. The evaluation highlighted that the Board has made some significant positive contributions over the last year, noticeably looking at culture, change, executive succession planning and oversight of appointments and supporting the continued improvement of papers. Board members were also considered to be well aligned on the Company's purpose, values, strategy and wider responsibilities.

The main recommendations arising from the Board evaluation for 2023, and areas of focus for 2024, are set out in the table below.

2023 evaluation recommendations	Areas of focus for 2023
Continue to focus on succession planning for the Executive Directors and senior management	> Following the success of the 'Meet the Board' sessions in New York in October 2023 further sessions and opportunities for the Board to meet high potential individuals and members of the senior management teams across the Group. > Succession focused Board dinners will be scheduled to take place at least twice a year and the Board and its Committees will continue to focus on succession planning initiatives throughout the annual meeting cycle.
Continue to enhance and further formalise the Director annual training programme	> To aid the Board and its Committees' understanding of the business, additional deep dive sessions (outside of the Board cycle) will be arranged with key business areas. > The formalised annual training programme will also be extended to key members of senior management across the Group.
Continue to refine Board and Committee papers	> Standard paper templates to be further refined, reduced in number and extended to the Group. > Presenters to the Board and its Committees to be provided with presenter training and feedback from the Company Secretariat following each meeting to help ensure continuous development of presenters and presentations to the Board and its Committees. > Paper author training to be provided to paper authors to enhance the production of concise papers. > To help streamline reporting and minimise duplication across meetings the Company Secretariat will analyse the reporting mechanisms across the Group to help ensure items are not duplicated and is being considered at the most appropriate forum.

Individual performance evaluation

As a separate part of the annual evaluation process, there is a review of the effectiveness and commitment of individual Directors and the need for any training or development is assessed. This is carried out as follows:

> The Chair meets with the Non-executive Directors to evaluate the performance of the Chief Executive Officer;
> The Chair meets each Non-executive Director individually; and
> The Senior Independent Director and the other Non-executive Directors meet to evaluate the Chair's performance, having first obtained feedback from the Chief Executive Officer.

As part of the annual evaluation an individual's commitment of time to the Company in light of their other commitments, as noted in their biographies on pages 84 to 87, is reviewed. Each individual's continued contribution to the Company's long-term sustainable success is also considered. In addition, the Chair conducts an interview and assessment of Non-executive Directors as they approach the end of each three-year term to determine their continued effective contribution and commitment to the role. This process was completed in Q3 2023 for Kath Cates, Tracy Clarke and Michael Heaney in relation to their first three-year term, and each were subsequently recommended to be appointed for a second three-year term by the Chair and Nominations & Governance Committee.

In March 2024, following a successful annual review of the Chair carried out by the Senior Independent Director, the Nominations & Governance Committee was pleased to recommend to the Board that the Chair's three-year term be renewed for a third time. The Board agreed that the Chair remained independent and, continued to provide effective contribution and commitment to the role and approved the Committee's recommendation.

All Directors subject to the annual evaluation were deemed to be effective members of the Board and are recommended for re-election at the 2024 AGM.

Report of the Nominations & Governance Committee

Richard Berliand
Chair, Nominations & Governance Committee

2023 key activities and outcomes

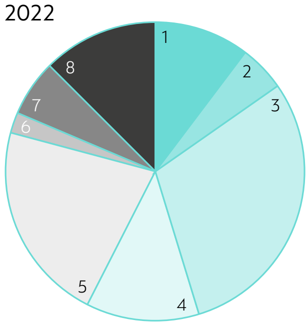
- Board composition, recruitment, and succession planning, page 95.
- Board and workforce diversity, page 96.
- Senior management succession planning, page 96.
- Board evaluation process, outputs and actions, page 97.
- Senior management succession planning, page 96.
- ESG and Governance matters, including the Group Governance Manual, page 97.
- Stakeholder engagement activities, including the workforce engagement programme, page 97.

Please refer to the stated pages for further detail on the related outcomes.

How the Committee spent its time during the year in scheduled meetings

%

2022



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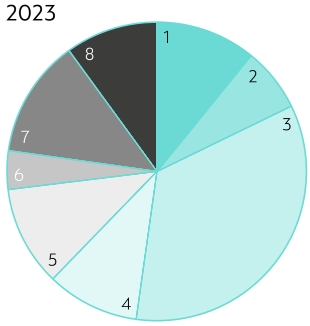
2023



	2022	**2023**
1 Routine matters	13%	**11%**
2 Executive Director and senior management succession planning	5%	**7%**
3 Stakeholder engagement, diversity, ESG and culture	29%	**35%**
4 Group Board skills, experience, and membership	12%	**10%**
5 Corporate governance	21%	**11%**
6 Policies and controls	2%	**4%**
7 Board Evaluation	6%	**13%**
8 UK Regulated Entities Board composition	12%	**10%**

Dear fellow shareholder,
I am delighted to present the Nominations & Governance Committee report which summarises how the Committee has discharged its responsibilities during the year. Areas of focus this year included: Board composition and succession planning; Board and workforce diversity; Board evaluation process, outputs and actions; senior management succession planning; and Governance matters, including the embedding of TCFD into our Group Governance Manual.

In accordance with its Terms of Reference, the Committee also reviewed and made recommendations in relation to the composition and remuneration of the Non-executive Director element of the TP ICAP UK Regulated Entities' Boards and Committees.

The Committee also discussed the Group's Governance arrangements, making recommendations to the Board as how to continue to comply with the UK Corporate Governance Code and implement enhancements where identified, as well as consider any response arising from the corporate governance and audit reforms. The Group responded to the FRC consultation on the Code reforms and is overseeing work on enhancements to internal controls to support Board oversight.

Board composition, recruitment and succession planning

Throughout the year, the Committee has regularly reviewed the structure, size, and composition of the Board with a view to ensure an appropriate balance of skills, knowledge, independence, experience, time commitment, and diversity needed for the Board to operate effectively, taking in account its strategic priorities and any challenges or opportunities.

As a part of orderly succession planning, Heidrick & Struggles ('H&S') were appointed as an independent external search agency. H&S had no other connection to the Company or its Directors. The Committee spent time considering the appointment of Amy Yip to the Board following the departure of Louise Murray and retirement of Edmund Ng. Amy has incredible experience in corporate strategy, governance, broking, and marketing that makes her an excellent addition to the Board. The focus of this appointment was to ensure that the Board continued to operate effectively and have a balance of skills and experience on the Board, and to promote ethnic and cultural diversity. The Committee were also pleased to recommend the appointment of Joanna Meager as an Independent Non-executive Director for the EMEA Sub-Group HoldCo and UK Regulated Entities' Boards following a comprehensive recruitment process with Sainty Hird appointed as an independent external search agency. In order to enable Amy and Joanna to effectively discharge their duties to the Group, the Committee ensured that they were provided with bespoke, full and comprehensive inductions. Further detail of the induction process can be found in the case study on page 89.

The Directors' biographies and 'Our Board in numbers' on pages 84 to 87 and 79 demonstrate the depth and breadth of the Board's skills, knowledge, experience and competencies and reflect the constitution of the Board as at 31 December 2023.

At the year-end the Board comprised ten Directors: three Executive Directors, six independent Non-executive Directors, and a Non-executive Chair who was independent on appointment. In compliance with the Code, over half the Board comprised independent Non-executive Directors throughout 2023 and this remains the case as at the date of this report with a total of seven Non-executive Directors.

2023 Committee attendance at scheduled meetings

Committee members	Meetings attended[1]
Richard Berliand	4/4
Kath Cates	4/4
Tracy Clarke	4/4
Angela Crawford-Ingle	4/4
Michael Heaney	4/4
Mark Hemsley	4/4
Louise Murray[2]	2/2
Edmund Ng[3]	3/3
Amy Yip[4]	1/1

1 In addition to the scheduled meetings, one further meeting was held at short notice to consider corporate governance matters and Non-executive Director succession. All members were able to attend the additional meeting.
2 Louise Murray resigned from the Board effective 30 June 2023.
3 Edmund Ng resigned from the Board effective 31 October 2023.
4 Amy Yip was appointed to the Board effective 1 September 2023.

More online
The Committee's Terms of Reference

Available on the Company's website:
https://tpicap.com/tpicap/investors/corporate-governance

Key responsibilities of the Committee

The Board has delegated responsibility to the Committee for:

Board and Committee membership, and succession planning

> Reviewing the balance, skills, knowledge and experience of the Board and Board Committees;
> Making recommendations to the Board as to necessary and appropriate adjustments in structure, size and composition of the Board and its Committees;
> Overseeing succession planning processes for the Board and senior management; and
> Making recommendations to the Board on all proposed new appointments, elections and re-elections of Directors at AGMs.

Board performance

> Supervising the Board performance evaluation process; and
> Overseeing any remedial action required as a result of the Board performance evaluation process concerning the composition of the Board.

Director independence

> Assessing and making recommendations to the Board in relation to the independence of Non-executive Directors.

Conflicts and related person transactions

> Reviewing conflicts.

Governance

> Considering various governance matters, including compliance with the UK Corporate Governance Code and/or other relevant regulatory regimes; and
> Reviewing key non-pay related workforce policies and stakeholder engagement mechanisms.

ESG matters

> Reviewing and approving the content of any environmental, social and governance related statements or policies.

Conduct

> Reviewing and approving the Company's Code of Conduct, share dealing code and related policies.

UK Regulated Entities ('UKREs')

> Agreeing procedures for the selection of, and making recommendations to, the UKRE boards on new appointments of independent Non-executive Directors and considering the succession planning process for the UKRE boards; and
> Reviewing the balance, skills, knowledge and experience, time commitment, independence and diversity of the UKRE boards, and making recommendations as required.

Succession planning

During the year the Committee reviewed and considered Executive and senior management succession planning, with focus given to the Group's talent bench-strength, global succession outlook and talent diversity. The Committee is pleased to report that there were several internal promotions, relocations and external hires made in 2023, which will help the Group to achieve its strategic aims.

Board and workforce diversity

The Committee regularly considers the diversity of the membership of the Board, UKREs and wider workforce to ensure progress against the diversity targets set out in the Parker Review, Hampton-Alexander guidelines (now the FTSE Women Leaders guidelines) and the Women in Finance Charter.

The Board's membership continues to meet the FTSE Women Leaders guidelines. With respect to succession planning, attention is given to the application of the changes made to the UK Listing Rules in relation to gender and ethnic diversity targets. In the Committee's consideration of diversity, we look at it in its broadest sense, not just in respect of gender, but also age, experience, ethnicity and geographical expertise.

The Women in Finance Charter reflects the UK governments aspiration to see gender balance at all levels across financial services organisations. TP ICAP signed the Charter in September 2018. At that time, we had 16% senior female representation within the business. Our target was to achieve 25% senior women in the business by the year 2025, with a mid-way target of 20% by the end of 2022. As of September 2023, we have exceeded our mid-way target, having achieved 24.82%, and are on track to meet our 2025 target. Further details of our diversity and inclusion commitments can be found on our website at www.tpicap.com and on page 124 of this report.

Induction

All Directors receive a comprehensive induction on joining the Board. The process for all newly appointed Directors includes the appointee receiving a comprehensive induction programme and briefing with external legal advisers on Directors' duties, roles and liabilities, either prior or soon after appointment. Access is provided to the Board and Committee packs (including minutes and papers) from previous Board cycles and one-to-one induction meetings are held with Executive Directors and senior management, including the Group Company Secretary. Company constitutional, compliance and governance documentation, as well as information relating to the Group and governance structure and the expenditure control framework, is also provided. The Committee seeks feedback on the induction process from newly appointed members of the Board with a view to improving the programme. Further detail of the induction process can be found in the case study on page 89.

Governance

During 2023 the governance framework for the Group as set out in the Group Governance Manual ('Manual'), which continued to include TCFD requirements, was refined to more fully reflect the Group's operations. Further work will be undertaken in 2024 to help ensure a smooth implementation (where appropriate) of regulatory and market best practice enhancements to corporate governance as a whole. The Committee reviewed the revised Manual and recommended its adoption to the Board. Details of the governance framework can be found on page 78.

On top of regular governance review items such as the Conflicts and Relevant Situations Register, Committees' Terms of Reference, and reviews of stakeholder engagement and compliance, the Committee has also considered an internal assessment of the Company's compliance with the UK Corporate Governance Code.

The UK Regulated Entities' governance

During 2023 the Committee reviewed the composition of the Group's UK Regulated Entities' boards and committees. As part of the consideration, the Committee takes into account the balance of independence, skills, experience and diversity on the boards. In relation to the latter, the Committee is committed to ensuring there is appropriate female representation on the UK Regulated Entities' boards and considers appropriate diversity targets aligning with the Group's diversity and inclusion aspirations.

Independence and capacity are considered by the Committee prior to an individual being recommended as an Non-executive Director to the UK Regulated Entities and is reviewed annually. The Committee also reviews the UK Regulated Entities' Conflicts and Relevant Situations Register.

The Group's UK Regulated Entities' boards were established in 2020 and reviewed in 2021 as part of the TP ICAP's redomiciliation programme. An internal evaluation of the effectiveness of the boards and their committees was completed in H1 2023. Overall the review determined that the boards and their committees remained effective.

Stakeholder engagement

The Committee has considered engagement with a number of key stakeholders during the year, including discussions of key topics raised by shareholders and employees. The Committee continues to monitor progress of the Workforce Engagement Programme including output actions and have oversight of the implementation process of the Group's redefined Triple A values driven by the employee culture and values survey feedback. Further information on Stakeholder engagement can be found on pages 46 to 53.

Other areas of the Committee's consideration

Social and environmental matters

The Committee reviewed and approved the Group's Parker Review target. Further information about the work that has been undertaken in respect of ESG (including the Parker Review target) can be found in the Sustainability chapter on pages 18 to 29.

Conduct

During 2023, the Committee reviewed the TP ICAP's Securities Code, the Group's Disclosure Policy and the Code of Conduct which emphasised the Board's expectations of high ethical standards and integrity in all aspects of the Group's operations and business.

Board and Committee effectiveness

An internal evaluation of the effectiveness of the Board and its Committees was conducted in Q4 2023. Further details on the evaluation process can be found on pages 91 to 93.

Board training and development

The Chair has overall responsibility for reviewing the training needs of each Director, and for ensuring that Directors continually update their skills and knowledge of the Group. All Directors are advised of changes in relevant legislation, regulations, and evolving risks, with the assistance of the Group's advisors where appropriate. The Board and its main Committees receive briefings from relevant function heads on any relevant current developments as part of the normal Board reporting process.

A schedule of formal training provided to the Board and its Committees is maintained and reviewed by the Nominations & Governance Committee annually. During 2023 the Board and Committees had over twenty hours of formal training on a wide range of topics. This included additional focused sessions as a part of the Board's trip to New York in October 2023, further details can be found in the case study on page 89. Formal training subjects included deep dives on key risk areas, ESG and climate change including TCFD requirements, corporate strategy, and European Gas and Power Market volatility and its implications to TP ICAP. In addition to this formal training there were regular business and function briefing sessions throughout the year.

The Board is also kept informed of any material shareholder correspondence, broker reports on the Company and sector, institutional voting agency recommendations and documents reflecting current shareholder thinking. In addition, members of the senior management team make regular presentations to the Board on a wider range of topics.

The Non-executive Directors are encouraged to take advantage of external conferences, seminars and training events, and sign up to receive briefings issued by professional advisers on legislative, regulatory and best practice guidance and updates. They are also encouraged to meet members of the management teams both in the UK and overseas to enhance both their knowledge and understanding of the Group's core business areas. Such direct engagement with staff also helps embed the Non-executive Directors' role as workforce engagement champions and enables them to observe first-hand the controls, culture and conduct behaviours in operation. A fuller briefing on the Board's workforce engagement is on page 48.

Director independence, conflicts and related person transactions

Independence of Directors

The independence of each of the Non-executive Directors is assessed on appointment and then continually assessed by the Board and Committee. All Non-executive Directors have been determined to be independent in character and judgement. In addition, at the conclusion of their initial and subsequent three-year terms, the independence of each of the Non-executive Directors is formally reviewed and confirmed. The Chair was independent on appointment. None of the Non-executive Directors has received any remuneration additional to their Directors' fees and the reimbursement of reasonable expenses incurred in the course of performing their duties. The Board believes that there are no relationships, conflicts of interest or other circumstances which are likely to affect, or could appear to affect, any Director's judgement.

External appointments

The Directors' other directorships are set out in the biographies on pages 84 to 87. The Board and Committee continually monitor external appointments to ensure that all Directors are able to allocate sufficient time to the Company to discharge their responsibilities effectively. Executive Directors are permitted to take up appointments with other companies provided the time involved is not too onerous and would not conflict with their duties at TP ICAP. None of the Executive Directors currently hold any external appointments.

Management of conflicts of interest

At the start of each Board and Committee meeting, the Directors are invited to advise of any conflicts or potential conflicts in respect of any item on that meeting's agenda.

The Committee reviews at each of its meetings the Company's Conflicts and Relevant Situations Register, which sets out information on Directors' conflicts that have been declared and authorised, as well as setting out Directors' other directorships. At any time that the Committee and/or Board consider a Director's appointment, the members are also invited to consider an extract of the Conflicts and Relevant Situations Register for the individual under consideration and is asked to authorise conflicts as necessary. Ahead of making any appointment decision, consideration is given to whether, in the Company's view, the proposed Director would have sufficient time to fulfil his or her Board responsibilities given their other appointments.

Related party transactions

Related party transactions were considered by the Committee as situations arose and most recently were reviewed in January and November 2023 and in January 2024.

Terms of appointment

The terms of the Directors' service agreements and letters of appointment, which are aligned to the provisions of the Code, are summarised in the Report of the Remuneration Committee on page 110. Each of the Directors is subject to election by shareholders at the first AGM after their appointment by the Board and subject to annual re-election by shareholders thereafter. The service agreements and letters of appointment are available for inspection during normal business hours at our registered office, and at the AGM from 15 minutes prior to the meeting until its conclusion.

Election and re-election of Directors

The Committee takes into account the results of the evaluations of individual Directors (see page 93 for further information) to assist in determining whether to recommend to the Board the election or re-election of Directors at every AGM, as required in accordance with the Company's Articles of Association. The Committee has considered the mix of skills, knowledge, experience, competencies and background of the members of the Board. The Board considers that it exhibits gender and cultural diversity, and the range of skills and backgrounds encompasses financial, commercial, operating, control, corporate governance, accounting, regulatory, audit and international attributes.

As part of the formal review and renewal of a Non-executive Director's appointment prior to the end of each three-year term, the Chair conducts an interview and assessment to confirm that the Non-executive Director continues to contribute effectively and to demonstrate commitment to the role. Should the Chair determine that is the case, a recommendation is made to the Committee to extend the appointment for another three-year term. In line with best practice governance, a proposal for a third three-year term will be subject to more rigorous scrutiny before making a recommendation.

In February 2024, Kath Cates, Tracy Clarke and Michael Heaney's three-year terms of appointment were due to come to an end. In July 2023, at the Board's request I am pleased to say that Kath, Tracy and Michael have each agreed to serve as Non-executive Director's for a further three-year term. The Board and Committee is satisfied that they each remain independent in judgement and character and continue to make a significant contribution to the proceedings of the Board and its Committees.

In March 2024, following a successful annual review of the Chair by the Senior Independent Director the Committee recommended that the Chair be appointed for a further three-year term. The Board agreed that the Chair remained independent, and continued to provide effective contribution and commitment to the role and, approved the Committees recommendation.

All Non-executive Directors have submitted themselves for election at the 2024 AGM. The Committee is pleased to recommend all Directors putting themselves forward for election. The biographies of the Directors standing for election can be found on pages 84 to 87, in the Notice of the AGM and also on the Company's website: www.tpicap.com.

Additional information

Additionally, as part of its standing agenda the Committee carried out a review of its terms of reference, to ensure that the Committee continues to fulfil its duties and activities and that the terms of reference remain relevant. The results of the external effectiveness review agreed that the Committee remained effective.

The Committee has unrestricted access to the Executive and senior management, and external advisors to help discharge its duties. It is satisfied in 2023 that it received sufficient, reliable and timely information to perform its responsibilities effectively.

Richard Berliand
Chair
Nominations & Governance Committee
12 March 2024

Report of the Audit Committee

Angela Crawford-Ingle
Chair, Audit Committee

2023 key activities and outcomes

> Financial reporting including the Annual Report and Accounts and half-year results, and associated statements and determinations, pages 102 and 103.
> Progress of delivery under the internal audit plan, page 104.
> Oversight of the outcomes of Group Internal Audit's ('GIA') audits and reviews, and monitoring of management actions, page 104.
> Internal audit's staffing levels, risk assessment methodology, risk assessment, and internal audit charter, page 104.
> Updates on the external audit process, pages 104 and 105.
> Effectiveness of the Group's systems of risk management and internal control, including all material controls, page 105.
> Oversight of the operation and effectiveness of the Group's whistleblowing systems and controls, page 104.
> Oversight of the Group's Task Force on Climate-Related Financial Disclosures ('TCFD') deliverables plan, page 104.
> Oversight of the governance and controls of ESG reporting, page 104.
> Group Tax matters, including recommending Board approval of the Group Tax strategy and its publication, page 29.
> Oversight of the transition of external auditor, page 105.

Please refer to the stated pages for further detail on the related outcomes.

How the Committee spent its time during the year in scheduled meetings

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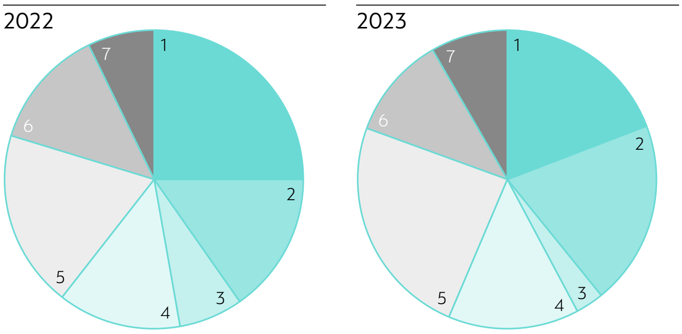


	2022	2023
1 Routine matters[1]	25%	**19%**
2 Annual/interim reporting and trading statement review	15%	**20%**
3 Tax matters	7%	**3%**
4 External auditor reporting	14%	**14%**
5 Internal auditor reporting	19%	**24%**
6 Risk management and internal controls	13%	**11%**
7 Corporate governance and ESG	7%	**8%**

1 Including unminuted discussion.

Dear fellow shareholder,
I am pleased to present the Committee report for the year ended 31 December 2023. This report sets out how the Committee has discharged its responsibilities during the year and highlights the Committee's assessment of significant financial reporting judgements in connection with the 2023 financial statements, and the conclusions reached. The responsibilities of the Committee are set out in its Terms of Reference, which were last reviewed and approved in November 2023. A summary of these responsibilities in relation to the Group, including the Financial Conduct Authority ('FCA') authorised and other regulated subsidiaries, is set out on page 102.

Throughout 2023 the Committee has participated in the further development of the Group's governance framework ensuring the integrity of financial information through monitoring and review, and providing challenge and oversight across the Group's financial reporting, internal controls procedures, and external auditors. The Committee assessed the assumptions and judgments made by management on the financial statements, and challenged the effectiveness of the Group's systems of risk management and internal controls. The Committee also oversaw continued development of our ESG reporting governance, including on the quality of our ESG data, reviewing incoming ESG regulation across our locations, and progressing our TCFD deliverables, specifically climate scenarios analysis.

The Committee has been focused on several important items during 2023, including monitoring the transition to the Group's new external auditor, PricewaterhouseCoopers LLP ('PwC'), following the tender process led by myself through a working group with Committee oversight in 2022. The appointment of PwC will be tabled for shareholder approval at the 2024 AGM. Further information on the appointment of PwC as our new external auditor is on page 105. Additionally, the Committee reviewed the effectiveness of the external audit process by Deloitte and were pleased to report that the 2023 audit was found to be effective.

Time was also spent monitoring the ongoing reforms to the UK Corporate Governance Code (the 'Code') to ascertain how they may impact the internal controls, governance, and reporting requirements of the Group. The working group with representation from key functions, reporting to the Committee, continued to further analyse the requirements and develop plans to support implementation. Work in this area, including consideration of the 'Audit Committees and External Audit: Minimum Standard', will continue through 2024 following release of the revised Code on 22 January 2024 by the Financial Reporting Council ('FRC'), see page 81.

During the year Committee members also formed a workshop to provide additional time to review and challenge the 2023 internal audit plan prior to the Committee recommending it for Board approval. Particular focus was paid to the processes involved in the Group's Internal Capital Adequacy and Risk Assessment ('ICARA'), the governance structures of the Group's regional subsidiary companies.

To ensure that the Committee continues to operate effectively, regular reports are provided to the Board on the activities of the Committee, which includes explanation as to how the Committee has discharged its responsibilities throughout the year. Additionally, to ensure that I have complete understanding of the Group's challenges, I have ongoing discussions with Risk, Finance, and internal and external audit, both in the UK and across other principal overseas regions. I also communicate with the EMEA Sub-Group and UKRE Board Chair and UKRE Risk Committee Chair, and regularly attend EMEA Sub-Group and UKRE Risk Committee meetings. In addition, the Committee engaged with the Americas Finance and GIA teams and received regional focused deep dives. Further details on the engagement in New York can be found in the case study on page 89. The APAC Head of Internal Audit also attends some Committee meetings providing further insight into risk management and internal controls in the Asia Pacific region.

2023 Committee attendance at scheduled meetings

Committee members	Meetings attended[1]
Angela Crawford-Ingle	4/4
Kath Cates[2]	3/4
Louise Murray[3]	1/1
Edmund Ng[4]	3/3
Amy Yip[5]	1/2

1 In addition to the scheduled meetings, one additional Sub-Committee meeting was held on 4 August 2023 to consider the 2023 half year results announcement. All appointed Committee members were able to attend the additional meeting.
2 Kath Cates was unable to attend one meeting due to a prior arranged conflict.
3 Louise Murray stepped down from the Committee with effect from 30 June 2023.
4 Edmund Ng stepped down from the Committee with effect from 31 October 2023.
5 Amy Yip was appointed to the Committee with effect from 1 September 2023 and was unable to attend one meeting due to a prior arranged conflict.

More online
The Committee's Terms of Reference:

Available on the Company's website:
https://tpicap.com/tpicap/investors/corporate-governance

Following the Committee's review of the 2023 Annual Report, the Committee was pleased to make a recommendation to the Board that, taken as a whole, the Annual Report is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy. The 'fair, balanced and understandable' recommendation to the Board is explained later on this page.

Committee membership and attendance

During 2023 the Committee was pleased to welcome Amy Yip as a new member of the Committee. She was appointed as a Non-executive Director to the Group in September 2023. Edmund Ng and Louise Murray both stepped down from the Committee in 2023. I would like to take the opportunity to thank them for their valuable contributions to the Committee and wider Group.

All Committee members are independent Non-executive Directors with experience in the financial services sector. Along with myself, as a Fellow of the Institute of Chartered Accountants in England and Wales, this fulfils the Code requirement of having recent and relevant financial experience. The biography of each current member of the Committee is set out in the Board biographies on pages 84 to 87.

The Committee holds a minimum of four meetings annually. The Committee sets an annual work plan, developed from its Terms of Reference, with standing items that the Committee considers at each meeting, in addition to areas of risk identified for detailed review and any matters that arise during the year.

During the year the Committee meetings were routinely attended by the: Board Chair, Executive Directors including the Group CFO, Group Deputy CFO, Group Chief Internal Auditor, Group Chief Risk Officer, partners from the external auditor, and members of Company Secretariat. The Committee also invites other senior finance and business heads to attend certain meetings to gain a deeper level of insight on particular items. During 2023 this included presentations on the Group's ESG arrangements led by the Group Director of Corporate Affairs, looking at data quality, regulation, and TCFD deliverables including climate.

Fair, balanced and understandable

Before the 2023 Annual Report and Accounts was approved, the Committee was asked to review and consider the processes and controls in place to help ensure it presents a fair, balanced and understandable view of the Group's performance, business strategy, business model, and any challenges or opportunities facing the Group. When conducting these reviews, the Committee:

> Examined the preparation and review process;
> Considered the level of challenge provided through that process and whether the Committee agreed with the results; and
> Considered the continuing appropriateness of the accounting policies, important financial reporting judgements and the adequacy and appropriateness of disclosures.

Board and Committee members received drafts of the Annual Report and Accounts for their review and input which provided an opportunity to discuss the drafts with both management and the external auditor, challenging the disclosures where appropriate.

We concluded that the processes and controls were appropriate, and were therefore able to make the following assurance to the Board:

> In our view, the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

Key responsibilities of the Committee

The Board has delegated responsibility to the Committee in relation to the following for the Company and its subsidiaries:

Financial reporting

> Considering significant financial reporting judgements;
> Reviewing the Annual Report and Accounts and half-year results;
> Considering Group tax matters;
> Considering whether the Annual Report and Accounts taken as a whole, are fair, balanced and understandable;
> Monitoring compliance with accounting standards; and
> Reviewing the going concern and the longer-term viability statement.

External audit

> Reviewing the effectiveness of external audit;
> Assessing external auditor independence; and
> Developing a policy for non-audit services provided by the external auditor.

TCFD deliverables

> Overseeing the Group's TCFD deliverables plan; and
> Reviewing the Group's progress delivering its Scope 1, 2 and 3 commitments.

Risk management and internal control

> Considering the effectiveness of the Group's systems of risk management and internal control, including all material controls; and
> Monitoring and reviewing the Group's whistleblowing arrangements, including the effectiveness of its systems and controls.

Internal audit

> Approving the internal audit function's staffing levels, risk assessment methodology, risk assessment, internal audit charter and annual audit plan;
> Considering the results and findings of internal audit function's work, management's response, and implementation of the actions; and
> Reviewing the performance and effectiveness of internal audit.

Going concern and viability statement

The assumptions relating to the going concern review and viability statement were considered, including the medium-term projections, stress tests and mitigation plans, with reflection that the resulting assumptions and statement would support the Directors' solvency statement required to be made in accordance with Jersey law prior to any distribution.

On the basis of the review, we advised the Board that it was appropriate for the 2023 Annual Report and Accounts to be prepared on a going concern basis. We also reviewed the long-term viability statement taking into account the Group's current position and principal risks and uncertainties, and advised the Board that the viability statement and the three-year period of the assessment were appropriate.

Financial reporting

The Committee has reviewed the integrity of the Consolidated Financial Statements included in the half-year and year-end announcements of results and the Group's 2023 Annual Report and Accounts.

Significant financial reporting judgements in 2023

We considered a number of judgements in connection with the 2023 Consolidated Financial Statements. These judgements, how the Committee addressed them and the conclusions we reached, are set out below:

Judgement	Note	Action the Committee took	Conclusions
Impairment of goodwill, customer relationships, and other acquisition related intangibles.	13	> Reviewed the basis on which goodwill was allocated to Cash Generating Units ('CGUs') including the reallocation to CGUs based on Business Divisions and discussed management's annual impairment assessment. > Considered the basis for determining the recoverable amount of each CGU. > Challenged the methodology and valuation assumptions used including the assets that are grouped together for recoverability assessments. > Reviewed the carrying amounts of other intangible assets. > Discussed management's annual impairment review and challenged the underlying key assumptions for the Liquidnet Platform CGU supporting the impairment assessment. > Considered if there were any triggers for impairment since the annual impairment review.	> The Committee is satisfied with the process undertaken, that the impairment charge is required in the year, that there are no triggers since the annual impairment review and that the disclosures are appropriate.
The Group's assessment and disclosure of legal cases and regulatory investigations.	27 and 36	> Reviewed the cases identified and discussed management's provisioning and disclosure assessment. > Considered the basis for determining provisions in respect of cases. > Considered whether the information disclosed was consistent with the information maintained by the Group Legal Counsel and the Group's external legal advisers. > Reviewed the procedures performed by the external auditor, including their inquiries performed of the Group's external legal advisers.	> The Committee is satisfied with the process undertaken and that the provisions and contingent liability disclosures are appropriate.
The use, presentation and explanation of Alternative Performance Measures used by management to explain the Group's performance.	Financial Review, Note 4 and APM Appendix	> Challenged management on the rationale for each of the Alternative Performance Measures ('APMs') used to describe the Group's performance and the justification for separate presentation of significant items from the Group's adjusted results. > Reviewed the adequacy of the disclosure of APMs used to review Executive performance. > Challenged and reviewed the adequacy of management's disclosure and description of significant items to ensure sufficient clarity and justification provided in the Annual Report and Accounts. > Reviewed the Annual Report and Accounts to ensure that undue prominence was not given to APMs in line with guidance from the European Securities and Markets Authority. > Reviewed the adequacy and completeness of reconciliations of APMs to the nearest equivalent Reported measure. > Sought the view of the external auditor and reviewed its procedures as set out in its report.	> The Committee is satisfied that the definition and presentation, reconciliation and explanations of APMs were appropriate and that the disclosures relating to adjusted performance and significant items are appropriate.

Other items that were less significant but were discussed included: the valuations of associates and joint ventures, expected credit losses, tax compliance, and dividend affordability.

Whistleblowing

The Committee oversees the operation and effectiveness of the Group's whistleblowing systems and controls. During the year the Committee, in conjunction with the Board, regularly reviewed whistleblowing reports and metrics and considered the effectiveness of the whistleblowing arrangements in place. The Group's whistleblowing arrangements were also reviewed by an internal audit during 2023.

It is important that employees and other stakeholders of the Group are empowered to raise any whistleblowing concerns. Employees and individuals outside of TP ICAP are able to raise their concerns anonymously using an independent whistleblowing reporting facility managed by a third party. This mechanism is combined with a number of 'Speak Up' initiatives to raise employees' awareness of the Whistleblowing Policy and procedures. As Whistleblowing Champion, I oversee the integrity, independence and effectiveness of the whistleblowing arrangements.

TCFD

The Committee oversees the Group's progression and delivery in relation to TCFD, its Scope 1, 2 and 3 commitments, and the quality of ESG reporting. It is committed to ensuring that the Group continues development of its reporting around climate-related disclosure and delivers good performance against the agreed targets. To this end, in 2023 the Group has taken steps to align our ESG data collection and reporting approach with external assurance providers' expectations. PwC, the Group's prospective new external auditors, also completed a review of the carbon emission data controls as part of their onboarding. We intend to seek external assurance on our 2024 environment data.

The Group is on a journey of continual improvement. In 2024 the Committee will further focus on the Group's adherence to the UK regulations, emerging regulatory requirements in other jurisdictions, and the impact of climate related risks on the Group's strategy and financial planning process. You can read more about the Company's compliance with the FCA Listing Rule 9.8.6R(8) on climate-related disclosure on pages 64 to 75.

Internal audit

The Committee is responsible for monitoring and reviewing the effectiveness of the internal audit function. We approve the internal audit plan and keep it under review during the year, to ensure that it reflects the changing business needs and considers new and emerging risks. We receive and review internal audit reports, discuss key themes and material issues identified in the audits, as well as management's response to them.

During 2023, the Committee formed a specialised working group with a focus on reviewing and challenging the 2024 Audit Plan before it was considered by the Committee to recommend for Board approval. Other key activities of the Committee were to:

> Review the work and reports of internal audit, including material issues and management's response to them;
> Assess the performance and effectiveness of internal audit, including the annual internal audit Quality Assurance report;
> Monitor progress against the internal audit plan, and approve changes to it through the year;
> Review and approve the internal audit charter;
> Review and approve the internal audit risk assessment and approach;
> Review and discuss the annual internal audit opinion; and
> Approve the 2024 Audit Plan, Resourcing, and Budget.

During early 2023 the internal audit function, led by Mark Pointer as Group Chief Internal Auditor, continued to build out the in-house team and progress functional development. This included refinements to functional structure and strengthening the technology audit resourcing with the appointment of a new Head of Technology and Data Analytics. EY, as co-source provider, has continued to provide specialist skills and subject matter expertise during the year where required, to supplement the in-house team.

The Committee considered the resourcing, experience, expertise and skills of the internal audit function and is satisfied that it has appropriate resources and remains organisationally independent.

External auditor

The Committee has primary responsibility for managing the relationship with the external auditor, including assessing its performance, effectiveness and independence, recommending to the Board its reappointment or removal, and agreeing terms of engagement.

Deloitte was reappointed as external auditor of the Group at the 2023 AGM. Fiona Walker is in her fourth year as lead audit partner, having been appointed to the role in the year ended 31 December 2020. Deloitte has been the Company's auditor since its predecessor company listed in 2000. In 2013 the Board put the external audit contract out for tender and concluded that Deloitte should be reappointed. A similar tender process was completed in 2022 resulting in a proposal for PwC to be appointed as external auditor for the 2024 year-end. Shareholder approval will be sought at the 2024 AGM to appoint PwC as the Group's external auditor.

The Committee is conscious of the developments relating to the external audit process driven by various reviews and welcomes moves to ensure the continuing robustness, challenge and independence provided that they genuinely address acknowledged quality issues.

Effectiveness of the external audit process

Throughout 2023 I met regularly with the external audit partner to ensure that there are no unresolved issues of concern. This approach helps ensure that the external auditor is able to operate effectively and challenge management sufficiently when required.

As a part of the 2023 effectiveness review of both the external auditor and the 2023 audit, the Committee considered:

> The quality of Deloitte's 2023 external audit;
> The effectiveness of the external audit process including the expertise, efficiency, global service delivery and cost effectiveness of the auditor;
> The external auditor's plans and feedback from senior management; and
> Effectiveness of management in relation to the timely identification and resolution of areas of accounting judgement, analysing those judgements, the quality and timeliness of papers, management's approach to the value of independent audit and the booking of any audit adjustments arising, and the timely provision of draft public documents for review by the external auditor and the Committee.

The Committee is pleased to report that the effectiveness review of the external auditor did not identify any significant concerns. The Committee concluded that it is satisfied with the objectivity and independence of the external auditor, and that the effectiveness of the external audit process delivered by Deloitte for the 2023 year-end was robust.

Independence and non-audit services

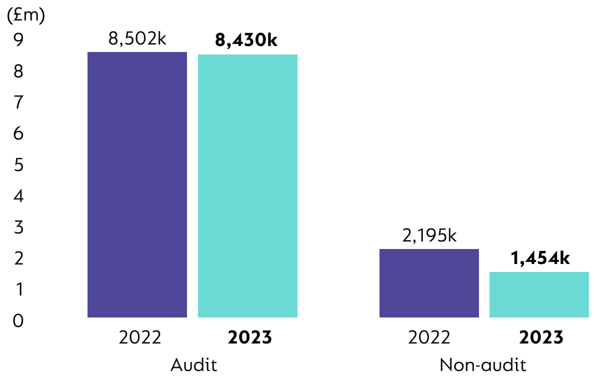
As part of its work on the 2023 Annual Report and Accounts, the Committee reviewed the objectivity and independence of the external auditor. This included consideration of the professional and regulatory guidance on auditor independence and Deloitte's policies and procedures for managing independence.

Non-audit services provided by Deloitte are governed by the Group's non-audit services policy, which is regularly reviewed by the Committee. The Committee last reviewed and approved the policy in November 2023. Deloitte have confirmed that no non-audit services prohibited by the FRC's Ethical Standard were provided to the Group or Parent Company during the year.

To safeguard the external auditor's independence and objectivity, the Group does not engage Deloitte for any non-audit services except where it is work that they must, or are clearly best suited to, perform. All proposed services must be pre-approved in accordance with the non-audit services policy. The Group is also required to cap the level of non-audit fees paid to the external auditor at 70% of the average audit fees paid in the previous three consecutive financial years.

The Committee reviewed the level of fees paid to the external auditor for the various non-audit services provided during 2023. During the period under review the non-audit services performed by the external auditor amounted to £1,454k, 17% compared to the £8,430k of audit fees. Non-audit services primarily relate to regulatory reporting, the interim review of the Group's half year financial statements, regulatory audits of subsidiary financial statements not mandated by law, and reporting accountant services in respect of Group strategic projects. These services are typically performed by the external auditor. There were no advisory or consulting services provided by the external auditor to the Group.

Audit and non-audit fees



More information can be found on page 161 in Note 5 to the Consolidated Financial Statements.

Appointment of external auditor

In 2022 we completed a competitive tender for the audit contract in respect of the year ending 31 December 2024, in accordance with the Code and Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 (the 'Order'). Further details on the process completed can be found in the case study on page 95 of the 2022 Annual Report and Accounts.

The proposed new external auditor, PwC, recommended by the Committee and Board was announced on 28 July 2022. The Committee proposed to the Board that it seek shareholder approval for the appointment of PwC as external auditor for the financial year ending 31 December 2024. Subject to shareholder approval at the 2024 AGM, PwC will review the Group's 2024 half-year results to be published in August 2024.

The Company confirms its compliance with the requirements of the Order throughout the year ended 31 December 2023.

Risk management and internal control

The Board is responsible for:

> Setting the Group's risk appetite;
> Ensuring the Group has an appropriate and effective Enterprise Risk Management Framework ('ERMF'); and
> Monitoring the ongoing process for identifying, evaluating, managing and reporting the significant risks faced by the Group.

The ERMF and the Group's risk appetite provide a detailed view of the risks that are presented to the Group, as well as define the extent and type of risks that the Group is willing to accept in its pursuit of business. The ERMF and principal risks are described in the Risk Management section of the Strategic Report on pages 55 to 63. The Board is also responsible for the Group's system of internal control and for reviewing its effectiveness. The system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against misstatement or loss.

The Committee conducted an annual review of the effectiveness of the Group's internal control and risk management systems. The findings were reported back to the Board, as a part of the Committee discharging its responsibilities. This included any agreed remediation actions to address identified weaknesses in line with the FRC's guidance on risk management, internal control and related financial and business reporting. The formal review considered reports from management, external audit and the work of the Group Risk and Internal audit functions. Following the review the Committee was satisfied that the Group's systems were operating effectively. The Committee was pleased to recommend to the Board that the Group's governance arrangements and risk management systems had proven effective in mitigating key risks during the 2023 period. The Group remains focused on continuing the enhancement of internal control and risk management systems. Further details can be found in the Report of the Risk Committee on pages 106 to 109.

The process for identifying, evaluating and managing the principal risks faced by the Group is reviewed regularly by the Board and has been in place for the year under review and up to the date of approval of the 2023 Annual Report and Accounts. It is also in accordance with the FRC's 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting'.

Committee effectiveness

A review of the Committee's effectiveness was conducted in Q4 2023 as a part of the internal Board evaluation process. It was determined that the Committee was operating effectively, and the Committee's working relationships with key stakeholders to achieve the strategic aims of the Group were praised. Specific developments and actions to be taken by the Committee during 2024 were considered in March 2024, with reflection on the current line of sight with respect to subsidiary entity activities. During the year the Committee also conducted a review of its Terms of Reference and agreed minor amendments so that they remained appropriate.

Angela Crawford-Ingle
Chair
Audit Committee
12 March 2024

Report of the Risk Committee

2023 key activities and outcomes

- > Understanding the changes to regulatory frameworks and their impacts on the Group, pages 107 to 109.
- > Overseeing the ongoing response to Brexit, page 109.
- > Overseeing the establishment of the front office risk management function, page 108.
- > Monitoring the Group's exposure to US regional banks, Credit Suisse, Israel and China/Taiwan, pages 107 and 109.
- > Overseeing the Group's response to the ransomware cyber-attack on ICBC, a clearing agent of the Group, pages 107 and 108.
- > Tracking the Group's technology expertise and its ability to retain its position as a leading market infrastructure provider, page 107.
- > Holding private meetings with key individuals including the Group Chief Risk Officer, Group Chief Internal Auditor and Group Head of Compliance.
- > Fostering the desired risk management culture and behaviour within the Group, including ensuring the consideration of risk related behaviours in performance management processes, page 108.

Please refer to the stated pages for further detail on the related outcomes.

