

**RELX**

**Full Year Results  
Webcast**

**12<sup>th</sup> February 2026**

**Transcript**



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Erik Engstrom:

Good morning, everybody. Thank you for taking the time to join us today. As you may have seen from our press release this morning, we delivered strong financial results in 2025, we made further operational and strategic progress, and we continue to see positive momentum across the group.

Underlying revenue growth was 7%. Underlying adjusted operating profit growth was 9%. And adjusted earnings per share growth was 10% at constant currency. All four business areas continued to perform well. On this chart, you can see the relative sizes of the business areas and their growth rates, with underlying adjusted operating profit growth exceeding underlying revenue growth in each business area.

In Risk underlying revenue growth was 8%, and underlying adjusted operating profit growth was 10%. Strong growth continues to be driven across segments by the development and roll-out of our deeply embedded, AI enabled analytics and decision tools, with over 90% of divisional revenue coming from machine-to-machine interactions.

In Business Services, which represents over 40% of divisional revenue, strong growth continues to be driven by Financial Crime Compliance and digital Fraud & Identity solutions and strong new sales. We continue to expand our differentiated data assets, build out our global fraud infrastructure, and more deeply integrate advanced authentication and behavioural intelligence.

In Insurance, which represents around 40% of divisional revenue, strong growth continues to be driven by innovation and adoption of contributory databases, and market-specific solutions, supported by positive market factors and strong new sales.

We continue to extend our products across the insurance continuum, and across insurance lines, while adding data sources and analytics to enhance value for our customers.

Going forward, we expect continued strong underlying revenue growth with underlying adjusted operating profit growth exceeding underlying revenue growth.

In STM underlying revenue growth was 5% and underlying adjusted operating profit growth was 7%. Improving momentum is being driven by the evolution of the business mix towards higher growth, higher value analytics and tools, supported by the increasing pace of new product introductions and strong new sales.

Databases, Tools & Electronic Reference, which represents around 40% of divisional revenue, delivered strong growth driven by higher value add analytics and decision tools and we continue to expand our solution sets, built on our industry leading trusted content, with an ongoing series of new releases.

In Primary Research, which represents a little over half of divisional revenue, good growth continues to be driven by volume growth. The number of articles submitted continued to grow very strongly across the portfolio, by over 20% in 2025, and the number of articles published grew 10%.

Going forward, we expect good-to-strong underlying revenue growth with underlying adjusted operating profit growth exceeding underlying revenue growth.

In Legal underlying revenue growth improved to 9% with underlying adjusted operating profit growth of 12%. Strong growth continues to be driven by the ongoing shift in business mix towards higher growth, higher value legal analytics and tools.

In Law Firms & Corporate Legal, which represents around 70% of divisional revenue, double digit growth is being driven by continued adoption of our core AI enabled legal platform and integrated agentic assistant, Lexis+ AI and Protégé.

Ongoing releases of new functionality and deeper integration with our comprehensive, verified legal content is enabling us to increase our value-add and serve an increasing number of use cases.

Going forward, we expect continued strong underlying revenue growth, with underlying adjusted operating profit growth exceeding underlying revenue growth.

Exhibitions delivered strong underlying revenue growth of 8% reflecting the improved growth profile of our event portfolio and good progress on our growing range of value-enhancing digital initiatives. Underlying adjusted operating profit growth of 9% was ahead of revenue growth with margins now significantly above historical levels.

Going forward, we expect continued strong underlying revenue growth with an improvement in adjusted operating margin over the prior full year.

Our strategic direction is unchanged. Our improving long-term growth trajectory continues to be driven by the ongoing shift in business mix towards higher growth analytics and decision tools. This is being supported by the continued evolution of artificial intelligence, which is enabling us to add more value to our customers, as we embed additional functionality in our products, and to develop and launch products at a faster pace.

Our revenue growth objectives for the business areas remain: For Risk to sustain strong long-term growth. For both STM and Legal to continue on their improving growth trajectories. And for Exhibitions to sustain strong long-term growth.

When combined with continuous process innovation to manage cost growth below revenue growth, the result is a higher growth profile with strong earnings growth and improving returns.

I will now hand over to Nick Luff, our CFO, who will talk you through our results in more detail. I'll be back afterwards for a quick wrap up and Q&A.

Nick Luff:

Thank you Erik. Good morning everyone. Let me start by providing more detail on the group financials. As Erik said, underlying revenue growth was 7%, with underlying adjusted operating profit growth ahead of that at 9%. As a result the adjusted operating margin improved by just under one percentage point to 34.8%. The strong operating result flowed through to adjusted earnings per share which, at constant currency, increased by 10%.

