

## Trayport Limited (The Company) Section 172 Statement

### Introduction

Section 172 of the Companies Act 2006 (the Act) sets out the general duty of directors of a company to promote the success of the company. Section 172 of the Companies Act 2006 (the Act) provides that a director must act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. In so doing, the director must have regard (among other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the company.

The purpose of this section 172 statement is to describe how the directors of the Company have had regard to these matters when performing their duty in the year to 31 December 2019.

### Stakeholders

The Company has identified the following as its key stakeholders:

- Clients
- Suppliers
- Employees
- Community and environment
- Shareholders

The tables below outline the methods used to engage with stakeholders and the key outcomes impacting the Company's decisions and strategies during the year.

Stakeholder	Form of engagement
<b>Clients</b>	
Our mission is to provide clients with the best possible solutions to enable them to grow in Europe and around the world. We are focused on meeting both their current and future needs. In pursuit of this mission, we place clients at the heart of any process of developing and evolving our products, and we look to partner with them where possible to ensure we continue to deliver on their expectations. A 'Client First' approach is embedded into our decision making and operational execution frameworks.	<p>The President has appointed one of the members of the senior management team (SMT) to have specific responsibility for oversight of customers and to provide regular updates to the President and the broader SMT.</p> <p>The Company has in place feedback mechanisms via a dedicated Client Engagement Team which ensures that the Company puts the client at the centre of our business. This feedback from clients is understood and acted upon and ultimately ensures clients are confident that they are dealing with a business that is sensitive to their current and future requirements. Helping support clients grow as energy trading markets develop is central to our corporate culture.</p>

	<p>The Company holds a number of client forums and events which enable it to hear from clients directly in an environment that encourages debate, discussion and challenge for issues relating to the delivery of good client outcomes.</p> <p>During 2019 the Company also conducted informal and formal client research to allow us to better understand the impact of our propositions.</p> <p>The Risk Committee meets regularly to review risk events that have potential client impact and to ensure action is taken to understand and remedy route causes if required.</p> <p>The President receives regular updates on client satisfaction and any issues which may have arisen.</p> <p>The President reviews and approves material strategic developments to enhance the Company's client propositions.</p> <p>All staff are required to undertake Bribery Act training to ensure their awareness of the requirements of the Act when dealing with Clients.</p>
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**Outcome from engagement**

The Company continued to provide training for all new and existing employees to better understand our markets and clients. This emphasised the importance of having a 'Client First' mentality in our dealings.

Client satisfaction and advocacy measures are incorporated into the Company scorecard and cascade to all employee scorecards.

Client feedback helped to shape proposition development and also broadened distribution routes in 2019 as we expanded our relationship with third party providers.

A number of new features and product enhancement were developed and released directly as a result of client feedback.

Client feedback was considered in the formulation of our growth strategy and three year plan.

Stakeholder	Form of engagement
<b>Suppliers</b>	
The Company's key suppliers play an important role in allowing the business to operate effectively.	<p>The President and senior management team (SMT) monitor material outsourcing arrangements, including any elements that relate to information security.</p> <p>The President regularly receives key supplier updates and through the SMT monitors supplier payment schedules.</p>

	<p>Any new suppliers are subject to a formal due diligence process which includes data and Information Security considerations.</p> <p>Regular meetings are held with key suppliers.</p> <p>All staff are required to undertake Bribery Act training to ensure their awareness of the requirements of the Act when dealing with Suppliers.</p>
<b>Outcome from engagement</b>	
<p>The Company promotes awareness of its policies and monitors compliance with its procurement policy. This policy sets out the standards of ethical, social and environmental conduct expected by the Company.</p> <p>The Company's modern slavery statement is available on its website.</p>	

Stakeholder	Form of engagement
<b>Employees</b>	
<p>Our people power our success. We are a place where talented people never stop learning, work together to make an impact and share in the rewards of our success.</p> <p>The President and senior management team (SMT) are committed to the attraction and retention of key talent in the industry. We place emphasis on encouraging a diverse and inclusive culture. The business promotes equal opportunities throughout the employee life cycle from recruitment and promotion to remuneration and supports flexible and agile working practices.</p> <p>The company recognises that our culture and values underpin the effective delivery of the Company's strategy.</p>	<p>The Company operates an equal opportunities policy which requires equal treatment of staff of all races, age, national origin, ethnicity, gender, sexual appearance, sexual orientation, mental and physical ability.</p> <p>Employee surveys, company meetings and events, dedicated online community showcasing who we are and meetings with various employee groups.</p> <p>The President and SMT hold discussions with a cross-section of team management members at regular meetings and forums.</p> <p>The President regularly meets employees for informal questions and answer sessions.</p> <p>The President receives updates from the Head of People on the culture and engagement of our people.</p> <p>During the year the business conducted a 'Connect with Trayport' employee opinion survey.</p> <p>The President considers the Company's employees to be an important stakeholder and the consideration of</p>

	<p>their interests forms part of the President's discussions and decisions.</p> <p>The President and SMT reviewed the results of the 2019 employee opinion survey, agreed on an action plan to address observations raised and received status reports on progress.</p> <p>We continue to monitor and develop our approach to performance management, to promote a culture of continuous improvement.</p> <p>Ongoing training is provided to all employees to align and embed our culture and values and ensure employees are aware of any obligation that relates to their employment.</p>
<p><b>Outcome from engagement</b></p>	
<p>Consideration of employee feedback helped the President and SMT to formulate employee related elements of the growth strategy and three year plan.</p> <p>Our employee survey showed positive response increases across almost all categories.</p> <p>The Company won recognition as the Ultimate Workplace in FinTech.</p> <p>The Company won a Best Wellbeing Strategy Award.</p> <p>Launched a new employee recognition programme in response to feedback received from our 'Connect with Trayport' survey.</p> <p>Launched a number of initiatives and programmes to help support our team managers develop their leadership skills.</p> <p>Launched a number of new employee benefit programmes.</p>	