How the Committee spent its time during the year in scheduled meetings

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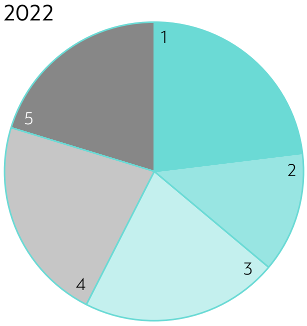
2022



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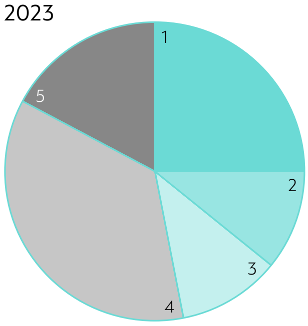
2023



	2022	**2023**
1 Routine matters[1]	23%	**25%**
2 Update from CRO	13%	**11%**
3 Risk culture and compliance	21%	**11%**
4 Project and function risk reviews (including business continuity) and deep dives	22%	**36%**
5 Governance and remuneration reporting	20%	**17%**

1 Including unminuted discussion.

Dear fellow shareholder,

On behalf of the Board, I am pleased to present the Report of the Risk Committee explaining how the Committee discharged its risk oversight responsibilities during 2023.

The Group continued to operate in an unsettled macroeconomic and geopolitical landscape. Conflict broke out in the Middle East and China-Taiwan tensions continue to simmer. Inflation across developed economies has reduced, leading markets to predict falls in central bank interest rates in 2024, down from their current highs. However, the move away from a low interest rate environment has impacted both markets and consumer behaviour. Markets were impacted by the collapse of a series of large banks during 2023, including two clients of the Group, SVB and Credit Suisse, noting that no material losses were incurred by the Group. The threat of cybercrime remains high, with one of the Group's key suppliers, ICBC, falling victim to a sophisticated cyber-attack that saw it suddenly cease clearing activities. Finally, the war in Ukraine has continued, noting that the impact of this war on the Group has significantly abated following the write-down of existing Russian exposures in 2022 and the restriction of activity with Russian and Ukrainian clients.

Against this backdrop, the Committee focused its efforts on monitoring the operational resilience of the Group (including in relation to third-party supplier resiliency and cyber capability), the management of the heightened financial risk profile resulting from volatile financial markets and the maintenance of a robust financial position (including capital and liquidity adequacy).

In addition to these specific focus areas, the Committee continued to monitor the Group's enterprise-wide risk profile across all other material risks relative to risk appetite, and the status of any remedial actions required to address any risk management issues. In particular, the Committee undertook a number of deep-dives into specific risk areas of focus which is reflected in increased time spent on these matters.

2023 Committee attendance at scheduled meetings

Committee members	Meetings attended[1]
Kath Cates	5/5
Michael Heaney[2]	4/5
Angela Crawford-Ingle	5/5
Mark Hemsley	5/5

1 In addition to the scheduled meetings, one further meeting was held at short notice to consider the Group's annual review of capital and liquidity adequacy and other risk framework and corporate governance matters. All Committee members were able to attend the additional meeting, with the exception of Michael Heaney who was unable to attend due to a prior arranged conflict.

2 Michael Heaney was unable to attend the 8 March 2023 Committee meeting due to a prior arranged conflict.

More online

The Committee's Terms of Reference

Available on the Company's website:
https://tpicap.com/tpicap/investors/corporate-governance

The Group continues to invest in its ability to respond to significant workforce displacement events. Noting that the Global Health Pandemic is no longer considered a principal risk for the Group, consistent with the World Health Organization's downgrade from a Public Health Emergency of International Concern.

The Committee is also conscious that the Group's current and future employees have an ever increasing expectation to be afforded more flexible working arrangements. In response the Group continues to refine its agile working policy and practices.

Furthermore, the Committee remains cognisant of the high standards of risk management expected of the Group by its investors, clients, regulators and other stakeholders, and, in that context, has continued to oversee the ongoing operation of the Group's Enterprise Risk Management Framework ('ERMF') throughout the year. This has included the enhancement of the Group's risk management operating model: i) reconfiguration of its executive committees to support the embedding of the conduct management and governance framework established in 2022; ii) establishment of a front office risk management function to support the broking division senior management to discharge their risk management responsibilities; and iii) investment in the Group's financial risk management capabilities in response to lessons learnt from recent macroeconomic and geopolitical events.

Finally, as of February 2024, the Board welcomed a new Group Chief Risk Officer to take forward the Group's robust risk management practices established by the outgoing Group Chief Risk Officer. In this regard, I would like to thank the outgoing Group Chief Risk Officer for his stewardship of the risk function and risk management framework, which were established during his tenure, and for his commitment to the Group during a period of substantial change. The incoming Group Chief Risk Officer brings a wealth of financial services risk management experience to the Group having performed the role of Group Chief Risk Officer previously and held senior risk management roles across a number of global systemically important financial institutions.

Key responsibilities of the Committee

The Board has delegated responsibility to the Committee for:

Setting risk appetite, culture, controls and policy

> Defining the nature and extent of the risks the Group is willing to take; and

> Defining the expectations for the Group's risk culture.

Monitoring, reporting and advisory activities

> Reviewing the Group's culture monitoring arrangements and promoting a risk-aware culture;

> Overseeing the implementation and annual monitoring of the ERMF, including the adoption and implementation of risk appetite tolerances and minimum risk management standards;

> Ensuring the Group has an appropriate and effective risk management and internal control framework;

> Reviewing the control environment and tracking any remedial actions;

> Considering the risks arising from any strategic initiatives and advising the Board accordingly;

> Identifying and considering future and emerging risks, regulatory developments and relevant mitigants;

> Providing input to the Remuneration Committee on the alignment of remuneration to risk performance;

> Reviewing resourcing within the Three Lines of Defence ('3LOD');

> Overseeing the independence and effectiveness of the Risk and Compliance functions; and

> Reviewing the appointment or dismissal of the Group Chief Risk Officer ('CRO'), and the Group General Counsel.

Key matters considered by the Committee in 2023

Risk area	Matters considered and actions taken by the Committee
Broking process	> Oversight of the key risks arising from the Group's broking and post-trade activity, including through the review of the Risk Profile Report presented by the CRO. > This included monitoring the risk event profile relating to the broking process and the Group's transaction reporting remediation programme. > The Committee also undertook deep-dive reviews into the business and risk profile of the Group's Digital Asset Business and Exchange Give-Up Business.
Infrastructure	> The Committee continued to monitor the status of the ongoing programmes to enhance the Group's operational resilience and ensure that it can meet its targeted recovery time objectives across all areas of the business. > The Committee also monitored the status of an ongoing programme to enhance the Group's billing process and improve its accounts receivable collection rate. > The Committee commissioned a deep-dive into the Group's market data risk profile and the adequacy of its risk management framework.
Cyber security and data protection	> The Committee continued to monitor the status of the Group's cyber security capability with the objective of ensuring that it remains fit-for-purpose in the context of the rapidly evolving cyber-threat landscape, including from potential state-sponsored activity. > This included overseeing the Group's response to the ICBC cyber-attack, following which the Committee commissioned a deep-dive into the resiliency of the Group's third-party infrastructure providers. > The Committee also oversaw the establishment of the Group's multi-year data management strategy.
Human capital	> The Committee continued to monitor the Group's resourcing profile to ensure that the Group has the capability and capacity to operate effectively across the 3LOD and to implement its business strategy. This included monitoring the heightened risks associated with a highly competitive recruitment market for front office, support and control staff, which can include aggressive recruitment activity by competitors. > The Committee oversaw the establishment of a Front Office Risk Management function which supports each of the Group's broking divisions to execute their risk management responsibilities. The Front Office Risk Management function is in addition to the established second-line risk function. > The Committee also undertook a deep-dive into the management of Front Office broker contracts which mitigates the risk of unexpected losses of one or more key brokers or desks.
Conduct risk	> The Committee is aware that conduct risk represents a key risk for the Group which, if not managed effectively, could result in material damage to its reputation and regulatory standing. > The Group has been operating its Conduct Management and Governance Framework (which prescribes the principles to be applied in managing any employee misconduct) since 2022. A key area of focus for the Committee in 2023 was to oversee the embedding of this framework.
Financial risk	> The Committee continued to monitor the Group's financial risk exposure, including its FX profile, credit risk exposure and liquidity demand. > Specific areas focused on included: (i) the Group's aged debt profile; (ii) the steps taken to mitigate the potential risks arising from the US regional banking crisis and the demise of Credit Suisse; and (iii) the management of Group's margin call profile having moved to self-clearing following the loss of the Group's third-party clearer ICBC as a result of a ransomware attack on ICBC. > The Committee was kept apprised of the ongoing development of the financial risk framework, including the restructure of the Group's financial risk management function and the adoption of a new Credit Risk Management Policy.
Capital and liquidity adequacy	> The Committee continued to monitor the Group's prudential position and compliance with key financial measures (namely the key financial ratios required to retain access to its RCF and maintain an investment grade debt rating), taking due consideration of the dynamic macroeconomic environment with its associated FX and interest rate volatility. > As part of this activity, the Committee reviewed the annual Group Review of Capital and Liquidity Adequacy ('GRCLA'), which assesses the Group's prudential position at consolidated Group level. > Finally, the Committee monitored the potential impact of the new UK IFPR regime on the regulatory capital and liquidity requirements for the EMEA sub-consolidation group, which was subject to a Supervisory Review and Evaluation Process ('SREP') conducted by the FCA under the new regime for the first time in 2023.

Risk area	Matters considered and actions taken by the Committee
Legal and compliance	> The Committee received updates at each meeting from the Group General Counsel and Head of Compliance on key legal and compliance issues. This included overseeing the Group's response to a range of regulatory issues across the business and to material changes to the regulatory framework in which the Group operates. > Particular areas of focus included the ongoing programme to enhance the Group's compliance systems and controls and the mitigating actions being taken to address an increasing prevalence of exchange issued fines relating to block-trade activity. > The Committee also continued to monitor the progress of material litigation and investigations involving the Group, as disclosed in the Group's contingent liabilities. > The Committee further undertook deep-dives into i) enforcement investigations in Americas and ii) the Group's joint venture and associate relationships and the potential risks and mitigants related to these engagements.
Brexit	> The Committee continued to monitor the implementation of the Group's Brexit operating model against the backdrop of the evolving regulatory landscape and continued lack of equivalence between the UK and EU, to ensure that any associated regulatory compliance, operational and commercial risks are managed effectively.
Climate risk	> The Committee was kept apprised of the assessment undertaken by the Group of the climate risks it currently faces, to ensure that these are being appropriately incorporated within the ERMF, covering both physical risks and the risk associated with the transition to net zero (as defined by the Task Force on Climate-related Financial Disclosures).
Geopolitical risk	> The Committee continued to closely monitor the increased risk profile associated with the challenging macroeconomic/geopolitical backdrop. This included a deep-dive review into the Group's business activity in Taiwan and China and the Group's potential risk exposure if China/Taiwan relations were to deteriorate.
Risk framework	> The Committee continued to monitor the operation and ongoing embedding of the new ERMF as the Group continues to enhance the Group's risk management capability across its 3LOD. > This included reviewing reports from both Risk and Internal Audit on the design and operational effectiveness of the ERMF.

Review of Committee effectiveness

An internal review of the Committee's effectiveness was conducted in Q4 2023 and a report presented to the Nominations & Governance Committee and Board in January 2024, and to the Committee in March 2024.

This review determined that the Committee was operating effectively and focusing on the risk areas which have most impact on the Group's ability to deliver its strategy and maintain a robust financial position.

During the year the Committee also conducted a review of its Terms of Reference and agreed minor amendments so that remained appropriate.

Key priorities for 2024

The Committee will continue to focus its attention on the key risks facing the Group to ensure these are being managed effectively and in accordance with the Group's risk appetite, whilst maintaining oversight of the Group's enterprise-wide risk profile as a whole to identify any new or emerging areas of concern that require governance focus.

It is likely that the Group will continue to experience challenging macroeconomic conditions, market volatility and geopolitical issues during the coming year, and the Committee will continue to monitor the heightened business, financial and operational risks associated with such conditions closely.

In 2023 the Group engaged a third party to perform a routine review of the risk function to ensure that it remains effective and appropriate to the nature, scale and complexity of the Group. A priority of the Committee in 2024 will be overseeing the continued improvement of the design and operating effectiveness of the ERMF.

Finally, I would like to thank the Committee members and Executive team for all their hard work during the last year.

Kath Cates
Chair
Risk Committee
12 March 2024

Tracy Clarke
Chair, Remuneration Committee

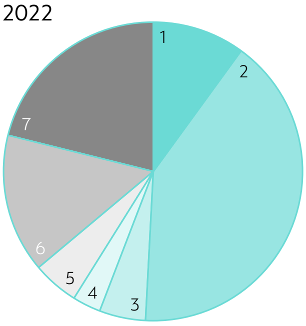
2023 key activities and outcomes

> Further embedding the shareholder approved Directors' Remuneration Policy and ensuring that it operates as intended pages 112 and 113.
> Determining the measures and targets for the annual bonus, assessing the 2021 LTIP vesting outcome and the underpin for the RSP award, pages 119, 123 and 125.
> Updating policies and processes to ensure that our Group remuneration policy for all employees remains compliant with all regulatory and governance requirements.
> Reviewing our all-employee remuneration arrangements to ensure that we are able to continue to attract and retain key talent.
> Reviewing our pension and benefits offerings across the Group to ensure that they remain competitive.
> Reviewing the Group equity deferral plans in operation to ensure these are fit for purpose.

How the Committee spent its time during the year in scheduled meetings

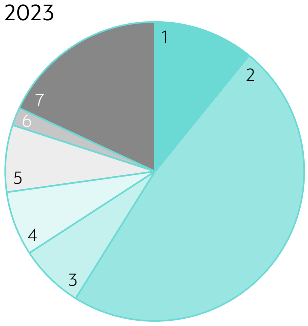
%

2022



%

2023



	2022	2023
1 Routine matters	10%	**11%**
2 Senior management and wider workforce remuneration	41%	**48%**
3 Executive Director remuneration	5%	**7%**
4 Risk and control impact on remuneration	3%	**7%**
5 Executive incentive schemes	5%	**7%**
6 Directors' Remuneration Policy review	15%	**2%**
7 Governance and remuneration reporting	21%	**18%**

Dear fellow shareholder,
On behalf of the Board, I am pleased to present the Directors' Remuneration Report ('DRR') for the year to 31 December 2023.

During the year, we have continued with implementation of our Remuneration Policy, which was approved by shareholders at the 2022 AGM with 85.17% votes in favour. Implementation of the Policy in 2022 received strong shareholder endorsement, with 92.09% of votes in favour of the DRR at the 2023 AGM. This report sets out the key decisions taken by the Committee over the course of the last 12 months in relation to remuneration for the Executive Directors, including an explanation of how these decisions were appropriate for TP ICAP.

Introduction

The Group delivered good financial performance in 2023, reflecting our focus on profit contribution, productivity and cost control.

Faced with continued inflationary pressures, central banks engaged in further monetary policy tightening and interest rates in the UK rose to a 15-year high. The turbulent environment was favourable for our Rates business, but the exceptional volatility-driven volumes seen in 2022 did not recur at the same level this year. Conversely, the buoyant energy market conditions, following a challenging 2022, enabled our Energy & Commodities business to leverage its market-leading position and deliver a record revenue performance, up by 18% on the prior year (in constant currency).

The Group delivered a good financial performance in 2023. Group revenue was up 3% in constant currency (+4% in reported currency), building on the strong performance in 2022. Global Broking revenue growth was flat, following an exceptional 2022. Energy & Commodities benefitted from buoyant market conditions and delivered record revenue growth of 18% (in constant currency). Liquidnet revenue declined by 1%, in constant currency, reflecting challenging block equity market conditions. Parameta Solutions grew revenue by 8%, as demand for market data continued to grow. Group adjusted EBIT was up 8%, or 9% in reported currency, to £300m (2022: £277m), the highest ever level, and a significant Group milestone.

The Board is recommending a final dividend per share of 10.0 pence (up 27%). This would bring the total dividend to 14.8 pence per share, up 19% (2022: 12.4 pence per share).

Focusing on our strategic priorities, the Executive Directors have continued to lead the transformation of the business through initiatives such as electronification, with further significant advances in the rollout of the Fusion platform this year. Solid progress has also been made towards achieving our Capital Markets Day targets set at our Capital Markets Day in 2020. The Executive Directors delivered the target of freeing-up £100m of cash in 2023, which will improve our capital management and enhance shareholder value.

When considering the bonus outcomes for the Executive Directors, and the Group as a whole, the Committee has taken into account the financial performance of the Group and the broader shareholder and stakeholder experience during the year. Share price performance has been positive and the Group launched a £30m share buyback programme in August 2023 which was successfully completed on 3 January 2024 as part of the Company's plan to return capital to shareholders where possible.

2023 Committee attendance at scheduled meetings

Committee members	Meetings attended
Tracy Clarke	5/5
Richard Berland[1]	3/3
Michael Heaney[2]	4/5
Edmund Ng[3]	4/4
Amy Yip[4]	2/2

1 Richard Berland was appointed as a Committee member with effect from 20 April 2023.
2 Michael Heaney was unable to attend one meeting due to a prior arranged commitment.
3 Edmund Ng stepped down as a Committee member with effect from 31 October 2023.
4 Amy Yip was appointed as a Committee member with effect from 1 September 2023.

More online
The Committee's Terms of Reference

Available on the Company's website:
https://tpicap.com/tpicap/investors/corporate-governance

Executive Director remuneration outcomes in 2023

2023 annual bonus

The annual bonus for 2023 was assessed against two measures: adjusted operating profit ('EBIT') (70%) and Executive Director performance against individual strategic objectives (30%).

For 2023, profit targets were set by reference to a percentage growth in adjusted operating profit on a constant currency basis (pre-FX gains/losses). Using a constant currency basis avoids the outcomes being distorted positively or negatively by foreign exchange movements which can have a significant impact on reported numbers but are not driven by management. The adjusted operating profit for 2022 of £261m (pre-FX gains/losses), was restated on a constant currency basis to £263m, and it is relative to this baseline that the Committee has assessed 2023 performance for the Executive Director bonus outcomes. The EBIT target range for 2023 was set at 5.2% growth for a target bonus payout and at least 10.4% growth for maximum payout. This range was established having considered both the internal budget and external analysts' forecasts at the start of the year.

Adjusted EBIT (pre-FX gains/losses) of £310m for 2023 amounted to an increase of 17.9%, on a constant currency basis, resulting in a bonus outcome of 100% of maximum payout under this measure (70% of the bonus maximum). Before confirming this outcome, the Committee reviewed the overall Company performance, wider stakeholder experience and risk management during the year. The Group revenue grew 3% on a constant currency basis, building on last year's strong performance. The Executive Directors' focus on productivity, contribution and cost management generated an 8% increase in Group adjusted EBIT, the highest level of profit ever achieved by the Group. Share price performance has been positive, with TSR at 20.5% for 2023, placing TP ICAP between median and upper quartile among the FTSE 250 comparator group. Dividend payments have continued on an upward trend during 2023, and the Board will be recommending a final dividend of 10.0p per share to be paid on 24 May 2024. This will bring the total dividend for the year to 14.8 pence per share, an increase of 19% on the prior year. In addition, the Group launched a £30m share buyback programme in August 2023 which has been successfully completed as part of the Company's plan to return capital to shareholders where possible. Taking all of the above into consideration, the Executive Director bonus outcome is aligned to the positive experience of shareholders over the period.

The Committee also reviewed each Executive Director's performance against a range of strategic objectives, which had a weighting of 30% of the maximum bonus available. The bonus outcomes for the attainment of key strategic achievements range between 23.5% and 25.5% of the maximum 30% for the three Executive Directors; further detail is provided on pages 120 to 122. The Committee assessed a range of objectives for each Executive including the development of the Group's strategy, cost, margin and cash goals, and our ESG priorities including, in particular, our climate-related and gender diversity targets.

Taking the financial and strategic results together resulted in overall bonus outcomes for the Executive Directors of 95.5% of maximum for the CEO, 95.0% for the CFO and 93.5% for the Group General Counsel ('GGC'). This result is consistent with strong performance in Group revenue and profitability, positive share price performance during the year as well as a continued focus on delivering the strategic plan and enhancing shareholder value. Half of the bonus award is delivered in deferred shares vesting over three years. Deferred bonus awards for Executive Directors are also subject to a six-month post-vesting retention period.

The improvement in the Group's overall performance also had a positive impact on the senior management and support staff bonus pools. The bonus allocations were adjusted accordingly across business areas and functions to reflect divisional performance.

2023 annual bonus targets

When setting the bonus targets for 2023, the Remuneration Committee took time to ensure they were both appropriate in light of the Group's historical financial performance and were sufficiently stretching for the Executive Directors, in a year which required continued focus on the strategic transformation of the business.

The targets were set at the beginning of the year taking into account both the internal budget and external analysts' forecasts. In reviewing and approving the targets, the Committee considered the market environment and growth expectations for key business divisions. The threshold, target and maximum payout levels were set at 0%, 5.2% and 10.4% growth in adjusted EBIT (pre-FX gains/losses), respectively. The Committee was satisfied that these targets were stretching in the context of the financial performance and growth expectations at the beginning of the year, as explained in further detail on page 119.

2021 LTIP vesting

The 2021 LTIP, which was awarded in November 2021, was based on performance against two measures, relative Total Shareholder Return (65%) and New Business Growth CAGR (35%) tested over the period January 2021 to December 2023. The TSR vesting outcome is 41.8% of maximum. Although positive growth was achieved, the New Business Growth result was below the threshold level, resulting in zero vesting for this element of the scorecard. Overall, the LTIP vested at 27.2% of maximum. The Committee has reviewed the vesting outcome for the 2021 LTIP and is satisfied that there is no need to make any adjustments, on the basis of the strong financial performance over the period. The 2021 LTIP award will vest in November 2024 on the third anniversary of grant.

Wider workforce considerations

The Committee also oversees remuneration of the wider employee population. During the year, we continued to upgrade our policies and processes to ensure that we are able to offer a compelling proposition for colleagues and to ensure that we remain compliant with the letter and the spirit of the regulatory remuneration requirements that apply to the Group: the Investment Firms Prudential Regime ('IFPR') and its EU equivalent, the Investment Firm Directive ('IFD') for our European Union entities.

A key activity during 2023 has been to support and maintain a positive employee culture with a strong focus on responsible conduct. The Group's 'Triple A' values (Accountability, Authenticity and Adaptability) emphasise the importance of accountability in the workplace and the need to treat all colleagues with respect. Aligned to this, the Company implemented a refreshed performance management process in 2023, designed to ensure that managers are fully reviewing the 'how' as well as the 'what' when assessing individual performance. This includes considering culture, conduct and risk factors when setting remuneration.

In line with the FCA Remuneration Code, certain individuals who are identified as Material Risk Takers ('MRT') under this regime are also subject to higher rates of deferral on bonus awards.

All colleagues are eligible for performance-related bonus awards. Awards for 2023 for the wider colleague population reflect the appropriate total remuneration benchmarks and performance outcomes for relevant business areas.

Mindful of the challenging economic environment, the Committee acted swiftly to address the various headwinds faced by our employees during the year. In addition to our annual salary increases, we undertook a mid-year salary adjustment for business critical staff, which was effective from 1 September 2023. Overall the increase in our salary spend during 2023 was 5%. In line with our focus on cost control and in the context of falling inflation rates, we have set a salary budget increase of 3% for support staff for 2024.

Executive Director salaries

The Committee has reviewed the base salaries of the Executive Directors for 2024, in light of their individual responsibilities, relevant market comparators and in the context of the average salary increases we are awarding non-broking employees across the Group. In line with the approach taken last year, it is proposed to award salary increases to the Executive Directors below the average increase for the support staff population of 3%. The CEO's salary for 2024 is £800,000, an increase of 1.9%, the CFO's salary is £475,000, an increase of 2.2% and the GGC's salary is £480,000, an increase of 1.1%, effective from 1 January 2024. TP ICAP operates in a very specific market which presents challenges when benchmarking appropriate remuneration levels for the executive team and many of its employees. TP ICAP is the largest of the three global inter-dealer broking firms by revenues and there are no directly comparable UK competitors of any size. The remuneration paid to senior executives among our global peers is substantially greater than that which is paid to our executive team and the Committee is mindful of the need to retain our executive team to deliver our strategic priorities and enhance shareholder value.

Implementation of the Policy for 2024

Following strong support for the DRR at our 2023 AGM, no changes are being proposed to either the incentive multiples or metrics for 2024.

The 2024 Annual Bonus will continue to be assessed against Adjusted Operating Profit (70%) and Strategic Objectives (30%). The underpin for the 2024 RSP grant will be in line with our Policy and the grants made in 2022 and 2023. Further information can be found on page 129.

Conclusion

Thank you for your support of our Remuneration Policy and its implementation, which is closely aligned to the interests of shareholders and designed to help drive the continued success of the Company. We will be consulting with shareholders during the autumn of 2024 on proposals for our Directors Remuneration Policy which will be presented for approval at the AGM in May 2025. We monitor shareholder views on executive remuneration and welcome any feedback on remuneration at TP ICAP.

I am grateful for your support for this Remuneration Report for 2023.

On behalf of the Board

Tracy Clarke
Chair
Remuneration Committee
12 March 2024

Definitions used in this report

'Executive Director' means any executive member of the Board.

'Senior Management' means the global heads of the Front Office Businesses, Regional CEOs and global heads of the Corporate & Support functions.

'Broker' means front office revenue generators.

'Control Functions' means those employees engaged in functions such as Compliance, Risk, Internal Audit and Legal.

'Remuneration Code' means the SYSC 19G MIFIDPRU Remuneration Code.

'2013 Regulations' means the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2013, as amended by the 2018 and 2019 Regulations.

REMUNERATION AT A GLANCE

Summary of pay outcomes for 2023

A summary of the single total figure of remuneration and incentive outcomes is included below. For further information see pages 118 to 123.

2023 Single Figure outcome

Executive Directors (£000s)	Salaries[1]	Taxable benefits[2]	Pension[3]	Total fixed[5] remuneration	Short-term incentives Cash	Short-term incentives Deferred	Short-term incentives Total	Long-term incentives vested[4]	Total variable remuneration	Single total figure of remuneration
Nicolas Breteau	**785**	**16**	**4**	**806**	**937**	**937**	**1,874**	**412**	**2,287**	**3,092**
Robin Stewart	**465**	**13**	**6**	**484**	**442**	**442**	**884**	**246**	**1,129**	**1,613**
Philip Price	**475**	**6**	**–**	**481**	**444**	**444**	**888**	**250**	**1,138**	**1,619**

1 Base salary was effective from 1 January 2023.
2 Taxable benefits represent private medical insurance and an Electric Vehicle car allowance. All UK employees are eligible to participate in an Electric Vehicle leasing scheme. For a select number of senior managers, the Company pays a portion of the monthly lease cost.
3 Maximum pension is 6% of salary, up to a cap of £105,600. No Directors have a prospective entitlement to a DB pension. Due to lifetime allowance limits, P Price did not receive any Company pension contributions during 2023. N Breteau received £4,246 Company pension contribution and R Stewart received £6,336 Company pension contribution due to the annual allowance limit.
4 The 2021 LTIP will vest on 12 November 2024. The value of the Long Term Incentive award has been calculated based on the number of LTIP shares vesting at 27.2% of maximum and the average share price over the last quarter of 2023. The award value also includes dividend equivalents that have been accrued over the period from the date of grant until the end of February 2024. The share price used to calculate the number of shares for the LTIP at the point of grant was £2.4282 and the average Q4 2023 share price used to calculate the value of the LTIP in the above table was £1.7762, which represents a 27% reduction in the share price.
5 R Stewart received a long service award of £1,887 which has been included in the taxable benefits and total fixed remuneration figures above.

Incentive outcomes

Bonus

Performance measure	Weighting	Threshold performance target (25% of maximum)	Target performance target (50% of maximum)	Maximum performance target (100% of maximum)	Actual performance achieved	Weighted payout (% of maximum total bonus)
Adjusted Operating Profit (pre-FX gains/losses)	70%	£263m	£277m	£290m	£310m	70%
Strategic Performance	30%	See pages 120 to 122			23.5%–25.5%	23.5%–25.5%
Total bonus outcomes (% of maximum)						**93.5%–95.5%**

LTIP

Performance measure	Weighting	Outcome
TSR	65%	41.8%
New Business Growth	35%	0%
Total LTIP outcome (% of maximum)		**27.2%**

Summary of implementation of Policy for 2024

The table below sets out a summary of how we intend to implement the Policy in 2024. For further information on the policy see pages 115 and 116.

Element	Summary of implementation of Policy for 2024
Base salary	N Breteau £800,000 – 1.9% increase R Stewart £475,000 – 2.2% increase P Price £480,000 – 1.1% increase
Annual bonus	Maximum opportunity unchanged (CEO: 250%, other EDs 200%). For 2024, the measures will continue to be: > Adjusted Operating Profit 70% > Strategic Objectives 30%
Restricted Share Plan	RSP grant of 125% of salary to be granted to each ED. Awards granted with underpin in line with Policy wording.

DIRECTORS' REMUNERATION POLICY (UNAUDITED)

The Directors' Remuneration Policy was last approved by shareholders at the AGM on 11 May 2022. The full Policy can be found on pages 127 to 134 of the 2021 Annual Report, which is available to view on the website and is due for renewal at the 2025 AGM. A summary of the key features of the Policy can be found below.

Background

The Company's Remuneration Policy is designed to attract, motivate and retain employees with the necessary skills and experience to deliver the Company strategy, in order to achieve the Group's objectives.

The key drivers of our Remuneration Policy are:

Alignment to culture

> Align the interests of the Executive Directors, with the long-term interests of shareholders and strategic objectives of the Company;
> Include incentives that are aligned with and support the Group's business strategy and align executives to the creation of long-term shareholder value;
> To reinforce a strong performance culture, across a range of performance metrics, including behaviours, risk management, customer outcomes and the development of the Company's culture in line with its values over the short and long term; and
> To align management and shareholder interests through building material share ownership over time.

Clarity

> To clearly communicate our Remuneration Policy and reward outcomes to stakeholders.

Simplicity

> To ensure that our Remuneration Policy is clear and easily understood.

Risk

> To provide a balanced package between fixed and variable pay, and long and short-term elements, to align with the Company's strategic goals and time horizons while encouraging prudent risk management; and
> To ensure reward processes and policies are compliant with applicable regulations, legislation and market practice, and are operated within the bounds of the Board's risk appetite.

Predictability

> To set robust and stretching performance targets that reward exceptional performance; and
> To set remuneration within the limits established under the Directors' Remuneration Policy.

Proportionality

> To attract, retain and motivate the Executive Directors and senior employees by providing total reward opportunities which, subject to individual and Group performance, are competitive within our defined markets both in quantum and structure for the responsibilities of the role;
> To ensure that remuneration practices are consistent with and encourage the principles of equality, inclusion and diversity;
> To consider wider employee pay when determining that of our Executive Directors; and
> To align management and shareholder interests.

Further information on risk management

The Remuneration Committee considered the relationship between incentives and risk when approving the Remuneration Policy that will apply throughout the Group.

Details of the Group's key risks and risk management are set out in the Strategic report of the 2023 Annual Report and Accounts on pages 57 to 63. The majority of transactions are brokered on a Name Passing basis where the business is not a counterparty to a trade.

Commissions earned on broking activities are received monthly in cash. The Name Passing business does not take any trading risk and does not hold principal trading positions. This business only holds financial instruments for identified buyers and sellers in matching trades which are generally settled within one to three days. The Matched Principal business is exposed to counterparty credit risk as the business is the counterparty to both the buyer and seller and therefore bears the risk of counterparty default during the period between execution and settlement of the trade. The business does not have valuation issues in measuring its profits.

The Company's Remuneration Policy reflects the risk profile of the Group, is consistent with and promotes sound and effective risk management and does not encourage excessive risk taking.

The Company's Remuneration Policy is consistent with the measures set out in the Group's compliance manuals relating to conflicts of interest. The Company's policy is to ensure that variable remuneration is not paid through vehicles or methods that facilitate avoidance of the Remuneration Code.

Summary Policy Table and Implementation for 2024

The summary policy set out in this table was approved by shareholders at the AGM in 2022.

Elements	Summary of Policy	Summary of Implementation for 2024
Base salary	Reviewed periodically to ensure not significantly out of line with the market.	N Breteau £800,000 – 1.9% increase. R Stewart £475,000 – 2.2% increase. P Price £480,000 – 1.1% increase. Salary increases below the increase in the salary budget for the support staff population of 3%.
Pension and benefits	In line with the pension allowance available to all UK non-broking employee population, which is currently 6% of fixed remuneration up to a cap set at £105,600 unless otherwise made available to all non-broking UK employees. Medical cover and participation in any schemes available to all UK non-broking employees.	Pension allowance and benefits remain unchanged.
Annual discretionary bonus	Annual assessment of performance against strategic and financial objectives. Maximum performance delivers: > CEO: 250% salary; and > Other EDs: 200% salary. Mandatory 50% deferral into shares with a three-year deferral period. Malus and clawback apply.	Maximum opportunity unchanged (CEO: 250%, other EDs: 200%). Performance measures will remain unchanged for 2024: > Adjusted Operating Profit 70%; and > Strategic Objectives 30%. Deferred share awards, which vest pro-rata over three years, are also subject to a six-month retention period in line with regulatory requirements.
Restricted Share Plan	Annual awards of conditional shares or nil cost share options, vesting after a three-year period. The awards will only vest subject to the satisfactory achievement of the underpin. Vested shares must be retained for a further two years (on a net of tax basis where shares are sold to settle tax). The normal maximum award is 125% of salary. Prior to the grant of the RSP award, the Committee will consider individual, business unit and firm performance over the previous year as part of a pre-grant test.	Maximum grant opportunity unchanged (125% for each ED). When assessing the underpin the Committee shall have regard to the Group's financial and non-financial performance over the course of the vesting period, and may take into account the following factors (amongst others) when determining whether to reduce the number of shares vesting: > Whether threshold performance levels have been achieved for the Bonus Plan for each of the three years in the vesting period; > The underlying financial performance progression over the vesting period, considering (but not limited to) such factors as revenue, profitability, absolute/relative TSR performance, cash generation and adherence to the dividend policy (to maintain 2x adjusted earnings dividend cover); and > Performance against strategic priorities designed to promote the long-term success of the Company.
Minimum shareholding	Executive Directors must hold a minimum number of the Company's ordinary shares equivalent to 300% of base salary in respect of the Chief Executive Officer and 200% of base salary for all other Executive Directors built over a five-year period.	Minimum shareholding requirement remains unchanged.

Policy on Directors' Remuneration compared with employees generally (unaudited)

The Committee has oversight of pay policies below Board level and these policies are taken into account when setting the Directors' Remuneration Policy. As a general rule, the same principles are applied to Directors' fixed remuneration, pension contributions and benefits as are applied to employees throughout the Group. A competitive level of fixed remuneration is paid to all employees taking into account their responsibilities and experience. Pension and benefits are provided to all employees.

There are a number of different bonus schemes in operation throughout the Group for Brokers and other employees. Brokers' bonus schemes are described below; all other bonuses are generally discretionary. For brokers earning above a certain threshold, they are required to defer a portion of their bonus into shares under the TP ICAP Group plc Equity and Cash Deferral Plan.

In addition, other employees who earn bonuses above a specific threshold are also required to defer a portion of their bonus under the TP ICAP Group plc Deferred Bonus Share and Cash Plan. For individuals identified as MRTs, deferral, payment in instruments requirements and malus and clawback is applied, where applicable, in line with the regulations. Deferred bonus awards are subject to malus and clawback in line with the Executive Directors.

Throughout the annual discretionary bonus review cycle, the Control Function Heads (Compliance, Risk and Internal Audit) are consulted and review year-end outcomes to ensure these are appropriate taking into account any risk events or breaches that have occurred during the year. Subject to the discretion of the Executive Directors and the Remuneration Committee for regulated staff, variable pay awards may be risk-adjusted in certain circumstances.

Remuneration policies for Brokers (unaudited)

The Company's Remuneration Policy for Brokers is based on the principle that remuneration is directly linked to financial performance, generally at a desk/team level, and is calculated in accordance with formulae set out in the contracts of employment. These formulae take into account the fixed costs of the Brokers; variable remuneration payments are therefore based on the profits that the Brokers generate for the business together with an assessment of individual performance including conduct and behaviours. Typically, Brokers receive a fixed salary paid regularly throughout the year, with a significant portion of variable remuneration dependent on their revenue performance and conduct. Deferral into TP ICAP Group plc shares is applied via the TP ICAP Group plc Equity and Cash Deferral Plan, where the individual's variable pay is above a certain threshold.

Remuneration policies for Control Functions (unaudited)

The Company's Remuneration Policy for Control Function staff is that remuneration should be adequate to attract qualified and experienced employees. Remuneration for Control Function staff is set in accordance with the achievement of their objectives linked to the functions they control and is independent of the performance of the business areas they support. Employees in such functions report through an organisational structure that is separate and independent from the business units they oversee. Heads of Control Functions are designated as MRTs and accordingly their remuneration is reviewed by the relevant Remuneration Committee as part of the annual review of MRT pay.

ANNUAL REPORT ON REMUNERATION

This part of the Directors' Remuneration Report explains how we have implemented our Remuneration Policy during the year. The Annual Statement made by the Remuneration Committee Chair on pages 110 to 113 and this Annual Report on Remuneration are subject to a shareholders' advisory vote at the forthcoming AGM. Information in this report is audited, where stated.

2023 Single Figure outcome (audited)

The single total figure of remuneration for the Executive Directors who held office during the year ended 31 December 2023 was as follows:

Executive Directors (£000s)	Salaries[1]	Taxable benefits[2]	Pension[3]	Total fixed remuneration[5]	Short-term incentives Cash	Short-term incentives Deferred	Short-term incentives Total	Long-term incentives Vested[4]	Total variable remuneration	Single total figure of remuneration
Nicolas Breteau										
2023	**785**	**16**	**4**	**806**	**937**	**937**	**1,874**	**412**	**2,287**	**3,092**
2022	750	3	2	755	582	582	1,164	–	1,164	1,919
Robin Stewart										
2023	**465**	**13**	**6**	**484**	**442**	**442**	**884**	**246**	**1,129**	**1,613**
2022	444	3	6	453	269	269	538	–	538	991
Philip Price										
2023	**475**	**6**	–	**481**	**444**	**444**	**888**	**250**	**1,138**	**1,619**
2022	453	3	–	456	279	279	558	–	558	1,014

1 Base salary was effective from 1 January 2023.
2 Taxable benefits represent private medical insurance and an Electric Vehicle car allowance. All UK employees are eligible to participate in an Electric Vehicle leasing scheme. For a select number of senior managers, the Company pays a portion of the monthly lease cost.
3 Maximum pension is 6% of salary, up to a cap of £105,600. No Directors have a prospective entitlement to a DB pension. Due to lifetime allowance limits, P Price did not receive any Company pension contributions during 2023. N Breteau received £4,246 Company pension contribution and R Stewart received £6,336 Company pension contribution due to the annual allowance limit.
4 The 2021 LTIP will vest on 12 November 2024. The value of the Long Term Incentive award has been calculated based on the number of LTIP shares vesting at 27.2% of maximum using the average share price over the last quarter of 2023. The award value also includes dividend equivalents that have been accrued over the period from the date of grant until the end of February 2024. The share price used to calculate the number of shares for the LTIP at the point of grant was £2.4282 and the average Q4 2023 share price used to calculate the value of the LTIP above in the single figure was £1.7762, which represents a 27% reduction in the share price.
5 R Stewart received a long service award of £1,887 which has been included in the taxable benefits and total fixed remuneration figures above.

Base Salary

For 2024, the Executive Directors' base salaries have been reviewed and as set out in the Chair's letter on pages 110 to 113, the following increases will apply:

Executive	Date of appointment	2023 Base salary[1]	**Base salary effective from 1 January 2024**
Nicolas Breteau	10 July 2018	£785,000	**£800,000**
Robin Stewart	10 July 2018	£465,000	**£475,000**
Philip Price	3 September 2018	£475,000	**£480,000**

1 Base salary was effective from 1 January 2023.

2023 annual bonus (audited)

For 2023, the annual bonus was based 70% on financial performance and 30% on strategic performance, with a maximum opportunity of 250% of base salary for the CEO and 200% of base salary for the CFO/GGC. Details of the 2023 financial measures and weightings, the targets set and performance against these targets are provided in the table below:

Financial performance measure	Weighting	Threshold performance target (25% of maximum)	Target performance target (50% of maximum)	Maximum performance target (100% of maximum)	Actual performance achieved	Weighted payout (% of maximum total bonus)
Adjusted operating profit (pre-FX gains/losses)	70%	£263m	£277m	£290m	£310m	70.0%
Strategic performance	30%	Strategic objectives, along with the corresponding performance assessment, as set out in pages 120 to 122.			23.5%–25.5%	23.5%–25.5%
Total bonus outcomes						**93.5%–95.5%**

When setting targets for the annual bonus, the Remuneration Committee considered a range of factors to ensure that they were both appropriate, in light of the Group's historical performance, and sufficiently stretching, in the context of global economic and market conditions, whilst at the same time being motivational for the Executive Directors. The profit targets were set on the basis of a percentage growth in adjusted operating profit (pre-FX gains/losses) on a constant currency basis. This was primarily to reflect that foreign exchange movements can have a significant impact on reported numbers over which the Executive Directors and the Group have no control.

The targets were set at the beginning of the year taking into account both the internal budget and external analysts' forecasts. In reviewing and approving the targets, the Committee considered the market environment and growth expectations for key business divisions. At the time the 2023 bonus targets were set in Q1 2023, the outturn for the 2022 reported adjusted EBIT of £275m, which itself was up 8% on the prior year, was restated to £270m, based on the prevailing exchange rates. FX gains/losses were removed to determine the adjusted EBIT baseline of £263m against which growth targets were established. At that point in the year, both the 2023 budget and market consensus were anticipating adjusted EBIT to grow in the 6% to 7% range. In setting the target and stretch growth targets for adjusted EBIT (pre-FX gains/losses) at 5.2% and 10.4% respectively, the Committee was satisfied that these were sufficiently stretching and significantly in excess of what the business or the market was expecting. This was particularly the case in the context of the challenging market conditions the business was experiencing. The year to date revenue performance was flat at the time the targets were set, with the E&C business only beginning to show indications of recovery, and with the headwinds in the global equity markets continuing to present challenges for the Liquidnet business. One-off factors, such as an anticipated £4m recovery relating to Russia losses in 2022, were also removed from the EBIT calculations in order to focus the targets on underlying business growth.

Against the prevailing market conditions, and supported by a focus on cost and margin control, the Committee was therefore pleased with the actual performance achieved for the period of £310m adjusted EBIT (pre-FX gains/losses), which significantly exceeded the maximum payout threshold, of £290m representing a 10.4% increase over the restated prior year number.

When determining the overall bonus awards for each Executive Director, the Committee considered the broader performance of the Executive Directors and the challenges faced by the business over the course of the last year. In spite of these headwinds, the Executive Directors have continued to focus on the delivery of the corporate strategy, to transform and diversify the business. Group revenue grew 3% on a constant currency basis, building on last year's strong performance. The Executive Directors' focus on productivity, contribution and cost management generated an 8% increase in Group adjusted EBIT, the highest level of profit ever achieved by the Group. Our Energy & Commodities division played a key role in hitting this important milestone, delivering record growth in revenue up 18%, and adjusted EBIT up a significant 45%. On 12 March, we announced that we are starting a second buyback programme of £30m, having completed our initial £30m buyback. We continue to assess opportunities to free up more cash to pay down debt, and/or return capital to shareholders, subject to our balance sheet needs. The Board is recommending a final dividend of 10.0 pence per share, which would bring the total 2023 dividend to 14.8 pence, an increase of 19%. We are committed to creating sustainable shareholder value by investing for growth in our market-leading businesses, maximising the value of our strategic assets, and delivering strong cash generation and dynamic capital management. The Committee took into account the underlying financial performance over the period and the positive shareholder experience during the year and were comfortable that the maximum bonus payout under the EBIT measure was appropriate for the Executive Directors.

