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24

Corporate  
Sustainability  
Report



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# About the 2024 Sustainability Report

LPL’s 2024 Sustainability Report focuses on environmental, social, and governance (ESG) topics, which are informed through stakeholder perspectives. We continue to advance our sustainability strategy and programs by leveraging our pillars that align to our business:

- 1. Responsible business
- 2. People and culture
- 3. Societal impact
- 4. Environmental stewardship

## Reporting guidelines and content

This report was prepared using reporting industry standard frameworks and guidance documents, including the Global Reporting Initiative (GRI) Sustainability Reporting Standards and the Sustainability Accounting Standards Board (SASB) sector standards for Asset Management and Custody, Consumer Finance, and Investment Banking and Brokerage. A mapping of our disclosures to both GRI and SASB frameworks is outlined in [Appendix IV](#) of this report. Throughout this report, we highlight the key areas where we believe both our competencies as a firm and our sustainability initiatives can help advance the United Nations Sustainable Development Goals (SDGs).

When we use the terms “LPL Financial,” “LPL,” “we,” “us,” “our,” and the “company,” we mean LPL Financial Holdings Inc., a Delaware corporation, and its consolidated subsidiaries taken as a whole, unless the context indicates otherwise. The intended audience of this communication is the general public, and the purpose is to communicate the business operations of LPL Financial. Throughout this communication, the terms “financial advisors” and “advisors” include registered representatives and investment advisor representatives affiliated with LPL Financial LLC or LPL Enterprise, LLC, which are each a SEC-registered broker-dealer and investment advisor.

When we refer to “materiality” and other similar terms, we refer to it specifically in the context of ESG and sustainability topics; we are not employing these terms as they are used under securities laws or any other laws of the United States or any other jurisdiction, nor are we using them in the context of financial statements and financial reporting. Our focus is on addressing ESG and sustainability matters relevant to our role as an independent broker-dealer, investment advisory firm, and custodian.

## Report boundaries

This report describes our approach to managing our most material ESG topics, offering both qualitative and quantitative disclosures. In early 2023, we conducted a refresh of our [ESG materiality assessment](#), the results of which were used to define the content for this report.

This report and the data presented cover January 1, 2024, through December 31, 2024. For additional information, please visit [LPL’s Social Responsibility page](#).

## Reporting uncertainties

Nonfinancial information is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. Various measurement techniques can result in materially different measurements, and the precision of different measurement techniques may also vary.

**For more information about LPL Financial, please see our other reports**

- [2024 Annual Report](#)
- [2025 Proxy Statement](#)
- [Human Rights Policy](#)
- [Vendor Code of Conduct](#)
- [Privacy Policy](#)



Words from our CEO

# Rich Steinmeier



Our vision at LPL is clear: we aspire to be the best firm in wealth management. For us to meet that bold goal, and to drive the success of a rapidly growing advisor and employee base, we must create a company that is sustainable for a range of stakeholders.

**Sustainable for advisors**

It is our responsibility to provide our advisors and institutions with the tools and support they need, so they can focus on delivering personalized financial advice to millions of Americans. As a trusted partner, it is imperative we run a responsible business and put governance at the core of our operations. Our data security, risk management, legal responsibilities, and compliance operations remain front of mind with everything we do, so advisors and their clients can feel secure, well-informed, and protected.

**Sustainable for employees**

To support our advisors, and institutions, and execute on our strategic goals, it takes a team of highly motivated employees focused on client service. Our corporate culture and strong values that guide how we work are foundational to the success of our company and achieving our goals. We are focused on hiring, retaining, and developing the best talent in the industry to ensure the sustainability of our business. We are committed to being a great place to work, and fostering a respectful, rewarding workplace in which all our employees are positioned to succeed.

**Sustainable for shareholders**

From the volunteer work we do in our communities across the country, to the donations our advisors and employees contribute to meaningful causes, to minimizing the environmental footprint we leave behind, we take our societal and environmental impact to heart. We recognize the responsibility we have outside our four walls, and we continue to look for meaningful ways to create a brand our shareholders continue to be proud to support.

You can learn more detail about the various ways LPL approaches each of these topics throughout this report, which is outlined by our sustainable strategic pillars:

- Responsible Business
- People and Culture
- Societal Impact
- Environmental Stewardship

In summary, we will continue to inspire employees to elevate their performance on our journey to be the best firm in wealth management. By doing so, we can preserve a company that supports the needs of advisors and institutions, and the clients they serve, that will continue to thrive long after we are gone.

Sincerely,

**Rich Steinmeier**  
CEO, LPL Financial





# About LPL and Our Vision

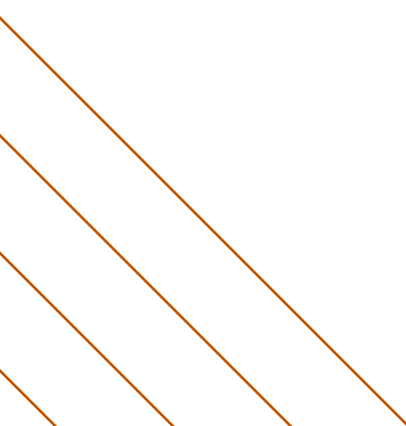
**Founded on a vision that took shape more than three decades ago, LPL Financial has become a cornerstone in supporting nearly 29,000 financial advisors, and the wealth management practices of approximately 1,200 financial institutions, who serve approximately 6 million Americans.**

Driven by the belief that financial advisors should have autonomy to shape their businesses and guide clients toward financial security, our founders laid the groundwork for a firm that places the advisor at the forefront of everything we do. Today, we remain steadfast in our commitment to the advisor-mediated model and the belief that Americans deserve access to personalized guidance from a financial advisor.

At our core, we provide financial advisors with the freedom they deserve to choose the business model, services, and technology resources that allow them to run a thriving business. Independence extends beyond operations to encompass the management of client relationships, recognizing advisors' unique understanding of their clients' needs.



For more information regarding our business operations and financial results, please visit the [About LPL](#) and [Investor Relations](#) pages on our website.





# Bringing Our Vision to Life

In 2025, we launched our new values and vision to be the best firm in wealth management. The purpose that inspires us, the mission that drives us, and the values that we live each day serve as the guideposts on our journey to realizing that vision.



## Pursue Greatness

- We are ambitious in our goals and fearless in their pursuit.
- We inspire our top talent to achieve their greatest possible potential.
- We hold ourselves to a high standard for delivering extraordinary results and never settle for less.
- We take smart risks to challenge the status quo.



## Do The Right Thing

- We operate with integrity.
- We deliver premium value while maintaining financial discipline.
- We assume the best intentions and treat others with respect.
- We believe everyone has the right to speak up.



## Drive Our Clients' Success

- We create the conditions for our clients to succeed on their terms.
- We own our clients' challenges and are relentless in finding solutions for them.
- We bring unparalleled expertise that enables our clients to be great in their business.



## Win Together

- We put the needs of the team above our own.
- We are dynamic and innovative collaborators with endless curiosity to learn from each other.
- We welcome diverse perspectives and create inclusive opportunities for everyone to succeed.
- We are stewards of our industry and advocates of our communities.



## Create & Share Joy

- We value optimism and celebrate successes.
- We nurture an environment where everyone feels like they belong.
- We elevate our communities and each other through acts of kindness and gratitude.





# Sustainability & Transparency





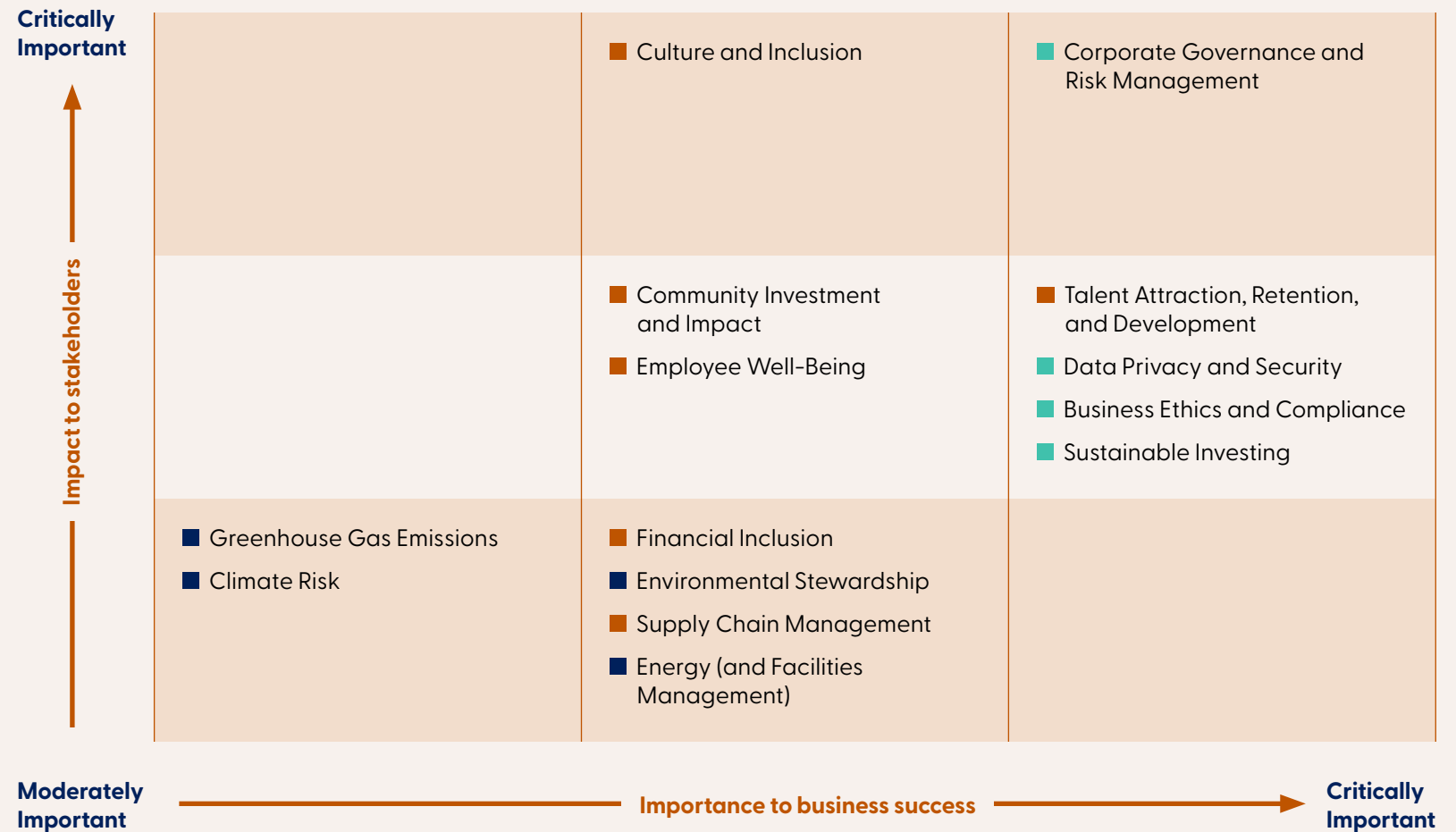
# Sustainability Overview & Vision

Our approach is guided by our sustainability mission to take care of our advisors, clients, and communities while building trust with our mutual stakeholders. In pursuit of operating our business in a responsible and sustainable manner, we continuously strengthen the management of our most material ESG topics. Our ESG Materiality Assessment represents a crucial part of our sustainability journey and was executed in alignment with industry standards and stakeholder expectations. In this section, we outline how our ESG Materiality Assessment helps define our sustainability strategic pillars and supports the prioritization of key programs and commitments.

### ESG Materiality Table Key

- Environmental Topic
- Social Topic
- Corporate Governance Topic

## ESG Materiality Assessment







# Our Strategic Pillars

LPL’s sustainability strategic pillars were created as a result of our ESG Materiality Assessment, which focuses on the areas that matter most to our firm and guides our approach to sustainability. These pillars guide decision making around the initiatives that drive our ESG progress and reinforce our commitment to creating positive, lasting change for employees and for advisors and their clients.



## Responsible Business Practice

Uphold a culture of transparency, ethics, and integrity for LPL and our vendors



## Societal Impact

Support a sustainable and inclusive financial system for our clients and communities



## People and Culture

Enable employees and advisors to thrive in an inclusive and values-driven culture



## Environmental Stewardship

Reduce our impact on the environment through sustainable operations



# Stakeholder Engagement

Our strategy is informed by a range of perspectives from our key stakeholders. We continuously seek ways to engage with our stakeholders, as outlined to the right.

## Financial advisors

- In-person and virtual engagement events with LPL directors
- Feedback and recommendations from the 19-member Advisor Inclusion Council Surveys
- Industry groups, roundtables, events, and conferences

## Board of directors

- Board meetings and Nominating and Governance Committee meetings
- Quarterly reports to share updates on sustainability programs and initiatives

## Employees

- Engagement campaigns to collect input, including annual culture surveys
- Company intranet, internal social media channel, newsletters, company-wide announcements, and updates

- Regular communication, including virtual and onsite town halls with Q&As
- Manager relationships to solicit one-on-one feedback throughout the organization

- Recommendations and input on topics important to employees from employee resource groups (ERGs)
- Quarterly sustainability roadmap check-ins with relevant business units

## Communities

- Charitable donation matching program for employees and advisors
- LPL Financial Charitable Foundation (LPL Financial Foundation or Foundation) philanthropic donations and strategic partnerships with community-based nonprofit organizations
- Employee volunteering opportunities

## Shareholders

- Annually held shareholder meetings
- Annual and quarterly reports and proxy statements
- Ongoing shareholder events and meetings to maintain open dialogue and business results, including quarterly earnings calls
- Proactive outreach to ESG-focused investors

## Regulators

- Proactive policy engagement and outreach with officials at all levels of government

## Suppliers

- Direct outreach on contracts and procurement procedures
- Engagement with critical suppliers to help manage supply chain risks and opportunities
- Focus on having vendors align to LPL's Vendor Code of Conduct

## Trade associations

- Trade association events, advisory panels, and issue-specific forums



# Sustainability Governance

We believe that robust governance practices are central to the success of our sustainability strategy and business performance. While our board is actively engaged in and updated on ESG matters, its Nominating and Governance Committee<sup>1</sup> has primary responsibility for oversight of our ESG program and initiatives, and the ESG Steering Committee sets the strategy and roadmap.<sup>2</sup>

Further details on the ESG Steering Committee’s responsibilities can be found in the [ESG Steering Committee Charter](#). The below table displays key governance functions that touch sustainability, including the role particular functions play in our overall sustainability governance structure.

Board of Directors		
Oversight of performance, risks, and opportunities	<b>Board committees</b> <ul style="list-style-type: none"> <li>Nominating and Governance Committee</li> <li>Audit and Risk Committee</li> <li>Compensation and Human Resources Committee</li> </ul>	<b>Nominating and Governance Committee</b> Consists entirely of independent directors Role: Primary oversight of our ESG program and initiatives
Risk Oversight Committee (ROC)	Management Committee	Internal Audit function
Led by senior level executives, it serves as the most senior risk management committee and reports to the Board Audit and Risk Committee Role: Oversees climate risk-related impacts to the firm	Consists of the Chief Executive Officer and Group Managing Directors Role: Responsible for overall management, guiding strategy, and operational direction	Role: Independent reviewer of risk management, internal controls, public reporting, and governance processes, reporting to the Board Audit and Risk Committee
ESG Steering Committee		Climate Task Force
Includes a cross-functional group of senior leaders whose business areas impact LPL’s sustainability program, overseen by the Head of Sustainability Role: Sets the sustainability strategy and roadmap by maturing disclosures, policy, and accountability for ESG initiatives across LPL	<b>Sustainability Team</b> Role: Implements sustainability and climate strategy  <b>Functional and program leaders</b> Role: Report to the Sustainability Team and ESG Steering Committee on progress of initiatives within LPL’s sustainability roadmap	Reports quarterly to the ROC, and is led by the Sustainability Team and includes members from Facilities, Research, Finance, Enterprise Resiliency, Government Relations, Technology, Legal, and Procurement Role: Reviews and assesses all climate risks, impacts, and reporting

1. More details on the Committee’s roles and responsibilities are detailed in our [Nominating and Governance Committee Charter](#).