Cash conversion was again strong, at 99%. After acquisition spend of £270m and the completion of the one and a half billion pound buyback, leverage ended the year at two point nought times, at the lower end of our typical range.

Given the strong overall performance, we are proposing an increase in the full year dividend of 7% to 67.5 pence per share.

Looking at revenue, you can see here how all four business areas contributed to the overall 7% underlying growth. As we discussed at the half year results, we have separated out the reporting of print and print-related revenues and profits, reflecting changes to how we manage the distribution of print versions of our content. The proactive steps to reduce our involvement in print-related activities continued in 2025, resulting in a reduction in associated revenue of over 20%.

For the group as a whole, total revenue growth at constant currency was 4% after portfolio effects in Risk, Legal and Exhibitions, and after the step down in print activities. In addition, there were cycling effects in Exhibitions, with 2025 being a cycling out year.

In Sterling, total revenue growth was 2%, impacted by the relative strength of the pound against the dollar compared to the prior year.

Here you can see the 9% underlying growth in group adjusted operating profit. As Erik mentioned, we continue to manage cost growth to be below revenue growth in each business area. As a result, Risk, STM and Legal each delivered underlying profit growth two or three percentage points ahead of underlying revenue growth, while Exhibitions was one point ahead, reflecting event cycling in the year.

The profit contribution from print and print-related activities declined, but at a lower rate than revenue. As I said at the half year results, going forward, we expect profit from print and print-related activities to continue to decline in the high single digits each year, in line with historical trends.

Portfolio effects and the decline in print were a slight drag, leaving total adjusted operating profit growth in constant currency at 7%. There was a similar currency effect on profit as there was on revenue, giving adjusted operating profit growth in sterling of 4%.

With profit growth ahead of revenue growth, margins improved across all four business areas, driving the overall improvement of 90 basis points to 34.8%. Margins were up by 40 basis points in Risk, 70 in STM and 80 in Legal. Exhibitions margins increased by 250 basis points, aided by prior year disposals and the effects of cycling.

Turning to the group adjusted income statement, you can see here the underlying growth of 7% in revenue and 9% in operating profit. The interest expense was slightly lower, with the decrease reflecting lower average interest rates partly offset by higher average debt balances. The effective tax rate was 22.5%, in line with the prior year. Net profit was up 8% at constant currency and up 5% in sterling to over £2.3bn. With a lower share count as a result of the buyback programme, adjusted earnings per share were up 10% at constant currency, and up 7% in sterling, to 128.5 pence.

Turning to cashflow, cash conversion was strong at 99%. EBITDA was over £3.8bn, and capex was £525m, equating to 5% of revenue. After interest and tax, total free cash flow was over £2.3bn.

And here's how we deployed that free cashflow. We completed five small acquisitions for total consideration of £270m and made two small disposals. The most significant acquisition was IDVerse, an ID document verification platform for Business Services in Risk, which completed in the first quarter of the year. Dividend payments were £1.2bn and as I mentioned earlier, we completed £1.5bn of share buybacks. Overall, year end net debt was £7.2 billion. Including pensions, the ratio of net debt to EBITDA, calculated in US dollars, was two point nought times, at the lower end of our typical range of 2 to 2.5 times.

Our priorities for the use of cash remain unchanged. Organic development is our number one priority, with capex consistently around 5% of revenues. We augment that organic development with selective acquisitions, with the level of spend typically being the most significant variable in our uses of cash, depending on the opportunities that arise. Average acquisition spend over the last ten years has been around £400m, with 2025 a little below that average.

We pay out around half of our adjusted earnings in dividends and have increased the dividend every year for well over a decade. Leverage has typically

been in the 2 to 2.5 times range. Strong cash generation, improving EBITDA and modest acquisition spend in the year, mean that leverage at the end of 2025 was at the lower end of that range. We continue to return our surplus capital through the share buyback, with £2.25bn of spend announced today for 2026, of which £250m has already been deployed.

With that, I will hand you back to Erik.

Erik Engstrom: Thank you, Nick. Just to summarise what we have covered this morning. In 2025, we delivered strong financial results and we made further operational and strategic progress. Going forward we continue to see positive momentum across the group, and we expect another year of strong underlying growth in revenue and adjusted operating profit, as well as strong growth in adjusted earnings per share on a constant currency basis. And with that, I think we're ready to go to questions.