Executive Directors' 2023 Strategic Objectives (unaudited)

Details of the 2023 strategic objectives for each Executive Director, along with the corresponding performance assessment, are set out in the following tables:

Nicolas Breteau

CEO strategic objectives	Weighting[1]	Score	Assessment of performance
Execute on our strategic road map across Global Broking, Energy & Commodities, Liquidnet and Parameta Solutions	6%	4%	> Met, or exceeded, the updated guidance on the majority of 2023 targets, set at our Capital Markets Day in 2020. Today, the Group is more diverse, growing the top line, and generating more cash. > The Fusion roll-out is on track for completion by the end of 2025. It is now live on 44% of in-scope Global Broking desks. The pace of client adoption is encouraging, the number of unique client logins for Rates increased by 24% in 2023, while FX was up 16%.
Build the future of the firm to enable sustainable growth and enhance shareholder value	5%	4%	> Successfully freed up our targeted £100m of cash before the end of 2023, ahead of schedule. This cash is being used to pay down debt and other financing obligations, reducing our future net finance costs, and increasing our investment grade headroom. > Having completed the initial buyback (£30m) in January 2024, the Group announced a second buyback programme of £30m, which commenced on 12 March 2024. > The Board is recommending a final dividend per share of 10.0 pence (up 27%). This would bring the total dividend to 14.9 pence per share, up 19% (2022: 12.4 pence per share).
Develop our client engagement strategies	5%	4%	> Significant improvement has been achieved on the Daily Sales Outstanding ('DSO') project and aged receivables have decreased substantially during the year. There is continued focus on the improvement in our billing and accounts receivables processes. > Client engagement has been substantially enhanced during the year around Fusion/DSO, together with effective pricing management.
Embed the major regulatory ESG requirements across TP ICAP	4%	4%	> Strong performance against all ESG targets, in particular, the MSCI ESG Rating increased from "BBB" to "A" and the CDP score increased from "C" to "B". > Achieved a reduction of 21% in Scope 1 and 2 emissions this year through the office and data centre consolidation programme. > Significant progress has been made in increasing the number of women at senior levels within the organisation, although we still have more to do. In 2018, we set a target to achieve 25% women in senior management roles in the business by the year 2025, from a starting point of 16%. As of September 2023, we exceeded our midway target of 20% set and are on track to meet our headline target by the end of 2025.
Deliver our people strategy, with a focus on continuing to strengthen the bench of excellence	5%	5%	> Good progress has been made on strengthening the leadership team and bringing greater focus on diversity and inclusion across the Group. > Employee engagement has improved with the results of the 'my voice' survey showing an increase in engagement particularly around understanding the company strategy.
Remuneration Committee discretion	5%	4.5%	> The Committee recognised the CEO's effective leadership of the business over the year and his achievements in strengthening the bench of the Executive Committee and associated succession plans, along with his focus on unlocking shareholder value for TP ICAP's investors and strong performance in both profitability and share price over the year.
Total for strategic metrics	**30%**	**25.5%**	

1 Expressed in percentage points summing to 30% in total, 30% being the proportion of the total bonus determined by reference to non-financial metrics.

Robin Stewart

CFO strategic objectives	Weighting[1]	Score	Assessment of performance
Restructure the global finance structure with an aim to better align with Business divisions and transversal functions	6%	3%	> Good progress has been made in restructuring the global finance team and now we have a matrix reporting structure in place, with dedicated CFOs for each division and aligned finance business partnering teams. > The Group's forecasting and budgeting process has been enhanced to drive ownership and accountability with the business line heads and their CFOs.
Deliver the release of £100m cash and capital from the business and reduce core debt accordingly and evaluate and communicate further capital optimisation opportunities	5%	5%	> The cash release programme has been fully achieved, the Group has reduced overall debt by £100m. > Effectively completed the initial buyback of £30m in January 2024, the Group has announced a second buyback programme of £30m, which commenced on 12 March 2024, further delivering value to shareholders.
Deliver re-financing of the 2024 Bond	5%	5%	> Successfully re-financed the 2024 Bond during 2023.
Further develop Finance's processes and controls to manage TP ICAP's capital and liquidity resources	5%	4%	> Successfully built a model able to analyse capital consumption by desk in EMEA, with the view to this being rolled out to other regions, developing Finance's management of Group capital, in particular its allocation to businesses. > Developed the capital modelling and planning capability of the Finance function and associated processes (e.g. ICARA) with an associated £150m capital efficiency benefit.
Embed the major regulatory ESG requirements across TP ICAP	4%	4%	> Good progress has been made against all ESG targets, in particular, the delivery against the TCFD disclosure and quantitative/qualitative climate scenario analysis. The TCFD (the Taskforce for Climate-related Financial Disclosures) has been fully embedded across the business and divisional levels.
Remuneration Committee discretion	5%	4%	> The Committee acknowledged a stronger performance for the CFO as it relates to market guidance and financial forecasting, and his personal leadership of the Group's enhanced capital management.
Total for strategic metrics	**30%**	**25%**	

1 Expressed in percentage points summing to 30% in total, 30% being the proportion of the total bonus determined by reference to non-financial metrics.

Philip Price

GGC strategic objectives	Weighting[1]	Score	Assessment of performance
Substantially strengthen the bench of the Group's Legal and Compliance functions and where practicable in source more advice and reduce external legal spend	6%	4%	> GGC led the capability upgrade of the Legal and Compliance function. Good progress was made during 2023 on strengthening the bench of the Legal and Compliance function. > Cost savings achieved with a reduction in external legal spend year-on-year through upskilling the team and enhancing technology and research solutions for the Legal function.
Ensure Compliance delivers its 2023 strategy and executes its steps on the path-to-green project plan. Continue to ensure adherence to the Group's Compliance and control frameworks across TP ICAP with a particular emphasis on conduct & culture	5%	5%	> Delivered on the Compliance path to green with 95% of Compliance controls being green. > Good progress has been made on the control environment and the GGC led the work alongside IT and Operations to enhance controls and reporting.
In conjunction with the Business and Regional CEOs manage the Group's legal and regulatory risks to ensure that the Group remains within risk appetite. Work with Business Division CEOs to minimise the Group's exposure to legal claims and regulatory fines	5%	3.5%	> Effective implementation of the Group's Conduct Management and Governance Framework ('CMGF') to ensure that conduct matters are dealt with in a consistent way across the Group. The Group Conduct Oversight Committee reviews the decisions of each Regional Conduct Oversight Committee to confirm that it is operating effectively, with issues being identified and addressed appropriately. To date, there has been a significant reduction in policy breaches across the Group. > Worked closely with the first line of defence and management to ensure the risk of regulatory fines and claims are mitigated.
Continue to improve the firms standing with regulators and policymakers to deliver positive operational and reputational outcomes	5%	3.5%	> The GGC effectively promoted the Group's good standing with global regulators and external stakeholders. > The GGC's relationship with UK regulatory bodies has helped to navigate a challenging post-Brexit landscape, to preserve revenues and broker retention.
Drive the Group's commitment to ESG and make progress towards delivery in 2025 of ESG targets on net zero, gender diversity and new business approval	4%	4%	> Leads on the Group's ESG agenda, particularly in relation to social engagement. Established a Global Inclusion Council and regional action plans to support the delivery of D&I initiatives globally. > Achieved a reduction of 9% in scope 1 and 2 emissions this year as a result of the office and data centre consolidation programme. > The female representation of our non-broking employee base increased to 35% in 2023 and remains in progress and on target.
Remuneration Committee discretion	5%	3.5%	> The Committee acknowledged the achievements of the GGC in driving cultural change throughout the Group, as well as his contribution towards embedding a robust control environment.
Total for strategic metrics	**30%**	**23.5%**	

1 Expressed in percentage points summing to 30% in total, 30% being the proportion of the total bonus determined by reference to non-financial metrics.

Total annual bonus outcome for 2023 performance (audited)

The total bonus for each Executive Director for the year to 31 December 2023 is therefore as follows:

Measure	Weighting	CEO bonus (% Max bonus)	CFO bonus (% Max bonus)	GGC bonus (% Max bonus)
Adjusted operating profit (pre-FX gains/losses)	70%	70.0%	70.0%	70.0%
Strategic performance	30%	25.5%	25.0%	23.5%
Total bonus (as a percentage of maximum)	100%	95.5%	95.0%	93.5%
Total bonus (£000s)				

50% of the total bonus for each Executive Director will be awarded in Company shares and deferred over three years vesting in equal tranches, in accordance with the rules of the Executive Director Bonus Plan. Deferred share awards will also be subject to a six-month retention period following vesting, which is considered to be in line with regulatory requirements.

The Committee determined that the bonus outcome for the Executive Directors appropriately reflected the financial performance and strategic progress that has been made during 2023.

Long-term incentives (audited)

LTIP awarded in 2021

On 12 November 2021, conditional share awards under the LTIP were granted to the Executive Directors. The performance measures, which were assessed over the period January 2021 to December 2023, the weightings and vesting outcomes are set out in the table below.

Performance measure	Threshold (20% vesting)	Maximum[3] (100% vesting)	Actual achieved	Overall vesting
Relative TSR[1] (65% weighting)	Median	Upper Quartile or above	Above median	41.8%
New Business Growth[2] (35% weighting)	10%+ p.a.	16%+p.a.	2.4%	0%
Overall vesting outcome (% of maximum)				**27.2%**

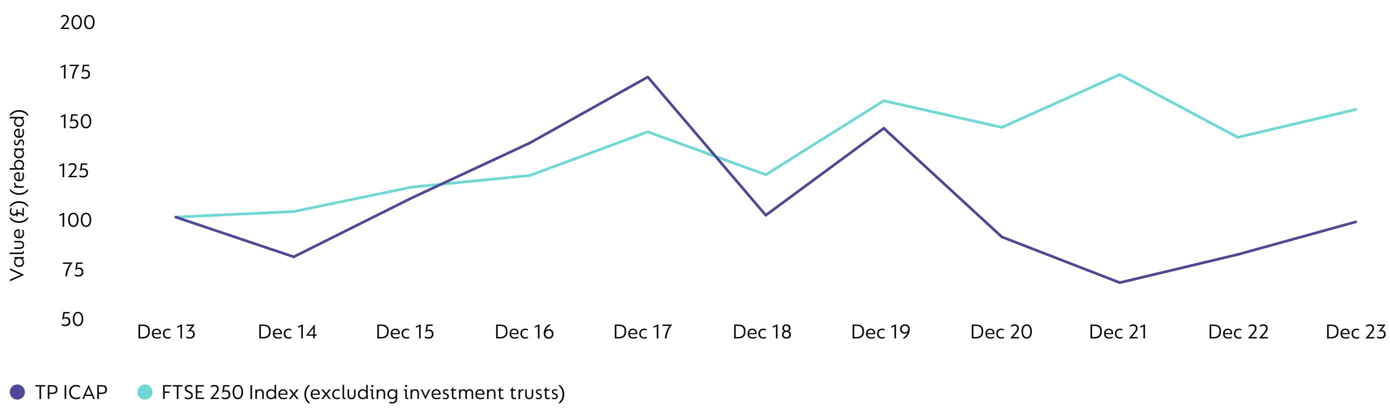
1 TSR comparator group of FTSE 250 listed companies excluding real estate and investment trusts.
2 CAGR over three years 2021 to 2023. Defined as growth in underlying operating profit of the sum of Energy & Commodities, Liquidnet (previously Agency Execution) and Parameta.
3 Payout between threshold and maximum rises on a straight line basis to 100% of payout for attainment of maximum performance condition.

Performance graph

A graph depicting the Company's TSR in comparison to other companies in the FTSE 250 Index (excluding investment trusts) in the ten years to 31 December 2023 is shown below.

The Board believes that this index is most relevant as it comprises listed companies of a similar size.

Total shareholder return



Source: Eikon from Refinitiv.

This graph shows the value, by 31 December 2023, of £100 invested in TP ICAP on 31 December 2013, compared with the value of £100 invested in the FTSE 250 Index (excluding investment trusts) on the same date.

Chief Executive remuneration history

Year ended	Name	Total remuneration £000	Annual bonus % of max pay-out	LTI % of max vesting
31 December 2023	Nicolas Breteau[6]	3,092	95.5%	27.2%
31 December 2022	Nicolas Breteau	1,919	62%	0%
31 December 2021	Nicolas Breteau	1,715	54%	0%
31 December 2020	Nicolas Breteau	1,937	75.0%	0%
31 December 2019	Nicolas Breteau	2,184	94.0%	0%
31 December 2018	Nicolas Breteau[1]	757	56.6%	0%
	John Phizackerley[2]	325	0%	0%
31 December 2017	John Phizackerley[5]	1,666	88%	62%
31 December 2016	John Phizackerley	3,381	94%	74%
31 December 2015	John Phizackerley	2,250	80%	n/a
31 December 2014	John Phizackerley[3]	720	n/a	n/a
31 December 2014	Terry Smith[4]	433	n/a	–

1 For the six-month period from 10 July 2018. Percentage represents the overall percentage score achieved on individual performance targets.
2 Total Remuneration includes base salary received through to termination date of 9 July 2018.
3 For the four-month period from 1 September 2014.
4 For the eight-month period from 1 January 2014 to 31 August 2014.
5 2017 reflects the final LTIs paid out in 2018 relating to 2017 reduced by the forfeiture of deferred bonus relating to 2017.
6 The 2021 LTIP will vest on 12 November 2024, the performance period was 1 January 2021 – 31 December 2023. The value of the Long Term Incentive award has been calculated based on the number of LTIP shares vesting at 27.2% of maximum using the average share price over the last quarter of 2023. This also includes the value of dividend equivalents that have been accrued over the period from the date of grant until the end of February 2024. The share price used to calculate the number of shares for the LTIP at the point of grant was £2.4282 and the average Q4 2023 share price used to calculate the value of the LTIP in the table above was £1.7762, which represents a 27% reduction in the share price.

Relative importance of spend on remuneration

The table below shows the expenditure and percentage change in overall spend on employee remuneration and dividend payments:

£m	**2023**	2022	% change
Employee remuneration[1]	**1,360**	1,320	3%
Shareholder dividends paid[2]	**99**	78	27%

1 Employee remuneration includes employer's social security costs and pension contributions.
2 Shareholder dividends comprises the dividends paid. On 10 August 2023, the Group commenced a £30m share buyback which was completed on the 3 January 2024, in order to reduce the capital of the Company and/or meet obligations under employee share schemes. Ordinary Shares purchased under the buyback that are not cancelled will have their rights to dividend receipt waived by the Company, these shares are currently held as Treasury shares. The shareholder dividends paid value above does not include the £30m share buyback.

Directors' shareholdings and share interests (audited)

The interests (all beneficial) as at 31 December 2023 in the ordinary share capital of the Company were as follows:

Director	RSP shares[4]	LTIP shares[3]	Unvested shares[2]	Shares[1]
Richard Berliand	–	–	–	150,000
Nicolas Breteau	1,315,540	756,733	806,299	424,621
Robin Stewart	778,995	450,951	372,857	191,001
Philip Price	795,184	458,158	394,790	233,920
Tracy Clarke	–			14,000
Michael Heaney	–	–	–	91,000
Angela Crawford-Ingle	–	–	–	39,401
Mark Hemsley	–	–	–	22,000
Kath Cates				19,274
Amy Yip	–	–	–	–

1 Shares owned outright.
2 Unvested shares awarded under the Deferred Bonus Plan, not subject to performance conditions. Share vesting is governed by the rules of the Plan.
3 LTIP shares are subject to performance conditions, details of which are set out on page 123. The 2021 LTIP was granted on 12 November 2021 and will vest on 12 November 2024, with the performance conditions measured over the period 1 January 2021 to 31 December 2023. The vesting outcome for the 2021 LTIP is 27.2% of maximum. The LTIP shares figure above is the total number of shares awarded at grant under the LTIP.
4 RSP shares are subject to performance underpins, details of which are set out on the next page under the table 'Conditional Share Awards under the RSP'.

The Company operates a SAYE share option scheme on the same terms for all UK employees. Nicolas Breteau is a participant in the 2023 SAYE scheme with options over shares of 12,726. Robin Stewart and Philip Price participated in the 2022 SAYE scheme, with options over shares of 15,003, respectively. There has been no change in Director's shareholdings between 31 December 2023 and 12 March 2024.

Shareholding requirements (audited)

Executive Directors must build a holding in minimum value of the Company's ordinary shares equivalent to 300% of base salary in respect of the Chief Executive Officer and 200% of base salary for all other Executive Directors. Whilst the shareholding thresholds have not yet been met, all Executive Directors who served during the year complied with the Company's requirements in respect of their interests in the shares of the Company.

Executive Director	Number of eligible shares as at 31 December 2023[1]	Value of shares held as at 31 December 2023[2]	Shareholding as % of base salary as at 31 December 2023	Shareholding requirement (% salary)
Nicolas Breteau	851,959	1,663,277	212%	300%
Robin Stewart	388,615	758,692	163%	200%
Philip Price	443,158	865,176	182%	200%

1 Includes all shares owned outright and all unvested deferred bonus shares not subject to performance conditions on a notional net of tax basis. The Executive Directors will receive additional shares in November 2024, when the 2021 LTIP vests. These additional shares will increase the CEO's shareholding as a percentage of salary to 239%, 190% for the CFO and 209% for the GGC.

2 Based on share price of £1.952 as at 29 December 2023.

Scheme interests awarded in the year (audited)

The table below sets out scheme interests awarded to Executive Directors in the year, alongside details of the performance conditions, vesting schedule and retention period.

Executive Director	Date of grant	Granted during the year	Face value £000	Face value % of salary	Performance conditions/Underpin	Vesting date	End of retention period
Conditional Share Awards under the RSP[1]							
Nicolas Breteau	31/03/23	546,657	£981	125%	see information below on the RSP underpin	31 March 2026	31 March 2028
Robin Stewart	31/03/23	323,816	£581	125%		31 March 2026	31 March 2028
Philip Price	31/03/23	330,779	£594	125%		31 March 2026	31 March 2028
Deferred shares awarded under the Annual Bonus[2]							
Nicolas Breteau	31/03/23	324,338	£582	74%	n/a	31 March 2026	31 Sept 2026
Robin Stewart	31/03/23	149,896	£269	58%		31 March 2026	31 Sept 2026
Philip Price	31/03/23	155,458	£279	59%		31 March 2026	31 Sept 2026

1 The face value of the RSP awards was converted into a number of shares using a share price of £1.7950, being the five-day volume weighted average price up to and including the date of grant on the 31 March 2023. The performance underpin will be assessed over the 3 year period 1 January 2023 and 31 December 2025 (the "Restricted Period").

2 The face value of the deferred share awards was converted into a number of shares using a share price of £1.7950, being the five-day volume weighted average price up to and including the date of grant on the 31 March 2023. Note that the vesting date of 31 March 2026 represents the date on which the final tranche of the deferred share award will vest and the end of the retention period on the 31 September 2026 also relates to the final tranche of the deferred share award.

RSP underpin assessment

The performance underpins applicable to the above RSP are as follows:

The Committee shall have regard to the Group's financial and non-financial performance over the course of the vesting period and may take into account the following factors (among others) when determining whether to reduce the number of shares vesting:

- Whether threshold performance levels have been achieved for the Bonus Plan for each of the three years in the vesting period;
- The underlying financial performance progression over the vesting period, considering (but not limited to) such factors as revenue, profitability, absolute/relative TSR performance, cash generation and adherence to the dividend policy (to maintain 2x adjusted earnings dividend cover); and
- Performance against strategic priorities designed to promote the long-term success of the Company including (but not limited to) operating model improvements, building on the Group's competitive advantage, digital and technology improvements, focus on ESG (including sustainability), employee satisfaction and the management of day-to-day risks.

Payments for loss of office and payments to past Directors (audited)

There were no payments made for loss of office or remuneration payments made to former Executive Directors during the year.

Chief Executive pay ratio

The table at the top of page 126 compares compares the 2023 single total figure of remuneration for the CEO with that of the Group's UK employees who are paid at the 25th percentile (lower quartile), 50th percentile (median) and 75th percentile (upper quartile). The CEO pay ratio has slightly increased this year due to the increase in bonus payout for the CEO, given the excellent performance against the EBIT and strategic targets, and the value of the 2021 LTIP, which was tested over the performance period 1 January 2021 to 31 December 2023, and is due to vest in November 2024. Only a select few employees below Board level tend to receive equity awards. When the Special Equity awards, which were granted more widely to employees in 2022, vest in 2025 these will be included in the figures. The Group is focused on pay fairness across the workforce and the concept of offering greater certainty in remuneration to junior and lower paid employees in the form of proportionally higher fixed pay is consistent with the pay and reward policies for the Group as a whole. The Remuneration Committee considers the relative stability in the median pay ratio over the last five years to reflect the alignment of CEO and all employee pay outcomes, albeit that the quantum of 'at risk' variable pay is higher for the CEO than for the wider workforce. The Committee is also satisfied that the median pay ratio is consistent with the pay, reward and progression policies for our employee population.

Year	Method	25th percentile pay ratio	50th percentile pay ratio	75th percentile pay ratio
2023	A	47:1	26:1	14:1
2022	A	31:1	17:1	9:1
2021	A	29:1	16:1	8:1
2020	A	34:1	18:1	8:1
2019	A	38:1	20:1	9:1

The Committee chose to use Option A to calculate the ratio as the data was available and the approach is considered to be the most accurate. The employee data was taken as at 31 December 2023; employee means anyone employed under a contract of service. A full-time equivalent total was created for part-time employees and the remuneration of employees hired during the year was annualised. The resulting list was then ranked to identify the individuals at the 25th, 50th and 75th percentiles. The CEO pay ratios were then calculated based on these percentiles.

The table below sets out the salary and total pay and benefits for the three identified quartile point employees. As shown below, total pay has increased this year across all three percentiles due to an increase in the bonus spend for support staff. The movement in salary levels is reflective of the range of compensation arrangements within the Group.

	25th percentile	50th percentile	75th percentile
2023			
Salary	**50,000**	**96,000**	**170,000**
Total pay and benefits	**65,189**	**117,661**	**221,336**
2022			
Salary	£44,470	£88,833	£90,000
Total pay and benefits	£61,938	£111,537	£210,167

Percentage change in Directors' remuneration

The Committee monitors the changes year-on-year between our Directors' pay and average employee pay. In accordance with the Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019, the table below shows the percentage change in Executive Director and Non-executive Director total remuneration compared to the change for the average of employees within the Company, over the last four years.

	% change in remuneration between 2023 and 2022			% change in remuneration between 2022 and 2021			% change in remuneration between 2021 and 2020			% change in remuneration between 2020 and 2019		
	Salary/ Fee	**Taxable benefits**	**Short-term variable pay**	Salary/ Fee	Taxable[6] benefits	Short-term variable pay	Salary/ Fee	Taxable benefits	Short-term variable pay	Salary/Fe	Taxable benefits	Short-term variable pay
Chief Executive Officer	**5%**	**453%**	**61%**	4%	2%	17%	7%	5%	-21%	3%	3%	-17%
Chief Financial Officer	**5%**	**335%**	**64%**	1%	2%	28%	1%	5%	-33%	2%	3%	-19%
Group General Counsel	**5%**	**99%**	**59%**	2%	2%	21%	2%	5%	-30%	3%	3%	-17%
Richard Berliand	**0%**	**n/a**	**n/a**	0%	n/a	n/a	0%	n/a	n/a	5%	n/a	n/a
Tracy Clarke[1]	**0%**	**n/a**	**n/a**	6%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Michael Heaney[9]	**-8%**	**5015%**	**n/a**	21%	n/a	n/a	-12%	n/a	n/a	2%	n/a	n/a
Edmund Ng[8]	**1%**	**n/a**	**n/a**	0%	n/a	n/a	-21%	n/a	n/a	-6%	n/a	n/a
Angela Crawford-Ingle[2]	**0%**	**-16%**	**n/a**	5%	n/a	n/a	39%	n/a	n/a	n/a	n/a	n/a
Mark Hemsley[3]	**0%**	**n/a**	**n/a**	0%	n/a	n/a	29%	n/a	n/a	n/a	n/a	n/a
Kath Cates[4]	**12%**	**n/a**	**n/a**	13%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Louise Murray[5]	**-50%**	**n/a**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Amy Yip[7]	**n/a**	**n/a**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Employees	**8%**	**-1%**	**18%**	14%	2%	41%	4%	7%	-28%	2%	10%	-15%

1 Appointed as Remuneration Committee Chair on 12 May 2021.
2 Appointed to the Board on 16 March 2020.
3 Appointed to the Board on 16 March 2020.
4 Appointed to the Board on 1 February 2021.
5 Appointed to the Board on 31 December 2021 and stepped down as a Director with effect from 30 June 2023. As pro-rated fee for 2021 was negligible at £219, the percentage change is disclosed as n/a.
6 Although NED expenses tax settled through a PAYE Settlement Agreement ('PSA') is available for the 2021/2022 and 2022/2023 income tax year, information for prior years is not readily available. Year-on-year percentage change is therefore shown as n/a. Disclosure of the percentage change in taxable benefits for NEDs will be available going forwards.
7 Appointed as a Director with effect from 1 September 2023.
8 Edmund Ng stepped down as a Director with effect from 31 October 2023.
9 The increase in taxable benefits reflects the additional travel to Board and Committee meetings during the period 2022/2023.

Short-term variable pay includes annual bonus (both cash and deferred bonus). As the Parent Company does not have employees, the data above represents a voluntary disclosure against a suitable comparator group. A large portion of the Group's remuneration is payable to Brokers who earn a significant portion of their income as contractual bonus based on a formula linked to revenue. It is therefore considered that a comparison of the Executive Director's remuneration with that of UK non-broker staff is more meaningful than a comparison with all employees.

Employee calculations are based on an average percentage change in salary and short-term variable pay on a same-store comparison i.e. when comparing employees who have been employed by the firm for both performance years 2022 and 2023. The average increase in employees' short-term variable pay between 2022 and 2023 is 18%.

Fees paid to Non-executive Directors

The single total figure of remuneration for each of the Non-executive Directors who held office during the year ended 31 December 2023 was as follows:

	Fees		Benefits[4]		Total	
	2023 £000	2022 £000	**2023 £**	2022 £	**2023 £000**	2022 £000
Richard Berliand	**300**	300	**0**	739	**300**	301
Tracy Clarke	**95**	95	**0**	739	**95**	96
Michael Heaney[1]	**138**	150	**17,000**	332	**155**	150
Edmund Ng[2]	**101**	100	**0**	0	**101**	100
Angela Crawford-Ingle	**105**	105	**600**	727	**106**	106
Mark Hemsley	**90**	90	**0**	739	**90**	91
Kath Cates[1]	**118**	105	**0**	739	**118**	106
Louise Murray[3]	**40**	80	**0**	12	**40**	80
Amy Yip[5]	**45**	n/a	**0**	n/a	**45**	n/a

1 On 1 March 2023 Michael Heaney stepped down as Senior Independent Director and Kath Cates took over the role.
2 Edmund Ng stepped down as a Director with effect from 31 October 2023.
3 Louise Murray stepped down as a Director with effect from 30 June 2023.
4 Note that 2022 and 2023 disclosure is in £ not £000. The figures show expenses tax settled through a PAYE Settlement Agreement ('PSA') in respect of the 2022/2023 and 2021/2022 tax years.
5 Amy Yip was appointed as a Director with effect from 1 September 2023.

Non-executive Director fees

The fees for the Non-executive Directors for 2023 are as follows:

£m	**Fees from 1 January 2024**	Fees from 1 January 2023
Chair	£300,000	£300,000
Base fee	£70,000	£70,000
Senior Independent Director	£15,000	£15,000
Chair of the Audit, Risk and Remuneration Committees	£25,000	£25,000
Membership of the Audit, Risk and Remuneration Committees	£10,000	£10,000
Overseas-based NED supplement	£35,000	£35,000
Regional Engagement NED	£10,000	£10,000

Non-executive Directors received no other benefits or other remuneration other than reimbursement of all reasonable and properly documented travel, hotel and other incidental expenses incurred in the performance of their duties and any tax and social costs arising thereon. Non-executive Directors based overseas will be reimbursed for reasonable costs of travel and accommodation for trips to London to attend Board meetings. Any UK tax liability thereon will be met by the Company.

Voting at the 2023 AGM

At the AGM held on 17 May 2023, the following votes were cast in respect of the Report on Directors' Remuneration. The votes shown below in relation to the Directors' Remuneration Policy were cast on 11 May 2022.

	For[1,2]		Against[1]		Votes withheld[1]
	Number	%	Number	%	Number
Approval of the Directors' Remuneration Report	627,406,527	92.09	53,868,120	7.91	14,702
Approval of the Directors' Remuneration Policy	602,189,092	85.17	104,878,431	14.83	10,400

1 Votes 'For' and 'Against' are expressed as a percentage of votes cast. A 'Vote withheld' is not a vote in law.
2 Votes 'For' includes those giving the Chairman discretion.

Governance

The Directors' Remuneration Report has been prepared in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2008 (as amended by the 2013 Regulations) the UKLA Listing Rules and the UK Corporate Governance Code. The Companies Act 2006 requires the auditor to report to the Company's members on certain parts of the Directors' Remuneration Report and to state whether in their opinion those parts of the report have been properly prepared in accordance with the regulations.

The Remuneration Committee Chair's statement, the Remuneration at a Glance section and certain parts of the Annual Report on Remuneration (indicated in that report) are unaudited.

Remuneration Committee

Members of the Remuneration Committee during the year were: Tracy Clarke (Chair), Edmund Ng (until 31 October 2023), Richard Berliand (from 20 April 2023), Amy Yip (from 1 September 2023) and Michael Heaney.

Key responsibilities of the Remuneration Committee

The role of the Committee is to set the overarching principles of the Remuneration Policy and provide oversight on remuneration across the firm. The Board has delegated responsibility to the Committee for:

> Working with management to develop, formalise and approve transparent policies on remuneration for the Company's workforce, that support the Company's long-term strategic goals and are aligned to its culture;
> Reviewing the Company's remuneration policies with regard to the Company's risk appetite, alignment to the long-term strategic goals, ongoing appropriateness, and compliance with corporate governance and regulatory requirements; reviewing the ongoing appropriateness and relevance of the remuneration policies; and consulting with significant shareholders as appropriate;
> Ensuring implementation of the Company's remuneration policies is subject to review;
> Considering relationships between incentives and risk to ensure that risk management and appetite are properly considered in setting and implementing the Remuneration Policy;
> Reviewing wider workforce pay and, whilst the Committee does not directly consult employees on the remuneration policy for Executive Directors, considering mechanisms for explaining to the workforce how executive pay and any related policies are aligned with remuneration for the wider workforce;
> Keeping under review the Company's gender and ethnic pay gaps and overseeing the implementation of actions identified as being required;
> Ensuring Executive Director remuneration is in line with the most recent Directors' Remuneration Policy and that wider workforce pay has been considered when setting Executive pay;
> Setting appropriately challenging incentive targets for the Executive Directors;
> Ensuring risk management and conduct events are reflected in remuneration outcomes;
> Determining and approving the rules of any new employee share scheme or other equity-based long-term incentive programme or any new performance related pay schemes and total annual payments under such schemes;
> Reviewing and approving the total incentive pools for the non-broking workforce, save with respect to the senior management population;
> Reviewing and approving, after consultation with the Chief Executive, the level and structure of remuneration for senior management;
> Reviewing and approving the level and structure of remuneration for the Heads of Control Functions; and
> Keeping under review a formal policy for post-employment shareholding requirements encompassing both unvested and vested shares.

Key Remuneration Committee activities in 2023

The Committee's focus areas this year were:

> Assessing the performance of the Executive Directors against the financial and strategic non-financial metrics;
> Determining the financial metrics used to assess 70% of the Executive Directors' 2023 Bonus and the RSP underpin;
> Setting specific 2023 strategic performance objectives for each of the Executive Directors to assess 30% of their 2023 Annual Bonus;
> Benchmarking the remuneration of the Executive Directors;
> Reviewing risk-adjusted reward policies and processes to ensure conduct and culture are considered in all reward decisions;
> Reviewing the Company's compliance with the FCA's MIFIDPRU Remuneration Code, reviewing the Group's Material Risk Takers and related remuneration disclosure requirements;
> Reviewing all employee remuneration arrangements to ensure that the Company is able to continue to attract and retain key talent and to support employees in the context of a 'cost of living' crisis; and
> Reviewing our pension and benefits offerings across the Group to ensure that they remain competitive.

Outside directorships

Nicolas Breteau, Robin Stewart and Philip Price did not have any outside directorships from which they received any remuneration during 2023.

The alignment of Executive remuneration with wider Company pay policy

The employees of TP ICAP are critical to its long-term success and the Remuneration Committee is responsible for developing and maintaining formal and transparent policies on remuneration for the Company's employees.

Our philosophy on remuneration, that applies to all employees:

> We seek to attract and retain high-performing and motivated employees and remunerate them with a competitive base salary;
> We align reward with the delivery of the Group's business strategy, values, key priorities and long-term goals;
> We reward behaviours that both create sustainable results in line with our core values of accountability, authenticity, adaptability and do not encourage excessive risk taking and are in line with our current risk conduct framework;
> We align remuneration with the principle of protection of customers and the prevention of conflicts of interest;
> We deliver some elements of compensation as shares in the Company to align senior employee, Executive and shareholder interests; and
> We provide standard benefits that apply across all employee groups.

2024 AGM

Copies of the Executive Directors' employment contracts and the Non-executive Directors' letters of appointment are available for inspection at the registered office of the Company during normal business hours and will be available for shareholders to view at the 2024 AGM. Executive Directors have rolling contracts which may be terminated by either the Company or the Director giving 12 months' notice. Details of the contractual arrangements for the Non-executive Directors are set out in the Directors' Remuneration Policy.

Implementation of Remuneration Policy in 2024

Base salaries

It was agreed that the following increases would apply for the Executive Directors:

> Chief Executive: £800,000 (1.9% increase)
> Chief Financial Officer: £475,000 (2.2% increase)
> Group General Counsel: £480,000 (1.1% increase)

Annual bonus

The annual bonus will continue to be based on the existing scorecard of financial and strategic performance targets aligned to the business strategy, conduct and risk KPIs, with no change to the maximum bonus opportunities of 250% of base salary and 200% of base salary for the Chief Executive Officer and CFO/GGC respectively. The performance measures will be:

> Adjusted Operating Profit – 70%
> Strategic Objectives – 30%

Details of targets are deemed to be commercially sensitive and will be disclosed retrospectively in the next Directors' Remuneration Report. In addition, 50% of the total bonus awarded will be deferred into shares, pro-rata vesting over three years. The deferred share awards will also be subject to a six-month retention period following vesting.

RSP

For the RSP awards of 125% of salary to be granted to each Executive Director in March 2024, the following conditions will apply. The RSP will vest after three years, subject to the assessment of an underpin at the end of 2026. When assessing the underpin the Committee shall have regard to the Group's financial and non-financial performance over the course of the vesting period, and may take into account the following factors (amongst others) when determining whether to reduce the number of shares vesting:

> Whether threshold performance levels have been achieved for the performance conditions for the Bonus Plan for each of the three years in the vesting period;
> The underlying financial performance progression over the vesting period, considering (but not limited to) such factors as revenue, profitability, absolute/relative TSR performance, cash generation and adherence to the dividend policy (to maintain 2x adjusted earnings dividend cover); and
> Performance against strategic priorities designed to promote the long-term success of the Company including (but not limited to) operating model improvements, building on the Group's competitive advantage, digital and technology improvements, focus on ESG (including sustainability), employee satisfaction and the management of day-to-day risks.

Advice provided to the Remuneration Committee

PricewaterhouseCoopers ('PwC') provided external remuneration advice to the Remuneration Committee until May 2023. PwC was appointed by the Remuneration Committee, initially in November 2018 to provide advice to the Remuneration Committee on the development of the new Directors' Remuneration Policy and was subsequently appointed as the sole adviser to the Committee. In addition, PwC provided tax advice to the Company. PwC is a signatory to the Remuneration Consultants Group Code of Conduct which requires it to provide objective and impartial advice.

The Remuneration Committee is satisfied that the PwC engagement partner and team, which provided remuneration advice to the Committee during the year, did not have connections with TP ICAP that might impair their independence or objectivity. The fees payable for advice provided by PwC in 2023 were £45,000 (excluding VAT). Fees were charged on a fixed fee basis. The Committee is satisfied that these fees are appropriate for the work undertaken.

During 2023, Alvarez & Marsal ('A&M') were appointed as the Remuneration Committee advisers following a request for proposal ('RFP') process in early 2023. A&M were appointed by the Remuneration Committee in June 2023 to provide independent advice on remuneration policy and implementation. A&M is a signatory to the Remuneration Consultants Group Code of Conduct which requires it to provide objective and impartial advice.

The Remuneration Committee is satisfied that the A&M engagement partner and team providing remuneration advice to the Committee do not have connections with TP ICAP that might impair their independence or objectivity. The fees payable for remuneration advice provided by A&M in 2023 were £60,937 (excluding VAT), based on the consulting time required. The Committee is satisfied that these fees are appropriate for the work undertaken.

Allen & Overy LLP provided advice on law and regulation in relation to employee incentive matters. This firm also provided general legal advice to the Company. Advice was also provided on occasion by the CEO, CFO, Group General Counsel, Group Head of HR and CRO.

Approved by the Board and signed on its behalf by

Tracy Clarke
Chair
Remuneration Committee
12 March 2024

Directors' report

The Directors present their report together with the audited Consolidated Financial Statements for the year ended 31 December 2023.

TP ICAP Group plc is incorporated as a public limited company and is registered in Jersey with the registered number 130617. The Company's registered office is 22 Grenville Street, St Helier, Jersey, JE4 8PX. Although the Company is subject to Companies (Jersey) Law 1991, the following report also includes certain disclosures required for a UK incorporated company under the UK Companies Act 2006 in the interests of good governance.

As permitted by legislation, the following statements made pursuant to company law, the UK Listing Authority's Listing Rules, and the Disclosure Guidance and Transparency Rules are set out elsewhere in this Annual Report and are incorporated into this report by reference:

Disclosure	Location
Board of Directors	Board of Directors (pages 84 to 87)
Results for the year	Consolidated Income Statement (page 141)
Dividends	Strategic report (page 1, 3, 10 and 40)
DTR 7 Corporate Governance Statement (excluding DTR 7.2.6, which is covered by this Directors' report)	Governance report (pages 76 to 133)
How the Directors have engaged with and had regard to employees	Strategic report, Stakeholder engagement (page 48)
How the Directors have had regard to the need to foster business relationships with stakeholders	Strategic report, Stakeholder engagement (page 50)
Directors' share interests	Report of the Remuneration Committee (page 124)
Financial instruments	Note 30 to the Consolidated Financial Statements (pages 180 to 185)
Viability statement	Strategic report (page 54)
Going concern statement	Strategic report (page 54)
Principal risks and uncertainties	Strategic report (pages 55 to 63)
Human rights and equal opportunities	Strategic report (pages 22 to 25)
Related party transactions	Note 39 to the Consolidated Financial Statements (page 198)
Business activities and performance	Strategic report (pages 2 to 17 and 30 to 45)
Financial position	Strategic report (pages 34 to 45)
Key risk analysis	Strategic report (pages 55 to 63)
Loans and other provisions	Notes 3, 26 and 28 to the Consolidated Financial Statements (pages 147 to 157, 176 to 178, and 178 to 179)
Issued share capital	Note 31 to the Consolidated Financial Statements (page 186)
Future developments	Strategic report (pages 2 to 17)
Statement of Directors' responsibilities	Page 133

Listing Rule 9.8.4 disclosure

The trustee of the Employee Benefit Trust waived its rights to receive dividends on shares held by them. Information regarding long-term incentive schemes is contained within the Report of the Remuneration Committee (pages 110 to 129) and incorporated into this report by reference. Other than as indicated, there are no further disclosures to be made under Listing Rule 9.8.4.

Listing Rule 9.8.6(9) and 14.3.33 disclosure

The Company is supportive of the FCA's drive to increase gender and ethnicity diversity amongst the boards and executive management of premium and standard listed companies. As at 1 March 2024 the Board comprises 40% women, our Senior Independent Director is a woman, and one member of the Board is from a minority ethnic background. There have been no changes of Directors since 1 March 2024. Please see page 131 for details of the changes of Directors during 2023. Additionally, at its March 2024 Board meeting, the Board were pleased to approve and adopt a Board Diversity Policy which is available to view on our website.

Further details (numbers and percentages) on the gender and ethnic diversity of the Board and senior management as at 31 December 2023 are set on page 79. The Company's approach to collecting the data used for the purposes of making the disclosures in LR 9.8.6 R(9) and (10) is on the basis of self-reporting by individuals from a pre-populated list available in the employee self-service module.

The Nominations & Governance Committee and Board will continue to focus on the new disclosure requirements for the year ending 31 December 2024 as a part of Board and senior management succession planning. Otherwise than as indicated, there are no further disclosures to be made under Listing Rules 9.8.6(9) and 14.3.33, and DTR 7.2.8.

Post balance sheet events

There are no post balance sheet events.

Scheme of Arrangement

On 24 February 2021, the High Court of England and Wales approved a scheme of arrangement (the 'Scheme of Arrangement') pursuant to which TP ICAP Group plc became the new holding company of the TP ICAP Group. On 26 February 2021, following delivery of the Court order sanctioning the Scheme of Arrangement, the Scheme of Arrangement became effective and TP ICAP Group plc's Ordinary Shares were listed on the premium listing segment of the Official List and to trading on the London Stock Exchange plc's main market for listed securities. TP ICAP Group plc therefore replaced TP ICAP Finance plc (previously TP ICAP plc) as the ultimate parent entity of the TP ICAP Group.

Treasury shares
Ordinary shares held by the Company in treasury do not carry voting rights. If the treasury shares are subsequently sold or transferred for the purposes of satisfying an employee share scheme as permitted by the Companies (Jersey) Law 1991, then the shares, at this point, will again carry their full voting rights. Further details on treasury shares can be found in Note 32 to the financial statements.

Note that treasury shares are ordinary shares previously repurchased by the Company but not cancelled (and therefore deducted from equity and included within the Treasury share reserve) and, as they are no longer outstanding, they are excluded for earnings per share and voting rights purposes. Further details on issued share capital can be found in Note 31 to the financial statements.

Directors
The biography for each of the current Directors is set out on pages 84 to 87. Each of the Directors served on the Board of TP ICAP Group plc throughout the year, except for Amy Yip who was appointed to the Board of Directors on 1 September 2023. Louise Murray and Edmund Ng were also Directors of the Company during 2023 until they resigned from the Board on 30 June 2023 and 31 October 2023 respectively.

With regards to the appointment and replacement of Directors, the Company is governed by its Articles of Association (the 'Articles'), the Companies (Jersey) Law 1991, the UK Companies Act 2006, related legislation, and the UK Corporate Governance Code (as amended). The Articles may be amended by special resolution of the shareholders and were last amended in February 2021. The Articles provide that, at each AGM, all the Directors who held office on the date seven days before the Notice of that AGM must retire from office and each Director wishing to continue to serve must submit themselves for election or re-election by shareholders.

Directors' conflicts
The Directors are required to notify the Company of any potential conflicts of interest that may affect them in their roles as Directors of TP ICAP Group plc. All new potential conflicts of interest are recorded and reviewed by the Board as they arise, and the Register of Conflicts and Relevant Situations is reviewed at each scheduled meeting of the Nominations & Governance Committee.

Directors' interests in contracts of significance
Linked to the above, no Director declared a material interest in any contracts of significance subsisting during the period under review, to which the Company or one of its subsidiary undertakings was a party.

Directors' indemnity arrangements
The Company maintains liability insurance for its Directors and officers and, to the extent allowed by Companies (Jersey) Law 1991 and the Company's Articles of Association. This includes directors of the Company's subsidiaries. The Company provides a standard indemnity against certain liabilities that Directors may incur in their capacity as a Director of the Company. The liability insurance provided to a Director does not provide cover in the event a ruling of actual dishonest or fraudulent activity is found. The principal employer of the Tullett Prebon Pension Scheme has given indemnities to the Directors who are trustees of that Scheme.

Share capital and control
The Company has one class of ordinary shares, which carry no right to fixed income. Each share carries the right to one vote at general meetings of the Company. No shareholder has any special rights of control over the Company's share capital and all issued shares are fully paid. The voting rights of the ordinary shares held by the TP ICAP plc Employment Benefit Trust (formally the Tullett Prebon plc Employee Benefit Trust 2007) and TP ICAP Group plc Employee Benefit Trust are exercisable by the trustees in accordance with their fiduciary duties. The right to receive dividends on these shares has been waived. Details of employee share schemes are set out in Note 33 to the Consolidated Financial Statements on pages 188 to 190.