2. More information on our executive oversight and management structure is outlined in [Appendix I: Governance](#).





# LPL Financial at a Glance\*

## Our firm

**\$1.1B**  
in net income

**10M**  
client accounts

**98%**  
AUM<sup>3</sup> retention  
rate for 2023

**\$141B**  
in organic net  
new assets

**~\$1.7T**  
advisory and  
brokerage assets  
serviced and  
custodied

## Our culture

**8.3K+**  
employees across  
the United States<sup>4</sup>

**~29K**  
financial  
professionals  
serviced by LPL

**201K+**  
hours in training  
for advisors

**~350K**  
hours in training  
for employees

**75%**  
match on employee  
401(k) contributions  
up to 8%

**2.5K+**  
employees  
participating in  
employee resource  
groups (ERGs)

## Our impact

**\$11.8B**  
invested by LPL  
Financial advisors  
in sustainable  
products

**~\$2.3M**  
in donations from  
the LPL Financial  
Foundation

**18K+**  
logged in employee  
volunteer hours

**3K+**  
hours of paid time  
off for employees  
to vote

\* Unless otherwise noted, all data is from January 1, 2024, through December 31, 2024.

3. Assets under management. Reflects retention of total advisory and brokerage assets, calculated by deducting quarterly annualized attrition from total advisory and brokerage assets, divided by the prior-quarter total advisory and brokerage assets..

4. The employee headcount excludes LPL's employee advisors and those staff directly supporting the employee advisors.



# Awards & Recognition



## Human Rights Campaign – Equality 100 Award

Celebrating LPL for building diverse and inclusive environments for all employees, for six years in a row



## America’s Customer Service Champions

Highlights companies that excel in delivering the best customer experience across 67 sectors



## World’s Best Companies 2024

Based on a formula of employee-satisfaction surveys, revenue growth, and ESG data



## Technology Innovation Award

Recognized by the Bank Insurance & Securities Association’s for our commitment to advancements in technology-based solutions for the industry



## America’s Best Employers for Women 2024

Recognized for creating a more equitable workplace for women



## America’s Greenest Companies

For our performance on greenhouse gas emissions, water usage, waste generation, and commitment and disclosures



## America’s Most Responsible Companies

For our commitment to being good corporate citizens for five years in a row



# Responsible Business







**Responsible Business**

# 2024 Highlights

We are committed to robust policies and practices that uphold responsible and ethical business practices reflecting our dedication to transparency, integrity, compliance, risk management, professionalism, and ethical conduct.

## Responsible business governance

Chief Executive Officer, President and Chief Financial Officer, Chief Legal Officer and Corporate Secretary, Chief Information Security Officer, Chief Compliance Officer, Chief Risk Officer, Management Committee – including reports to the LPL Board of Directors and appropriate committees as needed

## Objective

Demonstrate a high standard of ethics and integrity throughout the organization

## Our work contributes to these SDGs



More information on our executive oversight and management structure for responsible business is outlined in [Appendix I: Governance](#). Core metrics related to responsible business can be found in [Appendix II: ESG Consolidated Data Sheet](#).





# Government Relations

We strive to be a thought leader and effective advocate on the issues that matter most to our industry.



## Lobbying practices

- Championing independent advice
- Modernized regulatory regime
- Ensuring tax policy encourages economic growth
- Prioritizing investor protection and safeguarding savings

## Public policy and advocacy

Across the landscape of financial services, LPL aims to play a leading role in shaping regulatory discourse. Focused on key policy areas, our [Government Relations team](#) is committed to navigating challenges and advocating for impactful change in the lives of our employees, advisors, and end-investors through various strategic policy domains and advocacy efforts.

## Voting

LPL offers all employees up to four hours of paid time off to vote in each election. This policy was instituted in 2019 and was reinforced in 2024 through employee campaigns, educational events, and voter registration drives. This campaign resulted in 504 more hours logged in 2024 than the previous five years combined.

## Requirements

LPL and associated persons are subject to the SEC’s pay-to-play regulation, FINRA supervisory requirements, FEC laws and other federal lobbying disclosure requirements.

### Policy and advocacy Key Performance Indicators (KPIs)

**\$1,650,000**

Total annual lobbying expenses

**\$459,000**

Political Action Committee (PAC) funds spent on political donations

PAC donations had nearly an even split between Democrats and Republicans in 2024.

We publish an [Annual LPL PAC Report](#) that is available to the public.



# Business Ethics and Compliance

To support ethics and compliance, we mandate an annual Code of Conduct Acknowledgment from all employees, new hires, and advisors, without exemptions. We employ the following mechanisms to address potential ethical concerns.

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## Code of Conduct

The LPL Code of Conduct covers anti-bribery, anti-corruption, US Foreign Corrupt Practices Act, and anti-fraud. LPL understands the importance of ensuring that employees and advisors receive, read, and understand the Code of Conduct. Everyone is given a copy of the Code of Conduct at the start of their association with LPL, and they must reaffirm compliance each year. A copy of the Code of Conduct can be obtained on the LPL Intranet and on LPL.com as well as from the Chief Human Resources Officer, the Chief Compliance Officer, and the Legal Department. Our mandatory annual trainings comprise general ethics, anti-corruption, bribery, and international sanctions compliance. Failure to complete the training may result in business interruption and potential termination.

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## Commitment to ethical integrity

### Ongoing evaluation of conflict management

As part of a strong culture based on integrity, all reports describing conduct that is inconsistent with LPL policy will be investigated promptly and effectively. If an investigation reveals a violation of LPL policy or other inappropriate conduct has occurred, then LPL will take corrective action, including discipline up to and including dismissal, reassignment, changes in reporting relationships, training or other measures the firm deems appropriate under the circumstances, regardless of the job positions of the parties involved.

### Record keeping

LPL maintains a record keeping inventory which is validated with business owners and periodically attested to its accuracy and completeness on no less than an annual basis. We maintain a record keeping policy and destruction standards administered by the Information Lifecycle Management organization. Additionally, we maintain policies and procedures to drive appropriate behavior standards as well as a governance structure designed to collect the approvals for new products being offered by our advisors to our customers.

### Integrity hotline

LPL's Integrity Hotline provides employees, temporary staff, contractors, and others with a means to confidentially or anonymously report complaints, including questionable accounting or auditing matters. LPL has designated a senior lawyer within the Legal Department as the Integrity Ombudsperson who receives, retains, investigates, or refers for investigation, and promptly acts on allegations, concerns, and complaints submitted directly to the Integrity Hotline or referred by management or the Board of Directors. This includes, but is not limited to, those regarding: questionable accounting, internal accounting controls and auditing matters, including those regarding the circumvention or attempted circumvention of internal accounting controls or that would otherwise constitute a violation of LPL's accounting policies; compliance by the firm with its legal and regulatory requirements; allegations of fraud and misconduct within LPL; or retaliation against individuals who make allegations.





# Managing Bribery, Corruption, and Money Laundering

LPL manages bribery, corruption, and money laundering risks through strong enterprise policies.

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## Anti-Bribery/Anti-Corruption Policy

Requires LPL and its affiliates to conduct all business in an honest and ethical manner and prohibits our employees and agents from offering, paying, promising or authorizing any bribe, kickback or other illicit or corrupt payment or benefit in money or in kind, in violation of any applicable US or foreign anti-bribery or anti-corruption laws.

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## Anti-Fraud Policy

Focuses on prevention, detection, and prompt reporting of all fraudulent activities in alignment with our Code of Conduct.

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## Anti-Money Laundering Policy

We have an AML Compliance Program designed to comply with Bank Secrecy Act, AML and OFAC requirements, which includes policies and procedures, that are reviewed on an annual basis, for identifying and reporting suspicious activities. Additionally, red flags indicative of suspicious activity are included in policies and procedures materials, and mandatory training for employees and advisors includes this topic.

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## Anti-Corruption Compliance Policy

Prohibits bribery or corrupt payments, applied comprehensively across the supply chain, with periodic updates for compliance for evolving regulatory requirements.





# Product Risk

Our strategic focus on risk management, investor protection, and conflict mitigation reflects a proactive and responsible approach to financial services.



## Responsible stewards

As responsible stewards of financial products and services, we have established a product risk framework designed to manage risk throughout the product lifecycle. This includes monitoring the entry of products into the LPL system, vetting new products from a business and regulatory perspective, and conducting ongoing oversight of approved products. This product risk framework utilizes Product Review Committees (PRCs) to conduct initial product due diligence reviews and provide ongoing product oversight. The PRCs have an escalation path to the New Offerings Risk Committee (NORC) to report on heightened monitoring, which in turn reports to the enterprise level ROC.

## Our product review committees

LPL has established three PRCs, comprised of individuals from multiple divisions of investment product, compliance, legal, supervision, risk, trading, and operations. These committees review and approve a variety of product types, including annuities, alternative investments, separately managed accounts, mutual funds, structured notes, UITs, ETPs, insurance and turnkey asset management platforms. The Investment Products teams lead the PRCs and partner with the various teams to help evaluate and stand-up controls to support the PRCs mandate. The initial product review includes due diligence of both the sponsor and product itself. This due diligence ensures that LPL has considered important factors such as the sponsor’s financial health, product’s investment strategy, special features, liquidity, volatility, and performance expectations in a variety of market conditions.

## Continuous monitoring

In addition, approved products are subject to both a quantitative and qualitative ongoing monitoring process which is regularly reported to the relevant PRC for review and escalated to the NORC per escalation protocols. PRC meetings are typically held weekly or bi-weekly with reporting up to the NORC on a quarterly basis.



# Consumer and Advisor Protection

Protecting our consumers and advisors and verifying they have the tools and training needed to recognize and report exploitation is key to our pursuit of achieving responsible business.

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## Our dedicated Senior Investor Protection (SIP) team

Our SIP team serves as the escalation point for employees and financial advisors, investigating suspected financial exploitation and abuse of seniors and vulnerable adults and providing guidance on various FINRA rules and state laws and regulations. In cases indicating diminished capacity or exploitation, SIP collaborates with financial advisors, involving Adult Protective Services, local law enforcement, and regulators to safeguard clients and their assets.

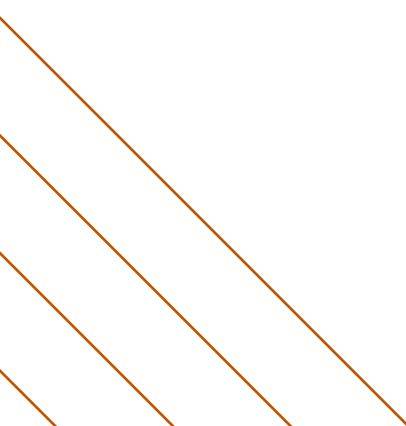
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## Approach to mitigating advisor conflicts

We aim to limit or mitigate all advisor conflicts, maintain a diverse product set without proprietary products, and leverage impartial research groups for macroeconomic insights and asset allocation advice. Ongoing efforts include standardized compensation, comprehensive advisor training, and transparent investor disclosures to consistently limit conflicts across various products and platforms.



For more information on our management and oversight of available products and services on our platform, see our [Product Risk Governance Policy](#).







# Enterprise Risk Management

## The Enterprise Risk Management (ERM) framework

We employ an ERM framework that defines our appetite for risk taking, supporting a resilient and adaptive risk-focused organization, designed to enable us to navigate uncertainties, make informed and consistent decisions, and seize growth opportunities. This framework facilitates the incorporation of risk assessment into decision-making processes, enables execution of our business strategy and protects LPL and its franchise.

Our framework is designed to promote clear lines of risk management ownership and accountability while providing a structured escalation process for key risk information and events. Additionally, risk is managed and monitored within business units by embedded risk groups providing guidance on governance, controls, policies and other risk management activities. In addition to the ERM framework, we have written policies and procedures that govern the conduct of business by our employees and independent financial advisors, and the terms and conditions of our relationships with financial product sponsors.







# Cybersecurity and Data Privacy

Advisors, end-investors, employees, and business partners entrust us with their personal information every day.



## Rigorous standards

We recognize the importance of protecting personal information and enforce rigorous standards for compliance, preparation, and reporting, based on industry frameworks (e.g., National Institute of Standards and Technology Cybersecurity Framework, MITRE ATT&CK, and Cyber Kill Chain) as guidelines. These standards are verified by external and internal auditors who conduct annual security testing and periodic risk assessments.

In accordance with applicable laws, we request and retain personal information to provide our services or for employment purposes. Through robust incident response measures and proactive training initiatives, we continue to strengthen our position as a responsible custodian of sensitive information.

## Privacy team

LPL's Privacy team includes individuals dedicated to the review of data security events for potential breach notification obligations. Data security events can be reported 24/7 via multiple reporting channels. In addition, LPL is committed to preventing fraud from potential compromises through regular collaboration among various business units including Privacy, Information Security, Fraud, and Technology. Security event processes are supported by playbooks that are periodically reviewed and updated to adapt to the continually evolving threat landscape.

In 2024, Information Security had internal and external assessments, including: penetration testing, regulatory compliance, and audits. These regular and recurring assessments are used for oversight, prioritization and planning. Combining the results of these assessments, metrics, and executive feedback feed into the evaluation of program strengths, opportunities, and planning.

## Training

LPL requires annual cyber training and attestation via the LPL U platform for employees, advisors, and temporary workers; this training is also required during onboarding. Topics in 2024 included artificial intelligence, deep fakes, physical security, people manager access control responsibilities, laws and regulations, data classification, privacy principles, privacy incidents, social engineering, phishing, ransomware, scams, credential security, email security, physically securing data, and how to report security or privacy concerns. We test our ability to recognize and report phishing through regular simulations which focus on emerging industry threats. Micro-learnings throughout the year reinforce the culture of reporting suspicious activity.



CYBERSECURITY AND DATA PRIVACY

**Incident response**

Our approach to handling events involving potential compromises of sensitive data includes prompt reviews of potential breaches, root cause analyses, and implementation of corrective actions. Supported by the Security Incident Response Plan, Incident Response Procedures, and annual tabletop exercises, this strategy supports compliance with breach notification laws and adaptability to evolving threats. Regularly updated incident response playbooks, mandatory annual security training, and proactive cybersecurity education initiatives reflect our dedication to maintaining a culture of vigilance around cybersecurity.

**Privacy Policy**

LPL’s commitment to obtain user data through lawful and transparent means is outlined in our [Consumer Privacy Notice](#) and [Privacy Policy](#). These disclosures are reviewed and updated annually to help ensure they accurately and transparently describe how LPL processes personal information. Per regulatory requirements, LPL delivers the privacy notice annually or as required due to material changes. LPL maintains a [privacy preferences portal](#) for individuals to exercise their rights under applicable laws. These practices are supported by comprehensive internal policies and procedures that are routinely reviewed for updates based on regulatory changes.

We provide customers clear and conspicuous notice of any right to exercise a privacy choice. Once exercised, the privacy choice is processed and communicated consistent with internal policies and procedures that are routinely tested. LPL recognizes the importance of educating employees and affiliated financial professionals about the available privacy choices and provides access to the privacy team with any questions. LPL’s office security policies also govern the collection and sharing of data, including the requirements around consent for data sharing, specifically requiring a signed template form to obtain consent for third-party data sharing.

**Individual privacy rights**

The privacy of personal information is respected through LPL’s commitment to disclose how we collect, use, and share information covered in our Privacy Policy and Human Resource policies. Individual privacy rights are offered to individuals as required by state laws. If an incident occurs where there has been a violation of rights as a result of LPL’s data processing and protection practices, free credit monitoring may be provided to individuals or other remedies deemed necessary.

**Certifications**

LPL’s cybersecurity and data privacy programs are designed to comply with evolving laws and regulations for U.S.-based companies, such as FINRA and SEC rules. We utilize three frameworks to manage and evaluate risk:

- **NIST Cybersecurity Framework** – A voluntary framework, based on existing standards and guidelines that helps organizations to manage risks
- **MITRE ATT&CK Framework** – A globally-accessible knowledge base of adversary tactics and techniques based on real-world observations which help with preparation planning
- **Cyber Kill Chain Framework** – A part of the Intelligence Driven Defense model for identification and prevention of cyber intrusion, used for modeling and reporting

Our strategy includes a defense-in-depth approach. LPL also has a SOC 1 Report that covers AICPA Financial Reporting Principles. This report is audited by an external audit firm and provided to LPL’s advisors.