Operator: Thank you. We will now begin the question-and-answer session. To ask a question, you may press star, then one on your telephone keypad. If you're using a speakerphone, please pick up your handset before pressing the keys. To withdraw your question, please press star then two. We take the first question from the line of George Webb from Morgan Stanley. Please go ahead.

George Webb: Hi, morning, Erik and Nick. I've got a couple of questions, please. Firstly, big picture one, it's hard to miss the broad concern or fear that's happening across a lot of stocks today. If we pick up on your Legal segment, the latest one of those worries is a concern that you might face incremental competition around AI-enabled workflow tools from other large software companies. Maybe we take one step back. For the last couple of years in Legal, we've seen you talk about product launches which use Gen AI, more product adoption by customers, and therefore underlying acceleration in the Legal business. I guess the question is, do you or have you seen anything in your business in terms of lead indicators or numbers on product adoption, conversations you're having that calls into question your ability to continue to participate in that tech adoption cycle? And that means we should be thinking about potential deceleration in Legal before any potential further acceleration. That's the first question.

Secondly, just on STM, given the slight bump in the outlook there, on one hand, you talk to kind of the strong submissions growth and maybe the early ramp of new products such as LeapSpace. But then I guess full open access growth might moderate in the mix this year, the US funding environment's still a little bit tough. Could you maybe just outline some of those growth considerations in the mix for 2026? Thank you.

Erik Engstrom: Okay. Well, maybe I'll have, thank you. Maybe I'll ask Nick to comment on the specifics on growth, adoption, penetration, rollout usage on Legal. And then I'll comment on that a little bit and move on to the second.

Nick Luff: That's right. I mean, I think the opposite. We see these tools as adding value, enabling us to build the functionality to our products. And you're seeing that come through in the adoption, the usage. And if you look specifically at the Legal business and Lexis+ AI, the enterprise-wide subscription customer base has more than doubled in the past year. And the usage is going up faster than that. We have users in the multiple hundreds of thousands now across the globe on Lexis+ AI. We're seeing strong demand for what we do with the product built on that trusted, curated content remains very important to the customers. And these tools are enabling us to add value and grow faster.

Erik Engstrom: Yeah. I think just if you back up a little bit to your broader question about workflow software, I think it's important to remember that the core of our strategy always starts with our uniquely differentiated, comprehensive content, our collection of trusted, verified, continual updated, content and data sets. And we then leverage our deep understanding to combine these content assets with sort of advanced evolving technologies and these evolving AI tools to deliver increased value to our customers. And I think it's important to understand that we have worked with this strategy inside Risk with the evolution of AI tools, extractive machine learning tools for over 15 years. And that's been the core driver of the whole evolution of the Risk business now be 40% of our profits growing 8% a year on revenue and this year, 10% on profits. And we have had the same technology-agnostic philosophy and tool agnostic, multi-model architecture from the beginning of the GenAI trends for over three years.

We've been partnering closely with all the large language model providers, including Anthropic and OpenAI for that time period. And as they continue to build out their models and tools, we continually evaluate all the new releases, including often through previews as a partner, and we often test them through ongoing interaction with our customers to determine if they can help us add more value to our customers if we embed them in our tools. So any new tool that you read about, hear about, we're probably already testing it, involving it in our platform and seeing if we can add more value on our platform to our customer value equation. And often, as you say, there are several companies out there that are developing workflow tools that effectively are today serving, they're trying to serve or starting to serve some of the use cases that other software companies are serving today.

In Legal, large law firms typically use over 100 of these software companies for different workflow tools or different admin procedures. And if those tools embedded in our core content platform help our customers add more value, we'll embed the best of those new tools into our platform and act as an integrator of those and make them work with our customers. And if they're not relevant to the content related use case, the content related workflow, and if it's just workflow that's today being served by software companies, then we don't integrate them directly.

We often look at alternative ways to be interoperable and compatible with them so that our content sets, our deeply differentiated content on our content

platform can actually be accessed in the different workflows. And we believe that that way then we enhance the utility of, and therefore the value of our platform, if it can be accessed in workflows where people are more efficient and more productive and, in the area, where we don't want to be or operate ourselves. I mean, today, and historically, we have virtually no revenue in any of our divisions from what I would describe as workflow software related services.

