


TMX GROUP LIMITED

2023 REPORT

Pursuant to the
*Fighting Against Forced Labour and Child
Labour in Supply Chains Act*





This annual report is a joint report on behalf of TMX Group Limited (BN 820346716) and TSX Inc. (BN 105255327) for the reporting period commencing January 1st 2023 and ending December 31st 2023. In compliance with the test set out in s. 9, these entities are both deemed reporting entities under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“the Act”) and are collectively referred to as “TMX Group” (or “we”) for the purpose of this report. Accordingly, an annual report is required for TMX Group under s.11 of the Act.

Introduction

TMX Group firmly believes in upholding human rights principles and opposes all forms of modern day slavery and human trafficking. We are committed to preventing adverse impacts of human rights violations in our operations and supply chains.

Over the course of 2023, we have taken steps to put in place a framework to identify, assess, manage and monitor risks of modern slavery within our operations, in alignment with our third-party risk management framework. We developed enhanced due diligence procedures for suppliers of goods and we have raised awareness about the risk of modern slavery amongst our workforce. Building on this progress, we aim to continuously improve our processes and controls to ensure our supply chains are free of slavery and human trafficking.

Our Structure and Operations

TMX Group operates global markets, and builds digital communities and analytic solutions that facilitate the funding, growth and success of businesses, traders and investors. TMX Group's and its subsidiaries' key operations include listing markets, trading markets, clearing facilities, depository services, transfer agency and corporate trust services, technology solutions, index and data products and other services to the global financial community. TMX Group is headquartered in Toronto and operates offices across North America (Montréal, Calgary, Vancouver and New York), as well as in key international markets including London, Singapore and Vienna.

TMX Group Limited is incorporated under the *Business Corporations Act* (Ontario) and is the parent company of several subsidiary companies, including TSX Inc. TMX Group Limited is a publicly listed company and its common shares are traded on the Toronto Stock Exchange.

Our Supply Chain

TMX Group's supply chain primarily comprises IT equipment and infrastructure, cloud services, software services and data provision services. TMX Group also uses professional services such as external consultants, insurance providers, accountants, external legal counsel, as well as suppliers of office furniture and equipment, office supplies, facilities management, and promotional items. The majority of TMX Group's suppliers of goods that are essential for our general operations are located in Canada and the United States.



Goods purchased by TMX Group are generally IT equipment and office supplies, furniture and promotional items, and are largely sourced from Canadian-based suppliers. IT equipment, which represents the majority of our 2023 spend on goods, are sourced from predominantly industry leading companies. TMX Group's suppliers of goods that are based outside Canada represent an insignificant proportion and are generally located in the United States.

Assessment of Modern Slavery Risk

TMX Group's view is that we operate within an industry (financial market infrastructure) where the risk of modern slavery is inherently limited. Given the nature of our business, the number of our goods suppliers, the location of our suppliers and contract value, we believe that the risk of modern slavery within our operations or supply chain is low. Notwithstanding this, TMX Group is firmly committed to monitoring and driving efforts to eradicate modern slavery risks in our operations and our supply chain, in adherence to the requirements of the Act, our stakeholders expectations and as part of our long-term sustainability objectives.

An internal working group assembling personnel from our risk, legal and procurement functions was created with the mandate of developing and delivering a modern slavery framework, consistent with the requirements of the Act. This group first assessed the applicability of the Act to TMX Group and undertook a modern slavery risk assessment of our suppliers. Considering TMX Group primarily provides services and in alignment with the requirements contained in the Act, this risk

assessment focused on our direct suppliers of goods. Factors considered in the risk assessment included: the goods category, the supplier country, the value of goods supplied and whether TMX Group was the importer of record of the goods.

TMX Group consulted modern slavery data and resources published by organizations such as the Walk Free Foundation Global Slavery Index and determined that the majority of our suppliers are based in countries that are at a low risk of modern slavery. That said, we recognize the possibility that their supply chain could include offshore manufacturers in higher risk regions. Consequently, a subset of key goods suppliers, including resellers and suppliers outside Canada, received a communication from TMX Group to provide them with information about the Act, complete with a request to supply information as part of a due diligence process, for the purpose of further refining our risk assessment.

Steps taken

In living out our commitment relative to modern slavery risk, we have implemented a number of appropriate measures to raise awareness amongst our suppliers and our employee base and to ensure compliance with the requirements of the Act.

THIRD PARTY RISK MANAGEMENT POLICY UPDATES

In addition to reviewing our supply chain and conducting an internal risk assessment of forced labour and/or child labour as described in the previous section, we have updated our Third Party Risk and Outsourcing Management (TPROM) Policy, which is applicable to all TMX Group employees and is the overarching policy addressing how we manage risks when entering into any business relationships for the provision of products and services. The TPROM Policy now specifically reflects our stance against all forms of modern day slavery and our commitment to preventing adverse impacts of human rights violations in our operations and supply chains.

SUPPLIER DUE DILIGENCE PROTOCOL

Based on a review of industry best practices, enhancements to our supplier due diligence processes were developed to enable the identification of potential risks or occurrences of forced and/or child labour in our operations and supply chains. This process includes the following components:

- Using a third party to identify sanctions and adverse media coverage which encompasses modern slavery, human trafficking and migrant smuggling.



- Direct communication to targeted suppliers of goods raising awareness about the Act inclusive of a questionnaire to gather information on the supplier's policies and practices with regards to their management of modern slavery risks and compliance with the Act.
- Development of a process for tracking and reviewing responses.

AWARENESS TRAINING AND EDUCATION

Awareness training about the requirements of the Act and the new supplier due diligence process enhancements was provided in priority to employees of the Strategic Procurement group, as they are the primary custodians of third-party suppliers due diligence management, and to TMX Group's senior executives. In order to create awareness about this important topic amongst the global TMX Group employee population, an article was published on our intranet, providing information on the Act, the TPRM Policy amendments and the shared responsibility of all employees in supporting TMX Group's compliance with these requirements.

Next steps

TMX Group will regularly review its policies and procedures to ensure their effectiveness and its ongoing compliance with the Act. It is intended that we will progressively build each year on the work that was accomplished in the year prior.

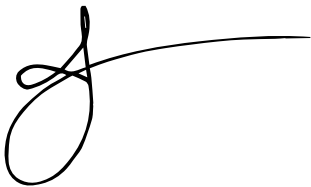
Planned improvements for the coming year include exploring the expansion of training to other employee groups, in a prioritized and calibrated manner that is commensurate with the potential influence of a given employee on goods sourcing decisions. Additional updates to TMX Group's policies and procedures will also be explored in the coming year. In order to support our Board of Directors' role in reviewing and approving the Report, education sessions will be provided, as early as Q1 2024. Components of these sessions may include the requirements of the Act, the risk assessment of our operations and supply chains along with risk management and mitigation actions taken and considered, policy and process updates and staff training.

Approvals

This Report was approved by the Board of directors of each of the TMX Group reporting entities on or about May 3, 2024.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest, in my professional capacity as a member of the Board of Directors of the entities listed above, that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind TMX Group Limited and TSX Inc.

A handwritten signature in black ink, consisting of a large, stylized initial 'J' followed by a long horizontal line extending to the right.

John McKenzie

Chief Executive Officer

TMX Group Limited

May 3, 2024