# Responsible Sourcing

We place a strong emphasis on supplier ethics, and human rights with the expectation that our suppliers share our values.



## Our Vendor Code of Conduct

Our [Vendor Code of Conduct](#) establishes our expectations for our suppliers to conduct their business ethically, commit to human rights, and pursue environmental sustainability and stewardship.

- Our [LPL Human Rights Statement of Principles](#) aligns to the United Nations Guiding Principles on Business and Human Rights and the Principles for Responsible Investment
- Our Vendor Code of Conduct aligns to the United Nations Universal Declaration of Human Rights, United Nations Guiding Principles for Business and Human Rights, and the International Labour Organization Declaration on Fundamental Principles and Rights at Work

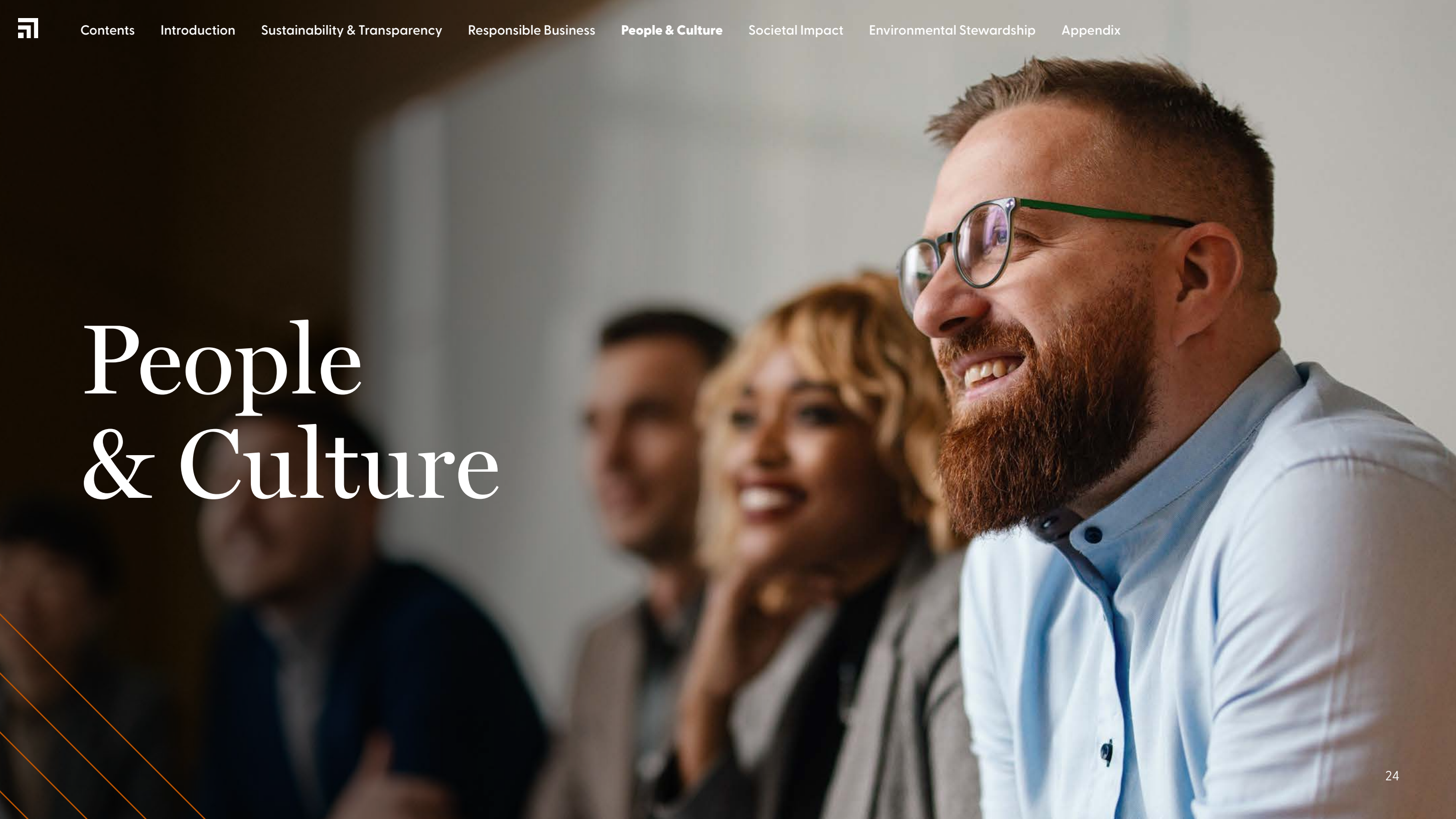
## 2028 supply chain goal

**Achieve**  
**100%**

Top-tier vendor alignment with LPL's Vendor Code of Conduct and 85% or greater with remaining vendors

### Year-end progress:

Aligned 73% of top-tier vendors and 69% of remaining vendors with LPL's Vendor Code of Conduct



# People & Culture





People & Culture

# 2024 Highlights

We recognize the pivotal role our workforce plays. Transparency, inclusivity, and professional development form the bedrock of our work culture.

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## Employee benefits

- Increased paid parental leave from six to ten weeks
- Partnered with a third-party, Maven, to launch a family building and fertility support program, which includes a \$5,000 reimbursement program to help with expenses
- On average, 90% of our employees participate in LPL's 401(k) plan, where LPL matches employee contributions at a rate of 75% up to 8% of employee pre-tax contributions

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## Employee training and professional development

- Invested in learning, with LPL employees completing 349,920 training hours
- Focused on development, with our award-winning Emerging Leaders Program offered to Vice Presidents and Assistant Vice Presidents, who have been identified as having strong potential for continued growth at LPL

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## Advisor training and professional development

- Hosted advisor community-focused events with 1,370 total advisor attendees
- Provided ongoing training, with advisors completing 201,160 hours of both mandatory and voluntary courses
- Held the Achieve Women's Leadership Forum, hosting a record number of 272 top performing women advisors

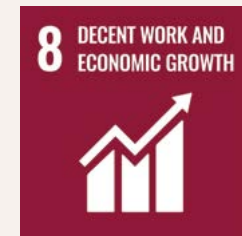
## People and culture governance

Chief Executive Officer, Chief Human Resources Officer, Chief Culture & Inclusion Officer, Management Committee – including reports to the LPL Board of Directors and its Compensation and Human Resources Committee as needed.

## Objective

Provide opportunities for our most valuable assets

## Our work contributes to these SDGs



More information on our executive oversight and management structure for people and culture is outlined in [Appendix I: Governance](#). Core metrics related to people and culture can be found in [Appendix II: ESG Consolidated Data Sheet](#).



# Employee Benefits

We provide support to our employees and their families by offering a wide range of benefits, programs, and resources. Our comprehensive benefits are built on our ongoing efforts to meet the well-being needs of our employees.



## Guiding principals

- Support the needs of our employees and their families by offering meaningful and personalized benefits and well-being options
- Deliver competitive and long-term sustainable benefit options for employees and their families while minimizing annual disruptions
- Promote optimal benefit decision-making by driving accountability through continuous education and resource utilization
- Evaluate plan changes through the lens of the employee and their family
- Align medical premiums to the employee pay range so more highly compensated employees pay more of the medical premium than lower-compensated employees

## Listening to our employees

Our employee benefits and self-funded health plan are regularly reviewed, focusing on plan utilization, high-cost claimants, preventive care, and quality care markers. We also conduct biannual Total Rewards surveys, seeking employee input to shape our benefits and offerings.

- In a recent employee benefits survey, many of our employees told us that family building and fertility support are topics that are important to them. As a result, LPL launched a partnership with a third-party, Maven, to provide access to a health solution that helps with delivering care from family planning through midlife and we added a \$5,000 reimbursement program to help with expenses related to an employee’s fertility journey
- Increased our paid parental leave from six weeks to ten weeks
- Continued our virtual clinic to reverse type 2 diabetes with actively engaged employees achieving remarkable health milestones, from lowering A1C levels to shedding weight and gaining new found vitality

## Employee health and safety

Our commitment to promoting safety is detailed in our Safety Policy, as well as comprehensive policies, procedures, and educational training programs. Employees and contractors are encouraged to notify and report to their immediate supervisor, Human Resources, or the Corporate Security department of any unsafe working conditions, accidents, or injuries, regardless of their severity.



EMPLOYEE BENEFITS

## Our benefits and resources to support a healthy workforce

### Time away from work

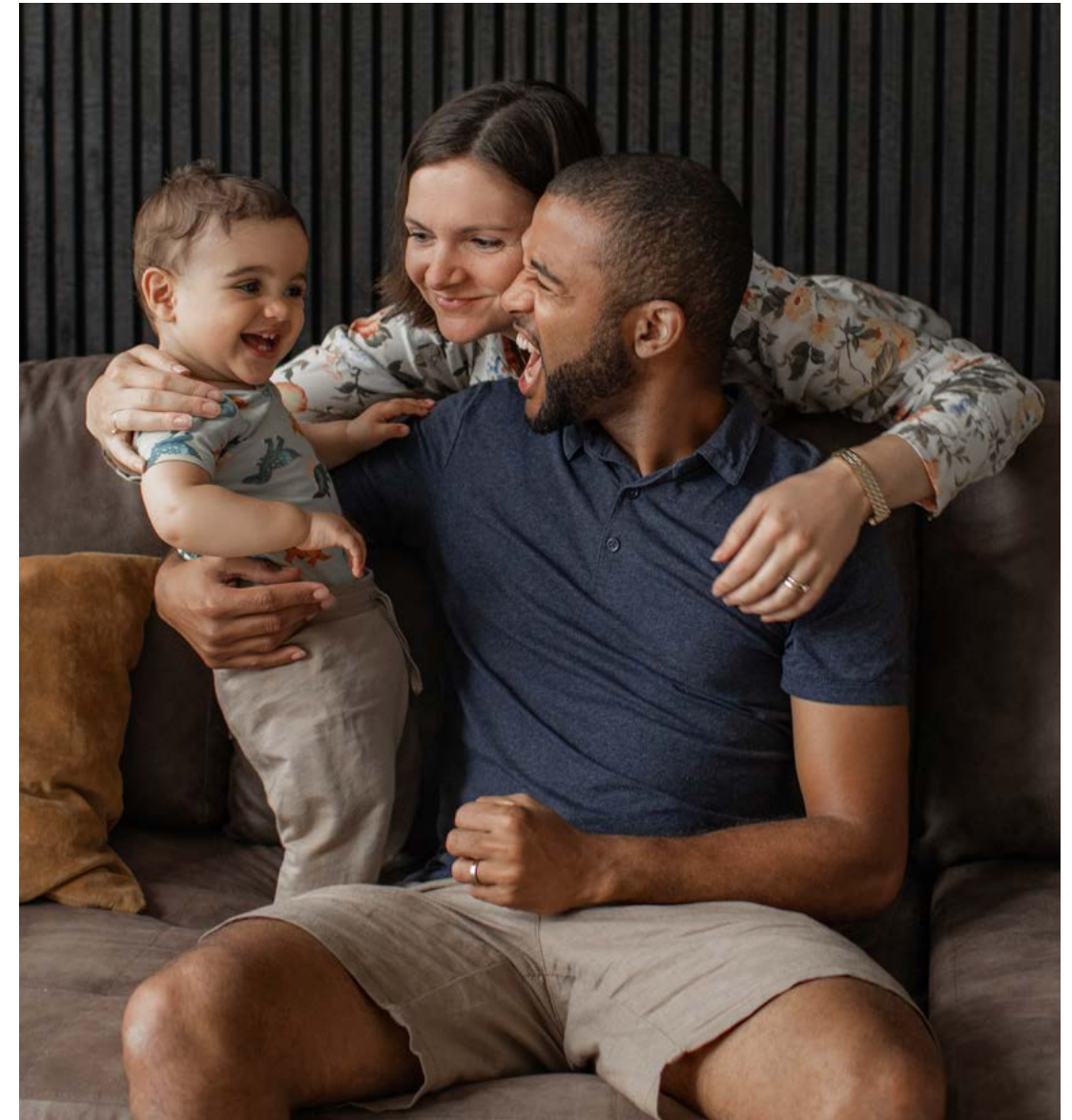
- Unlimited paid time off for exempt employees
- Up to five days of bereavement time off per year for all employees
- Ten weeks of paid parental leave
- Time off for employees to vote
- 16 hours of paid time to volunteer

### Planning for the road ahead

- Regular employees can make pretax and traditional after-tax contributions through their 401(k) and/or Roth plans
- Employee match contributions available to all regular employees, matching 75% on the first 8% of an employee's designated deferral
- Employee stock purchase plan available to eligible employees to purchase LPL stock at a discount

### Caring for others

- Child and elder care referrals
- Working Parents ERG provides resources and engagement experiences





# Culture and Inclusion

We believe that our employees and corporate culture are a critical foundation to the success of our business strategy and creating long-term value for our stockholders.

**We are committed to being a great place to work for our employees and fostering a culture that enables us to build and grow an inclusive team. We recognize this helps deliver value to our clients and ensures the sustainability of our business.**




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## Attracting, retaining, and developing employee talent

We are dedicated to fostering a respectful, rewarding workplace in which all our employees are positioned to succeed in delivering on our mission. As part of that commitment, in 2024 we focused on:

- Supporting our employees’ physical, emotional, and financial wellness
- Transparency and the progress of our culture and inclusion initiatives
- Continuing progress in the cultural transformation to instill a client-centric mindset and mission-driven alignment

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## Employee career development opportunities

Beyond our required trainings, we are diligent about providing our employees with career progression and mentorship opportunities. In 2024, we continued a range of programs and partnerships aimed at upskilling and supporting our talent:

- **The Emerging Leaders Program (ELP)** is our award-winning nomination program offered to Vice Presidents and Assistant Vice Presidents that have been identified as having strong potential for continued growth or broader contributions to the firm
- **The McKinsey & Co Management Accelerator and Leadership Essentials programs** are designed to enhance leadership and general management skills with a focus on business fundamentals, business strategy and problem solving
- **The Renewal & Innovation Simmons Leadership Conference** is the 44th conference by Simmons University Institute for Inclusive Leadership designed to empower women leaders and their allies to thrive in today’s business landscape





CULTURE AND INCLUSION

**Attracting and retaining top talent**

Talent sits at the heart of our model and our ability to continue to drive innovation, collaboration and support needed to ensure we are committed to our vision, mission, goals and servicing our advisors every day.

Talent Acquisition at LPL has a dedicated sourcing team to help attract, source and engage with new and differing pools of talent from many different backgrounds with the purpose of expanding our reach. In addition to deploying sourcing technology and methodologies designed to increase applicant pools and interest, our teams are very active in networking with professional groups, affinity groups and internal talent to ensure our commitment to hire the best talent.

We hosted more than 70 career events with community groups and introduced nearly 5,000 potential prospects across the country to our brand and career opportunities. One of the best examples of this was our virtual event, Rising in the Ranks of FinTech, which featured executives at LPL who shared their journey and story. This event connected more than 800 individuals to our leaders and new opportunities. Within 60 days of that event, our team had matched and placed 22 external hires who were introduced to LPL through the event.

**Focus on pay equity**

LPL recognizes being proactive in the analysis of equitable pay treatment across our pay programs prevents situations where similarly situated employees aren't being compensated in alignment with our compensation philosophy. To deliver on that commitment, after our own internal review, we engage outside experts, to conduct three distinct analyses—of base pay, merit increases, and discretionary bonus awards—of employees below the Executive Vice President level who are not on sales incentive compensation plans. This analysis considers factors that underlie LPL's specific compensation decisions and identify individuals whose base pay, merit, or bonus, as applicable, is lower/higher than expected to a statistically significant degree.

We ask the outside experts to focus on whether there are statistically significant variations tied to race, ethnicity or gender. Once the data has been analyzed, any outliers tied to race/ethnicity or gender are reviewed again internally by LPL's HR consulting, compensation and legal teams. This group will meet with managers to better understand if there is a specific rationale for the compensation decision and, if appropriate, implement adjustments. These compensation analyses are an important component of LPL's compensation strategy and overall efforts to ensure each employee's compensation fairly aligns with their role, level, contributions, performance, and other relevant factors.