Nick Luff: And so to the STM question, I mean, you asked about submissions and publication volumes, George. The fact is that science remains a totally global industry. The number of scientific researchers in the world continues to go up. The information intensity of science continues to increase. The desire and the speed at which people want to be published continues to increase. And so we, as you saw we had strong growth in submissions last year, over 20%, the number of articles we published over 10%, and that has not slowed down. We've seen that continue into this year, there's continued strong momentum in primary research. And there's always in any one country, there can always be things happening, but you look at it in an overall sense, we continue to see strong demand for primary research publishing.

George: Very helpful. Thank you.

Operator: Thank you. We take the next question from the line of Nick Dempsey from Barclays. Please go ahead.

Nick Dempsey: Yeah, good morning, guys. I've got three. So first of all, for the Protégé AI workflows, which you are now starting to roll out, can you please talk through what differentiates those offerings from the competition in that broad AI workflow market in a bit more detail, please? Second question, there've been some concerns knocking around about autonomous driving and the auto insurance market. Can you talk about your exposure, the impact as the auto market shifts gradually towards autonomous driving, and give us a sense of whether you see any long-term risks around that? And number three, when you refer to strong new sales in 2025 for the group, and then in Legal, you'd say renewals and new sales are strong across all key segments. Am I right in thinking that those new sales will have only a very modest effect on '26 growth, but you're signalling that they should be supporting growth through '27, '28 and beyond?

Nick Luff: Yes. So I mean, the big difference between, and Erik was touching on earlier, all the things we're offering to do is the content that's behind them. We would describe the workflow tools that we're introducing as being content enabled, and that's a key differentiator. It's not that other tools can't be useful to people. And as Erik touched on, many tools are used by lawyers and other professionals, but the ones we have, if you're actually doing anything that relies on trusted, curated content, then that's where the differentiation comes in. We also, of course, have the advantage of the customer understanding and the sheer scale at which we already operate. As I touched on earlier, we have hundreds of thousands of users of Lexis+ AI. And so we can see how it's used and we can see



what's useful and constantly be updating the quality of the answers that we're able to provide. And that's a key differentiator as well.

Erik Engstrom:

Yeah. Yeah, I mean, I just want to add to that, but I think it's important to look at this, is that the workflows we're developing, I think when we first released Protégé, we were talking about order of magnitudes of 50 workflows or so when earlier these have been released out in phases, continue to be released out in phases and upgraded as we go along. At the moment, we're probably nearing 300 different workflow, specific workflow tools, and we can develop these on our content, on our platform, and launch them to our customers at the rate of probably another two or three a day in this machinery that we have. But again, these are content related workflows that are embedded in our platforms that help add value to our customers the way they operate with us. And it's unrelated to the kind of industry, that is the broader legal tech software industry where people are spending money on software or workflow solutions for operating and admin.

And that's where we separate the two and try to be embedded with the first category and be interoperable with the second category. As you know, we're fully embedded in Microsoft since many years ago. For our customers, they can fully operate and work between our tools and the Microsoft tools. That does not mean we're trying to compete with them or operate Microsoft general admin workflows in any way, but it enhances the value of our content and our utility of our platform when our content specific workflows sit right on our content, but it also enhances the value when you can use our LexisNexis AI related platform and workflows interoperably with Microsoft, for example. And we have about 25 of these different existing partnerships in Legal today, and I'm sure there'll be many more in the future.

Nick Luff:

So Nick, on the autonomous driving question, obviously there are lots of trends affecting the auto insurance industry all the time and enhanced safety features is part of that, automatic braking, telematics, or some autonomous driving. And I think we see that as the whole industry evolving to make driving safer, generate more data, and everything's becoming more complex as you do that. And in that environment, what we do where you get sophisticated risk analysis, combining the data from about the driver, about the vehicle, about how it's been driven, the interaction between cars being driven in different ways, that just creates opportunity for us. The value at stake actually goes up, and it's been a trend for many years, that you get fewer accidents, but the severity of them, the cost of them goes up. So the value at stake actually is getting higher. And in that environment, I think we're extremely well-placed to add more value because of the additional data and analytics that we can provide.

And your last question, Nick was on strong new sales. You're absolutely right. I mean, obviously strong new sales are in a subscription, heavily subscription-based business, as we are. They are only a small component of what's relevant to the current year revenues, but they are a good indication of the momentum

there is in the business and ultimately what drives the long-term growth trajectory, and that's why we're flagging it this morning.

Nick Dempsey: Thanks guys.

Operator: Thank you. The next question comes from the line of Christophe Cherblanc from Bernstein. Please go ahead.