Following the Group's share buyback programme announced in August 2023, the Company's issued ordinary share capital consists of 788,670,932 ordinary shares of which a total of 16,925,189 shares are held in treasury as at 12 March 2024. The remaining 771,745,743 shares represent the total voting rights in the Company and may be used by shareholders as the denominator for the calculations by which they can determine if they are required to notify their interest in, or a change to their interest in, the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

Restriction on transfer of securities
There are no specific restrictions on the size of a holding nor on the transfer of shares, both of which are governed by the provisions in the Articles and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights, nor are there any arrangements by which, with the Company's cooperation, financial rights carried by securities are held by a person other than the holder of those securities.

Powers of the Directors
The Directors were granted at the 2023 AGM the authority to allot shares and to buy the Company's shares in the market up to a maximum of approximately 10% of its issued share capital. At the last AGM, resolutions were passed to authorise the Directors to allot up to a nominal amount of £65,722,577.50 (subject to restrictions specified in the relevant resolutions) and to purchase up to 78,867,093 ordinary shares.

During 2023 16,925,189 shares were purchased in the market under the authority granted at the 2023 AGM and are held in Treasury.

Significant agreements and change of control
The Company's banking facilities give the lenders the right not to renew loans and to cancel commitments in the event of a change of control. TP ICAP's lenders were therefore engaged in the lead up to the Scheme of Arrangement. TP ICAP's share schemes contain provisions relating to change of control, subject to the satisfaction of relevant performance conditions and pro-rata for time, if appropriate. As a consequence of the 2021 reorganisation and the Scheme of Arrangement the Company assumed the awards under the share schemes. The Company is not aware of any other significant agreements that take effect, alter or terminate upon a change of control of the Company following a takeover bid, nor any agreements with the Company and its employees or Directors for compensation for loss of office or employment that occurs because of a takeover bid.

Research and development

The Group uses various bespoke information technology in the course of its business and undertakes research and development to enhance that technology.

Employees

The Group is an inclusive employer and considers diversity to be of utmost importance. We give full and fair consideration to applications we receive from disabled persons and support those who incur a disability while employed at the Group. All opportunities of career progression and development, including promotions and training, are equally applied to all employees. All employees receive information of relevance to them and factors affecting the Group's performance through emails and our regular Group-wide newsletter, The Wire. The Group consults employees, taking into account their views in the Board's decision-making processes, using surveys to encourage employee involvement in the Company's performance. This has been supplemented by the Workforce Engagement Programme, where Mark Hemsley, Michael Heaney and Amy Yip (previously Edmund Ng) represent the Board in engaging with the workforce in EMEA, the Americas and Asia Pacific regions respectively. For more information on the progress made over the course of 2023, see Stakeholder engagement on pages 46 to 53.

Political donations

It is the Company's policy not to make cash contributions to any political party. However, within the normal activities of the Group, there may be occasions when an activity might fall within the broader definition of 'political expenditure' contained within the UK Companies Act 2006. Therefore, the Company has sought to obtain shareholder authority to make limited political donations at each AGM. During 2023, no political donations were made by the Group (2022: £nil).

Statement of Directors' responsibilities

The Directors' Statement regarding their responsibility for preparing the Annual Report is set out on the following page.

Substantial shareholders

The following table shows the holdings of the Company's total voting rights attached to the Company's issued ordinary share capital, that were notified to the Company in accordance with DTR 5 of the FCA's Disclosure Guidance and Transparency Rules as at 31 December 2023, together with information on further notifications received by the Company as at the date of this Annual Report. It should be noted that the percentages are shown as notified and that these holdings are likely to have changed since the Company was notified, however notification of any change is not required until the next notifiable threshold is crossed.

	Date of Notification	31 December 2023 %	12 March 2024 %
Liontrust Asset Management plc	20 November 2023	**9.89**	**9.89**
Schroders plc	27 October 2022	**9.87**	**9.87**
Jupiter Asset Management Limited	3 July 2020	**8.85**	**8.85**
Blackrock Inc.	31 January 2024	**5.16**	**5.31**
Ameriprise Financial Inc.	18 February 2021	**5.13**	**5.13**
Silchester International Investors LLP	17 July 2017	**5.04**	**5.04**

Greenhouse gas (GHG) emissions

TP ICAP, as an office-based business, is not engaged in activities that are generally regarded as having a high environmental impact. However, the Board has agreed that it will seek to adopt policies to safeguard the environment to meet statutory requirements or where such policies are commercially sensible.

The emission of greenhouse gases resulting from office-based business activities and business travel, is the Company's main environmental impact and statistics relating to these emissions are set out in the Strategic report on page 73.

Auditor

As outlined in the Audit Committee Report on page 105, during 2022 the Company completed a competitive tender process for the audit contract in respect of the year ending 31 December 2024. The proposal for PricewaterhouseCoopers LLP ('PwC') to be appointed as the Company's new external auditor was announced on 28 July 2022 and will be presented to shareholders for approval at the forthcoming Annual General Meeting ('AGM'). Subject to shareholder approval at the 2024 AGM, PwC will review the Group's 2024 half-year results to be published in August 2024.

Disclosure of information to the auditor

Each of the persons who is a Director at the date of approval of this Annual Report confirms that:

So far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and The Director has taken all 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.

Annual General Meeting

The AGM of the Company will be held at 2.15pm BST on 15 May 2024. Details of the resolutions to be proposed at the AGM are set out in a separate Notice of Meeting together with explanatory notes set out in a separate circular. The Notice of Meeting will be sent to all shareholders entitled to receive such notice. Only members on the register of members of the Company as at close of business on 13 May 2024 (or two days before any adjourned meeting, excluding non-business days) will be entitled to attend and vote at the AGM. Any proxy must be lodged with the Company's registrars or submitted to CREST at least 48 hours, excluding non-business days, before the AGM or any adjourned meeting thereof.

Approved by the Directors and signed on behalf of the Board.

Vicky Hart
Group Company Secretary
12 March 2024

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report, the Report of the Remuneration Committee 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 are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies (Jersey) Law 1991 and International Financial Reporting Standards ('IFRS').

Under company law, the Directors must not approve the accounts 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 the case of Group Financial Statements, IAS 1 requires that Directors:

> Select and apply accounting policies properly;
> Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
> Provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
> Make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

Each of the Directors, whose names and functions are set out on pages 84 to 87 and who are Directors as at the date of this Statement of Directors' responsibilities, confirm to the best of their knowledge that:

> The Financial Statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;
> The Strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that it faces; and
> The Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

On behalf of the Board.

Nicolas Breteau
Chief Executive Officer
12 March 2024

Report on the audit of the financial statements

1. Opinion

In our opinion the financial statements of TP ICAP Group plc (the 'parent company') and its subsidiaries (the 'Group'):

> Give a true and fair view of the state of the Group's affairs as at 31 December 2023 and of the Group's profit for the year then ended;
> Have been properly prepared in accordance with United Kingdom adopted international accounting standards; and
> Have been properly prepared in accordance with Companies (Jersey) Law, 1991.

We have audited the financial statements which comprise:

> The consolidated income statement;
> The consolidated statement of comprehensive income;
> The consolidated balance sheet;
> The consolidated statement of changes in equity;
> The consolidated cash flow statement; and
> The related notes to the consolidated financial statements 1 to 40.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted international accounting standards.

2. 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the Group for the year are disclosed in Note 5 to the financial statements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the Group or the Parent Company.

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

3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: > The impairment of Liquidnet goodwill and acquisition-related intangibles; and > Name passing revenue.
Materiality	The materiality that we used for the Group financial statements was £8.1m (2022: £8.1m) which was determined with reference to the three-year average adjusted profit before tax.
Scoping	Our Group scoping focused primarily on eight locations (2022: seven locations) with 17 subsidiaries (2022: 22 subsidiaries) subject to a full scope audit and 30 subsidiaries (2022: 10 subsidiaries) subject to specified procedures. In aggregate, these subsidiaries represent the principal business units within each of the Group's operating segments. These subsidiaries account for 92% (2022: 88%) of the Group's total assets, 92% (2022: 91%) of the Group's total liabilities, 83% (2022: 81%) of the Group's revenue, and 77% (2022: 84%) of the Group's expenses.
Significant changes in our approach	In the prior year our key audit matter was the impairment of goodwill and acquisition-related intangible assets. Having reviewed the annual impairment assessment covering all cash generating units we have refined our key audit matter to the Liquidnet goodwill and acquisition related intangibles. Additionally, we reflected on the areas of audit where we spend the most time. Name Passing revenue accounts for approximately 62% of the Group's revenue and, as a result, represents a significant portion of our audit effort. Therefore we identified this as a key audit matter in the current year.

4. 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 Group's ability to continue to adopt the going concern basis of accounting included:

> Assessing the sophistication of the models used to prepare the forecasts, testing of the arithmetic accuracy of those forecasts, and assessing the historical accuracy of forecasts prepared by management;
> Assessing the underlying data and key assumptions used to make the directors' assessment, including cash flow forecasts, capital and liquidity requirements;
> Assessing financing facilities including the nature of facilities, repayment terms, and covenants;
> Assessing the linkage to business model and medium-term risks, including geopolitical and interest rate risks;
> Assessing the Group's forecasts, including considering the amount of headroom in the forecasts and stressed scenarios;
> Assessing whether the stressed scenarios are sufficiently severe;
> Performing our own stress tests in relation to key assumptions;
> Evaluating directors' plans for future actions, including evaluating the feasibility of the mitigating actions that they control; and
> Assessing the related going concern disclosures in the financial statements.

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 Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the reporting on how the Group has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Impairment of Liquidnet goodwill and acquisition-related intangible assets

Key audit matter description	The Group holds goodwill of £148m (2022: £205m) and acquisition-related intangible assets, predominantly customer relationships, related to the acquisition of the Liquidnet. As of 30 November 2023, the group has disaggregated the Liquidnet Platform CGU (formerly known as Liquidnet acquired business) into the Liquidnet Credit and Liquidnet Equities CGUs and subsequently Liquidnet Credit has been merged into the Global Broking Group of CGUs. As detailed in the Group's accounting policy (Note 3, on pages 148 and 149), acquisition-related intangible assets are reviewed for indicators of impairment at each balance sheet date and, if an indicator of impairment exists, an impairment assessment is performed. Goodwill is assessed for impairment at least annually, irrespective of whether or not indicators of impairment exist. The Group performs its annual impairment assessment at 30 September. Impairment assessments are performed by comparing the carrying amount of each CGU, or Group of CGUs, to its recoverable amount, using the higher of value in use ('VIU') or fair value less costs to dispose ('FVLCD'). The FVLCD approach was used to assess the recoverable amount of the Liquidnet Platform CGU and the related customer relationships, as at 30 September 2023. The impairment assessment requires management judgement in the estimation of future cash flows, including revenue growth, contribution margin, and the selection of a suitable discount rate. As a result, these assessments are inherently subjective with an increased risk of material misstatement due to fraud or error. The Group has recognised an impairment charge of £86m (£76m net of deferred tax). This impairment reduced the Liquidnet Platform goodwill balance from £200m to £153m and the Liquidnet client-relationship intangible assets from £110m to £71m excluding the impact of deferred tax. Goodwill and acquisition-related intangible assets' disclosures are included in the Significant Items section of the Financial and Operating Review Report on page 38, the Report of the Audit Committee in the 2023 Annual Report and Accounts on page 103 and Notes 3, 4, 5 and 13 to the Consolidated Financial Statements.
How the scope of our audit responded to the key audit matter	We obtained an understanding of relevant controls in relation to the impairment review process for goodwill and acquisition-related intangible assets. We challenged the assumptions used in the impairment reviews, in particular the forecast revenue and contribution growth rates and discount rate used by the Group in its impairment test of the Liquidnet Platform CGU as at 30 September 2023. For forecast revenue and contribution growth rate assumptions, we challenged management's assumptions with reference to recent performance, including comparing growth rates to those achieved historically and to external market data, where available. Working with our valuations specialists, we independently derived a discount rate and compared this to the rate used by the Group. Additionally, we benchmarked the discount rate used by the Group to external peer data. We performed scenario analysis and stressed key assumptions with reference to historical performance. We also assessed for impairment triggers between 30 September 2023 and 31 December 2023 for both the Liquidnet Credit and Liquidnet Equities CGUs. Additionally, given the sensitivity of the FVLCD model to reasonably possible changes in the revenue and discount rate assumptions, we reviewed management's sensitivity disclosures in Note 13, including areas of key estimation uncertainty (Note 3y). For acquisition-related intangible assets, we evaluated and challenged the accuracy of inputs in the impairment assessment produced by management and corroborated inputs to supporting evidence. We also assessed for impairment triggers between 30 September 2023 and 31 December 2023.
Key observations	We concur with management's conclusion to recognise a £47m impairment of Liquidnet goodwill and a £39m impairment of customer relationships, and concluded that the disclosures are reasonable.

5.2. Name Passing revenue

Key audit matter description	Name Passing revenue is earned for the service of matching buyers and sellers of financial instruments. The Group is not a counterparty to the trade and commissions are invoiced for the service provided by the Group. Name Passing revenue is the Group's largest revenue stream and accounts for approximately 62% of total revenue (Note 4). In 2023, the Group recognised Name Passing revenue of £1,361m (2022 restated: £1,310m). There is a risk that incorrect brokerage rates are used to calculate revenue and this risk increases where amendments are made to contractual fees, held in the relevant systems, due to permissible manual intervention by brokers. Additionally, there is a longer cash collection period for Name Passing revenue compared to other revenue streams. At 31 December 2023, the group had trade debtors of £309m (2022: £388m) and the majority of this is related to Name Passing revenue. The testing of Name Passing revenue and associated debtors represents a significant portion of our audit effort and is, therefore, considered to be a key audit matter.
How the scope of our audit responded to the key audit matter	We obtained an understanding of relevant controls relating to the calculation of Name Passing revenue, invoicing, and cash collection. We observed deficiencies in the controls over the entry of, and amendments to, brokerage rates and exception reporting. As a result, we did not rely on controls and modified the nature and extent of our substantive procedures. For a sample of trades, we recalculated revenue based on the contractual rate cards or, where amendments were made, correspondence with customers to support the change. For paid invoices, we agreed the amounts to cash received. Where amounts remained unpaid, we sent letters directly to customers to confirm the amount outstanding. Where responses were not received, we inspected correspondence between the Group and the customer to assess the amount and recoverability.
Key observations	We concluded that Name Passing revenue was appropriately recognised in the year.

6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Group financial statements

Materiality	£8.1m (2022: £8.1m)
Basis for determining materiality	We have used 5% of the three-year average profit before tax, excluding significant items as set out on page 39, but including the amortisation of intangible assets arising on consolidation. Materiality equates to less than 1% (2022: less than 1%) of total equity.
Rationale for the benchmark applied	In determining the Group materiality, we considered a number of factors, including the needs and interests of the users of the Group financial statements. Adjusted profit before tax is considered to be the key metric for the users of the financial statements and, as detailed above, we have used a three-year average in the current year as it is a more stable metric considering the volatility of profits in recent years. Our metric includes amortisation of intangible assets arising on consolidation because, even though it is part of the significant items on page 159, it is a recurring cost and, therefore, reflects ongoing business performance.

6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

Group performance materiality was set at 70% of Group materiality for the 2023 audit (2022: 65%). In determining performance materiality, we considered the following factors:

> The fact that the control environment remains decentralised and reliant on manual processes;
> The reduced operational and control risk in the current year following integration of the Liquidnet business;
> Our past experience of the audit, which has indicated a low number of uncorrected misstatements identified in prior periods; and
> Our risk assessment, which has indicated no changes in the business that could affect our ability to forecast potential misstatements.

6.3. Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £0.4m (2022: £0.4m), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

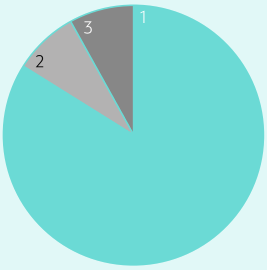
7.1. Identification and scoping of components

The Group operates globally with significant operations in the United Kingdom, United States of America, European Union, and Singapore. Our Group audit scope focused primarily on eight locations (2022: seven locations) with 17 subsidiaries (2022: 22 subsidiaries) subject to a full scope audit and 30 subsidiaries (2022: 10 subsidiaries) subject to specified audit procedures. In aggregate, these subsidiaries represent the principal business units within each of the Group's operating segments.

These subsidiaries account for 92% (2022: 88%) of the Group's total assets, 92% (2022: 91%) of the Group's total liabilities, 83% (2022: 81%) of the Group's revenue and 77% (2022: 84%) of the Group's expenses. There have not been any significant changes to our audit approach compared to prior year.

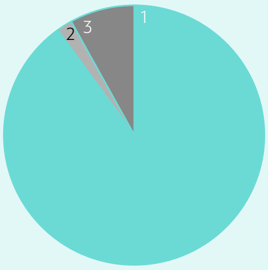
The subsidiaries were selected based on their quantitative contribution to the Group and qualitative risk factors. Our audits of each of the subsidiaries were performed using lower levels of materiality based on their size relative to the Group. The materiality for each subsidiary audit ranged from £2.8m to £4.0m (2022: £2.6m to £3.1m). We tested the Group's consolidation process and carried out analytical procedures to confirm that there were no significant risks of material misstatement in the aggregated financial information of the remaining subsidiaries not subject to a full scope audit or specified audit procedures.

Assets



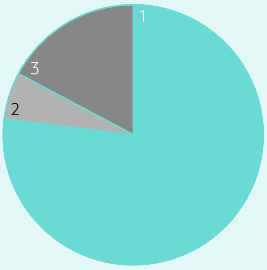
1 Full audit scope **84%**
2 Specified audit procedures **8%**
3 Analytical review at Group level **8%**

Liabilities



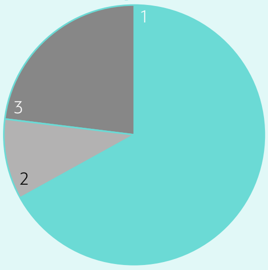
1 Full audit scope **90%**
2 Specified audit procedures **2%**
3 Analytical review at Group level **8%**

Revenue



1 Full audit scope **77%**
2 Specified audit procedures **6%**
3 Analytical review at Group level **17%**

External Expenses



1 Full audit scope **67%**
2 Specified audit procedures **10%**
3 Analytical review at Group level **23%**

7.2. Our consideration of the control environment

The Group uses a number of different IT systems across components, and we worked with our IT specialists to test the General IT controls for relevant systems. Although we rely on controls for certain revenue streams, the control environment remains decentralised, reliant on manual processes to mitigate IT control deficiencies and further improvements would be required in order for us to adopt a wider controls-reliant approach.

7.3. Our consideration of climate-related risks

In planning our audit, we have considered the potential impact of climate change on the Group's business and its financial statements. The Group continues to develop its assessment of and response to the potential impacts of environmental, social and governance ('ESG') related risks, including climate change, as outlined in the Sustainability Report and other climate related disclosures.

We held discussions with management to understand the process for identifying climate-related risks, the consideration of mitigating actions and the impact on the Group's financial statements which can be found in the Task Force on Climate-related Financial Disclosures ('TCFD') section of the Sustainability Report (pages 64 to 75) and Note 13 to the financial statements. Management do not expect any material climate change related financial impact on their business. We performed our own qualitative risk assessment of the potential impact of climate change on the Group's account balances and classes of transactions based on our understanding of the nature of the Group's underlying operations.

We read the climate-related disclosures included in the annual report and considered whether they are materially consistent with the financial statements and our knowledge obtained in the audit.

7.4. Working with other auditors

The Group audit team maintained dialogue with all component auditors throughout all phases of the audit and received written reports from component auditors setting out the results of their audit procedures. The Senior Statutory Auditor met with key members of overseas management in person and remotely. The Group audit team performed a file review of the work performed by all component auditors.

8. 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 our 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, 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 Group'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 Group or to cease operations, or have no realistic alternative but to do so.

10. 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.

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

11. Extent to which 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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

> The nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for Directors' remuneration, bonus levels and performance targets;
> The Group's own assessment of the risks that irregularities may occur either as a result of fraud or error that was approved by the Board on 11 March 2024;
> Results of our enquiries of management, internal audit, the Directors and the audit committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Group's sector;
> Any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
  — Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance, including their assessment of open litigation and regulatory matters as disclosed in Note 28 and Note 37;
  — Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  — The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
> The matters discussed among the audit engagement team including significant component audit teams and relevant internal specialists, including tax, valuations, IT specialists, and industry specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following area: the impairment of goodwill and acquisition-related intangible assets. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies (Jersey) Law, 1991, UK Companies Act, Listing Rules, pensions legislation, and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty. These included the requirements of the FCA.

11.2. Audit response to risks identified

As a result of performing the above, we identified impairment of Liquidnet goodwill and acquisition-related intangible assets as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

> Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
> Inquiring of management, the audit committee, in-house, and external legal counsel concerning actual and potential litigation and claims;
> Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
> Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC and regulators, including the FCA; and
> In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and significant component audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinion on other matter prescribed by our engagement letter

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the provisions of the UK Companies Act 2006 as if that Act had applied to the Parent Company.

13. Corporate Governance Statement

The Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

> The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 54;
> The Directors' explanation as to its assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 54;
> The Directors' statement on fair, balanced and understandable set out on page 102;
> The Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 54;
> The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 55; and
> The section describing the work of the audit committee set out on page 103.

14. Matters on which we are required to report by exception

14.1. Adequacy of explanations received and accounting records

Under the Companies (Jersey) Law, 1991 we are required to report to you if, in our opinion:

> We have not received all the information and explanations we require for our audit; or
> Proper accounting records have not been kept by the parent company, or proper 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.

We have nothing to report in respect of these matters.

15. Other matters which we are required to address

15.1. Auditor tenure

Following the recommendation of the audit committee, we were appointed by a predecessor company of the Group in 2001 to audit the financial statements for the year ending 31 December 2001 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 23 years, covering the years ending 31 December 2001 to 31 December 2023.

Due to mandatory firm rotation, we will be resigning as the Group external auditor after completion of the 31 December 2023 year end audit.

15.2. Consistency of the audit report with the additional report to the audit committee

Our audit opinion is consistent with the additional report to the audit committee we are required to provide in accordance with ISAs (UK).

16. Use of our report

This report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law, 1991. 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 those matters we have expressly agreed to report to them on in our engagement letter. 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.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.15R – DTR 4.1.18R, these financial statements form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

Fiona Walker, FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

12 March 2024

Consolidated Income Statement
for the year ended 31 December 2023

	Notes	2023 £m	2022 £m
Revenue	4	**2,191**	2,115
Employment, compensation and benefits		**(1,360)**	(1,320)
General and administrative expenses		**(511)**	(506)
Depreciation of property, plant and equipment and right-of-use assets		**(45)**	(49)
Impairment of property, plant and equipment and right-of-use assets		**(11)**	(9)
Amortisation of intangible assets		**(72)**	(78)
Impairment of intangible assets		**(86)**	(20)
Total operating costs	5	**(2,085)**	(1,982)
Other operating income	6	**22**	30
Earnings before interest and tax		**128**	163
Finance income	8	**34**	8
Finance costs	9	**(66)**	(58)
Profit before tax		**96**	113
Taxation	10	**(40)**	(36)
Profit after tax		**56**	77
Share of results of associates and joint ventures	18,19	**25**	29
Impairment of associates	18	**(5)**	–
Profit for the year		**76**	106
Attributable to:			
Equity holders of the parent		**74**	103
Non-controlling interests		**2**	3
		76	106
Earnings per share:			
Basic	11	**9.5p**	13.2p
Diluted	11	**9.3p**	13.0p

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Consolidated Statement of Comprehensive Income
for the year ended 31 December 2023

	Notes	2023 £m	2022 £m
Profit for the year		**76**	106
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit pension schemes	38(a)	**46**	–
Taxation	10	**(16)**	–
		30	–
Items that may be reclassified subsequently to profit or loss:			
(Loss)/gain on translation of foreign operations		**(83)**	153
Taxation	10	**2**	(5)
		(81)	148
Other comprehensive (loss)/income for the year		**(51)**	148
Total comprehensive income for the year		**25**	254
Attributable to:			
Equity holders of the parent		**24**	250
Non-controlling interests		**1**	4
		25	254

Consolidated Balance Sheet
as at 31 December 2023

	Notes	31 December 2023 £m	31 December 2022 £m
Non-current assets			
Intangible assets arising on consolidation	13	**1,605**	1,780
Other intangible assets	14	**110**	97
Property, plant and equipment	15	**92**	110
Investment properties	16	**12**	–
Right-of-use assets	17	**136**	165
Investment in associates	18	**51**	63
Investment in joint ventures	19	**38**	34
Other investments	20	**19**	23
Deferred tax assets	22	**41**	15
Retirement benefit assets	38	**3**	1
Other long-term receivables	23	**33**	51
		2,140	2,339
Current assets			
Trade and other receivables	23	**2,279**	2,198
Financial assets at fair value through profit or loss	25	**569**	264
Financial investments	21	**189**	174
Cash and cash equivalents	36	**1,029**	888
		4,066	3,524
Total assets		**6,206**	5,863
Current liabilities			
Trade and other payables	24	**(2,372)**	(2,149)
Financial liabilities at fair value through profit or loss	25	**(541)**	(255)
Loans and borrowings	26	**(93)**	(9)
Lease liabilities	27	**(28)**	(29)
Current tax liabilities		**(35)**	(37)
Short-term provisions	28	**(14)**	(9)
		(3,083)	(2,488)
Net current assets		**983**	1,036
Non-current liabilities			
Loans and borrowings	26	**(744)**	(785)
Lease liabilities	27	**(223)**	(250)
Deferred tax liabilities	22	**(51)**	(85)
Long-term provisions	28	**(31)**	(31)
Other long-term payables	29	**(5)**	(60)
Retirement benefit obligations	38	**(4)**	(3)
		(1,058)	(1,214)
Total liabilities		**(4,141)**	(3,702)
Net assets		**2,065**	2,161
Equity			
Share capital	31,32(a)	**197**	197
Other reserves	32(b)	**(963)**	(854)
Retained earnings	32(c)	**2,814**	2,800
Equity attributable to equity holders of the parent		**2,048**	2,143
Non-controlling interests	32(c)	**17**	18
Total equity		**2,065**	2,161

The Consolidated Financial Statements of TP ICAP Group plc (registered number 130617) were approved by the Board of Directors and authorised for issue on 12 March 2024 and are signed on its behalf by

Nicolas Breteau
Chief Executive Officer

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Consolidated Statement of Changes in Equity

for the year ended 31 December 2023

	Equity attributable to equity holders of the parent (Note 32)								Note 32(c)	
	Share capital £m	Re-organisation reserve £m	Revaluation reserve £m	Hedging and translation £m	Treasury shares £m	Own shares £m	Retained earnings £m	Total £m	Non-controlling interests £m	Total equity £m
2023										
Balance at 1 January 2023	**197**	**(946)**	**5**	**109**	**–**	**(22)**	**2,800**	**2,143**	**18**	**2,161**
Profit for the year	–	–	–	–	–	–	74	74	2	76
Other comprehensive (loss)/income for the year	–	–	–	(80)	–	–	30	(50)	(1)	(51)
Total comprehensive (loss)/income for the year	–	–	–	(80)	–	–	104	24	1	25
Dividends paid	–	–	–	–	–	–	(99)	(99)	(2)	(101)
Share settlement of share-based awards	–	–	–	–	–	9	(10)	(1)	–	(1)
Own shares acquired for employee trusts	–	–	–	–	–	(7)	–	(7)	–	(7)
Own shares acquired/share buyback	–	–	–	–	(29)	–	–	(29)	–	(29)
Disposal of equity instruments at FVTOCI	–	–	(2)	–	–	–	2	–	–	–
Credit arising on share-based awards	–	–	–	–	–	–	17	17	–	17
Balance at 31 December 2023	**197**	**(946)**	**3**	**29**	**(29)**	**(20)**	**2,814**	**2,048**	**17**	**2,065**

	Equity attributable to equity holders of the parent (Note 32)								Note 32(c)	
	Share capital £m	Re-organisation reserve £m	Revaluation reserve £m	Hedging and translation £m	Treasury shares £m	Own shares £m	Retained earnings £m	Total £m	Non-controlling interests £m	Total equity £m
2022										
Balance at 1 January 2022	197	(946)	5	(38)	–	(26)	2,769	1,961	17	1,978
Profit for the year	–	–	–	–	–	–	103	103	3	106
Other comprehensive income for the year	–	–	–	147	–	–	–	147	1	148
Total comprehensive income for the year	–	–	–	147	–	–	103	250	4	254
Dividends paid	–	–	–	–	–	–	(78)	(78)	(3)	(81)
Share settlement of share-based awards	–	–	–	–	–	7	(7)	–	–	–
Own shares acquired for employee trusts	–	–	–	–	–	(3)	–	(3)	–	(3)
Credit arising on share-based awards	–	–	–	–	–	–	13	13	–	13
Balance at 31 December 2022	197	(946)	5	109	–	(22)	2,800	2,143	18	2,161

Consolidated Cash Flow Statement

for the year ended 31 December 2023

	Notes	2023 £m	2022 £m
Net cash flow from operating activities	35	**270**	324
Investing activities			
Purchase of financial investments	36	**(19)**	(50)
Interest received		**30**	7
Dividends from associates and joint ventures	18,19	**22**	15
Expenditure on intangible fixed assets	14	**(43)**	(35)
Purchase of property, plant and equipment	15	**(12)**	(18)
Sale of property, plant and equipment		**–**	12
Deferred consideration paid	34	**(1)**	(10)
Sale of other investments	20	**3**	–
Investment in associates	18	**(5)**	–
Disposal of associate and joint ventures	18,19	**10**	1
Receipt of pension scheme surplus[1]	38	**46**	–
Net cash flow from investment activities		**31**	(78)
Financing activities			
Dividends paid	12	**(99)**	(78)
Dividends paid to non-controlling interests	32(c)	**(2)**	(3)
Own shares acquired/share buyback	32(b)	**(29)**	–
Own shares acquired for employee trusts	32(b)	**(7)**	(3)
Dividend equivalent paid on equity share-based awards		**(1)**	–
Net repayment of bank loans[2]	36	**–**	–
Net (repayment)/borrowing of loans from related parties[2]	36	**–**	(47)
Funds received from issue of Sterling Notes	26	**249**	–
Repurchase of Sterling Notes	26	**(210)**	–
Bank facility arrangement fees and debt issue costs		**(2)**	(3)
Payment of lease liabilities	36	**(29)**	(29)
Net cash flow from financing activities		**(130)**	(163)
Increase in cash and overdrafts	36	**171**	83
Cash and overdrafts at the beginning of the year		**888**	767
Effect of foreign exchange rate changes	36	**(40)**	38
Cash and overdrafts at the end of the year	36	**1,019**	888
Cash and cash equivalents	36	**1,029**	888
Overdrafts	36	**(10)**	–
		1,019	888

1 Represents the cash inflow resulting from the repayment of the UK pension scheme surplus by the Trustees. This has been classified as investing activities reflecting the realisation of the underlying investments held within the scheme prior to the proceeds being transferred to the Group, rather than an operational return of historic contributions (Note 38). £16m of associated tax is included in 'income taxes paid'.

2 The Group utilises credit facilities throughout the year, entering into numerous short-term bank and other loans where maturities are less than three months. The turnover is quick and the volume is large and resultant flows are presented net. Further details are set out in Note 26.

1. General information

As at 31 December 2023 TP ICAP Group plc (the 'Company') was a public company limited by shares incorporated in Jersey under the Companies (Jersey) Law 1991. The Company's shares are listed on the London Stock Exchange with a premium listing. It is the ultimate parent undertaking of the TP ICAP group of companies (the 'Group').

The address of the registered offices of the Company is given on page 200. The nature of the Group's operations and its principal activities are set out in the Directors' report on pages 130 to 132 and in the Strategic Report on pages 12 to 75.

The Company has taken advantage of the exemption provided in Article 105 (11) of the Companies (Jersey) Law 1991 and therefore does not present its individual financial statements and related notes.

2. Basis of preparation

(a) Basis of accounting

The Group's Consolidated Financial Statements have been prepared in accordance with UK adopted International Accounting Standards in conformity with the requirements of the Companies (Jersey) Law 1991.

The Financial Statements are presented in Pounds Sterling because that is the currency of the primary economic environment in which the Group operates and are rounded to the nearest million pounds (expressed as £m), except where otherwise indicated. The significant accounting policies are set out in Note 3.

The Financial Statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments held at fair values at the end of each reporting period, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these Consolidated Financial Statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as value in use in IAS 36.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

> Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
> Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
> Level 3 inputs are unobservable inputs for the asset or liability.

(b) Basis of consolidation

The Group's Consolidated Financial Statements incorporate the Financial Statements of the Company and entities controlled by the Company made up to 31 December each year. Under IFRS 10 'Consolidated Financial Statements', control is achieved where the Company exercises power over an entity, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to use its power to affect the returns from the entity.

The results of subsidiaries acquired or disposed of during the year are included in the Consolidated Income Statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All inter-company transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. Other non-controlling interests are initially measured at fair value. The choice of measurement is made on an acquisition by acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interest having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any differences between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets, including goodwill, less liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control was lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

2. Basis of preparation continued

(c) Going concern

The Directors of the Company have, at the time of approving the Financial Statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the Group's Consolidated Financial Statements. Further detail is contained in the going concern section and viability statement included in the Strategic Report on page 54.

(d) Adoption of new and revised Standards

The following new and revised Standards and Interpretations have been endorsed by the UK Endorsement Board and are effective from 1 January 2023 but they do not have a material effect on the Group's Consolidated Financial Statements:

- IFRS 17 'Insurance Contracts' including Amendments to IFRS 17;
- Amendments to IAS 12 'Income Taxes', Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
- Amendments to IAS 8 'Accounting policies', Changes in Accounting Estimates and Errors – Definition of Accounting Estimates;
- Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 – 'Disclosure of Accounting policies'; and
- Amendments to IAS 12 'Income Taxes', International Tax Reform—Pillar Two Model Rules. In respect of this amendment the Group has applied the mandatory exception from recognising and disclosing information about deferred tax assets and liabilities related to Pillar 2 income taxes.

At the date of authorisation of these Consolidated Financial Statements, the following new and revised Standards and Interpretations were in issue but not yet effective. The Group has not applied these Standards or Interpretations in the preparation of these Consolidated Financial Statements:

- Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures': Supplier Finance Arrangements;
- Amendments to IAS 1 'Presentation of Financial Statements', Classification of Liabilities as Current or Non-Current; and
- Amendments to IFRS 16 'Leases', Lease Liability in a Sale and Leaseback.

The following Standards and Interpretations have not been endorsed by the UK and have not been applied in the preparation of these Consolidated Financial Statements:

- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates': Lack of Exchangeability.

The Directors do not expect the adoption of the above Standards and Interpretations will have a material impact on the Consolidated Financial Statements of the Group in future periods.

3. Summary of significant accounting policies

(a) Income recognition

Revenue, which excludes sales taxes, includes brokerage including commissions, fees earned and subscriptions for information sales. Fee income is recognised when the related services are completed and the income is considered receivable.

Each segment comprises the following types of revenue:

(i) Name Passing brokerage, where counterparties to a transaction settle directly with each other. Revenue for the service of matching buyers and sellers of financial instruments is stated net of sales taxes, rebates and discounts and is recognised in full on trade date (point in time recognition);

(ii) Matched Principal brokerage revenue, being the net proceeds from a commitment to simultaneously buy and sell financial instruments with counterparties, is recognised on settlement date;

(iii) Executing Broker brokerage, where the Group executes transactions on certain regulated exchanges and then 'gives-up' the trade to the relevant client, or its clearing member. Revenue for the service of matching buyers and sellers of financial instruments is stated net of sales taxes, rebates and discounts and is recognised in full on trade date (point in time recognition);

(iv) Introducing Broker brokerage, where the Group arranges matched transactions where the counterparties transact through a third-party clearing entity acting as principal. Revenue for the service of matching buyers and sellers of financial instruments is stated net of sales taxes, rebates and discounts and is recognised in full on trade date (point in time recognition);

(v) Fees earned from the sales of price information from financial and commodity markets to third parties are recognised on an accruals basis to match the provision of the service (recognised over time). In relation to these contracts the Group has a right to consideration in an amount that corresponds directly with the value to the customer of the Group's performance completed to date. In respect of contracts for the sale of price information from financial and commodity markets, the Group has applied the practical expedient in IFRS 15, allowing for the non-disclosure of both the amount of the transaction price allocated to the remaining performance obligations, and an explanation of when it expects to recognise that amount; and

(vi) Fees from the sales of price information from financial and commodity markets that are provided over time, but which are contingent on the validation of price information usage, are recognised once usage has been verified (point in time).

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Dividend income from investments is recognised when the Group's right to receive the payment is established.

3. Summary of significant accounting policies continued

(b) Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition costs are recognised in profit or loss as incurred.

Where applicable, deferred consideration for the acquisition includes any asset or liability resulting from a non-contingent or contingent consideration arrangement, measured at its acquisition date fair value. Subsequent changes in such fair values of contingent consideration are adjusted against the cost of the acquisition where they qualify as measurement period adjustments. The measurement period is the period from the date of acquisition to the date the Group obtains complete information about the facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year. All subsequent changes in the fair value of contingent consideration classified as an asset or a liability are accounted for in accordance with relevant IFRSs. The cash settlement of deferred consideration is reported as part of investing activities in the cash flow. Deferred consideration classified as equity is not remeasured (outside of the measurement period) with subsequent settlement accounted for within equity.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date and any resulting gain or loss is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest was disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 (2008) are recognised at their fair value at the acquisition date, except that:

> Deferred tax assets or liabilities are recognised and measured in accordance with IAS 12 'Income Taxes';
> Liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 19 'Employee Benefits';
> Acquiree share-based payment awards replaced by Group awards are measured in accordance with IFRS 2 'Share-based Payments';
> Assets or disposal groups that are classified for sale are measured in accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'; and
> Lease liabilities are valued based on the present value of the remaining lease payments. Right-of-use-assets are measured at the same amount of the lease liability, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, provisional amounts are reported. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities recognised, to reflect the facts and circumstances that existed as at the acquisition date.

Non-controlling interests in the acquired entity are initially measured at the non-controlling interest's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

(c) Investment in associates

An associate is an entity over which the Group is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating decisions of the investee but is not control or joint control over these policies.

The results and assets and liabilities of associates are incorporated in these Financial Statements based on financial information made up to 31 December each year using the equity method of accounting, except when classified as held for sale. Investments in associates are carried in the balance sheet at cost as adjusted by post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of the associates in excess of the Group's interest in those associates are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the fair values of the identifiable net assets of the associate at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any discount in the cost of acquisition below the Group's share of the fair value of the identifiable net assets of the associate at the date of acquisition (discount on acquisition) is credited to profit and loss in the year of acquisition.

Where a Group company transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate. Losses may provide evidence of impairment of the asset transferred in which case appropriate provision is made for impairment.

(d) Interests in joint arrangements

A joint arrangement is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control.

Joint ventures are joint arrangements which involve the establishment of a separate entity in which each party has rights to the net assets of the arrangement. The Group reports its interests in joint ventures using the equity method of accounting, based on financial information made up to 31 December each year. Investments in joint ventures are carried in the balance sheet at cost as adjusted by post-acquisition changes in the Group's share of the net assets of the joint venture, less any impairment in the value of individual investments. Losses of the joint venture in excess of the Group's interest in those joint ventures are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments under the terms of the joint venture.

(e) Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary or associate at the date of acquisition. Goodwill is initially recognised at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill arising on acquisitions before the date of transition to IFRS has been retained at the previous UK GAAP amounts at that date.

3. Summary of significant accounting policies continued

(e) Goodwill continued

Goodwill recognised as an asset is reviewed for impairment at least annually. Any impairment loss is recognised as an expense immediately and is not subsequently reversed. For the purpose of impairment testing goodwill is allocated to groups of individual cash-generating units ('CGUs') expected to benefit from the synergies of the combination. CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than the carrying amount of any goodwill allocated to the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Goodwill arising on the acquisition of an associate or joint venture is included within the carrying value of the associate or the joint venture. Goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet.

On disposal of a subsidiary, associate or joint venture, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(f) Intangible assets

Software and software development costs

An internally generated intangible asset arising from the Group's software development is recognised at cost only if all of the following conditions are met:

> An asset is created that can be identified;
> It is probable that the asset created will generate future economic benefits; and
> The development costs of the asset can be measured reliably.

Where the above conditions are not met, costs are expensed as incurred.

Acquired separately or from a business combination

Intangible assets acquired separately are capitalised at cost and intangible assets acquired in a business acquisition are capitalised at fair value at the date of acquisition. The useful lives of these intangible assets are assessed to be either finite or indefinite. Amortisation charged on assets with a finite useful life is taken to the income statement through administrative expenses.

Other than software development costs, intangible assets created within the business are not capitalised and expenditure is charged to the income statement in the year in which the expenditure is incurred.

Intangible assets are amortised over their finite useful lives generally on a straight-line basis, as follows:

Software:	
Purchased or developed	– up to 5 years
Software licences	– over the period of the licence
Acquisition intangibles:	
Brand/Trademarks	– up to 5 years
Customer relationships	– 2 to 20 years
Other intangibles	– over the period of the contract

Intangible assets are subject to impairment review if there are events or changes in circumstances that indicate that the carrying amount may not be recoverable.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

(g) Property, plant and equipment

Freehold land is stated at cost. Buildings, furniture, fixtures, equipment and motor vehicles are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset on a straight-line basis over its expected useful life as follows:

Furniture, fixtures and equipment	– 3 to 10 years
Short and long leasehold land and buildings	– period of the lease
Freehold land	– infinite
Freehold buildings	– 50 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

(h) Investment property

Investment properties, principally office buildings, are held for long-term rental yields and are not occupied by the Group. When the use of a property changes from owner-occupied to unlet, or sub-let under an operating lease, it is classified as an investment property.

Where the Group is an intermediate lessor, it is required to account for its interests in the head lease and the sub-lease separately. The Group assesses the classification of each sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. Sub-leases classified as operating leases are included within investment properties and those classified as finance leases are reported as finance lease receivables.

When a right-of-use-asset is reclassified to investment property, the right-of-use-asset is first remeasured to fair value then reclassified. Any gain or loss arising on this remeasurement of the right-of-use asset is recognised in profit or loss.

Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise. Fair value is based on valuation methods, such as recent prices or discounted cash flow projections. Valuations are performed as at the financial position date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. Valuations are level 3 fair values.

3. Summary of significant accounting policies continued

(i) Impairment of tangible and intangible assets excluding goodwill

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets with finite lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs. Intangible assets with indefinite useful lives are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less any cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(j) Broker contract payments

Payments made to brokers under employment contracts which are in advance of the expected economic benefit due to the Group are accounted for as prepayments and included within trade and other receivables. Payments made in advance are subject to repayment conditions during the contract period and the prepayment is amortised over the shorter of the contract term and the period the payment remains recoverable. Amounts that are irrecoverable, or become irrecoverable, are written off immediately.

Payments made in arrears are accrued and are included within trade and other payables.

(k) Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group has become a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities subsequently measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities that are subsequently measured at fair value through profit or loss are recognised immediately in profit or loss.

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

The classification of financial assets is based both on the business model within which the asset is held and the contractual cash flow characteristics of the asset.

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

> The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
> The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income ('FVTOCI'):

> The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
> The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss ('FVTPL').

The Group may make the following irrevocable elections or designations at initial recognition of a financial asset:

> To irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
> To irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Debt instruments at FVTOCI

Debt instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method are recognised in profit or loss.

All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated in the revaluation reserve. When such assets are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

Equity instruments at FVTOCI

On initial recognition, the Group may make an irrevocable election, on an instrument-by-instrument basis, to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

> It has been acquired principally for the purpose of selling it in the near term; or
> On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
> It is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

(k) Financial instruments continued

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included as finance income in profit or loss.