**Talent highlights**

**We hosted**

**70+**

Virtual and in-person career events on college campuses

**We introduced**

**~5,000**

Potential prospects across the country to our brand and career opportunities

**We connected**

**800+**

Individuals at our Rising in the Ranks of Fintech event to our leaders. Within 60 days of the event we matched and placed 22 external hires



# Employee Resource Groups

LPL fosters a culture of inclusion, where our Employee Resource Groups (ERGs) are open to all employees. In 2024, 2,493 LPL employees participated in one or more of our ERGs, spotlighting the unique talents and perspectives of our employees across all demographics, while focusing on a working theme of intersectionality to create inclusive spaces for connection and professional development. LPL offers 10 ERGs.<sup>5</sup>



## Our ERGs and our Culture and Inclusion team engage our employees year round

In 2024, our ERGs and our Culture and Inclusion team held a range of events to celebrate our inclusive culture and promote professional development for all employees. A sample of those events include:

- **Fireside chat with our Chief Legal Officer** during Black History Month, where she shared her personal and professional journey
- **The Women's Executive Leadership Panel** with four LPL female Executive Vice Presidents to discuss overcoming barriers, leadership styles, mentorship and career journeys
- **Pride Alliance ERG** offering a month of events including a coffee chat with our Chief Learning Officer and members of the Pride Alliance ERG to discuss authenticity
- **Celebrating Disability Pride Month** by spotlighting leaders throughout the firm and launching an internal social media campaign
- **Launch of our inaugural, Global Diversity Awareness Month** observance, highlighted by a panel discussion from alumni from our McKinsey Leadership program
- **Rising in the Ranks virtual series** featuring a panel of LPL financial advisors discussing their beginnings as financial advisors, the importance of mentorship, and why a career in wealth management should be considered

5. ERGs include, but are not limited to, groups open to all employees focusing on the experience of individuals who identify as African-American, Asian-American and Pacific Islander, Hispanic, LGBTQ, Veterans, Women, People with Disabilities, and Working Parents.



# Employee Training

We foster the continued growth and development of our employees by offering an extensive range of training programs designed to empower individuals with the skills they need to succeed. The programs available to our employees center on three themes:

1. **Experience:** On-the-job learning
2. **Exposure:** Learning through others
3. **Education:** Formal training

## How we help our employees succeed:

### Career growth portal

Resources to help employees at any stage of their career, including tools for skills, performance assessments, roadmaps, and career advancement.

### LPL U Corporate University

Learning portal providing courses led by instructors in physical or virtual classrooms to build skills, including coaching, managing people, data-driven decision making, and project management.

### Tuition assistance

Program available for eligible employees to continue their education through university courses and certification.

### Talent review

Annual process to assess LPL talent and identify high-potential leaders and succession plans for senior leaders to guide employees in their progression.

### Skills badging

Micro-credentials that provide learners with an opportunity to share their knowledge and accomplishments with others.

In 2024 our employees completed

**349,921**

Total training hours

**47,673**

Total mandatory training hours

We gauge training effectiveness by using surveys, post-engagement performance metrics, assessments, and observations to evaluate outcomes of our programs. In 2024, our employee training satisfaction rate for those reporting was 89%.



# Advisor Training



**We aim to tailor our engagement and resources to meet the unique needs of our advisors.**

To accomplish this, we provide an array of training opportunities – from technology and financial skill-building programs to ethical and legal compliance certifications – to help them reach their business milestones, including:

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## **ClientWorks Advantage & Resources Forum**

Training event to provide hands-on technology training, breakout sessions, and networking opportunities to enhance proficiency in LPL’s investment tools.

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## **The Learning Center**

One-stop-shop digital resource center offering webinars, workshops, and recordings of best practices and materials.

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## **ClientWorks Fundamentals**

Interactive webinars introducing new financial professionals to LPL’s tools for establishing their LPL Financial practice.

In 2024 our advisors completed

**201,160**

Advisor training hours

**133,511**

Total mandatory training hours

We monitor the effectiveness of our advisor training and development programs through a variety of platforms, including Advisor Solutions teams, periodic surveys, new advisor calls, annual compliance questionnaires, and a tool, the Net Promoter System, that enables us to collect advisor input three times a year. In 2024, our overall advisor learner satisfaction score for those reporting was 92%.





# Advisor Engagement

We are also committed to promoting culture and inclusion among our advisor population.



## Key strategies

We continuously strive to create a community of financial advisors that is as dynamic as the communities they work in. To expand the reach of LPL's advisor engagement and development programs, we employ the following three strategies focus on:

- **Recruiting Opportunities:** Provide materials and peer connectivity to help transition members of traditionally underrepresented communities into careers in financial services
- **Business Support:** Activate the success of advisors in all populations through intentional exposure and access to LPL services and resources
- **Belonging & Inclusion:** Increase engagement and productivity for all through the creation of a culture of inclusion

## Training programs

We offer a range of training programs, conferences, and community forums for us to actively engage with our advisors and foster an inclusive culture:

- **Rising Star Program:** A women's mentorship program that is focused on developing the next generation of successful women advisors
- **Advisor Communities:** Established communities for advisor networking
- **Focus conference:** Flagship advisor conference that features a segment about LPL advisor culture and inclusion with live breakout sessions and advisor community meetups
- **Association of African American Financial Advisors V.I.S.I.O.N. conferences:** LPL-hosted breakout sessions focused on financial planning and growth strategies
- **Achieve Women's Leadership Forum:** In-person conference for top performing women advisors

## Advisor Inclusion Council (AIC)

The Advisor Inclusion Council is a diverse group of representatives from advisor firms and institutions who partner with home office leaders to advance LPL's vision to be among the most inclusive firms in the industry. Council members serve a default three-year term, during which they partner with LPL leaders on the firm's culture and inclusion strategic roadmap. The council creates an extended advocate community that helps support LPL's focus areas.

The momentum of the Advisor Inclusion program is tracked through annual net promoter scores; recruitment and retention of underrepresented advisor groups; attendance at our hosted events; and the results from our engagement and satisfaction surveys. Using these metrics, our Advisor Inclusion team, in coordination with the Advisor Inclusion Council, develops strategies to improve our program effectiveness.





# Societal Impact







**Societal Impact**

# 2024 Highlights

We strive to support a sustainable and inclusive financial system for our employees, our advisors, and the communities in which we live and work.

Whether through volunteering, corporate giving, financial literacy programs, or other contributions, we demonstrate care for our financial professionals and our communities through our initiatives.

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### Sustainable investing

- \$11.8 billion cumulatively invested in sustainable investing products

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### Financial inclusion

- Offer a pro bono program providing advisors access to free, interactive, experiential lessons they can teach to high school students, as well as children and grandchildren of clients

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### Foundation and community impact

- Gifted \$2.3 million total from the LPL Financial Foundation
- Logged 18,000+ employee volunteer hours

## Societal impact governance

Chief Human Resources Officer, Chief Privacy Officer, Chief Investment Officer, Management Committee – including reports to the LPL Board of Directors and appropriate committees as needed

### Objective

Contribute to a sustainable, diverse, and inclusive financial system

### Our work contributes to these SDGs



More information on our executive oversight and management structure for societal impact is outlined in [Appendix I: Governance](#). Core metrics related to our societal impact can be found in [Appendix II: ESG Consolidated Data Sheet](#).



# Sustainable Investing

Many of our end-investors want to understand how and where their money is invested. These investors recognize that it is possible to build wealth responsibly without sacrificing investment principles. We equip our clients with information and resources on the investment products available on our platform.

## Sustainable research, products, and solutions

We provide access to a wide array of sustainable investment options, including centrally managed portfolios, mutual funds, separately managed accounts, and exchange-traded products. LPL Research provides our advisors with insights into sustainable investing funds through knowledge needed to navigate complex methodologies and vast data sets. LPL Research identifies the universe of managed investment products with sustainable investing mandates by seeking mutual funds, ETFs, and separately managed accounts that are intentional in their ESG incorporation approach. Commitment to ESG incorporation must be documented, through the principal investment strategies section of their prospectus or other marketing literature.

Through the LPL Coverage List, we select mutual funds and separately managed accounts based on their track record of delivering competitive financial returns as well as their integration of ESG considerations into investment decision making. For the Coverage List, this process involves validation using the following mechanisms:

- **Validate ESG incorporation:** Review literature and conduct meetings to confirm incorporation of ESG analysis and decision making
- **Demonstrable return:** Conduct traditional investment manager diligence process to assess the manager’s ability to add value over rolling three-year periods
- **ESG appraisal process:** Questionnaire issued to managers to obtain information around the investment manager’s policies, investment analyses, and proxy voting approach

Once appraised, those strategies with the highest assessments are added to the Coverage List, which is the universe of managed investment products eligible for inclusion in the LPL Research Sustainable Investment Models.

An Environmental, Social, and Governance (ESG) fund’s policy could cause it to perform differently compared to funds that do not have such a policy. The application of social and environmental standards may affect a fund’s exposure to certain issuers, industries, sectors, and factors that may impact relative financial performance – positively or negatively – depending on whether such investments are in or out of favor. See Disclaimer for additional information.







# Financial Inclusion

We see an opportunity to develop initiatives aimed at enhancing financial education and empowering individuals to make informed decisions – all while creating a more financially resilient future for our employees and members of the communities in which we live and work. We do this in three ways:

## Our employees

LPL offers all employees access to “My Financial Path” by Empower Retirement. This is designed to help employees prepare for the future by providing a complete view of their financial picture, with information about spending, saving, investing, and protecting their money. Empower Retirement offers several webinars throughout the year. In addition, our Learning Center has a library of financial literacy tools delivered in multiple learning formats.

## The LPL Financial Foundation

The mission of the LPL Financial Foundation is to champion the next generation of financial professionals to expand access to financial advice for all communities. The LPL Financial Foundation envisions a world where everyone has access to financial guidance to achieve their life goals and dreams. We believe we can best accomplish this by inspiring and equipping more individuals to become financial professionals.

## LPL Advisors and their clients

LPL partners with the World of Business Reading Group (WBRG), a financial literacy program inspired by the writings and speeches of Warren Buffet and developed by a team of Harvard Business School alumni. The six-week program offers advisors a unique way to strengthen relationships in the communities where they live and work by providing them with the curriculum to teach free, interactive, experiential lessons to high school students, as well as children and grandchildren of clients. In 2024, through LPL’s financial support, the pro-bono team of Harvard Business School alumni at WBRG was able to fund and deliver the program to high schools with a high percentage of low-income students.





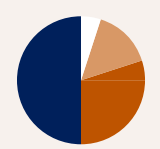
# Service Affordability

To address the need for equitable access to investing and financial planning, we have heightened our emphasis on enhancing service affordability and financial literacy. We consistently reassess the pricing of our products and services, as well as our investment minimums, making necessary adjustments to broaden accessibility for both individuals and small businesses through four mechanisms:



## LPL's Partial Book Sales

Enables advisors to transfer select accounts to a digital platform and seamlessly provides personalized service catered to the appropriate stage of the client's investing needs



## Guided Wealth Portfolios

Provides accessible financial starting points for lower-income individuals through an online investment advice platform offering services with a \$5,000 annual minimum



## LPL Small Market Solutions

Offers an affordable way for small businesses to provide retirement plan services through ERISA Section 3(38) fiduciary services and monitoring provided by our advisors



## Optimum Market Portfolios

Opens access for a wider investor base, offering professional money management and investment research through a \$1,000 investment minimum and waived confirmation fees



# LPL Financial Foundation and Community Impact



## Philanthropic efforts

The LPL Financial Foundation’s mission is to champion the next generation of financial professionals to expand access to financial advice for all communities. The Foundation provides charitable grants to registered 501(c)(3) organizations and public schools that align with at least one of our three Foundation strategic pillars:

- Providing technical support and building the capacity of under-resourced small businesses
- Creating a larger and a more diverse talent pipeline for the financial services industry
- Acts of Kindness grants used to support employee volunteer and giving programs, and to address critical needs in our communities

Within the Acts of Kindness pillar, the matching gifts program enables employees and advisors to have their personal charitable contributions doubled (up to \$500 per year) by the Foundation. In 2024, the Foundation granted over \$607,000 in matching gifts, nearly \$97,000 in general Acts of Kindness grants for community service, and approximately \$95,000 for disaster relief. Through our Strategic Partnerships program, we seek partnerships with nonprofit organizations which align with the Foundation’s mission. While we do not provide multi-year grants currently, our goal is to create partnerships that last at least three years. In 2024, the LPL Financial Foundation expanded or continued existing partnerships with seven nonprofit organizations totaling \$1,512,000 in grant donations.

## Partnerships and grants

- **The American College of Financial Services:** To support the LPL Financial Foundation Equity/HBCU Scholars program
- **Girls Who Invest:** To contribute to needs-based assistance for underserved program participants and capacity-building to create new avenues for wealth and asset management careers
- **Johnson C. Smith University:** Continued partnership with this Charlotte-area HBCU; to start the Finance Academy, designed to expose students to careers in the financial services field
- **Local Initiatives Support Corporation:** To continue supporting hundreds of under served small-business owners
- **SCORE Foundation:** To support small-business owners’ preparation for a pitch competition run by the organization
- **Greenwood Project:** To create career pathways in the financial services for college students
- **Certified Financial Planner (CFP) Board of Standards Inc:** To empower aspiring financial professionals through networking and training at the CFP Board Connections Conference



LPL FINANCIAL FOUNDATION AND COMMUNITY IMPACT



**Employee volunteerism**

In partnership with our advisors, employees, and communities, we work toward the betterment of our communities through volunteer opportunities and financial support. Translating our values to action, we host two Seasons of Service – May Community Days and GIVEMBER – and various in-person, virtual, and hybrid events throughout the year. During these times, our employees are provided 16 hours of paid Volunteer Time Off (VTO) and invited to volunteer, donate, and celebrate the impact they make in their communities.

- **May Community Days:** We celebrate our commitment to the communities where our employees live and work by attending virtual and in-person events at various LPL campuses supporting local community needs
- **GIVEMBER:** Our annual holiday service campaign, where employees packaged meals for Rise Against Hunger, and contributed to a variety of donation drives
- **Acts of Kindness:** In support of the ERGs’ commitment to caring for their communities, members are able to apply for a one-time grant each year of \$250–\$1,500 for an organization where they will be volunteering
- **Martin Luther King, Jr. Day of Service:** A National Day of Service observance, employees were encouraged to sign a “pledge of service” to become “community champions” and commit to utilize and register their annual 16 hours of paid volunteer time off
- **New opportunity in 2024:** LPL employees partnered with students and staff at KIPP SoCal Adalente in San Diego and KIPP Change Academy in Charlotte to help beautify the academies’ campuses

**Dedicated Paid Time Off (PTO)**

We enable our employees to contribute to communities by providing volunteer programming throughout the year, recommendations on community engagement, and resources to set up their own events. We provide employees with 16 hours of paid time off annually to devote time to a community service project or volunteer at a nonprofit of their choosing. During 2024, employees dedicated over 18,000 volunteer hours in service to their communities.