Christophe Cherblanc: Yes, good morning. I had two questions. The first one is on STM. I guess we have a sense of the lawyer population, but it's harder to understand the addressable population for tools like LeapSpace. So I was curious whether you had any number in mind or any number of institution and how long it would take to ramp up penetration. And the second question was about pricing. I think you've been insisting that especially in Legal you were no longer pricing per seat, but I was curious as to what was the extent to which you've been changing pricing contracts over the last 12, 24 months and whether you intend to further adjust pricing going forward. Thank you.

Erik Engstrom: Yeah. So on the STM side, we are launching several different tools into that market, as we've told you. Several tools have been going for now up to, well, 1 year or up to 2 years in some instances, and we continue to see what the value uplift is to the customer, what the usage growth is, and what the user growth is and usage growth, and we can see the value they're getting. From the new forward-looking LeapSpace launch, which is just recently launched commercially, we can see that it's a significant value uplift to the users. Several of them report very significant time savings or productivity gains or improved results from specific use cases that are very material. We look, therefore, at the potential addressable market as being basically all the institutions that today have any of our platforms in use or any of our subscribers. That order of magnitude is in the thousands, I mean, it's over 10,000 depending on when you want to define it somewhere between 10 and 15,000 institutions. That's potential institutional customers.

When it comes to individual users, which also in the end could be a customer for this, I would look at it as it's typical that people refer to the total number of researchers in the world as somewhere a little bit above 10 million. That's the scale of this. If you look at the question of how do we price them, our approach here is to price this platform based on scale of institution and research intensity of the institution. So therefore, there's a set of pricing metrics regarding what type of institution it is. We are also likely to over time come up with an individual researcher subscription option for those researchers who operate in a different way that might want to access the capability of this in the daily research life.

But we're very early stages on the commercial side of this, and it's sold and priced separately from our other content tools. But the indication we're getting from our customers, the feedback we're getting in terms of the value add and the excitement is very strong. But as you said, everything in the STM industry

goes a little more slowly than it does in other industries, partly because of how they think of funding and spending and budgets, and also because the purchase cycles, the decision cycles at academic institutions are typically slightly more involved and take longer. But we are very positive on the ability for this platform to continue to add value to our customers and meaningfully impact our long-term value add and growth trajectory in this division, but it's going to come through very gradually.

Christophe Cherblanc: Thank you.

Operator: Thank you. We take the next question from the line of Thymer Rundberg from ING. Please go ahead.

Thymer Rundberg: Thank you for taking my questions, two from my side. I have one on operating leverage margins. So you've done a great job in managing cost growth below revenue growth in the last few years. Also, 2025, profit margins are expanding nicely. So as we are now moving in more compute intensive AI or agentic workflows that just basically require deeper reasoning, how are you leveraging your skill, and what you've just talked about as well, your model agnostic approach to ensure that you can still drive that margin expansion while delivering these more sophisticated capabilities?

And then the second question is, with the pace of this AI and agentic AI innovation across all your divisions, I was wondering if you could walk us through a bit, how you're currently assessing the balance between returning capital via buybacks, which you've now increased, and more or perhaps larger strategic acquisitions. So given that your leverage remains at the low end of your 2 to 2.5x range and organic investments are still your priority, I was wondering if you could highlight just when does it make sense to use the balance sheet a bit more actively, particularly in light of competitive dynamics? Thanks.

Erik Engstrom: Thank you for that. I'm actually going to ask Nick to tell us about both of those.

Nick Luff: Yeah. Obviously, the new technologies that are evolving are giving us great opportunity to build additional functionality on our products, but they're also giving us great opportunity to improve our own processes, make our own processes more efficient. So we're using those internally, which enables to go to market faster, but also ensure we can keep cost growth below revenue growth. Obviously we're spending more on some things than what we're spending with large language model providers, et cetera, as our customers use our products more and as we use those technologies more, but equally with other things that we can do more efficiently than we couldn't before. There's nothing we see in the overall dynamic that means we can't keep cost growth below revenue growth. If anything, as we touched on in the outlook statements, the gap between profit growth and revenue growth can be potentially be a little bit wider, and that's just through cost control and the opportunity that these new tools are giving us.