The Group has designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of IFRS 9.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

> Financial assets held for trading, having been acquired for the purpose of fulfilling a sell commitment either immediately meeting or in the very near term. Regular way purchases are recognised at fair value on settlement date, however fair value movements between trade date and settlement date are recognised in profit or loss with the associated asset or liability recorded in financial assets or financial liabilities at fair value through profit or loss until the asset is recognised;
> Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition; and
> Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. Debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in finance income.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. On derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ('ECL') on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. Lifetime ECL represents the expected credit losses that will result from all reasonably possible default events over the expected life of a financial instrument. 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

> An actual or expected significant deterioration in the financial instrument's external or internal credit rating;
> Significant deterioration in external market indicators of credit risk for a particular financial instrument;
> Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
> An actual or expected significant deterioration in the operating results of the debtor; and
> Significant increases in credit risk on other financial instruments of the same debtor; an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

3. Summary of significant accounting policies continued

(k) Financial instruments continued

The Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

> The financial instrument has a low risk of default;
> The debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
> Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Group considers this to be Baa3 or higher per Moody's or BBB- or higher per both Standard & Poor's and Fitch.

The Group monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Definition of default

The Group considers a financial asset to be in default when:

> The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
> The financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Presentation of impairment

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVTOCI, the loss allowance is recognised in OCI, instead of reducing the carrying amount of the asset.

Impairment losses related to trade and other receivables, including settlement balances and deposits paid for securities borrowed, are presented in general and administrative expenses due to materiality consideration. Impairment losses on other financial assets are presented under 'finance costs', and not presented separately in the statement of profit or loss and OCI owing to materiality considerations.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

> It has been acquired principally for the purpose of repurchasing it in the near term; or
> On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
> It is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

> Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
> The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
> It forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

3. Summary of significant accounting policies continued

(k) Financial instruments continued

In respect of financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of the liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (i) the carrying amount of the liability before the modification; and (ii) the present value of the cash flows after modification should be recognised in profit or loss as the modification gain or loss within other gains and losses.

(l) Derivative financial instruments

Derivative financial instruments, such as foreign currency contracts and interest rate swaps, are entered into by the Group in order to manage its exposure to interest rate and foreign currency fluctuations or as simultaneous back-to-back transactions with counterparties. The Group does not use derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both the legal right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

Derivatives embedded in hybrid contracts with a financial asset host within the scope of IFRS 9 are not separated. The entire hybrid contract is classified and subsequently measured as either amortised cost or fair value as appropriate.

Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

If the hybrid contract is a quoted financial liability, instead of separating the embedded derivative, the Group generally designates the whole hybrid contract at FVTPL.

An embedded derivative is presented as a non-current asset or non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realised or settled within 12 months.

(m) Hedge accounting

Derivatives designated as hedges are either 'fair value hedges' or 'hedges of net investments in foreign operations'.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss except when the hedging instrument hedges an equity instrument designated at FVTOCI in which case it is recognised in other comprehensive income.

The carrying amount of a hedged item not already measured at fair value is adjusted for the fair value change attributable to the hedged risk with a corresponding entry in profit or loss. For debt instruments measured at FVTOCI, the carrying amount is not adjusted as it is already at fair value, but the hedging gain or loss is recognised in profit or loss instead of other comprehensive income. When the hedged item is an equity instrument designated at FVTOCI, the hedging gain or loss remains in other comprehensive income to match that of the hedging instrument.

Where hedging gains or losses are recognised in profit or loss, they are recognised in the same line as the hedged item.

Hedge accounting is discontinued when the hedging relationship no longer meets the risk management objective or where the hedging relationship no longer complies with the qualifying criteria or if the hedging instrument has been sold or terminated.

Net investment hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as net investment hedges is recognised in other comprehensive income and accumulated in the hedging and translation reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in financial income or financial expense respectively.

Where the Group designates the intrinsic value of purchased options as the hedging instrument in a net investment hedge, changes in the time value of the option are required to be recorded initially in other comprehensive income. Under the 'cost of hedging' approach, the initial option premium cost is recycled from other comprehensive income and recognised in the income statement on a straight-line basis over the period of the hedge.

Gains and losses deferred in the hedging and translation reserve are recognised in profit or loss on disposal of the foreign operation.

3. Summary of significant accounting policies continued

(n) Matched Principal and stock lending transactions

Certain Group companies engage in Matched Principal transactions whereby securities are bought from one counterparty and simultaneously sold to another counterparty. Settlement of such transactions is primarily on a delivery vs. payment basis ('DVP') and typically takes place within a few business days of the trade date according to the relevant market rules and conventions.

Matched Principal transactions in regular way financial assets are recognised on settlement date, classified as FVTPL, and are derecognised on settlement of the related sale. Fair value movements on unsettled Matched Principal regular way transactions between trade date and settlement are recognised in profit or loss with the associated asset or liability recorded in financial assets or liabilities held at fair value through profit or loss.

Matched Principal broking involves simultaneous back-to-back derivative transactions with counterparties which are classified as financial instruments at fair value through profit or loss ('FVTPL') and are shown gross, except where a netting agreement, which is legally enforceable at all times, exists and the asset and liability are either settled net or simultaneously.

The Group acts as an intermediary between its customers for collateralised stock lending transactions. Such trades are complete only when both the collateral and stock for each side of the transaction are returned. The gross amounts of collateral due to and receivable are disclosed in the balance sheet as deposits paid for securities borrowed and deposits received for securities loaned.

(o) Cash and cash equivalents, and term deposits

Cash comprises cash in hand and demand deposits which may be accessed without penalty. Cash equivalents comprise short-term highly liquid investments with a maturity of less than three months from the date of acquisition. For the purposes of the Consolidated Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

The Group holds money, and occasionally financial instruments, on behalf of customers (client monies) in accordance with local regulatory rules. Since the Group is not beneficially entitled to these amounts, they are excluded from the Consolidated Balance Sheet along with the corresponding liabilities to customers.

Term deposits comprise amounts held with a central counterparty clearing house ('CCP'), or a financial institution providing the Group with access to a CCP, and funds set aside for regulatory purposes, and which do not meet the definition of cash and cash equivalents. Term deposits have a maturity period of three months or more.

Where the Group holds cash and cash equivalents, or term deposits that are subject to third party obligations that restrict their use to specific purposes, such balances are reported as restricted within the relevant balance.

(p) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at fair value, being the consideration received net of issue costs associated with the borrowing.

After initial recognition, interest bearing loans and borrowings are measured at amortised cost using the effective interest rate method. Amortised cost is calculated taking into account any issue costs and any discounts or premium on settlement. Gains and losses are recognised in the income statement when the liabilities are derecognised, as well as through the amortisation process.

(q) Provisions

Provisions are recognised when the Group has a present obligation, legal or constructive, as a result of a past event where it is probable that this will result in an outflow of economic benefits that can be reliably estimated.

Provisions for restructuring costs are recognised when the Group has a detailed formal plan for the restructuring, which has been notified to affected parties.

(r) Foreign currencies

The individual financial statements of each Group company are prepared in the currency of the primary economic environment in which it operates, its functional currency. For the purpose of the Consolidated Financial Statements, the results and financial position of each Group company are expressed in Pounds Sterling, which is the functional currency of the Company and the presentation currency for the Consolidated Financial Statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. Gains and losses arising from the settlement of these transactions, and from the retranslation of monetary assets and liabilities denominated in currencies other than the functional currency at rates prevailing at the balance sheet date, are recognised in the income statement. Non-monetary assets and liabilities denominated in currencies other than the functional currency that are measured at historical cost or fair value are translated at the exchange rate at the date of the transaction or at the date the fair value was determined.

For the purpose of presenting Consolidated Financial Statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Exchange differences arising are classified as other comprehensive income and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expense in the year in which the operation is disposed of. Income and expense items are translated at average exchange rates for the year, unless exchange rates fluctuate significantly during that year, in which case the exchange rates at the date of transactions are used.

(s) Taxation

The tax expense represents the sum of current tax payable arising in the year, movements in deferred tax and movements in tax provisions. The tax expense includes any interest and penalties payable.

The current tax payable arising in the year is based on taxable profit for the year using tax rates that have been enacted or substantively enacted by the balance sheet date, and any adjustment to tax payable in respect of prior years.

3. Summary of significant accounting policies continued

(s) Taxation continued

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the carrying amount of assets and liabilities in the Financial Statements and the corresponding tax basis used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences may be utilised. Temporary differences are not recognised if they arise from goodwill or from initial recognition of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the rates that are expected to apply when the asset or liability is settled or when the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to other comprehensive income or equity, in which case the deferred tax is also dealt with in other comprehensive income or equity.

Deferred tax assets and liabilities are only offset when there is both a legal right to set-off and an intention to settle on a net basis.

(t) Leases

Definition of a lease

On transition to IFRS 16 the Group elected to apply the practical expedient not to reassess whether a contract was or contained a lease. The Group therefore applied IFRS 16 only to contracts that had been previously identified as leases, in accordance with IAS 17 and IFRIC 4, before 1 January 2019. Thereafter the Group has applied the definition of a lease and related guidance to all lease contracts entered into or modified on or after 1 January 2019.

The Group assesses whether a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of the relative stand-alone prices. However, for leases of properties the Group has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

As a lessee

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases (up to 12 months) and leases of low value assets (less than £3,500). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, the date at which power to control the asset is obtained. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate reflecting the lease term and the country in which it resides. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in the future lease payments arising from a change in an index or a rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised. Where a lease contract is modified and the lease modification is not accounted for as a separate lease, the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Lease cash flows are split into payments of principal and interest and are presented as financing and operating cash flows respectively.

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that includes termination and/or renewal options and for leases which the Group has enforceable rights that extend the lease agreement. The assessment of whether the Group is reasonably certain to exercise such options or whether the Group is able to enforce its additional rights impacts the lease term, which affects the amount of lease liabilities and right-of-use assets recognised.

As a lessor

The Group sub-leases some of its leased properties. Where the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts and classifies the sub-lease as either a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Where sub-lease agreements are assessed as finance leases, the Group derecognises the right-of-use asset and records its interest in finance lease receivables. Lease receipts are apportioned between finance income and a reduction in the finance lease receivable. As required by IFRS 9, an allowance for expected credit losses is recognised on the finance lease receivables.

Where sub-leases are classified as operating leases, operating lease receipts are recognised in the income statement on a straight-line basis over the lease term.

3. Summary of significant accounting policies continued

(u) Retirement benefit costs

Defined contributions made to employees' personal pension plans are charged to the income statement as and when incurred.

For defined benefit retirement plans, the cost of providing the benefits is determined using the projected unit credit method. Actuarial gains and losses are recognised in full in the year in which they occur. They are recognised outside the income statement and are presented in other comprehensive income.

Past service cost is recognised in profit or loss when the plan amendment or curtailment occurs, or when the Group recognises related restructuring costs or termination benefits, if earlier. Gains or losses on settlement of a defined benefit plan are recognised when the settlement occurs.

The amount recognised in the balance sheet represents the net of the present value of the defined benefit obligation as adjusted for actuarial gains and losses and past service cost, and the fair value of plan assets. The Trust Deed provides the Group with an unconditional right to a refund of surplus assets assuming the full settlement of plan liabilities. In the ordinary course of business the Trustee has no rights to unilaterally wind up, or otherwise augment the benefits due to members of, the plan. Based on these rights, any net surplus in the plan would be recognised in full. Where such rights do not exist, or are no longer enforceable, the Group applies the requirements of IFRIC 14 and restricts recognition of the net surplus by applying an asset recognition ceiling. Changes in the asset ceiling are recorded in other comprehensive income.

(v) Share-based awards

Equity-settled share-based awards issued to employees are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based awards is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

The estimated grant date fair value of awards is based on the share price at grant date, reduced where shares do not qualify for dividends during the vesting period. Market-based performance conditions for equity-settled awards are reflected in the initial fair value of the award.

The fair value of share options issued is determined using appropriate valuation models. The expected life used in the models has been adjusted, based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations.

Cash-settled share-based awards are initially measured at fair value at the date of grant. Subsequently the awards are fair valued at each reporting date and a proportionate expense for the duration of the vesting period elapsed is recognised in the Income Statement together with a liability on the Group's balance sheet.

(w) Treasury and own shares

Where share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, net of any tax effects, is recognised as a deduction from equity. When treasury shares are sold or re-issued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to or from retained earnings.

Shares repurchased from the open market are recorded in 'own shares' within reserves. Own shares issued to beneficiaries under share award plans are recorded as a transfer to retained earnings.

(x) Contingent liabilities

Contingent liabilities, which include certain guarantees and letters of credit pledged as collateral security, and contingent liabilities related to legal proceedings or regulatory matters where a possible outflow of economic benefit might occur, or where that outflow cannot be reliably estimated, are not recognised in the financial statements but are disclosed.

(y) Accounting estimates and judgements

In the application of the Group's accounting policies, 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.

Estimates and assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognised in the period an estimate is revised.

The following are the critical judgements and key estimation uncertainties that the Directors have made in the process of preparing the Financial Statements.

Provisions and contingent liabilities

Provisions are established by the Group based on management's assessment of relevant information and advice available at the time of preparing the Financial Statements.

Judgements

Judgement is required when determining whether a present obligation exists. Professional advice is taken on the assessment of litigation and similar obligations.

Provisions for legal proceedings and regulatory matters typically require a higher degree of judgement than other types of provisions. When matters are at an early stage, accounting judgements can be difficult because of the high degree of uncertainty associated with determining whether a present obligation exists. As matters progress, management and legal advisers evaluate on an ongoing basis the existence of an obligation.

3. Summary of significant accounting policies continued

(y) Accounting estimates and judgements continued

Estimates

Where there is a present or possible obligation, estimation is required to determine whether an outflow may arise. Provisions for legal proceedings and regulatory matters remain very sensitive to the assumptions used in the estimate. There could be a wider range of possible outcomes for any pending legal proceedings, investigations or inquiries. As a result it is often not practicable to quantify a range of possible outcomes for individual matters. It is also not practicable to meaningfully quantify ranges of potential outcomes in aggregate for these types of provisions because of the diverse nature and circumstances of such matters and the wide range of uncertainties involved.

Notes 28(b) and 37 provide details of the Group's provisions and contingent liabilities and the key sources of estimation uncertainty.

Impairment of goodwill and intangible assets

Judgements

Forecast cash flows are subject to a high degree of uncertainty in volatile market conditions. Under such circumstances, management tests goodwill for impairment more frequently than once a year when indicators of impairment exist. This ensures that the assumptions on which the cash flow forecasts are based continue to reflect current market conditions and management's best estimate of future performance.

Estimates

The future cash flows of the CGUs are sensitive to the cash flows projected for the periods for which detailed forecasts are available and to assumptions regarding the long-term pattern of sustainable cash flows thereafter.

The rates used to discount future expected cash flows can have a significant effect on a CGU's valuation. The discount rate incorporates inputs reflecting a number of financial and economic variables, including the risk-free interest rate in the region concerned and a premium for the risk of the business being evaluated. These variables are subject to fluctuations in external market rates and economic conditions beyond management's control.

The impairment testing disclosures in Note 13 set out the key sources of estimation uncertainty, the key assumptions made and the resultant sensitivity to reasonable possible changes in those assumptions.

4. Segmental analysis

Products and services from which reportable segments derive their revenues

The Group has a matrix management structure. The Group's Chief Operating Decision Maker ('CODM') is the Executive Committee ('ExCo') which operates as a general executive management committee under the direct authority of the Board. The ExCo members regularly review operating activity on a number of bases, including by business division and by legal ownership which is structured geographically based on the region of incorporation.

The balance of the CODM review of operating activity and allocation of the Group's resources is primarily focused on business division and this is considered to represent the most appropriate view for the assessment of the nature and financial effects of the business activities in which the Group engages.

Whilst the Group's Primary Operating Segments are by business division, individual entities and the legal ownership of such entities continue to operate with discrete management teams and decision-making and governance structures. Each regional sub-group has its own independent governance structure including CEOs, board members and sub-group regional Conduct and Governance Committees with separate autonomy of decision-making and the ability to challenge the implementation of Group level strategy and initiatives within its region. For the EMEA regional sub-group there are independent non-executive directors on the regional Board that further strengthen the independence and judgement of the governance framework.

4. Segmental analysis continued

Information regarding the Group's primary operating segments is reported below:

Analysis by primary operating segment

2023	Global Broking £m	Energy & Commodities £m	Liquidnet £m	Parameta Solutions £m	Corporate £m	Total £m
Revenue						
– External	**1,236**	**455**	**315**	**185**	**–**	**2,191**
– Inter-division	**22**	**3**	**–**	**4**	**(29)**	**–**
	1,258	**458**	**315**	**189**	**(29)**	**2,191**
Total front office costs:						
– External	**(761)**	**(304)**	**(207)**	**(71)**	**–**	**(1,343)**
– Inter-division	**(4)**	**–**	**–**	**(25)**	**29**	**–**
	(765)	**(304)**	**(207)**	**(96)**	**29**	**(1,343)**
Contribution	**493**	**154**	**108**	**93**	**–**	**848**
Net management and support costs	**(259)**	**(75)**	**(87)**	**(14)**	**(54)**	**(489)**
Other operating income	**3**	**1**	**–**	**–**	**10**	**14**
Adjusted EBITDA	**237**	**80**	**21**	**79**	**(44)**	**373**
Depreciation and amortisation expense	**(31)**	**(9)**	**(11)**	**(2)**	**(20)**	**(73)**
Adjusted EBIT	**206**	**71**	**10**	**77**	**(64)**	**300**

Corporate represents the cost of Group and central functions that are not allocated to the Group's divisions.

2022	Global Broking (restated) £m	Energy & Commodities £m	Liquidnet (restated) £m	Parameta Solutions (restated) £m	Corporate £m	Total £m
Revenue						
– External[2,3]	1,240	384	316	175	–	2,115
– Inter-division	22	3	–	–	(25)	–
	1,262	387	316	175	(25)	2,115
Total front office costs:						
– External[1,2,3]	(798)	(263)	(197)	(62)	–	(1,320)
– Inter-division	–	–	–	(25)	25	–
	(798)	(263)	(197)	(87)	25	(1,320)
Contribution[4]	464	124	119	88	–	795
Net management and support costs[1,2,3,4]	(242)	(65)	(93)	(7)	(43)	(450)
Other operating income	2	–	–	–	10	12
Adjusted EBITDA[4]	224	59	26	81	(33)	357
Depreciation and amortisation expense	(36)	(10)	(25)	(2)	(9)	(82)
Adjusted EBIT[4]	188	49	1	79	(42)	275

Divisional results for 2022 have been restated to be comparable with 2023's divisional groupings and changes to management's internal financial reporting, as Liquidnet Credit is now managed and operated within the Global Broking division to leverage the credit broking experience and more effectively leverage the deep relationships and accelerate connectivity, resulting in the following restatements:

1 Liquidnet front office costs of £32m were reclassified to management and support costs to align with the classification of similar costs within the Group.

2 Subsequently Liquidnet Credit, previously reflected in Liquidnet, transferred to Global Broking:
> Revenue for Global Broking increased by £9m, Liquidnet reduced by £9m.
> Front office costs for Global Broking increased by £17m, Liquidnet have reduced by £17m.
> Management and support costs for Global Broking increased by £17m. Liquidnet have reduced by £17m.

3 Parameta Solutions desks transferred to Global Broking:
> Global Broking revenue increased by £2m, Parameta Solutions reduced by £2m.
> Global Broking front office costs increased by £1m. Parameta Solutions reduced by £1m.
> Management and support costs for Global Broking increased by £1m. Parameta Solutions reduced by £1m.

4 As a result of 1, 2 and 3 above,
> Contribution for Global Broking decreased by £7m, Liquidnet increased by £40m and Parameta Solutions reduced by £1m. Total contribution increased by £32m.
> Net management and support costs for Global Broking increased by £18m, Liquidnet increased by £15m, Parameta Solutions decreased by £1m. Total net management and support costs by increased by £32m.
> Adjusted EBITDA for Global Broking decreased by £25m, Liquidnet increased by £25m. There is no restatement to the consolidated Group Adjusted EBITDA.
> Adjusted EBIT for Global Broking decreased by £25m, Liquidnet increased by £25m. There is no restatement to the consolidated Group Adjusted EBIT.

4. Segmental analysis continued

Significant items, defined in the Appendix – Alternative Performance Measures, are centrally managed and controlled by the Group and are not allocated to regional or divisional segments.

Analysis of significant items

2023	Restructuring and other related costs £m	Disposals, acquisitions and investment in new businesses £m	Impairment of Intangible assets arising on consolidation £m	Legal and regulatory matters £m	Total £m
Employment, compensation and benefits costs	4	2	–	–	6
Premises and related costs	3	–	–	–	3
Deferred consideration	–	(3)	–	–	(3)
Charge relating to significant legal and regulatory settlements	–	–	–	19	19
Net foreign exchange gains	–	(2)	–	–	(2)
Other general and administrative costs	8	8	–	–	16
Total included within general and administrative costs	11	3	–	19	33
Depreciation and impairment of property, plant and equipment and right-of-use assets	11	–	–	–	11
Amortisation and impairment of intangible assets	–	44	86	–	130
Total included within operating costs	26	49	86	19	180
Other operating income	–	–	–	(8)	(8)
Included in finance expense	1	2	–	–	3
Total significant items before tax	27	51	86	11	175
Taxation of significant items					(27)
Total significant items after tax					148
Impairment of associates					5
Total significant items					153

2022	Restructuring and other related costs £m	Disposals, acquisitions and investment in new businesses £m	Impairment of Intangible assets arising on consolidation £m	Legal and regulatory matters £m	Total £m
Employment, compensation and benefits costs	24	–	–	–	24
Premises and related costs	1	–	–	–	1
Deferred consideration	–	8	–	–	8
Charge relating to significant legal and regulatory settlements	–	–	–	6	6
Pension scheme past service and settlement costs	–	–	–	1	1
Remeasurement of employee long-term benefits	(7)	–	–	–	(7)
Gain on disposal of property, plant and equipment	(3)	–	–	–	(3)
Gain on derecognition of right-of-use assets/lease liabilities	(3)	–	–	–	(3)
Net foreign exchange losses	–	4	–	–	4
Other general and administrative costs	20	5	–	–	25
Total included within general and administrative costs	8	17	–	7	32
Depreciation and impairment of property, plant and equipment and right-of-use assets	9	–	–	–	9
Amortisation and impairment of intangible assets	–	45	20	–	65
Total included within operating costs	41	62	20	7	130
Other operating income	–	(16)	–	(2)	(18)
Included in finance expense	–	1	–	–	1
Total significant items before tax	41	47	20	5	113
Taxation of significant items					(22)
Total significant items after tax					91

4. Segmental analysis continued

The Group's reported performance includes significant items. A reconciliation from adjusted operating profit, as considered by CODM, to Group reported performance is included below:

Adjusted profit reconciliation

	Adjusted £m	Significant items £m	Reported £m
2023			
Earnings before interest and taxation	**300**	**(172)**	**128**
Net finance costs	**(29)**	**(3)**	**(32)**
Profit before tax	**271**	**(175)**	**96**
Taxation	**(67)**	**27**	**(40)**
Profit after tax	**204**	**(148)**	**56**
Share of profit from associates and joint ventures	**25**	**(5)**	**20**
Profit for the year	**229**	**(153)**	**76**

	Adjusted £m	Significant items £m	Reported £m
2022			
Earnings before interest and taxation	275	(112)	163
Net finance costs	(49)	(1)	(50)
Profit before tax	226	(113)	113
Taxation	(58)	22	(36)
Profit after tax	168	(91)	77
Share of profit from associates and joint ventures	29	–	29
Profit for the year	197	(91)	106

Revenue by type

2023	Global Broking £m	Energy & Commodities £m	Liquidnet £m	Parameta Solutions £m	Eliminations £m	Total £m
Revenue						
Name Passing brokerage	**944**	**400**	**17**	**–**	**–**	**1,361**
Executing Broker brokerage	**18**	**50**	**80**	**–**	**–**	**148**
Matched Principal brokerage	**276**	**5**	**136**	**–**	**–**	**417**
Introducing Broker brokerage	**–**	**–**	**82**	**–**	**–**	**82**
Data & Analytics price information fees	**20**	**3**	**–**	**189**	**(29)**	**183**
	1,258	**458**	**315**	**189**	**(29)**	**2,191**

2022	Global Broking (restated) £m	Energy & Commodities £m	Liquidnet (restated) £m	Parameta Solutions (restated) £m	Eliminations £m	Total (restated) £m
Revenue						
Name Passing brokerage[1,3]	962	337	14	–	–	1,313
Executing Broker brokerage[3]	15	42	64	–	–	121
Matched Principal brokerage[1,3]	261	5	148	–	–	414
Introducing Broker brokerage	–	–	90	–	–	90
Data & Analytics price information fees[2]	24	3	–	175	(25)	177
	1,262	387	316	175	(25)	2,115

Divisional Revenue by type for 2022 has been restated to be comparable with 2023's divisional groupings. As a consequence of trading desk moves in 2023, and as Liquidnet Credit is now managed and operated within the Global Broking division to leverage the credit broking experience and more effectively leverage the deep relationships and accelerate connectivity, divisional revenue by type has been restated as follows:

1 Name Passing brokerage: Global Broking increased by £2m, Liquidnet decreased by £2m. Matched Principal brokerage: Global Broking increased by £7m, Liquidnet decreased by £7m.
2 Data & Analytics fees: Global Broking increased by £2m, Parameta Solutions decreased by £2m.
3 As a result of revenue reclassifications within Global Broking, Name Passing brokerage increased by £11m, Matched Principal brokerage increased by £14m and Executing Broker brokerage reduced by £25m.

Revenue by country

	2023 £m	2022 (restated) £m
United Kingdom and Channel Islands[1]	**807**	814
United States of America	**805**	779
Rest of the world[1]	**579**	522
	2,191	2,115

1 2022 restated to reclassify £71m relating to the Channel Islands.

5. Operating costs

	Notes	2023 £m	2022 (restated) £m
Broker compensation costs[1]		**986**	960
Other staff costs[1]		**340**	340
Share-based payment charge	33	**34**	20
Employee compensation and benefits	7	**1,360**	1,320
Technology and related costs		**220**	216
Premises and related costs		**29**	28
Gains on disposal of property, plant and equipment		**–**	(3)
Gain on derecognition of right-of-use assets/lease liabilities		**–**	(3)
Adjustments to deferred consideration	34	**(3)**	8
Charge relating to significant legal and regulatory settlements		**19**	7
Pension scheme past service and settlement costs	38	**–**	1
Remeasurement of long-term employee benefits		**–**	(7)
Acquisition costs		**–**	6
Impairment losses on trade receivables		**5**	5
Trade receivables expected credit loss adjustment		**(1)**	–
Net foreign exchange losses/(gains)		**2**	(21)
Net loss on FX derivative instruments		**4**	11
Other administrative costs		**236**	258
General and administrative expenses		**511**	506
Depreciation of property, plant and equipment	15	**22**	23
Depreciation of right-of-use assets	17	**23**	26
Depreciation of property, plant and equipment and right-of-use assets		**45**	49
Impairment of property, plant and equipment	15	**5**	5
Impairment of right-of-use assets	17	**6**	4
Impairment of property, plant and equipment and right-of-use assets		**11**	9
Amortisation of other intangible assets	14	**28**	33
Amortisation of intangible assets arising on consolidation	13	**44**	45
Amortisation of intangible assets		**72**	78
Impairment of intangible assets arising on consolidation – goodwill	13	**47**	–
Impairment of intangible assets arising on consolidation – customer relationships	13	**39**	20
Impairment of intangible assets		**86**	20
		2,085	1,982

1 Broker compensation cost and Other staff costs for 2022 have been decreased and increased by £72m respectively, reflecting a reclassification of Parameta Solutions staff cost as non-broking.

The analysis of auditor's remuneration is as follows:

	2023 £000	2022 £000
Audit of the Group's annual accounts	**1,534**	1,517
Audit of the Company's subsidiaries and associates pursuant to legislation	**6,896**	6,985
Total audit fees	**8,430**	8,502
Audit related assurance services[1]	**1,220**	1,390
Other assurance services[2]	**59**	45
Corporate finance services[3]	**127**	760
Total non-audit fees	**1,406**	2,195
Audit fees payable to the Company's auditor and its associates in respect of associated pension schemes	**23**	34

1 Audit related assurance services, such as FCA, CASS, NFA, MAS reporting, relate to services required by law or regulation, assurance on regulatory returns and review of interim financial information.
2 Other assurance services relate to non-statutory audits and other permitted assurance services.
3 Corporate finance fees relate to work undertaken in connection with the EMTN refresh and other strategic projects.

6. Other operating income

Other operating income includes:

	2023 £m	2022 £m
Acquisition-related income	–	16
Business relocation grants	2	2
Employee-related insurance receipts	2	4
Employee contractual receipts	4	–
Management fees from associates	1	1
Legal settlement receipts	8	4
Other receipts	5	3
	22	30

Other receipts include royalties, rebates, non-employee-related insurance proceeds, tax credits and refunds. Costs associated with such items are included in administrative expenses. Acquisition-related income relates to funds received following arbitration in connection with the purchase of Liquidnet. The arbitration was completed after the one year measurement period applicable to the acquisition.

7. Staff costs

The aggregate employment costs of staff and Directors of the Group were:

	2023 £m	2022 £m
Wages, salaries, bonuses and incentive payments	1,209	1,182
Social security costs	100	102
Defined contribution pension costs (Note 38(c))	17	16
Share-based compensation expense (Note 33)	34	20
	1,360	1,320

The average monthly number of full-time equivalent employees and Directors directly attributable to Business Divisions and to Corporate were:

	2023 No.	2022 (restated) No.
Global Broking[1]	1,815	1,908
Energy & Commodities	599	632
Liquidnet[1]	247	258
Parameta Solutions	196	181
Corporate[1]	2,320	2,218
	5,177	5,197

1 2022's headcount has been restated to reflect:
> 44 transfers to Global Broking from Liquidnet, relating to the transfer of Liquidnet-Credit.
> 165 transfers to Corporate from Liquidnet, relating to the reclassification of technology support staff.
> 8 transfers to Global Broking from Parameta Solutions.

The average monthly number of full-time equivalent employees and Directors by geographical region were:

	2023 No.	2022 No.
EMEA	2,465	2,477
Americas	1,576	1,614
Asia Pacific	1,136	1,106
	5,177	5,197

8. Finance income

	2023 £m	2022 £m
Interest and similar income	32	6
Interest on finance leases (Note 23)	2	2
	34	8

9. Finance costs

	2023 £m	2022 £m
Fees payable on bank and other loan facilities	**3**	2
Interest on bank and other loans	**1**	2
Interest on Sterling Notes January 2024	**5**	13
Interest on Sterling Notes May 2026	**13**	13
Interest on Sterling Notes November 2028	**7**	7
Interest on Sterling Notes April 2030	**14**	–
Interest on Liquidnet Vendor Loan Notes	**1**	1
Other interest	**3**	1
Amortisation of debt issue and bank facility costs	**3**	2
Borrowing costs	**50**	41
Interest on lease liabilities (Note 17)	**16**	17
	66	58

10. Taxation

	2023 £m	2022 £m
Current tax		
UK corporation tax	**17**	22
Overseas tax	**39**	41
Prior year UK corporation tax	**43**	(4)
	99	59
Deferred tax (Note 22)		
Current year	**(5)**	(26)
Prior year	**(54)**	3
	(59)	(23)
Tax charge for the year	**40**	36

The charge for the year can be reconciled to the profit in the income statement as follows:

	2023 £m	2022 £m
Profit before tax	**96**	113
Tax based on the UK corporation tax rate of 23.5% (2022: 19%)	**22**	21
Tax effect of items that are not deductible:		
– expenses	**15**	7
– impairment of intangible assets arising on consolidation	**12**	–
Prior year adjustments	**(11)**	(1)
Impact of overseas tax rates	**(3)**	6
Net movement in unrecognised deferred tax	**5**	3
Tax charge for the year	**40**	36

The Group has decided to carry forward UK tax losses from earlier years which were previously treated as being offset against profits in the same year. This enables those losses to be offset against profits arising in later years which would otherwise be taxable at the higher 25% rate of UK corporation tax that applies from April 2023. This decision is the primary factor giving rise to the prior year adjustments to current and deferred tax shown above.

The Group expects to be within the scope of the internationally agreed Pillar 2 income tax rules. In particular, as a UK headquartered group, the Group expects to be in scope for the UK Multinational Top-Up Tax regime which applies to the Group for the first time in respect of profits arising in 2024. This regime seeks to ensure that the Group's profits are subject to a minimum effective tax rate of 15% in each jurisdiction in which it operates. The vast majority of the Group's profits are already taxed at rates in excess of 15%. Accordingly the Group does not expect a material impact on the tax charge as a result of Pillar 2 income taxes.

In addition to the income statement charge, the following current and deferred tax items have been included in other comprehensive income and equity:

	Recognised in other comprehensive income £m	Recognised in equity £m	Total £m
2023			
Current tax	**(2)**	**–**	**(2)**
Current tax on receipt of defined benefit pension scheme surplus (Note 38(b))	**16**	**–**	**16**
Tax charge on items taken directly to other comprehensive income and equity	**14**	**–**	**14**

10. Taxation continued

	Recognised in other comprehensive income £m	Recognised in equity £m	Total £m
2022			
Current tax	5	–	5
Tax charge on items taken directly to other comprehensive income and equity	5	–	5

11. Earnings per share

	2023	2022
Basic	**9.5p**	13.2p
Diluted	**9.3p**	13.0p

The calculation of basic and diluted earnings per share is based on the following number of shares:

	2023 No.(m)	2022 No.(m)
Basic weighted average shares	**777.7**	779.1
Contingently issuable shares	**16.5**	11.5
Diluted weighted average shares	**794.2**	790.6

The earnings used in the calculation of basic and diluted earnings per share are set out below:

	2023 £m	2022 £m
Earnings	**76**	106
Non-controlling interests	**(2)**	(3)
Earnings attributable to equity holders of the parent	**74**	103

12. Dividends

	2023 £m	2022 £m
Amounts recognised as distributions to equity holders in the year:		
Final dividend for the year ended 31 December 2022 of 7.9p per share	**62**	–
Interim dividend for the year ended 31 December 2023 of 4.8p per share	**37**	–
Final dividend for the year ended 31 December 2021 of 5.5p per share	**–**	43
Interim dividend for the year ended 31 December 2022 of 4.5p per share	**–**	35
	99	78

A final dividend of 10.0 pence per share will be paid on 24 May 2024 to all shareholders on the Register of Members on 12 April 2024.

During the year, the Trustees of the TP ICAP plc EBT and the TP ICAP Group plc EBT waived their rights to dividends. Dividends are not payable on shares held in Treasury on the relevant record dates.

13. Intangible assets arising on consolidation

	Goodwill £m	**Other £m**	**Total £m**
At 1 January 2023	**1,232**	**548**	**1,780**
Amortisation of acquisition-related intangibles	**–**	**(44)**	**(44)**
Impairment	**(47)**	**(39)**	**(86)**
Effect of movements in exchange rates	**(29)**	**(16)**	**(45)**
At 31 December 2023	**1,156**	**449**	**1,605**

	Goodwill £m	Other £m	Total £m
At 1 January 2022	1,180	582	1,762
Amortisation of acquisition-related intangibles	–	(45)	(45)
Impairment	–	(20)	(20)
Effect of movements in exchange rates	52	31	83
At 31 December 2022	1,232	548	1,780

As at 31 December 2023 the gross cost of goodwill and other intangible assets arising on consolidation amounted to £1,453m and £812m respectively (2022: £1,482m and £833m). Cumulative amortisation and impairment charges amounted to £297m for goodwill and £363m for other intangible assets arising on consolidation (2022: £250m and £285m).

13. Intangible assets arising on consolidation continued

Goodwill

Goodwill arising through business combinations is allocated to groups of individual cash-generating units ('CGUs'), reflecting the lowest level at which the Group monitors and tests goodwill for impairment purposes. The Group's CGUs, as at 31 December, are as follows:

CGU	2023 £m	2022 £m
Global Broking – excl. Liquidnet – Credit	**483**	489
Liquidnet – Credit[1]	**72**	–
Global Broking	**555**	489
Energy & Commodities	**150**	156
Parameta Solutions	**334**	342
Liquidnet – Agency Execution	**41**	40
Liquidnet – Equities[1]	**76**	–
Liquidnet platform (formerly Liquidnet – acquired business)[1]	**–**	205
Goodwill allocated to CGUs	**1,156**	1,232

1 Reallocated in 2023 from Liquidnet platform (formerly Liquidnet – acquired business) to Liquidnet – Credit and Liquidnet – Equities, as Liquidnet Credit is now managed and operated within the Global Broking division to leverage the credit broking experience and more effectively leverage the deep relationships and accelerate connectivity. Consequently the cash inflows of Liquidnet Credit are not considered to be independent from Global Broking and will be considered for impairment purposes as a single CGU prospectively.

In November 2023 segmental responsibility and managerial reporting for Liquidnet's credit operations were transferred from the Liquidnet platform (formerly Liquidnet – acquired business) to Global Broking. As a result, goodwill allocated to the Liquidnet platform CGU was reallocated to Liquidnet – Credit and Liquidnet – Equities CGUs, based on the relative value of those activities. Prior to the reallocation, the Liquidnet platform CGU was tested for impairment.

The Group's annual impairment testing of its CGUs is undertaken each September and consequently was completed on the same basis as in 2022, and prior to the November 2023 re-organisation of the CGUs. Between annual tests the Group reviews each CGU for impairment triggers that could adversely impact the valuation of the CGU and, if necessary, undertakes additional impairment testing.

Determining whether goodwill is impaired requires an estimation of the recoverable amount of each CGU. The recoverable amount is the higher of its value in use ('VIU') or its fair value less cost of disposal ('FVLCD'). VIU is a pre-tax valuation, using pre-tax cash flows and pre-tax discount rates which is compared with the pre-tax carrying value of the CGU, whereas FVLCD is a post-tax valuation, using post-tax cash flows, post-tax discount rates and other post-tax observable valuation inputs, which is compared with a post-tax carrying value of the CGU. The CGU's recoverable amount is compared with its carrying value to determine if an impairment is required.

The key assumptions for the VIU calculations are those regarding expected divisional cash flows arising in future years, divisional growth rates and divisional discount rates as considered by management. Future projections are based on the most recent financial projections considered by the Board which are used to project pre-tax cash flows for the next five years. After this period a steady state cash flow is used to derive a terminal value for the CGU.

The key assumptions for FVLCD, using an Income Approach, are those regarding expected revenue and terminal growth rates, and the discount rate. Future projections are based on the most recent financial projections considered by the Board which are then used to project cash flows for the next five years and for the terminal value.

Impairment testing as at 30 April 2023

In April 2023 the Liquidnet platform (formerly Liquidnet – acquired business) was tested for impairment, triggered by continued falls in equity markets, resultant downward pressure on the business and expected delay in the market's recovery. The impairment assessment was performed based on estimating the FVLCD of the CGU, using the Income Approach, and did not identify any impairment.

13 Intangible assets arising on consolidation continued

Impairment testing as at 30 September 2023

Business divisions (excluding Liquidnet platform)

For the 30 September 2023 annual impairment testing, the recoverable amounts for Global Broking, Energy & Commodities, Parameta Solutions and Liquidnet – Agency Execution were based on their VIU. Growth rates on five year projected revenues, growth rates on terminal value cash flows and discount rates used in the VIU calculations together with their respective breakeven rates were as follows:

September 2023	Valuation discount rate %	Breakeven discount rate %	Valuation revenue growth rate %	Breakeven revenue growth rate %	Valuation terminal value growth rate %	Breakeven terminal value growth rate %
Global Broking	**13.2%**	**25.2%**	**1.8%**	**(3.2%)**	**1.4%**	**(38.3%)**
Energy & Commodities	**13.3%**	**18.2%**	**1.5%**	**(0.4%)**	**1.7%**	**(8.8%)**
Parameta Solutions	**13.3%**	**30.2%**	**7.1%**	**(17.0%)**	**3.0%**	**(75.7%)**
Liquidnet – Agency Execution	**13.4%**	**26.3%**	**3.0%**	**(1.6%)**	**2.7%**	**(42.7%)**

September 2022	Valuation discount rate %	Breakeven discount rate %	Valuation revenue growth rate %	Breakeven revenue growth rate %	Valuation terminal value growth rate %	Breakeven terminal value growth rate %
Global Broking	13.4%	17.4%	1.0%	(1.4%)	1.0%	(7.0%)
Energy & Commodities	13.2%	16.4%	2.1%	0.2%	2.1%	(3.6%)
Parameta Solutions	13.8%	31.1%	6.0%	(18.1%)	3.0%	(85.0%)
Liquidnet – Agency Execution	13.6%	14.5%	3.0%	2.6%	2.0%	0.7%

No impairments were identified as a result of the annual testing of these CGUs.

As shown in the table below, with the exception of Parameta Solutions, the VIU of the CGUs is highly sensitive to reasonably possible changes of up to 3% in growth rates. The impact on future cash flows resulting from falling growth rates does not reflect any management actions that would be taken under such circumstances. These stresses assume all other assumptions including gross margins remain unchanged, as there is a degree of estimation involved in the sensitivity forecasts.

CGU	Valuation revenue growth rate %	Surplus at valuation growth rate -1% £m	Surplus/ (impairment) at valuation growth rate -3% £m
Global Broking	**1.8%**	**669**	**321**
Energy & Commodities	**1.5%**	**46**	**(52)**
Parameta Solutions	**7.1%**	**535**	**450**
Liquidnet – Agency Execution	**3.0%**	**45**	**19**

The Group does not expect climate change to have a material impact on the financial statements. Climate scenario sensitivity analysis on the potential impact to the financial forecasts used in goodwill impairment assessment and valuation concludes that the Energy & Commodities CGU will continue to have headroom (excess of the recoverable amount over the carrying amount of the CGU) in its valuation to withstand the potential changes in market demand across the Energy & Commodities asset classes with management taking appropriate actions.

Liquidnet platform

For the 30 September 2023 annual impairment testing the recoverable amount for the Liquidnet platform was based on its FVLCD. The Income Approach was used for the FVLCD valuation.

Liquidnet platform	Valuation discount rate %	Breakeven discount rate[1] %	Valuation revenue growth rate %	Breakeven revenue growth rate[1] %	Valuation terminal value growth rate %	Breakeven terminal value growth rate[1] %
Liquidnet platform	**10.7%**	**–**	**11.0%**	**–**	**2.2%**	**–**
Comprising:						
– Liquidnet – Equities	**10.7%**	**–**	**6.1%**	**–**	**2.0%**	**–**
– Liquidnet – Credit	**10.7%**	**–**	**48.3%**	**–**	**3.0%**	**–**

Liquidnet platform	Valuation discount rate %	Breakeven discount rate %	Valuation revenue growth rate %	Breakeven revenue growth rate %	Valuation terminal value growth rate %	Breakeven terminal value growth rate %
September 2022	10.9%	12.3%	14.7%	13.1%	2.4%	0.5%
December 2021	10.8%	11.4%	3.0%	1.7%	1.0%	0.3%

1 As the CGU valuation equates to its carrying value, breakeven percentages are not relevant.

13 Intangible assets arising on consolidation continued

Impairment testing as at 30 September 2023 continued

The valuation revenue growth rate for Liquidnet platform has decreased from 14.7% in September 2022 to 11.0% as at September 2023. This reflects the challenging market conditions for Liquidnet – Equities delaying the return of revenue to pre-Covid levels and in Liquidnet – Credit the development of the Dealer-to-Client platform proposition taking longer than planned, as a result the recoverable amount for the Liquidnet platform was lower than its carrying value resulting in a goodwill impairment of £47m.

The valuation remains sensitive to reasonably possible changes in the growth rates and the discount rate. The most sensitive valuation assumption relates to the growth in cash flows arising on new Credit business lines. The impact on future cash flows resulting from falling growth rates does not reflect any management actions that would be taken under such circumstances. The Income Approach valuation is based on management forecasts which are unobservable and is therefore a Level 3 fair value. Sensitivities to a reasonably possible change of up to 3% in growth rate assumptions and a 1% increase in discount rate are below. These stresses assume all other assumptions including gross margins remain unchanged as there is a degree of estimation involved in the sensitivity forecasts.