# Our Community Impact By The Numbers

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\$2,310,000+

In total Foundation gifts

\$190,000+

In Acts of Kindness grants

\$607,000+

In total matching gifts

\$1,512,000+

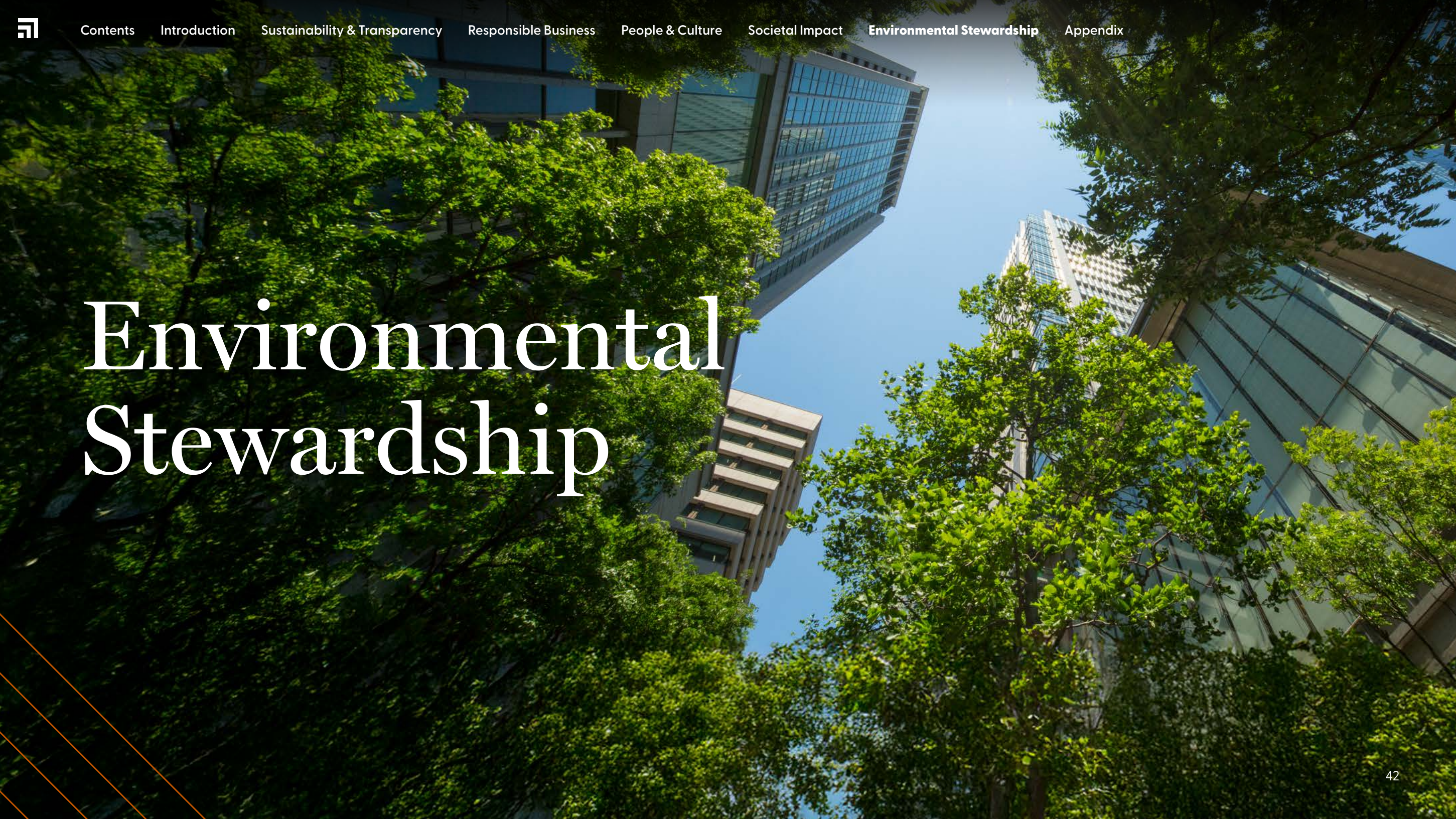
In strategic grants

18,000+

Employee volunteer hours logged

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# Environmental Stewardship





## Environmental Stewardship

# 2024 Highlights



As a financial services organization, the environmental footprint of our business is primarily associated with business travel and our operations (corporate offices and data centers). We reinforce our commitment to environmental stewardship, governance, performance tracking, risk assessment, and climate impact reduction by aligning with the Task Force on Climate-related Disclosures (TCFD) recommendations and enhancing the measurement and disclosure of our environmental data for continuous improvement.

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### Climate action

As part of our strategy to source renewable energy, LPL purchased and cancelled Green-E Certified Renewable Energy Certificates (RECs) covering our Scope 2 Market-based energy supply for all our corporate offices and employee advisor sites.

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### Operational sustainability

- Reduced single-use plastics in our corporate offices by nearly 100%
- Began a zero waste-to-landfill program for our two main corporate headquarters

## Environmental stewardship governance

Chief Executive Officer, Chief Human Resources Officer, President and Chief Financial Officer, Management Committee – including reports to the LPL Board of Directors and appropriate committees as needed.

### Objective

Reduce our environmental footprint and enhance sustainability across all operations, with a focus on minimizing carbon emissions and optimizing resource use.

More information on our executive oversight and management structure for environmental stewardship is outlined in [Appendix I: Governance](#). Core metrics related to our environmental stewardship can be found in [Appendix II: ESG Consolidated Data Sheet](#).



# Climate Action

We are dedicated to reducing our environmental footprint and greenhouse gas (GHG) emissions, acknowledging the risks and opportunities associated with climate change.

In 2024, we completed an initial assessment to calculate relevant Scope 3 emissions and evaluated Scope 1 and Scope 2 GHG emissions targets and disclosed to the Carbon Disclosure Project (CDP) survey on climate change for the first time.

LPL's climate reporting is based on the recommendations of TCFD which helps to define our current approach to identifying, managing, and mitigating any climate-related risks.

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## Governance

We believe robust governance practices are central to the success of our sustainability strategy and business performance. Our corporate governance framework guides our actions, including how we engage with our stakeholders, and holds us accountable for our culture, values, and business objectives. Thus, our climate risk governance supports our ability to manage risk and create value.

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## Risk management governance

Our risk management governance includes the board and its committees, management's ROC and its subcommittees, and our three lines of defense model. We regularly evaluate, and when necessary, modify our processes to improve risk identification and escalation.

LPL has a well-established ESG Steering Committee comprising cross-functional senior leaders across the firm. The ESG Steering Committee assists in setting LPL's sustainability strategy, including climate-related risks, and assesses and recommends policies, practices, and disclosures that conform with that strategy and long-term goal setting. We also have a climate working group, comprising members from Facilities, Research, Finance, Enterprise Resiliency, Government Relations, Legal, Risk, Technology, Sustainability, and Procurement. The working group oversees LPL's climate-related risk and impacts and helps set recommendations for our climate program.

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## Board of Directors oversight

Our Board of Directors, including its Audit and Risk Committee and Nominating and Governance Committee, oversees LPL's sustainability and climate strategy, including the management of related risks and opportunities:

- The Audit and Risk Committee reviews and assesses LPL's processes for managing and controlling risk, including climate risk, and reviews disclosure controls and procedures designed to ensure compliance with applicable laws and regulations
- The Nominating and Governance Committee oversees LPL's sustainability program, including its alignment with LPL's overall strategy and external reporting to LPL's stakeholders

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## Strategy

Over the past four years, we have continued to evolve our climate risk management and strategy. In 2024 we made advancements by:

- Reviewing risks and opportunities against climate scenarios to evaluate our vulnerabilities
- Continuing work with our Business and Risk functions to identify risks to the firm
- Completing an initial inventory of applicable Scope 3 GHG emissions which further support the transparency of our Scope 1, 2, and 3 emissions reporting

This work will continue to guide us in establishing our climate strategy and risk management processes and help us assess if updates are needed in our enterprise risk management framework and corporate strategy.





CLIMATE ACTION



**LPL’s approach to climate risk and scenario analysis**

Climate change poses short-, medium-, and long-term risks to the environment, our business, and our stakeholders. In our assessment, we considered how climate-related risks and opportunities could affect our business over the following time horizons, defined as:

- Short term: < 5 years
- Medium term: 5–10 years
- Long term: > 10 years

We also qualitatively assessed the potential impacts of our climate-related risks and opportunities under low-carbon economy (LCE) and business-as-usual (BAU) climate scenarios.

Aligned to our risk processes, we assessed the relevance and prioritization of our climate-related risks and opportunities based on their probability of occurrence and estimated impact on our business operations.

Our preliminary assessment identified the short-, medium-, and long-term risks and opportunities.

**Transition risks**

According to our qualitative assessment, transition risks are particularly important to LPL in the short- to medium-term, as we could be affected by regulatory, legal, reputational, market and technology risks:

- Regulatory risks include the potential for enhanced carbon-related disclosure and tax regulations
  - Implementing a carbon pricing mechanism and mandated climate-related corporate disclosures could lead to increased operational, administrative, and compliance expenses
  - More stringent reporting and transparency requirements and increasing shareholder expectations may bring financial impacts with regulatory scrutiny for noncompliance and increased spending to meet sustainability and climate goals
- Reputational risks may arise from increasing stakeholder concern over climate-related management and commitments in the financial services industry
  - This may lead to negative reputational impacts if stakeholders don’t perceive LPL as a climate-responsible company or complying with climate-related regulations

- It may also result in operational impacts, such as difficulty attracting, retaining, and developing talent or increased
- Risks may result from shifting consumer demand for more sustainable investment offerings with lower environmental impact, which could present a risk of losing our advisors and their client base if LPL fails to meet evolving market demands

**Selection of scenarios**

We selected two scenarios aligned to the Representative Concentration Pathways (RCP) and Shared Socioeconomic Pathways (SSP) recommended by the International Panel on Climate Change (IPCC).

- **SSP 1/RCP 2.6 or aggressive mitigation:** This scenario assumes emissions will be halved by 2050, and a temperature rise is not likely to exceed 2°C by 2100
- **SSP 5/RCP 8.5 or BAU:** This scenario assumes emissions continue to rise at current rates, and a temperature rise is not likely to exceed 4°C by 2100



CLIMATE ACTION



**Physical risks**

Physical risks and their potential impacts result from either “acute” weather-related events or longer-term, “chronic” shifts in climate patterns. Under a BAU scenario, physical risks may be increasingly important to LPL in the long-term, although extreme weather events may have short- and medium-term impacts and could include:

- The acute risk of increased extreme weather events, such as hurricanes, heat waves, and flooding may impact our LPL offices, advisor and employee home offices, and data centers
- Chronic risks, such as the risk of long-term changes in weather patterns (e.g., rising sea levels, reduced air quality), could damage LPL or our business partners’ facilities and operations in vulnerable areas
- For both chronic and acute physical risks, under a BAU scenario, weather-related impacts to business continuity could be more pronounced, as increased warming is associated with more frequent and intense weather events and patterns
- In an LCE scenario, compared to present climate and weather conditions, chronic and acute weather events could occur at mitigated levels

**Climate opportunities**

Climate change mitigation and adaptation strategies and an LCE transition may bring opportunities. Strategic opportunities that could impact our business’ offerings and operations include:

- Maintaining our portfolio of available sustainable investment offerings as consumers look for sustainable ways of investing
- Expanding energy efficiency measures, cost reductions, and business continuity and resiliency efforts, despite our small carbon footprint
- Reducing operating expenses and enhancing the resiliency of our operations through emissions reduction efforts, expanding existing renewable energy generation, and pursuing renewable energy purchase agreements and carbon reduction projects

**Risk management**

We recognize that climate change presents both risks and opportunities to our business, advisors, communities, and employees and requires a multi-decade approach. We consider climate-related risks to be both strategic and operational, and we are integrating activities to monitor our most material risks into our risk programs.

**Process and integration of climate risk into overall risk management**

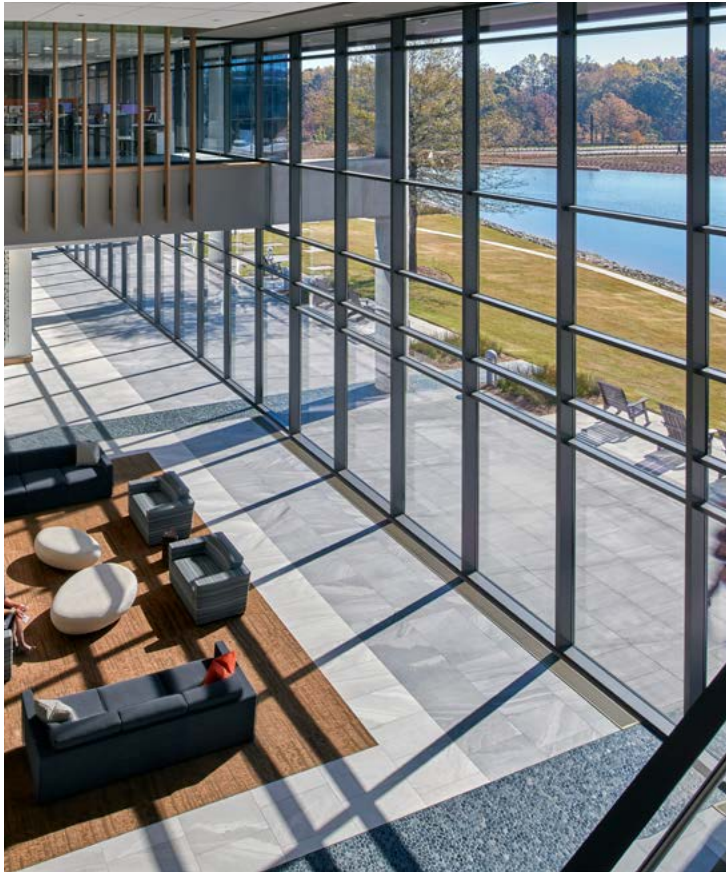
Risk management is an integral part of our company culture. We engage the appropriate business units and functions to undertake risk management activities, including Risk and Control Self-Assessments, Enterprise Resiliency Planning, Crisis Management, Strategic Risk Oversight, and Event and Issue Management. These programs are designed to identify, assess, manage, and report risks to mitigate potential impacts to our operations. Oversight of the Enterprise Risk Management framework is provided by the ROC.

- The ROC comprises certain group managing directors and other members of the firm’s senior management team, and oversees the firm’s existing and emerging risk profile
- The risk organization provides oversight of the risk management processes within our business units and functions
- Business units are responsible for identifying risks specific to their operations and leveraging mitigation frameworks and programs
- Our internal audit function provides risk assurance of the activities and frameworks deployed





CLIMATE ACTION



**Current management of identified climate-related risks and opportunities**

Our current risk management activities help mitigate the impacts of our climate-related risks.

We regularly review carbon-related disclosures and tax regulations to mitigate the impacts of transition risks. Findings are presented to the ESG Steering Committee and climate working groups for them to provide input on the most appropriate risk response and creating an action plan if appropriate.

To mitigate potential physical risk impacts, our threat intelligence system tracks extreme weather events and alerts LPL personnel through LPL Alert®, our crisis communications tool. Additionally, our national footprint, and remote work policies and procedures, provide for redundancies in our business that mitigate location-based operational disruptions from extreme weather events.

**Metrics and targets**

We are committed to maintaining a low carbon footprint. Our strategy is focused on the following:

- **Improving efficiency:** We will continue to undertake a variety of efficiency measures such as optimizing the use of heating and cooling in our buildings and expanding these measures across facilities within our operational control
- **Sourcing renewables:** Increasing the use of onsite renewable energy and increasing our market-based renewable energy through renewable energy procurement agreements
- **Measurement:** To accurately reflect progress, we are enhancing our data collection, measurement, and reporting
- **Reporting:** In 2024, we inventoried our Scope 3 emissions so that we could more accurately track and develop strategies to reduce our overall GHG footprint

**Reduction programs**

As part of our strategy to expand the share of our energy that comes from renewable sources, we started a program to source our market-based energy consumption from renewables, and in 2023 and 2024 purchased and cancelled Green-e Certified Renewable Energy Certificates (RECs) covering 100% of our corporate offices.

In addition, we have implemented a zero waste-to-landfill initiative in our main corporate headquarters, where we have operational control.

For more information on our climate reporting please see [Appendix II](#) for detailed environmental metrics and [Appendix III](#) for our TCFD Index.



# Appendix





# I: Governance

This table is intended to complement information in the body of the report, with specific reference to the highest governance body and senior executives, management of the organization’s impact through key business functions and activities, and relevant policies and trainings within each sustainability pillar.