I think your second question was about acquisitions and balance sheet and how we might use it. The primary focus remains on organic development. We have the skills and the opportunity. We have all the assets we need to innovate and bring new product to market and value to customers using that. We will look at acquisitions where we see something that can enhance and accelerate what we're doing, but they have to fit. They have to fit what we're doing and obviously, with those specific criteria, there's only a few things that are available at any time that makes sense. I mean, we've had a few years now of relatively low M&A spend. That's not deliberate, it's just the way things have... what's come up. It's perfectly possible that in the next period we may see slightly two or three larger acquisitions come up, and we would absolutely invest in those if we saw the opportunity, but it's not the core of the strategy. The core of the strategy is organic.

In terms of where the leverage is, as you rightly point out, because we've had relatively low M&A spend the last couple of years, we're at the bottom end of our leverage range. Clearly, we reflect that when we think about the buyback, and we have announced the buyback of £2.25 billion this morning, which is up 50% from the buyback in the previous year. If you take the average M&A spend, we've had for the last few years, around the £250 million mark, then all things being equal, that will put us roughly in the middle of our leverage range of 2 to 2.5x. So that's why it's been pitched at that level.

Thymen Rundberg: Perfect. Thanks.

Operator: Thank you. We take the next question from the line of Ciaran Donnelly from Citi. Please go ahead.

Ciaran Donnelly: Good morning. Thanks for taking the questions. Firstly, just in terms of Legal, can you help us understand the mix between publicly available data and proprietary curated data that underpins those products, and perhaps just comment on how difficult it would be to replicate those data sets? Just looking to get a sense of how deep that competitive moat is.

In addition, can you just clarify with regards to your comment on interoperability? Would you be open to licensing use of your proprietary data to be integrated into, I don't know, API plugins such as Claude Cowork? And then lastly, just in Risk, it looks like the base market growth contribution was a smaller contribution in 2025 versus '24. So could you just help us understand the dynamics there? And looking forward to 2026, what the mix of growth from base and product innovation is likely to be? Thanks.

Erik Engstrom: Yeah. So let me start with the question of our content sets. As you know, we describe RELX as a global provider of information-based analytics and decision tools. Everything we do is built on that information base, which is a foundation of unique and comprehensive content and data sets, and that applies to all our divisions. Our assets are both historically comprehensive and continuously updated on the industrial scale across our divisions. In each one of our divisions,

it includes some form of public records accumulated over decades, some of which are no longer publicly available; some of which are theoretically public, but extremely difficult and complicated to collect because of the format or imprint or in different locations. Then they also include licensed data sets. Across the company, we have licensed data for over 10,000 different sources. Some of those sources, the usage is regulated and controlled, and we can only use them in certain ways in our tools.

We then have unique contributory data sets, and we have some of those involved in Legal as well. We have dozens of those contributory databases across the company. We then have proprietary data and content that we have created ourselves, written ourselves, either within our pool of internal employees or external contractors that created them for us over many years. But we combine these content and data sets with our deep customer understanding to build proprietary algorithms, judgments, inferences, and interpretations, which accumulated over decades, delivers unique insights and significant value to our customers themselves. This would be extremely hard, if not impossible, to replicate to the same level of value. This is what we mean when we talk about the fact that we have a content advantage that we believe is very sustainable and very strong and are very high value to our customers across our divisions, including Legal.

So if you then look at the question, will we consider just licensing out our content sets? No, this is the centerpiece of our strategy. This is what we are. We are an information-based company, we're a content-based company, and everything we do is built around that unique, comprehensive information base. And that's the foundation for our products today. It will be the foundation of our products and their value add in the future. Is it possible some small slivers in some non-core areas could be licensed some places? Yeah, we've always done copyright sales here and there for decades, but that's not material. It's not the core of our strategy. The core of our strategy is to leverage those deeply embedded content and data sets and embed these new tools on top to enhance the value of those content platforms to our customers.

That's what we're seeing a confirmation of. When we do that to our customers, we see that they see a value uplift, we see the spend uplift, they're willing to go on those because they see the higher value. We see that customers do that when it rolls out. We see that the users, we have more active users on the new higher value add platforms and that they use them more.

Nick Luff:

I think your last question was about the split of the risk growth, the 8%. As you rightly point out, the contribution from new products has gone up. This year, the split was 6% from new products, 2% from older products, compared to 5/3 the previous couple of years. I wouldn't read too much into that. It's only a small shift. If anything, it just demonstrates that the pace of innovation has increased. The older products perhaps are being replaced slightly quicker with new products, new functionality, and therefore the splits just shifted a little bit, but I wouldn't read too much into it.

Erik Engstrom: Okay.

Ciaran Donnelly: Thanks.