Liquidnet platform	Valuation discount rate %	Incremental impairment at valuation discount rate +1% £m	Valuation revenue growth rate %	Valuation revenue growth rate resulting in full impairment %	Incremental impairment at valuation growth rate -1% £m	Incremental impairment at valuation growth rate -3% £m
Liquidnet – Equities	**10.7%**	**(21)**	**6.1%**	**3.2%**	**(27)**	**(76)**
Liquidnet – Credit	**10.7%**	**(14)**	**48.3%**	**36.7%**	**(7)**	**(21)**

Liquidnet – Equities

A combination of growth in the existing business of 3.7% and new initiatives is forecast to result in an overall compound annual revenue growth rate in the Equities business of 6.1%. Given the higher estimation uncertainty in forecasting for new business lines, there is an increased risk that the expected levels of income from the new initiatives may not be achieved and as a result the recoverable amount of the CGU may reduce. A 3% reduction in revenue growth rate from 6.1% to 3.1% would result in a full impairment of £76m, restricted to the carrying value of goodwill. A scenario of no growth in the existing business, but where new initiatives are achieved in full, would result in an impairment of £76m. A scenario of expected growth in the existing business but a 50% success rate in achieving new initiatives would result in an impairment of £31m.

The Liquidnet – Equities valuation continues to be closely tied to the performance of the equities volumes traded in the manner in which they are serviced by the Liquidnet platform. The market share of Liquidnet – Equities continues to increase.

Liquidnet – Credit

Liquidnet – Credit valuation is premised upon the expectation of future events including the number of participants actively trading on the platform to create sufficient scale to effectively match trades. It is uncertain as to when sufficient participation is reached or the mix of how this is met through new entrants or more active participation of existing users. The onboarding of counterparties to increase the volume flows is not certain and it is binary to a significant degree as to what level achieves the scale for efficient and effective operation. The valuation revenue growth rate has been adjusted downwards to reflect this uncertainty.

For the Credit platform, the valuation is based on revenue growth from the development of the platform, at a compound annual growth rate of 48.3% (2022: 47%) over five years. This growth rate has been risk adjusted downwards to reflect the increased risk of growing revenues from the currently low levels. A 3% reduction in the growth rate to 45.3% would result in £21m reduction to the carrying value of the CGU. A 11% reduction in the growth rate to 37% would eliminate goodwill in Liquidnet – Credit.

Impairment assessment as at 31 December 2023

As at 31 December 2023, following the change to the CGUs, to Global Broking, Energy & Commodities, Parameta Solutions, Liquidnet – Agency Execution and Liquidnet – Equities, the review of the indicators of impairment did not require any further testing.

Other intangible assets

Other intangible assets at 31 December 2023 represent customer relationships, business brands and trademarks that arise through business combinations. Customer relationships are amortised over a period of up to 20 years. Other intangible assets, along with other finite life assets, are subject to impairment trigger assessment at least annually. As at 30 September 2023, the Liquidnet platform customer relationships were subject to a full impairment review, resulting in an impairment of £39m.

The valuation of customer lists is based on the 'Multi-period Excess Earnings Methodology' or 'MEEM'. MEEM is a version of the Income Approach which seeks to estimate the value by determining the net present value of the forecast post-tax profits generated by the asset as of the valuation date, and reflects assumptions regarding customer churn, operating profits and margins, contributory asset charges, tax rates and discount rates. As these inputs are unobservable, this is a Level 3 valuation.

Following the adjustment to the Liquidnet platform customer relationships' carrying value, the asset will continue to be amortised over its remaining useful life, but remains sensitive to reasonably possible changes in the assumptions. As at the date of testing, a reduction in annual operating profits of £3m from 2024 would impair the asset by £19m, and a 1% increase in the discount rate to 11.7% would impair the asset by £5m.

14. Other intangible assets

	Purchased software £m	**Developed software £m**	**Total £m**
Cost			
At 1 January 2023	**63**	**217**	**280**
Additions	**12**	**31**	**43**
Amounts derecognised	**(7)**	**(40)**	**(47)**
Effect of movements in exchange rates	**(2)**	**(2)**	**(4)**
At 31 December 2023	**66**	**206**	**272**
Accumulated amortisation			
At 1 January 2023	**(54)**	**(129)**	**(183)**
Charge for the year	**(10)**	**(18)**	**(28)**
Amounts derecognised	**7**	**40**	**47**
Effect of movements in exchange rates	**1**	**1**	**2**
At 31 December 2023	**(56)**	**(106)**	**(162)**
Carrying amount			
At 31 December 2023	**10**	**100**	**110**

	Purchased software £m	Developed software £m	Total £m
Cost			
At 1 January 2022	52	190	242
Additions	8	27	35
Amounts derecognised	(1)	(5)	(6)
Effect of movements in exchange rates	4	5	9
At 31 December 2022	63	217	280
Accumulated amortisation			
At 1 January 2022	(41)	(110)	(151)
Charge for the year	(12)	(21)	(33)
Amounts derecognised	1	5	6
Effect of movements in exchange rates	(2)	(3)	(5)
At 31 December 2022	(54)	(129)	(183)
Carrying amount			
At 31 December 2022	9	88	97

15. Property, plant and equipment

	Land, buildings and leasehold improvements £m	Furniture, fixtures and equipment[1] £m	Total £m
Cost			
At 1 January 2023	**130**	**117**	**247**
Reclassification of work-in-progress brought into use	**1**	**(1)**	**–**
Additions	**2**	**10**	**12**
Disposals	**(17)**	**(20)**	**(37)**
Effect of movements in exchange rates	**(4)**	**(4)**	**(8)**
At 31 December 2023	**112**	**102**	**214**
Accumulated depreciation			
At 1 January 2023	**(60)**	**(77)**	**(137)**
Charge for the year	**(9)**	**(13)**	**(22)**
Impairment	**(5)**	**–**	**(5)**
Disposals	**17**	**20**	**37**
Effect of movements in exchange rates	**2**	**3**	**5**
At 31 December 2023	**(55)**	**(67)**	**(122)**
Carrying amount			
At 31 December 2023	**57**	**35**	**92**

	Land, buildings and leasehold improvements £m	Furniture, fixtures and equipment[1] £m	Total £m
Cost			
At 1 January 2022	127	100	227
Reclassification of work-in-progress brought into use	1	(1)	–
Additions	2	16	18
Disposals	(3)	(15)	(18)
Effect of movements in exchange rates	3	17	20
At 31 December 2022	130	117	247
Accumulated depreciation			
At 1 January 2022	(41)	(63)	(104)
Charge for the year	(20)	(3)	(23)
Impairment	–	(5)	(5)
Disposals	1	8	9
Effect of movements in exchange rates	–	(14)	(14)
At 31 December 2022	(60)	(77)	(137)
Carrying amount			
At 31 December 2022	70	40	110

1 Includes work-in-progress until brought into use.

16. Investment properties

	2023 £m	2022 £m
At 1 January	**–**	–
Transfer from right-of-use assets	**6**	–
Transfer from finance lease receivables	**6**	–
Effect of movements in exchange rates	**–**	–
At 31 December	**12**	–

The fair value of the Group's investment property at 31 December 2023 has been arrived at on the basis of a valuation carried out at that date by Jones Lang LaSalle Inc., an independent valuer not connected with the Group. Their valuation conforms to international valuation standards. The fair value was determined based on the present value of the estimated future cash flows related to the property.

In estimating the fair value of the properties, the present value of the estimated future cash flows was used. The inputs used for each lease were the rent commencement date, the expected sublease term, the starting annual rent per square foot and expected annual increase, which were provided by the valuer, and discounted at the discount rate.

Details of the Group's investment properties analysed by fair value hierarchy level are as follows:

	Level 3 £m	Total £m
Office units located in New York City, NY, USA	**12**	**12**

16. Investment properties continued

Sensitivity analysis

Property	Valuation method	Significant unobservable inputs	Sensitivity
Office units located in New York City, NY, USA	Present value of future cash flows	Future rent	A decrease of 10% in the expected rent would result in a decrease of £2m in the fair value.
		Discount rate	An increase of 100 basis points in the discount rate would result in a decrease of £1m in the fair value.

The Group's investment properties are subject to finance lease obligations (Note 27).

The Group had no property rental income in 2023 (2022: £nil). Direct operating expenses are covered by a provision (Note 28) the utilisation of which amounted to less than £1m (2022: £nil).

17. Right-of-use assets

Land and buildings	2023 £m	2022 £m
At 1 January	**165**	187
Additions	**10**	22
Amounts derecognised	**–**	(9)
Depreciation	**(23)**	(26)
Impairment	**(6)**	(4)
Transfer to investment properties	**(6)**	–
Transfer to finance lease receivables	**–**	(15)
Effect of movements in exchange rates	**(4)**	10
At 31 December	**136**	165

Where the Group vacates a property, which then becomes available to be sub-let, the right-of-use asset is written down to its fair value and that value is transferred to investment properties (Note 16).

Where the Group sub-lets a property, and that sub-let qualifies as a finance lease, the right-of-use asset is written down to the net investment value of the sub-lease, and that value is transferred to finance lease receivables (Note 23).

The Group's finance leases have an average term of 9.4 years (2022: 10.4 years). The maturity analysis of lease liabilities is presented in Note 27.

Amounts recognised in profit and loss

	2023 £m	2022 £m
Depreciation expense on right-of-use assets	**23**	26
Impairment of right-of-use assets	**6**	4
Interest on lease liabilities	**16**	17
Expense relating to short-term leases	**1**	1
Interest income from sub-letting under finance leases	**(2)**	(2)

The total cash outflow for leases amounts to £45m (2022: £46m) (representing principal repayment of £29m (2022: £29m) and interest of £16m (2022: £17m).

18. Investment in associates

	2023 £m	2022 £m
At 1 January	**63**	51
Additions	**5**	–
Disposals	**(10)**	–
Impairments[1]	**(5)**	–
Share of profit for the year	**18**	23
Dividends received	**(16)**	(13)
Effect of movements in exchange rates	**(4)**	2
At 31 December	**51**	63
Summary financial information for associates		
Aggregated amounts (for associates at the year end):		
Total assets	**267**	404
Total liabilities	**(104)**	(182)
Net assets	**163**	222
Proportion of Group's ownership interest	**47**	63
Goodwill	**4**	–
Carrying amount of Group's ownership interest	**51**	63
Aggregated amounts (for associates during the year):		
Revenue	**248**	268
Profit for the year	**56**	67
Group's share of profit for the year	**18**	23
Impairment	**(5)**	–
Dividends received from associates during the year	**(16)**	(13)

1 The investment in Corretaje e Informacion Monetaria y de Divisas SA was written down to its realisable value prior to its disposal.

Interests in associates are measured using the equity method. All associates are involved in broking activities and have either a 31 December or 31 March year end. The results and assets and liabilities of associates are incorporated in these Financial Statements based on financial information made up to 31 December each year.

Country of incorporation and operation	Associated undertakings	Percentage held
Bahrain	ICAP (Middle East) W.L.L.	49%
China	Tullett Prebon SITICO (China) Limited	33%
	Enmore Commodity Brokers (Shanghai) Limited	49%
India	ICAP IL India Private Limited[1]	40%
Japan	Totan ICAP Co., Ltd[1]	40%
	Central Totan Securities Co. Ltd[1]	20%
Spain	Corretaje e Informacion Monetaria y de Divisas SA (sold December 2023)	21.5%
United Kingdom	PushPull Technology Limited (acquired March 2023)	29.4%
United States	First Brokers Securities LLC[1]	40%

1 31 March year end.

19. Investment in joint ventures

	2023 £m	2022 £m
At 1 January	**34**	28
Disposals	**–**	(1)
Share of result for the year	**7**	6
Dividends received	**(6)**	(2)
Effect of movements in exchange rates	**3**	3
At 31 December	**38**	34
Summary financial information for joint ventures		
Aggregated amounts (for joint ventures at the year end):		
Total assets	**34**	30
Total liabilities	**(5)**	(4)
Net assets	**29**	26
Proportion of Group's ownership interest	**14**	13
Goodwill	**24**	21
Carrying amount of Group's ownership interest	**38**	34
Aggregated amounts (for joint ventures during the year):		
Revenue	**19**	16
Result for the year	**14**	12
Group's share of result for the year	**7**	6
Dividends received from joint ventures during the year	**(6)**	(2)

Interests in joint ventures are measured using the equity method. All joint ventures are involved in broking activities and have a 31 December year end. No individual joint venture is material to the Group.

Country of incorporation and operation	Joint ventures	Percentage held
Colombia	SET-ICAP FX SA	47.9%
	SET-ICAP Securities S.A.	47.4%
Indonesia	PT Electronic IDR Exchange (liquidated September 2023)	49%
Mexico	SIF ICAP, S.A. de C.V.	50%

20. Other investments

	2023 £m	2022 £m
At 1 January	**23**	21
Disposals	**(3)**	–
Effect of movements in exchange rates	**(1)**	2
At 31 December	**19**	23
Categorisation of other investments:		
Debt instruments at FVTOCI – corporate debt securities	**2**	2
Equity instruments at FVTOCI	**17**	21
	19	23

The fair values are based on valuations as disclosed in Note 30(h). Equity instruments comprise securities that do not qualify as associates or joint ventures.

21. Financial investments

	2023 £m	2022 £m
Debt instruments at FVTOCI – Government debt securities	**92**	81
Investments at amortised cost – Term deposits	**97**	93
	189	174

Debt instruments and term deposits are liquid instruments held with financial institutions and central counterparty clearing houses providing the Group with access to clearing services.

22. Deferred tax

	2023 £m	2022 £m
Deferred tax assets	**41**	15
Deferred tax liabilities	**(51)**	(85)
	(10)	(70)

The movement for the year in the Group's net deferred tax position was as follows:

	2023 £m	2022 £m
At 1 January	**(70)**	(90)
Credit to income for the year:		
– Arising on impairment of intangible assets arising on consolidation	**10**	–
– Other movements	**49**	23
Effect of movements in exchange rates	**1**	(3)
At 31 December	**(10)**	(70)

Deferred tax balances and movements thereon are analysed as:

	At 1 January £m	**Recognised in profit or loss £m**	**Effect of movements in exchange rates £m**	**At 31 December £m**
2023				
Share-based payment awards	**4**	**–**	**–**	**4**
Tax losses	**23**	**36**	**(1)**	**58**
Bonuses	**11**	**–**	**(1)**	**10**
Intangible assets arising on consolidation	**(138)**	**21**	**4**	**(113)**
Other timing differences	**30**	**2**	**(1)**	**31**
	(70)	**59**	**1**	**(10)**

	At 1 January £m	Recognised in profit or loss £m	Effect of movements in exchange rates £m	At 31 December £m
2022				
Share-based payment awards	4	–	–	4
Tax losses	12	10	1	23
Bonuses	9	–	2	11
Intangible assets arising on consolidation	(145)	15	(8)	(138)
Other timing differences	30	(2)	2	30
	(90)	23	(3)	(70)

At the balance sheet date, the Group has gross unrecognised temporary differences of £149m with the unrecognised net tax amount being £33m (2022: gross £153m and net tax £33m respectively). This includes gross tax losses of £130m with the net tax amount being £28m (2022: gross £141m and net tax £30m respectively), which are potentially available for offset against future profits. Of the unrecognised gross losses £10m (2022: £24m) are expected to expire within 5 to 7 years, £16m (2022: £14m) are expected to expire between 8 to 12 years and £104m (2022: £103m) have no expiry date. Deferred tax assets have not been recognised in respect of these items since it is not probable that future taxable profits will arise against which the temporary differences may be utilised.

A deferred tax asset of £58m (2022: £23m) in respect of losses has been recognised at 31 December 2023 as it was considered probable that future taxable profits will arise.

No deferred tax has been recognised on temporary differences associated with unremitted earnings of subsidiaries as the Group is able to control the timing of distributions and overseas dividends are largely exempt from UK tax. As at the balance sheet date, the Group had unrecognised deferred tax liabilities of £2m (2022: £3m) in respect of unremitted earnings of subsidiaries of £19m (2022: £22m).

23. Trade and other receivables

	2023 £m	2022 (restated) £m
Non-current receivables		
Finance lease receivables[1]	**27**	38
Other receivables	**6**	13
	33	51
Current receivables		
Trade receivables	**304**	382
Amounts due from clearing organisations	**37**	77
Deposits paid for securities borrowed	**1,776**	1,575
Finance lease receivables	**3**	2
Other debtors[2]	**41**	45
Accrued income	**11**	15
Owed by associates and joint ventures	**4**	4
Prepayments[2]	**98**	94
Corporation tax	**5**	4
	2,279	2,198

1 In 2023 £6m of finance lease receivables were transferred to Investment Properties (Note 16).
2 Prepayments have been reduced by £15m and other debtors increased by £15m from that reported in 2022 following a reclassification of certain balances.

The Directors consider that the carrying amount of trade and other receivables which are not held at fair value through profit or loss approximates to their fair values as they are short term in nature. No interest is charged on outstanding trade receivables.

The Group measures the loss allowance for trade receivables at an amount equal to the lifetime expected credit loss. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The following table details the risk profile of trade receivables based on the Group's provision matrix by region. As the Group's historical credit loss experience does not show significantly different loss patterns for different regional customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer bases.

Trade receivables	**Total £m**	**Not past due £m**	**Less than 30 days past due £m**	**31–60 days past due £m**	**61–90 days past due £m**	**Greater than 91 days past due £m**
2023						
EMEA	**158**	**58**	**29**	**12**	**7**	**52**
Americas	**118**	**50**	**22**	**12**	**6**	**28**
Asia Pacific	**33**	**17**	**8**	**3**	**1**	**4**
Gross balances outstanding	**309**	**125**	**59**	**27**	**14**	**84**
Effective expected credit loss rate		**%**	**%**	**%**	**%**	**%**
Lifetime ECL	**(5)**	**0.31%**	**0.21%**	**0.43%**	**0.92%**	**4.85%**
	304					

Trade receivables	Total £m	Not past due £m	Less than 30 days past due £m	31–60 days past due £m	61–90 days past due £m	Greater than 91 days past due £m
2022						
EMEA	221	56	36	25	15	89
Americas	125	48	26	15	8	28
Asia Pacific	42	16	11	4	3	8
Gross balances outstanding	388	120	73	44	26	125
Effective expected credit loss rate		%	%	%	%	%
Lifetime ECL	(6)	0.15%	0.25%	0.42%	0.65%	4.56%
	382					

During 2023 the amounts outstanding 'greater than 91 days past due' reduced by £41m or 33%.

23. Trade and other receivables continued

Amounts due from clearing organisations represent balances owed to the Group as a result of client transactions undertaken through the clearer. The Group measures loss allowances for these balances under the general approach reflecting the probability of default based on the credit rating of the counterparty together with an assessment of the loss, after the sale of collateral, that could arise as a result of default. As at 31 December 2023, the provision for expected credit losses amounted to less than £1m (2022: less than £1m).

Deposits paid for securities borrowed arise on collateralised stock lending transactions. Such trades are complete only when both the collateral and stock for each side of the transaction are returned. The above analysis reflects the receivable side of such transactions. Corresponding deposits received for securities loaned are shown in Note 24 'Trade and other payables'. The Group measures loss allowances for these balances under the general approach reflecting the probability of default based on the credit rating of the counterparty together with an assessment of the loss, after the sale of collateral, that could arise as a result of default. As at 31 December 2023, the provision for expected credit losses amounted to less than £1m (2022: less than £1m).

Amounts receivable under finance leases:

	2023 £m	2022 £m
Year 1	**5**	4
Year 2	**5**	3
Year 3	**5**	5
Year 4	**3**	6
Year 5	**3**	4
Onwards	**17**	29
Undiscounted lease payments	**38**	51
Less: unearned finance income	**(8)**	(11)
Present value of lease payments receivable	**30**	40
Net investment in the lease	**30**	40

Undiscounted lease payments analysed as:

	2023 £m	2022 £m
Recoverable after 12 months	**33**	47
Recoverable within 12 months	**5**	4

Net investment in the lease analysed as:

	2023 £m	2022 £m
Recoverable after 12 months	**27**	38
Recoverable within 12 months	**3**	2

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of the recording entities.

The following table presents the amounts included in profit or loss.

	2023 £m	2022 £m
Interest on the net investment in finance leases	**2**	2

The Group's finance lease arrangements do not include variable payments.

The average effective interest rate on finance lease receivables approximates to 5.11% (2022: 5.06%) per annum.

The Directors estimated the loss allowance on finance lease receivables at the end of the reporting year at an amount equal to the lifetime ECL. None of the finance lease receivables at the end of the reporting year is past due, and taking into account the historical default experience and the future prospects of the industries in which the lessees operate, the Directors consider that no finance lease receivable is impaired.

24. Trade and other payables

	2023 £m	2022 £m
Trade payables	**40**	24
Amounts due to clearing organisations	**6**	46
Deposits received for securities loaned	**1,773**	1,573
Deferred consideration (Note 34)	**51**	1
Other creditors	**85**	108
Accruals	**384**	369
Owed to associates and joint ventures	**3**	3
Tax and social security	**28**	22
Deferred income	**2**	3
	2,372	2,149

The Directors consider that the carrying amount of trade and other payables which are not held at fair value through profit or loss approximate to their fair values.

25. Financial assets and financial liabilities at fair value through profit or loss

	2023 £m	2022 £m
Financial assets at fair value through profit or loss		
Matched Principal financial assets	**24**	9
Fair value gains on unsettled Matched Principal transactions	**545**	255
	569	264
Financial liabilities at fair value through profit or loss		
Matched Principal financial liabilities	**–**	–
Fair value losses on unsettled Matched Principal transactions	**(541)**	(255)
	(541)	(255)
Notional contract amounts of unsettled Matched Principal transactions		
Unsettled Matched Principal Sales	**125,673**	104,886
Unsettled Matched Principal Purchases	**125,645**	104,876

Fair value gains and losses on unsettled Matched Principal transactions represent the price movement between the trade date and the reporting date on regular way transactions prior to settlement. Matched Principal transactions arise where securities are bought from one counterparty and simultaneously sold to another counterparty. Settlement of such transactions is primarily on a delivery vs payment basis and typically take place within a few business days of the transaction date according to the relevant market rules and conventions.

The notional contract amounts of unsettled Matched Principal transactions indicate the aggregate value of buy and sell transactions outstanding at the balance sheet date. They do not represent amounts at risk.

26. Loans and borrowings

	Less than one year £m	Greater than one year £m	Total £m
2023			
Overdrafts	**10**	**–**	**10**
Sterling Notes January 2024	**37**	**–**	**37**
Sterling Notes May 2026	**1**	**249**	**250**
Sterling Notes November 2028	**1**	**248**	**249**
Sterling Notes April 2030	**4**	**247**	**251**
Liquidnet Vendor Loan Notes March 2024	**40**	**–**	**40**
	93	**744**	**837**

	Less than one year £m	Greater than one year £m	Total £m
2022			
Sterling Notes January 2024	6	247	253
Sterling Notes May 2026	1	249	250
Sterling Notes November 2028	1	247	248
Liquidnet Vendor Loan Notes March 2024	1	42	43
	9	785	794

All amounts are stated after unamortised transaction costs. An analysis of borrowings by maturity has been disclosed in Note 30(e).

The cash flows in respect of loans and borrowings are set out in Note 36.

26. Loans and borrowings continued

Settlement facilities and overdrafts

Where the Group purchases securities under Matched Principal trades but is unable to complete the sale immediately, the Group's settlement agent finances the purchase through the provision of an overdraft secured against the securities and any collateral placed at the settlement agent. As at 31 December 2023, overdrafts for the provision of settlement finance amounted to £10m (December 2022: £nil).

Bank credit facilities and bank loans

The Group has a £350m committed revolving facility that matures in May 2026. Facility commitment fees of 0.7% on the undrawn balance are payable on the facility. Arrangement fees of £3m were paid in 2022 and are being amortised over the maturity of the facility.

As at 31 December 2023, the revolving credit facility was undrawn. During the year, the maximum amount drawn was £40m (2022: £140m), and the average amount drawn was £18m (2022: £30m). The Group utilises the credit facility throughout the year, entering into numerous short-term bank loans where maturities are less than three months. The turnover is quick and the volume is large and resultant flows are presented net in the Group's cash flow statement in accordance with IAS 7 'Cash Flow'.

Interest and facility fees of £2m were incurred in 2023 (2022: £3m).

Credit facility and loans

The Group has a Yen 10bn committed facility with The Tokyo Tanshi Co., Ltd, a connected party, that matures in August 2025. Facility commitment fees of 0.64% on the undrawn balance are payable on the facility. Arrangement fees of less than £1m are being amortised over the maturity of the facility.

As at 31 December 2023, the Yen 10bn committed facility equated to £56m and was undrawn (2022: Yen nil). The Directors consider that the carrying amount of the loan which is not held at fair value through profit or loss approximates to its fair value. During the year, the maximum amount drawn was Yen 8bn, £45m at year end rates (2022: Yen 10bn, £63m at 2022 year end rates), and the average amount drawn was Yen 4bn, £24m at year end rates (2022: Yen 9bn, £57m at 2022 year end rates). The Group utilises the credit facility throughout the year, entering into numerous short-term bank loans where maturities are less than three months. The turnover is quick and the volume is large and resultant flows are presented net in the Group's cash flow statement in accordance with IAS 7 'Cash Flow'.

Interest and facility fees of £1m were incurred in 2023 (2022: £1m).

Sterling Notes: Due January 2024

In January 2017 the Group issued £500m unsecured Sterling Notes due January 2024. The Notes have a fixed coupon of 5.25% payable semi-annually, subject to compliance with the terms of the Notes. In May 2019, the Group repurchased £69m of the Notes, in November 2021 the Group repurchased £184m of the Notes and in April 2023 a further £210m of the Notes were repurchased.

Interest of £5m was incurred in 2023 (2022: £13m). The amortisation expense of issue costs in 2023 and 2022 was less than £1m.

Accrued interest at 31 December 2023 amounted to £1m (2022:£6m). Issue costs of less than £1m were written off following the repurchase in April 2023. No unamortised issue costs remain.

At 31 December 2023 the fair value of the Notes (Level 1) was £38m (2022: £241m).

Sterling Notes: Due May 2026

In May 2019 the Group issued £250m unsecured Sterling Notes due May 2026. The Notes have a fixed coupon of 5.25% paid semi-annually, subject to compliance with the terms of the Notes.

Interest of £13m was incurred in 2023 (2022: £13m). The amortisation expense of issue costs in 2023 and 2022 was less than £1m.

Accrued interest at 31 December 2023 amounted to £1m (2022: £1m). Unamortised issue costs were £1m as at 31 December 2023 (2022: £1m).

At 31 December 2023 the fair value of the Notes (Level 1) was £242m (2022: £232m).

Sterling Notes: Due November 2028

In November 2021 the Group issued £250m unsecured Sterling Notes due November 2028. The Notes were issued at a discount of £1m, raising £249m before issue costs. The Notes have a fixed coupon of 2.625% paid semi-annually, subject to compliance with the terms of the Notes.

Interest of £7m was incurred in 2023 (2022: £7m). The amortisation expense of discount and issue costs in 2023 and 2022 was less than £1m.

Accrued interest at 31 December 2023 amounted to £1m (2022:£1m). Unamortised discount and issue costs were £2m (2022: £3m).

At 31 December 2023 the fair value of the Notes (Level 1) was £210m (2022: £184m).

26. Loans and borrowings continued

Sterling Notes: Due April 2030

In April 2023 the Group issued £250m unsecured Sterling Notes due April 2030. The Notes were issued at a discount of £1m, raising £249m before issue costs. The Notes have a fixed coupon of 7.875% paid semi-annually, subject to compliance with the terms of the Notes.

Interest of £14m was incurred in 2023. The amortisation expense of discount and issue costs in 2023 was £1m.

Accrued interest at 31 December 2023 amounted to £4m. Unamortised discount and issue costs were £3m.

At 31 December 2023 the fair value of the Notes (Level 1) was £269m.

Liquidnet Vendor Loan Notes Due March 2024

In March 2021, as part of the purchase consideration of Liquidnet, the Group issued $50m (£39m at year end exchange rates (2022:£42m)) unsecured Loan Notes due March 2024. The Notes have a fixed coupon of 3.2% paid annually.

Interest of £1m was incurred in 2023 (2022: £1m).

Accrued interest at 31 December 2023 amounted to £1m (2022:£1m).

At 31 December 2023 the fair value of the Notes (Level 2) was $45m (£41m) (2022: $44m (£37m)).

27. Lease liabilities

Maturity analysis

	2023 £m	2022 £m
Year 1	**44**	46
Year 2	**42**	40
Year 3	**40**	37
Year 4	**32**	35
Year 5	**29**	30
Onwards	**142**	172
	329	360
Less: future interest expense	**(78)**	(81)
	251	279

Analysed as:

	2023 £m	2022 £m
Included in current liabilities	**28**	29
Included in non-current liabilities	**223**	250
	251	279

The average effective interest rate on finance leases approximates to 6.23% (2022: 6.44%) per annum.

The cash flows in respect of finance leases are set out in Note 36.

At 31 December 2023, the Group is committed to £1m (2022: £1m) for short-term leases.

28. Provisions

(a) Provision movements during the year

	Property £m	**Restructuring £m**	**Legal and other £m**	**Total £m**
2023				
At 1 January 2023	**13**	**7**	**20**	**40**
Charge to income statement	**–**	**6**	**12**	**18**
Utilisation of provision	**–**	**(8)**	**(4)**	**(12)**
Effect of movements in exchange rates	**(1)**	**–**	**–**	**(1)**
At 31 December 2023	**12**	**5**	**28**	**45**

	Property £m	Restructuring £m	Legal and other £m	Total £m
2022				
At 1 January 2022	16	5	22	43
Charge to income statement	–	3	2	5
Utilisation of provision	(3)	(1)	(5)	(9)
Effect of movements in exchange rates	–	–	1	1
At 31 December 2022	13	7	20	40

28. Provisions continued

(a) Provision movements during the year continued

	2023 £m	2022 £m
Included in current liabilities	**14**	9
Included in non-current liabilities	**31**	31
	45	40

Property provisions outstanding as at 31 December 2023 relate to provisions in respect of building dilapidations, representing the estimated cost of making good dilapidations and disrepair on various leasehold buildings, and are expected to be utilised over the next 12 years.

Restructuring provisions outstanding as at 31 December 2023 relate to termination and other employee related costs. It is expected that the remaining obligations will be discharged during 2024.

Legal and other provisions include provisions for legal claims brought against subsidiaries of the Group together with provisions against obligations for certain long-term employee benefits and non-property related onerous contracts. At present the timing and amount of any payments are uncertain and provisions are subject to regular review. It is expected that the obligations will be discharged over the next 17 years.

(b) Critical judgements and key estimation uncertainties

Swiss LIBOR Class Action
On 4 December 2017, a class of plaintiffs filed a Second Amended Class Action Complaint in the matter of Sonterra Capital Master Fund Ltd. et al. v. Credit Suisse Group AG et al. naming as defendants, among others, TP ICAP plc, Tullett Prebon Americas Corp., Tullett Prebon (USA) Inc., Tullett Prebon Financial Services LLC, Tullett Prebon (Europe) Limited, Cosmorex AG, ICAP Europe Limited, and ICAP Securities USA LLC (together, the 'Companies'). The Second Amended Complaint generally alleges that the Companies conspired with certain bank customers to manipulate Swiss Franc LIBOR and prices of Swiss Franc LIBOR based derivatives by disseminating false pricing information in false run-throughs and false prices published on screens viewed by customers in violation of the Sherman Act (anti-trust) and the Racketeer Influenced and Corrupt Organizations Act ('RICO'). The Group has entered into settlement agreements to resolve this matter. On 16 May, 2023, the United States District Court granted preliminary approval of those settlements. On 27 September 2023, the Court signed an order granting final class approval of the settlement. Pursuant to the settlement, the legacy 'Tullett' defendants have paid US$2.1m (£1.7m) into escrow having provided for this amount for onward distribution. Separately and consistent with its indemnity obligations, NEX International Limited (formerly known as ICAP plc) has, in order to resolve claims against the four 'ICAP' broker defendants (ICAP Europe Limited, ICAP Securities USA LLC, NEX Group plc and Intercapital Capital Markets LLC) paid US$2.1m (£1.7m) into escrow for onward distribution. This has been recorded as a provision and settlement, together with the receipt of an indemnification asset from NEX. This matter is now closed.

Commodities and Futures Trading Commission – Bond issuances investigation
ICAP Global Derivatives Limited ('IGDL'), ICAP Energy LLC ('Energy'), ICAP Europe Limited ('IEL'), Tullett Prebon Americas Corp. ('TPAC'), tpSEF Inc. ('tpSEF'), TP ICAP E&C Limited (formerly Tullett Prebon Europe Limited) ('TPE&C') Tullett Prebon (Japan) Limited ('TPJL') and Tullett Prebon (Australia) Limited ('TPAL') are currently responding to an investigation by the CFTC in relation to the pricing of issuances utilising certain of TP ICAP's indicative broker pricing screens and certain recordkeeping matters including in relation to employee use of personal devices for business communications and other books and records matters. The investigation remains open and the Group is co-operating with the CFTC in its enquiries. Whilst it is not possible to predict the ultimate outcome of the investigation, the Group has made a provision reflecting management's best estimate as at this date of the cost of settling the investigation. The actual outcome may differ significantly from management's current estimate. As the relevant matters occurred prior to the Group's acquisition of ICAP's Global Broking Business ('IGBB'), the Group issued proceedings against ICAP's successor company, NEX Group Limited ('NEX'), in respect of breach of warranties under the sale and purchase agreement in connection with the IGBB acquisition insofar as these matters relate to the ICAP entities. Those proceedings against NEX have been settled on confidential terms.

Supplier contractual dispute
The Group is party to numerous contractual arrangements with its suppliers some of which, in the normal course of business, may become subject to dispute over a party's compliance with the terms of the arrangement. In respect of one such matter the Group has resolved a dispute for an amount within the previously disclosed provision of £5m (US$6.8m). As the settlement is commercially sensitive further disclosure is considered to be prejudicial.

29. Other long-term payables

	2023 £m	2022 £m
Accruals and deferred income	**5**	5
Deferred consideration (Note 34)	**–**	55
	5	60

30. Financial instruments

(a) Financial and liquidity risk

The Group does not take trading risk and does not seek to hold proprietary trading positions. Consequently, the Group is exposed to trading book market risk only in relation to incidental positions in financial instruments arising as a result of the Group's failure to match clients' orders precisely. The Group has limited exposure to non-trading book market risk, specifically to interest rate risk and currency risk. Thus the overall approach to the planning and management of the Group's capital and liquidity is to ensure the Group's solvency, i.e. its continued ability to conduct business, deliver returns to shareholders, and support growth and strategic initiatives. The Group is not subject to consolidated capital adequacy requirements.

The Group seeks to ensure that it has access to an appropriate level of cash, other forms of marketable securities and liquidity facilities to enable it to finance its ongoing operations on cost effective terms. Cash and cash equivalent balances are held with the primary objective of capital security and availability, with a secondary objective of generating returns. Funding requirements are monitored by the Group's Finance and Treasury functions.

As a normal part of its operations, the Group faces liquidity risk through the risk of being required to fund transactions that do not settle on the due date. From a risk perspective, the most problematic scenario concerns 'fail to deliver' transactions, where the business has received, and recognised, a security from the selling counterparty (and has paid cash in settlement of the same) but is unable to effect onward delivery of the security to the buying counterparty. Such settlement delays give rise to a funding requirement, reflecting the value of the security which the Group has been unable to deliver until such time as the delivery leg is finally settled, or the security sold, and the business has received the associated cash. The Group has addressed this funding risk by arranging overdraft facilities to cover 'failed to deliver' trades, either with the relevant settlement agent/depository or with a clearing bank. Under such arrangements, the facility provider will fund the value of any 'failed to deliver' trades until delivery of the security is effected. Certain facility providers require collateral (such as a cash deposit or parent company guarantee) to protect them from any adverse mark-to-market movement and some also charge a funding fee for providing the facility.

The Group is also exposed to potential margin calls. Margin calls can be made by central counterparties under the Matched Principal broking model when not all legs of a matched principal trade are settled at the central counterparty or when there is a residual balance or confirmation error. Margin calls can be made by the Group's clearers or correspondent clearers under the Executing Broker broking model or the Introducing Broker broking model when there is a trade error or a counterparty is slow to confirm their trade. These margin calls occur mainly in the United States and the United Kingdom.

In the event of a short-term liquidity requirement, the firm has recourse to existing global cash resources, after which it could draw down on its £350m committed revolving credit facility and Yen 10bn (£56m at year end rates) committed facility with The Tokyo Tanshi Co., Ltd as additional contingency funding, less any amounts earmarked to fund acquisitions.

Derivative financial instruments, such as foreign currency contracts and interest rate swaps, are entered into by the Group in order to manage its exposure to interest rate and foreign currency fluctuations or as simultaneous back-to-back transactions with counterparties. The Group does not use derivative financial instruments for speculative purposes. As at 31 December 2023, the fair value of outstanding derivatives used to manage the Group's exposure to interest rate and foreign currency fluctuations was less than £1m (2022: less than £1m).

The value of simultaneous back-to-back derivatives, and the amounts netted in the statement of financial position are set out below:

Back-to-back derivatives netted in the statement of financial position	**Gross amounts of recognised financial instruments £m**	**Amounts that are offset in the statement of financial position £m**	**Net amounts of financial instruments presented in the statement of financial position £m**
2023			
Derivative asset	**199**	**(199)**	**–**
Derivative liability	**(199)**	**199**	**–**

Back-to-back derivatives netted in the statement of financial position	Gross amounts of recognised financial instruments £m	Amounts that are offset in the statement of financial position £m	Net amounts of financial instruments presented in the statement of financial position £m
2022			
Derivative asset	157	(157)	–
Derivative liability	(157)	157	–

(b) Capital management

The Group's policy is to maintain a capital base and funding structure that maintains creditor, regulator and market confidence and provides flexibility for business development while also optimising returns to shareholders. The capital structure of the Group consists of debt, as set out in Note 26, cash and cash equivalents, other current financial assets and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in Notes 31 and 32. Dividends paid during the year are disclosed in Note 12 and the dividend policy is discussed in the Strategic Report.

A number of the Company's subsidiaries and sub-groups are individually or collectively regulated and are required to maintain capital that is appropriate to the risks entailed in their businesses according to definitions that vary according to each jurisdiction. In addition to subsidiaries and sub-groups fulfilling their regulatory obligations, the Group undertakes periodic reviews of the current and projected regulatory requirements of each of these entities and sub-groups.

(c) Categorisation of financial assets and liabilities

Financial assets	FVTPL trading instruments £m	FVTOCI debt instruments £m	FVTOCI equity instruments £m	Amortised cost £m	Total carrying amount £m
2023					
Non-current financial assets measured at fair value					
Equity securities	–	–	17	–	17
Corporate debt securities	–	2	–	–	2
Non-current financial assets not measured at fair value					
Other receivables	–	–	–	6	6
Finance lease receivables	–	–	–	27	27
	–	2	17	33	52
Current financial assets measured at fair value					
Matched Principal financial assets	24	–	–	–	24
Fair value gains on unsettled Matched Principal transactions	545	–	–	–	545
Government debt securities	–	92	–	–	92
Current financial assets not measured at fair value[1]					
Term deposits	–	–	–	97	97
Other debtors	–	–	–	41	41
Accrued income	–	–	–	11	11
Owed by associates and joint ventures	–	–	–	4	4
Trade receivables	–	–	–	304	304
Amounts due from clearing organisations	–	–	–	37	37
Deposits paid for securities borrowed	–	–	–	1,776	1,776
Finance lease receivables	–	–	–	3	3
Cash and cash equivalents	–	–	–	1,029	1,029
	569	92	–	3,302	3,963
Total financial assets	569	94	17	3,335	4,015

1 Financial assets are initially measured at fair value.

Financial assets	FVTPL trading instruments £m	FVTOCI debt instruments £m	FVTOCI equity instruments £m	Amortised cost (restated) £m	Total carrying amount (restated) £m
2022					
Non-current financial assets measured at fair value					
Equity securities	–	–	21	–	21
Corporate debt securities	–	2	–	–	2
Non-current financial assets not measured at fair value					
Other receivables	–	–	–	13	13
Finance lease receivables	–	–	–	38	38
	–	2	21	51	74
Current financial assets measured at fair value					
Matched Principal financial assets	9	–	–	–	9
Fair value gains on unsettled Matched Principal transactions	255	–	–	–	255
Government debt securities	–	81	–	–	81
Current financial assets not measured at fair value[1]					
Term deposits	–	–	–	93	93
Other debtors[2]	–	–	–	45	45
Accrued income	–	–	–	15	15
Owed by associates and joint ventures	–	–	–	4	4
Trade receivables	–	–	–	382	382
Amounts due from clearing organisations	–	–	–	77	77
Deposits paid for securities borrowed	–	–	–	1,575	1,575
Finance lease receivables	–	–	–	2	2
Cash and cash equivalents	–	–	–	888	888
	264	81	–	3,081	3,426
Total financial assets	264	83	21	3,132	3,500

1 Financial assets are initially measured at fair value.
2 Restated to include £15m previously reported within prepayments.

30. Financial instruments continued
(c) Categorisation of financial assets and liabilities continued

Financial liabilities	Mandatorily at FVTPL Non-current £m	Mandatorily at FVTPL Current £m	Other financial liabilities Non-current £m	Other financial liabilities Current £m	Total carrying amount £m
2023					
Financial liabilities measured at fair value					
Fair value losses on unsettled Matched Principal transactions	**–**	**541**	**–**	**–**	**541**
Deferred consideration	**–**	**51**	**–**	**–**	**51**
	–	**592**	**–**	**–**	**592**
Financial liabilities not measured at fair value[1]					
Overdraft	**–**	**–**	**–**	**10**	**10**
Sterling Notes January 2024	**–**	**–**	**–**	**37**	**37**
Sterling Notes May 2026	**–**	**–**	**249**	**1**	**250**
Sterling Notes November 2028	**–**	**–**	**248**	**1**	**249**
Sterling Notes April 2030	**–**	**–**	**247**	**4**	**251**
Liquidnet Vendor Loan Notes March 2024	**–**	**–**	**–**	**40**	**40**
Other creditors	**–**	**–**	**–**	**85**	**85**
Accruals[2]	**–**	**–**	**–**	**97**	**97**
Owed to associates and joint ventures	**–**	**–**	**–**	**3**	**3**
Trade payables	**–**	**–**	**–**	**40**	**40**
Amounts due to clearing organisations	**–**	**–**	**–**	**6**	**6**
Deposits received for securities loaned	**–**	**–**	**–**	**1,773**	**1,773**
Lease liabilities	**–**	**–**	**223**	**28**	**251**
	–	**–**	**967**	**2,125**	**3,092**
Total financial liabilities	**–**	**592**	**967**	**2,125**	**3,684**

Financial liabilities	Mandatorily at FVTPL Non-current £m	Mandatorily at FVTPL Current £m	Other financial liabilities Non-current £m	Other financial liabilities Current £m	Total carrying amount £m
2022					
Financial liabilities measured at fair value					
Fair value losses on unsettled Matched Principal transactions	–	255	–	–	255
Deferred consideration	55	1	–	–	56
	55	256	–	–	311
Financial liabilities not measured at fair value[1]					
Sterling Notes January 2024	–	–	247	6	253
Sterling Notes May 2026	–	–	249	1	250
Sterling Notes November 2028	–	–	247	1	248
Liquidnet Vendor Loan Notes March 2024	–	–	42	1	43
Other creditors	–	–	–	108	108
Accruals[2]	–	–	–	113	113
Owed to associates and joint ventures	–	–	–	3	3
Trade payables	–	–	–	24	24
Amounts due to clearing organisations	–	–	–	46	46
Deposits received for securities loaned	–	–	–	1,573	1,573
Lease liabilities	–	–	250	29	279
	–	–	1,035	1,905	2,940
Total financial liabilities	55	256	1,035	1,905	3,251

1 Financial liabilities are measured at fair value on initial recognition.
2 Accruals of £287m (2022: £256m) are not recorded as financial liabilities.

(d) Credit and market risk
The Group is exposed to credit risk in the event of default by counterparties in respect of its Name Passing, Executing Broker, Introducing Broker, Matched Principal, Information Sales and corporate treasury operations. Whilst the Group does bear concentration risk to counterparties, countries and sectors these concentrations are typically with major US and European global banks. The credit risk in respect of the Name Passing and Information Sales businesses are limited to the collection of outstanding commission and transaction fees, 'Receivables Risk'. The Executing Broker, Introducing Broker and invoiced Matched Principal businesses are also exposed to this risk. Receivables Risk is managed proactively by the Group's accounts receivable function. As at the year end, 53% (2022: 56%) of the Group's trade receivables are with investment grade counterparts (equivalent to credit ratings BBB-/Baa3 or above).

