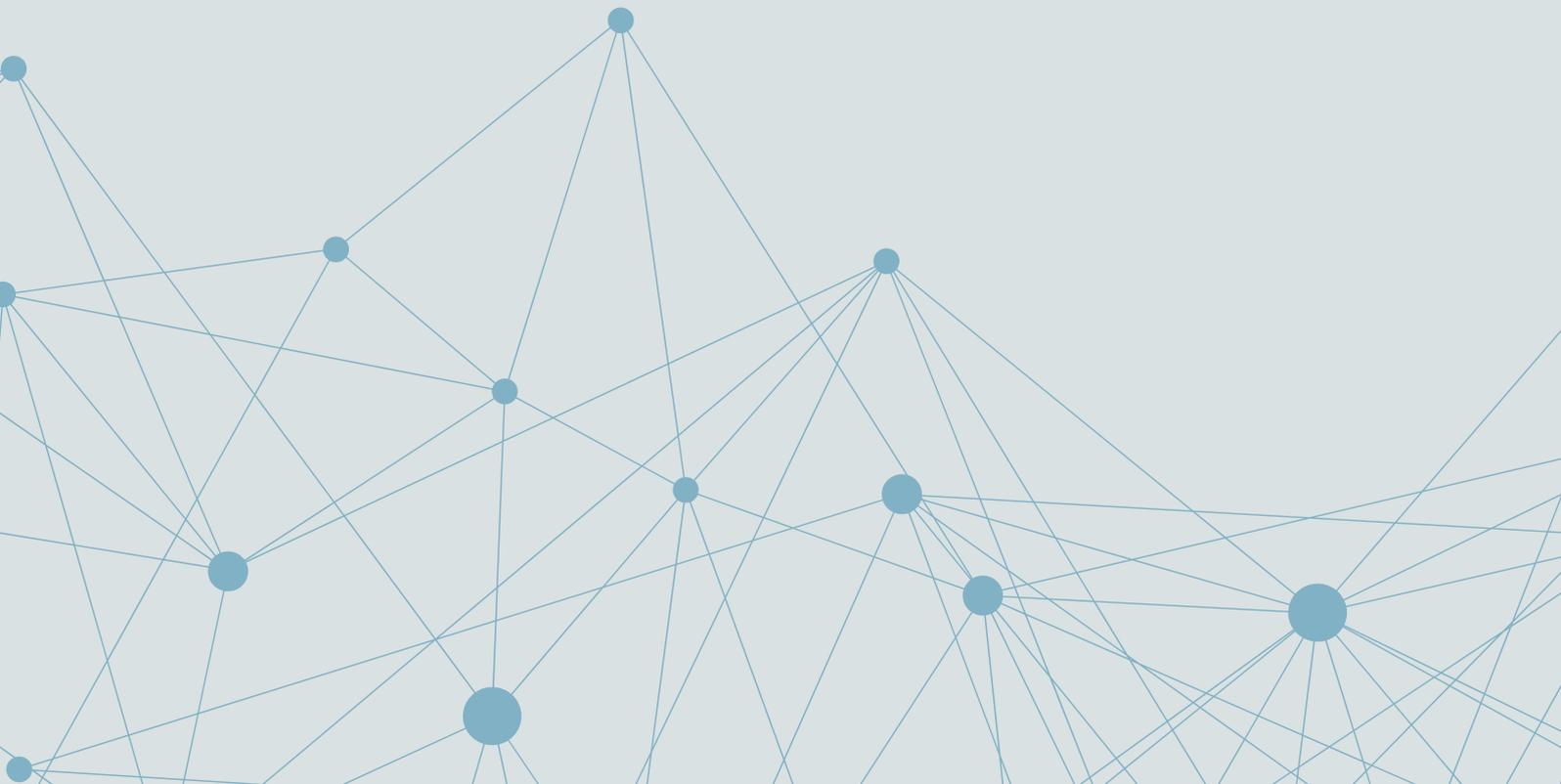


TISE

**The International
Stock Exchange
Group**

Corporate Sustainability Statement

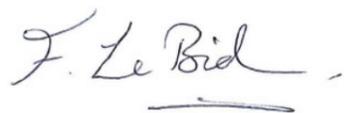


Introduction

TISE provides a responsive and innovative listing and trading facility for companies to raise capital from investors based around the globe. With approximately 3,000 securities and a total market value of more than £350 billion listed on the Exchange, the Group fulfils an important economic role in supporting sustainable growth and providing investors with the appropriate information to make informed decisions.