Operator: Thank you. We take the next question from the line of Steve Liechti from Deutsche Numis. Please go ahead.

Steve Liechti: Yeah, morning. I'll take three as well, please. Thanks. First of all, just relatively simplistically, just if I'm a lawyer and I've now embedded Harvey or Legora into my workflow, just why am I going to buy Protégé as well as a workflow tool? Maybe put that in the context of a large lawyer and a small lawyer. So that's the first question.

Second question is on STM. You've moved your outlook guidance from good-to-good-to-strong like-for-like growth. Is that code for saying that you think like-for-like is going to go from 5% this year to more like 6% next year?

And then the third question is on Risk. Just we're having a lot of conversations with people on the kind of disruptive stuff going on in the market. Just remind us or rehearse the arguments on why an LLM or disruptor would find it very, very difficult to break into the risk market in terms of either the business services bit or insurance. Thanks.

Erik Engstrom: Nick, would you like to take the first one?

Nick Luff: Yeah. Look, there are obviously various tools out and as we said before, the whole ecosystem in which lawyers operate, they've traditionally used all sorts of different tools for different functionalities. It does depend on what sort of work you're doing. But if you're doing work, legal research work in particular, but anything that it relies on content and what the latest information is, the latest law is, then as we've been outlining, we have a significant competitive advantage because of the data set that we've been, and the content that we've articulated a couple of times already on this call. That doesn't mean to say that lawyers won't use other things as well. And if they're good tools, then as we said, we'll look to see whether we can use that functionality, replicate it in our products, or make it interoperable with our products. And we'll continue to do that.

But I think we're clear that we have a big customer base already using our Lexis+ AI with Protégé tools that runs into the hundreds of thousands of users, tens of thousands of customers. So that the scale of what we're doing is already way bigger than a lot of other things that are out there. So I think the starting point with that content advantage is very good for us.

Erik Engstrom: And I think it's important to distinguish here between content players and competing in content, which is what we do, with these layers on top, which is content enabled processing that adds value to the content. And the people who

are building workflow tools that are not in the content business at the scale that we have or the comprehensiveness of the historical trust and verified content that we have. But there, there are several hundred software and workflow companies ranging all the way from Microsoft at the top to very specialised tools that are used by lawyers in many ways.

And as we said, many of the large law firms have 100 of these different tools. And the two that you mentioned that are coming up that for workflow tools that enable processing and workflows, they are more, the way they describe it, going after that much larger software and services market in the Legal tech space. And in a way, they have explained that they see that their biggest threat to theirs in their quote publicly is the LLM tools and LLM related workflow tools themselves. We see them as additional partners. We're partnering with already 25 of these workflow and software related companies in that space, and there's nothing that says that that couldn't be a few more over time. So we see them more as complements than competitors.

Nick Luff:

Steve, your second question was about the guidance around STM. I think as we said in the statement this morning, we have got improving momentum in STM. We are seeing an increased pace of the introduction and rollout of new products. We can see it in the strong new sales. So the business is in very good shape. Clearly it's a very heavy subscription business, so things tend to change relatively slowly. But without getting into the numbers, clearly the outlook statement is a more positive statement than we've had previously, that is an upgrade in our outlook.

And your last question was about the Risk business and LLMs and things. I think the most important thing to remember about the Risk of this, 90% of its revenue comes from machine-to-machine interactions. And this is on a massive scale of the data sets we have and the data we collect from all, as we've outlined a couple of times already in this discussion, the thousands of sources, the public records, the contributory data coming back from customers with that network effect that they can all benefit from what we do with the data, the algorithms that we apply to it.

And it's incredibly difficult to replicate. It's a heavily regulated area, what data you can collect, how you're allowed to use that data is heavily regulated. And I think given it's almost all machine-to-machine, I think we see lots of opportunity to continue to use new data sources and use new technology, but I think we will be the beneficiaries of that.

Erik Engstrom:

But I think it's important also to point out that Risk has been at the forefront of using AI technology now for close to 20 years. The core driver behind the entire growth rate and the growth improvement over the last 15 years in Risk has been the fact that we have all these unique, comprehensive data sets that most people don't have access to any of those, particularly the contributory data sets and some of the internal data sets that we generate in those markets.

But the real enabler has been the fact that we have had a technology agnostic philosophy for that entire time period and continuously looked at new AI machine learning tools and new algorithms for a very, very long time. And whenever anything comes out that can help us increase the value to our customers, we have tested them and embedded them. And that's why at this point, we are a 90% embedded machine-to-machine, AI enabled algorithm business. The new or evolving generative AI tools actually do not add significant value to those kinds of mathematical calculations.