LPL Sustainability Pillar	Management Approach
Responsible Business	<p><b>Governance body</b> Chief Executive Officer, President and Chief Financial Officer, Chief Legal Officer and Corporate Secretary, Chief Information Security Officer, Chief Compliance Officer, Chief Risk Officer, Management Committee – including reports to the LPL Board of Directors and appropriate committees as needed.</p> <p><b>Key activities and programs</b></p> <ul style="list-style-type: none"> <li>• All allegations of misconduct undergo investigation, with the Audit and Risk Committee overseeing certain ethical conduct decisions and designating an Integrity Ombudsperson to be responsible for managing the Integrity Policy and Procedures and investigating allegations of wrongdoing.</li> <li>• The ethics and compliance programs, overseen by the Chief Compliance Officer, include management and evaluation of responsible sourcing, product risk management, and anti-corruption and anti-bribery initiatives.</li> <li>• The Risk Oversight Committee, composed of senior executives, oversees the firm’s risk profile and reports to the board’s Audit and Risk Committee.</li> <li>• The ERM department administers the ERM program, collaborating with business units to gather metrics related to advisor conduct and response to customer complaints for the quarterly Enterprise Risk Profile report presented to senior management and the board committees.</li> <li>• Guidelines to facilitate reporting concerns regarding financial statement disclosures, accounting, internal accounting controls, auditing matters, compliance with applicable laws, rules and regulations, or violations of the LPL Code of Conduct are detailed in the Integrity Hotline Policy and Procedures.</li> <li>• The Integrity Ombudsman is responsible for investigating allegations made through the Integrity Hotline, assessing the seriousness of allegations and reporting material findings to the Audit and Risk Committee.</li> <li>• The board is notified of material allegations and oversees the organization’s ethical standards.</li> <li>• The Product Risk Management department manages risk mitigation and conflict resolution to address product-related risks.</li> <li>• LPL follows the Security Incident Response Plan playbooks and conducts investigations of incident reports to analyze root causes, review and implement corrective actions as necessary, and present incident metrics at governance committee meetings for next-step consideration. LPL’s Privacy team includes individuals dedicated to the review of data security events for potential breach notification obligations. Data security events can be reported 24 hours a day, seven days a week.</li> </ul>



I: GOVERNANCE

LPL Sustainability Pillar	Management Approach
Responsible Business	<p><b>Policies</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Product Risk Governance Policy</a> (updated 2024)</li> <li>• Anti-Bribery/Anti-Corruption (ABAC) and Anti-Fraud policies</li> <li>• <a href="#">Code of Conduct</a> (reviewed annually)</li> <li>• Inclusion and Belonging in Financial Services Policy</li> <li>• Fair Information Practices models</li> <li>• FINRA Rule 4530/Integrity Hotline</li> <li>• Independent Contractor Status Policy</li> <li>• <a href="#">Integrity Policy and Procedures</a></li> <li>• Harmonized Best Interest Standard Policy</li> </ul> <ul style="list-style-type: none"> <li>• HIPAA Privacy and Security</li> <li>• Home Office Security and Privacy</li> <li>• <a href="#">LPL Human Rights Statement of Principles</a></li> <li>• Modernized Regulation Policy</li> <li>• <a href="#">Privacy Policy</a> (updated annually)</li> <li>• <a href="#">Consumer Privacy Notice</a> (updated annually)</li> <li>• Retirement Security Policy</li> <li>• Workplace Violence Prevention and Response</li> <li>• Life and Fire Safety Policy</li> <li>• <a href="#">Vendor Code of Conduct</a></li> </ul>
People and Culture	<p><b>Governance body</b></p> <p>Chief Executive Officer, Chief Human Resources Officer, Chief Culture &amp; Inclusion Officer, Management Committee – including reports to the LPL Board of Directors and its Compensation and Human Resources Committee as needed.</p> <p><b>Key activities and programs</b></p> <ul style="list-style-type: none"> <li>• Management Committee receives periodic or as-needed updates for individual employee benefits initiatives and quarterly updates on Culture and Inclusion, as well as talent.</li> <li>• Operational management of employee benefits is executed by the Total Rewards Team in partnership with the Corporate Communication, Finance, Payroll, Employee Relations, and HR Information System and HR Solutions Center teams, as well as Fitness Center staff and Wellness Champion volunteers.</li> <li>• The Corporate Security Department is responsible for compliance of physical security with government regulations, safety and security principles, and all applicable state laws.</li> </ul> <p><b>Employees</b></p> <ul style="list-style-type: none"> <li>• All employees are required to complete Preventing Workplace Harassment training.</li> <li>• Employee mentorship, training, and diverse applicant sourcing technologies are used to engage and develop talent.</li> <li>• Employees are required to regularly enroll in training programs to build knowledge on topics essential to LPL, including data privacy and security, ethical behavior, workplace safety, workplace harassment, anti-money laundering, home office security and privacy, and workplace violence, among others.</li> </ul> <p><b>Advisors</b></p> <ul style="list-style-type: none"> <li>• Advisors are required to complete regulatory training covering security and privacy, annual compliance meeting, anti-money laundering, financial crimes and fraud, and Regulation Best Interest training.</li> </ul>



**I: GOVERNANCE**

LPL Sustainability Pillar	Management Approach
People and Culture	<p><b>Policies</b></p> <ul style="list-style-type: none"> <li>• Human Rights Statement of Principles</li> <li>• Inclusion and Belonging Policy</li> <li>• Inclusion and Belonging in Financial Services Policy</li> <li>• Home Office Security and Privacy Policy</li> <li>• Safety Policy</li> </ul>
Societal Impact	<p><b>Governance body</b></p> <p>Chief Human Resources Officer, Chief Privacy Officer, Chief Investment Officer, Management Committee – including reports to the LPL Board of Directors and appropriate sub-committees as needed.</p> <p><b>Key activities and programs</b></p> <p><b>Philanthropic giving</b></p> <ul style="list-style-type: none"> <li>• The LPL Financial Foundation is a separate legal entity, 501(c)(3) organization, governed by a board that acts independently of the company’s interests when governing and manages charitable giving and programming. The Foundation board meets quarterly for strategic planning meetings.</li> <li>• The LPL Financial Foundation provides charitable grants aligned to at least one of the Foundation’s three strategic pillars. Grants to partners helping underserved small businesses owners and to partners helping to build a diverse talent pipeline are reviewed and approved by the Foundation board during Q2 and Q3, respectively.</li> <li>• Acts of Kindness grants are reviewed and approved by Foundation staff or the Foundation board, depending on the funding amount, on a rolling basis.</li> <li>• Members of the LPL Financial Foundation board have representation across business units, locations, and levels.</li> </ul> <p><b>Sustainable investing (SI)</b></p> <ul style="list-style-type: none"> <li>• The SI models are managed by the LPL Research team, which fall under review of the LPL Research Risk Management Committee, comprising LPL Compliance, Legal, Risk, and the LPL Enterprise Product Risk Committee.</li> <li>• All senior leaders of LPL Research meet at least weekly to vote on asset allocation changes that may impact the SI models.</li> <li>• SI investment products for consideration are managed by the LPL Research Investment Manager Committee which meets weekly to vote on changes to the LPL Research Coverage List. The Coverage List is the source for all LPL Research models.</li> <li>• External managers undergo the Investment Manager Diligence Process and Investment Manager ESG Appraisal Process, in addition to completing an ESG Due Diligence Questionnaire.</li> </ul>





I: GOVERNANCE

LPL Sustainability Pillar	Management Approach
Societal Impact	<p><b>Policies</b></p> <ul style="list-style-type: none"> <li>LPL Research SI Policy: Covers the investment objectives of the MWP Sustainable Investing Fund Model and MWP Sustainable Investing Exchange Trade Product Model, as well as SI funds covered by LPL Research by extension. This policy does not include other investment mandates managed by LPL Research.</li> <li>LPL Research Model Guidelines</li> </ul>
Environmental Stewardship	<p><b>Governance body</b></p> <p>Chief Executive Officer, President and Chief Financial Officer, Chief Human Resources Officer, Management Committee – including reports to the LPL Board of Directors and appropriate committees as needed.</p> <p><b>Key activities and programs</b></p> <ul style="list-style-type: none"> <li>Sustainability strategy, disclosure, and accountability are evaluated quarterly by the ESG Steering Committee, with long-term strategy assessed annually with board oversight.</li> <li>Stakeholder engagement includes regular updates with the Nominating and Governance Committee on sustainability initiatives and the Audit and Risk Committee on climate-related matters.</li> </ul> <p><b>Policies</b></p> <ul style="list-style-type: none"> <li>Environmental Policy (updated 2024)</li> </ul>



# II: ESG Consolidated Data Sheet

<b>LPL's Business</b> (As of and for the years ended December 31, unless otherwise noted)	<b>2023</b>	<b>2024</b>	<b>% change</b>
Number of client accounts	8,300,000	10,000,000	20%
Total revenue (thousands)	\$10,052,848	\$12,385,107	23%
Number of advisors	22,660	28,888	27%

<b>Responsible Business</b>			
<b>Public Policy and Advocacy</b>			
Total annual lobbying expenses	\$1,050,000	\$1,650,000	57%
PAC funds spent on political donations	\$452,500	\$459,000	1%
<b>Responsible Sourcing<sup>6</sup></b>			
Number of vendors that provide services	2,100	962	-54%
% of vendors identified as diverse suppliers	11%	9%	-2%
Number of vendors identified as diverse suppliers <sup>7</sup>	222	82	-63%
% of spend with diverse suppliers	6%	6%	-
Diverse supplier spend	\$73,830,000	\$83,200,000	13%
% of spend with certified diverse suppliers	4%	6%	2%
Estimated % of vendors identified as certified diverse suppliers	6%	5%	-1%
Number of certified diverse suppliers	126	50	-60%
Spend with certified diverse suppliers	\$49,500,000	\$62,570,000	26%
Minority-owned suppliers <sup>8</sup>	\$59,554,000	\$52,450,000	-12%
Woman-owned suppliers	\$51,320,000	\$49,670,000	-3%
Veteran-owned suppliers	\$775,000	\$1,930,000	149%

6. In 2024 we changed methodology to only include vendors transacted with in a 12 month period. Supplier categories are not mutually exclusive and spend may have overlap if a supplier falls into two or more of the listed categories.

7. There are 13 indicators that are factored into the "Diverse Supplier" calculation: Minority-Owned, Woman-Owned, Veteran-Owned, Labor Surplus Area, Disadvantaged Business Enterprise, Disabled Owned Business, Hub-Zone Certified, Historically Black College or University / Minority Institution, 8A, Small Disadvantaged Business, Alaskan Native Corporation, Certified Small Business, Airport Concession Disadvantage Business Enterprise.

8. Minority supplier spend includes People of Color and LGBTQ+ suppliers.



II: ESG CONSOLIDATED DATA SHEET

Principle	LPL Practice	FIP	GAPP
Openess	Readily available privacy policies and procedures	✓	✓
	Periodic communication of privacy policies	✓	✓
	Regular attestation by internal personnel on understanding of privacy policies	✓	✓
	Annual policy reviews	✓	✓
Purpose and use	Documented purpose of data collection and use	✓	✓
	Positive consent prior to data collection	✓	✓
	Data collection and use is limited strictly to the purposes identified in the notice	✓	✓
	Data is retained only as long as necessary for the purposes identified in the notice or as required by law	✓	✓
Individual participation	Data subjects may opt out of data collection and use	✓	✓
	Data subjects may review and amend their data	✓	✓
	Data subjects may determine if LPL has their personal data	✓	✓
	Privacy choices are described to data subjects	✓	✓
Data security	Implementation of industry standard security measures and regular testing	✓	✓
Training	Annual privacy training	✓	✓
Accountibility	Defined Chief Privacy Officer	✓	✓
	Privacy representation in governance committees	✓	✓





II: ESG CONSOLIDATED DATA SHEET

People and Culture	2023	2024	% change
Total U.S. headcount <sup>9</sup>	7,921	8,317	5%
% full-time employees	99.50%	99.80%	0.3%
% part-time employees	0.50%	0.20%	-0.30%
<b>Employee Benefits</b>			
% of employees participating in retirement plans	91%	90%	-1%
Average employee salary deferral rate <sup>10</sup>	8%	8%	-
Exempt employee sick leave available for use annually (hours)	40	40	-
Non-exempt employee sick leave available for use annually (hours)	40	40	-
<b>Employee Health and Safety</b>			
Number of documented reports of occupational illness or injury	10	9	-10%
<b>Culture and Inclusion</b>			
<b>Board of Directors</b>			
% of directors who are women	30%	30%	-
% of directors represented by People of Color	20%	20%	-
% of directors who are women or People of Color	50%	50%	-
<b>Overall Inclusion Figures</b>			
% of employees who are women	49%	49%	-
% of employees identifying as white women	24%	23%	-1%
% of employees identifying as white men	30%	30%	-
% under 30 years of age	18%	19%	1%
% 30–50 years of age	62%	60%	-2%
% over 50 years of age	20%	20%	-

9. This excludes LPL’s employee advisors and those staff directly supporting them.

10. Employee deferral rate is equal to the percentage of income deferred to LPL retirement plans.



II: ESG CONSOLIDATED DATA SHEET

Race/Ethnicity: Self-Identified							
Job Categories <sup>11</sup>		Exec/Sr. level Officials and Managers	First/mid-level Officials and Managers	Professionals	Sales Workers	Administrative Support Workers	Total
American Indian or Alaska Native (not Hispanic or Latinx)	Female	0	2	13	0	0	15
	Male	0	0	7	1	0	8
Asian (not Hispanic or Latinx)	Female	1	181	244	2	40	468
	Male	2	309	275	5	31	622
Black or African American (not Hispanic or Latinx)	Female	1	141	779	4	133	1058
	Male	2	95	360	8	53	518
Hispanic or Latinx	Female	0	73	223	3	27	326
	Male	1	102	200	16	35	354
Native Hawaiian or other Pacific Islander	Female	0	4	9	0	27	14
	Male	0	2	11	0	35	13
Not specified	Female	0	7	60	0	1	74
	Male	0	17	42	5	0	78
Two or more races (not Hispanic or Latinx)	Female	0	42	90	4	19	155
	Male	0	51	79	10	15	155
White (not Hispanic or Latinx)	Female	14	756	986	25	162	1943
	Male	23	1184	1066	118	125	2516
Total	Female	16	1206	2404	38	389	4053
	Male	28	1760	2040	163	273	4264
<b>Total</b>		<b>44</b>	<b>2966</b>	<b>4444</b>	<b>201</b>	<b>662</b>	<b>8317</b>

11. This chart reflects the composition of our workforce in 2024 in categories prescribed by the U.S. Equal Employment Opportunity Commission for purposes of the federal EEO-1 report.



II: ESG CONSOLIDATED DATA SHEET

People and Culture	2023	2024	% change
<b>Initiatives</b>			
Number of Employee Resource Groups (ERGs)	10	10	-
Number of employees in ERGs	2,360	2,493	6%
Engagement survey (LPL Listens) response rate	86%	84%	-2%
Favorable responses in 2024 Engagement Survey	80%	79%	-1%
<b>Retaining Talent</b>			
Total attrition rate <sup>12</sup>	-	18%	-
<b>Employee Training and Professional Development</b>			
Number of employee hours spent participating in LPL training programs	264,863	349,921	32%
Total employee mandatory training hours	32,450	47,673	47%
Average hours of training per year per employee	33	42	27%
Employee training satisfaction rate (respondents)	87%	89%	2%
% of employees who received career and performance reviews	83%	87%	4%
<b>Advisor Training and Professional Development</b>			
Number of advisor hours spent in mandatory LPL training programs	95,930	133,511	39%
Financial professional hours in training	132,546	201,160	52%
Advisor training satisfaction rate (respondents)	84%	92%	8%

12. 2023 was our first year calculating total attrition. Previous years, we reported on voluntary attrition.



II: ESG CONSOLIDATED DATA SHEET

Societal Impact	2023	2024	% change
<b>Sustainable Investing</b>			
<b>Sustainable Investing Spend</b>			
% of AUM in ESG funds	.91%	.71%	-.2%
Dollars invested in sustainable products	\$12,386,158,183	\$11,796,793,701	-5%
<b>Foundational and Community Impacts</b>			
<b>Corporate Giving</b>			
Amount contributed to nonprofit organizations from LPL Financial Foundation	\$2,539,576	\$2,310,810	-9%
Number of volunteer hours logged by employees	15,110	18,868	25%
% of employees who used Volunteer Time Off	18%	22%	4%





## II: ESG CONSOLIDATED DATA SHEET

In 2024, we expanded our Scope 3 reporting inventory to include purchased goods and services (including capital goods) and employee commuting.

- 13. Increases in Scope 1 & 2 categories are largely due to our workforce returning to the office and our expanded office footprint.
- 14. We expanded our Scope 3 reporting inventory in 2024 to include purchased goods and services (which includes capital goods) and employee commuting, therefore year over year percentage increases/decreases for Scope 3 are not meaningful for this reporting year.
- 15. Waste data is only calculated for two corporate offices and all employee-advisor sites were excluded from these calculations.