Along with financial and strategic information, investors now routinely look for environmental, social and governance (ESG) factors to inform their assessment of a company's suitability for investment and capacity to deliver good returns over the long term. This statement provides information on the Group's approach to corporate sustainability and highlights some of the more recent activities we have undertaken in this area.

In line with our values, the Group has adopted a proactive approach to sustainability, integrity and good governance, which is complementary to its strong financial performance. Our business is managed in a progressive and responsible manner enabling it to adapt to meet the changing needs of our investors, issuers, members and other stakeholders during the transition to a low-carbon and sustainable economy. As the ESG landscape matures, we will continue to engage in sustainable finance initiatives and contribute actively to industry-led debates. Looking ahead, we hope to build our activities in the areas where our business can have the most impact in order to create value for the Group over the long term.



Fiona Le Poidevin
Chief Executive Officer

Access to the Capital Markets

The Group provides access to the capital markets for companies operating across a spectrum of environmental and social sectors including education, healthcare, municipal infrastructure, social housing and renewable energy.

As part of our approach to developing and facilitating sustainable finance, the Exchange introduced a market segment called TISE GREEN aimed at raising the profile of green and sustainable investments which create a positive environmental impact alongside a financial return. TISE GREEN has been established to enable those seeking investment into environmentally beneficial initiatives to highlight their green credentials while, at the same time, providing easier access for investors who are looking to allocate towards those investments which have been verified as meeting globally recognised standards in green finance.

During 2019, Faro Energy, which specialises in solar energy projects in Latin America and other emerging markets, had four bonds successfully admitted to TISE's Official List and subsequently approved to enter TISE GREEN. The bonds are certified green bonds under the Climate Bonds Initiative (CBI) Climate Bond Standard & Certification Scheme, with the proceeds intended to be used to finance solar energy projects in Brazil.

TISE has an established record of attracting "world firsts" and we will continue to review opportunities to develop and expand our innovative green and sustainable offering to support issuers and investors with their transition to a low-carbon economy. The absence of accepted standards for impact investment makes the introduction of a complementary social segment impractical at present. As demand for impact investment grows, TISE will continue to monitor the feasibility of a social segment for issuers accredited as generating a positive social impact in addition to a financial return.

The Exchange continues to list securities which are not within the sustainable sector but is mindful of the negative impact of so called 'stranded assets' and equally, the need to appropriately manage the transition to a low carbon and sustainable economy.

Supporting Economic Growth

The Exchange provides opportunities for small and medium size enterprises (SMEs) to access the capital markets with a tailored offering which meets the needs of a growing business. With a proportionate and straightforward approach, and a total cost of listing of approximately one third of the cost of the traditional marketplaces, the Exchange is an ideal 'incubator' allowing business owners to scale up their companies sooner than had previously been possible. This brings broader societal benefits through the creation of jobs and new opportunities in their domestic markets.

During 2019, Likewise Group plc, a Birmingham-headquartered floorcoverings distributor, listed on TISE raising an initial £7m to fund working capital requirements and future acquisitions. Since listing, the Likewise Group has raised a further £8m to undertake M&A activity and there is an active secondary market in the shares.

In addition to supporting business growth and acquisitions, Channel Islands retailer SandpiperCI Group Limited has used its recent TISE listing to raise its profile and enable wider participation in the ownership of the business. SandpiperCI Group trades with 14 national and international Blue-Chip franchise partners, helping to maintain successful high streets in our local communities.

Building Relationships

With a business established since 1998, the Exchange is an important and high-profile constituent of the financial services infrastructure of the Crown Dependencies. We use our unique vantage point to proactively engage with industry and other regulatory bodies to support the development of green and sustainable finance products and initiatives. The Exchange is a key participant in Guernsey's Green Finance strategy which is aimed at establishing the island as a leading global centre for green finance. The Group seeks to promote and raise awareness of green and sustainable finance through articles (in publications such as Ethical Boardroom) and speaking engagements (such as the Guernsey Sustainable Finance Forum; Institute of Directors; and ICSA: The Chartered Governance Institute).