I mean, just to give you an illustration, in one of our contributory database offerings, we process around 400 million transactions per day in a mathematical, continuously improving model. So this is a completely different type of business that went through the AI enablement transformation starting about, 20 years ago it started and now continuing to evolve, and it's already very, very far down this path. I mean, I could remind you that it's exactly 20 years ago this year, that because of how we approach big data, data science and algorithms, we picked up knowledge of what was going on over at Palantir. And I went out to visit them personally about 20 years ago and talk about how our different technologies compare and how what we could do together and some of their tech people were at our conferences and so on. And we've evolved into a high-volume algorithm driven, very low price per unit, but very high-volume sort of transaction-based pricing installed inside industries. And they've evolved in a complete opposite direction, but we still leverage the same technology heritage and the same thinking and approach to big data, data science and AI.

So this is not a new thing and it's not something that's likely to impact the trajectory of the Risk business in any way, other than continue on the path we've been on to evaluate and look at and embed any new possible AI tools from any source that can increase the value to our customers of those algorithms we operate today.

Steve Liechti: Right. Thank you very much.

Operator: Thank you. Ladies and gentlemen, if you have a question, please press star, then one. We take the next question from the line of Henry Hayden from Rothschild & Co Redburn. Please go ahead.

Henry Hayden: Yeah, morning everyone. Thanks for taking our questions. I have three from my end. The first one on STM, how do you think about the corporate opportunity? So it's one you discussed in the past as a large addressable market with attractive structural growth profile. We were hoping for any incremental colour you could give around end client preferences and if there's a different approach that needs to be taken and going after that opportunity in terms of product functionality, and is there an appetite to grow corporate within the mix? And if so, what unlocks better exposure to that underlying growth?

Secondly, within Legal, we're seeing this structural uplift in tech investment from law firms, which adds support to your growth, but also can drive some



degree of experimentation for new solutions around legal research and workflows. At what point would you expect firms to kind of consolidate how many products they're taking and how do you think about your positioning against that consolidation?

And then finally on Risk, you've called out strong new sales and insurance again now. Is there a specific product or line item driving this and are those competitive displacements or is there something else at play here? Thanks.

Erik Engstrom: Well, I can address first the STM market. The corporate market is, we believe, an important future growth opportunity for us. It is a relatively small segment of our revenue today. And we believe that it is more commercially oriented and as these tools that we build become higher value, more usable with new tools on top of our content, that we see an opportunity to continue to sell and package those in a way that is more appropriate for the corporate market. We believe that we're going to continue to see that growth rate there pick up as well over time as those tools are developed, integrated to add more value. But it's a relatively small segment today, it's likely to be gradual, even though on some of the tools we've rolled out today, we've actually slightly faster uptake on the sales cycle than we do in the academic markets as early signs. So we're positive, but it's small and it's still going to be gradual.

On the Legal tech ...

Nick Luff: So Henry, on the Legal tech, and look, I think law firms will continue to evaluate and look at new technology and look at new tools. The legal research market clearly is very consolidated already with obviously the two big players of which we're one, but if you look at the wider technology provided to law firms, which is a big market and all commentators think that's going to grow quite significantly. Individual law firms may choose to, different strategies, but I'm sure they'll continue to experiment and we think we have a strong offering to move into some of that market and to continue to add value in that more consolidated legal research market where we play.

And your third question was on Insurance and new sales. That is going well. We continue to innovate, we continue to have new sources of data and we touched on it earlier when we're talking about data coming off vehicles, from vehicles, about vehicles. For example, new identity data being brought to bear, we are using new data sources in different lines of insurance. So example, using Electronic Health Records in the Life Insurance market, using aerial imagery or video taken inside the home analysed by AI to inform property.

And these are additive; these are additive to what's already there. This is not typically displacing anything. These are not either/or type products. It's something that a functionality and analytics that wasn't available before. And as we innovate and make it available, then it comes into the marketplace and helps the insurance companies become more efficient, helps them price risk more accurately and they see value in them and that's what's driving the take up.

Henry Hayden: That's very clear on all three. Thank you.

Operator: As there are no further questions from the participants, I would like to turn the conference back over to Erik Engstrom, CEO, for any closing remarks.

Erik Engstrom: Well, thank you so much for taking the time to join us this morning. I appreciate you listening to us and asking us questions, and I look forward to talking to you again soon.