Environmental Stewardship	2023	2024	% change
<b>Climate Action</b>			
<b>Greenhouse Gas (GHG) Emissions (metric tonnes CO2e)</b>			
<b>Total Scope 1 emissions<sup>13</sup></b>	893	1,468	64%
Natural gas	881	1,465	66%
<ul style="list-style-type: none"> <li>• LPL corporate offices</li> <li>• Employee advisor sites</li> </ul>	660	1,031	56%
Distillate oil (LPL corporate)	9	0	-100%
Mobile combustion	3	3	-
<b>Total Scope 2 emissions (Location-based)</b>	4,110	5,056	23%
LPL corporate offices	3,042	3,132	3%
Employee advisor sites	1,069	1,925	80%
<b>Total Scope 2 emissions (Market-based)</b>	0	0	-
<b>Total Scope 3 emissions (Location-based)<sup>14</sup></b>	6,165	102,793	-
Category 1, purchased goods and services	-	87,392	-
Category 5, waste <sup>15</sup>	58	268	362%
Category 6, business travel	2,525	7,176	184%
<ul style="list-style-type: none"> <li>• Air</li> <li>• Car</li> <li>• Rail</li> </ul>	2,117	7,174	239%
Category 7, employee commuting	-	3,429	-
Category 8, upstream leased assets (data center emissions)	3,583	4,527	26%
Category 8, upstream leased assets (data center emissions)(Market-Based)	3,041	3,134	3%
<b>Total Scope 3 emissions (Market-based)</b>	5,624	101,400	-



II: ESG CONSOLIDATED DATA SHEET

Environmental Stewardship	2023	2024	% change
<b>Climate Action</b>			
<b>Energy</b>			
Total Energy use (eMWh)	30,112	38,283	27%
Total electricity (100% renewable)	14,657	18,653	27%
<ul style="list-style-type: none"> <li>LPL corporate offices (RECs)</li> </ul>	10,486	10,784	3%
<ul style="list-style-type: none"> <li>Employee advisor sites (RECs)</li> </ul>	2,957	5,787	96%
<ul style="list-style-type: none"> <li>San Diego office onsite fuel cells</li> </ul>	1,214	2,082	72%
Total data center electricity	10,585	13,777	30%
<ul style="list-style-type: none"> <li>Grid electricity</li> </ul>	8,732	9,440	8%
<ul style="list-style-type: none"> <li>Renewable electricity</li> </ul>	1,853	4,337	134%
Natural gas	4,835	7,922	64%
Distillate oil	34	0	-100%
Electricity use intensity (MWh/Sq.ft.) (Excluding data centers)	0.0113	0.0138	22%
Natural gas intensity (eMWh/Sq.ft.)	0.0038	0.0057	216%
<b>Water (gallons)</b>			
Amount of water consumed (potable)	3,872,024	5,091,814	32%
<ul style="list-style-type: none"> <li>Amount of water consumed (non-potable)</li> </ul>	2,040,888	2,506,396	23%
<ul style="list-style-type: none"> <li>Amount of wastewater discharged</li> </ul>	1,031,862	1,774,142	72%
<b>Waste (tons)</b>			
Total waste generated	102	1,681	1548%
Hazardous waste	0	0	-
Amount of waste recycled, reused, or composted	48	979	1952%



# III: Task Force on Climate-Related Financial Disclosures (TCFD) Index

LPL utilizes a TCFD Index to enable comparable and useful information for stakeholders regarding how we approach and manage climate risks and opportunities. The following table indicates where readers can find disclosures within LPL’s 2024 Corporate Sustainability Report, CDP Climate Change responses.

Disclosure Item	Recommended Disclosure	Cross-Reference
<b>Governance</b>		
Disclose the organization’s governance around climate-related risks and opportunities.	a. Describe the board’s oversight of climate-related risks and opportunities.	<a href="#">[Environmental Stewardship]; [Climate Action]; [Governance]</a> 2024 CDP Corporate Questionnaire – C4
	b. Describe management’s role in assessing and managing climate-related risks and opportunities.	<a href="#">[Environmental Stewardship]; [Climate Action]; [Governance]</a> 2024 CDP Corporate Questionnaire – C4
<b>Strategy</b>		
	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<a href="#">[Environmental Stewardship]; [Climate Action]; [Strategy]</a> 2024 CDP Corporate Questionnaire – C5
	b. Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.	<a href="#">[Environmental Stewardship]; [Climate Action]; [Strategy]</a> 2024 CDP Corporate Questionnaire – C5
	c. Describe the potential impact of different scenarios, including a 2°C scenario, on the organization’s businesses, strategy, and financial planning.	<a href="#">[Environmental Stewardship]; [Climate Action]; [Strategy]</a> 2024 CDP Corporate Questionnaire – C5
<b>Risk Management</b>		
	a. Describe the organization’s processes for identifying and assessing climate-related risks.	<a href="#">[Environmental Stewardship]; [Climate Action]; [Risk Management]</a> 2024 CDP Corporate Questionnaire – C2, C3
	b. Describe the organization’s processes for managing climate-related risks.	<a href="#">[Environmental Stewardship]; [Climate Action]; [Risk Management]</a> 2024 CDP Corporate Questionnaire – C2, C3
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.	<a href="#">[Environmental Stewardship]; [Climate Action]; [Risk Management]</a> 2024 CDP Corporate Questionnaire – C2, C3
<b>Metrics and Targets</b>		
	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	<a href="#">[Environmental Stewardship]; [Climate Action]; [Metrics and Targets]</a> 2024 CDP Corporate Questionnaire – C7
	b. Disclose scope 1, scope 2, and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks.	<a href="#">[Environmental Stewardship]; [Climate Action]; [Metrics and Targets]</a> 2024 CDP Corporate Questionnaire – C7
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	<a href="#">[Environmental Stewardship]; [Climate Action]; [Metrics and Targets]</a> 2024 CDP Corporate Questionnaire – C7



# IV: GRI Content Index

## Global Reporting Initiative and Sustainable Accounting Standards Board Disclosures

This report covers calendar year 2024 and references the GRI Sustainability Reporting Standards.

While most information is found in this report, other primary sources include our 2024 Annual Report and our LPL Financial Proxy Statement.

Disclosure Number	Description	Location (Report section, URL)
<b>The Organization and Its Reporting Practices</b>		
2-1	Organizational details	LPL Financial Holdings Inc. 4707 Executive Drive, San Diego, CA 92121-3091 See <a href="#">LPL Financial 2024 Form 10-K</a> See locations on the <a href="#">LPL website</a>
2-2	Entities included in the organization's sustainability reporting	<a href="#">Reporting guidelines and content</a> See <a href="#">LPL Financial 2024 Form 10-K</a>
2-3	Reporting period, frequency, and contact point	Reporting Period: January 1, 2024, through December 31, 2024 Frequency of reporting: Annual Report Publication Date: May 1, 2025 Contact Point: <a href="mailto:Leslie.Dunham@lplfinancial.com">Leslie.Dunham@lplfinancial.com</a>
2-5	External assurance	External assurance for this report has not been obtained.
<b>Activities and Workers</b>		
2-6	Activities, value chain, and other business relationships	<a href="#">[About LPL]</a>
2-7	Employees	<a href="#">[Appendix II: ESG Consolidated Data Sheet: People and Culture]</a>
<b>Governance</b>		
2-9	Governance structure and composition	<a href="#">[ESG governance]</a> ; <a href="#">[Appendix I: Governance]</a> See underlying information described within topical sections. For more information, see: <ul style="list-style-type: none"> <li><a href="#">Corporate Governance</a> on the LPL Financial website</li> <li><a href="#">LPL Financial Proxy Statement</a></li> </ul>
2-10	Nomination and selection of the highest governance body	<ul style="list-style-type: none"> <li><a href="#">Corporate Governance</a> on the LPL Financial website</li> <li><a href="#">LPL Financial Proxy Statement</a></li> </ul>
2-11	Chair of the highest governance body	Chairman of the Board, <a href="#">James Putnam</a>
2-12	Role of the highest governance body in overseeing the management of impacts	<a href="#">[ESG governance]</a> ; <a href="#">[Appendix I: Governance]</a> See underlying information described within topical sections. For more information, see: <ul style="list-style-type: none"> <li><a href="#">Corporate Governance</a> on the LPL Financial website</li> <li><a href="#">LPL Financial Proxy Statement</a></li> </ul>





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Disclosure number	Description	Location (Report section, URL)
<b>Governance</b>		
2-13	Delegation of responsibility for managing impacts	<a href="#">[ESG governance]; [Appendix I: Governance]</a> See underlying information described within topical sections. For more information, see: <ul style="list-style-type: none"> <li>• <a href="#">Corporate Governance</a> on the LPL Financial website</li> <li>• <a href="#">LPL Financial Proxy Statement</a></li> </ul>
2-14	Role of the highest governance body in sustainability reporting	Our sustainability report is reviewed by executive management and the board, including the LPL Nominating and Governance Committee, which provides oversight over LPL sustainability efforts.
2-15	Conflicts of interest	<a href="#">[Business Ethics and Compliance]</a> <ul style="list-style-type: none"> <li>• <a href="#">LPL Financial Proxy Statement</a></li> </ul>
2-16	Communication of critical concerns	<a href="#">[ESG governance]; [Appendix I: Governance]</a> See underlying information described within topical sections. For more information, see: <ul style="list-style-type: none"> <li>• <a href="#">Corporate Governance</a> on the LPL Financial website</li> <li>• <a href="#">LPL Financial Proxy Statement</a></li> </ul>
2-17	Collective knowledge of the highest governance body	<a href="#">[ESG governance]; [Appendix I: Governance]</a> See underlying information described within topical sections. For more information, see: <ul style="list-style-type: none"> <li>• <a href="#">Corporate Governance</a> on the LPL Financial website</li> <li>• <a href="#">LPL Financial Proxy Statement</a></li> </ul>
2-18	Evaluation of the performance of the highest governance body	<a href="#">[ESG governance]; [Appendix I: Governance]</a> See underlying information described within topical sections. For more information, see: <ul style="list-style-type: none"> <li>• <a href="#">Corporate Governance</a> on the LPL Financial website</li> <li>• <a href="#">LPL Financial Proxy Statement</a></li> </ul>
2-19	Remuneration policies	<a href="#">LPL Financial Proxy Statement</a>
2-20	Process to determine remuneration	<a href="#">LPL Financial Proxy Statement</a>
2-21	Annual total compensation ratio	<a href="#">LPL Financial Proxy Statement</a>



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Disclosure number	Description	Location (Report section, URL)
<b>Strategy, Policies, and Practices</b>		
2-22	Statement on sustainable development strategy	[Responsible Business]; [People and Culture]; [Societal Impact]; [Appendix I: Governance] See underlying information described within topical sections, including our new sustainability pillars, which outline our strategic focus areas that are most material to LPL's business.
2-23	Policy commitments	[Responsible Business]; [Business Ethics and Compliance]; [Appendix I: Governance: Responsible Business]
2-24	Embedding policy commitments	[Responsible Business]; [Business Ethics and Compliance]; [Appendix I: Governance: Responsible Business]
2-25	Processes to remediate negative impacts	[Responsible Business]; [Business Ethics and Compliance]; [Appendix I: Governance: Responsible Business]
2-26	Mechanisms for seeking advice and raising concerns	[Responsible Business]; [Business Ethics and Compliance]; [Appendix I: Governance: Responsible Business] Additional features of LPL's integrity hotline: <ul style="list-style-type: none"> <li>• Includes a toll-free line and website managed by an independent service provider.</li> <li>• The system provides the reporter a report number that they can use to ask questions, get an update on the report, or answer additional questions anonymously to aid in the investigation.</li> <li>• The anonymous person can interact with an Integrity Ombudsperson through this system.</li> </ul>



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Disclosure number	Description	Location (Report section, URL)
<b>Strategy, Policies, and Practices</b>		
2-27	Compliance with laws and regulations	<p>LPL’s material legal proceedings are disclosed in our <a href="#">LPL Financial 2024 Form 10-K</a></p> <p>Additional notes on compliance:</p> <ul style="list-style-type: none"> <li>• In 2024, LPL had no instances of noncompliance with laws or regulations in the social and environmental area.</li> <li>• The Compliance team measures its effectiveness through Objective Key Results that track progress toward goals and the effectiveness of the compliance function.</li> <li>• A Compliance Alert is sent every month to all advisors informing them of all legal and regulatory compliance-related changes. It includes featured updates, training opportunities, and reminders, effectively serving as an awareness program for updates and changes.</li> <li>• LPL’s program is guided by FINRA rules.</li> </ul>
2-28	Membership associations	<ul style="list-style-type: none"> <li>• SIPC, Securities Industry and Financial Markets Association (the securities industry’s leading trade association)</li> <li>• Insured Retirement Institute</li> <li>• Association of African American Financial Advisors</li> <li>• Association of Corporate Citizenship Professionals</li> <li>• American Securities Association</li> <li>• Catalyst of San Diego and Imperial Counties</li> <li>• Greater Boston Chamber of Commerce</li> <li>• New England Council –regional business association</li> <li>• Charlotte Regional Business Alliance</li> <li>• South Carolina Chamber of Commerce</li> <li>• California State Chamber of Commerce</li> <li>• Florida Securities Dealers Association</li> <li>• Foundation for the Carolinas Charlotte Community Affairs Professionals</li> <li>• Public Affairs Council</li> <li>• Practising Law Institute</li> <li>• Minority Corporate Counsel Association</li> <li>• Nicsa</li> <li>• Latino Corporate Directors Association</li> <li>• Investment Adviser’s Association</li> <li>• Institute for Portfolio Alternatives</li> <li>• Managed Money Institute</li> <li>• LIBRA Insurance Partners</li> <li>• Association for Corporate Citizenship Professionals (ACCP)</li> <li>• Catalyst</li> <li>• Securities Industry Financial Markets Association</li> </ul>
2-29	Approach to stakeholder engagement	<ul style="list-style-type: none"> <li>• <a href="#">[Stakeholder Engagement]</a></li> </ul>



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Disclosure number	Description	Location (Report section, URL)
<b>Material Topics</b>		
3-1	Process to determine material topics	[LPL ESG Materiality Assessment]
3-2	List of material topics	[LPL ESG Materiality Assessment]
<b>Economic Performance</b>		
3-3	Management of material topics	See <a href="#">LPL Financial 2024 Form 10-K</a>
201-1	Direct economic value generated and distributed	[LPL Financial At a Glance]; [Appendix II: ESG Consolidated Data Sheet: LPL’s Business] See <a href="#">LPL Financial 2024 Form 10-K</a>
201-2	Financial implications and other risks and opportunities due to climate change	[Environmental Stewardship]; [Climate Action]; [Risk Management]
201-3	Defined benefit plan obligations and other retirement plans	[Employee benefits]
<b>Anti-corruption</b>		
3-3	Management of material topics	[Business Ethics and compliance]; [Enterprise risk management]; [Appendix I: Governance: Responsible Business]; [Appendix II: ESG Consolidated Data Sheet: Responsible Business] Our Code of Conduct, among other items, includes: <ul style="list-style-type: none"> <li>• LPL’s definition of “bribery,” “corruption,” and “conflicts of interest,” and commitment to minimize these</li> <li>• Guidelines for what is considered acceptable behavior</li> <li>• Explicit prohibition of corruption or payment of bribes of any kind</li> <li>• Operating guidelines that address potential exposure to bribery and corruption are owned by LPL’s various departments but are reviewed during LPL’s annual ABAC Policy review.</li> </ul>
205-1	Operations assessed for risks related to corruption	[Enterprise risk management]; [Managing Bribery, Corruption, and Money Laundering] <ul style="list-style-type: none"> <li>• While LPL does not explicitly perform a risk assessment of bribery and corruption, these risks are considered as part of LPL’s broader Annual Risk Assessment.</li> </ul>





