

LONDON STOCK EXCHANGE GROUP plc

FSA Remuneration Code Disclosure for Turquoise Global Holding Limited and EuroMTS Ltd

30 December, 2011

The Financial Services Authorities (FSA) Remuneration Code applies to both Turquoise Global Holding Limited and EuroMTS Ltd. Both companies are designated as “tier four firms” as defined by the FSA Remuneration Code (“the Code”).

This disclosure, which refers to the performance period from 1 April 2010 to 31 March 2011, meets the requirements of the Code.

a) Decision-making process for remuneration policy

Both companies are subsidiaries of London Stock Exchange Group plc (“The Company”).

The FSA’s Remuneration Policy Statement for both Turquoise Global Holding Limited and EuroMTS Ltd has been approved by the Company’s Remuneration Committee, “The Committee” at their meeting in December 2011.

The Committee’s terms of reference, which are reviewed regularly by the Board, are documented in the Remuneration Report section of the Annual Report, and are also available on the [Investor Relations website](#).

b) External consultants

Deloitte LLP are appointed advisors to the Committee. Deloitte LLP also advised the Company in relation to tax, assurance, technology consulting and transaction support services. The Committee is satisfied that the advice provided by Deloitte LLP is independent.

c) Role of the relevant stakeholders

The Committee continues to review recommendations from key stakeholders, including institutional investor bodies, and the Committee consults with major shareholders on any key decisions taken.

The Committee monitor corporate governance and best practice developments in the wider market as well as in the Financial Services sector.

d) Code Staff criteria

The following groups of employees have been identified as meeting FSA criteria for Code Staff:

1. Directors of UK regulated entities
2. Selected roles which have a significant influence on the tier four firms’ risk profile, which includes individuals registered with the FSA.

For the year ending 31 March 2011, there was a total of nine Code Staff in all. The Code Staff population is to be reviewed at least annually by the Committee.

e) The link between pay and performance for Code Staff

The Company is committed to remuneration arrangements that are aligned to the business strategy and shareholders' interests. The remuneration policy and incentive structure applies to both senior management and Code Staff to pay for performance, rewarding the senior management team only when its goals are achieved.

Overall the Committee wishes to position total target compensation at or around the median of the FTSE31-100.

The compensation arrangements include a mix of base salary, annual bonus and share-based incentives, in addition to pension and benefits.

Base Salary

Reflecting the Committee's desire to place greater emphasis on variable pay than in most FTSE31-100 companies, base salaries are set at around 80% of the median of this pay comparator group.

The aggregate base salary cost for the nine Code Staff for the performance year ending March 2011 was £3.0 million.

Annual Bonus

The remuneration structure is more geared than for some FTSE100 companies, in that it provides for a higher bonus potential (although this is still significantly less than a City financial institution).

For the year ended March 2011, the maximum bonus opportunities were 225 per cent of base salary for the Chief Executive and 200 per cent (or less) for all the other Code Staff.

The overall bonus pot was determined based on corporate and individual performance against targets. The corporate targets were adjusted operating profit (50%) and strategic performance objectives (50%).

The aggregate annual bonus cost for the nine Code Staff for the performance year ending March 2011 was £4.7 million.

Share-Based Incentives

The Long Term Incentive Plan (LTIP) has two elements: a conditional award of Performance Shares and an award of Matching Shares linked to an investment by the executive of some or all of their annual bonus (up to a maximum of 50% of base salary).

Vesting of these shares is conditional based 50 per cent on Total Shareholder Return (TSR) performance and 50% on Earnings per Share (EPS) performance over a single three-year period.

The aggregate share-based incentives cost (on a fair market value basis) for the nine Code Staff for the performance year ending March 2011 was £4.2 million.

f) Aggregate remuneration cost for all Code Staff

There were a total of nine Code Staff in all. Seven Code Staff were categorised as senior management and two as other Code Staff.

The aggregate remuneration cost for these nine Code Staff for the performance year ending March 2011 was £11.9 million.

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