Deposits paid for securities borrowed arise on collateralised stock lending transactions. Such trades are complete only when both the collateral and stock for each side of the transaction are returned. As at the year end, 94% (2022: 84%) of the Group's counterparty exposure is to investment grade counterparts.

The credit risk on cash, cash equivalents, and financial assets at amortised cost, FVTOCI or FVTPL, is subject to frequent monitoring. All financial institutions that are transacted with are approved and internal limits are assigned to each one based on a combination of factors including external credit ratings. As at the year end, 98% (2022: 97%) of cash and cash equivalents and 95% (2022: 95%) of financial assets are held with investment grade rated financial institutions.

30. Financial instruments continued

(d) Credit and market risk continued

Pre-settlement credit risk arises in the Matched Principal broking business in which the Group interposes itself as principal to two (or more) contracting parties to a Matched Principal transaction and as a result the Group is at risk of loss should one of the parties to a transaction default on its obligations prior to settlement date (typically 2 to 3 business days). In the event of default, the Group would have to replace the defaulted contract in the market. This is a contingent risk in that the Group will only suffer loss if the market price of the securities has moved adversely to the original trade price.

The Introducing Broker business also gives rise to pre-settlement credit risk. Under this model the Group facilitates anonymous trading for its clients which are subsequently settled through a third party settlement provider with the Group retaining the associated pre-settlement credit risk exposure through an indemnity granted under its agreement with the settlement provider. The pre-settlement credit risk exposure is similar in nature to that under the matched principal broking business described above.

The Executing Broker business gives rise to short term pre-settlement credit risk during the period between the execution of the trade and the client claiming the trade. This exposure is minimal as under the terms of the 'give-up' agreements the Group has in place with its clients, trades must be claimed by the end of trade day. Once the trade has been claimed, the Group's only exposure to the client is for the invoiced receivables as described above.

The 'maximum exposure to credit risk' is the maximum exposure before taking account of any securities or collateral held, or other credit enhancements, unless such enhancements meet accounting offsetting requirements. For financial assets recognised on the balance sheet, excluding equity instruments as they are not subject to credit risk, the maximum exposure to credit risk equals their carrying amount.

(e) Maturity profile of financial liabilities, lease liabilities and off-balance sheet items

The table below reflects the contractual maturities, including future interest obligations, of the Group's financial and lease liabilities as at 31 December. Matched Principal financial liabilities are included in the 'Due within 3 months' time bucket, and not by contractual maturity because such balances are typically held for short periods of time. The settlement amounts of open Matched Principal purchases as at the reporting date are included in the 'Due within 3 months' time bucket reflecting their expected settlement amount and date.

	Due within 3 months £m	**Due between 3 months and 12 months £m**	**Due between 1 year and 5 years £m**	**Due after 5 years £m**	**Total £m**
2023					
Settlement of open Matched Principal purchases[1]	**125,645**	**–**	**–**	**–**	**125,645**
Deposits received for securities loaned	**1,773**	**–**	**–**	**–**	**1,773**
Trade payables	**40**	**–**	**–**	**–**	**40**
Amounts due to clearing organisations	**6**	**–**	**–**	**–**	**6**
Other creditors	**85**	**–**	**–**	**–**	**85**
Accruals	**97**	**–**	**–**	**–**	**97**
Owed to associates and joint ventures	**3**	**–**	**–**	**–**	**3**
Lease liabilities	**7**	**37**	**143**	**142**	**329**
Overdrafts	**10**	**–**	**–**	**–**	**10**
Sterling Notes January 2024	**37**	**–**	**–**	**–**	**37**
Sterling Notes May 2026	**–**	**13**	**270**	**–**	**283**
Sterling Notes November 2028	**–**	**7**	**276**	**–**	**283**
Sterling Notes April 2030	**–**	**20**	**79**	**279**	**378**
Liquidnet Vendor Loan Notes March 2024	**40**	**–**	**–**	**–**	**40**
Deferred consideration	**51**	**–**	**–**	**–**	**51**
	127,794	**77**	**768**	**421**	**129,060**

	Due within 3 months £m	Due between 3 months and 12 months £m	Due between 1 year and 5 years £m	Due after 5 years £m	Total £m
2022					
Settlement of open Matched Principal purchases[1]	104,876	–	–	–	104,876
Deposits received for securities loaned	1,573	–	–	–	1,573
Trade payables	24	–	–	–	24
Amounts due to clearing organisations	46	–	–	–	46
Other creditors	108	–	–	–	108
Accruals	113	–	–	–	113
Owed to associate and joint ventures	3	–	–	–	3
Lease liabilities	11	35	142	172	360
Sterling Notes January 2024	6	6	253	–	265
Sterling Notes May 2026	–	13	283	–	296
Sterling Notes November 2028	–	7	26	257	290
Liquidnet Vendor Loan Notes March 2024	1	–	43	–	44
Deferred consideration	1	–	55	–	56
	106,762	61	802	429	108,054

1 Settlement of open Matched Principal purchases represents payment in exchange for Matched Principal financial assets pending their onward sale. The onward sale results in inflows from the settlement of related open Matched principal sales.

30. Financial instruments continued

(f) Foreign currency sensitivity analysis

The table below illustrates the sensitivity of the profit for the year with regard to currency movements on financial assets and liabilities denominated in foreign currencies as at the year end. The sensitivity of the Group's equity with regard to its net foreign currency investments at the year end is also shown below.

Based on a 10% weakening in the following exchange rates against Sterling, the effects would be as follows:

	Change in foreign currency financial assets and liabilities – profit or loss		Change in translation of foreign operations – equity	
	2023 £m	2022 £m	**2023 £m**	2022 £m
Currency:				
– USD	**(9)**	(7)	**(93)**	(112)
– EUR	**(6)**	(7)	**(11)**	(10)
– SGD	**–**	–	**(9)**	(10)
– HKD	**–**	–	**(8)**	(10)
– JPY	**–**	–	**(5)**	(8)
– AUD	**–**	–	**(3)**	(4)

Unless specifically hedged, the Group would experience equal and opposite foreign exchange movements should the currencies strengthen against Sterling.

(g) Interest rate sensitivity analysis

Interest on floating rate financial instruments is reset at intervals of less than one year. The Group's exposure to interest rates arises on cash and cash equivalents and money market instruments, including drawdowns on the revolving credit and Tokyo Tanshi committed facilities. The Sterling Notes are fixed rate financial instruments.

A 100 basis point change in interest rates, applied to average floating rate financial instrument assets and liabilities during the year, would result in the following impact on profit or loss:

	2023		2022	
	+100bps £m	**-100bps £m**	+100bps £m	-100bps £m
Income/(expense) arising on:				
– floating rate assets	**5**	**(5)**	4	(4)
– floating rate liabilities	**–**	**–**	(1)	–
Net income/(expense) for the year	**5**	**(5)**	3	(4)

(h) Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

> Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
> Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
> Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(h) Fair value measurements recognised in the statement of financial position continued

2023	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Non-financial assets measured at fair value				
Investment properties	–	–	12	12
Financial assets measured at fair value				
Matched Principal financial assets	24	–	–	24
Fair value gain on unsettled Matched Principal transactions	545	–	–	545
Equity instruments	–	8	9	17
Corporate debt securities	–	–	2	2
Government debt securities	92	–	–	92
Financial liabilities measured at fair value				
Fair value losses on unsettled Matched Principal transactions	(541)	–	–	(541)
Deferred consideration	–	(51)	–	(51)
	120	(43)	23	100

2022	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets measured at fair value				
Matched Principal financial assets	9	–	–	9
Fair value gain on unsettled Matched Principal transactions	255	–	–	255
Equity instruments	–	11	10	21
Corporate debt securities	–	–	2	2
Government debt securities	81	–	–	81
Financial liabilities measured at fair value				
Fair value losses on unsettled Matched Principal transactions	(255)	–	–	(255)
Deferred consideration	–	–	(56)	(56)
	90	11	(44)	57

In deriving the fair value of equity and derivative instruments valuation models were used which incorporated observable market data. There were no significant inputs used in these models that were unobservable. There is no material sensitivity to unobservable inputs used in these models.

The fair value of deferred consideration is based on valuation models incorporating unobservable inputs reflecting the estimated performance conditions specific to each acquisition. Inputs are based on management's financial forecasts for the relevant performance condition and relevant duration. As inputs are acquisition specific outcomes can vary from that used to estimate fair values at a reporting date. Where deferred consideration is non-contingent, or where conditions have been met but unsettled at the year end, such amounts are included as Level 2.

There were no transfers between Level 1 and 2 during the year.

Reconciliation of Level 3 fair value measurements of assets and liabilities:

2023	Investment properties (at FVTPL) £m	Equity instruments (at FVTOCI) £m	Debt securities (at FVTOCI) £m	Deferred consideration (at FVTPL) £m	Total £m
Balance as at 1 January	–	10	2	(56)	(44)
Net change in fair value – charged to the income statement	–	–	–	4	4
Additions during the year	12	–	–	–	12
Amounts settled during the year	–	–	–	1	1
Transfer of liabilities to Level 2	–	–	–	51	51
Effect of movements in exchange rates	–	(1)	–	–	(1)
Balance as at 31 December	12	9	2	–	23

2022	Equity instruments (at FVTOCI) £m	Debt securities (at FVTOCI) £m	Deferred consideration (at FVTPL) £m	Total £m
Balance as at 1 January	9	2	(53)	(42)
Net change in fair value – credited to the income statement	–	–	(8)	(8)
Acquisitions during the year	–	–	–	–
Amounts settled during the year	–	–	5	5
Effect of movements in exchange rates	1	–	–	1
Balance as at 31 December	10	2	(56)	(44)

31. Share capital

	2023 No.	2022 No.
Allotted, issued and fully paid		
Ordinary shares of 25p		
As at 31 December 2023 and 2022	**788,670,932**	788,670,932

32. Reconciliation of shareholders' funds

(a) Share capital

	Share capital £m
As at 31 December 2023 and 2022	**197**

(b) Other reserves

	Reorganisation reserve £m	Revaluation reserve £m	Hedging and translation £m	Treasury shares £m	Own shares £m	Other reserves £m
2023						
As at 1 January 2023	**(946)**	**5**	**109**	**–**	**(22)**	**(854)**
Exchange differences on translation of foreign operations	**–**	**–**	**(82)**	**–**	**–**	**(82)**
Taxation on components of other comprehensive income	**–**	**–**	**2**	**–**	**–**	**2**
Total comprehensive income	**–**	**–**	**(80)**	**–**	**–**	**(80)**
Share settlement of share-based payment awards	**–**	**–**	**–**	**–**	**9**	**9**
Own shares acquired for employee trusts	**–**	**–**	**–**	**–**	**(7)**	**(7)**
Own shares acquired/share buyback	**–**	**–**	**–**	**(29)**	**–**	**(29)**
Gain on disposal of equity instruments at FVTOCI	**–**	**(2)**	**–**	**–**	**–**	**(2)**
As at 31 December 2023	**(946)**	**3**	**29**	**(29)**	**(20)**	**(963)**

	Reorganisation reserve £m	Revaluation reserve £m	Hedging and translation £m	Treasury shares £m	Own shares £m	Other reserves £m
2022						
As at 1 January 2022	(946)	5	(38)	–	(26)	(1,005)
Exchange differences on translation of foreign operations	–	–	152	–	–	152
Taxation on components of other comprehensive income	–	–	(5)	–	–	(5)
Total comprehensive income	–	–	147	–	–	147
Share settlement of share-based payment awards	–	–	–	–	7	7
Own shares acquired for employee trusts	–	–	–	–	(3)	(3)
As at 31 December 2022	(946)	5	109	–	(22)	(854)

Reorganisation reserve
On 26 February 2021 the Group adjusted its corporate structure. TP ICAP Group plc was incorporated in Jersey on 23 December 2019 and became the new listed holding company of the Group on 26 February 2021 via a court-approved scheme of arrangement under Part 26 of the UK Companies Act 2006, with the former holding company, TP ICAP plc subsequently being renamed TP ICAP Finance plc. Under the scheme of arrangement, shares in the former holding company of the Group were cancelled and the same number of new ordinary shares were issued to the new holding company in consideration for the allotment to shareholders of one ordinary share of 25 pence in the new holding company for each ordinary share of 25 pence they held in the former holding company. The share for share exchange between TP ICAP plc and TP ICAP Group plc was a common control transaction has been accounted for using merger accounting principles. Under these principles the results and cash flows of all the combining entities are brought into the consolidated financial statements from the beginning of the financial year in which the combination occurs and comparative figures also reflect the combination of the entities. The Group's equity is adjusted to reflect that of the new holding company, but in all other aspects the Group results and financial position are unaffected by the change and reflect the continuation of the Group. In adjusting the Group's equity to reflect that of the new holding company, the sum of share capital, share premium, merger reserve and reverse acquisition reserves under the former holding company are replaced by the share capital and share premium of the new holding company together with a reorganisation reserve.

Revaluation reserve
The revaluation reserve represents the remeasurement of assets in accordance with IFRS that have been recorded in other comprehensive income.

Hedging and translation
The hedging and translation reserve records revaluation gains and losses arising on net investment hedges and the effect of changes in exchange rates on translation of foreign operations recorded in other comprehensive income. As at 31 December 2023, £11m relates to amounts arising on previous net investment hedges (2022: £11m).

32. Reconciliation of shareholders' funds continued

(b) Other reserves continued

Treasury shares

During the year, as part of the Group's share buyback programme announced in August 2023, the Group repurchased 16,634,112 ordinary shares, representing 2.1% of the shares in issue, at a cost of £29m. At 31 December 2023 these shares had not been cancelled and had a fair value of £32m.

Own shares

At 31 December 2023, the TP ICAP plc EBT held 6,549,166 ordinary shares (2022: 8,803,320 ordinary shares) with a fair value of £13m (2022: £15m). During the year the Trust delivered 3,672,154 shares in satisfaction of vesting share-based awards, and purchased 1,418,000 ordinary shares in the open market at a cost of £2m. In 2022 the Trust delivered 2,454,633 shares in satisfaction of vesting share-based awards, and purchased 2,157,328 ordinary shares in the open market at a cost of £3m.

In July 2023 the TP ICAP Group plc EBT was created. It purchased 2,836,000 ordinary shares on the open market during the year at a cost of £5m. At 31 December 2023 the shares had a fair value of £6m.

(c) Total equity

	Equity attributable to equity holders of the parent					
	Share capital Note 32(a) £m	**Other reserves Note 32(b) £m**	**Retained earnings £m**	**Total £m**	**Non-controlling interests £m**	**Total equity £m**
2023						
As at 1 January 2023	**197**	**(854)**	**2,800**	**2,143**	**18**	**2,161**
Profit for the year	**–**	**–**	**74**	**74**	**2**	**76**
Remeasurement of defined benefit pension schemes	**–**	**–**	**46**	**46**	**–**	**46**
Exchange differences on translation of foreign operations	**–**	**(82)**	**–**	**(82)**	**(1)**	**(83)**
Taxation on components of other comprehensive income	**–**	**2**	**(16)**	**(14)**	**–**	**(14)**
Total comprehensive income	**–**	**(80)**	**104**	**24**	**1**	**25**
Dividends paid	**–**	**–**	**(99)**	**(99)**	**(2)**	**(101)**
Share settlement of share-based payment awards	**–**	**9**	**(10)**	**(1)**	**–**	**(1)**
Own shares acquired for employee trusts	**–**	**(7)**	**–**	**(7)**	**–**	**(7)**
Own shares acquired/share buyback	**–**	**(29)**	**–**	**(29)**	**–**	**(29)**
Gain on disposal of equity instruments at FVTOCI	**–**	**(2)**	**2**	**–**	**–**	**–**
Credit arising on share-based payment awards (Note 33)	**–**	**–**	**17**	**17**	**–**	**17**
As at 31 December 2023	**197**	**(963)**	**2,814**	**2,048**	**17**	**2,065**

	Equity attributable to equity holders of the parent					
	Share capital Note 32(a) £m	Other reserves Note 32(b) £m	Retained earnings £m	Total £m	Non-controlling interests £m	Total equity £m
2022						
As at 1 January 2022	197	(1,005)	2,769	1,961	17	1,978
Profit for the year	–	–	103	103	3	106
Exchange differences on translation of foreign operations	–	152	–	152	1	153
Taxation on components of other comprehensive income	–	(5)	–	(5)	–	(5)
Total comprehensive income	–	147	103	250	4	254
Dividends paid	–	–	(78)	(78)	(3)	(81)
Share settlement of share-based payment awards	–	7	(7)	–	–	–
Own shares acquired for employee trusts	–	(3)	–	(3)	–	(3)
Credit arising on share-based payment awards (Note 33)	–	–	13	13	–	13
As at 31 December 2022	197	(854)	2,800	2,143	18	2,161

33. Share-based awards

Deferred Bonus Plan

Annual awards are made to Executive Directors and the Group's Senior Managers under the Group's Deferred Bonus Plan.

Under this Plan, the Group's Executive Directors have 50% of their annual discretionary bonus awarded in deferred shares, and employees identified as senior managers have up to 60% (2022: 50%) of their annual discretionary bonus awarded in deferred shares. These awards will be settled with TP ICAP Group plc shares and are subject to the completion of service conditions and the fulfilment of other conduct requirements. The number of shares in respect of a bonus year is determined after the close period for that year at the then market price, and the awards vest over three years from the grant. The fair value of the shares equates to the monetary value of the awards at grant date and includes the value of expected dividends that will accrue to the beneficiaries.

Awards will be settled from shares purchased in the open market.

2023	Executive Directors No.	Senior Managers No.	Total No.
Outstanding as at 1 January	**1,654,960**	**4,682,442**	**6,337,402**
Granted	**629,692**	**5,060,756**	**5,690,448**
Forfeited	**–**	**(182,979)**	**(182,979)**
Settled	**(710,706)**	**(2,031,766)**	**(2,742,472)**
Outstanding as at 31 December	**1,573,946**	**7,528,453**	**9,102,399**

2022	Executive Directors No.	Senior Managers No.	Total No.
Outstanding as at 1 January	1,180,363	5,056,460	6,236,823
Granted	630,005	1,913,555	2,543,560
Forfeited	–	(408,051)	(408,051)
Settled	(155,408)	(1,879,522)	(2,034,930)
Outstanding as at 31 December	1,654,960	4,682,442	6,337,402

At the year end closing share price of 195.3p the estimated total number of deferred shares for the 2023 bonus year was 6,691,261.

Long Term Incentive Plan

The Long Term Incentive Plan ('LTIP') was for Executive Directors and other senior employees. Awards are no longer being granted under this Plan. Awards made to Executive Directors were up to a maximum of 2.5x base salary. Awards made to senior employees were based on the recommendation of the Chief Executive Officer, approved by the Remuneration Committee, and were up to a maximum of 2x base salary. Awards are subject to agreed performance conditions applicable to each grant.

	2023 No.	2022 No.
Outstanding as at 1 January	**6,124,972**	7,929,908
Forfeited	**(3,217,397)**	(1,804,936)
Outstanding as at 31 December	**2,907,575**	6,124,972

At the end of each performance period, the number of shares vesting will be determined based on the application of the relevant performance conditions and, where applicable, will be subject to a two-year holding period. During the holding period, the shares cannot be sold (other than to cover the cost of any applicable taxes) and will be eligible for dividend equivalence.

Awards may be settled through the issue of new shares, release of treasury shares or using shares purchased in the market.

Restricted Share Plan

The Restricted Share Plan ('RSP') is for Executive Directors and other senior employees. Awards made to Executive Directors are up to a maximum of 1.25x base salary. Awards made to senior employees are based on the recommendation of the Chief Executive Officer and subject to approval by the Remuneration Committee. All awards are subject to agreed performance conditions applicable to each grant.

	2023 No.	2022 No.
Outstanding as at 1 January	**3,400,957**	–
Granted	**1,713,786**	3,400,957
Outstanding as at 31 December	**5,114,743**	3,400,957

In 2023, shares to a maximum of 1,201,252 (2022: 1,688,467) were awarded to the Executive Directors. These awards are subject to performance conditions measured over a three-year period the details of which are set out in the Report of the Remuneration Committee on page 125. Separate awards amounting to 512,534 (2022: 1,712,490) shares were made to senior employees which are subject to the completion of performance conditions and the fulfilment of other conduct requirements, vesting three years from the date of grant.

Under the Scheme Rules awards may be settled through the issue of new shares, release of treasury shares or using shares purchased in the market.

33. Share-based awards continued

Special Equity Award Plan

The Special Equity Award Plan ('SEAP') is for eligible employees. The Executive Directors are not eligible for awards under this plan. Awards are made to eligible employees based on the recommendation of the Chief Executive Officer and subject to approval by the Remuneration Committee. Awards are subject to the completion of service conditions and the fulfilment of other conduct requirements and vest three years from the date of grant. The fair value of the shares equates to the monetary value of the awards at grant date and includes the value of expected dividends that will accrue to the beneficiaries.

	2023 No.	2022 No.
Outstanding as at 1 January	**7,446,203**	2,251,932
Granted	**1,207,008**	6,268,163
Forfeited	**(205,133)**	(649,134)
Settled	**(881,683)**	(424,758)
Outstanding as at 31 December	**7,566,395**	7,446,203

Awards will be settled from shares purchased in the open market.

Save As You Earn share option plan

The Group has three Save As You Earn ('SAYE') share option plans in operation as at 31 December 2023. Eligible employees can save up to £500 per month with the option to use the savings to acquire shares. Options are exercisable within six months following the third anniversary of the commencement of a three-year savings contract, or in the case of redundancy, injury, disability or retirement, a reduced number of options are exercisable within six months of ceasing employment.

The exercise price of the award granted in 2023 was 169.3p and was set at a 20% discount to the market value immediately preceding the date of invitation. The exercise price of the awards granted in 2022 was 119.97p and for 2021 was 192.94p and were set at a 20% discount to the market value immediately preceding the date of invitation.

The fair values of share options are calculated using a Black-Scholes model. The 2023 grant has a 45.0p fair value, based on the share price at the date of the grant of 169.3p, estimated volatility of 39%, estimated dividend yield of 5.51% and a risk free rate of 3.70%.

2023	**No. of options**	**WAEP[1] £**
Outstanding as at 1 January	**7,803,650**	**1.2752**
Granted	**1,360,340**	**1.6930**
Forfeited	**(291,456)**	**1.3729**
Cancelled	**(1,196,085)**	**1.3980**
Expired	**(54,625)**	**1.2495**
Exercised	**(73,185)**	**1.1997**
Outstanding as at 31 December	**7,548,639**	**1.3282**
Exercisable options as at 31 December	**93,672**	**1.3450**

2022	No. of options	WAEP[1] £
Outstanding as at 1 January	5,425,567	1.9294
Granted	7,673,726	1.1997
Forfeited	(187,356)	1.7120
Cancelled	(5,091,497)	1.8403
Expired	(16,790)	1.9294
Outstanding as at 31 December	7,803,650	1.2752

1 Weighted average exercise price.

Under the Scheme Rules awards may be settled through the issue of new shares, release of treasury shares or using shares purchased in the market.

33. Share-based awards continued

Global Equity Linked Plan

The Global Equity Linked Plan is for eligible brokers. Under this Plan, eligible brokers with performance bonuses and initial contract payments in excess of agreed financial values receive a proportion of their payment in deferred shares. The deferred shares will be settled in cash by reference to the TP ICAP Group plc share price at vesting and are subject to the completion of service conditions of between three to five years, and the fulfilment of other conduct requirements. The fair value of the shares equates to the monetary value of the awards at grant date and includes the value of dividends that will accrue to the beneficiaries.

	2023 No.	2022 No.
Outstanding at the beginning of the year	**8,567,641**	2,595,853
Granted during the year	**9,378,457**	6,905,424
Forfeited during the year	**(95,227)**	(2,617)
Settled during the year	**(2,363,295)**	(931,019)
Outstanding at the end of the year	**15,487,576**	8,567,641

Under the Scheme Rules awards are cash settled on vesting.

Share-based payment expense

	2023 £m	2022 £m
Charge arising from the Deferred Bonus Plan	**8**	5
Charge arising from the Long Term Incentive Plan	**1**	1
Charge arising from the Special Equity Award Plan	**4**	3
Charge arising from the Restricted Share Plan	**3**	1
Charge arising from the SAYE Plan	**1**	3
Total for equity settled awards	**17**	13
Charge arising from the Global Equity Linked Plan	**17**	7
	34	20

34. Acquisitions

Analysis of deferred consideration in respect of acquisitions

Certain acquisitions made by the Group are satisfied in part by deferred consideration, comprising contingent and non-contingent amounts, depending on the terms of each acquisition. The amount of contingent consideration payable is dependent upon the performance of each acquisition relative to the performance conditions applicable to that acquisition. The Group has re-estimated the amounts due where necessary, with any corresponding adjustments being made to profit or loss. The actual outcome may differ from these estimates. As at 31 December 2023 the relevant performance outcomes were known and there is no estimation uncertainty.

	2023 £m	2022 £m
At 1 January	**56**	58
Adjustments to deferred consideration charged to administrative expenses	**(3)**	8
Adjustments to deferred consideration charged to finance costs	**(1)**	–
Cash-settled	**(1)**	(10)
At 31 December	**51**	56
Amounts falling due within one year	**51**	1
Amounts falling due after one year	**–**	55
At 31 December	**51**	56

35. Reconciliation of operating result to net cash flow from operating activities

	2023 £m	2022 £m
Earnings before interest and tax	**128**	163
Adjustments for:		
– Share-based payment charge	**17**	13
– Pension scheme administration costs[1]	**–**	1
– Pension scheme past service and settlement costs	**–**	1
– Depreciation of property, plant and equipment	**22**	23
– Gain on disposal of property, plant and equipment	**–**	(3)
– Impairment of property, plant and equipment	**5**	5
– Gain on derecognition of right-of-use asset/lease liability	**–**	(3)
– Depreciation of right-of-use assets	**23**	26
– Impairment of right-of-use assets	**6**	4
– Amortisation of intangible assets	**28**	33
– Amortisation of intangible assets arising on consolidation	**44**	45
– Impairment of intangible assets arising on consolidation	**39**	20
– Impairment of goodwill	**47**	–
– Remeasurement of deferred consideration	**(3)**	8
– Unrealised foreign exchange (gain)/loss on Vendor Loan Notes	**(2)**	5
Net operating cash flow before movement in working capital	**354**	341
Decrease/(increase) in trade and other receivables	**69**	(24)
(Increase)/decrease in net Matched Principal related balances[1]	**(20)**	27
Increase in net balances with Clearing Organisations	**–**	(1)
(Increase)/decrease in net stock lending balances	**(4)**	12
Increase in trade and other payables	**33**	76
Increase/(decrease) in provisions	**6**	(4)
Increase in non-current liabilities	**–**	3
Net cash generated from operations	**438**	430
Income taxes paid	**(89)**	(51)
Income taxes paid on receipt of pension scheme surplus	**(16)**	–
Fees paid on bank and other loan facilities	**(1)**	(2)
Interest paid	**(46)**	(36)
Interest paid – finance leases	**(16)**	(17)
Net cash flow from operating activities	**270**	324

1 Included within Other administrative costs (Note 5).

36. Analysis of net funds/(debt) including lease liabilities

	At 1 January £m	Cash flow £m	Non-cash items £m	Exchange rate movements £m	At 31 December £m
2023					
Cash and cash equivalents	**888**	**181**	**–**	**(40)**	**1,029**
Overdrafts	**–**	**(10)**	**–**	**–**	**(10)**
	888	**171**	**–**	**(40)**	**1,019**
Financial investments	**174**	**19**	**–**	**(4)**	**189**
Sterling Notes January 2024	**(253)**	**220**[1]	**(4)**	**–**	**(37)**
Sterling Notes May 2026	**(250)**	**13**[2]	**(13)**	**–**	**(250)**
Sterling Notes November 2028	**(248)**	**7**[2]	**(8)**	**–**	**(249)**
Sterling Notes April 2030	**–**	**(237)**[3]	**(14)**	**–**	**(251)**
Liquidnet Vendor Loan Notes	**(43)**	**1**[2]	**–**	**2**	**(40)**
Total debt excluding lease liabilities	**(794)**	**4**	**(39)**	**2**	**(827)**
Lease liabilities	**(279)**	**45**[4]	**(27)**	**10**	**(251)**
Total financing liabilities	**(1,073)**	**49**	**(66)**	**12**	**(1,078)**
Net (debt)/funds	**(11)**	**239**	**(66)**	**(32)**	**130**

	At 1 January £m	Cash flow £m	Non-cash items £m	Exchange rate movements £m	At 31 December £m
2022					
Cash and cash equivalents	784	66	–	38	888
Overdrafts	(17)	17	–	–	–
	767	83	–	38	888
Financial investments	115	50	–	9	174
Bank loan due within one year	–	–	–	–	–
Loans from related parties	(51)	47[5]	–	4	–
Sterling Notes January 2024	(252)	13[2]	(14)	–	(253)
Sterling Notes May 2026	(250)	13[2]	(13)	–	(250)
Sterling Notes November 2028	(248)	7[2]	(7)	–	(248)
Liquidnet Vendor Loan Notes	(38)	1[2]	(1)	(5)	(43)
Total debt excluding lease liabilities	(839)	81	(35)	(1)	(794)
Lease liabilities	(286)	46[4]	(18)	(21)	(279)
Total financing liabilities	(1,125)	127	(53)	(22)	(1,073)
Net debt	(243)	260	(53)	25	(11)

1 Relates to principal repurchased of £210m reported as cash flow from financing activities plus £10m of interest paid reported as a cash outflow from operating activities.
2 Relates to interest paid reported as a cash outflow from operating activities.
3 Relates to principal received of £249m, less £10m of interest reported as cash outflow from operating activities and £2m debt issue costs reported as a cash outflow from financing activities.
4 Relates to interest paid of £16m (2022: £17m) reported as cash outflow from operating activities and principal paid of £49m (2022: £29m) reported as a cash outflow from financing activities.
5 Relates to Totan loan repayment.

Cash and cash equivalents comprise cash at bank and other short-term highly liquid investments with an original maturity of three months or less. As at 31 December 2023 cash and cash equivalents, net of overdrafts, amounted to £1,019m (2022: £888m) of which £105m (2022: £104m) represents amounts subject to restrictions and are not readily available to be used for other purposes within the Group. Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Financial investments comprise liquid short-term government securities and term deposits held with banks and clearing organisations.

Non-cash items represent interest expense, the amortisation of debt issue costs and recognition/derecognition of lease liabilities.

37. Contingent liabilities

Labour claims – ICAP Brazil

ICAP do Brasil Corretora De Títulos e Valores Mobiliários Ltda ('ICAP Brazil') is a defendant in 7 (31 December 2022: 7) pending lawsuits filed in the Brazilian Labour Court by persons formerly associated with ICAP Brazil seeking damages under various statutory labour rights accorded to employees and in relation to various other claims including wrongful termination, breach of contract and harassment (together the 'Labour Claims'). The Group estimates the maximum potential aggregate exposure in relation to the Labour Claims, including any potential social security tax liability, to be BRL 39.0m (£6.4m) (31 December 2022: BRL 31.7m (£5.3m)). The Group is the beneficiary of an indemnity from NEX in relation to any liabilities in respect of two of the 7 Labour Claims insofar as they relate to periods prior to completion of the Group's acquisition of ICAP Global Broking Business. This includes a claim that is indemnified by a predecessor to ICAP Brazil by way of escrowed funds in the amount of BRL 28.0m (£4.6m). Apart from an estimated loss of £0.1m which has been provided for, the Labour Claims are at various stages of their respective proceedings and are pending an initial witness hearing, the court's decision on appeal or a ruling on a motion for clarification. The Group intends to contest liability in each of these matters and to vigorously defend itself. Unless otherwise noted, it is not possible to predict the ultimate outcome of these actions. Subsequent to the year end, a provisional settlement, subject to judicial approval, of BRL 25.0m (£4.0m) was reached in respect of the indemnified claim covered by escrowed funds.

Flow case – Tullett Prebon Brazil

In December 2012, Flow Participações Ltda and Brasil Plural Corretora de Câmbio, Títulos e Valores ('Flow') initiated a lawsuit against Tullett Prebon Brasil S.A. Corretora de Valores e Câmbio and Tullett Prebon Holdings do Brasil Ltda alleging that the defendants have committed a series of unfair competition misconducts, such as the recruitment of Flow's former employees, the illegal obtainment and use of systems and software developed by the plaintiffs, as well as the transfer of technology and confidential information from Flow and the collusion to do so in order to increase profits from economic activities. The amount currently claimed is BRL 400m (£64.1m) (31 December 2022: BRL 354m (£59.1m)). The Group intends to vigorously defend itself but there is no certainty as to the outcome of these claims. Currently, the case is in an early evidentiary phase and awaiting the commencement of expert testimony.

LIBOR Class actions

The Group is currently defending the following LIBOR related actions:

(i) Stichting LIBOR Class Action
On 15 December 2017, the Stichting Elco Foundation, a Netherlands-based claim foundation, filed a writ initiating litigation in the Dutch court in Amsterdam on behalf of institutional investors against ICAP Europe Limited ('IEL'), ICAP plc, Cooperative Rabobank U.A., UBS AG, UBS Securities Japan Co. Ltd, Lloyds Banking Group plc, and Lloyds Bank plc. The litigation alleges manipulation by the defendants of the JPY LIBOR, GBP LIBOR, CHF LIBOR, USD LIBOR, EURIBOR, TIBOR, SOR, BBSW and HIBOR benchmark rates, and seeks a declaratory judgment that the defendants acted unlawfully and conspired to engage in improper manipulation of benchmarks. If the plaintiffs succeed in the action, the defendants would be responsible for paying costs of the litigation, but each allegedly impacted investor would need to prove its own actual damages. It is not possible at this time to determine the final outcome of this litigation, but IEL has factual and legal defences to the claims and intends to defend the lawsuit vigorously. A hearing took place on 18 June 2019 on the Defendants' motions to dismiss the proceedings. On 14 August 2019 the Dutch Court issued a ruling dismissing ICAP plc from the case entirely but keeping certain claims against IEL relating solely to JPY LIBOR. On 9 December 2020, the Dutch Court issued a final judgement dismissing the Foundation's claims in their entirety. In March 2021, the Foundation filed a writ to appeal this final judgment which remains pending. The Group is covered by an indemnity from NEX in relation to any outflow in respect of the ICAP entities with regard to these matters. It is not possible to estimate any potential financial impact in respect of this matter at this time.

(ii) Euribor Class Action
On 13 August 2015, ICAP Europe Limited, along with ICAP plc, was named as a defendant in a Fourth Amended Class Action Complaint filed in the United States District Court by lead plaintiff Stephen Sullivan asserting claims of Euribor manipulation. Defendants briefed motions to dismiss for failure to state a claim and lack of jurisdiction, which were fully submitted as of 23 December 2015. On 21 February 2017, the Court issued a decision dismissing a number of foreign defendants, including the ICAP Europe Limited and NEX International plc (previously ICAP plc now NEX International Limited), out of the lawsuit on the grounds of lack of personal jurisdiction. Because the action continued as to other defendants, the dismissal decision for lack of personal jurisdiction has not yet been appealed. However, the plaintiffs announced on 21 November 2017 that they had reached a settlement with the two remaining defendants in the case. As a part of their settlement, the two bank defendants have agreed to turn over materials to the plaintiffs that may be probative of personal jurisdiction over the previously dismissed foreign defendants. The remaining claims in the litigation were resolved by a settlement which the Court gave final approval to on 17 May 2019. Plaintiffs filed a notice of appeal on 14 June 2019, appealing the prior decisions on the motion to dismiss and the denial of leave to amend. Defendants filed a cross-notice of appeal on 28 June 2019 appealing aspects of the Court's prior rulings on the motion to dismiss that were decided in the Plaintiffs' favour. These appeals have been stayed since August 2019 pending a ruling in an unrelated appellate matter involving similar issues. In December 2021, the unrelated appeal was decided and the stay of the appeal and cross appeal was lifted and commencing in May 2022 a briefing schedule was implemented. The motions have been fully briefed but the appeal and cross appeal are not anticipated to be ruled upon until sometime in 2024. It is not possible to predict the ultimate outcome of this action or to provide an estimate of any potential financial impact. The Group is covered by an indemnity from NEX in relation to any outflow in respect of the ICAP entities with regard to these matters.

37. Contingent liabilities continued

ICAP Securities Limited, Frankfurt branch – Frankfurt Attorney General administrative proceedings

On 19 December 2018, ICAP Securities Limited, Frankfurt branch ('ISL') (now TP ICAP Markets Limited) was notified by the Attorney General's office in Frankfurt notifying ISL that it had commenced administrative proceedings against ISL and criminal proceedings against former employees and a former director of ISL, in respect of aiding and abetting tax evasion by Rafael Roth Financial Enterprises GmbH ('RRFE'). It is possible that a corporate administrative fine may be imposed on ISL and earnings allegedly derived from the alleged underlying criminal conduct confiscated. ISL has appointed external counsel and is in the process of investigating the activities of the relevant desk from 2006-2009. The Group issued proceedings against NEX in respect of breach of warranties under the sale and purchase agreement in connection with the IGBB acquisition in relation to these matters. Those proceedings against NEX have been settled on confidential terms. The Group has retained its rights against NEX under a tax deed entered into in connection with the IGBB acquisition relating to these matters. Since the Frankfurt proceedings are at an early stage, details of the alleged wrongdoing or case against ISL are not yet available, and it is not possible at present to provide a reliable estimate of any potential financial impact on the Group.

ICAP Securities Limited and The Link Asset and Securities Company Limited – Proceedings by the Cologne Public Prosecutor

On 11 May 2020, TP ICAP learned that proceedings have been commenced by the Cologne Public prosecutor against ICAP Securities Limited ('ISL') (now TP ICAP Markets Limited) and The Link Asset and Securities Company Ltd ('Link') in connection with criminal investigations into individuals suspected of aiding and abetting tax evasion between 2004 and 2012. It is possible that the Cologne Public Prosecutor may seek to impose an administrative fine against ISL or Link and confiscate the earnings that ISL or Link allegedly derived from the underlying alleged criminal conduct by the relevant individuals. ISL and Link have appointed external lawyers to advise them. The Group issued proceedings against NEX in respect of breach of warranties under the sale and purchase agreement in connection with the IGBB acquisition in relation to these matters. Those proceedings against NEX have been settled on confidential terms. The Group has retained its rights against NEX under a tax deed entered into in connection with the IGBB acquisition relating to these matters. Since the Cologne proceedings are at an early stage, details of the alleged wrongdoing or case against ISL and Link are not yet available, and it is not possible at present to provide a reliable estimate of any potential financial impact on the Group.

Portigon AG and others v. TP ICAP Markets Limited and others

TP ICAP plc (now TP ICAP Finance plc) is a defendant in an action filed by Portigon AG in July 2021 in the Supreme Court of the State of New York County of Nassau alleging losses relating to certain so called 'cum-ex' transactions allegedly arranged by the Group between 2005 and 2007. In June 2022, the Court dismissed the action for lack of personal jurisdiction. In July 2022, the plaintiffs filed a motion with the Court for reconsideration as well as a notice of appeal. The plaintiff's motion for reconsideration was denied and the plaintiffs have appealed the dismissal of its claims. Portigon's appeal has been fully briefed and the parties are awaiting a date from the court in mid-to-late 2024. The Group intends to contest liability in the matter and to vigorously defend itself. It is not possible to predict the ultimate outcome of this action or to provide an estimate of any potential financial impact. The Group issued proceedings against NEX in respect of breach of warranties under the sale and purchase agreement in connection with the IGBB acquisition in relation to these matters. Those proceedings against NEX have been settled on confidential terms.

MM Warburg & CO (AG & Co.) KGaA and others v. TP ICAP Markets Limited, The Link Asset and Securities Company Limited and others

TP ICAP Markets Limited ('TPIM') and Link are defendants in a claim filed in Hamburg by Warburg on 31 December 2020, but which only reached TPIM and Link on 26 October 2021. The claim relates to certain German 'cum-ex' transactions that took place between 2007 and 2011. In relation to those transactions Warburg has refunded EUR 185 million to the German tax authorities and is subject to a criminal confiscation order of EUR 176.5 million. It has also been ordered to repay a further EUR 60.8 million to the German tax authorities and is subject to a related civil claim for EUR 48.8 million. Warburg's claims are based primarily on joint and several liability (Warburg having now dropped claims initially advanced in tort and most of the claims initially advanced in contract). TPIM and Link filed their defence in April 2022 and received Warburg's reply to the defence in September 2022. TPIM and Link filed their rejoinder in response to Warburg's reply to TPIM and Link's defence on 6 December 2023. The court has recently scheduled a hearing date for 13 May 2024. TPIM and Link are contesting liability in the matter and the Group considers it is able to vigorously defend itself. Whilst it is not possible to predict the ultimate outcome of this action, the Group does not expect a material adverse financial impact on the Group's results or net assets as a result of this case. The Group issued proceedings against NEX in respect of breach of warranties under the sale and purchase agreement in connection with the IGBB acquisition in relation to these matters. Those proceedings against NEX have been settled on confidential terms.

37. Contingent liabilities continued

Securities Exchange Commission Information Request

In October 2022, Liquidnet Inc. ('Liquidnet') received an inquiry from the Securities and Exchange Commission relating to, among other things, compliance with SEC Rule 15c3-5 and audit trail and access permissions to its ATS platforms. Liquidnet is still in the fact-finding phase and the Group is co-operating with the SEC in its enquiries. It is not possible to predict the ultimate outcome of the enquiry or to provide an estimate of any potential financial impact at this time.

General note

The Group operates in a wide variety of jurisdictions around the world and uncertainties therefore exist with respect to the interpretation of complex regulatory, corporate and tax laws and practices of those territories. Accordingly, and as part of its normal course of business, the Group is required to provide information to various authorities as part of informal and formal enquiries, investigations or market reviews. From time to time the Group's subsidiaries are engaged in litigation in relation to a variety of matters. The Group's reputation may also be damaged by any involvement or the involvement of any of its employees or former employees in any regulatory investigation and by any allegations or findings, even where the associated fine or penalty is not material.

Save as outlined above in respect of legal matters or disputes for which a provision has not been made, notwithstanding the uncertainties that are inherent in the outcome of such matters, currently there are no individual matters which are considered to pose a significant risk of material adverse financial impact on the Group's results or net assets.

The Group establishes provisions for taxes other than current and deferred income taxes, based upon various factors which are continually evaluated, if there is a present obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

In the normal course of business, certain of the Group's subsidiaries enter into guarantees and indemnities to cover trading arrangements and/or the use of third-party services or software.

Supplier contractual disputes

The Group is party to numerous contractual arrangements with its suppliers some of which, in the normal course of business, may become subject to dispute over a party's compliance with the terms of the arrangement. Such disputes tend to be resolved through commercial negotiations but may ultimately result in legal action by either or both parties.

38. Retirement benefits

(a) Defined benefit schemes

The Group operates a small number of non-UK defined benefit schemes which are not significant in the context of the Group. The Group's UK defined benefit pension scheme was wound up during 2023.

Balance sheet	2023 £m	2022 £m
Overseas schemes – retirement benefit assets	**3**	1
Overseas schemes – retirement benefit obligations	**(4)**	(3)

Other comprehensive income	2023 £m	2022 £m
UK Scheme	**46**	1
Overseas schemes	**–**	(1)

(b) UK defined benefit scheme

The Group's UK defined benefit pension scheme was the Tullett Prebon Pension Scheme (the 'Scheme') and the Principal Employer was TP ICAP Group Services Limited.

During 2022 the Trustee completed the buy-out of the Scheme's principal pension liabilities, a process that transferred each pension obligation from the Scheme to Rothesay Life, and the remaining Scheme obligations (less than £1m) were discharged during 2023. Following the settlement of the Scheme's liabilities, the Trustee repaid a net £30m to the Group, representing £46m of remaining Scheme assets less applicable taxes at 35%, amounting to £16m. The wind-up of the Scheme was completed in 2023.