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Disclosure number	Description	Location (Report section, URL)
<b>Material topics</b>		
205-2	Communication and training about anti-corruption policies and procedures	<a href="#">[Business Ethics and Compliance]</a> ; <a href="#">[Appendix I: Governance]</a> ; <a href="#">[Appendix II: ESG Consolidated Data Sheet]</a> Additional notes on ABAC: <ul style="list-style-type: none"> <li>• Every employee and advisor is given a copy of the Code of Conduct at the start of their association with LPL.</li> <li>• An amendment of the Code of Conduct or a waiver of the Code of Conduct for an executive officer can only be made by the LPL Board or a committee thereof.</li> <li>• There is a comprehensive Code of Conduct training course that is offered through LPL University for which employees receive training credit. The Compliance Department monitors completion of the acknowledgment.</li> <li>• 100% of employees and advisors completed annual anti-money laundering training.</li> </ul>
205-3	Confirmed incidents of corruption and actions taken	See <a href="#">LPL Financial 2024 Form 10-K</a> There were no instances of violations of the LPL ABAC Policy by LPL employees in 2024.
<b>Anti-competitive Behavior</b>		
3-3	Management of material topics	<a href="#">[Business Ethics and Compliance]</a>
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<a href="#">[Appendix II: ESG Consolidated Data Sheet: Responsible Business]</a> During 2024, there were no legal or regulatory fines or settlements associated with anti-competitive behavior or violations of anti-trust and monopoly legislation for LPL Financial Holdings.
<b>Materials</b>		
3-3	Management of material topics	<a href="#">[Environmental Stewardship]</a> ; <a href="#">[Appendix I: Governance: Environmental Stewardship]</a>
<b>Energy</b>		
3-3	Management of material topics	<a href="#">[Climate Action]</a> ; <a href="#">[Appendix I: Governance: Environmental Stewardship]</a>
302-1	Energy consumption within the organization	<a href="#">[Climate Action]</a> ; <a href="#">[Appendix II: ESG Consolidated Data Sheet: Environmental Stewardship]</a>
302-3	Energy intensity	<a href="#">[Climate Action]</a> ; <a href="#">[Appendix II: ESG Consolidated Data Sheet: Environmental Stewardship]</a>



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Disclosure number	Description	Location (Report section, URL)
<b>Material Topics</b>		
<b>Water and Effluents</b>		
3-3	Management of material topics	[Operational Sustainability]; [Appendix I: Governance: Environmental Stewardship]
303-3	Water withdrawal	[Operational Sustainability]; [Appendix II: ESG Consolidated Data Sheet: Environmental Stewardship]
303-5	Water consumption	[Operational Sustainability]; [Appendix II: ESG Consolidated Data Sheet: Environmental Stewardship]
<b>Emissions</b>		
3-3	Management of material topics	[Environmental Stewardship]; [Appendix I: Governance: Environmental Stewardship]
305-1	Direct (Scope 1) GHG emissions	[Climate Action]; [Appendix II: ESG Consolidated Data Sheet: Environmental Stewardship]
305-2	Energy indirect (Scope 2) GHG emissions	[Climate Action]; [Appendix II: ESG Consolidated Data Sheet: Environmental Stewardship]
305-3	Other indirect (Scope 3) GHG emissions	[Climate Action]; [Appendix II: ESG Consolidated Data Sheet: Environmental Stewardship]
305-4	GHG emissions intensity	[Climate Action]; [Appendix II: ESG Consolidated Data Sheet: Environmental Stewardship]
<b>Waste</b>		
3-3	Management of material topics	[Operational Sustainability]; [Appendix I: Governance: Environmental Stewardship]
306-3	Waste generated	[Operational Sustainability]; [Appendix II: ESG Consolidated Data Sheet: Environmental Stewardship]
306-4	Waste diverted from disposal	[Operational Sustainability]; [Appendix II: ESG Consolidated Data Sheet: Environmental Stewardship]



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Disclosure number	Description	Location (Report section, URL)
<b>Material Topics</b>		
<b>Employment</b>		
3-3	Management of material topics	[People and Culture]; [Appendix I: Governance: People and Culture]
401-1	New employee hires and employee turnover	[Appendix II: ESG Consolidated Data Sheet: People and Culture]
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	[Employee Benefits]; [Appendix II: ESG Consolidated Data Sheet: People and Culture]
401-3	Parental leave	[Employee Benefits]; [Appendix II: ESG Consolidated Data Sheet: People and Culture]
<b>Training and Education</b>		
3-3	Management of material topics	[Employee Training and Professional Development]; [Advisor Training and Professional Development]; [Appendix I: Governance: People and Culture]
401-1	Average hours of training per year per employee	[Employee Training and Professional Development]; [Advisor Training and Professional Development]; [Appendix II: ESG Consolidated Data Sheet: People and Culture]
401-2	Programs for upgrading employee skills and transition assistance programs	[Employee Training and Professional Development]; [Advisor Training and Professional Development]
401-3	Percentage of employees receiving regular performance and career development reviews	[Employee Training and Professional Development]; [Advisor Training and Professional Development]; [Appendix II: ESG Consolidated Data Sheet: People and Culture]
<b>Diversity and Equal Opportunity</b>		
3-3	Management of material topics	[Culture and Inclusion]; [Appendix I: Governance: People and Culture]
405-1	Diversity of governance bodies and employees	[ESG governance]; [Appendix I: Governance: People and Culture]; [Appendix II: ESG Consolidated Data Sheet: People and Culture]



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Disclosure number	Description	Location (Report section, URL)
<b>Material Topics</b>		
<b>Non-discrimination</b>		
3-3	Management of material topics	<a href="#">[Business Ethics and Compliance]</a> ; <a href="#">[Appendix I: Governance: Responsible Business]</a> LPL has several teams and channels in place to respond to and address claims of discriminatory or unfair practices reported by employees, advisors, and other third parties. These include the Integrity Hotline and Legal department. LPL analyzes all complaints annually to identify trends and areas of concern and presents them to the board. The board’s feedback is incorporated in the development and/or alteration of existing policies, practices, and training. In addition to our Integrity Hotline, policies pertaining to fair labor practices can be found in our <a href="#">Human Rights Statement of Principles</a> .
406-1	Incidents of discrimination and corrective actions taken	In 2024, we had no substantiated instances of illegal discrimination in our workforce and workplace.
<b>Local Communities</b>		
3-3	Management of material topics	<a href="#">[Responsible Sourcing]</a> ; <a href="#">[Appendix I: Governance: Responsible Business]</a>
<b>Supplier Social Assessment</b>		
3-3	Management of material topics	<a href="#">[Responsible Sourcing]</a> ; <a href="#">[Appendix I: Governance: Responsible Business]</a>
414-1	New suppliers that were screened using social criteria	<a href="#">[Responsible Sourcing]</a> ; <a href="#">[Appendix II: ESG Consolidated Data Sheet: Responsible Business]</a>
<b>Public Policy</b>		
3-3	Management of material topics	<a href="#">[Government Relations: Public policy and advocacy]</a> ; <a href="#">[Appendix I: Governance: Responsible Business]</a> Members of the PAC Board of Directors are approved by LPL’s chief legal officer and are responsible for approving the PAC budget, recipients, and overall strategy. The LPL PAC undergoes an audit using outside counsel after every Congress (every two years) to confirm the PAC complies with relevant regulation and is benchmarked against other corporate PACs. The Government Relations team assesses effectiveness using the following metrics: <ul style="list-style-type: none"> <li>• PAC dollars raised</li> <li>• PAC dollars spent</li> <li>• Number of comment letters submitted</li> <li>• Number of white papers created</li> </ul> These figures are reported in our <a href="#">Annual PAC report</a> .





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Disclosure number	Description	Location (Report section, URL)
<b>Material Topics</b>		
<b>Public Policy</b>		
415-1	Political contributions	[Government Relations: Public policy and advocacy]; [Appendix II: ESG Consolidated Data Sheet: Responsible Business]
<b>Marketing and Labeling</b>		
3-3	Management of material topics	[Product Risk]; [Sustainable investing]; [Appendix I: Governance: Responsible Business]; [Appendix I: Governance: Societal Impact]
417-3	Incidents of noncompliance concerning marketing communications	See <a href="#">LPL Financial 2024 Form 10-K</a> for a summary of LPL’s material legal proceedings
<b>Customer Privacy</b>		
3-3	Management of material topics	[Cybersecurity and Data Privacy]; [Appendix I: Governance: Responsible Business] Human rights are respected through LPL’s commitment to disclose how we collect, use, and share information covered in our Privacy Policy and HR policies. We provide processes for individuals to assert their personal rights as required by state law, such as California Consumer Privacy Act compliance. LPL uses the following core metrics to measure the performance of LPL’s cybersecurity and data privacy program: <ul style="list-style-type: none"> <li>• Risk assessment metrics</li> <li>• Regulatory report card metrics</li> <li>• Privacy metrics – incidents, data subject access reports, and privacy choices</li> </ul>
418-1	Substantiated complaints concerning breaches of customer privacy and loss of customer data	See <a href="#">LPL Financial 2024 Form 10-K</a> for a summary of LPL’s material legal proceedings



# SASB Content Index

We have included the disclosures below related to the three sectors that are most closely aligned to our mix of businesses: Asset Management and Custody Activities, Consumer Finance, and Investment Banking and Brokerage. Disclosures that appeared in more than one of these sector standards are included once. Unless otherwise noted, all data and descriptions apply to our entire firm for the 2024 calendar year. We do not currently disclose all metrics included in the standards for these three sectors, though we will continue to evaluate them in the future. The table below shows where you can find the information throughout the report.

Disclosure Topic	Disclosure Number	Disclosure Accounting Metric	Location (Report section, URL)
<b>Asset Management and Custody Activities, and Investment Banking and Brokerage</b>			
Transparent information and fair advice for customers	FN-AC-270a.1	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	See <a href="#">LPL Financial 2024 Form 10-K</a> for a summary of LPL's material legal proceedings
	FN-AC-270a.2	Total amount of monetary loss as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers	See <a href="#">LPL Financial 2024 Form 10-K</a> for a summary of LPL's material legal proceedings
	FN-AC-270a.3	Description of approach to informing customers about products and services	<a href="#">[Product Risk]</a> ; <a href="#">[Appendix I: Governance: Responsible Business]</a>
Employee diversity and inclusion	FN-AC-330a.1 FN-IB-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	<a href="#">[Appendix II: ESG Consolidated Data Sheet: People and Culture]</a>
Incorporation of environmental, social, and governance factors in investment management and advisory	FN-AC-410a.1	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability-themed investing, and (3) screening	<a href="#">[Sustainable Investing]</a> ; <a href="#">[Appendix II: ESG Consolidated Data Sheet: Societal Impact]</a>
	FN-AC-410a.2 FN-IB-410a.3	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	<a href="#">[Sustainable investing]</a> ; <a href="#">[Appendix I: Governance: Societal Impact]</a>
	FN-AC-410a.3	Description of proxy voting and investee engagement policies and procedures	LPL uses third-party investment managers to vote on investee companies' proxies. LPL Research will monitor Recommended Manager's proxy voting activities to validate and verify these third-party investment managers' proxy voting activities.



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Disclosure Topic	Disclosure Number	Disclosure Accounting Metric	Location (Report section, URL)
<b>Asset Management and Custody Activities, and Investment Banking and Brokerage</b>			
Business ethics	FN-AC-270a.1	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	See <a href="#">LPL Financial 2024 Form 10-K</a> for a summary of LPL's material legal proceedings
	FN-AC-270a.2	Total amount of monetary loss as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers	See <a href="#">LPL Financial 2024 Form 10-K</a> for a summary of LPL's material legal proceedings
	FN-AC-270a.3	Description of approach to informing customers about products and services	<a href="#">[Product Risk]</a> ; <a href="#">[Appendix I: Governance: Responsible Business]</a>
<b>Consumer Finance</b>			
Customer privacy	FN-CF-220a.1	Number of account holders whose information is used for secondary purposes	Refer to our Privacy Policy and Privacy Notice found on our website and our <a href="#">LPL Financial 2024 Form 10-K</a> and <a href="#">Annual Report</a> for detail on data security risks.
	FN-CF-220a.2	Total amount of monetary loss as a result of legal proceedings associated with customer privacy	4 Please see our <a href="#">LPL Financial 2024 Form 10-K</a> and <a href="#">Annual Report</a> for more information.
Data security	FN-CF-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	1. There were no material data security incidents that required breach notifications. 2. N/A 3. N/A
	FN-CF-230a.3	Description of approach to identifying and addressing data security risks	<a href="#">[Cybersecurity and Data Privacy]</a> ; <a href="#">[Appendix I: Governance: Responsible Business]</a>
Selling practices	FN-CF-270a.5	Total amount of monetary loss as a result of legal proceedings associated with selling and servicing of products	See <a href="#">LPL Financial 2024 Form 10-K</a> for a summary of LPL's material legal proceedings.



SASB CONTENT INDEX

Disclosure Topic	Disclosure Number	Disclosure Accounting Metric	Location (Report section, URL)
<b>Investment Banking &amp; Brokerage</b>			
Incorporation of environmental, social, and governance factors in investment banking & brokerage activities	FN-IB-410a.2	(1) Number and (2) total value of investments and loans incorporating integration of environmental, social, and governance (ESG) factors, by industry	<a href="#">[Sustainable Investing]</a> ; <a href="#">[Appendix II: ESG Consolidated Data Sheet: Societal Impact]</a>
Professional integrity	FN-IB-510b.2	Number of mediation and arbitration cases associated with professional integrity, including duty of care, by party	See <a href="#">LPL Financial 2024 Form 10-K</a> for a summary of LPL's material legal proceedings
	FN-IB-510b.3	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	See <a href="#">LPL Financial 2024 Form 10-K</a> for a summary of LPL's material legal proceedings
	FN-IB-510b.4	Description of approach to ensuring professional integrity, including duty of care	<p><a href="#">[Business Ethics and Compliance]</a>; <a href="#">[Appendix I: Governance: Responsible Business]</a></p> <p>LPL updates its Code of Ethics annually and distributes it to all investment advisors and employees. Additionally, all new employees and Investment advisory representatives must attest to the Code of Ethics at the time of hire.</p> <p>LPL has multiple avenues to measure effectiveness:</p> <ul style="list-style-type: none"> <li>Stakeholder engagement and employee feedback post-training (mostly anecdotal, but also observed through comments on LPL@Work article and summaries/engagement from executives)</li> <li>Annual training completion</li> <li>Advisor Business Conduct Committee metrics around Code of Conduct escalations/terminations</li> </ul>



# Disclaimer

Statements in this sustainability report and LPL Financial Holdings Inc.'s website regarding the company's ESG initiatives and future operating results, outlook, growth, plans, and business strategies, including statements regarding projected savings and anticipated improvements to the company's operating model, service offerings, technologies, and ESG metrics as a result of its initiatives and programs, as well as any other statements that are not related to present facts or current conditions or that are not purely historical, constitute forward-looking statements. These forward-looking statements are based on the company's historical performance and its plans, estimates, and expectations as of December 31, 2024. Forward-looking statements are not guarantees that the future results, plans, intentions, or expectations expressed or implied by the company will be achieved. Matters subject to forward-looking statements involve known and unknown risks and uncertainties, including economic, legislative, regulatory, competitive, and other factors, which may cause actual financial or operating results, levels of activity, or the timing of events to be materially different than those expressed or implied by forward-looking statements. Important factors that could cause or contribute to such differences include execution of the company's plans and its success in realizing the benefits expected to result from its initiatives and programs, including its customer service and technology initiatives, and the other factors set forth in Part I, "Item 1A. Risk Factors" in the Company's 2024 Annual Report on Form 10-K, as may be amended or updated in the company's Quarterly Reports on Form 10-Q or other filings with the SEC. Except as required by law, the company specifically disclaims any obligation to update any forward-looking statements as a result of developments occurring after the release of this report, even if its estimates change, and you should not rely on statements contained herein as representing the company's views as of any date subsequent to the date of this report.

This material has been prepared by LPL Financial LLC.

**Securities and advisory services offered through LPL Financial LLC ("LPL Financial") or LPL Enterprise, LLC, both registered investment advisors and broker-dealers Members FINRA/SIPC.** Insurance products are offered through LPL Financial or its licensed affiliates. To the extent you are receiving investment advice from a separately registered independent investment advisor that is not an LPL Financial affiliate, please note LPL Financial makes no representation with respect to such entity.

Not Insured by FDIC/NCUA or Any Other Government Agency	Not Bank/Credit Union Guaranteed	Not Bank/Credit Union Deposits or Obligations	May Lose Value
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