The Group benefits from strong relationships with its key stakeholders and we view these relationships as integral to our long-term success. We seek to engage with all stakeholders in an open and transparent manner. Feedback from issuers and their advisers on our products and services is used to stay informed about market developments, ensuring that we continue to meet the needs of our stakeholders and retain our competitive edge. In addition to bringing listings to the market, the Exchange's member firms provide important feedback on our service levels and help ensure that the Exchange's rules continue to satisfy the commercial needs of our issuers whilst upholding international standards.

As part of our growth and diversification strategy, the Group has made a significant investment in technology with the aim of improving the service experience and becoming more efficient through automation. The launch of the TISE Portal during 2019 was part of this strategy and further enhancements are planned.

Good Governance and Responsible Business

The Group is committed to maintaining high standards of corporate governance and has adopted the Quoted Companies Alliance (QCA) Code of Corporate Governance. Extensive reporting on the Group's governance arrangements is included within the Annual Report, including the Chairman's governance statement; governance framework; composition of the board; appointment, skills and training of the directors; director attendance records and committee reports. Further information about the Group's governance arrangements and a summary of our compliance with the QCA Code can be found on our Investor Relations page.

Investor protection remains at the heart of what we do. The Group has implemented a suite of policies, procedures and controls aimed at protecting market integrity and preventing misuse or abuse. Applicants for the listing of securities are assessed against the Group's risk appetite in areas such as investor protection risk (such as the targeting of vulnerable customers), reputational risk and governance risk (including undisclosed or unmanaged conflicts of interest; egregious expense ratios; inadequate protections/disclosures; and previous regulatory censure or compliance failures).

Our business is conducted in line with applicable laws, regulations, rules and codes and there is a zero-tolerance approach to criminal conduct (including money laundering; tax evasion; terrorist financing; fraud; bribery and corruption; and market abuse). Staff are provided with comprehensive training on our rules, policies and procedures.

Managing our Environmental Impact

Our vision, mission and values are underpinned by a focus on responsible and sustainable business practices. The Group has implemented a range of recycling and energy-efficient policies (such as reduced printing and energy saving light systems) aimed at reducing overall consumption at our offices and minimising the negative impact on our environment.

Where printed marketing materials are required for our events and conferences, we elect to Carbon Capture our paper purchases, mitigating the carbon emissions associated with paper production by funding the creation of native woodland in the UK. Branded products and event giveaways are sourced responsibly and incorporate recyclable packaging.

We will continue to review opportunities to improve our environmental performance and support local environmental causes.

Employment & Development Opportunities

As the only stock exchange in the Crown Dependencies, the Group offers unique career opportunities and employs staff with a diverse range of skills and experience. We are an equal opportunities employer and are committed to ensuring that all staff are treated fairly and with respect. We value diversity throughout the organisation and seek to provide all staff with equal opportunities in respect of recruitment, training, promotion and all other aspects of the employment relationship.

Our success is founded in the quality of our staff. The Group makes a significant investment in staff training and professional development to help individuals progress in their chosen careers. We have an established career development programme for staff which is designed to attract and develop talent. During 2020 we are supporting staff undertaking the CISI Green Finance Certificate, the first benchmark qualification for the green finance sector.

The Group implements employment policies which follow best practice and, in so doing, ensures that staff are supported and protected in all aspects of their employment. We recognise that the wellbeing of staff is crucial to maintaining a positive corporate culture and, to complement our focus on mental wellbeing in the workplace, the Group recently funded training for three members of staff to become accredited Mental Health First Aiders. The Group's staff-led corporate social responsibility (CSR) committee organises further events throughout the year to support employee wellbeing such as Wellbeing Week and Mental Health Awareness Week.

Partnering with our Communities

The Group's CSR programme helps to support and engage with the communities in which our staff live and work. Staff are asked to nominate a local community project or organisation to partner with and provide support through both fundraising and employee volunteering. Our CSR programme has supported a diverse range of charitable initiatives including Help a Guernsey Child, The Children's Centre (IOM), Guernsey Mind, Jersey Scout Association, The Ivy Trust and Les Bourgs Hospice. All funds raised by staff through CSR events are matched by the Group.

In addition to our CSR programme, the Group provides corporate sponsorship for a number of not for profit organisations and community arts and sports events, such as the Guernsey Literary Festival and Guernsey Raiders RFC. In recognition of this, we are pleased to have been amongst the first recipients of the Community Champion Award accredited through ESI Monitor.



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