Stakeholder	Form of engagement
<p><b>Community and environment</b></p>	
<p>The Company embraces social responsibility, community engagement, environmental sustainability, and supports employees in improving the lives of others and making a difference in its communities.</p> <p>The Company's corporate &amp; social responsibility (CSR) activities encourage employees to get involved in a wide range of charitable activities from supporting a number</p>	<p>The President plays an active role in supporting the CSR programme, and holds regular meetings with the SMT and team managers to discuss progress and plan for future initiatives.</p> <p>The CSR programme includes partnering with charities that align with the Company's values and that are likely to make the maximum</p>

<p>of international, national and local charities to community volunteering.</p> <p>Highlights of our community activities can be found on the Company's website.</p>	<p>positive impact through our community involvement.</p> <p>We also encourage employees to work with charities that they are passionate about with many staff supporting multiple additional charities throughout the year.</p> <p>All employees are actively encouraged to get involved with CSR activities, through regular communication about the Company's CSR work.</p> <p>The Company provides its employees two days of leave over and above their annual leave to help them engage with the initiatives we support.</p> <p>The Company also offers a matching scheme for eligible charity donations.</p> <p>The Company provides data aggregation, execution and algorithmic trading solutions which include the trading of emission allowances and renewable power products.</p>
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**Outcome from engagement**

Held multiple monthly events throughout the year focused around the following four areas: education and mentoring, giving and awareness, socials and festivals and wellbeing and health.

During the year the Company made charitable donations of just over £30K to international charities and charities serving the communities in which the Company operates.

The Company volunteered over 20 employee days to community activity and charitable organisations which align with the Company's corporate and social responsibility pillars.

Stakeholder	Form of engagement
<b>Shareholders</b>	
<p>Trayport Limited is a private limited company in the UK and a wholly-owned subsidiary of TMX Group Limited (TMX Group).</p>	<p>The President as a director of the Company is also a member of the Executive Operating Committee of TMX Group.</p> <p>The President and senior management team have regular meetings with relevant TMX Group counterparts.</p> <p>The President attends all relevant TMX Board and Group meetings and interacts with the TMX Group CEO and other senior TMX Group executives and TMX Board members.</p>

	<p>Members of TMX Group senior leadership team are periodically involved in Company Board and committee meetings.</p> <p>The President provides quarterly and annual updates on strategy, financial performance and operational effectiveness to the TMX Group CEO and Executive Operating Committee.</p>
<p><b>Outcome from engagement</b></p>	
<p>The Company's growth strategy and three year plan was approved by the President and shared with and approved by the TMX Group Board. The plan contains significant new investments, notably in new hiring, in order to further accelerate the execution of our strategy.</p>	

**Approach to decision making and key decisions in the period**

The President with the support of the senior management team (SMT) of the Company is responsible for approving and setting the Company's overall strategy and maintaining oversight of its activities. The President and SMT members have a clear understanding of their respective responsibilities and their accountability for discharging this role.

The Company has adopted a formal governance approach and business approvals framework which prescribes the scope of authority of the Board, President and other members of the SMT.

In addition to this, a number of formal policies and processes exist including those covering human resources, information security, risk management and finance.

During the period, the Company was focused on supporting the growth of our clients and growing both in its core and new markets. In trying to achieve its aims, the Company's key decisions were:

Decision	Impact on stakeholders
<p>Approved the acquisition of Trayport VisoTech GmbH.</p>	<p>As described in the May 2019 Company press release, we finalised the acquisition of Trayport VisoTech GmbH.</p> <p>The acquisition marked a significant step forward for the Company, both in its ability to serve the needs of existing and new clients as markets evolve and in the acceleration of its long-term growth strategy. The acquisition enables the Company to address the increasing market demand for specific intra-day trading tools. Financial and operational diligence showed that the management, values and culture of Trayport VisoTech GmbH would fit well with the group and that the client strategy was closely aligned with our existing ambitions and client strategies.</p> <p>This acquisition also added over 40 additional employees to the Company's group and provided the Company with an additional office location in Europe.</p>
<p>Approved the annual budget and three year plan.</p>	<p>This year's budget and three year growth plan were approved by the Board following a comprehensive review of our strategic priorities and risks to our business.</p> <p>In reaching its approval, the Board also considered the long-term macro trends affecting energy commodity markets, and received input from clients about changing customer needs and our product plans.</p>

	<p>We also reflected on the macro trends and client feedback during the selection, engagement and contractual relationships with our supplier base.</p> <p>The input from our employees was invaluable as we formulated our plans. The President took the opportunity to review and reconfirm the Company's values, including our commitments to investment in training and skills development to support any change programme and our engagement with the community and environment.</p> <p>The approved investment plan allows us to increase headcount across the Company in order to meet the objectives as set out in our three year plan.</p> <p>Our strategy is ambitious but it will continue to position the company to support the growth of our clients, while successfully meeting the needs of our other stakeholder groups.</p> <p>Information on material risks and how we manage these can be found in the Strategic Report of our 2019 accounts.</p>
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