Under UK legislation, once a Scheme commences wind-up, the assets of the Scheme pass unconditionally to the Trustee to enable it to settle the Scheme's liabilities. As a result, the Group applied the requirements of IFRIC 14, restricting the Group's recognition of the net surplus by applying an asset recognition ceiling. The Trustee's settlement of the Scheme's liabilities and agreement to repay the surplus removed the requirement to apply the asset recognition ceiling. Changes as a result of the removal of the asset ceiling have been recorded in Other Comprehensive Income.

The amounts included in the balance sheet arising from the Group's obligations in respect of the Scheme are as follows:

	2023 £m	2022 £m
Fair value of Scheme assets	**–**	45
Present value of Scheme liabilities	**–**	–
Defined benefit scheme surplus – UK	**–**	45
Impact of asset ceiling on UK scheme surplus:		
At 1 January	**(45)**	(46)
Offset against deemed interest income in the Income Statement	**(1)**	(1)
Credit to Other Comprehensive Income (application of asset ceiling – see below)	**46**	2
At 31 December	**–**	(45)
Recognised in the Consolidated Balance Sheet	**–**	–
Application of asset ceiling of defined benefit pension schemes	**46**	1
Remeasurement of the defined benefit pension scheme	**–**	–
Recognised in Other Comprehensive Income	**46**	1

During the wind-up period benefits that were augmented represented a past service cost and were recorded as a significant item in the Income Statement. Costs associated with the settlement of the Scheme's liabilities were also recorded as a significant item in the Income Statement as and when incurred. Settlement costs incurred in 2023 were less than £1m (2022: £1m).

Following the full settlement of the Scheme's liabilities the Scheme's Sponsor received the remaining assets subject to applicable taxes at 35% following which the Scheme was wound up. The repayment of the UK pension scheme surplus by the Trustees has been classified as a cash inflow from investing activities as, in accordance with IAS 7, the Group consider this to be the disposal of a long-term asset that was not included in cash equivalents. As part of this analysis, the Group recognised that it had not made cash contributions since the Scheme had been in surplus, with actuarial gains instead giving rise to the surplus recognised as an asset. Additionally, whilst cash was received directly from the Trustee following the buy-out, the Group considers the classification should be consistent with that were the Group to have received the remaining underlying investments and disposed of them.

38. Retirement benefits continued

(b) UK defined benefit scheme continued

The amounts recognised in the income statement in respect of the Scheme were as follows:

	2023 £m	2022 £m
Deemed interest arising on the defined benefit pension scheme surplus	**1**	1
Impact of asset ceiling on UK scheme surplus	**(1)**	(1)
Recognised in the Consolidated Income Statement	**–**	–
Past service and settlement costs	**–**	(1)
Scheme administrative costs	**–**	(1)
	–	(2)

The amounts recognised in other comprehensive income in respect of the Scheme were as follows:

	2023 £m	2022 £m
Return on Scheme assets (excluding deemed interest income) – Trustee administered funds	**–**	1
Return on Scheme assets (excluding deemed interest income) – revaluation of insurance policies	**–**	(1)
Remeasurement of the defined benefit pension scheme	**–**	–

Movements in the present value of the Scheme liabilities were as follows:

	2023 £m	2022 £m
At 1 January	**–**	(211)
Deemed interest cost	**–**	(3)
Liabilities derecognised on buy-out	**–**	209
Benefits paid/transfers	**–**	5
At 31 December	**–**	–

Movements in the fair value of the Scheme assets were as follows:

	2023 £m	2022 £m
At 1 January	**45**	257
Deemed interest income	**1**	4
Assets derecognised on buy-out	**–**	(209)
Return on Scheme assets (excluding deemed interest income) – Trustee administered funds	**–**	1
Return on Scheme assets (excluding deemed interest income) – revaluation of insurance policies	**–**	(1)
Benefits paid/transfers	**–**	(5)
Past service and settlements costs	**–**	(1)
Scheme's administrative costs	**–**	(1)
Repayment of Scheme surplus	**(46)**	–
At 31 December	**–**	45

The major categories and fair values of the Scheme assets as at 31 December were as follows:

	2023 £m	2022 £m
Cash and cash equivalents	**–**	45

(c) Defined contribution pensions

The Group operates a number of defined contribution schemes for qualifying employees. The assets of these schemes are held separately from those of the Group.

The defined contribution pension cost for the Group charged to administrative expenses was £17m (2022: £16m), of which £9m (2022: £9m) related to overseas schemes.

As at 31 December 2023, there was less than £1m outstanding in respect of the current reporting year that had not been paid over to the schemes (2022: £1m).

39. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this Note.

The total amounts owed to and from associates and joint ventures at 31 December 2023 also represent the value of transactions during the year. The total amounts owed to and from related parties at 31 December 2023 are set out below:

	Amounts owed by related parties		Amounts owed to related parties	
	2023 £m	2022 £m	**2023 £m**	2022 £m
Associates	**4**	4	**–**	–
Joint ventures	**–**	–	**(3)**	(3)

The Group has a Yen 10bn committed facility with the Tokyo Tanshi Co., Ltd, the parent of Totan ICAP Co., Ltd a related party, that matures in August 2025. Borrowing is conducted on an arm's length basis. At 31 December 2023, the facility was undrawn. During the year, £1m (2022: £1m) of interest and fees were incurred (Note 26).

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.

Directors

Costs in respect of the Directors who were the key management personnel of the Group during the year are set out below in aggregate for each of the categories specified in IAS 24 'Related Party Disclosures'. Further information about the individual Directors is provided in the audited part of the Report on Directors' Remuneration on pages 110 to 129.

	2023 £m	2022 £m
Short-term benefits	**6**	5
Social security costs	**1**	1
	7	6

40. Principal subsidiaries

At 31 December 2023, the following companies were the Group's principal subsidiary undertakings. A full list of the Group's undertakings, the country of incorporation and the Group's effective percentage of equity owned is set out in the listing on pages 201 to 205. All subsidiaries are involved in broking or information sales activities and have a 31 December year end.

Country of incorporation and operation	Principal subsidiary undertakings	Issued ordinary shares, all voting
Australia	Tullett Prebon (Australia) Pty Ltd	100%
Brazil	ICAP do Brasil Corretora de Títulos e Valores Mobiliários Ltda	100%
	Tullett Prebon Brasil Corretora de Valores e Cambio Ltda	100%
England	ICAP Energy Limited	100%
	ICAP Global Derivatives Limited	100%
	ICAP Information Services Limited	100%
	TP ICAP Broking Limited	100%
	TP ICAP Markets Limited	100%
	TP ICAP E&C Limited (formerly Tullett Prebon (Europe) Limited)	100%
	TP ICAP Group Services Limited	100%
	Liquidnet Europe Limited	100%
France	TP ICAP (Europe) S.A.	100%
Guernsey (operating in England)	Tullett Prebon Information Limited	100%
Hong Kong	Tullett Prebon (Hong Kong) Limited	100%
	Liquidnet Asia Limited	100%
Japan	Tullett Prebon (Japan) Limited	80%
Singapore	ICAP (Singapore) Pte Limited	100%
	TP ICAP Management Services (Singapore) Pte. Ltd.	100%
	Tullett Prebon (Singapore) Limited	100%
United States	TP ICAP Global Markets Americas LLC (formerly ICAP Corporates LLC)	100%
	ICAP Energy LLC	100%
	ICAP Information Services Inc.	100%
	Tullett Prebon Information Inc	100%
	Liquidnet Holdings Inc.	100%
	Liquidnet Inc.	100%

As at 31 December 2023, £17m (2022: £18m) is due to non-controlling interests relating to those subsidiaries that are not wholly owned. Movements in non-controlling interests are set out in Note 32(c). No individual non-controlling interest is material to the Group. There are no significant restrictions on the ability of the Group to access or use assets and settle liabilities relating to these subsidiaries.

TP ICAP Group plc Shareholder Information

Financial calendar

TP ICAP Group plc Preliminary Results	12 March 2024
Ex-dividend date for final dividend	11 April 2024
Record date for final dividend	12 April 2024
Final date for Dividend Reinvestment Plan election	2 May 2024
Annual General Meeting (‘AGM’)	Wednesday 15 May 2024 at 2.15pm BST
Final dividend payment date (if dividend approved at AGM)	24 May 2024

Dividends
A final dividend of 10.0p per ordinary share will be recommended to shareholders at the 2024 AGM.

Dividend mandate
Dividend payments are only made electronically. You will need to provide bank account details in order that payment can be made to you.

UK shareholders: You can register your bank account details for the payment of dividends via the Signal Shares shareholder portal https://www.signalshares.com or by contacting Link Group.

Non-UK shareholders: If you are resident outside the UK you may be able to have dividends in excess of £10 paid into your bank account directly via the Link Group international payments service. Details and terms and conditions may be viewed at https://ww2.linkgroup.eu/ips. If your jurisdiction is not covered by the international payments service please contact Link Group to discuss the payment options available.

The Company has in place a facility for payments to be made via CREST.

Dividend Reinvestment Plan (‘DRIP’)
The Company offers a DRIP, where your dividend can be reinvested in further TP ICAP Group plc shares through a specially arranged share dealing service. For further information contact Link Group whose contact details are set out below.

Shareholder information on the internet
The Company maintains an investor relations page on its website, www.tpicap.com, which allows access to both current and historic share price information, Directors’ biographies, copies of Company reports, selected press releases and other useful investor information.

Signal Shares shareholder portal
The Signal Shares shareholder portal, https://www.signalshares.com, is an online service, provided by Link Group, enabling you to quickly and easily access and maintain your shareholding online – reducing the need for paperwork and providing 24-hour access to your shareholding details. Through the shareholder portal you can:

> View your holding balance and movements, and get an indicative valuation;
> View your dividend payments and provide bank mandate instructions so that dividends can be paid directly to your bank account;
> Update your address;
> Cast your proxy vote on resolutions put to the Annual General Meeting;
> Elect to receive shareholder communications electronically; and
> Access a wide range of shareholder information and services including the ability to download shareholder forms.

Registrar
Link Group act as the Company’s registrars. As such administrative queries regarding your shareholding (including notifying a change of name or address, queries regarding dividend payments and the DRIP scheme, etc) are best directed to Link Group who can be contacted at:

Link Group
Central Square
29 Wellington Street
Leeds
LS1 4DL
United Kingdom

Email: shareholderenquiries@linkgroup.co.uk
Telephone: 0371 664 0300[1]

1 Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable International rate. Lines are open 9.00am – 5.30pm, Monday to Friday excluding public holidays in England and Wales.

Many of our shareholders find that the easiest way to manage their shareholdings is online, using the free, simple and secure service provided by the Company’s registrar, Link Group. To access and maintain your shareholding online, please register at www.signalshares.com.

Shareholder security

TP ICAP encourages all shareholders to be wary of any unsolicited advice, offers to buy shares at a discount or offers of free company annual reports. If you receive any unsolicited investment advice, whether over the telephone, through the post or by email, you should;

> Make sure you note the name of the organisation and, if possible, the name of the individual contacting you.
> Check they are properly authorised by the FCA by visiting https://register.fca.org.uk/ and www.fca.org.uk/consumers/report-scam-unauthorised-firm.

Any details of share dealing facilities that TP ICAP endorses will be included in the Company's mailings.

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
1 New Street Square
London EC4A 3HQ
United Kingdom
www.deloitte.com

Registered office

TP ICAP Group plc
22 Grenville Street
St Helier
Jersey
JE4 8PX

Telephone: +44 (0)1534 676720
Website: www.tpicap.com

TP ICAP Group plc is a company registered in Jersey with registered number 130617.

Group undertakings

Details of the Group's subsidiaries, which have been consolidated into the Group's results, and details of investments in associates are provided below. Unless otherwise stated, the undertakings below are wholly owned and the Group interest represents both the percentage held and voting rights, which are indirectly held by the Company.

Company name	Country of incorporation	Interest	Registered office address
ICAP Brokers Pty Limited	Australia		Level 27, 9 Castlereagh Street, Sydney, New South Wales, 2000, Australia
ICAP Futures (Australia) Pty Ltd	Australia		Level 27, 9 Castlereagh Street, Sydney, New South Wales, 2000, Australia
Liquidnet Australia Pty Ltd	Australia		Suite 2, Level 29, 9 Castlereagh Street, Sydney NSW 2000 Australia
TP ICAP Management Services (Australia) Pty Limited	Australia		Level 27, 9 Castlereagh Street, Sydney, New South Wales, 2000, Australia
Tullett Prebon (Australia) Pty Limited	Australia		Level 29, 9 Castlereagh Street, Sydney, New South Wales, 2000, Australia
PVM Data Services GmbH	Austria		Euro Plaza – Building G, Am Euro Platz 2, 1120 Vienna, Austria
ICAP (Middle East) W.L.L.	Bahrain	49%	PO Box 5488, 43rd Floor, 4301, West Tower, Bahrain Financial Harbour, Bahrain
Tullett Liberty (Bahrain) Co. W.L.L.	Bahrain	82.70%	PO Box 20526, Flat No.11, Building 104, 383 Road 2831, Manama 316, Bahrain
Liquidnet Bermuda Limited	Bermuda		Park Place, 55 Par-la-Ville Road, Hamilton HM11, Bermuda
PVM Oil Associates Ltd	Bermuda		Coson Corporate Services Limited, Cedar House, 3rd Floor, 41 Cedar Avenue, Hamilton HM12, Bermuda
ICAP do Brasil Corretora de Títulos e Valores Mobiliários Ltda	Brazil		Avenida das Américas, 3.500, Ed. Londres, 2º andar, Barra da Tijuca, Rio de Janeiro-RJ, CEP 22640-102, Brazil
Tullett Prebon Brasil Corretora de Valores e Câmbio Ltda.	Brazil		Rua São Tomé, 86, 21º andar, Vila Olímpia, São Paulo-SP, CEP 04551-030, Brazil
Tullett Prebon Holdings Do Brasil Ltda.	Brazil		Rua São Tomé, 86, 21º andar, Vila Olímpia, São Paulo-SP, CEP 04551-030, Brazil
Catrex Limited	British Virgin Islands		Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands
LCM D Limited	British Virgin Islands		Citco B.V.I Limited, Fleming House, Wickhams Cay, PO Box 662, Road Town, Tortola, British Virgin Islands
Liquidnet Canada Inc.	Canada		79 Wellington Street West, TD South Tower, 24th Floor, Toronto, Ontario, M5K 1K7, Canada
Tullett Prebon Canada Limited	Canada		1 Toronto Street, Suite 308, PO Box 20, Toronto, Ontario, M5C 2V6, Canada
SIF ICAP Chile Holdings Ltda	Chile	50%	Magdalena 181 Piso 14 Las Condes, Santiago, Chile 7550055
SIF ICAP Chile SpA	Chile	40%	Magdalena 181 Piso 14 Las Condes, Santiago, Chile 7550055
Enmore Commodity Brokers (Shanghai) Co. Ltd.	China	49%	Room 720, Building 3, No. 999 Jinzhong Road, Changning District, Shanghai, China
ICAP Shipping (Shanghai) Co,. Ltd.	China		Room 4169, 4th Floor, No. 4 Building, No.173 Handan Road, Hongkou District, Shanghai, China
Tullett Prebon SITICO (China) Limited	China	33%	Room 1001, DBS Tower, No.1318, Lujiazui Ring Road, Shanghai, 200120, China
ICAP Colombia Holdings S.A.S.	Colombia	94.24%	Km 33 Via Sopo Aposentos C-64 Municipio Sopó, Cundinamarca, Colombia
SET-ICAP FX S.A.	Colombia	47.94%	Carrera 11 No. 93-46 – Oficina 403, Bogotá, Colombia
SET-ICAP Securities S.A.	Colombia	47.41%	Carrera 11 No. 93-46 – Oficina 403, Bogotá, Colombia
Vega-Chi Financial Technologies Limited	Cyprus		35, Le Corbusier, North side, 1st Floor, 3075 Limassol, Cyprus
ICAP del Ecuador S.A.	Ecuador		Eloy Alfaro 2515 y Catalina Aldáz, N34-189, Quito, Ecuador
TP ICAP (Europe) SA	France		42, rue Washington, 75008 Paris, France
Astley & Pearce Deutschland GmbH	Germany		Stephanstrasse 14-16, 60313 Frankfurt am Main, Germany
ICAP Ltd. & Co. oHG	Germany		Stephanstrasse 14-16, 60313 Frankfurt am Main, Germany
Intermoney AP & Co. Geld-und Eurodepotmakler OHG	Germany	74.67%	Stephanstrasse 3, 60313 Frankfurt am Main, Germany
Tullett Prebon Information Limited	Guernsey, Operating in UK		Third floor, Cambridge House, Le Truchot, St Peter Port, GY1 1WD, Guernsey
ICAP (Hong Kong) Limited	Hong Kong		20/F, One Hennessy Road, Wan Chai, Hong Kong

Company name	Country of incorporation	Interest	Registered office address
ICAP Securities Hong Kong Limited	Hong Kong		20/F, One Hennessy, No. 1 Hennessy Road, Wan Chai, Hong Kong
Liquidnet Asia Limited	Hong Kong		Suite 2501, 25/F One Hennessy, 1 Hennessy Road, Wan Chai, Hong Kong, HK, Hong Kong
TP ICAP Management Services (Hong Kong) Limited	Hong Kong		21/F, One Hennessy, No. 1 Hennessy Road, Wan Chai, Hong Kong
Tullett Prebon (Hong Kong) Limited	Hong Kong		21/F, One Hennessy, No. 1 Hennessy Road, Wan Chai, Hong Kong
ICAP IL India Private Limited	India	40%	Office No. 6, 3rd Floor, C Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (E), Mumbai, 400051, Maharashtra, India
P.T. Inti Tullett Prebon Indonesia	Indonesia	57.52%	Menara Dea, Tower II, 3rd Floor, Suite 301, Mega Kuningan area, Jalan Mega Kuningan Barat Kav. E4.3 No. 1-2, Jakarta 12950, Indonesia
Liquidnet EU Limited	Ireland		EY Law Ireland, Block 1, Harcourt Centre, Harcourt Street, Dublin 2, D02 YA40, Ireland
Louis Capital Markets Israel Limited	Israel		45 Rothschild Boulevard, 6578403 Tel-Aviv, Israel
Central Totan Securities Co. Ltd	Japan	20%	4-4-10, Nihonbashi Muromachi, Chuo-ku, Tokyo 103-0022 Japan
ICAP Energy (Japan) Limited	Japan		Akasaka Tameike Tower 4th Floor, 2-17-7 Akasaka Minato-ku, Tokyo 107-0052, Japan
Liquidnet Japan, Inc.	Japan		Akasaka Tameike Tower 4th Floor, 2-17-7 Akasaka Minato-ku, Tokyo 107-0052, Japan
Totan ICAP Co., Ltd.	Japan	40%	7th Floor, Totan Muromachi Building, 4-4-10 Nihonbashi Muromachi, Chuo-ku, Tokyo, 103-0022, Japan
TP ICAP (Japan) Co., Ltd. (in liquidation)	Japan		Akasaka Tameike Tower 4th Floor, 2-17-7 Akasaka Minato-ku, Tokyo 107-0052, Japan
Tullett Prebon (Japan) Limited	Japan	80%	Akasaka Tameike Tower 4th Floor, 2-17-7 Akasaka Minato-ku, Tokyo 107-0052, Japan
Tullett Prebon Energy (Japan) Limited	Japan		Akasaka Tameike Tower 4th Floor, 2-17-7 Akasaka Minato-ku, Tokyo 107-0052, Japan
Tullett Prebon ETP (Japan) Ltd	Japan	80%	Akasaka Tameike Tower 4th Floor, 2-17-7 Akasaka Minato-ku, Tokyo 107-0052, Japan
TP ICAP Holdings Ltd *	Jersey		22 Grenville Street, St Helier, Jersey, JE4 8PX, Channel Islands
Tullett Prebon Money Brokerage (Korea) Limited	Korea, Republic of		6th Floor, Douzone Eulji Tower, 29 Eulji-ro, Jung-gu, Seoul, Korea
ICAP (Malaysia) Sdn. Bhd	Malaysia	58.30%	802, 8th Floor, Block C, Kelana Square, 17 Jalan SS7/26, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia
ICAP Bio Organic S. de RL de CV	Mexico	50%	Paseo de la Reforma No 255, Piso 7, Colonia Cuauhtemoc, 06500 D F Mexico, Mexico
Plataforma Mexicana de Carbono S. de R.L. de C.V.	Mexico	50%	Paseo de la Reforma No 255, Piso 7, Colonia Cuauhtemoc, 06500 D F Mexico, Mexico
SIF Agro S.A. De C.V.	Mexico	50%	Paseo de la Reforma No 255, Piso 7, Colonia Cuauhtemoc, 06500 D F Mexico, Mexico
SIF ICAP Derivados, S.A. DE C.V.	Mexico	50%	Paseo de la Reforma No 255, Piso 7, Colonia Cuauhtemoc, 06500 D F Mexico, Mexico
SIF ICAP Servicios, S.A. de C.V.	Mexico	50%	Paseo de la Reforma No 255, Piso 7, Colonia Cuauhtemoc, 06500 D F Mexico, Mexico
SIF ICAP, S.A. de C.V.	Mexico	50%	Paseo de la Reforma No 255, Piso 7, Colonia Cuauhtemoc, 06500 D F Mexico, Mexico
ICAP Holdings (Nederland) B.V.	Netherlands		Coengebouw – Suite 8.02, Kabelweg 37, Amsterdam, 1014 BA, Netherlands
ICAP Latin American Holdings B.V.	Netherlands		Coengebouw – Suite 8.02, Kabelweg 37, Amsterdam, 1014 BA, Netherlands
iSwap Euro B.V.	Netherlands	50.10%	Vijzelstraat 68, office 109, 1017HL Amsterdam, the Netherlands
Prebon Holdings B.V.	Netherlands		Coengebouw – Suite 8.02, Kabelweg 37, Amsterdam, 1014 BA, Netherlands
ICAP New Zealand Limited	New Zealand		Level 12, 36 Customhouse Quay, Wellington, 6000, New Zealand
ICAP African Brokers Limited	Nigeria	66.30%	Plot 1679, 4th Floor, African Re-Insurance Building, Karimu Kotun Street, Victoria Island, Lagos State, Nigeria
ICAP Energy AS	Norway		Fantoftvegen 2, Bergen, 5072 Bergen, Norway

Company name	Country of incorporation	Interest	Registered office address
Tullett Prebon Americas Corp., Toronto Branch	Operating in Canada		1 Toronto Street, Suite 301, PO Box 20, Toronto, Ontario, M5C 2V6, Canada
Prebon Yamane International Limited, Shanghai Representative Office	Operating in China		Room 302, DBS Tower, No.1318, Lujiazui Ring Road, Shanghai, 200120, China
ICAP Scandinavia, filial af TP ICAP (Europe) SA, Frankrig	Operating in Denmark		Rentemestervej 14, Copenhagen NV, DK-2400, Denmark
TP ICAP (Europe) S.A., Frankfurt Branch	Operating in Germany		Mainzer Landstrasse 1, Frankfurt, 60329, Germany
tpSEF Inc., Tokyo Branch	Operating in Japan		Akasaka Tameike Tower 4th Floor, 2-17-7 Akasaka Minato-ku, Tokyo 107-0052, Japan
TP ICAP (Europe) S.A., Norway Branch	Operating in Norway		Fantoftvegen 2, Bergen, 5072 Bergen, Norway
ICAP Management Services Limited, Philippine Branch	Operating in Philippines		14th Floor, A.T. Yuchengco Centre, 26th and 25th Sts., Bonifacio South, Bonifacio Global City, Fort Bonifacio, Taguig City, 1634, Philippines
ICAP Energy AS, Spain Branch	Operating in Spain		Avenida de la vega 1 Edificio Veganova 2 Planta 5 Oficina Este 28108 Madrid
TP ICAP (Europe) S.A., Madrid Branch	Operating in Spain		Paseo de la Castellana, 95 Torre Europa Pl 10B, 28046 Madrid, Spain
Tullett Prebon (Europe) Limited, Spanish Branch	Operating in Spain		Paseo de la Castellana, 95 Torre Europa Pl 10B, 28046 Madrid, Spain
TP ICAP Broking Limited, Geneva Branch	Operating in Switzerland		Quai de l'Ile 13, Level 3, Geneva, CH-1204, Switzerland
ICAP Energy AS, Netherlands Branch	Operating in The Netherlands		Vijzelstraat 68, office 109, 1017HL Amsterdam, the Netherlands
TP ICAP (Europe) S.A., Netherlands Branch	Operating in The Netherlands		Vijzelstraat 68, office 109, 1017HL Amsterdam, the Netherlands
iSwap Euro B.V., UK Branch	Operating in UK	50.10%	135 Bishopsgate, London, EC2M 3TP, England
PVM Oil Associates Ltd, UK Branch	Operating in UK		135 Bishopsgate, London, EC2M 3TP, England
TP ICAP (Europe) S.A., UK Branch	Operating in UK		135 Bishopsgate, London, EC2M 3TP, England
TP ICAP Global Markets Americas LLC, UK Branch	Operating in UK		135 Bishopsgate, London, EC2M 3TP, England
Datos Técnicos, S.A.	Peru	50%	Pasaje Acuña 106 – Lima, Peru
ICAP Philippines Inc. (In liquidation)	Philippines	99.90%	14th Floor, A.T. Yuchengco Centre, 26th and 25th Sts., Bonifacio South, Bonifacio Global City, Fort Bonifacio, Taguig City, 1634, Philippines
Tullett Prebon (Philippines) Inc.	Philippines	51%	14th Floor, A.T. Yuchengco Centre, 26th and 25th Sts., Bonifacio South, Bonifacio Global City, Fort Bonifacio, Taguig City, 1634, Philippines
ICAP (Singapore) Pte. Ltd.	Singapore		50 Raffles Place, #41-00, Singapore Land Tower, 048623, Singapore
ICAP Energy (Singapore) Pte Ltd	Singapore		50 Raffles Place, #41-00, Singapore Land Tower, 048623, Singapore
Liquidnet Singapore Pte. Ltd.	Singapore		50 Raffles Place, #41-00, Singapore Land Tower, 048623, Singapore
Noranda Investments Pte Ltd	Singapore		50 Raffles Place, #41-00, Singapore Land Tower, 048623, Singapore
PVM (Singapore) Pte. Ltd.	Singapore		50 Raffles Place, #41-00, Singapore Land Tower, 048623, Singapore
TP ICAP Holdings (Singapore) Pte. Ltd (in liquidation)	Singapore		1 Raffles Place #04-61, One Raffles Place, Singapore, 048616, Singapore
TP ICAP Management Services (Singapore) Pte. Ltd	Singapore		50 Raffles Place, #41-00, Singapore Land Tower, 048623, Singapore
Tullett Prebon (Singapore) Limited	Singapore		50 Raffles Place, #39-00, Singapore Land Tower, 048623, Singapore
Tullett Prebon Energy (Singapore) Pte. Ltd.	Singapore		50 Raffles Place, #41-00, Singapore Land Tower, 048623, Singapore
Garban South Africa (Pty) Limited	South Africa	66.30%	19 Impala Road, Block A GF, Chislehurston, Sandton, 2196, South Africa
ICAP Broking Services South Africa (Pty) Ltd	South Africa	66.30%	19 Impala Road, Block A GF, Chislehurston, Sandton, 2196, South Africa
ICAP Holdings South Africa (Pty) Limited	South Africa	66.30%	19 Impala Road, Block A GF, Chislehurston, Sandton, 2196, South Africa
ICAP Securities South Africa (Proprietary) Limited	South Africa	66.30%	19 Impala Road, Block A GF, Chislehurston, Sandton, 2196, South Africa

Company name	Country of incorporation	Interest	Registered office address
Tullett Prebon South Africa (Pty) Limited	South Africa		19 Impala Road, Block A GF, Chislehurston, Sandton, 2196, South Africa
Cosmorex AG, in Liquidation	Switzerland		C/o Afrag AG, Dufourstrasse 58, Zweigniederlassung in Zollikon, 8702 Zollikon, Switzerland
ICAP Securities Co., Ltd.	Thailand		No. 55 Wave Place Building, 13th Floor, Wireless Road, Khwaeng Lumpini, Khet Patumwan, Bangkok, 10330, Thailand
ICAP-AP (Thailand) Co., Ltd.	Thailand		No. 55 Wave Place Building, 13th Floor, Wireless Road, Khwaeng Lumpini, Khet Patumwan, Bangkok, 10330, Thailand
Nextgen Holding Co., Ltd.	Thailand	99.96%	No. 55 Wave Place Building, 13th Floor, Wireless Road, Khwaeng Lumpini, Khet Patumwan, Bangkok, 10330, Thailand
Cleverpride Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
Coex Partners Limited	UK		10 Fleet Place, London, EC4M 7QS
Emsurge Limited	UK	20%	1 Garrick Close, Hersham, Walton-On-Thames, United Kingdom, KT12 5NY
Exco Bierbaum AP Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
Exco Nominees Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
Garban Group Holdings Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
Garban International	UK		135 Bishopsgate, London, EC2M 3TP, England
ICAP Energy Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
ICAP Europe Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
ICAP Global Broking Finance Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
ICAP Global Derivatives Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
ICAP Holdings (Asia Pacific) Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
ICAP Holdings (UK) Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
ICAP Holdings Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
ICAP Information Services Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
ICAP Management Services Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
iSwap Euro Limited	UK	50.10%	135 Bishopsgate, London, EC2M 3TP, England
iSwap Limited	UK	50.10%	135 Bishopsgate, London, EC2M 3TP, England
LCM Europe Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
Liquidnet Europe Ltd	UK		135 Bishopsgate, London, EC2M 3TP, England
Liquidnet Technologies Europe Ltd	UK		135 Bishopsgate, London, EC2M 3TP, England
Louis Capital Markets UK LLP	UK		135 Bishopsgate, London, EC2M 3TP, England
OTAS Technologies Holdings Ltd	UK		135 Bishopsgate, London, EC2M 3TP, England
Patshare Limited	UK	50%	135 Bishopsgate, London, EC2M 3TP, England
Prebon Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
Prebon Yamane International Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
Push Pull Technology	UK	30.36%	43-45 Dorset Street, London, W1U 7NA
PVM Oil Futures Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
PVM Smart Learning Limited	UK	50%	1 The Lockers, Bury Hill, Hemel Hempstead, England, HP1 1SR
The Link Asset and Securities Company Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
TP ICAP Asia Pacific Holdings Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
TP ICAP Broking Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
TP ICAP E&C Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
TP ICAP EMEA Investments Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
TP ICAP Finance plc*	UK		135 Bishopsgate, London, EC2M 3TP, England
TP ICAP Group Services Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
TP ICAP Latin America Holdings Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
TP ICAP Markets Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
TP ICAP MTF Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
Tullett Prebon (Equities) Limited	UK		135 Bishopsgate, London, EC2M 3TP, England

Company name	Country of incorporation	Interest	Registered office address
Tullett Prebon (No. 3) Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
Tullett Prebon Administration Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
Tullett Prebon Latin America Holdings Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
Tullett Prebon Pension Trustee Limited	UK		135 Bishopsgate, London, EC2M 3TP, England
TP ICAP (Dubai) Limited	United Arab Emirates		Unit 107 & 108, Level 1, Gate Village Building 1, DIFC, PO Box 506787, Dubai, United Arab Emirates
Atlas Physical Grains, LLC	US		211 E. 7th Street, Suite 620, Austin, Texas, 78701-3218, United States
Coex Partners Inc.	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
Exco Noonan Pension LLC	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
First Brokers Securities LLC	US	40%	1209 Orange Street, Wilmington, Delaware, 19801, United States
ICAP Energy LLC	US		421 West Main Street, Frankfort, Kentucky, 40601, United States
ICAP Global Broking Inc.	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
ICAP Information Services Inc.	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
ICAP Media LLC	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
ICAP Merger Company LLC	US		80 State Street, Albany, New York, 12207, United States
ICAP North America Inc.	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
ICAP SEF (US) LLC	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
ICAP Services North America LLC	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
iSwap US Inc.	US	50.10%	251 Little Falls Drive, Wilmington, Delaware, 19808, United States
Liquidnet Holdings, Inc.	US		1209 Orange Street, Wilmington, Delaware, 19801, Kent County
Liquidnet, Inc.	US		1209 Orange Street, Wilmington, Delaware, 19801, Kent County
Liquidnet, LLC	US		1209 Orange Street, Wilmington, Delaware, 19801, Kent County
Louis Capital Markets LLC	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
M.W. Marshall Inc.	US		80 State Street, Albany, New York, 12207, United States
OTAS Technologies USA, LLC	US		1209 Orange Street, Wilmington, Delaware, 19801, Kent County
Portend, LLC	US		1209 Orange Street, Wilmington, Delaware, 19801, Kent County
Prattle Analytics, LLC	US		1209 Orange Street, Wilmington, Delaware, 19801, Kent County
PVM Futures Inc.	US		Princeton South Corporate Center, Suite 160, 100 Charles Ewing Blvd, Ewing, New Jersey, 08628, United States
PVM Oil Associates Inc.	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
PVM Petroleum Markets LLC	US		211 E. 7th Street, Suite 620, Austin, Texas, 78701-3218, United States
Quiet Signal, Inc	US		1209 Orange Street, Wilmington, Delaware, 19801, Kent County
Revelation Holdings, Inc.	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
SCS Energy Corp.	US		80 State Street, Albany, New York, 12207, United States
TP ICAP Americas Holdings Inc.	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
TP ICAP Global Markets Americas LLC	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
tpSEF Inc.	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
Tullett Prebon Americas Corp.	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
Tullett Prebon Information Inc.	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States
Wrightson ICAP LLC	US		251 Little Falls Drive, Wilmington, Delaware, 19808, United States

* Directly held.

Appendix – Alternative Performance Measures

Alternative performance measures ('APMs') are complementary to measures defined within International Financial Reporting Standards ('IFRS') and are used by management to explain the Group's business performance and financial position. They include common industry metrics, as well as measures which management and the Board consider are useful to enhance the understanding of its performance and allow meaningful comparisons between periods and Business Segments. The APMs reported are monitored consistently by the Group to manage performance on a monthly basis.

APMs are defined below. Commentary and outlook based on these APMs considered important in measuring the delivery of the Group's strategic priorities that can be found on pages 34 to 45 of the Annual Report. Detailed reconciliations of APMs to their nearest IFRS Income Statement equivalents and adjusted APMs can be found in this section, if not readily identifiable from the Annual Report.

The APMs the Group uses are:

Term	Definition
Adjusted attributable earnings	Earnings attributable to the equity holders of the parent less significant items and taxation on significant items.
Adjusted earnings	Reported earnings less significant items and taxation on significant items. Used interchangeably with Adjusted profit for the year or Adjusted post-tax earnings.
Adjusted earnings per share	Adjusted earnings less earnings attributable to non-controlling interests, divided by the weighted number of shares in issue.
Adjusted EBIT	Earnings before net interest, tax significant items and share of equity accounted investments' profit after tax. Used interchangeably with adjusted operating profit.
Adjusted EBIT margin	Adjusted EBIT margin is adjusted EBIT expressed as a percentage of reported revenue and is calculated by dividing adjusted EBIT by reported revenue for the year.
Adjusted EBITDA	Earnings before net interest, tax, depreciation, amortisation of intangible assets, significant items and share of equity accounted investments' profit after tax.
Adjusted performance	Measure of performance excluding the impact of significant items.
Attributable Earnings	Earnings attributable to the equity holders of the parent, being total earnings less earnings attributable to non-controlling interests.
Cash conversion ratio	Free cash flow divided by adjusted attributable earnings.
Constant Currency	Comparison of current year results with the prior year will be impacted by movements in foreign exchange rates versus GBP, the Group's presentation currency. In order to present an additional comparison of underlying performance in the period, the Group retranslates foreign denominated prior year results at current year exchange rates.
Contribution	Contribution represents revenue less the direct costs of generating that revenue. Contribution is calculated as the sum of Broking contribution and Parameta Solutions contribution.
Contribution margin	Contribution margin is contribution expressed as a percentage of reported revenue and is calculated by dividing contribution by reported revenue.
Divisional contribution	Represents Divisional revenues less Divisional front office costs, inclusive of the revenue and front office costs internally generated between Global Broking, Energy & Commodities and Parameta Solutions.
Divisional contribution margin	Divisional contribution margin is Divisional contribution expressed as a percentage of Divisional revenue and is calculated by dividing Divisional contribution by Divisional revenue.
Earnings	Used interchangeably with Profit for the year.
EBIT	Earnings before net interest and tax.
EBIT margin	EBIT margin is EBIT expressed as a percentage of reported revenue and is calculated by dividing EBIT by reported revenue for the year.
EBITDA	Earnings before net interest, tax, depreciation, amortisation of intangible assets and share of equity accounted investments' profit after tax.
Free cash flow	Free cash flow reflects the cash and working capital efficiency of the Group's operations, and aligns tax with underlying items and interest received with the operations of the whole Group. Free cash flow is calculated adjusting net cash flow from operating activities for capital expenditure on intangible assets and property, plant and equipment, plus disposal proceeds on such assets, dividends from associates and joint ventures, interest received less dividends paid to non-controlling interests. For 2023 income taxes paid has been adjusted to remove the tax paid on the receipt of the pension scheme surplus.
Leverage ratio	Total debt, excluding finance lease liabilities, divided by an external Rating Agency's definition of adjusted EBITDA, being profit before tax adding back borrowing costs, depreciation and amortisation, and adjusting for significant items and other adjustments (share of results of associates and joint ventures and share based payment expense).
Significant Items	Items due to their size, nature or frequency that distort year-on-year and operating-to-operating segment comparisons, which are excluded in order to provide additional understanding, comparability and predictability of the underlying trends of the business, to arrive at adjusted operating and profit measures. Significant items include the amortisation of acquired intangible assets as similar charges on internally generated assets are not included within the reported results as these cannot be capitalised under IFRS. This is despite the adjusted measure including the revenue related to the acquired intangibles. Significant items do not include the amortisation of purchased and developed software and is retained in both the reported and adjusted results as these are considered to be core to supporting the operations of the business. This is because there are similar comparable items included from purchased and developed software in the reported results for ongoing businesses as well as the acquired items.

A1. Operating costs by type

2023	IFRS Reported £m	Significant Items £m	Adjusted £m	Allocated as Front Office £m	Allocated as Support £m
Employment costs	**1,360**	**(6)**	**1,354**	**1,035**	**319**
General and administrative expenses	**511**	**(33)**	**478**	**308**	**170**
	1,871	**(39)**	**1,832**	**1,343**	**489**
Depreciation of PPE and ROUA	**45**	**–**	**45**	**–**	**45**
Impairment of PPE and ROUA	**11**	**(11)**	**–**	**–**	**–**
Amortisation of intangible assets	**72**	**(44)**	**28**	**–**	**28**
Impairment of intangible assets	**86**	**(86)**	**–**	**–**	**–**
	2,085	**(180)**	**1,905**	**1,343**	**562**

2022	IFRS Reported £m	Significant Items £m	Adjusted £m	Allocated as Front Office (restated)[1] £m	Allocated as Support (restated)[1] £m
Employment costs	1,320	(24)	1,296	998	298
General and administrative expenses	506	(32)	474	322	152
	1,826	(56)	1,770	1,320	450
Depreciation of PPE and ROUA	49	–	49	–	49
Impairment of PPE and ROUA	9	(9)	–	–	–
Amortisation of intangible assets	78	(45)	33	–	33
Impairment of intangible assets	20	(20)	–	–	–
	1,982	(130)	1,852	1,320	532

1 Liquidnet front office costs of £32m were reclassified to management and support costs to align with the classification of similar costs within the Group.

A2. Adjusted earnings per share

The earnings used in the calculation of adjusted earnings per share are set out below:

	2023 £m	2022 £m
Adjusted profit for the year (Note 4)	**229**	197
Non-controlling interest	**(2)**	(3)
Adjusted earnings attributable to equity holders of the parent	**227**	194
Weighted average number of shares for Basic EPS (Note 11)	**777.7**	779.1
Adjusted Basic EPS	**29.2p**	24.9p
Weighted average number of shares for Diluted EPS (Note 11)	**794.2**	790.6
Adjusted Diluted EPS	**28.6p**	24.5p

A3. Adjusted EBITDA and Contribution

	2023 £m	2022 (restated) £m
Adjusted EBIT (Note 4)	**300**	275
Add: Depreciation of PPE and ROUA (Note 5 and A1 above)	**45**	49
Add: Amortisation of intangibles (Note 5 and A1 above)	**28**	33
Adjusted EBITDA	**373**	357
Less: Operating income (Note 6)	**(22)**	(30)
Add: Operating income reported as significant items (Note 4)	**8**	18
Add: Management and support costs (A1)	**489**	450
Contribution	**848**	795

A4. Free cash flow

	2023 £m	2022 £m
Net cash flow from operating activities (Note 35)	**270**	324
Add: Dividends from associates and joint ventures (Cash flow: Financing activities)	**22**	15
Less: Dividends paid to non-controlling interests (Cash flow: Financing activities)	**(2)**	(3)
Less: Expenditure on intangible fixed assets (Cash flow: Investing activities)	**(43)**	(35)
Less: Purchase of property, plant and equipment (Cash flow: Investing activities)	**(12)**	(18)
Add: Sale of property, plant and equipment (Cash flow: Investing activities)	**–**	12
Add: Interest received (Cash flow: Investing activities)	**30**	7
Add: Income tax paid on receipt UK pension surplus (Note 35)	**16**	–
Free cash flow	**281**	302

Glossary

AGM
Annual General Meeting

AMF
Autorité des marchés financiers

APAC
Asia Pacific

API
Application Programme Interface

BEIS
UK government Department for Business, Energy & Industrial Strategy

Board
The Board of Directors of TP ICAP Group plc

BRC
TP ICAP Group plc Board Risk Committee

CAGR
Compound Annual Growth Rate

CAPEX
Capital expenditure

CCP
Central counterparty clearing house

CGU
Cash-Generating Unit

CLOB
Central Limit Order Books

Code
The UK Corporate Governance Code 2018

COEX
Coex Partners Limited and its subsidiaries

Company
TP ICAP Group plc

COO
Chief Operating Officer

CRD IV
Capital Requirements Directive

CREST
Certificateless Registry for Electronic Share Transfer

Deloitte
Deloitte LLP

DRIP
Dividend Reinvestment Plan

EMEA
Europe, Middle East and Africa

EPS
Earnings per Share

ERMF
Enterprise Risk Management Framework

ESG
Environmental, Social, and Governance

EU
European Union

FCA
Financial Conduct Authority

FRC
Financial Reporting Council

FX
Foreign Exchange

Governance Manual
TP ICAP's Group Governance Manual

GRCC
Group Risk and Compliance Committee

Group
From 26 February 2021 TP ICAP Group plc and its subsidiaries

HMRC
His Majesty's Revenue & Customs

HR
Human Resources

IAS
International Accounting Standards

ICAP
ICAP Global Broking and Information Business, acquired by TP ICAP plc (now TP ICAP Finance plc) on 30 December 2016

IFR/IFD
Investment Firm Regulation and Investment Firm Directive

IFPR
Investment Firms Prudential Regime

IFRS
International Financial Reporting Standard

IRS
Internal Revenue Service

ISDA
International Swaps and Derivatives Association

Jersey
Jersey, Channel Islands

JFSC
Jersey Financial Services Commission

KPI
Key Performance Indicator

Liquidnet
Liquidnet Holdings, Inc. and subsidiaries

LCM
Louis Capital Markets UK LLP

LIBOR
London Inter-Bank Offered Rate

LTIP
Long-Term Incentive Plan

LTIS
Long-Term Incentive Scheme

MiFID II
Markets in Financial Instruments Directive

OPEX
Operating expenditure

OTC
Over the Counter

Pillar 1
Minimum capital requirements under CRD IV

Pillar 2
Supervisory review requirements under CRD IV

Pillar 3
Disclosure requirements under CRD IV

PwC
PricewaterhouseCoopers LLP

RCF
Revolving Credit Facility

RFQ
Request for Quotes

RoE
Return on Equity

SEF
Swap Execution Facility

TCFD
Task Force on Climate-related Financial Disclosures

TRACE
Trade Reporting And Compliance Engine

TSR
Total Shareholder Return

UK
United Kingdom

US/USA
United States of America

USD/US$
US Dollars

US GAAP
US Generally Accepted Accounting Principles

VAT
Value Added Tax

VIU
Value in use

WORLD
LAND
TRUST™

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www.gather.london

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